

August 25, 2021

The Honorable Anthony Portantino
Chair, California Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

RE: AB 1466 (McCarty) – Real Property: Discriminatory Restrictions
Letter of Support from MidPen Housing Corporation

Dear Chair Portantino:

I write to express my strong support for AB 1466 (McCarty), which would take proactive steps to remove historically racist language from housing documents once and for all. By establishing a clear process for eliminating racist language from housing documents, AB 1466 advances racial equity and begins to redress the Jim Crow-era practices that have harmed non-White Californians and limited their housing and wealth-building opportunities.

MidPen Housing is one of the nation's leading nonprofit developers, owners and managers of high-quality affordable housing and onsite resident services. Since MidPen was founded in 1970, we have developed over 100 communities and 8,000 homes for low-income families, seniors, including homeless families and individuals and those with supportive housing needs throughout Northern California.

Racially restrictive covenants-- private agreements barring non-whites from occupying or owning property - were a key element of the segregationist policies in the early twentieth-century United States. Homeowners and builders as early as the 1890s in California created segregated neighborhoods by including language both in individual home deeds and in pacts that prohibited future resales to different communities of color.

While covenants were contracts between private parties, they became an increasingly important tool used by all levels of government to segregate neighborhoods. In 1948, under the two Supreme Court cases *Shelley v. Kraemer* and *Hurd v. Hodge*, racially restrictive covenants were found unconstitutional. However, to this day, unenforceable language in these covenants remains in housing documents due to the difficulty in modifying a property's chain of title. Numerous cases have been reported of buyers stumbling upon racist language in deeds and other housing documents that are sent before the transfer of property. While the exact number of properties that contain racially restrictive covenants remains unknown, evidence abounds of their use in neighborhoods up and down the state.

AB 1466 would create a clear process to redact this racist language from housing documents when property changes hands. The removal of racist language from covenants is not the silver bullet to eradicating racism within our communities, and removing this language does not take away the compounding and multi-generational effects of segregation. However, words matter in life and by making it clear that in California we will not abide racist language in housing

documents, we can take an important step to acknowledge and address the impacts of systemic racism and outright prejudice that still affect communities of color today.

Therefore, we stand in strong support of AB 1466.

Sincerely,



Matthew O. Franklin
President & CEO, MidPen Housing Corporation

Cc:
Nevada V. Merriman, Director of Policy, MidPen Housing