



American Planning Association  
California Chapter  
Creating Great Communities for All



CLC ✓  
California League of Conservation Voters  
NRDC  
NATURAL RESOURCES  
DEFENSE COUNCIL



May 7, 2021

Re: State Surplus/American Rescue Plan Investment in Infill Infrastructure Grants

Dear Governor Newsom, Speaker Rendon and President pro Tem Atkins:

We represent stakeholders working together to address California's housing supply and affordability crisis while creating sustainable communities. We write to express our strong support for allocating \$500 million to the Infill Infrastructure Grant (IIG) program from the \$14 billion budget surplus the state has accumulated and the \$16 billion the state will receive in federal funds from the American Rescue Plan. We want to underscore the importance of augmenting the \$500 million for the IIG program in the Governor's proposed budget in order to underwrite a critically-needed investment in advancing infill development across the state. Steps such as infill development are essential to our efforts to create more livable and walkable communities, to support affordable housing, and to meet our goals of reducing global warming. Such an investment will also create a significant number of jobs which will assist both the near- and longer-term economic and social recovery from the pandemic.

We are all well aware of the housing crisis we face. Economists note that, in order to catch up to demand, 300,000 to 400,000 new units need to be permitted per year. However, in 2020, only slightly more than 100,000 new housing permits were issued and only about 25,000 new units of affordable housing were permitted. Statewide, the median cost of a home has reached record levels. In the Bay Area, for example, about 1.05 million new units were needed between 2000 and 2018 to maintain affordability for median income households, but only about 300,000 units were produced. Renters are even more cost-burdened than homeowners with about 45% of renters paying more than a third of their household income for shelter. For Los Angeles County, it is estimated that more than 500,000 affordable rental units are needed but, at current building rates, it will take more than 20 years to reach that number.

At the same time, we are all equally aware of the climate crisis we face. While we have taken significant strides to reduce greenhouse gas (GHG) emissions, we also know a daunting challenge remains ahead of us to meet goals such as reducing GHG emissions by 80% from 1990 levels by 2030. Indeed, one area where emissions have actually risen is the transportation sector as more people find they must drive long distances from home to work because of the lack of affordable housing near their employment.

As we endeavor to bring where people live closer to where they work, the absence of essential infrastructure often presents an insurmountable barrier to the successful completion of affordable housing projects where they would be useful and needed. We, therefore, urge the investment of \$500 million in the IIG program to augment the funds requested in the Governor's budget. Such an addition in funding will provide the means to accelerate both providing additional affordable housing in livable and walkable surroundings and help reduce GHG emissions.

We are fully mindful of the economic crisis faced by the state and the acute budget challenges facing you. We are aware of the significant demands you face in trying to meet the concerns and wishes of a broad range of interests. However, now is the time when an investment in the foundational elements of our society is more crucial than ever. We know that providing infrastructure for livable communities and affordable shelter for many Californians in need will yield enormous benefits, both in financial and humanitarian terms and in both the short and long term.

Thank you for your consideration. If you have any comments or questions, please contact Roger Dickinson at [dickinson31@comcast.net](mailto:dickinson31@comcast.net) or (916) 599-2456.

Sincerely,

Denny Zane, Executive Director  
Move LA

Howard Penn, Executive Director  
Planning and Conservation League

Lauren de Valencia y Sanchez, Managing  
Principal  
APA California

Victoria Rome, Director of California  
Government Affairs  
Natural Resources Defense Council

Melissa Romero, Legislative Affairs  
Manager  
California League of Conservation Voters

Meea Kang, Director  
Council of Infill Builders

Cc: Senator Nancy Skinner  
Assemblymember Phil Ting