**June 21, 2024**

**RE: SB-7: Regional Housing Need: Determination (Blakespear): OPPOSE**

Dear Assembly Local Government Committee:

**What is the context of SB-7?**

1. Gutted and rushed. SB7 was gutted and amended on June 10. It is filled with detailed recommendations from HCD’s April 2024 report, “California’s Housing Future 2040: The Next Regional Housing Needs Allocation (RHNA). On June 19, SB7 passed in the Housing & Community Development Committee with a 7/1/1 vote. Now just one week later, it comes to you in a last-minute flurry of legislation.
2. Lacks transparency and public review. Did you read the 176-page HCD 2040 document or the new bill? The H&CD Committee analysis says there were no arguments submitted in support or opposition to the bill; an odd finding on something as closely watched and debated as RHNA, and only explainable by the fact the process is rushed.
3. Major changes and far-reaching impact. The H&CD analysis called the changes in SB7 “technical modifications” and the author’s statement says SB7 will make “minor improvements to the RHNA development process.” But the changes are significant, including denial of due process. Before you vote to approve SB7, I urge you to read the email comments submitted by Santa Monica resident Marc Verville, retired VP of Finance for both Warner Bros and the Walt Disney Company.

**What are the SB7 changes?**

Verville has summarized his findings after extensive research and analysis. He writes, “The provisions in this bill will subject cities and other jurisdictions to enhanced, unsupported, discretionary, arbitrary, and gratuitous allocations of housing units based on special interest lobbying, building on what has already been done in the 6th Cycle. The outcomes will increase in gentrification and the meaningless destruction of neighborhoods, open spaces, and commercial infrastructure, exacerbating the already relentless gentrification pressure on communities. These are all outcomes that are explicitly counter to the Legislatures intent.

Moreover, SB7 strips jurisdictions of their right to appeal carelessly determined allocations (Legislative Counsel's Digest ¶2). Verville cites five central issues that are fundamental reasons to vote no on this bill: (1) discretionary, unreliable allocations; (2) the loss of a right to appeal, which raises questions about constitutional right to due process; (3) denial of infrastructure impacts, endangerment to safety and open space; (4) failure to support RHNA methodology with robust economic theory; and (5) will increase market rate housing, but fail to meet the need for housing that is affordable. These points are elaborated in Verville’s letter attached in entirety below.

**What else do you need to know about SB7?** Your vote on SB7 impacts all California residents, not just your constituents. A “yes” vote demonstrates a commitment to outside developer/investors who are focused on profiteering. Your “no” vote is a stand with your constituents who want solutions based on reliable planning. We urge you to vote NO on SB7.

Sincerely,

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Susan Kirsch, Director, Catalysts for Local Control