

SB 469 – Removing Barriers to State-Funded Affordable Housing

SENATORS BEN ALLEN & SCOTT WIENER

Fact Sheet

SUMMARY

SB 469 removes a critical barrier to the financing and construction of affordable housing by clarifying that the use of state affordable-housing dollars does not trigger a requirement for voter approval under Article 34 of the California Constitution.

BACKGROUND

As the Los Angeles Times has reported extensively, Article 34 of the California Constitution is an outdated relic of the pre-Civil Rights Era that sought to limit development of affordable housing and to prevent families of color from accessing housing in wealthier white neighborhoods.¹ Adopted by ballot initiative in 1950 following an overtly racist campaign as a backlash to federal funding for public housing, Article 34 requires local voter approval of any “low-rent housing project” that is “developed, constructed, or acquired in any manner by any state public body.”

Article 34 was not intended to cover affordable housing that receives state funding and is developed by private entities such as nonprofit affordable-housing developers. Out of an abundance of caution, the state has required applicants for some funding sources to demonstrate Article 34 compliance before developments may proceed. This adds unnecessary costs, delays, and uncertainty to housing projects.

Article 34 granted the Legislature the power to author laws to implement it – a power the Legislature has exercised numerous times over the ensuing decades. In recent years, as the state has invested in programs administered by the California Department of Housing and Community Development (HCD),

the Legislature has used its authority under Article 34 to make clear that an affordable-housing developer’s receipt of funds from some new programs does not trigger an Article 34 local election. For example, the Legislature has enacted statutory exemptions for the Homekey Program, Housing Accelerator Program, Portfolio Restructuring Program, and Veterans Housing and Homelessness Prevention Program.

SOLUTION

SB 469 maintains this policy of continuity and brings consistency to all state affordable-housing funding programs by clarifying that a housing development that receives a loan or grant from HCD, the Affordable Housing and Sustainable Communities Program, or low-income housing tax credits from the state’s Tax Credit Allocation Committee, is not a low-rent housing project subject to Article 34.

SUPPORT

California Housing Partnership (sponsor)
California Rural Legal Assistance Foundation (sponsor)
Adobe Communities
California Housing Consortium
City of San Jose
EAH Housing
East Bay Housing Organization
East Bay YIMBY
Grow the Richmond
Housing California
How to ADU
Jamboree Housing Corporation
Mercy Housing California
Merritt Community Capital Corporation
MidPen Housing
Mountain View YIMBY
Napa-Solano for Everyone

¹ See for example: Dillon, Liam. “[California Voters to Decide on Repeal of Anti-Public Housing Measure in 2024.](#)” Los Angeles Times, 02 Sept. 2022



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Northern Neighbors
People for Housing – Orange County
Progress Noe Valley
San Diego Housing Federation
San Francisco YIMBY
San Luis Obispo YIMBY
Santa Monica Democratic Club
Santa Rosa YIMBY
South Bay YIMBY
Southern California Association of Non-Profit Housing
Southside Forward
Resources for Community Development
The Santa Monica Democratic Club
Ventura County YIMBY
YIMBY Action

CONTACT

Therresa Austin
Office of Senator Ben Allen
(916) 651-4024
Therresa.Austin@sen.ca.gov

