

Executive Director
Amie Fishman

March 3, 2017

BOARD OF DIRECTORS
President
Matthew O. Franklin
MidPen Housing

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

Vice President
Jacquie Hoffman
Mercy Housing
Management Group

RE: SB 35 (Wiener) Planning and Zoning: affordable housing: streamlined approval process. - SUPPORT

Secretary
Leslye Corsiglia
SV@Home

Dear Senator Wiener,

Treasurer
Dan Sawislak
Resources for
Community Development

On behalf of the Non-Profit Housing Association of Northern California (NPH) and our more than 750 members, I write to express our support for your Senate Bill 35.

Founded in 1979, NPH is the collective voice of those who support, build and finance affordable housing. We are 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.

Michele Byrd
City of Oakland

Chuck Cornell
Burbank Housing
Development Corporation

We strongly assert that any proposed statewide streamlining legislation must focus particularly on housing affordable to Very Low-Income (VLI) households at 50% of Area Median Income (AMI) or lower. These are the developments that often receive the most neighborhood opposition and, in fact, the State's own 2014 Affordable Housing Cost Study found that "projects with 4 or more community hearings were on average 5 percent more expensive to complete."

Jack Gardner
The John Stewart
Company

Gail Gilman
Community Housing
Partnership

Many of our jurisdictions in the San Francisco Bay Area are already exceeding their Regional Housing Needs Allocation (RHNA) in the "Above Moderate" category and are seeing mostly luxury, high-end housing being constructed.

We appreciate very much your willingness to work with us over the past few weeks and take our proposed amendments. For the public record, we have outlined below some of the key principles for housing approvals streamlining legislation our members have identified and which we have discussed with you:

Matt Huerta
Matt Huerta
Consulting LLC

Andrea Papanastassiou
Northern California
Community Loan Fund

Matt Schwartz
California Housing
Partnership Corporation

Joshua Simon
East Bay Asian Local
Development Corporation

Dan Wu
Charities Housing

Malcolm Yeung
Chinatown Community
Development Center

- 1.) Local inclusionary housing ordinances must not be preempted by the State.
- 2.) For jurisdictions building at or above their RHNA target in the "Above Moderate" category, streamlining should focus on more deeply income-targeted developments which are far more difficult to get approved and financed.
- 3.) Entitlements should not expire for affordable developments that require public assistance. Given the extremely limited and targeted subsidies available, it often takes

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many years to put together the multiple and competitive financing sources required to fully finance permanently affordable housing developments and move projects to construction.

4.) Instead of having the streamlining trigger turn on and off every year based on the Annual Production Report, we believe it would provide more certainty for both developers and localities to have the streamlining status determined every four years based on total production at year 4 (halfway to the RHNA goal) and year 8 (100% of RHNA goal) of the housing element cycle.

5.) While we understand SB 35 will include language to mandate state prevailing wages, we strongly feel any additional state-imposed mandates for labor standards must be negotiated with all stakeholders in order ensure project feasibility for all regions of our state.

6.) Streamlined approvals to “demolish” deed-restricted housing can actually be a very positive thing when done to rebuild, rehabilitate and make substantial capital improvements to an older and dilapidated occupied project as long as the low-income residents receive paid relocation expenses and enjoy a guaranteed “right to return.”

Thank you for your leadership on this issue and authoring this complex yet important legislation. You have been very sensitive to and solicitous of our concerns. We are very grateful for your willingness to accept our amendments and, as a result, are proud to support your efforts and SB 35.

Sincerely,



Amie Fishman
Executive Director
Non Profit Housing Association of Northern California (NPH)