

January 20, 2020

The Honorable Scott Wiener California State Senate State Capitol, Room 4066 Sacramento, CA 95814

Re: SB 50 Support – Equitable Communities Incentives

Dear Senator Wiener:

On behalf of the Council of Infill Builders, a statewide organization of real estate professionals committed to improving California through infill development, I write to express our continued support for the amended version of Senate Bill 50, to provide relief from local barriers to qualifying residential housing near transit and jobs.

Our members strongly support SB 50's provisions to relax local parking, height, floor-area ratio and density requirements on qualifying residential projects near transit and in job-rich communities. These provisions are central to boosting new housing where California needs it most: near jobs and transit.

We also support giving local governments two years to formulate their own plans that meet SB 50 standards. However, we question whether local governments will able to enact these plans in time without streamlining of associated environmental review. According to current bill language, the state will develop guidance for "local flexibility plans" by mid-2021. Cities and counties must then draft and submit these plans to the California's Department of Housing and Community Development for certification and local adoption by January 1, 2023. That means they will have 18 months once official guidance is in place to develop the plans and finalize all environmental review under the California Environmental Quality Act (CEQA) to adopt them. That timing may be infeasible without CEQA streamlining on this plan development, which we recommend you consider adding to the bill.

In addition, while we appreciate the need to include some minimum affordable unit requirements for each qualifying project, every required subsidized unit increases developer costs and therefore the incentive to build homes. In some exclusive jurisdictions, high inclusionary requirements have contributed to an overall stagnant market for housing. We urge you not to increase the current limits.

The Council of Infill Builders thanks you for your attention and efforts to boost housing in our state.

Sincerely,

Meea Kang

Council of Infill Builders