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BEFORE THE CALIFORNIA STATE BOARD OF EQUALIZATION
651 BANNON STREET
SACRAMENTO, CALIFORNIA
STATE BOARD OF EQUALIZATION

JUNE 18TH, 2025

CALIFORNIA STATE BOARD OF EQUALIZATION
BOARD MEETING

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ITEM 8

BOARD MEMBER MATTERS:

MODULAR HOMES FOR AFFORDABLE HOUSING AFTER DISASTERS
INFORMATIONAL HEARING PROPOSAL

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REPORTED BY: Jillian M. Sumner, CSR NO. 13619

1 APPEARANCES

2 For the Board of
3 Equalization:

Honorable Ted Gaines
Chair

4 Honorable Sally J. Lieber
5 Vice Chair

6 Honorable Antonio Vazquez
Third District

7 Honorable Mike Schaefer
Fourth District

8 Hasib Emran
9 Appearing for Malia M. Cohen
10 State Controller
(per Government Code
Section 7.9)

11 For the Board of
12 Equalization Staff:

Yvette Stowers
Executive Director

14 Mary Cichetti
15 Clerk
Board Proceedings and
Support Services

16 Public Speakers: Susie Wong
17 Managing Principal Consultant
ReMo Homes

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STATE BOARD OF EQUALIZATION
651 BANNON STREET, SACRAMENTO
JUNE 18TH, 2025

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ITEM 8

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MR. GAINES: We're going to move on now to
Item 8 on the agenda; Modular Homes for Affordable
Housing after Disasters Informational Hearing Proposal.

And I'd just like to make a few comments on
why I think we ought to hear this, and dig into it, and
have a better understanding.

We've had a number of wildfires in California
that is too long to list. But we've certainly had some
devastating ones in Oakland, Paradise, Napa, Malibu,
Lake Tahoe, Palisades. And certainly there's many, many
more.

The fires are huge stories right now, and
they're happening, and then the coverage moves onto
another subject issue. But the actual stories of these
fires stretch out for years, or even decades, as these
disaster areas struggle to return to normal.

One area where policymakers could help these

1 communities rebuild is speed. Faster rebuilds can help
2 put neighborhoods and cities back on their feet more
3 quickly.

4 Another is affordability. And maybe not
5 everyone has the means to rebuild their home. And so it
6 may be a different type of home that they're rebuilding.
7 Not the identical home that they had prior to the fire.

8 And many of these situations are related to
9 valuation, as we've discussed in another public hearing.

10 And so that's why I'm interested in this idea
11 of options for housing and modular homes as part of that
12 rehabilitation process for fire-ravaged cities and
13 towns.

14 These homes can be mass-produced, using labor
15 that is far away from the damage sites. Meaning that
16 the labor is stable, when everybody is rushing in to
17 rebuild and costs are skyrocketing. They can be
18 assembled quickly and at a discount of conventional
19 construction. And I've heard from 20-to-30 percent
20 reduced cost.

21 And so I think they can hold great promise
22 here in California. And not just -- not just for
23 disasters. Not just for floods or wildfires or
24 earthquakes. But we have a housing crisis in
25 California. And if we could bring down the cost per

1 unit, so that people could have the American dream, and
2 make that dream a reality. And here in California, that
3 would be great.

4 And I know that Member Vazquez has been
5 working on this issue for quite a while. So I spoke to
6 him, and I asked him if we could just do -- wanted to
7 get his input on another Informational Hearing that
8 would just focus on this modular housing aspect. And
9 maybe other options for construction.

10 I read an article about this. And it also
11 talked about some of these 3D homes that are made out of
12 concrete, which would be very helpful in fire
13 situations. And that's assuming the fires don't burn
14 too hot too, because you can destroy the steel that's
15 within that concrete too, and even break down the
16 concrete structure.

17 So I just wanted to bring this forward. I
18 would love to see if we can put this on the agenda in
19 the future, and would love to hear from Member Vazquez
20 on this.

21 MR. VAZQUEZ: Thank you.

22 And I just wanted to thank Chairman Gaines for
23 bringing this issue to my attention and willing to
24 collaborate on the side of moving forward.

25 We've had several Informational Hearings about

1 challenges associated with disaster recovery and
2 affordable housing.

3 A persistent problem is that the construction
4 of new housing units, even those intended to be
5 affordable, are costing anywhere from 700,000 to 800,000
6 a unit. And that's just not sustainable financially for
7 the developers as we're talking to these folks.

8 And it's interesting you mentioned, you know,
9 in the article you shared with me, I don't know if you
10 caught 60 Minutes this last Sunday. They talked about
11 these 3D cement structures they were building. Which
12 saved huge -- it was a huge savings. Because you're not
13 wasting that much lumbar when it's done in 3d. It's a
14 modular.

15 So -- and in this article that you shared with
16 me, I also was interested -- it was interesting to see
17 the, you know, cost savings is a big issue. And that's
18 what I think is holding back a lot of these developers
19 from getting involved with it. While I don't think it's
20 the end all, I think it definitely could be a
21 contributing factor in helping out.

22 So -- and as I looked moving forward, you
23 know, according to the county data on unincorporated
24 areas damaged by these two recent fires, at least in my
25 district, the Eden and the Palisades Fire, over

1 12,000 parcels were destroyed; over 750 rebuilding
2 applications were submitted to the county; and over
3 300 building plan reviews are in the process; and
4 24 building permits have been issued. The average
5 turnaround is roughly 42 business days.

6 As of mid May, we have also seen reports of
7 some houses being rebuilt in the Palisades in Altadena.

8 Despite these efforts, the rebuilding process
9 remains a challenging -- a challenging, and of all
10 options, should be considered to expedite and enable the
11 recovery of these communities.

12 In addition, I think the modular housing
13 proves to be sustainable. There are likely some
14 property tax -- property tax implications that will
15 require the Board involvement.

16 So with that, Member Gaines, I would like to
17 propose that we hold an Informational Hearing possibly
18 at our July 29th meeting, and get some testimony from
19 several of the folks that are in this field of building
20 these modular housing units.

21 And I think we can squeeze it in, you know, as
22 a two, three-hour hearing on the July 29th.

23 MR. GAINES: Mm-hm.

24 MR. VAZQUEZ: And I'll leave that up to you as
25 you look at the agenda with the Executive Director to

1 see if that's doable.

2 MR. GAINES: Wonderful.

3 Yeah. I'd love to hear input from the Board,
4 and I'd love to hear input from our Executive Director.

5 Any other comments?

6 MS. LIEBER: Thank you, Mr. Chair.

7 I do plan to support this being a hearing. I
8 think it's a vital topic for us to grapple with.

9 When we're talking about affordable housing,
10 sometimes we're talking about very large structures.
11 And so I would like to suggest that we have a
12 representative of the State Building and Trades Council
13 here to talk about it.

14 One of the issues that we grappled with when I
15 was in local office was, if we didn't require a
16 prevailing wage on affordable housing projects where
17 we're creating the need for affordable housing projects
18 by having contractors who were not providing a
19 prevailing wage in experienced workers.

20 And now that that may be somewhat of an
21 ameliorated issue, because of fewer undocumented workers
22 being available to work on projects.

23 And so those contractors may come up with the
24 same price that a prevailing wage contractor does,
25 simply because they aren't able to get labor.

1 But I'd like to make sure that when we're
2 talking about larger structures, that we incorporate the
3 building trades, and the -- in -- in the conversation.

4 Because they are the folks that are -- that
5 the state partners with in apprenticeship programs, and
6 getting people into being fully qualified to work on
7 housing in California, and to work on commercial
8 buildings in California.

9 But I think it's a -- it's a very good topic,
10 and very topical right now. And so I do plan to support
11 it.

12 Thank you.

13 MR. GAINES: Great. Wonderful. Thank you.

14 Other comments?

15 Yeah. Deputy Controller.

16 MR. EMRAN: Thank you, Chair Gaines and
17 Member Vazquez, for bringing this forward.

18 It's all part of the hands-on-deck approach to
19 making sure that people are able to rebuild their homes,
20 that they will live in safe and warm places to rest
21 their head at night.

22 The Controller sits as Chair of Franchise Tax
23 Board, alongside Senator Gaines, and we've been seeing
24 the ravage that's happened in the Los Angeles area. And
25 the fact that the tax bill has been extended, but people

1 don't have a home or anywhere. Their documents have
2 been shredded and burned. And it's really, really
3 heartbreaking.

4 And the fact is that as a state, we have to
5 all pull together to make sure that people who have
6 called California home for generations, stay in
7 California. And they all have a place to live.

8 I also wanted to submit this article from the
9 Wall Street Journal. It was published on June 2nd,
10 2025. It's, "The Rush to Take Modular Homes Mainstream
11 in Disaster-Ravaged Areas."

12 I'll send it to the Board clerk to distribute
13 to the Members. But it's a really, really good article
14 that I read in the lead up to our meeting today. And
15 just knowing that it's getting more and more attention,
16 I hope the Board can continue to elevate that
17 conversation.

18 Thank you.

19 MR. GAINES: Yeah. That's great.

20 I believe that's the same article that I read,
21 right?

22 So that's great. And the fact that 60 Minutes
23 is highlighting this issue too is good.

24 And so I just wanted to make sure that we're
25 okay with our Executive Director, in terms of looking to

1 add this onto our July 29th agenda.

2 MS. STOWERS: Good morning still.

3 Yvette Stowers, Executive Director.

4 Yes, we can accommodate this Informational
5 Hearing.

6 We can accommodate it in the morning. It will
7 be the first item on the agenda after the Call to Order,
8 and very brief --

9 MR. GAINES: Awesome.

10 MS. STOWERS: -- opening remarks.

11 MR. GAINES: Wonderful. Okay. All right.
12 Very good.

13 Yeah. Because I think we could knock it down
14 in two, two-and-a-half hours.

15 MR. VAZQUEZ: That'll be the target.

16 MR. GAINES: Yeah. Yeah.

17 So that'll be great. And then we'll have
18 plenty of time to do our business too.

19 Yes.

20 MR. EMRAN: It was going to be a little bit of
21 a surprise, but in July as well, I've asked the CAL FIRE
22 Captain to come present to the Board about wildfire
23 season, and how property owners can protect their lives
24 and homes.

25 So if we can fit that into the agenda, I told

1 them maybe 20-minute presentation.

2 MS. STOWERS: Yes.

3 MR. EMRAN: But he's flexible. He'll come --

4 the Captain will come in the afternoon time if needed.

5 MS. STOWERS: We actually have that

6 tentatively on the agenda as a placeholder to take place

7 in the afternoon.

8 MR. EMRAN: Okay.

9 MS. STOWERS: After the afternoon lunch break.

10 So that it would be quite timely. We'll hear about

11 building, and we'll hear about how to protect.

12 MR. GAINES: Wonderful.

13 MR. EMRAN: Okay. I'll let him know.

14 Thank you.

15 MR. GAINES: Yeah. Good. That's great.

16 Well, thank you. Appreciate that, Members and

17 Executive Director.

18 So I guess we should have a motion, or do we

19 have clarity?

20 Okay. Very good.

21 Member Vazquez.

22 MR. VAZQUEZ: Do you want me to move the

23 motion?

24 MR. GAINES: Yeah. Why don't you --

25 MR. VAZQUEZ: Yeah.

1 I would just move that we reserve a
2 two-to-three hour time period in the morning of the
3 meeting of July 29th, 2025, for this Informational
4 Hearing on modular housing and affordable housing
5 options.

6 MR. GAINES: Great.

7 MR. VAZQUEZ: Because we'll include the
8 building trades --

9 MR. GAINES: Yeah. Yes.

10 MR. VAZQUEZ: -- of course as part of it.

11 MR. GAINES: Yeah. That's fine.

12 Okay. And do we have a second?

13 MR. EMRAN: Second.

14 MR. SCHAEFER: I'll second that.

15 But I'd just like to say, when we have
16 multiple speakers, I hope we can figure 10 minutes here,
17 10 minutes there, to try to be judicious with our time.

18 MR. GAINES: Oh, yeah. We will.

19 Because we're looking at maybe two,
20 two-and-a-half hours.

21 So, yeah. We'll be careful with that.

22 And thank you for --

23 MR. SCHAEFER: Everybody out there is going to
24 want to share with us everything they know. And we're
25 not going to live that long.

1 MR. GAINES: Well, we'll -- we've got an
2 agenda, and it will have a timeline. So I think, you
3 know, we'll try to live by that the best we can.
4 Sometimes we ask a lot of questions, myself
5 included.
6 MR. SCHAEFER: Yeah. Right.
7 MR. GAINES: So --
8 MR. SCHAEFER: I plead guilty.
9 MR. GAINES: All right. Very good.
10 So we have a motion, and we have a second.
11 No written comments. Nobody in the audience.
12 AT&T moderator, please let us know if anyone
13 is on the telephone line and would like to make a public
14 comment regarding this Item No. 8 on the agenda.
15 AT&T MODERATOR: Thank you.
16 And if you have a comment for Item No. 8,
17 please go ahead and press one, then zero.
18 And one moment, please.
19 Again, for Item 8, please press one, then
20 zero.
21 And we do have one person in queue. And that
22 was line No. 13.
23 Please go ahead.
24 MS. WONG: Hello. I'm Susie Wong, and I
25 represent ReMo homes. We're a California Energy

1 Commission EPIC awardee, a Lawrence Livermore, Berkeley
2 Lab awardee, and we're a California-based technology and
3 prefabricated housing-builder founded three years ago.
4 And we fundamentally aim to move society forward.

5 Our company has tapped into the best minds to
6 bring advanced technology-driven resilient and
7 innovative housing solutions to California.

8 And this is timely during the disasters in the
9 wildfire areas in Los Angeles.

10 And our company is possible in California,
11 because the best minds in the world are here in
12 California. Our cofounders are lead scientists and
13 engineers from SpaceX from NASA.

14 And we also have advisory support from
15 Panasonic, Mitsubishi, National Renewable Energy Labs,
16 Schneider Electronics. So -- and we also have three
17 patents pending.

18 So our company continues to build on the
19 progress we've gained in the previous years, resulting
20 in a triple bottom-line approach, resilience, plus jobs
21 creation, plus increased housing supply, equals more
22 inclusive growth.

23 And it has been a great challenge navigating
24 and getting to the market our prefabricated
25 factory-built housing. We have the technology of

1 resilient panels that have been developed by the
2 scientists and engineers in the aerospace industry.

3 And so we welcome any type of public
4 Informational Hearing that will bring together public
5 officials from the state, the local, any of the
6 associations.

7 We have already talked to the union. So we
8 understand their -- their practice of moving forward.
9 Which is they're starting to train on automation as
10 well.

11 So we welcome and we support a public
12 Informational Hearing.

13 Thank you.

14 MR. GAINES: That's great.

15 And that is Susie Wong; is that correct?

16 MS. WONG: That's correct, Mr. Chair.

17 MR. GAINES: Okay. Yeah.

18 And the name of your company?

19 MS. WONG: ReMo Homes, R-e-M-o Homes.

20 MR. GAINES: Okay. Great. Wonderful.

21 Thank you.

22 Well, I appreciate your public comment on
23 that. And I'd like to find out more about your -- your
24 entity, your business. And thank you for sharing what
25 you did.

1 And I'm assuming that you'll be available for
2 the public hearing?

3 MS. WONG: Yes. Absolutely.

4 MR. GAINES: Okay. Okay.

5 And if we need to reach out to you, what would
6 be the best way to do so?

7 MS. WONG: I can reach out to provide --

8 MR. GAINES: Yeah. If you -- if you --

9 MS. WONG: -- my contact information.

10 MR. GAINES: That would be great if you could
11 reach out to --

12 MS. WONG: To Matt.

13 MR. GAINES: Yeah. That'd be great.

14 MS. WONG: To Matt Cox.

15 MR. GAINES. Yeah, Matt Cox or Yvette Stowers
16 at the BOE. Either way. That's great.

17 Thank you very much, Susie.

18 MS. WONG: Thank you.

19 MR. GAINES: Appreciate your comment.

20 MS. WONG: Thank you.

21 MR. GAINES: Okay. Great.

22 AT&T MODERATOR: At this time, there are no
23 further questions in queue.

24 MR. GAINES: Yes. Thank you.

25 Members, any questions or discussions?

1 Okay. Hearing none.

2 Member Vazquez has made a motion to schedule

3 an Informational Hearing for the morning of July 29th,

4 2025, with Deputy Controller Emran making the second.

5 Ms. Cichetti, please call the roll.

6 MS. CICHETTI: Chairman Gaines.

7 MR. GAINES: Aye.

8 MS. CICHETTI: Vice Chair Lieber.

9 MS. LIEBER: Aye.

10 MS. CICHETTI: Member Vazquez.

11 MR. VAZQUEZ: Aye.

12 MS. CICHETTI: Member Schaefer.

13 MR. GAINES: Member Schaefer.

14 MS. CICHETTI: Member Schaefer.

15 MR. GAINES: Member Emran.

16 MR. EMRAN: Aye.

17 MR. GAINES: Aye. Okay.

18 And we'll go back to Member Schaefer.

19 MS. CICHETTI: Member Schaefer.

20 MR. SCHAEFER: Aye.

21 MR. GAINES: All right. The motion passes.

22 Thank you.

23 (Whereupon Item 8 concluded.)

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REPORTER'S CERTIFICATE

State of California)
) ss
County of Sacramento)

I, Jillian Sumner, Hearing Reporter for the
California State Board of Equalization, certify that on
June 18, 2025, I recorded verbatim, in shorthand, to the
best of my ability, the proceedings in the
above-entitled hearing; that I transcribed the shorthand
writing into typewriting; and that the preceding
pages 1 through 16 constitute a complete and accurate
transcription of the shorthand writing.

Dated: July 10th, 2025



JILLIAN SUMNER, CSR #13619
Hearing Reporter