

May 23, 2022

The Honorable Chris R. Holden
Chair, Assembly Appropriations Committee
1021 O Street, Suite 8220
Sacramento, California 95814

RE: SCA 2 (Allen, Wiener, Kalra, Lee, Wicks) – Support

Dear Chair Holden,

On behalf of MidPen Housing Corporation, we write in support of SCA 2, which would place a measure on the ballot asking voters to repeal Article 34 of the California Constitution. Article 34 is a racist relic of the 1950s, requiring majority approval by the voters of a city or county to develop a publicly funded “low-rent housing project.” This obstacle causes delays and extra costs in developing desperately needed affordable housing throughout the state, disproportionately impacting people of color.

There are enough hurdles to producing affordable housing in this state—from insufficient financing to stiff competition from market-rate developers for desirable sites to opposition to increased densities. It makes no sense to maintain Article 34’s additional challenge of voter approval for publicly subsidized housing in the face of our dire need for more affordable units across the state.

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.

Fact: California has only 22 affordable and available rentals for every 100 extremely low-income households. Most California renters spend more than 30% of their income on housing (nearly one-third spend more than half). **Too many people are one missed paycheck away from homelessness.**

Fact: Article 34 was created in response to the Federal Housing Act of 1949, part of President Truman’s Fair Deal to help lower-income post-war families move into better living situations. The Housing Act of 1949 banned explicit racial segregation in public housing, which left cities scrambling to find alternative ways to separate communities of color from white neighborhoods. The real estate industry, unable to stop the passage of the Housing Act of 1949 at the federal level, sought to slow and stop its implementation at the state and local levels. **Now, the California Association of Realtors is a Co-Sponsor of SCA 2.**

Fact: Society had very different attitudes about race, ethnicity, class, and poverty 70 years ago. There were far fewer tools for residents to alter or block plans for new housing—no California Environmental Quality Act, Brown Act, or Coastal Act, and far fewer lawsuits. California’s voters have made it clear they want leaders to do better for those struggling to afford housing—supporting ballot measures dedicating hundreds of millions in taxpayer dollars to tackling the housing and

homelessness crises. **The state owes it to all taxpayers to use the money as efficiently as possible.**

Although many other states passed similar measures in the 1950s, no different state constitution currently requires voter approval for public housing.

SCA 2 will allow voters to eliminate an obstacle enshrined in the California Constitution in a bygone era, which undermines elected officials' ability to address California's acute housing and homelessness challenges."

We thank you for your leadership on these critical housing and homelessness issues. We strongly support SCA 2 and urge your yes vote.

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