



January 26, 2017

The Honorable Toni Atkins
California State Senate
State Capitol, Room 4072
Sacramento, CA 95814

RE: SUPPORT SB 2

Dear Senator Atkins:

The California Housing Consortium (CHC) is pleased to co-sponsor your bill SB 2, the Building Homes and Jobs Act, which takes a significant step toward creating a permanent source of funding for affordable housing development.

CHC is a non-partisan advocate for the production and preservation of housing affordable to low- and moderate-income Californians. We represent the development, building, financial, and public sectors united in their goal that every Californian has a safe, affordable place to call home.

California families are facing a harder time finding a place to live than at any point in our history. California's broken and backward housing policies have contributed to the worsening crisis:

A decade of disinvestment has starved local communities of the seed dollars they need to bring affordable homes to struggling neighborhoods. A new report from the state's own Department of Housing and Community Development finds "unstable funding for affordable-home development is impeding our ability to meet California's housing needs, particularly for lower-income households."

California spends \$300 million in tax dollars every year to subsidize purchases of second homes for some Californians when millions more struggle to have a roof over their head at all.

Existing laws that require local governments to plan to accommodate jobs and growth haven't resulted in the promised affordable development.

The Building Homes and Jobs Act will:

Create 29,000 jobs for every \$500 million raised, primarily in the beleaguered construction sector

Leverage an additional \$2.78 billion in federal, local, and private

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investment for every \$500 million raised

Help businesses attract and retain the talent that fuels California's economy

Deploy these dollars throughout California using a successful private/public partnership model, creating jobs and generating revenue for local governments

Build safe and affordable apartments and single-family homes for Californians in need, including families, seniors, veterans, people with disabilities, and people experiencing homelessness

SB 2 creates an ongoing funding source that helps the state live within its means. By imposing a modest \$75 document recording fee on real estate transactions, excluding property sales and capped at \$225, SB 2 would increase California's supply of affordable homes, create jobs, and spur economic growth without incurring additional debt.

This bill comes at a crucial time for California, when state housing investment has plummeted by 69% in the last decade, worsening the unprecedented housing affordability crisis in our state. Today, more than 1.7 million Californians are paying more than half their income in rent – leaving too few dollars for nutrition, medicine, transportation and other fundamentals.

Thank you for your leadership on this important issue.

Sincerely,

A handwritten signature in black ink that reads "Ray Pearl". The signature is written in a cursive, flowing style.

Ray Pearl
Executive Director

CC: Members, Senate Committee on Transportation and Housing