

March 28, 2024

The Honorable Buffy Wicks
California State Assembly
1021 O Street, Suite 8140
Sacramento, CA 95814

RE: AB 2243 (Wicks) AB 2011 Clarification and Expansion – SUPPORT

Dear Assemblymember Wicks,

MidPen Housing is pleased to write to you in support of your bill AB 2243, which amends the language of the Affordable Housing and High Road Jobs Act of 2022 (AB 2011) in order to facilitate implementation of AB 2011 by expanding its geographic applicability and clarifying aspects of the law that are subject to interpretation.

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 130 communities and 9,400 homes for low-income families, seniors, and those with supportive housing needs throughout Northern California.

Addressing the state's housing crisis requires bold action. One example of such bold action was AB 2011, the Affordable Housing and High Road Jobs Act of 2022. This landmark bill expanded where housing could be built by allowing multi-family infill housing in areas zoned for parking, retail, and office. In return for making these housing developments by-right, developers need to provide affordable housing on-site and ensure that the construction workers are paid the prevailing wage.

Since the enactment of AB 2011, there have been substantial changes to the economy, including the collapse of demand for office space, the reduced demand for brick-and-mortar retail, and an increase in interest rates. These changes have created both the demand and opportunity to open up additional potential sites where housing might be economically feasible.

Additionally, since AB 2011's enactment, housing developers and local governments have identified aspects of the law's language that are subjective and open to interpretation. This subjectivity has led to project delays and dissuaded utilization of the law. It has also led to inconsistent application across jurisdictions and created the potential for unnecessary lawsuits.

AB 2243 would address these issues by expanding AB 2011's geographic applicability and clarifying aspects of the law that are subject to interpretation. In particular, it would allow more redevelopment of malls, conversion of offices to housing, and development



Building Communities. Changing Lives.

in existing high-rise districts even if the site is not on a commercial corridor. It would also clarify the intersection of AB 2011 and density bonus law, specify that all aspects of AB 2011 projects are ministerial and not subject to CEQA, and specify that any site remediation needs to occur after project approval but before the site can be occupied.

For these reasons, MidPen supports the passage of AB 2243 to clarify and expand AB 2011 and, in doing so, make it easier to build much more housing in the right locations.

Thank you for your consideration and please feel free to contact Nevada V. Merriman, Vice President of Policy & Advocacy, at 650-477-6195 or nmerriman@midpen-housing.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Matthew O. Franklin".

Matthew O. Franklin
President and CEO

CC: Nevada Merriman, Vice President of Policy & Advocacy