

March 8, 2023
The Honorable Scott Wiener
California State Senate
1021 O Street, Suite 8620
Sacramento, CA 95814

Re: Support for SB 423 – Land use: Streamlined housing approvals: multifamily housing developments

Dear Senator Wiener,

On behalf of MidPen Housing Corporation, we write in support of Senate Bill 423. This bill would remove the sunset of SB 35 (Wiener, 2017) and make the law permanent, thus providing streamlined, ministerial approval of projects in cities that have not met their Regional Housing Needs Assessment (RHNA) goals or adopted a compliant housing element.

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 125 communities and 8,500 homes for low-income families, seniors and those with supportive housing needs throughout Northern California.

MidPen has successfully utilized SB 35 on four developments: a 44-unit family project in Petaluma, a 135-unit educator project in San Francisco, a 99-unit family project in Santa Rosa, and a 108-unit supportive project in San José. In the case of the Shirley Chisholm Village project in San Francisco, the team collaborated closely with the City staff to use SB-35, which allowed the project to obtain the necessary approvals in an expeditious timeline and move quickly to apply for permitting and state financing.

Currently, California is in the depths of a housing crisis. Housing production has not kept pace with the state’s population growth, resulting in skyrocketing costs, particularly for lower-income individuals. California households in the bottom quarter of the income distribution – the poorest 25% of households – report spending four times the share of their income (67%, on average) that households in the top quarter of the income distribution do (16%, on average). California ranks 16th highest among all states when measuring poverty rates. However, when the high cost of housing is considered, California jumps to first place; 20.4% of California residents live beneath the California Budget Center’s supplemental poverty measure.

SB 35 addressed this by providing streamlined, ministerial approval of projects in cities that have not built sufficient housing, as determined by the state. This approach has led to increased housing production in communities where it is needed most and has been a crucial source of new affordable units.



Although data surrounding SB 35 is imperfect, the Turner Center has reported that through the end of 2021, over 18,000 units have been proposed under SB 35, with 13,000 or nearly three-fourths being affordable to those in the very low or low-income categories.

Equally important, this Act will help our state's construction workforce rise and thrive. Construction workers will be protected by the requirement to pay prevailing wages on projects with over 10 units. On projects with 50 units or more, contractors must offer apprentices employment and pay for health care for construction workers and their dependents. This creates an economic base and new opportunities for construction workers and provides our state with the highly skilled workforce it needs to build our future.

Sincerely,

Matthew O. Franklin
President and CEO
MidPen Housing Corporation

cc:

Nevada V. Merriman, Director of Policy, MidPen Housing
Senator Mike McGuire
Senator Bill Dodd
Senator Susan Eggman
Senator Steve Glazer
Senator Nancy Skinner
Senator Aisha Wahab
Senator Josh Becker
Senator Dave Cortese
Senator John Laird
Senator Alex Padilla
Senator Diane Feinstein
Assemblymember Jim Wood
Assemblymember Cecilia Aguiar-Curry
Assemblymember Lori Wilson
Assemblymember Damon Connolly
Assemblymember Phil Ting
Assemblymember Matt Haney
Assemblymember Mia Bonta
Assemblymember Rebecca Bauer-Kahan
Assemblymember Liz Ortega
Assemblymember Diane Papan



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Assemblymember Marc Berman
Assemblymember Alex Lee
Assemblymember Evan Low
Assemblymember Ash Kalra
Assemblymember Gail Pellerin
Assemblymember Robert Rivas
Assemblymember Dawn Addis
Congressman Jared Hoffman
Congressman Mike Thompson
Congressman Mike Garemendi
Congressman Mike DeSaulnier
Congresswoman Nancy Pelosi
Congresswoman Barbara Lee
Congressman Eric Swalwell
Congressman Kevin Mullin
Congresswoman Anna Eshoo
Congressman Ro Khanna
Congresswoman Zoe Lofgreen
Congressman Jimmy Panetta