

January 22, 2020

The Honorable Scott Wiener  
Senator  
State Capitol, Room 5100  
Sacramento, CA 95814

**RE: SB 50 (Wiener), as amended January 6, 2020 – Oppose Unless Amended**

Dear Senator Wiener,

As a network of non-profit organizations coalesced around a vision to create a healthier, more sustainable California, where people of all backgrounds and incomes have the opportunity to thrive, we must respectfully oppose Senate Bill 50 unless amended to address critical concerns regarding displacement and its impacts on renters, low-income people of color, and other vulnerable populations who have little to no resources to stay in their communities.

Without careful planning and policies, new investment in existing neighborhoods or ongoing disinvestment in areas where low-income people live can push lower-income and people of color out of their own communities and away from jobs and transit. This exacerbates historical inequities, forces more driving and climate pollution from those who have the highest propensity to ride transit, re-segregates our towns and cities, and destroys natural and agricultural lands.

ClimatePlan recognizes that displacement threatens to undermine all of our network's priorities including climate, equity, health, active transportation, and conservation; it is a central challenge to building a more sustainable and equitable California. ClimatePlan worked collaboratively with partners to carefully create [a set of anti-displacement principles](#) last year with input from stakeholders across California.

We strongly support the author's intent to address California's affordable housing shortage, and acknowledge that there is some language in SB 50 that speaks to avoiding displacement. However we are concerned that language doesn't fully protect communities. To address this concern around displacement, we recommend the following amendments:

- Identify and protect *all sensitive* communities where SB 50 could increase development pressures on existing housing resources and traditionally underserved areas. This will ensure that new development does not exacerbate the risk of gentrification and displacement in these vulnerable communities. Mechanisms can include, but aren't limited to:
  - Using the Urban Displacement Project's [maps](#) to further identify sensitive communities.
  - Requirements that any residential developer who takes advantage of public incentives that increase a property's value or decrease development costs must use a portion of that financial windfall to benefit the community by including extremely and very low-income affordable homes in the new development.

- All major investments should include meaningful community participation in every aspect of project design.
- Ensure that sensitive communities have full self-determination about whether or not to opt in to SB 50.

We believe these are reasonable and necessary provisions for any public policy that seeks to meaningfully ensure new development does not come at the expense of existing residents and the community they have created. To this end, we encourage you to evaluate opportunities to incorporate [ClimatePlan's Commitment to Investment without Displacement principles](#) into the next set of amendments for SB 50.

We urge your office to consider these suggested amendments and those of other housing and equity advocates including PolicyLink, Western Center for Law and Poverty, and Public Advocates. Thank you for your attention to this urgent matter.

Sincerely,

Chanell Fletcher, Executive Director  
ClimatePlan

Cc:

ClimatePlan Steering Committee members

- Shona Ganguly, The Nature Conservancy
- Anya Lawler, Western Center for Law and Poverty
- Adam Livingston, Sequoia Riverlands Trust
- Jessica Meaney, Investing in Place
- Chuck Mills, California ReLeaf
- Andres Ramirez, Pacoima Beautiful
- Joshua Stark, TransForm
- Linda Rudolph, Public Health Institute
- Axel Santana, PolicyLink
- Will Barrett, American Lung Association in California

Enc:

ClimatePlan Commitment to Investment without Displacement



## ClimatePlan’s Commitment to Investment without Displacement

The ClimatePlan network’s vision is to create a healthier, more sustainable California, where people of all backgrounds and incomes have the opportunity to thrive. We can create a California in which all of us, especially lower-income and people of color, have the option to live in communities where we can find and stay in a home we can afford, close to good jobs and schools; where it is convenient, safe, dignified, and affordable to get around on public transit, on foot, by bike, or by scooter; where there is plentiful clean air and water; where public parks are accessible and farmland and natural lands are protected. We can build development and invest in infrastructure that reduces greenhouse gas emissions. As a multi-sector network, we advance policies and leverage the resources and partnerships necessary to realize this vision.

California is in the midst of an affordability crisis. Without careful planning and policies, new investment in existing neighborhoods or ongoing disinvestment in areas where low-income people live can push lower-income and people of color out of their own communities and away from jobs and transit. This exacerbates historical inequities, forces more driving and climate pollution from those who have the highest propensity to ride transit, re-segregates our towns and cities, and destroys natural and agricultural lands. ClimatePlan recognizes that displacement threatens to undermine all of our network’s priorities including climate, equity, health, active transportation, and conservation; it is a central challenge to building a more sustainable and equitable California.

Displacement harms people and communities and worsens the climate crisis. Recognizing these profound impacts, beginning in April 2018, ClimatePlan convened partners from housing, transportation, land use, equity, conservation and climate organizations to develop a shared policy platform on *Investment Without Displacement* for guiding the ClimatePlan network’s advocacy. Over 20 participants worked collaboratively to develop the approach and solutions outlined below.

### Our Goal

Ensure that investment in communities provides direct and meaningful benefits to residents and does not displace them.

## Our Approach

What “displacement” means to us in this context: A forced or responsive move due to changes in one's home or neighborhood.

- A “forced” move can also be referred to as “physical” or “direct” displacement.
- A “responsive” move is also known as “economic” or “indirect” displacement and occurs when a resident unwillingly leaves his or her home due to rising rents, habitability or similar issues.

Displacement is related to systems of power and oppression, including racism and classism and patterns of investment, disinvestment, and exclusion. America’s history of segregation and redlining has contributed to historical exclusion of households from a neighborhood due to race, income, or other factors. This further limits neighborhood access and housing choices.

Who we are most concerned about displacing: Renters, low-income people of color, and other vulnerable populations who have little to no resources to stay in their communities.

*Secondarily, we are concerned about losing neighborhood-serving small businesses and community institutions that bind neighbors together and create a distinct sense of place.*

Which types of “investment” are we most concerned about?

1. *Public dollars for infrastructure and financing*
2. *Private market rate real estate development*
3. *Government actions that create windfall value for private entities, e.g., upzoning sites and streamlining regulations.*
4. *Any combination of the above*

Public and private investments can shape and influence communities in negative ways. For example, federal and state transportation dollars have built roads and highways through many cities, destroying the fabric of the community and increasing climate pollutants for residents. Public and private investments can also be a stabilizing and empowering force for communities if structured appropriately and designed in collaboration with communities. ClimatePlan promotes investments that reduce greenhouse gas emissions, are shaped by residents, and provide direct benefits and support to communities, specifically those that have been historically underserved and neglected.

## Our Recommendations

The following nine principles guide our analysis of proposed policies to ensure they achieve investment without displacement. The signatory organizations to this document endorse these principles as overall goals which campaigns, legislation, investments, and policy proposals should strive to incorporate based on context, scope, and specific situations. The organizations signing onto this document commit to giving these recommendations weight as they evaluate such proposals and arrive at specific positions.

1. All renters should be protected from excessive rent increases through local, regional, and/or statewide rent stabilization.
2. Market-rate housing developers should not receive a public incentive (such as streamlining, reduced parking requirements, reduced open space requirements, etc.) for housing development that displaces existing households or demolishes homes occupied by or affordable to lower-income tenants. The state should not displace existing households or demolish them.

However, exceptions should be considered where:

- a. New development results in a *significant increase* in the number of homes affordable to lower-income renters, and
  - b. Existing residents are fairly relocated at the developer's cost to comparable housing in near proximity and given the right to return to the new development in comparable units at their original rent level.
3. All renters should be protected from unwarranted eviction through a statewide "Just Cause" law. The Ellis Act, which allows landlords to evict residential tenants under the premise of "getting out of the rental business," must also be reformed.
  4. The state needs to significantly increase state funding to preserve existing homes affordable to very low-income Californians and build new homes they can afford.
  5. Any residential developer who takes advantage of public incentives that increase a property's value or decrease development costs must use a portion of that financial windfall to benefit the community by including extremely and very low-income affordable homes in the new development.
  6. Major public investments should provide capacity-building and technical assistance for local community-based nonprofit organizations and institutions, so they can compete for contracts or grants related to the investment.
  7. Major public investments should also provide assistance to local and disadvantaged residents in the form of career development, apprenticeship, and employment opportunities in both construction and any permanent jobs created by the investment.
  8. All major investments should include meaningful community participation in every aspect of project design.

9. All new multifamily housing of 10 units or more developed near transit or benefitting from other public resources should include extremely and very low-income affordable homes, on site or off site in near proximity.

*April 4, 2019*