

# State Sends a Signal in the Housing Crisis

By PETER C. KREMER

When Gov. Edmund G. Brown Jr. recently signed into law three bills that deal with housing, the signal was loud and clear: If local governments don't take stronger action to provide affordable housing, the state of California will.

California is in the midst of a housing crunch. The demand for affordable housing—under \$125,000—is huge and increasing. But the supply is small and decreasing. The result is high prices going higher.

As individuals, most Californians can shrug their shoulders. That's because every day they can happily recalculate the equity they have in their homes based on the prices quoted in last Sunday's newspaper ads. Sure, they say, affordable housing is a problem—someone else's problem.

But as home builders and real-estate developers, as elected officials and civic leaders, as concerned citizens we must do more than merely shrug our shoulders as we move ahead into the 1980s. We must be concerned about where our children and our parents will live. We must be concerned about the need for employees in our industrial and commercial centers to live close to work and not have to commute from outlying areas. But there must be more to our concern than altruism.

In the 1970s, masses of people—first-time home buyers seeking housing they could afford—were called "the invisible constituency." That term was applied because these people did not live in the city or in the supervisorial district in which they wanted to buy, so they had no political influence.

Things have changed. Today the house-seekers do have political influence—not on the municipal level, but on the state level—as voters in the state of California.

During the 1980s as even more young people enter the period of starting a family, they will constitute a potential voting bloc more outraged, perhaps, than the tax-burdened homeowners of the 1970s who brought us Proposition 13.

The fact that a majority of state legislators understand this was shown conclusively by three bills they passed in the waning days of the last session. The legislators, many of them young themselves, appreciate the predicament of the house-seekers. The upsurge of rent-control legislation as apartments became scarce drove the message home. Housing is now a volatile issue.

Through the three bills, the Legislature and the governor made it clear that the state intends to take a hand in land-use planning and housing production if municipalities do not respond to the need.

One bill requires localities to plan and zone to meet market demand for *all* housing, in *all* price ranges.

Another advises local agencies not to frustrate production of needed housing. It includes requirements to zone enough land for residential use to keep housing production in balance with job-creating development, to meet the population-growth projections of the general plan, and to use traditional regulatory powers to keep housing costs low. It also contains provisions for reducing license processing time.

The third bill improves a plaintiff's ability to challenge slow-growth ordinances that limit the issuance of residential permits on potential building sites, placing the burden of proof on localities adopting such ordinances to show that they are not disrupting the housing market.

These actions by the Legislature suggest that if local governments do not cooperate,

their prerogatives that affect the supply of housing will be revoked and placed in the hands of the state and perhaps the federal governments. It's not hard to imagine what this would do to local planning; perhaps even worse is the specter of local planning and zoning being done by the courts.

With the high cost of developed land, one solution to the problem of the lack of affordable housing is obvious: higher density and smaller units. Such housing can accommodate the economic needs and style of living of first-time home buyers. No city can keep itself an exclusive enclave of low-density, expensive homes.

Private industry, working with local government, can do the job. Already some builders and cities are trying to do their share. But the interest that has been expressed at the state legislative level means that *every* city must accept its share of the task. And every city and county must consider the great number of unhoused persons as its constituency. They shouldn't have to seek representation at the state level.

In recent years, our officeholders have had priorities other than housing. Roads were important. Schools were important. Parks and other amenities were important.

These things are still important. But if we don't move forcefully toward providing both an adequate supply of housing incorporated with high-quality community environment, the state will—and not necessarily the way we'd like. □

*Peter C. Kremer is president of the Irvine Company, developer of the city of Irvine.*