

# LEGISLATIVE ALERT

## AB 1751 (Quirk Silva) The Missing Middle Townhome Ownership Act: Expanding Homeownership for Californians

AB 1751 seeks to restore the dream of homeownership for California's working families by streamlining the production of affordable, market rate, high-quality townhomes while ensuring fair, competitive wages for the residential workforce.

**The Problem:** California's housing crisis is driven by a severe shortage of supply, pushing home prices to eight times the median income and leaving middle-class families with few options to own a home.

### Key Pillars

- **Unlocking "Missing Middle" Housing:** By providing ministerial approval and CEQA relief for townhomes, AB 1751 removes the regulatory hurdles that prevent the development of housing priced 30% lower than traditional single-family homes.
- **A Balanced Approach to Wages:** Rather than applying cost-prohibitive prevailing wage standards, as the legislature has imposed for some housing bills, this bill establishes a new \$28-per-hour sector-specific minimum wage – a significant increase from the current \$16.90—to protect workers at the bottom of the ladder without stopping construction. Labor Code section 1720 remains unaltered and housing projects such as affordable housing that receive public subsidies would still be considered “public works,” requiring the payment of prevailing wage, even those that qualify for ministerial approval under AB 1751.
- **Proven Impact on Affordability:** By avoiding the \$83,000-per-unit cost increase associated with traditional prevailing wages, AB 1751 ensures that townhomes remain within reach for dual-income working families earning between 150% and 250% of the Area Median Income.

### The Benefits of Greater Townhome Construction

- **For Families:** AB 1751 moves the needle from "forever renter" to "homeowner," creating stability and wealth-building opportunities for the teachers, nurses, and first responders who are currently priced out of the state.
- **For Workers:** Construction laborers at the bottom of the pay scale receive a substantial pay raise and all workers get enhanced wage enforcement, ensuring that as California builds more, its workforce earns more.
- **For the State:** This bill offers a practical solution to California's housing goals by focusing on the specific "light" residential sector that builds over 90% of our housing, turning legislative intent into actual groundbreakings.

**Call to Action:** Please Support AB 1751 to break the housing gridlock for working families.

