



April 12, 2017

The Honorable Marc Berman
California State Assembly
State Capitol, Room 6011
Sacramento, CA 95814

RE: SUPPORT AB 1404 (Berman)

Dear Assemblyman Berman:

The California Housing Consortium (CHC) is pleased to support your bill, AB 1404, which would assist in the development of affordable housing by making a minor change to the CEQA Infill Categorical exemption.

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.

Existing law provides for several CEQA exemptions, including exemptions for certain kinds of residential housing projects in order to create a streamlined procedure for affordable and urban infill housing projects that do not have an adverse effect on the environment. In the LAO's March 2015 report on "California's High Housing Costs: Causes and Consequences," the report noted

BOARD OF DIRECTORS

Jim Silverwood *Chair*
President/CEO, Affirmed Housing

Doug Shoemaker *Vice Chair*
President, Mercy Housing California

Lynn Hutchins *Secretary*
Partner, Goldfarb Lipman

Caleb Roope *Treasurer*
President/CEO, The Pacific Companies

Justin Cooper *Membership Chair*
Partner, Orrick, Herrington & Sutcliff

Robin Hughes *Policy Chair*
President/CEO, Abode Communities

Linda Mandolini *Immediate Past Chair*
President, Eden Housing

Laura Archuleta
President, Jamboree Housing

Geoff Brown
President/CEO, USA Properties Fund

Alice Carr
Senior Vice President, JP Morgan Chase

Rebecca Clark
President/CEO, LINC Housing

Michael Costa
President/CEO, Highridge Costa Housing Partners

Michael Gaber
COO, WNC & Associates

Carol Galante
Faculty Director, Terner Center for Housing Innovation at UC Berkeley

Richard Gentry
President/CEO, San Diego Housing Commission

Mary Kaiser
President, California Community Reinvestment Corporation

Meea Kang
President, Domus Development

Jonathan Klein
Senior Vice President, Union Bank

Jacky Morales-Ferrand
Director of Housing, City of San Jose

Mary Murtagh
President/CEO, EAH Housing

Molly O'Dell
Partner, Novogradac & Co. LLP

Carol Ornelas
CEO, Visionary Homebuilders

Mary Ellen Shay
President, ME Shay Co.

Ann Silverberg
Executive Vice President, BRIDGE Housing

that CEQA is one of the most significant factors hindering housing development. AB 1404 would expand the CEQA Infill Categorical exemption to include projects in unincorporated areas of a county.

AB 1404 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 and your ongoing commitment to ensuring the availability of housing affordable to all Californians. If you have any questions, don't hesitate to contact our Policy Director, Marina Wiant, at (916) 272-2325 or mwiant@calhsng.org.

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: Assembly Committee on Appropriations