

REPORT

DATE: June 16, 2022

TO: Governing Board Delegates and Alternates

FROM: Marisa Creter, Executive Director

RE: **AB 2233 (QUIRK-SILVA & GARCIA) – EXCESS STATE LAND: DEVELOPMENT OF AFFORDABLE HOUSING**

RECOMMENDED ACTION

Adopt resolution 22-37 in support of AB 2233 (Quirk-Silva & Garcia).

BACKGROUND

On February 15, 2022, Assembly members Cristina Garcia and Sharon Quirk-Silva introduced AB 2233, which would require the Department of General Services (DGS) to develop a plan to facilitate development of affordable housing on state-owned excess land (Attachment A). The Bill would require DGS to create, no later than April 30, 2024, a digitized inventory of all excess state land by, among other things, conducting a comprehensive survey of all state-owned property. Additionally, the Bill also requires that DGS, the Department of Housing and Community Development (HCD), and the California Housing Finance Agency (CalHFA) to develop, no later than March 29, 2024, screening tools for prioritizing affordable housing development on excess state land.

This Bill is codifying an Executive Order – Executive Order N-06-19 (EO) – issued on January 15, 2019, by Governor Gavin Newsom to address the shortage of housing in California, issued, which requires DGS and HCD to identify excess state-owned property for affordable housing projects and make designated and appropriate sites available. In March 2022, the State Auditor issued a report on the State’s efforts to re-purpose underutilized State buildings for affordable housing, particularly as more State workers are shifting to a work-from-home schedule and identified several problems with the implementation of the EO. In this audit, the following was identified:

- At current staffing levels, it will take DGS seven more years to offer up the remaining 73 properties identified in the initial analysis;
- Given the expedited nature of the initial review, DGS missed sites that would have been identified using more rigorous search criteria; and
- The EO did not create an ongoing process for reviewing, identifying and disposing of surplus land for the provision of affordable housing.

The following Statewide Affordable Housing Opportunities Sites have already been identified by DGS: [Statewide Affordable Housing Opportunities Sites Map](#). The current inventory includes four properties in the San Gabriel Valley.

REPORT

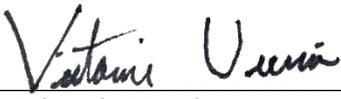
AB 2233 would make the EO permanent and would integrate important fixes identified by the State audit to further the program's impact. This includes the following:

- Identifying improvements and establishing a set of criteria to consistently evaluate state-owned parcels for suitability as affordable housing sites;
- Requiring DGS to establish an ongoing system for identifying and disposing of state surplus property;
- Allows the Department of Transportation to sell surplus property to DGS at less than the property's current fair market value, to the extent permissible, if the property is used for the development of affordable housing.

SGVCOG has long supported legislation that promotes solutions to homelessness. One strategy in addressing homelessness is to increase the supply of affordable housing options. The cost and availability of land has long been a challenge for the development of affordable housing in the State. AB 2233 is an additional strategy to expand the availability of land for additional affordable housing options.

On April 27, 2022, the bill was passed and re-referred to the Committee on Appropriations. On May 23, 2022, after being read a third time, the bill was passed and ordered to the Senate. An assembly floor analysis is included in Attachment B. On June 1, 2022, the bill was referred to the Senate Standing Committee on Governmental Organization and Senate Housing Committee respectively.

At its June 1, 2022, meeting, the Homelessness Committee approved a motion recommending the Governing Board support AB 2233 (Quirk-Silva & Garcia). The Committee also noted the importance of also identifying underutilized state land – including underused parking lots – for affordable housing opportunities. Staff recommends that the Governing Board adopt Resolution 22-37 in support of AB 2233 (Quirk-Silva & Garcia). Resolution 22-37 is provided in Attachment C.

Prepared by: 
Victoria Urenia
Management Analyst

Approved by: 
Marisa Creter
Executive Director

ATTACHMENTS

[Attachment A – Bill Text](#)

[Attachment B – Assembly Floor Analysis Third Reading](#)

[Attachment C – Resolution 22-37](#)