



CONSENT CALENDAR  
February 28, 2023

To: Honorable Mayor and Members of the City Council  
From: Councilmember Taplin and Councilmember Hahn  
Subject: Support for AB-309: Social Housing.

RECOMMENDATION

Send a letter in support of Assembly Bill 309 to the state legislature.

FINANCIAL IMPLICATIONS

None.

BACKGROUND

Assembly Bill 309 is an updated version of Assembly Bill 2053 (2022) by Assemblymember Alex Lee (D-San Jose): “The Zenovich-Moscone-Chacon Housing and Home Finance Act establishes the Department of Housing and Community Development and the California Housing Finance Agency and sets forth various programs administered by those entities intended to, among other things, provide a comprehensive and balanced approach to the solution of housing problems of the people of this state.” This includes publicly-owned mixed income housing developments with just cause protections and direct involvement in management by residents.

Because social housing is internally cross-subsidized by higher income households (including rents at market rate), it would avoid the problems of concentrated poverty, disinvestment, and lack of operating subsidies that has afflicted public housing throughout the United States in the past. This model is already working successfully elsewhere in the United States, including Montgomery County, Maryland under the supervision of the Housing Opportunity Commission (HOC)<sup>1</sup>, and Sacramento’s CADA agency.<sup>2</sup> The Berkeley City Council previously voted to send a letter of support for AB-2053 in 2022.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

None.

CONTACT PERSON

Councilmember Taplin      Council District 2      510-981-7120

<sup>1</sup> <https://www.hocmc.org/news-archive/775-hoc-breaks-ground-at-900-thayer-in-silver-spring.html>

<sup>2</sup> <https://www.cadanet.org/resources-agendas/fast-facts>

AB-309

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February 28, 2023

**Attachments:**

1: Letter

2: Assembly Bill 309 (January 2023 draft)

The Honorable Alex Lee  
State Capitol  
Sacramento, CA 94249

Dear Assembly member Lee:

The City Council of the City of Berkeley is proud to support Assembly Bill 309: Social Housing. We believe that a state housing agency developing publicly-owned, mixed-income housing with a skilled and trained workforce and maintained by diverse communities of residents offers a promising path toward housing abundance and economic justice. We were proud to support your previous bill, AB-2053, The Social Housing Act of 2022.

On November 9, 2021, the Berkeley City Council unanimously passed a resolution recognizing housing as a human right, as well as committing to a study of social housing models in Berkeley. The City Council has recognized that housing security and fair housing opportunity is a core mandate of the public sector, and that it can learn from other countries with successful public sector housing development models, such as Vienna and Singapore. By establishing a statewide Housing Authority to produce and preserve social housing, your bill could have transformative impacts with regards to expanding housing opportunity and providing sustainable community autonomy for Berkeley residents and residents-to-be.

California currently ranks 49<sup>th</sup> out of all 50 states in new homes built per capita, and roughly one-fifth of the population bears an extraordinary rent burden, paying over half of their income in rent. According to the Public Policy Institute of California, over 800,000 households in the state would have stayed above the poverty line in 2019 if housing costs had remained constant at 2013 levels. While progress is incremental, even minor improvements represent real material gains for our most vulnerable residents. Berkeley and other cities are making substantive efforts to increase housing supply, but we are well aware that neither the private market nor publicly subsidies alone can build us out of a housing shortage that was decades in the making. It will take every available strategy on the table, and the City of Berkeley is heartened by your bold and innovative proposal.

With gratitude,

The Berkeley City Council  
2180 Milvia St  
Berkeley, CA 94704

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

**ASSEMBLY BILL**

**No. 309**

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**Introduced by Assembly Members Lee, Wendy Carrillo, and Kalra**  
**(Coauthors: Assembly Members Bennett, Haney, and Ward)**  
(Coauthors: Senators Allen, Menjivar, and Wiener)

January 26, 2023

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An act to add Section 50103 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 309, as introduced, Lee. Social housing.

The Zenovich-Moscone-Chacon Housing and Home Finance Act establishes the Department of Housing and Community Development and the California Housing Finance Agency and sets forth various programs administered by those entities intended to, among other things, provide a comprehensive and balanced approach to the solution of housing problems of the people of this state. The act sets forth various definitions that govern its construction.

This bill would define “social housing” for purposes of the Zenovich-Moscone-Chacon Housing and Home Finance Act. The bill would make findings and declarations relating to social housing and would state the intent of the Legislature to subsequently further the Social Housing Act to address the shortage of affordable homes by developing housing for people of all income levels, prioritizing low-income households.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) The housing crisis has reached unprecedented and  
4 unacceptable proportions in the State of California, where more  
5 than two in five households spend greater than 30 percent of their  
6 income on housing and more than one in five households spend  
7 greater than 50 percent of their income on housing.

8 (b) The United States Department of Housing and Urban  
9 Development defines cost-burdened families as those who pay  
10 more than 30 percent of their income for housing and may have  
11 difficulty affording necessities such as food, clothing,  
12 transportation, and medical care. Severe rent burden is defined as  
13 paying more than 50 percent of one's income on rent.

14 (c) Housing burden creates severe financial, physical, and  
15 emotional impacts on households.

16 (d) The affordable housing crisis has imposed a significant toll  
17 on the California economy, as overpriced rents depress the  
18 California gross domestic product by approximately 2 percent and  
19 more than 600,000 people leave the state annually in search of  
20 lower rent.

21 (e) Current efforts, while laudable, have proven insufficient in  
22 resolving the state's affordable housing crisis, since 97 percent of  
23 cities and counties have been unable to meet the regional housing  
24 needs assessment targets for very low income, low-income, and  
25 moderate-income housing.

26 (f) With such a great failure to meet the housing needs of  
27 California residents, the state has a duty to act and help localities  
28 fill the gap, by financing publicly owned, affordable housing built  
29 sustainably with union labor, based on the widely successful  
30 Vienna and Singapore models and many other successful models  
31 of mixed-income rental and ownership housing.

32 SEC. 2. Section 50103 is added to the Health and Safety Code,  
33 to read:

34 50103. "Social housing" means any housing with all of the  
35 following characteristics:

36 (a) The housing units are owned by a public entity or a local  
37 housing authority.

1 (b) If a housing unit is in a social housing development, the  
2 development contains housing units that accommodate a mix of  
3 household income ranges, including extremely low income, very  
4 low income, low income, moderate income, and above-moderate  
5 income.

6 (c) Residents of housing units are afforded, at a minimum, all  
7 protections granted to tenants with tenancies in private property  
8 under Section 1946.2 of the Civil Code, including protection  
9 against termination without just cause or for any discriminatory,  
10 retaliatory, or other arbitrary reason, and shall be afforded due  
11 process prior to being subject to eviction procedures, in addition  
12 to other protections provided by this title.

13 (d) Residents of the housing units have the right to participate  
14 directly and meaningfully in decisionmaking affecting the operation  
15 and management of their housing units.

16 (e) The housing units shall be protected for the duration of their  
17 useful life from being sold or transferred to a private for-profit  
18 entity or a public-private partnership.

19 SEC. 3. It is the intent of the Legislature to subsequently amend  
20 this measure to further the Social Housing Act to address the  
21 shortage of affordable homes by developing housing for people  
22 of all income levels, prioritizing low-income households.