



P.O. Box 3144
Los Altos, CA 94024
www.citiesassociation.org

September 24, 2025

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Ste. 9000
Sacramento, CA 95814

**RE: AB 726 (Avila Farias) - Planning and zoning: annual report: rehabilitated units.
Request for SIGNATURE**

Dear Governor Newsom,

The Cities Association of Santa Clara County respectfully requests your signature on AB 726, which would encourage more cities to preserve affordable housing. Specifically, this bill would allow cities to include deed-restricted affordable homes that have been substantially rehabilitated using, in part, public funds, as part of their Annual Progress Reports (APR) detailing progress toward their Regional Housing Needs Allocation (RHNA).

The Cities Association of Santa Clara County is an interjurisdictional joint powers authority comprising members representing all 15 municipal corporations in Santa Clara County: Campbell, Cupertino, Gilroy, Los Altos, Los Altos Hills, Los Gatos, Milpitas, Monte Sereno, Morgan Hill, Mountain View, Palo Alto, San Jose, Santa Clara, Saratoga, and Sunnyvale. A key element of our mission is to act as a collective voice for our cities toward our representatives in Sacramento with respect to our legislative needs. Assemblymember Avila Farias' AB 726 responds to our members' desire to balance meeting state law requirements embedded in our individual RHNA targets, with the very real current needs of residents who cannot wait for new housing production to solve their problems.

The RHNA overwhelmingly focuses on production of net new homes by income affordability level. However, production takes time and can lead to the dislocation of existing residents and businesses in many forms of infill development. By allowing cities to include rehabilitated deed-restricted affordable homes in their APRs, cities will possess a stronger incentive to also *preserve* affordable housing. Preserving such homes mitigates displacement risks and helps foster the rise of additional funds for the purpose of maintaining affordable housing as such.

For the foregoing reasons, the Cities Association proudly asks for your signature on AB 726.

Sincerely,

A handwritten signature in blue ink, appearing to read "Larry Klein".

Larry Klein
President, Cities Association of Santa Clara
Mayor, City of Sunnyvale

A handwritten signature in blue ink, appearing to read "J.R. Fruen".

J.R. Fruen
Chair, CASC Legislative Action Committee
Councilmember, City of Cupertino

Cc:

Asm. Marc Berman
Asm. Alex Lee
Asm. Patrick Ahrens
Asm. Ash Kalra
Asm. Gail Pellerin
Asm. Robert Rivas
Sen. Josh Becker
Sen. Dave Cortese
Sen. Aisha Wahab