



April 12, 2017

The Honorable Nancy Skinner
California State Senate
State Capitol
Sacramento, CA 95814

RE: SUPPORT SB 166 (Skinner)

Dear Senator Skinner:

The California Housing Consortium (CHC) is pleased to support your bill SB 166, which will help ensure that local governments maintain an on-going supply of appropriately zoned land to meet the housing needs of the jurisdiction.

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.

SB 166 seeks to expand the supply of housing by ensuring that localities maintain an ongoing supply of land to meet the locality's unmet housing needs. Existing law requires that each local government identify adequate sites in its housing element to meet its share of the Regional Housing Need (RHNA). This important planning obligation ensures that each local government has enough

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residentially zoned land to accommodate new housing construction for all income levels, including housing affordable to lower-income households. However, a site identified to accommodate a portion of a local government's need for lower-income households might later be developed with high-end market-rate housing, or the site might be developed for a different use, such as commercial, that is also permitted by the zoning, eliminating a potential site for new housing development. Rather quickly, a city or county's supply of land for housing can disappear even though the locality has seen little or no development of housing for low- and moderate-income households. SB 166 addresses this by ensuring that as development occurs, local governments assess their ability to accommodate new housing on the remaining sites in their inventory and make adjustments to their zoning if needed.

SB 166 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 fluid and cursive, with "Ray" on the left and "Pearl" on the right, connected by a flourish.

Ray Pearl
Executive Director

CC: Senate Committee on Governance and Finance