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February 27, 2017

The Honorable Scott Wiener
California State Senate
State Capitol Building, Room 4066
Sacramento, CA 95814

**RE: SB 35 (Wiener) Affordable Housing: Streamlined Approval Process.
Notice of Opposition (as amended 2/21/17)**

Dear Senator Wiener:

The League of California Cities respectfully requests that you pull your SB 35 (Wiener) from the February 28, 2017 Senate Transportation and Housing Committee agenda. SB 35 was a “spot bill” until just days ago, and should not be hurried through the legislative process given that there are more than two months before the first policy committee deadlines.

Additionally, as the committee analysis clearly highlights, major work is still needed to be done on this measure. The League of California Cities strongly urges you and members of the committee to grant additional time to resolve outstanding issues, and stands ready to work with you and all relevant stakeholders throughout this process.

Absent rescheduling SB 35 for a future committee hearing, the League of California Cities must oppose your measure, which would pre-empt local discretionary land use authority by making approvals of multifamily developments and accessory dwelling units (ADUs), that meet inadequate criteria, “ministerial” actions. Like the flawed By-Right proposal from last year, this measure would rely on often outdated community plans and would compromise critical project level environmental review, public input, and community integrity.

The League of California Cities agrees that California is facing a housing supply and affordability crisis. In fact, one of the League’s four strategic goals for 2017 is focused on improving the affordability of workforce housing and securing additional funds for affordable housing. Unfortunately, SB 35 as currently drafted is not the balanced proposal that is needed to provide meaningful relief from soaring home prices.

SB 35 is purported to be a response to the state’s needs for market rate and affordable housing, however it sidesteps the reality that state and federal affordable housing funding have slowed to a trickle. More than \$1 billion annually in affordable housing money has evaporated with the elimination of redevelopment agencies in 2011. Funds from the 2006 state housing bond have been exhausted and federal dollars have been declining for decades. This massive withdraw of resources has contributed to the current challenges, yet no significant source of ongoing affordable housing funding is on the horizon.

Eliminating opportunities for public review of major multifamily developments goes against the principles of local democracy and public engagement. Public hearings allow members of the

community to inform their representative of their support or concerns. “Streamlining” in the context of SB 35 appears to mean a shortcut around public input. While it may be frustrating for some developers to address neighborhood concerns about traffic, parking and other development impacts, those directly affected by such projects have a right to be heard. Public engagement also often leads to better projects. Not having such outlets will increase public distrust in government and additional ballot measures dealing with growth management.

SB 35 would also undermine state environmental law and processes. While these laws have their critics and issues, most would acknowledge that they have made enormous contributions to the environment and quality of life. If there are issues with these laws then they must be addressed, not ignored with preference to work around the edges. Many laws related to housing planning and approvals are already on the books. The Housing Accountability Act requires local governments to approve affordable housing projects with very limited exceptions. Local governments cannot deny housing projects just because residents object to the proposal.

This proposal also does not recognize the challenges many locals face in offsetting the costs of serving residents of new housing, including the need to address local parking issues.

The League of California Cities is supporting various legislative efforts this year to develop and restore affordable housing funding, and to streamline housing approvals without undermining important environmental review and public engagement. Proposals include SB 2 (Atkins), which would charge new fees on real estate documents, SB 3 (Beall), which would authorize a \$3 billion general obligation housing bond, and SB 540 (Roth), which would streamline housing project approvals by developing up-front specific plans and conducting all associated environmental studies on areas designated by local governments.

While the League commends you for being a strong affordable housing advocate, SB 35 currently falls short. The League is committed to working with you and others on finding comprehensive solutions to the housing supply and affordability crisis gripping many areas of the state. However, in its present form, the League must oppose SB 35. If you have any questions, please do not hesitate to contact me at (916) 658-8264.

Sincerely,



Jason Rhine
Legislative Representative

cc:

Chair and Members, Senate Transportation and Housing Committee
Alison Hughes, Consultant, Senate Transportation and Housing Committee
Doug Yoakam, Consultant, Senate Republican Caucus