



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE ▪ BEVERLY HILLS, CALIFORNIA 90210

Julian A. Gold, M.D., Mayor

August 28, 2023

The Honorable Anthony Portantino
Chair, Senate Committee on Appropriations
1021 O Street, Suite 7630
Sacramento, CA 95814

Re: **AB 323 (Holden) Density Bonus Law: purchase of density bonus units by nonprofit housing organizations: civil actions**
City of Beverly Hills – Support

Dear Chair Portantino,

On behalf of the City of Beverly Hills, I am pleased to write to you in **SUPPORT** of **AB 323 (Holden)**. This bill prohibits developers from offering affordable housing units built in accordance with a density bonus project or under an inclusionary zoning ordinance for sale to a non-income eligible buyer or to a non-owner-occupant, unless the developer can demonstrate no such qualified buyer exists.

Current law establishes the density bonus law, which enables housing development projects to receive a specified increase in allowable density and receive a specified number of incentives or concessions from local governments, in return for providing a specified amount of affordable housing.

California is in the middle of an extremely severe housing crisis. To combat this issue, California and localities in the state have enacted a number of laws for developers of housing projects meant to increase the availability of affordable housing for low-income Californians. However, there are gaps in the laws that may allow investors and non-owner-occupants to purchase housing otherwise designated as low-income units for low-income families. These gaps could result in units meant to be owned by low-income families being owned by investors or corporations that then rent out the units, even when there are low-income families qualified to have bought the units themselves.

AB 323 addresses these issues through clarifying provisions relating to density bonus law and adds provisions to the civil code relating to local “inclusionary zoning” ordinances which specify the for-sale affordable units must be initially sold to and occupied by low-income families. It creates a process and timeline for a local agency to inform a developer about potential low-income buyers of affordable housing units, and mandates that a developer cannot sell such units to a nonprofit housing corporation unless it proves there are no eligible buyers who qualify to buy the units. AB 323 also would strengthen the accreditation requirements imposed on non-profits purchasing units awarded a density bonus.

The City of Beverly Hills recognizes the urgent necessity of this bill to provide housing for low-income families across the entire state and believes that AB 323 will make sure that the state investment in

low-income housing will be used efficiently and effectively. It is for these reasons that the City of Beverly Hills **supports AB 323 (Holden)** and respectfully requests an “AYE” vote when heard in your committee.

Sincerely,

A handwritten signature in black ink, appearing to read "Julian A. Gold". The signature is fluid and cursive, written over a faint, light-colored rectangular stamp or watermark.

Julian A. Gold, M.D.
Mayor, City of Beverly Hills

cc: The Honorable Chris Holden, 41st District
The Honorable Ben Allen, Senator 24th District
The Honorable Rick Zbur, Assemblymember, 51st District
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange