

Resolution #19

OPPOSITION TO “BY-RIGHT” HOUSING PROPOSAL REAL ESTATE INDUSTRY GIVEAWAY

Presented By: **State Building and Construction Trades Council, the International Association of Heat and Frost Insulators and Allied Workers; the International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers; the International Union of Bricklayers and Allied Craftworkers; the International Brotherhood of Electrical Workers; the International Union of Elevator Constructors; the International Association of Bridge, Structural, Ornamental, and Reinforcing Iron Workers; the Laborers International Union of North America; the International Union of Operating Engineers; the Operative Plasterers and Cement Masons' International Union; the International Union of Painters and Allied Trades; the United Union of Roofers, Waterproofers, and Allied Trades; International Association of Sheetmetal, Air, Rail, and Transportation Workers; the International Brotherhood of Teamsters; the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada (UA); the Building and Construction Trades Council of Alameda County; the Contra Costa Building and Construction Trades Council; the Fresno, Madera, Tulare, Kings Counties Building Trades Council; the Humboldt and Del Norte Counties Building and Construction Trades Council; the Imperial County Building and Construction Trades Council; the Kern, Inyo, Mono Counties Building Trades Council; the Los Angeles/Orange Counties Building and Construction Trades Council; the Marin County Building and Construction Trades Council; the Mid-Valley Building and Construction Trades Council; the Monterey and Santa Cruz Building and Construction Trades Council; the Napa/Solano Building Trades Council; the Northeastern California Building and Construction Trades Council; the Sacramento-Sierra Building and Construction Trades Council; the San Bernardino and Riverside Counties Building and Construction Trades Council; the San Diego County Building and Construction Trades Council; the San Francisco Building and Construction Trades Council; the San Joaquin County Building and Construction Trades Council; the Santa Clara and San Benito Counties Building and Construction Trades Council; the Sonoma, Mendocino, and Lake Counties Building and Construction Trades Council; the Stanislaus, Merced, Mariposa, and Tuolumne Counties Building and Construction Trades Council; and the Tri-Counties Building and Construction Trades Council**

WHEREAS, The "By-Right" streamlining of housing approvals budget proposal is an absolute gift to developers of market rate or luxury housing, with only token and unenforceable affordable housing commitments, allowing for forced approvals of projects without public and environmental review and removing any community participation in urban planning in cities and counties as well as local discretion in the approval of multi-unit housing and commercial developments; and

WHEREAS, the shortage of affordable housing has been driven by a combination of low-wages to workers, gentrification, property speculation, foreign investors, and greed of developers and the housing industry; and

WHEREAS, more than 50 diverse urban community organizations have joined the California Labor Federation, State Building and Construction Trades Council and its affiliates, Natural Resources Defense Council, League of Conservation Voters, Sierra Club, the League of California Cities, among other statewide organizations, in strong opposition to this wholesale obliteration of environmental and land use policy that will only favor and further enrich the real estate industry; and

WHEREAS, organizations opposing "By-Right" are strong supporters of creating policy that truly addresses California's affordable housing crisis and have joined in a coalition to inform members of the Legislature about this profoundly undemocratic and unjust proposal which puts disadvantaged communities and Labor at the mercy of anti-union developers who are heavily subsidized by public funds, manipulate the housing market to maximize their profits, and who already have too much power and influence at all levels of government; and

WHEREAS, the proposal would exacerbate urban sprawl in areas with no public transit, stranding working families from where they work and increasing traffic and congestion, allow development "By-Right" even if there is no water and no sewer capacity, fail to protect construction workers from digging in contaminated sites marred by toxic waste dumping and fail to protect public health in disproportionately impacted low-income communities; and

WHEREAS, the proposal allows 95% of the development, no matter how large, to be market rate luxury housing, and does not limit developers to infill in urbanized areas; instead, the proposal would allow development "By-Right" in undeveloped, unincorporated areas as long as the parcel is adjacent to virtually any existing development, including a lone, single family house; and would even require local governments to approve ministerial permits for luxury high-rises along California's coast, bays and rivers; and

WHEREAS, the "By-Right" proposal would not only result in gentrification, but it would disproportionately impact low-income communities by limiting and weakening existing affordable housing programs; and development "By-Right" prohibits local governments from performing their historic duties under the California Environmental Quality Act (CEQA) to protect their citizens from high concentrations of air pollutants, such as nitrous oxides and ozone, carcinogenic exhaust from diesel engines, chemicals in soil and groundwater and contamination in waterways; and degraded land, air and water quality; and

WHEREAS, the proposal incorrectly assumes that local governments have already evaluated and developed measures to address specific residential development on the most dangerous sites, including those containing hazardous waste, earthquake faults, flood plains and high fire hazards; and development "By-Right" would irresponsibly deprive local governments of the ability to prevent major public health impacts, such as exposure of children to toxic air pollution, increased traffic and urban sprawl, loss of important farmland that feeds our families and destruction along California's coastlines; and

WHEREAS, housing developers have historically attempted to avoid the responsibility of developer fees that pay for school facilities required by the construction of their housing projects and the "By-Right" proposal would avoid this longstanding obligation placing an unfair financial burden on local school districts; and

WHEREAS, there are already thousands of housing units that are fully approved yet not being built because developers are seeking to maximize their profits; and

WHEREAS, the "By-Right" proposal would allow demolition of existing affordable housing and rent controlled housing thereby displacing lower income residents with no assurance that replacement housing would be available; and

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WHEREAS, a recent qualitative analysis titled "The Economic and Environmental Impact of the CEQA" shows that under CEQA California's GDP per capita growth has exceeded US per capita growth and, using a variety of measurements, California's share of manufacturing, construction in general including housing, the growth of high tech, bio-tech and other industries which attract professional and technical labor, and even the percentage of environmentally friendly infill developments all have matched or exceeded national results indicating that by promoting a cleaner environment CEQA has directly enhanced California's economy; and

WHEREAS, construction workers in the residential housing market are regularly exposed to the underground economy as developers/contractors frequently cheat their workers out of their rightfully owed wages, ignore health and safety standards, avoid paying unemployment insurance taxes, fail to carry workers compensation insurance in the event their employees are injured on the job and studies have found that one in six California construction workers are impacted by wage theft and that in 2011 alone it cost workers over \$1.2 billion and taxpayers another \$774 million; and

WHEREAS, this proposal's failure to include strong labor standards will be severely detrimental to the 400,000 Building Trades members and their families as it will depress wages across all sectors of construction which include residential, commercial, industrial and all forms of public works; and will devastate the joint labor-management apprenticeship system with an enrollment of 59,000 apprentices, young men and women that are seeking a rewarding career in the building and construction trades; and

WHEREAS, development "By-Right" is unnecessary, CEQA already provides many exemptions for affordable housing – exemptions that factor in water availability during times of drought and incorporate standards to protect the environment, the public and affordable housing residents; and in addition, the transit priority provisions of CEQA also provide a specific streamlining process for projects that commit to providing affordable housing; and

THEREFORE BE IT RESOLVED, The California Labor Federation will strongly oppose the development "By-Right" proposal and will stand in solidarity with affordable housing organizations, community groups and environmental organizations in defending the California Environmental Quality Act and Labor's voice in land use planning and development of communities in which our members live and to diligently work toward achieving real solutions to California's developer created affordable housing crisis; and

BE IT FURTHER RESOLVED, The California Labor Federation will send a copy of this resolution to Governor Brown, Senate Pro-Tem de Leon, Assembly Speaker Rendon, all Democratic Senators and Assembly Members and endorsed Legislators.

Adopted by Delegates