

TEMPLATE

STATE SURPLUS PROPERTY BILL

Affordable Housing with Surplus Land Bill 2025

Preamble

WHEREAS The Legislature reaffirms its declaration that housing is of vital statewide importance to the health, safety, and welfare of the residents of this state.

WHEREAS because wages have been stagnant, cost of living has increased, and housing prices have soared, there is an affordable housing crisis in this country.

WHEREAS [State] only has xx [#number of affordable homes] per 100 extremely low-income renter households. More than Y% of state residents pay more than 30% of their income on housing costs. [The GAP | National Low Income Housing Coalition](#)

WHEREAS [STATE] owns property that is underutilized, abandoned, and does not serve its original purpose. These properties cost the taxpayers money to own, maintain and insure.

WHEREAS Twelve states including California, Colorado, Connecticut, Florida, Maine, Maryland, Minnesota, Nebraska, New Hampshire, New Jersey, Oregon and Vermont, as well as the District of Columbia have enacted laws to reutilize surplus property as affordable housing.

WHEREAS [State] has an interest in alleviating the housing crisis affecting its residents by disposing of its land or buildings to construct or rehabilitate properties for the use of affordable housing development.

WHEREAS This Act seeks to provide a lawful process for the disposition of law or buildings to organizations committed to converting these properties or land into deeply affordable housing.

SECTION 1. BE IT ENACTED BY THE [LEGISLATURE], That the Laws of [STATE] read as follows:

To ensure that the disposition of unused or underutilized publicly owned property is made available to develop affordable housing.

This statute shall not preclude a local county or city from establishing their own laws that increase the number of affordable housing units developed.

1. Definitions

- a. Affordable Housing - Residential property that is transferred to the public and includes housing for very low income to moderate income residents.
- b. Affordable Housing Entity – not-for-profit corporation, other corporation or government agency whose mission is to create and/or rehabilitate housing for unhoused and very low to moderate income households, individuals, seniors and people with disabilities.
- c. Deeply Affordable Housing - Residential units that are for extremely low-income residents.
- d. Permanent Supportive Housing- affordable housing with supportive services that help people who have experienced chronic homelessness.
- e. Surplus Property - land or property under the control of a state agency that the Governor or Governor’s designee determines is not required to meet the state government’s needs or responsibilities.
- f. Underutilized/Unused Property - property or land under the control of a state agency that the head of the agency determines is not required to meet the agency's needs or responsibilities.

Inventory

Each year, every State Agency Director shall notify the Governor or the Governor’s Designee and the [Relevant state agency/Housing Department] of underutilized/unused state-owned real property, including land, within its portfolio.

The [Relevant state agency/Housing Department] shall maintain an inventory of unused, including surplus, state-owned real property and shall post a list of the inventory on its website. The inventory must be updated annually.

The Governor or Governor’s Designee determines whether the underutilized/unused property’s original or updated purpose is still required for use by the state. If no such purpose is necessary, the Governor or Designee shall notify the head of the [Relevant state agency/Housing Department] that the property is declared surplus. If the Governor or Designee does not list an underutilized/unused property as surplus, the Governor or Designee shall issue its reasons in writing and shall make those writings publicly available on the [Relevant state agency/Housing Department]’s website.

The [Relevant Municipal Leg Body] of any county or city may establish a central inventory of all underutilized/unused governmental property located in such county or city.

Determination

Upon [Relevant state agency/Housing Department] publishing the surplus property list on their website, Affordable Housing Entities are invited to submit proposals for the development of affordable housing on one or more surplus parcels. In determining properties available for affordable housing, the [Relevant state agency/Housing Department] shall consider possible environmental remediation strategies. [Relevant state agency/Housing Department] shall make their determination based on a point system for evaluation of proposals that must assign points for:

- a) The inclusion of permanent supportive housing units;
- b) Achieving a higher proportion of deeply affordable units than other applicants;
- c) Non-profit, community land trust, or limited equity cooperative ownership; and
- d) The provision of voluntary, on-site supportive services for persons with disabilities.

Conveyance and Reporting

Upon choosing Affordable Housing Entity to develop a parcel of surplus property, the [Relevant state agency/Housing Department] will notify the Governor or the Governor's designee who will oversee the disposal, transfer or conveyance of the surplus property from State Agency by deed or lease to the chosen entity.

The [Relevant state agency/Housing Department] shall report to State's Legislative Body/Governor the parcels of surplus property that have been transferred to an Affordable Housing Entity, the total number of properties conveyed under this statute, the number of affordable housing units produced, and the nature of the development approved.