

December 12, 2018

Dear CASA Steering Committee,

On behalf of the 6 Wins for Social Equity Network, equity advocates representing the affordable housing, environmental justice, faith, labor, legal service providers, and tenants' rights communities, we write to you with urgency and collaboration. As you are well aware, the lives of working families in the Bay Area are disrupted every day as they are forced to leave behind their social, spiritual, professional, and cultural networks due to arbitrary evictions, rent increases, and displacement pressures.

CASA presents a unique opportunity to create a new story for the Bay Area, a future where our region is characterized by equity, diversity, self-determination, and opportunity, and where stable and affordable housing is a fundamental right. This is why many of us have been involved and engaged in the process for almost two years, and have formed non-traditional partnerships and pushed for robust regional policies that center the needs of low-income communities and communities of color.

In January 2018, we wrote the attached letter to urge CASA to (1) adopt measurable goals for protection, preservation and production ("the 3 Ps") that accurately reflect the scale of our housing crisis and (2) adopt overarching principles to guide CASA's policy solutions. Those principles were to formulate solutions that: advance racial equity; benefit and do no harm to low-income communities; are appropriately tailored by geography to reflect the varying experiences of low-income residents in different communities; engage disadvantaged communities and advance community priorities; and are actionable.

Unfortunately, CASA has not lived up to these guiding principles. The racial equity analysis has been delayed, policies harmful to low-income communities are still included in the draft compact, and the upzoning and streamlining proposals are not appropriately tailored to varying geographies. Importantly, the CASA process has lacked transparency and accountability, as it is still unclear how substantive feedback from the public and committee members is incorporated and how the overall process will unfold.

CASA can be truly "game-changing" and serve as a national model, but only if it is explicitly structured to stabilize communities so that current residents can prosper in place; break up historic and existing patterns of segregation by allowing new development at low-income levels in opportunity-rich and exclusive neighborhoods; and funding solutions for tenant protections, affordable housing preservation, and new affordable housing production.

We urge you to make four important changes to the compact as described further below: (1) document the lack of consensus on Elements 5, 6, and 7, (2) guarantee that protections and revenues for affordable housing come before or simultaneously with Elements 5, 6, and 7, (3) use the Sensitive Community maps, and (4) even the funding across the 3 Ps.

To effectively address the Bay Area's extreme housing affordability crisis, we urge CASA to make the following changes to the current draft of the compact:

1. Include a clear statement documenting the lack of consensus around Elements 5, 6, and 7 and pare down these Elements to their major components.

The minutiae in these elements are brittle and should be left open to negotiation moving forward. The details have not been adequately discussed and it is clear that many sectors (labor, equity, and government) have not agreed to them.

Element 7, in particular, includes too many details without consensus and that do not reflect CASA's core principles, which include "stabilize communities" and "inclusion everywhere" (page 5 of Compact). Instead, it poses potentially harmful tradeoffs because fiscal impacts, value recapture, environmental harm mitigation, and levels of affordability for new housing remain unknown. CASA needs more time to engage directly impacted communities to work out these very important details.

To reflect the true lack of consensus on this element, the following statement should be in bold and at the top of Elements 5, 6, and 7: "CASA stakeholders have not reached consensus about the underlying goals or details of this policy. It is nonetheless being included because it is a priority for some CASA stakeholders and indicates a commitment from the full range of stakeholders to have further discussions about it."

2. Guarantee that protections and new revenues for affordable housing are in place before or simultaneously with Elements 5, 6, and 7.

CASA participants have acknowledged the importance of moving the compact forward as a package to ensure no elements undermine each other. Now is the time to include a clear written guarantee that tenant protections and new revenues for affordable housing are in place across the region before or simultaneously with any upzoning or streamlining proposals.

3. Use the geography work group's maps on sensitive communities for Elements 5, 6, and 7.

Elements 5, 6, and 7 should only encourage market-rate development in markets outside of sensitive communities. Sensitive communities are vulnerable to displacement and gentrification. The compact must include an indefinite exemption and opt-in provision to the appropriate sensitive communities, as proposed by the geography work group, in order to advance racial equity and self-determination. The compact should also apply deferrals of at least four years in hot markets outside of sensitive communities.

4. Increase the percentage allocation of funding for protection and preservation.

The CASA process does not lend itself well to setting percentage allocations for funding. We urge CASA to increase the funding allocated for protection and preservation or at least remove the percentages from the compact and guarantee that future calculations will be careful and nuanced.