



OFFICE OF THE GOVERNOR

SEP 28 2020

To the Members of the California State Assembly:

I am returning Assembly Bill 69 without my signature.

This bill would establish the Help Homeowners Add New Housing Program within the State Treasurer's Office to finance the construction of Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs) and would require the California Housing Finance Agency (CalHFA) to issue revenue bonds to fund the program.

ADUs and JADUs are a critical tool for increasing the housing supply in California, and access to construction financing remains one of the major hurdles in unlocking their full potential. I was proud to sign three bills last year that built on the state's strongest-in-the-nation ADU streamlining laws.

Access to ADU financing – especially for lower-income California homeowners – is an issue that should be addressed, but the financial structure proposed in this bill would negatively impact affordable housing production, as it could harm CalHFA's credit ratings.

Therefore, I am directing the Business, Consumer Services and Housing Agency to continue departmental efforts to provide increased access to capital markets and opportunities to encourage broader adoption of ADUs and JADUs.

Sincerely,



Gavin Newsom

