



July 17, 2020

The Honorable Scott Wiener, Chair
Senate Housing Committee
State Capitol, Room 2209
Sacramento, CA 95814

**Re: Assembly Bill 434 (Daly): Housing financing programs: uniform procedures
As proposed to be amended on July 17, 2020 – SUPPORT**

Dear Senator Wiener,

The California State Association of Counties (CSAC), the League of California Cities (LCC), the Urban Counties of California (UCC), the Rural County Representatives of California (RCRC), and the American Planning Association California Chapter (APA) support Assembly Bill 434 by Assemblymember Daly. This bill would help streamline affordable housing grant programs under the Department of Housing and Community Development (HCD) by aligning application requirements and procedures.

Local governments in California are required to adopt land use plans to accommodate housing development for residents at all income levels. In recent years, the State of California and local governments have significantly increased funding to support the development of housing affordable to California's lower-income families and individuals. Through state and local bond measures, a dedicated stream of funding for affordable homes from Senate Bill 2 (2017, Atkins), and one-time allocations of state general fund revenue, significant new resources are now available to support the development of desperately-needed affordable homes.

Despite this progress, the subsidy available to build new affordable homes remains inadequate to meet regional housing needs allocations goals and the needs of lower-income California households. Moreover, affordable housing projects are nearly always constructed using a combination of federal, state, local, and private sector resources. The need to compete for scarce funding and blend various grant opportunities increases costs for affordable developers. By aligning procedures of the financing programs under the purview of HCD, AB 434 will help stretch this limited funding as far as possible and create additional homes for lower-income Californians.

We appreciate the author's proposed amendment to paragraph (2), subdivision (b) of Health and Safety Code Section 53559.1 to require that the governing board of the city or county support the qualifying infill project, given the important local government role in improving infrastructure to facilitate housing development.

For these reasons, we support AB 434. Should you have any questions about our position, please do not hesitate to contact Christopher Lee (CSAC) at cllee@counties.org, Jason Rhine (LCC) at

jrhine@counties.org, Jean Kinney Hurst (UCC) at jkh@hbeadvocacy.com, Tracy Rhine (RCRC) at trhine@rcrcnet.org, or Sande George (APA) at sgeorge@stefangeorge.com.

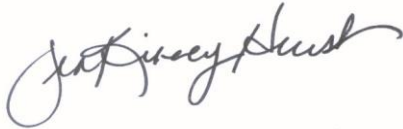
Sincerely,



Christopher Lee
California State Association of Counties



Jason Rhine
League of California Cities



Jean Kinney Hurst
Urban Counties of California



Tracy Rhine
Rural County Representatives of California



Eric Phillips
American Planning Association

cc: The Honorable Tom Daly, California State Assembly
Honorable Members, Senate Housing Committee
Erin Riches, Chief Consultant, Senate Housing Committee
Ryan Eisberg, Consultant, Senate Republican Caucus