



April 12, 2017

The Honorable Richard Bloom  
California State Assembly  
State Capitol, Room 2003  
Sacramento, CA 95814

The Honorable David Chiu  
California State Assembly  
State Capitol, Room 4112  
Sacramento, CA 95814

**RE: SUPPORT AB 1521 (Bloom and Chiu)**

Dear Assemblymembers Bloom and Chiu:

The California Housing Consortium (CHC) is pleased to support your bill, AB 1521, which would strengthen the state's Affordable Housing Preservation Law and help ensure that thousands of affordable homes at risk of conversion will be preserved, reduce the displacement of existing low-income residents, and prevent the state's already large shortage of affordable rental homes from growing.

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 state has lost more than 28,000 affordable rental homes, with another 30,000 at risk of losing their affordability in the next five years due to the expiration of a

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federal or state subsidy and/or deed restriction. AB 1521 is essential in order to prevent the conversion of these properties that were previously reserved as affordable rentals for low-income households to market-rate apartments.

AB 1521 strengthens the existing Preservation Notice Law by requiring owners of expiring affordable rental properties to accept any market-rate purchase offer from a qualified preservation entity that intends to maintain the property's affordability restrictions. The bill additionally requires the Department of Housing and Community Development to monitor compliance with the law and allows affected tenants and local governments the right to enforce the law. These provisions are incorporated in preservation and anti-displacement laws in other places in various forms, including Illinois. They are considered to be best practices to prevent loss of affordability and displacement.

AB 1521 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](mailto: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 Housing and Community Development