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Housing Supply Finally Takes Center Stage | July 2026

Major federal housing legislation is rare, which is why the recently passed housing bill, the 21st Century ROAD to Housing Act (H.R. 6644), deserves attention. The legislation includes dozens of targeted reforms designed to increase housing supply, encourage new construction, improve disaster recovery programs, expand affordable housing preservation, and reduce certain regulatory barriers that add cost to development. Rather than relying on one sweeping solution, the bill takes a series of practical steps intended to make it easier to build housing across the country.*

As someone who has spent a career acquiring, entitling, and developing real estate, I believe the most important aspect of this legislation is its recognition that housing affordability is fundamentally a supply issue. For years, the conversation has focused primarily on the symptoms of the housing shortage. This bill focuses more directly on the cause: not enough homes are being built.

Several provisions stand out. The bill creates incentives for local governments to increase housing production by tying portions of federal funding to actual building performance. It also reforms manufactured housing regulations, making this lower-cost housing option more flexible and potentially more affordable to build. In addition, it expands programs that help preserve aging affordable housing and establishes a more permanent framework for federal disaster recovery assistance.

For California, these changes matter. Our state has some of the highest housing costs in the nation, driven by years of underbuilding, regulatory complexity, and limited supply. While no federal law can solve those challenges overnight, policies that encourage housing production and reduce unnecessary costs move us in the right direction.

What I find particularly encouraging is the growing bipartisan agreement around the need for more housing. In today's political environment, there are few issues that bring together lawmakers from different perspectives. Housing has increasingly become one of them because affordability impacts families, businesses, employers, and communities alike. I am also encouraged by the bill's efforts to reduce barriers to lower-cost housing options, including manufactured housing. California needs innovation if we are going to close the affordability gap, and more efficient construction methods should be part of the conversation.

One positive outcome of the legislative process was that the final version of the bill did not include provisions that could have restricted build-to-rent (BTR) communities. In my view, that is the right outcome. BTR projects create new housing supply and provide an attractive option for families who want the benefits of a single-family home without the commitment or cost of homeownership. California's housing challenges are too significant to limit viable housing solutions, and BTR communities may continue to play an important role in the housing mix going forward.

That said, I am realistic about what this bill can accomplish. Washington can create incentives and remove barriers, but California's housing future will still be determined largely at the local level. Entitlements, zoning decisions, project approvals, and community support will continue to play a critical role in whether housing gets built.

My takeaway is simple: this legislation represents progress. It signals a growing understanding that a healthy housing market requires more supply, more flexibility, and a willingness to embrace responsible growth. That is a conversation California should continue leading.

Looking Ahead

I remain optimistic about California real estate over the long term. Demand remains strong, developable land remains limited, and policymakers are increasingly focused on addressing the housing shortage. While challenges certainly remain, I believe we are moving toward a more constructive discussion about housing and growth, and that creates opportunities for communities, developers, and investors alike.

Disclosures:

*All data sourced from https://calmatters.org/housing/2026/07/road-housing-california-federal/

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