

CALIFORNIA LEGISLATURE—2025-2026 SIMULATION SESSION

SENATE BILL

[SB 12]

Introduced by Senator Becker

October 1, 2025

LEGISLATIVE COUNSEL'S DIGEST

[SB 12], as introduced, Becker. Housing Affordability

This bill would create the *Community Affordable Housing Pilot Program*, a small-scale grant program to assist local governments and nonprofit developers in expanding affordable housing opportunities, especially through accessory dwelling units (ADUs) and small rehabilitation projects.

The bill would appropriate **\$8,000,000** from the General Fund to fund the program.

Vote: majority Appropriation: Yes Fiscal Committee: yes Local Program: Yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1.

This act shall be known, and may be cited, as the *Community Affordable Housing Pilot Act of 2025*.

SECTION 2. Finding and Declarations

- (a) California must pursue cost-efficient strategies to expand housing opportunities.
- (b) Accessory dwelling units and small-scale rehabilitation projects can deliver affordable housing more quickly and at lower cost.
- (c) A modest state investment can serve as a catalyst for local housing innovation.

SECTION 3. Community Affordable Housing Pilot Program.

(a) The Department of Housing and Community Development (HCD) shall administer the program.

(b) Funds shall be awarded on a competitive basis for:

1. Local government grants to streamline ADU permitting and fee reductions.
2. Nonprofit housing developer grants for small-scale rehabilitation of vacant or underused properties (10–40 units).
3. Technical assistance for rural communities to accelerate affordable housing approvals.
 - (c) Priority shall be given to jurisdictions that commit to matching funds or in-kind support.

SECTION 4.Appropriation

The sum of ~~\$25,000,000~~ \$8,000,000 hereby appropriated from the General Fund to HCD for the purposes of this act.

SECTION 5.

(a) All grantees shall submit annual reports to HCD documenting use of funds and number of affordable units created or rehabilitated.

(b) Any unused funds after three years shall revert to the General Fund.

SECTION 6.

If any provision of this act is held invalid, the remainder shall remain in effect.