

## **Resolution to support energy-efficient factory-built housing to meet the State’s housing, climate, and equity goals**

WHEREAS in December 2022, the Strategic Growth Council (“SGC”) unanimously supported its first-ever resolution on Housing, Climate, and Equity (“Council Priority 3”), which declared the intent of the Council to take steps as individual agency members and in Council programs and policies to increase the availability of affordable housing and meet the goals of our state's climate change policies; and

WHEREAS, since that resolution by the Council, Governor Gavin Newsom has taken numerous, significant steps to streamline climate-resilient and otherwise critical infrastructure through budget and legislative initiatives to expedite construction methods, permitting, and judicial review for state and local infrastructure projects, and maximize state competitiveness for federal dollars; and

WHEREAS the statewide housing plans call for California to plan for more than 2,500,000 million homes by 2030, with over 1,000,000 of those homes affordable to lower-income households; and

WHEREAS the California Air Resources Board’s 2022 Scoping Plan aims to reduce greenhouse gas emissions 85% by 2045, including a 48% reduction of greenhouse gasses by 2030, surpassing the statutory mandate to reduce emissions 40% below 1990 levels in 2030; and

WHEREAS building the housing needed to help the state meet its production and affordability goals requires consistent and coordinated action to innovate the design, materials and construction management and governmental incentives and financing of housing projects; and

WHEREAS innovations in factory-built housing (FBH) designed and constructed to California Green Building Standards Code, the first-in-the-nation mandatory green building standards code with goals of energy efficiency, water efficiency and conservation, material conservation and resource efficiency and environmental quality, have demonstrated potential to address the above-mentioned barriers to the state’s housing production and affordability goals while reducing the production-related emissions inherent in residential construction; and

WHEREAS the expansion of factory-built housing manufactures in California is an opportunity to create stable and high-paying job opportunities for Californians; and

WHEREAS the United States government, through the Department of Energy Loan Programs Office (LPO) has been budgeted over \$400 billion to help finance projects that involve, build, utilize, or expand clean energy infrastructure, create jobs, and reduce emissions across the United States; and

WHEREAS the Council has called for deeper, more coordinated commitments and actions regarding the alignment of the state’s housing, climate, and equity efforts to build more sustainable communities at a pace necessary to meet the urgency of current and projected needs; and

NOW, THEREFORE, BE IT RESOLVED, the Council directs the staff of the Strategic Growth Council to coordinate with member agencies and departments of the council, the State Air Resources Board, and other state entities, as needed and beneficial to the State, on the development of a pilot funding program that:

- a) Evaluates the potential of factory-built housing to reduce greenhouse gas emissions; and
- b) Provides funding to support California facility expansion and/or establishment where the expansion would support an increased supply of housing units built in a factory setting; and
- c) The project is eligible for and applying for federal assistance to build, utilize, or expand clean energy infrastructure, create jobs, and reduce emissions.

SGC Resolution 23-02

Adopted by the Council on \_\_\_\_\_, 2023