

The Voice of Affordable Housing

nonprofithousing.org

Executive Director

Amie Fishman

BOARD OF DIRECTORS President **Matthew O. Franklin** MidPen Housing

> Vice President Jacquie Hoffman Mercy Housing Management Group

> > Secretary **Leslye Corsiglia** SV@Home

Treasurer

Dan Sawislak

Resources for

Community Development

Michele Byrd City of Oakland

Chuck Cornell Burbank Housing Development Corporation

> Jack Gardner The John Stewart Company

Gail Gilman Community Housing Partnership

> Matt Huerta Matt Huerta Consulting LLC

Andrea Papanastassiou Northern California Community Loan Fund

> Matt Schwartz California Community Housing Partnership

Joshua Simon East Bay Asian Local Development Corporation

> **Dan Wu** Charities Housing

Malcolm Yeung Chinatown Community Development Center June 8, 2016

The Honorable Jerry Brown State Capitol, Suite 1173 Sacramento CA 95814

Dear Governor Brown,

On behalf of the Non-Profit Housing Association of Northern California (NPH), I write to acknowledge and express our appreciation for "technical modifications" to the proposed "Streamlining Affordable Housing Approvals" trailer bill language recently released by your Administration. These critical amendments help to 1.) clarify that the streamlining proposal doesn't override local inclusionary zoning ordinances and 2.) ensure replacement of any deed-restricted units lost as a result of development utilizing these provisions. Given these amendments, we are now able to formally take a "support if amended" position.

Founded in 1979, NPH is the collective voice of those who support, build and finance affordable housing. We promote the proven methods of the non-profit sector and focus government policy on housing solutions for lower-income people who suffer disproportionately from the housing affordability crisis. We are 750 affordable housing developers, advocates, community leaders and businesses, working to secure resources, promote good policy, educate the public and support affordable homes as the foundation for thriving individuals, families and neighborhoods.

As we took time to thoroughly vet the streamlining proposal with our members through our Legislative Issues Committee, we identified the following amendments that are in line with the Administration's goals and intent and will make the trailer bill language even better, to wit:

- 1.) Require at least 10% of rental units in Transit Priority Areas (TPAs) to be at 60% of AMI and below given that these households have a greater propensity to use public transit, which translates into fewer Vehicle Miles Traveled (VMTs) and a greater reduction in greenhouse gas (GHG) emissions. This strongly aligns with the Administration priority to address climate change and is consistent with the goals of the cap and trade program.
- 2.) Change the term of affordability from 30 years to 55 years for rental units and 45 years for ownership units (this matches the affordability terms of common housing programs and funding sources).
- 3.) Require a project developer to submit a complete application for a building permit (for structures, not just for demolition, grading, etc.) within 12 months of the project's approval. The purpose of this legislation should be to facilitate the actual development of housing and not just increase speculative real estate value.
- 4.) Defer to local jurisdictions that have adopted "no demolition of rental housing" ordinances as preservation and tenant protection measures.



The Voice of Affordable Housing

nonprofithousing.org

Executive Director

Amie Fishman

BOARD OF DIRECTORS
President
Matthew O. Franklin
MidPen Housing

Vice President Jacquie Hoffman Mercy Housing Management Group

> Secretary **Leslye Corsiglia** SV@Home

Treasurer

Dan Sawislak

Resources for

Community Development

Michele Byrd City of Oakland

Chuck Cornell Burbank Housing Development Corporation

> **Jack Gardner** The John Stewart Company

Gail Gilman Community Housing Partnership

> Matt Huerta Matt Huerta Consulting LLC

Andrea Papanastassiou Northern California Community Loan Fund

Matt Schwartz California Community Housing Partnership

Joshua Simon East Bay Asian Local Development Corporation

> **Dan Wu** Charities Housing

Malcolm Yeung Chinatown Community Development Center Even as we express our support for the trailer bill language, we must also emphatically state that, while the proposed by-right approval streamlining would certainly be an important step towards promoting development of more market-rate, mixed-income and affordable housing, this proposal alone - or even in tandem with legislation expediting the local approval process for Accessory Dwelling Units (ADUs), for that matter - will not solve the dire housing crisis faced by very low- and extremely low-income households that will never be served by market-rate housing without some form of subsidy, a fact which even the LAO has acknowledged.

We need the State to be an active partner with local jurisdictions and commit substantial funding to increase the supply of below market-rate housing as proposed by the Assembly and strongly support its \$650 million budget request.

While we are also very supportive of Senate President pro Tem Kevin de Leon's "No Place Like Home" Initiative which would provide funding to construct permanent supportive housing for homeless persons with mental disabilities, we also must note that this is a highly-targeted program and would not have any fiscal impact to the State's general fund. Therefore, we insist that more can and must be done for other very low-income populations that are also in dire need of affordable housing through general fund allocations.

Finally, NPH is a proud cosponsor of AB 2502 (Mullin and Chiu) in this session, legislation to clarify that local jurisdictions may choose to make, as a condition of project approval, the inclusion of some below market-rate units in market-rate rental housing developments. This legislation is in keeping with the direction proposed in the trailer bill language and we urge you to sign it into law.

We thank you in advance for your kind consideration of these comments.

Sincerely,

Amie Fishman Executive Director

Non-Profit Housing Association of Northern California (NPH)

cc: The Honorable Anthony Rendon, Speaker, California State Assembly The Honorable Kevin de Leon, President pro Tempore, California State Senate

The Honorable Phil Ting, Vice Chair, Joint Budget Conference Committee
The Honorable Mark Leno, Chair, Joint Budget Conference Committee
Graciela Castillo-Krings, Office of Governor Edmund G. Brown, Jr.
Ben Metcalf, Director, California Department of Housing and Community
Development