

SB 772 – Investing in Climate Resilient and Affordable Communities

IN BRIEF

Senate Bill 772 modernizes Infill Infrastructure Grant Program Guidelines to prioritize projects that more completely align with the state’s ambitious housing and climate goals.

BACKGROUND

California needs to plan for at least 2.5 million homes by 2030 to begin addressing its housing crisis. Local jurisdictions supporting this goal have streamlined permitting processes and rezoned land, making it easier for developers to build. Yet many parcels remain empty because they lack adequate water lines, sewers, utilities and other facilities to support dense building.

California’s current infrastructure can’t handle the construction needed to reach the state’s ambitious housing and climate goals. The American Society of City Engineers in 2019¹ gave the state a C-minus for infrastructure and found that key facilities showed “significant deficiencies in conditions and functionality, with increasing vulnerability to risk.”

At the same time, extreme weather events driven by climate change are testing the structural integrity of existing facilities.

Infrastructure upgrades will unlock many thousands of underused acres statewide and allow communities to recover more quickly from storms, floods, heatwaves and wildfires.

One key source of funding for such upgrades is the state’s Infill Infrastructure Grant Program (IIG). It was created in 2007 to provide gap funding for infrastructure that supports higher-density affordable and mixed-income housing in locations designated as infill. Eligible improvements under

the program include the development or rehabilitation of parks or open space, water, sewer, or other utility service improvements, streets, roads, parking structures, transit linkages, transit shelters, traffic mitigation features, sidewalks, and streetscape improvements.

Since the last statutory update to the program in 2019, the Legislature has made notable improvements to housing and land use policies. The IIG should be updated to better align this vital funding program with California’s policy priorities.

THE ISSUE

Building more housing near transit, jobs and services has long been recognized as one of California’s top priorities – crucial both to address our severe housing shortage and reduce the greenhouse gas pollution that causes climate change.

The Legislature has made significant reforms to California’s land use policies over the past decade to spur production of affordable and market-rate housing on infill sites. Additional changes are needed to fully unlock the potential of those reforms.

THE SOLUTION

The bill requires the California Department of Housing and Community Development (HCD) to look at a development’s walkability to essential services and businesses when ranking which project to fund. Currently, HCD considers a project’s proximity to a train station or major transit stop but does not allow for consideration of walkable neighborhoods. This not only disadvantages areas that lack these services, but might not be the best climate and housing investment.

¹ American Society of Civil Engineers - Region 9 (2019, May) 2019 REPORT CARD FOR CALIFORNIA’S INFRASTRUCTURE—

https://infrastructurereportcard.org/wp-content/uploads/2018/10/FullReport-CA_050819.pdf

In addition, the bill requires roads funded under through the IIG program to be open and accessible to the public and serve as connectors within the development.

SB 772 further expands the type of projects that can be funded by including nature-based solutions that promote climate adaptation and resilience for new housing. An example of this is a stormwater park, which is a recreational space designed to flood during extreme events. By storing and treating floodwater, a stormwater park can reduce flooding elsewhere and improve water quality.

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