

SENATE THIRD READING  
SB 561 (Dodd)  
As Amended August 23, 2022  
Majority vote

## SUMMARY

Requires the Department of General Services (DGS), in consultation with the Department of Housing and Community Development (HCD), to develop criteria to evaluate the suitability of state-owned parcels for affordable housing, as specified.

### Major Provisions

- 1) Requires DGS, in consultation with HCD, to develop criteria to evaluate the suitability of state-owned parcels determined or declared excess for affordable housing, as specified, by September 1, 2023.
- 2) Requires DGS, using the criteria developed, to conduct a comprehensive survey of all state-owned parcels by July 1, 2024, and every four years thereafter.
- 3) Specifies DGS must update, upon the conclusion of each comprehensive study, its digitized inventory all state-owned parcels determined or declared in excess of the state's foreseeable needs and suitable for affordable housing development, as specified.

## COMMENTS

Executive Order (EO) N-06-19 requires DGS and HCD to identify excess state-owned property for affordable housing projects, and make designated and appropriate sites available. In doing so, this EO changed DGS' priorities to focus on facilitating the conversion of excess state property to affordable housing. DGS reports it reviewed 44,000 parcels and, as of March 2022, offered 19 properties for affordable housing development, each proceeding through the planning, development or construction phase. These properties will provide approximately 1,700 units of affordable housing.

In March 2022, the California State Auditor (CSA) issued a report on the state's efforts to repurpose underutilized state buildings for affordable housing, particularly as more state workers are shifting to a work-from-home schedule, and identified several problems with the implementation of the EO. Specifically, the CSA found, at current staffing levels, it will take DGS seven more years to offer up the remaining 73 properties identified in the initial analysis; given the expedited nature of the initial review, DGS missed sites that would have been identified using more rigorous search criteria; and the EO did not create an ongoing process for reviewing, identifying and disposing of surplus land for the provision of affordable housing. This bill requires DGS to establish an ongoing system for identifying and disposing of state surplus property.

### According to the Author

### Arguments in Support

None on file.

**Arguments in Opposition**

None on file.

**FISCAL COMMENTS**

According to the Assembly Appropriations Committee:

- 1) DGS estimates General Fund (GF) costs of \$200,000 every four years for consultant support to review all state-owned property and identify parcels potentially viable for affordable housing.
- 2) DGS estimates one-time GF costs of \$250,000, to screen out certain categories of properties, such as lakes and sites in remote areas of the state. DGS anticipates the task of reviewing all state-owned property in 1), above, can be partially automated to reduce workload by automatically screening out certain properties prior to beginning the review.

**VOTES****SENATE FLOOR: 37-0-3**

**YES:** Allen, Archuleta, Atkins, Bates, Becker, Borgeas, Bradford, Cortese, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Grove, Hertzberg, Hueso, Hurtado, Jones, Kamlager, Laird, Leyva, McGuire, Melendez, Min, Newman, Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Umberg, Wieckowski, Wiener, Wilk

**ABS, ABST OR NV:** Caballero, Limón, Stern

**ASM RULES: 7-0-4**

**YES:** Cooley, Waldron, Mike Fong, Gipson, Lee, Maienschein, Mathis

**ABS, ABST OR NV:** Bennett, Flora, Blanca Rubio, Villapudua

**ASM ACCOUNTABILITY AND ADMINISTRATIVE REVIEW: 5-0-2**

**YES:** Petrie-Norris, Gray, Medina, Stone, Wilson

**ABS, ABST OR NV:** Patterson, Lackey

**ASM HOUSING AND COMMUNITY DEVELOPMENT: 6-2-0**

**YES:** Wicks, Carrillo, Gabriel, Kalra, Quirk-Silva, Ward

**NO:** Seyarto, Kiley

**ASM APPROPRIATIONS: 13-3-0**

**YES:** Holden, Bryan, Calderon, Arambula, Davies, Mike Fong, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, McCarty

**NO:** Bigelow, Megan Dahle, Fong

**UPDATED**

VERSION: August 23, 2022

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