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March 15, 2018

The Honorable Tom Daly
Assembly District 69
State Capitol, Room 3120
Sacramento, CA 95814

RE: Assembly Bill 3194 – Housing Accountability Act - **SUPPORT/HOUSING CREATOR**

Dear Assemblyman Daly,

On behalf of the California Building Industry Association, we thank you for introducing AB 3194 regarding the Housing Accountability Act and are pleased to announce that we have taken a support position on the bill and identified it as a “Housing Creator.” As you know, CBIA has recently instituted its “Housing Killer” and “Housing Creator” lists to be used as tools to highlight bills that will either exacerbate or ameliorate the current housing crisis. We have found that AB 3194, which would close loopholes that undermine the Housing Accountability Act’s applicability and effectiveness, will have a beneficial impact on the condition of housing and it has therefore been deemed a “Housing Creator.”

In order to place bills on either list, we enumerated several criteria with which to judge a bill’s merits as it relates to housing. With regard to AB 3194, we found the following:

- **Will the bill stimulate housing production and supply? YES.** AB 3194 will increase supply by reducing the number of housing projects to be rejected for spurious reasons. Currently, local governments find loopholes in law to avoid extending the protections of the HAA to housing projects. This bill closes two such loopholes – the “health and safety” and “zoning” loopholes. By making it more difficult for local jurisdictions to reject housing projects, this bill will encourage rather than constrain housing production.
- **Will it decrease the cost to build houses? YES.** This bill could decrease the cost to build houses by thwarting disingenuous efforts aimed at halting projects altogether which would save builders both time and money in the approval process. Also, if local jurisdictions do not try to skirt the HAA, builders will not be compelled to sue over such matters.
- **Will it make housing less expensive for Californians? YES.** Increasing supply will help decrease costs.
- **Will it make any of the processes associated with homebuilding such as the entitlement, approval, or permitting processes less complicated, easier, and expeditious? YES.** AB 3194 will make the approval process easier and less complicated.
- **Does it encourage homeownership? YES.** Increasing housing inventory means more people will be able to become homeowners.
- **Does it decrease regulatory barriers? YES.** This bill eliminates artificial barriers created at the local level.
- **Will it discourage unnecessary lawsuits aimed at new home construction? YES.** It will reduce the number of lawsuits as project proponents will not have to sue in order to have the project fall under the protections of the HAA.
- **Does the bill propose to resolve the housing crisis fairly, with an egalitarian distribution of the solution? YES.** The provisions in this bill would benefit all housing types.

AB 3194 builds on the success of your AB 1515 last year. Once again, we appreciate your efforts to address California’s grave housing crisis and look forward to working with you on this and your other housing-related legislation.

With regards,

Erin Guerrero

Erin Guerrero
Vice President, Legislative Affairs