



ANTONIO VAZQUEZ
MEMBER, THIRD DISTRICT
CALIFORNIA STATE BOARD OF EQUALIZATION

MEMORANDUM

Date: July 8, 2026

To: Sally J. Lieber, Chair
Ted Gaines, Vice Chair
Mike Schaefer, Board Member, Fourth District
Malia M. Cohen, State Controller

From: Antonio Vazquez, Board Member, Third District

Re: July 22, 2026, Board Meeting Item – Proposed Informational Hearing on Property Tax Solutions to Increase California’s Housing Supply by Incentivizing Modular Housing Construction.

Honorable Members,

In December 2025, the State Assembly convened a Select Committee on Housing Construction Innovation, chaired by Assemblymember Buffy Wicks. This Select Committee was tasked with understanding the barriers to the modular housing industry operating at scale in California, as well as the State’s potential role in reducing those barriers. The Select Committee hosted two hearings in January 2026 during which experts and stakeholders provided important testimony as well as suggestions and proposals which could foster the development of the industry.

Following these hearings, the University of California, Berkeley Turner Center for Housing Innovation published a report entitled *Pathways to Scale Innovative Construction 2026*, which summarized the testimony received as well as the proposed solutions.¹ One of the proposed solutions included the possible establishment of a property tax abatement program for modular housing projects. According to the report, this could lower operating costs for projects using modular housing methods, improving overall feasibility while also being relatively low-cost for the State. This proposal, as well as other possible property tax incentives to increase modular housing production, deserves to be examined by the Board.

Therefore, I propose that an informational hearing be tentatively scheduled for a one- to two-hour portion of the August 26, 2026 Board meeting. The purpose of the hearing would be to gather

¹ The Turner Center Report is available at:

<https://turnercenter.berkeley.edu/wp-content/uploads/2026/03/PathwaystoScaleInnovativeConstruction2026.pdf>.

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information from research professionals, experts in this industry, and public officials with relevant knowledge and experience. With this information, the Board would then be able to work with legislators, county assessors, and other officials to assist in meeting any challenges or taking other appropriate action.

Thank you in advance for your consideration of this important matter.

Sincerely,

A handwritten signature in blue ink that reads "Antonio Vazquez". The signature is stylized with a large, flowing "A" and a long, sweeping "z" at the end.

ANTONIO VAZQUEZ, Member
Board of Equalization, 3rd District

Mr. Juan Flores, Chief Deputy, Office of Member Antonio Vazquez
Mr. Douglas Winslow, Chief Deputy, Office of Chair Sally J. Lieber
Mr. Matt Cox, Chief Deputy, Office of Vice Chair Ted Gaines
Mr. Cody Petterson, Chief Deputy, Office of Member Mike Schaefer
Mr. Hasib Emran, Deputy State Controller
Ms. Yvette Stowers, Executive Director