

March 15, 2019

The Honorable Nancy Skinner  
California State Senate  
State Capitol  
Sacramento, CA 95814

**Support – SB 330 – Housing Crisis Act of 2019.**

Senator Skinner,

I write to you on behalf of California YIMBY to express our support for Senate Bill 330, the Housing Crisis Act of 2019, which would establish necessary emergency tools with which Californians will be able to powerfully combat California's ongoing housing emergency.

California YIMBY is a statewide organization of 60,000 neighbors who welcome more neighbors. We believe that an equitable California begins with abundant, secure, affordable housing. We focus on housing and land use policy at the state and local level to ensure grassroots organizers and city leaders have the tools they need to accelerate home building, fight displacement, and fight for a California for everyone.

The Permit Streamlining Act was enacted in 1977 in recognition of a burgeoning housing crisis born of a lack of building housing supply relative to the demand for it. As you well know, since 1977, the near-permanent emergency in California has only gotten worse. According to the Department of Housing and Community Development (HCD), more than half of renters are rent burdened, meaning they pay more than 30 percent of their income to rent. Further, almost one in three renters pays more than 50 percent of her income to rent, an indication of extremely severe rent burden (California's Housing Future). In 2018, California's home prices hit a new state record, making homes here twice as expensive as in the rest of the United States. Five counties in California have an average home price of above \$1,000,000 (Business Insider). Without serious intervention, California's housing crisis risks become a national emergency, if it is not one already.

Since the middle of the last century, California's cities and counties have established numerous barriers to new housing, including downzoning, which limits, rather than encourages, affordable housing units. Complex housing restrictions, parking requirements, and red tape have helped make housing very expensive to build. According to the Turner Center for Housing Innovation at UC Berkeley, the cost of building a single unit of housing in a multi-unit complex climbed to \$425,000 in 2016, up from \$265,000 in 2000 – a 60 percent increase.

The Housing Crisis Act of 2019 would address these challenges head-on with a level of seriousness commensurate with the housing emergency we are in. It tasks the Department of Housing and Community Development (HCD) with determining where the worst of the emergency is, using best-

practice indicators such as vacancy rates and price. In the areas that HCD identifies are experiencing an emergency, the bill then applies specified prudent policy interventions to ease the housing emergency, such as:

- A prohibition on downzonings, which reduce how many homes can be built.
- A prohibition on housing moratoria.
- A prohibition on design standards that exceed costs on January 1, 2018
- A cap on the number of discretionary permits can issue for development
- A per-project maximum of three de novo hearings on any question as it relates to any law
- A requirement that cities either grant or deny a housing permit application within 12 months of when the application was deemed complete
- A prohibition on charging fees to developers proposing affordable housing that could be affordable to someone making 80 percent of area median income.

The provisions of the bill do not apply to projects that are proposed to demolish housing occupied by Section 8 voucher holders, rent controlled housing, or housing that was withdrawn from the rental market under the Ellis Act. Further, the bill requires any displaced tenants receive relocation assistance and a right of first refusal at their old price when the new building is creating. Together, these important provisions ensure the bill will do no harm as it progresses in solving California's housing emergency.

Finally, the bill instructs HCD to prepare building code standards that allow for easier conversion of occupied substandard buildings, which aims to solve the problem of illegal housing being demolished for code reasons, which exacerbates the overall housing crisis. This code amendment could allow cheaper housing construction without compromising the health or safety of residents.

While any one barrier to housing may seem reasonable, by a thousand cuts, these small barriers sum to an insurmountable wall to housing construction. Some cities like Emeryville, Oakland, San Diego, San Jose, and Sacramento have shown a real willingness to make it easier to build housing and address the housing crisis, but for each example on this list, there are dozens who actively decide to thwart housing.

We support SB 330 because it would treat the housing crisis in California as what it truly is: a dire statewide emergency. Thank you for bringing this important measure forward.

Best wishes,



Louis John Mirante  
California YIMBY Legislative Director  
[louis@cayimby.org](mailto:louis@cayimby.org) | (510) 908-0537

Sources acknowledged on following page.

Sources:

1. *California's Housing Future: Challenges and Opportunities*. Department of Housing and Community Development, Feb. 2018, [www.hcd.ca.gov/policy-research/plans-reports/docs/SHA\\_Final\\_Combined.pdf](http://www.hcd.ca.gov/policy-research/plans-reports/docs/SHA_Final_Combined.pdf)
2. Loudenback, Tanza. "California's Housing Market Has Reached a Boiling Point, and a Typical Home Costs \$600,000." *Business Insider*, Business Insider, 20 June 2018, [www.businessinsider.com/california-home-price-hits-record-high-2018-6](http://www.businessinsider.com/california-home-price-hits-record-high-2018-6).