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May 8, 2019

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

RE: SB 50 (Wiener) Planning and Zoning. Housing Development Incentives Oppose Unless Amended (as amended 5/1/19)

Dear Senator Portantino:

The League of California Cities must continue to oppose SB 50 unless the measure is amended to address our key concerns. Unfortunately, the amendments taken in the Senate Committee on Governance and Finance do not address our primary objections with SB 50. In fact, these recent amendments raise additional questions and concerns.

SB 50, as amended, creates a new two-tiered process that exempts cities with a population of less than 50,000 that are in a county with a population of less than 600,000, from the most extreme provisions of the measure. It is unclear why these cities should be treated differently than a similar size city in a county with a population over 600,000. Instead of arbitrarily establishing a population metric, it would be much more appropriate to consider the full range of community characteristics when determining which areas of the state SB 50 should apply.

The League of California Cities objects to allowing developers of certain types of housing projects to override locally developed and adopted height limitations, housing densities, parking requirements, and limit design review standards. Specifically, the League has significant concerns with the following:

- General Plans, Housing Elements (which are certified by the Department of Housing and Community Development (HCD)), and Sustainable Community Strategies (SCS). By allowing developers to override state approved housing plans, SB 50 seriously calls to question the need for cities to develop these community based plans and the justification for spending millions of state and local funds on the planning process. HCD spends a significant amount of money and staff time to review and certify housing elements for 482 cities. In this year alone, HCD will allocate nearly \$130 million to local governments to update their housing plans and approval processes. Governor Newsom has proposed to spend an additional \$250 million on local plans. Why would the Legislature pass a bill that encourages developers to defy these plans and essentially waste millions of taxpayer dollars?
- Housing developers and transit agencies would have the power to determine housing densities, heights up to 55 feet, parking requirements, and design



review standards for "transit-rich housing projects" within one-half mile of a major transit stop. For those "transit-rich housing projects" within one-quarter mile radius of a stop on a high-quality bus corridor, developers would be able to determine housing density, and parking requirements above .5 spots per unit.

- What is the full scope of SB 50? As presently drafted, it is very difficult to
 determine what constitutes a "jobs-rich area" since the Department of Housing
 and Community Development and the Office of Planning and Research are
 largely tasked with making that determination. It is hard to understand why
 the Legislature would want the Executive Branch to define essential terms that
 have broad implications for how SB 50 would be implemented. Additionally, by
 not defining "jobs-rich area" in statute, there is no way of knowing if SB 50 will
 actually accomplish its stated goal.
- Greater density but no public transit? SB 50 would require cities to allow
 greater density in communities that are high opportunity and jobs rich, but
 may lack access to public transit. This seems at odds with many state policies
 that encourage and incentivize more dense housing near transit so that
 individuals may become less dependent on automobiles.
- Community-led planning? SB 50 allows some communities to be exempt if
 they develop their own plan that is consistent with the objectives of the bill.
 Why not all communities? Shouldn't all jurisdictions have the ability to have a
 community-led planning process that takes into account local needs and input
 as long as state objectives are still met?

For these reasons, the League of California Cities opposes SB 50 unless it is amended to address the above concerns. If you have any questions, please feel free to contact me at (916) 658-8264.

Sincerely,

Jason Rhine

Assistant Legislative Director

cc. Senator Scott Wiener
 Members, Senate Committee on Appropriations
 Mark McKenzie, Chief Consultant, Senate Committee on Appropriations
 Ryan Eisberg, Consultant, Senate Republican Caucus