



CONSENT CALENDAR
March 22, 2022

To: Honorable Mayor and Members of the City Council
From: Councilmember Taplin
Subject: Support for AB-2053 (Social Housing Act)

RECOMMENDATION

Send a letter in support of Assembly Bill 2053 to the state legislature.

FINANCIAL IMPLICATIONS

None.

BACKGROUND

Assembly Bill 2053 is an updated version of Assembly Bill 387 (2021) by Assemblymember Alex Lee (D-San Jose). The bill would establish the California Housing Authority, a new agency to develop and operate mixed-income social housing throughout the state. The bill defines social housing as publicly backed, self-sustaining housing that accommodates a mix of household income ranges. Social housing is protected from being sold to a private for-profit entity for the duration of its useful life, and residents are granted the same protections as tenants in private property, if not more. Dwelling units would be provided both for leasehold ownership and as rental housing.

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)¹, and Sacramento's CADA agency.²

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, which is currently pending future funding. 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.

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

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

[Title of Report]

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ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

None.

CONTACT PERSON

Councilmember Taplin Council District 2 510-981-7120

Attachments:

1: Letter

The Honorable Alex Lee
State Capitol – Room 2170
P.O. Box 942849
Sacramento, CA 94249-0025

Assembly member Lee:

The City Council of the City of Berkeley is proud to support Assembly Bill 2053, the Social Housing Act. 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.

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 49th 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

