



Santa Cruz

CHAMBER OF COMMERCE

July 13, 2017

Senator Scott Wiener
California State Senate, 11th District
State Capitol, Room 4066
Sacramento, CA 95814-4900

RE: Santa Cruz Area Chamber of Commerce - Support Letter for SB 35

Dear Senator Wiener:

On behalf of 600 plus members of the Santa Cruz Area Chamber of Commerce and, I am writing to offer our support of your legislation, SB 35, The Housing Accountability and Affordability Act.

California is facing a housing crisis that has handcuffed local city and counties from addressing our housing needs. SB 35's direct approach to address a city and county's Regional Housing Needs Assessment (RHNA) goal and embed this requirement into a city's zoning plan is long over due. California's housing production is at its lowest level since the 1950s. In Santa Cruz County the problem is magnified because by local land use zoning, code regulations, enhanced environmental protection of coastal watershed and greenbelts areas in the city and the county. Coupled with a limited growth plan since the late 1970s also limits any housing options for our region. We cherish our natural environment but the rules and the lack of enforcement of the state RHNA law has made housing affordability beyond the reach of the median income family.

The lack of relatively affordable housing continues to be of chronic concern to Santa Cruz County residents and employers. It threatens not only the area's overall quality of life, but its economic vitality as well. Today, according to the California Association of Realtors, only 16% of county residents can afford a median-priced home. Santa Cruz County's median priced home hit \$875,000 this last month; and the median income of a working family is \$68,000 a year. Due to growth that has already occurred, many local residents find themselves priced out of the market by untenable rents and home prices. The lack of affordable housing in Santa Cruz County severely constrains the capability of the area's employers to attract and retain employees. It is a deterrent to drawing new businesses to our area.

It debilitates our community by making it almost impossible for teachers, police and fire personnel, and service workers to live where they work. It causes a number of businesses whose markets are outside of Santa Cruz County to leave the area.

SB 35 addresses one of many factors that reduce building the number of potential housing units (at all income levels) for our community. Senate Bill 35 ensures that all communities in California create the housing we need to address a statewide housing shortage, and spur the creation of housing in our state.

The negative impacts of California's housing shortage threaten our state's economic growth, environmental well-being, and diversity. It is far too expensive to rent or buy a home in California, which results in displacement, evictions, and families being pushed out as they grow. Teachers, retail workers, first responders, and other middle-income professionals often have crushing commutes as they increasingly cannot afford to live near their jobs.

We are encouraged that the SB 35 has passed the California State Senate on a bi-partisan vote and is moving its way through the State Assembly, recently passing the Assembly Local Government Committee.

On behalf of the members of the Santa Cruz Area Chamber of Commerce we support SB 35 as one step forward to help address our state's housing shortage. Thank you for considering our views on this important issue.

Sincerely,



Casey Beyer
Chief Executive Officer
Santa Cruz Area Chamber of Commerce

cc: Assemblymembers Mark Stone, Anna Caballero and Senator Bill Monning
City of Capitola, Santa Cruz, Scotts Valley and Watsonville
Santa Cruz County Board of Supervisors