



CALIFORNIA REINVESTMENT COALITION

June 17, 2020

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Senator Hannah-Beth Jackson
Senate Judiciary Committee
State Capitol –Room 2187
Sacramento, CA 95814RE:

Assembly Bill AB 1703(Bloom)–Sale of rental properties: right to first offer-SUPPORT

The California Reinvestment Coalition and the undersigned organizations are pleased to support AB 1703, legislation to enact the right to first offer for tenants and qualifying organizations. By requiring that owners of single family and multi-family properties provide notice of intent to sell, it gives organizations and tenants an opportunity to act first.

CRC members were on the front lines of the foreclosure crisis, and saw vast wealth transferred from Black Indigenous and People of Color (BIPOC) communities into the hands of Wall Street, private equity and Real Estate Investment Trust (REIT) firms. This bill will help to ensure these mistakes are not repeated.

Many Californians’ rental homes are at risk of becoming “distressed assets” during the COVID-19 pandemic and economic recession. If the legislature does not act now, single and multifamily rental homes will be lost to corporate investors, like during the Great Recession. The same exploitative practices that led to mass displacement in 2008 will, once again, have a devastating impact on California’s housing supply, affordability, and housing security. Our nonprofit sector, including community land trusts, non-profit affordable housing developers, tenant organizations, and local governments are in the position to acquire and rehabilitate a portion of these rental properties to make them permanently affordable.

AB 1703 would require that owners of residential rental property notify qualifying organizations of intent to sell and provide for a short waiting period for organizations to express interest and submit an offer. This bill will ensure that vulnerable families stay housed by requiring the buyers who use this provision to retain all tenancies and become deed-restricted affordable housing.

AB 1703 is a place-based anti-displacement solution that allows tenants to remain stably housed and expands the inventory of deed-restricted affordable housing on a much shorter timeline and at lower cost to the state than new construction. We encourage your support on AB 1703. systems are substantial. We need clear rules and strong enforcement measures.



CALIFORNIA REINVESTMENT COALITION

If you have any questions about this letter or our position, please feel free to contact Kevin Stein or Jyotswaroop Bawa at California Reinvestment Coalition at kstein@calreinvest.org, or jbawa@calreinvest.org.

Thank you for your consideration of our views.

Very Truly Yours,

Asian, Inc.
Bend the Arc: Jewish Action Southern California
Beverly-Vermont Community Land Trust
CAARMA
California Coalition for Rural Housing
California Reinvestment Coalition
Chinatown Community Development Center
Coachella Valley Housing Corporation
Community Housing Opportunities Corporation
Community HousingWorks
Community Legal Services of East Palo Alto
East Bay Housing Organizations
East LA Community Corporation
Fair Housing Advocates of Northern California
Fair Housing Council of San Diego
Fair Housing Council of the San Fernando Valley
Haven Neighborhood Services
Homeownership San Francisco
Housing Rights Committee of San Francisco
Inclusive Action for the City
Legal Aid Society of San Mateo County
Little Tokyo Service Center
Mission Economic Development Agency
National Housing Law Project
Public Counsel
Public Law Center
Tenderloin Neighborhood Development Corporation