



April 8, 2024

The Honorable Nancy Skinner  
Chair, Senate Housing Committee  
1021 O Street, Room 3330  
Sacramento, CA 95814

**RE: Senate Bill 937 (Wiener) – Fee Deferral and Entitlement Extension – SUPPORT**

Dear Chair Skinner,

The California Home Building Alliance (HBA) is committed to supporting legislation and administrative actions that will increase housing production in our state. **We write in support of SB 937 (Wiener).** SB 937 would minimize the impact of market fluctuations and high interest rates on housing production by delaying the payment of local development fees until the certificate of occupancy is issued. The bill would also extend housing entitlements issued prior to January 1, 2024, and set to expire on or before December 31, 2025, by eighteen months.

The HBA coalition includes trade associations representing small and large businesses, for-profit and not-for-profit home builders, realtors, developers, employers, affordable housing infill builders, and non-profit research, education, and advocacy organizations focused on increasing the supply of new housing and improving the quality and affordability of housing in California.

SB 937 does not eliminate fees; it simply delays when fees are due to local governments. Deferring fees allows projects to pay impact fees after construction rather than before construction, as is currently the practice. In a high interest rate environment, this change will result in significant savings on financing costs, rendering more projects financially feasible and allowing them to move forward, providing housing, jobs, and tax revenue.

Additionally, extending entitlements that are set to expire will help ensure that many projects ready to break ground are built. To cool the pace of skyrocketing inflation, the Federal Reserve

began to increase interest rates in the post-pandemic years. As a result, interest rates were increased eleven times, creating volatility that negatively impacted the availability of financing and brought many housing projects to a halt. Now that inflation is being tackled and the economy is stronger than expected, ensuring that projects in the housing pipeline are built will help meet the demand for more housing.

At a time where the state's investment in affordable housing is uncertain, the Legislature should support solutions that help produce housing while not putting further strain on the state's general fund. For these reasons, we ask that you support SB 937 when it comes before your committee.

Sincerely,



Laura Foote  
Executive Director  
YIMBY Action



Matthew O. Franklin  
President & CEO  
MidPen Housing



Jordan Panana Carbajal  
Legislative Advocate  
California YIMBY



Michael Lane  
State Policy Director  
SPUR




Cornelius Burke  
Vice President, Government Affairs  
California Building Industry Association



Earle Vaughan  
President  
California Rental Housing Association



Julian Canete  
President & CEO  
California Hispanic Chambers of Commerce



Daniel M. Yukelson  
Executive Director  
Apartment Association of Greater Los Angeles



Noni Ramos  
Chief Executive Officer  
Housing Trust Silicon Valley



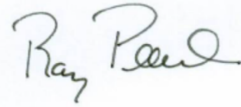
Tim McRae  
SVP of Sustainable Growth  
Silicon Valley Leadership Group



Corey Smith  
Executive Director  
Housing Action Coalition



Howard Ahmanson  
President  
Fieldstead and Company, Inc.



Ray Pearl  
Executive Director  
California Housing Consortium