

January 24, 2020

The Honorable Scott Wiener
State Capitol, Room 5100
Sacramento, CA 95814

RE: SB 50 (Wiener), as amended January 6, 2020 – Oppose Unless Amended

Dear Senator Wiener,

On behalf of the undersigned organizations and the low-income communities we work with and represent, we regrettably must oppose SB 50 unless it is amended. Our organizations are dedicated to ensuring that all Californians have a healthy and stable home that they can afford. Throughout the last year, a number of equity organizations have negotiated in good faith to try to come to an agreement with your office over serious concerns we outlined in a letter to you dated March 27, 2019. Resolving these and other issues is essential to ensuring that this legislation does not harm, and indeed helps, low-income people and communities throughout the state.

SB 50, as amended on January 6, 2020, fails to address our most serious concerns and will exacerbate the housing challenges experienced by low-income people, people of color, and other vulnerable people, the very populations being hit hardest by California's affordability crisis. It fails to meet these communities' housing affordability needs and has the potential to create new pressure and incentives for displacement. We continue to have concerns with a number of the bill's provisions, and the last two rounds of amendments have raised new questions and concerns. Our concerns reflect input we have gathered from dozens of tenant organizing groups, non-profit developers, legal service organizations, local, state, and national equity organizations, and other community-based institutions and fall into three areas:

SB 50 does not generate affordable housing at a level commensurate with the incentives it provides. SB 50 developments must include meaningful on-site affordable housing to mitigate indirect displacement pressures, advance environmental objectives by creating affordable housing near transit, and ensure inclusive housing opportunities for all Californians. SB 50 falls short of this important standard. The bill includes a provision making sites ineligible for "equitable communities incentives" if they have been occupied by tenants in the past 7 years or had Ellis Act evictions in the last 15 years, and this is essential to decrease direct displacement. However, on its own, this single provision is insufficient to address the harm that the bill could cause. SB 50 must go further to protect vulnerable communities and increase affordable housing opportunities. As drafted SB 50 fails to:

- Capture a significant and proportional amount of the increased value the bill confers on developers through added density to provide on-site affordable housing, including a

clear mechanism to raise this affordability meaningfully above existing local inclusionary policies, in every SB 50 project larger than 10 units.

- Ensure that a subset of these on-site affordable units are affordable to extremely low-income households.
- Ensure that all projects using SB 50 contribute affordability by requiring projects with 10 or fewer units to pay a fee to support new affordable housing.

SB 50 provides inadequate protections for sensitive communities at risk of displacement.

Every community in the state has a role to play in addressing the affordable housing crisis. But our cities, towns, and communities have been shaped by different histories, economic drivers, and present-day conditions. State policy must be responsive to these differences. Race and class inequality and top-down policies that excluded people of color and low-income people, such as redlining and Urban Renewal, have had devastating, multi-generational consequences on these communities while further concentrating wealth and opportunity in others. SB 50's preemption of local zoning and planning must not repeat and exacerbate the deliberate harms that have shaped our state's legacy. To protect sensitive communities, SB 50 must accurately identify all sensitive communities *and* preserve meaningful self-determination in those communities so that they can plan for an inclusive future. As drafted SB 50 does not accomplish this. To protect communities, SB 50 should be amended to:

- Include a mechanism to adequately identify and protect *all sensitive* communities where SB 50 could increase development pressures on existing housing resources and traditionally underserved areas. This will ensure that new development does not exacerbate the risk of gentrification and displacement in these vulnerable communities.
- Ensure that sensitive communities have full self-determination about whether or not to opt in to SB 50.

SB 50 fails to fully protect local affordable housing policies and strong local plans.

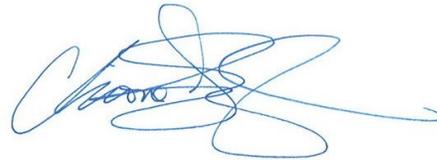
Across California, local jurisdictions are grappling with the dual challenge of increasing income inequality and rising housing prices. To tackle these problems, communities have adopted a range of strategies aimed at increasing the supply of housing affordable to their most vulnerable residents and protecting existing residents from displacement. Even after the most recent set of amendments, it is unclear how SB 50 will treat these local policies and plans.

Given what is at stake for the communities we represent, we must remain opposed until SB 50 is amended to substantively address our serious concerns and truly protect and benefit the most vulnerable Californians.

Sincerely,



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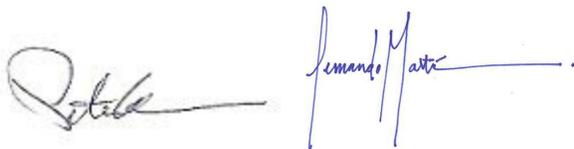
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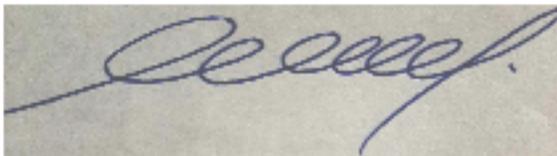
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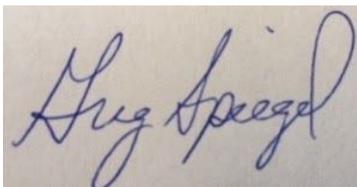


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