



Roadmap to Recovery

State and Local Actions Needed to
Address California's Housing Shortage

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The Situation

California now ties Louisiana for the highest poverty rate in the U.S. when accounting for cost of living, driven heavily by the cost of housing. Top-down solutions to California's Housing Crisis have not worked. The State continues to suffer from underproduction, caused by poor public policy. Demand is high and Builders are ready but so far only 17% of the housing production needed in the SCAG region has been achieved this RHNA cycle.

It is our Public Policy that stands as the final roadblock to affordability and the development of the estimated 2.5 million new homes needed by 2030 to alleviate the current housing shortage and improve living conditions for all Californians.

To that end, the following is a list of State and Local actions that can tear down roadblocks and unleash the innovative spirit of those that look to build California's future.

STATE POLICY PRIORITIES

Vehicle Miles Traveled Reform

Fully weaponized under Assembly Bill (AB) 130 of 2025, the established Vehicle Miles Traveled program at the state level undermines funding for needed transportation infrastructure projects and creates a statewide "fund" for low-income housing that undermines production realities

Proposition 45: Building an Affordable California Act

This measure on the November 2026 statewide ballot is aimed at modernizing California's outdated project approval process for essential projects. The measure is designed to deliver housing, transportation, water, schools, clean energy, broadband, hospitals and other critical infrastructure faster and more affordably, while preserving California's strong environmental protections, but will not succeed without your help. Share information on this with your council colleagues and community.



Oppose Inclusionary Zoning

For years, the BIA has advocated against the destructive impacts of Inclusionary Zoning. A recent study from the University of California, Irvine confirms what we have been saying. The typical Inclusionary Ordinance depresses annual housing construction by 31.8%, while each "affordable" unit produced raises costs market-rate renters.

We have seen Bay Area municipalities acknowledge Inclusionary Zoning's harm, but less in Southern California. Making housing production more expensive will not solve our affordability crisis. **To view the UCI study: [Click here](#)**

Reform the California Endangered Species Act (CESA)

Restore reason to the "candidate species" process. Full CESA restrictions are imposed upon award of the "candidate species" title. While caution is needed, the current process kills projects with no scientific backing.

Western Joshua Tree Reform

Similar to CESA reform, the Western Joshua Tree (WJT) has been awarded protections that go well beyond what scientific need has determined. NIMBY-ism in the name of science remains a housing killer.

Senate Bill (SB) 1087: Sustainable Communities Strategy

Reforming the Sustainable Communities Strategy is critically needed work, but SB 1087 is not yet the answer. Stakeholders have rushed to find legislative language solutions but approving a bill that misses the mark could be catastrophic to local development projects. This bill is currently in Assembly Appropriations Committee. We ask you weigh in.

Local Policy Priorities

We urge cities to proactively implement local-based streamlining to increase home construction to achieve their state Regional Housing Needs Allocation (RHNA) requirements.

Examples:

Increase Transparency:

Post a "process" page to the city website creating a check list for all steps and timelines required for new housing construction to be approved.

Three Plan Checks:

Limit total number of scheduled Plan Checks to avoid multiple rounds of revisions that are often conflicting.

Jurisdictional Coordination:

Create a city process to align all utilities and special districts when a development application is submitted.

Roundtable:

Reach out to your local BIA to schedule a "Builder Roundtable" for your Planning Department staff. BIA will provide representatives seeking approvals in your city to share best practices and how we can avoid conflict before it occurs.

Contain Costs

California's average impact fee is **more than triple the national average**, at almost \$60,000.

- As municipal budgets continue to be strained across Southern California, it is critical for local governments to work with the development community to establish fair, predictable and stable Development Fees.
- Both User Fees and Development Impact Fees have significant impact on a project's ability to pencil and predictability is essential when deciding to build.
- Scheduling meetings with BIA staff 9-12 months in advance to discuss the nexus study methodology assumptions.



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