



The Honorable Ben Allen  
California State Senate  
State Capitol, Room 4076  
Sacramento, CA 95814

**Support – SCA 2 – Public housing projects.**

Senator Allen,

I write on behalf of Housing California to support Senate Constitutional Amendment 2, which would repeal Article 34 of the California State Constitution. Housing California's mission is to achieve a California with homes, health, and wealth for all. We pursue this mission through our three strategic directions: shaping a new narrative; building and centering the power of those with lived expertise; and advocating for evidence-based policies.

Article 34 requires a local government to hold an election every time a low rent building is built with 51 percent or more of government funds. Over time, the state has narrowed the scope of Article 34 through administrative policy changes and expanding other sources of funding for affordable housing that do not meet Article 34's definition of government funds.

In 1950, Article 34 was placed in the constitution by a group of NIMBY residents in Eureka, who believed at the time that subsidized housing brought down the value of market rate homes nearby and who feared business competition from the government. The purpose of this initiative was to slow and thwart the construction of affordable housing.

Unfortunately, this intended purpose has become a reality. Cities enact sophisticated loopholes to attempt to circumvent Article 34, and developers are forced to create sophisticated funding deals to skirt around the 51 percent trigger for Article 34, but these legal hoops create high costs and are not ultimately successful everywhere.

The requirement to hold the election is not neutral to affordable housing. It allows and encourages NIMBY opposition to new affordable housing, and it ensures that affordable housing that is built is only built in California's big cities on otherwise undesirable sites in industrial or non-residential areas, often next to highways

To increase the rate of home construction and make it cheaper to build affordable housing in communities with access to abundant opportunities, like good schools, we should repeal Article 34. It is an unnecessary requirement on affordable housing developers to require an election to allow low-income housing to be built in a community. In a time of crisis, California cannot afford to spend its scarce affordable housing dollars overcoming self-imposed barriers. Article 34 shifts the balance of

power to neighbors who will say no to helping low income people. The time has come for the state to shift the balance back to neighbors who say yes.

Best,



Jack Avery  
Policy Associate  
Housing California

Cc:

Zak Castillo-Krings, Senior Policy Consultant, Office of Senator Ben Allen