

December 15, 2022

Subject: Council Priority 3 on Housing, Climate, and Equity
Reporting Period: December 2022
Staff Lead: Sean Kennedy, Special Projects Analyst

Recommended Action

Adopt a resolution to elevate and coordinate housing, climate, and equity efforts across Strategic Growth Council and member agency initiatives.

Summary

California is experiencing acute and entwined housing and climate crises, the impacts of which are driving and amplifying widening racial and economic equity gaps across the state. Addressing these challenges requires changing how California builds and connects communities through strategic growth: an inclusive, coordinated, interagency approach to development and conservation that helps protect our health and natural environment and make our communities more resilient, vibrant, and socially diverse.

Establishing Housing, Climate, and Equity as a Council Priority will create a framework for elevating and coordinating the growing number of goals, policies, and programs designed to address the state's entwined housing, climate, and equity crises. Leveraging the Council's position as a public interagency body, Priority 3 will assist in building awareness of and access to opportunities across the state through a combination of public engagement, technical assistance, and coordination across traditional silos of policy and planning. In turn, Priority 3 will help to reduce greenhouse gas emissions and enhance community resilience while advancing equity and expanding the number of Californians that share in the state's economic and environmental wealth.

Background

Context

What, where, and how development occurs has significant impacts on our personal lives, our communities, and our state. Decades of [decentralized growth patterns](#), inadequate supply of housing, and a lack of integrated public transportation option have resulted in sustained increases in vehicle miles traveled (VMT), leading to increased greenhouse gas (GHG) emissions, negative impacts on affordability, air quality, and health, and ultimately more development and reduced carbon sequestration on natural and working lands. The [social determinants of health](#), including affordable, stable, safe, and health-promoting housing, as well as the broader conditions and environments where people are born, live, learn, work, play, worship, and age, affect a wide range of health and quality-of-life outcomes.

Histories of redlining, interstate highway development, and predatory home loans have resulted in historical and continued segregation, reduced wealth, lower rates of homeownership, and higher rates of cost-burdened households for Black, Indigenous, and people of color (BIPOC) communities compared to white populations. As a result, BIPOC and low-income communities are now disproportionately



exposed to [pollution](#) and climate-related impacts such as extreme heat and wildfires. Climate-driven disasters place people who are currently unhoused or in unstable, substandard, or inadequate housing at extreme risk.

While complex in their origins, these issues highlight the importance of housing type, location, and access as critical contributors to climate impacts and resilience. [Various studies](#) have found that compact and mixed-use infill housing can support healthy growth with lower costs, reduced environmental impacts, and increased economic benefits. Access to [climate-resilient, affordable housing](#) is critical to frontline communities across the state as they recover from and prepare for extreme weather. As Californians face the fourth year of [drought](#) and increased fire incidence, protecting natural communities and resources plays a crucial role in supporting human community resilience.

In this context, the relationship between housing, climate change, and equity has become a prominent area of State focus in recent years. The California Budget for 2021-22 and 2022-23 includes [\\$53.9 billion in new climate investments](#), including \$14.8 billion in transportation infrastructure, \$11.2 billion in incentives for housing production, and \$400 million dedicated to enhanced wildfire resilience across California's diverse landscapes. Under the [Statewide Housing Plan](#), California must plan for more than 2.5 million homes over the next eight-year cycle, and no less than one million of those homes must meet the needs of lower-income households. Over the last six years, [sweeping legislation](#) has produced a range of data-informed, innovative strategies to streamline and incentivize various types of housing development, expand the supply of affordable homes, and reduce and prevent homelessness.

Despite these efforts, Californians are [driving more](#) – leading to more pollution, higher costs, and worse day-to-day experiences. [Annual housing production](#) continues to fall far short of the levels required to meet the State's goals, and housing remains unaffordable for millions of Californians. [Local jurisdictions](#) tasked with implementing the State's climate and housing goals lack consistent access to the available support, guidance, targeted funding, and policy tools to implement these actions. Too often, well-made plans remain as plans rather than becoming realities.

Addressing these challenges requires changing how California builds and connects communities while strengthening the social safety net through strategic growth: an inclusive, coordinated, interagency approach to development and conservation that helps protect our health and natural environment and make our communities more resilient, culturally and economically vibrant, and socially diverse, for the benefit of all Californians.

Council Priority 3: Housing, Climate, and Equity

The current groundswell of State action on housing, climate change, and equity presents a unique opportunity to support the needs of all Californians. A coordinated approach to support strategic growth can make it easier for all Californians to afford homes in places with good access to jobs, services, open space, and education; provide a variety of transportation options that reduce the need to drive; and preserve and ensure access to natural and working lands.

Strategic growth requires consistent and coordinated action on land use and transportation strategies at all levels of government in California, including State, regional, and local. State agencies have established several interagency working groups to address intersecting housing, transportation, climate,

and conservation challenges through interagency coordination and collaboration. Building on work conducted to support the Governor's 'Housing as a Climate Strategy,' SGC Staff have coordinated with these groups to explore opportunities for advancing new and existing efforts through a Council Priority.

Council Priorities are designed to focus, above and beyond existing work, on critical ideas that can have a large-scale impact and warrant a whole-of-Council approach. Council Priorities should have the following criteria:

- High impact when scaled and replicated
- Pressing and critical policy importance
- Alignment with the Governor's Office priorities
- Fall within the policy area mandates of SB 732 (2008)
- Benefit from the unique cabinet-level, interagency structure of SGC
- Stem from demonstrated solutions, research, and innovation trialed within the SGC programs or Council Member Agencies portfolio

Coordinating agency activities relating to housing, climate, and equity is a core mandate of the Strategic Growth Council authorizing statute, which directs the Council to identify and review activities of participating agencies that may be coordinated to increase the availability of affordable housing and meet the goals of our state's climate change policies. At the August 2022 Meeting, the Council called for deeper commitments and actions regarding aligning the state's housing, climate, and equity goals to build more sustainable communities. Council Priority 3 represents an opportunity to act on that call by leveraging existing state efforts through public engagement, technical assistance, and interagency coordination.

Through public engagement, Council Priority 3 can help to communicate a shared vision for strategic growth that attends to the relationship between housing and climate change at the building, community, and regional scale. Technical assistance can ensure those tasked with implementing housing-climate-equity efforts – including public, private, and non-profit entities – have the tools and capacity they need to meet their objectives. Interagency coordination can aid in identifying opportunities for policy and program alignment, thus fostering a streamlined approach to meeting the state's housing, climate, and equity objectives.

Next Steps

Having developed a general framework for Council Priority 3, SGC Staff is now developing a two-year action plan that will operationalize the goals of the Priority. The work plan, to be submitted to Council in early 2023, will be comprised of short-, mid-, and long-term actions and objectives, with a focus on four key areas:

1. Evaluating and prioritizing non-budgetary and non-legislative actions to implement existing recommendations including, but not limited to, the Draft 2022 Progress Report on California's Sustainable Communities and Climate Protection Act (SB 150 Report), the California Transportation Assessment Report (AB 285 Report), and the Climate Action Plan for Transportation Infrastructure (CAPTI);



2. Identifying additional tools and strategies to meet the State’s housing, climate, and equity goals in a coordinated way and at the scale and pace necessary to meet the urgency of current and projected needs;
3. Removing barriers through technical assistance and capacity building, continued development of data tools, partnerships with California Native American tribes and local and regional government agencies, and elevating effective strategies and best practices; and
4. Improving coordination between state, local, federal, and tribal partners and sharing information on new and existing efforts.

The work plan will draw on the experience and expertise of three existing interagency groups: 1) The Housing, Transportation, Climate, and Conservation sub-committee of the Housing and Transportation Working Group; 2) the Conservation and Housing Education Group. 3) the Building Decarbonization Working Group. Over the course of the work plan, SGC Staff will coordinate with and across these groups to identify specific plans, policies, programs, and workstreams to be elevated through the Council Priority.

Recommendation

Adopt the Resolution on Housing, Climate, and Equity to elevate and coordinate housing, climate, and equity efforts across Strategic Growth Council and member agency initiatives.

