



# SB 827: DOWN BUT MAYBE NOT OUT

BY NICHOLAS SAGE '20

PHOTO CREDIT <https://www.realestateconsulting.com/wp-content/uploads/2016/04/>

Ranked 49th out of the 50 states for housing units per capita, California currently faces one of the greatest housing crises in its history. As housing prices climb, state lawmakers race to develop legislative solutions. Last year California State Senator Scott Wiener introduced Senate Bill 827, which would override many local zoning restrictions on building height and density areas around public transit centers to encourage greater housing density. Drawing passionate praise and criticism not only across California, but from across the country, SB 827 represented one of the boldest attempts to remedy the state's housing crisis. The bill had dramatic implications for the federalism of state and local government and for the economics of real-estate developments. Similarly, while only a single piece of legislation, SB 827 sparked debate that highlighted the various complexities and factions involved in California housing policy reform.

When rolling out SB 827, Sen. Scott cited three justifications for the bill. First, he argued that “the

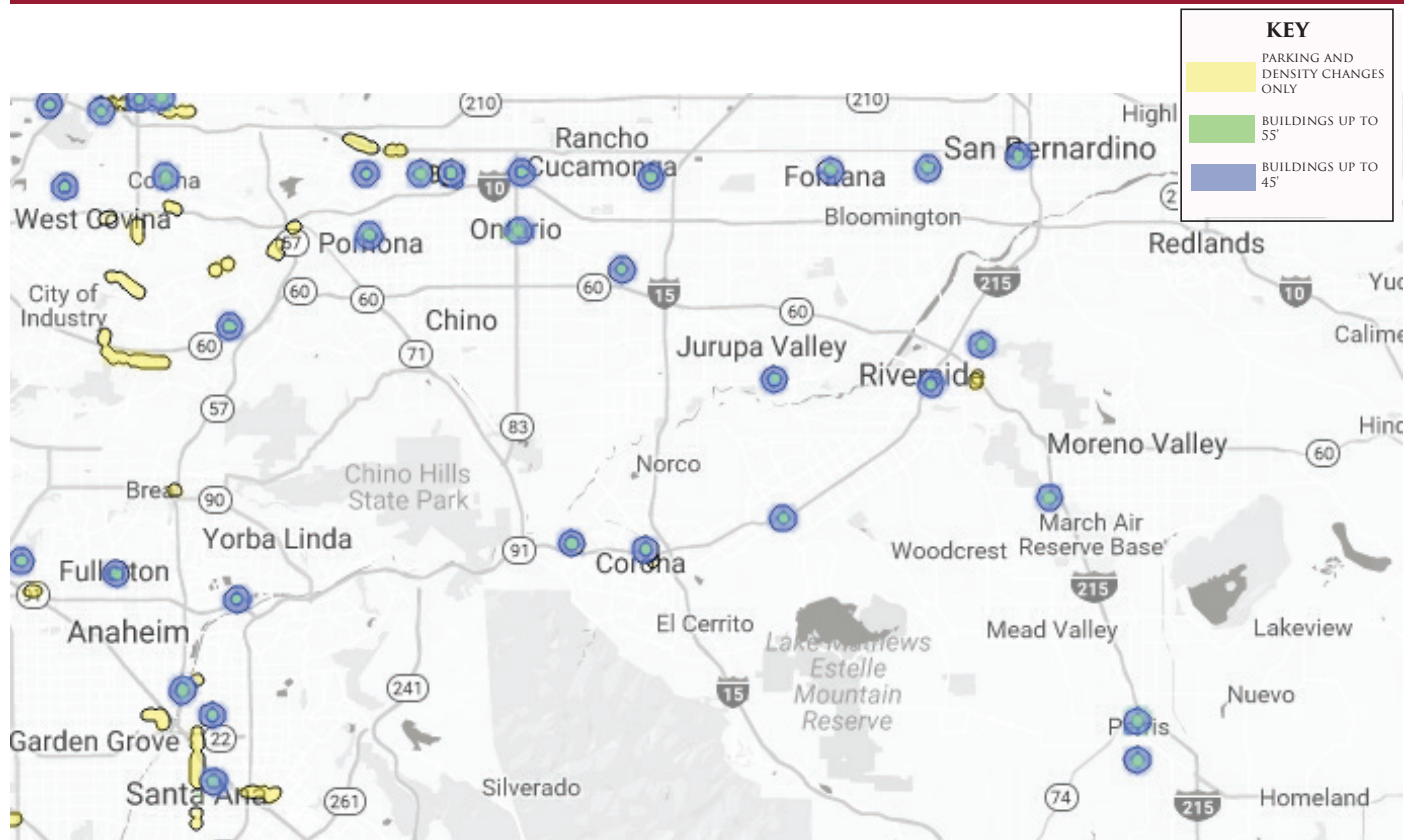
only way to we will make housing more affordable and significantly reduce displacement is to build a lot more housing and to do so in urbanized areas accessible to public transportation.” Second, he claimed that urban sprawl creates a reliance on carbon-emitting cars for commuting, making it difficult to meet the state's sustainability objectives. Third, he noted that long commute times and a lack of housing undermine economic growth in California. The provisions in SB 827 reflected these concerns. Zoning changes in the bill applied to areas within a half-mile radius of a major transit stop, such as a train or ferry terminal, and areas within a quarter mile radius of a “high quality transit corridor”-- defined in the bill as a fixed bus route with average service intervals of 15 minutes or less during peak commuting hours. Specifically, maximum height restrictions on real estate developments would increase to 45, 55, or 85 feet depending on the dimensions of the street. In the same bill, Sen. Wiener sought to eliminate other limits on developers in these transit areas, such as parking requirements and population

density restrictions enforced by local ordinances. The bill had drastic implications for major urban centers like San Francisco, Los Angeles, and San Diego, but its effects were not limited to the coastal urban centers. In the Inland Empire, SB 827 would likely impact neighborhoods in Montclair, Upland, Ontario, Fontana, Jurupa Valley, Rialto, Riverside, San Bernardino, Moreno Valley, and Perris. It represented an attempt to expand state control over housing policy—an issue that generally falls under the jurisdiction of city and county officials.

From its introduction on the floor of the state senate, SB 827 drew many passionate supporters. Dante Ramos of the *The Boston Globe* wrote that “The bill may be the biggest environmental boon, the best job creator, and the greatest strike against inequality that anyone’s proposed in the United States in decades.” A large advocacy group known as California YIMBY—

or ‘Yes in My BackYard’—also came out in support of Sen. Wiener’s legislation. The organization’s founder, Brian Hanlon, argued that the legislation “is radical in the sense that it gets at the root cause of the problem, but it is also eminently reasonable. The type of housing this bill would authorize is how cities used to be built: mid-rise, relatively cheap construction near jobs and transit.” Members of the YIMBY coalition backing SB 827 mostly subscribed to the same economic and environmental reasoning that Wiener used to justify the bill. Additionally, 120 tech and venture capital executives expressed their support for the bill, stating in a joint letter: “The lack of homebuilding in California imperils our ability to hire employees and grow our companies.” Lead proponents of the bill also believed that it would receive support from exurban communities in central California that absorb many of the people displaced by rising housing prices. But SB 827 faced a determined opposition as well.

## TRANSIT RICH HOUSING



Source: What Would SB827 Really Look Like? Visualize Transit-Rich Housing, <https://transitrichhousing.org/>



Among the earliest and most vocal critics of SB 827 were organizations concerned with urban, low-income interests and tenants' rights. Just weeks after Wiener introduced the bill, 37 such organizations concentrated in Los Angeles County issued a joint letter condemning SB 827. They believed that the bill would lead to the destruction of existing affordable housing to make room for new housing developments—displacing the low-income residents who represent 75% of the LA Metro's regular riders. Many local government officials also came out against Wiener's bill, albeit for different reasons. The Los Angeles City Council, for example, unanimously opposed SB 827. While LA City Councilman Paul Korte's described the legislation as "the worst idea I've ever heard," his concerns focused more on the preservation of traditional, single-family neighborhoods rather than on protecting low-income residents. Additionally, Berkeley Mayor Jesse Arreguin opposed the bill, citing its lack of explicit protections against rent-controlled housing demolition as a critical flaw. The widespread resistance from local officials may have also been a

response to state encroachments on municipal zoning policy. Whatever their motivations, the opponents of SB 827 became a serious obstacle for Sen. Wiener and his affiliates.

Undeterred by the push-back, Sen. Wiener claimed he was willing to work with those who opposed his legislation to incorporate their suggestions. SB 827 underwent two rounds of amendments once it arrived in the Committee on Transportation and Housing. Wiener announced the first set of changes in late February, including the addition of explicit protections for locally mandated demolition controls and limitations, rent-controlled housing, and low-income inclusionary housing requirements. A little over a week later, he added an affordable housing mandate on all buildings constructed under SB 827 based on California's Affordable Housing Density Bonus Law. The amendment requires these new developments to make a certain percentage of their units available to low or very low-income tenants depending on the size of the building. Wiener also delayed the



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implementation of the bill to 2021 and added an amendment that would give local government limited power to enforce parking requirements on developers in transit areas. These amendments, however, failed to quell the resistance to SB 827.

Tensions over the bill reached a climax in early April when the two sides turned out to protest outside San Francisco City Hall. The mostly white supporters of the YIMBY movement and of SB 827 shouted down the predominantly people of color speaking against the bill—behavior that was later condemned as disrespectful and unproductive. YIMBY Action, the group that organized the counter protest, later issued a statement apologizing for its conduct, saying, “It was beyond insensitive to chant over speakers from Chinatown, the Mission, the Western Addition, and the Excelsior—all minority neighborhoods facing gentrification and displacement first-hand.” Despite the apology, the incident contributed to an image that pitted young, moderately-wealthy white people in support of SB 827 against low-income minorities opposing the legislation. Even with his amendments, Sen. Wiener failed to overcome this narrative that had plagued his bill from the start. On April 17, the Transportation and Housing Committee voted down SB 827 with four ‘yeas’ and six ‘nays,’ effectively killing the bill.

SB 827 was an ambitious, arguably radical proposal, which is part of why it failed. Wiener and YIMBY advocates, however, believed that only bold actions could remedy California’s housing crisis. Had they worked with low-income community partners to draft the bill, they may have avoided the controversy that sank the legislation. Senator Wiener is not giving up. He has already introduced SB 50—or the More HOMES Act—in the 2019 legislative session, which is largely based on SB 827. This time Wiener is including many of his critics’ demands in the first draft of his bill in hopes of securing passage.

SB 50, for example, includes a provision that requires increased development in wealthier areas to dispel fears that the bill would mostly target low-income areas—a major objection to SB 827. In addition to including the affordable housing mandate amendment

to SB 827, the new bill also postpones development deadlines for transit-areas with communities at higher risk of gentrification, allowing them additional time to develop adequate affordable housing solutions that minimize displacement. SB 50 already has the backing of the YIMBY coalition. Senator Wiener and his associates hope that these additional provisions will quell the unrest among the opponents of SB 827. Nevertheless, SB 50 would still assert state control over many aspects of zoning policy normally reserved for local governments. Wiener and his new bill will still likely face strong resistance from local officials.

Although it did not become law, SB 827 created what housing activist Randy Shaw described as “the biggest public debate ever held in California over urban housing policy.” Capturing the attention of YIMBY advocates, low-income affordable housing interest groups, and state and local government officials, the bill revealed the different factions and positions at play in California housing politics. ♦

*In writing this article, the author drew on reporting by the Los Angeles Times, Vox, The Boston Globe, Berkeleyside, and on press releases from the Office of Senator Scott Wiener.*