April 17, 2023

Senator Anna Calballero, Chair

Senate Governance and Finance Committee

Via Legislative Portal

RE: SB 423 (Wiener): Land Use: Permanent expansion and extension of SB 35 – **OPPOSE**

Dear Senate Governance and Finance Committee:

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| --- | --- | --- | --- | --- |
| **What is the bill about?**   |  | | --- | |  | | This bill would modify and expand SB 35 provisions that favor multi-family housing developers by giving them beneficial treatment over the needs of your constituents or communities. It continues to rely on the misleading language of streamlining (which means reducing environmental protections) and ministerial approval process (which means the public is not informed and locally elected officials are reduced to rubber stamping the wishes of developers). Specifically, according to the League of CA Cities, this bill would (1) remove the 2026 sunset condition of SB35 and make the statute permanent; (2) apply SB35 provisions to the Coastal Zone; (3) allow the State to approve housing developments on property they own or lease; and (4) prohibit a city from enforcing its inclusionary housing ordinances if the income limits are higher than those in SB35. | |  |  |

**What is the impact?** The author would have us believe this bill is needed to meet the need for affordable housing, but as we witness from housing legislation over the past eight years, housing is more expensive than ever and the supply of affordable housing is diminishing. This legislation is not to be trusted. From a 30,000 foot level, the bill depends on an [unreliable assessment of housing needs](https://marinpost.org/blog/2023/1/9/rhna-abag-demographic-projections-are-way-off) and your own [state audit department](https://www.auditor.ca.gov/reports/search_results) called the Regional Housing Needs Assessment (RHNA) methodology flawed. From a 10,000 foot level, a bill like this [benefits developer/investors like Blackrock](https://www.housingisahumanright.org/modern-day-robber-baron-the-sins-of-blackstone-ceo-stephen-schwarzman/) or their spin-off companies like Invitation Home, but the legislation harms neighborhoods, the environment, and small affordable housing developers. At the ground level, this [bill increases income disparity](https://48hills.org/2021/10/plan-bay-area-2050-is-a-recipe-for-displacement-of-vulnerable-communities/) by making it harder for first-time home buyers to get a foot in the door. Cities that are forced to re-zone areas formerly off-limits because of fire, flood, or toxins are coerced into putting constituents and communities at risk as they strive to meet quotas created without sound evidence of need.

**Shortcomings of this bill:** The State Building and Construction Trades Counsel opposes this bill because of its impact on their workforce. The League of CA Cities opposes the bill because they see first-hand that the “one-size-fits-all” mentality is inappropriate to the cities they live in and love. Catalysts opposes the bill because it eliminates local control The bottom line: Oppose SB 423.

Sincerely,



Susan Kirsch, Director, Catalysts for Local Control

Leon Huntting, Legislative Analyst