



American Planning Association
California Chapter

Creating Great Communities



August 23, 2022

The Honorable Governor Gavin Newsom
1021 O Street, Suite 900
Sacramento, CA 95814

**RE: SB 948 (Becker): Housing finance programs: development reserves
As Amended on August 15, 2022 – REQUEST FOR SIGNATURE**

Dear Governor Newsom:

On behalf of the California State Association of Counties (CSAC), the Rural County Representatives of California (RCRC), the Urban Counties of California (UCC), and the California Chapter of the American Planning Association (APA), we respectfully request your signature on SB 948 by Senator Becker, which would restrict the California Department of Housing and Community Development (HCD) from requiring a project-specific reserve for any unit subject to a qualified project rental or operating subsidy.

This bill would create the Pooled Transition Reserve Fund to be operated by HCD and would continuously appropriate funding into that fund for the purpose of maintaining a pooled transition reserve to mitigate the impacts on tenant rents from the loss or exhaustion of rental or operating subsidies. SB 948 would also authorize HCD to charge a fee to a development that receives qualified project rental or operating subsidies at the time of permanent loan closing, to be deposited into the fund.

Our organizations support efforts to allocate additional funding to promote the production of new subsidized units and to provide adequate funds for housing subsidies to households. SB 948 will make financial resources available within many HCD-funded affordable housing projects, freeing up resources to be utilized to create more homes for low-income households across the state.

It is for these reasons that we respectfully request your signature on SB 948. If you need additional information about our position, please contact Mark Neuburger (CSAC) at mneuburger@counties.org, Tracy Rhine (RCRC) at trhine@rcrcnet.org, Chris Lee (UCC) at cleee@politicogroup.com, or Lauren de Valencia y Sanchez (APA) at lauren@stefangeorge.com.

Sincerely,



Mark Neuburger
CSAC



Christopher Lee
UCC



Eric Phillips
APA California



Tracy Rhine
RCRC

cc: The Honorable Josh Becker, California State Senate
Ronda Paschal, Deputy Legislative Secretary, Office of the Governor