

April 19, 2022

The Honorable Buffy Wicks
California State Assembly
1021 O St, Ste. 4240
Sacramento, CA 95814

RE: AB 2011 (Wicks) The Affordable Housing and High Road Jobs Act – SUPPORT

Dear Assemblymember Wicks:

On behalf of MidPen Housing Corporation I am writing in strong support of AB 2011, the Affordable Housing and High Road Jobs Act, which will expand climate-friendly infill affordable housing opportunities for struggling families, seniors, workers, and veterans – while also growing a thriving, well-paid, middle-class construction workforce.

MidPen Housing is one of the nation’s leading nonprofit developers, owners and managers of high-quality affordable housing and onsite resident services. Since MidPen was founded in 1970, we have developed over 100 communities and 8,000 homes for low-income families, seniors and those with supportive housing needs throughout Northern California.

The 2022 Statewide Housing Plan estimates that California needs to build approximately 2.5 million units of housing over the next eight years – including over one million units affordable to lower income households. According to HCD, the state will need 180,000 new units of housing each year just to keep up with existing demand, including 80,000 units affordable to lower-income households. Yet California averages less than 100,000 new units per year, and has never produced more than 20,000 new affordable homes in any year.

The Legislature and Newsom Administration have demonstrated their commitment to addressing the housing crisis in recent years, but there is still work to do to find new sites for affordable housing, accelerate production, and increase well-paying, high road construction jobs in every community.

AB 2011 will do just that. It pairs the ability to build housing by right on underutilized commercial sites with strong labor standards that ensure all construction workers earn prevailing wages and receive health benefits. By opening new sites to housing, AB 2011 would rapidly accelerate housing production at all income levels – particularly for lower income Californians. Because the development would occur in areas zoned for commercial use, the bill will preserve the density or character of existing residential neighborhoods. These sites would be required to be in infill locations, helping reduce greenhouse gas emissions and meet our climate goals.

In order to build on these new sites, the bill requires developers meet a range of responsible wage and training standards. Prevailing wage is required on all projects. And, for projects of 50 or more units, contractors must either participate in a state-approved apprenticeship program or request the dispatch of apprentices from a program and provide health benefits for their workers. If no apprentice workers are available, the project can still move forward. The bill also includes new enforcement mechanisms to ensure these payroll and benefits requirements are being met.

AB 2011 strikes the right balance, giving builders access to new sites for housing development, while also providing high wages and health care benefits to the construction workforce we need.

Thank you for your leadership on this important issue.

Sincerely,



Matthew O. Franklin

President & CEO, MidPen Housing Corporation

cc:

Senator Mike McGuire
Senator Bill Dodd
Senator Jim Nielsen
Senator Steve Glazer
Senator Nancy Skinner
Senator Bob Wieckowski
Senator Scott Wiener
Senator Anna Caballero
Senator Josh Becker
Senator Dave Cortese
Senator John Laird
Assemblymember Marc Levine
Assemblymember Jim Frazier
Assemblymember Rebecca Bauer-Kahan
Assemblymember Mia Bonta
Assemblymember Phil Ting
Assemblymember Bill Quirk
Assemblymember Kevin Mullin
Assemblymember Marc Berman
Assemblymember Alex Lee
Assemblymember Ash Kalra
Assemblymember Mark Stone
Assemblymember Robert Rivas
Nevada V. Merriman, Director of Policy, MidPen Housing