

## OFFICE OF THE GOVERNOR

## SEP 1 6 2021

To the Members of the California State Senate:

I am signing Senate Bill 10, a bill that will allow jurisdictions to pass an ordinance to zone any parcel for up to ten residential units if located in transit-rich and urban infill areas. Adoption of the ordinance, or a resolution to amend a general plan consistent with the ordinance, would be exempt from the California Environmental Quality Act (CEQA).

This bill has the potential to increase housing development at a time when the state is experiencing a significant shortage of the units needed to meet the needs of Californians.

While the benefits of this bill are promising, certain provisions may have unintended impacts on affordable housing projects that use density bonuses, as well as possible Fair Housing implications based on how jurisdictions may choose to implement its provisions.

Therefore, I am directing the Department of Housing and Community Development's newly established Housing Accountability Unit to vigilantly monitor the implementation of this bill at the local level, and if needed, work with the Legislature to proactively address any unintended consequences, should they arise.

Sincerely, avin Ne