

May 4, 2020

The Honorable Laura Friedman Chair of the Natural Resources Committee Legislative Office Building 1020 N Street, Room 164 Sacramento, CA 95814

Re: AB 2323 Support – Updating California Environmental Quality Act Infill Exemptions

Dear Chair Friedman:

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 support Assembly Bill 2323, to modernize, harmonize, and update the existing California Environmental Quality Act (CEQA) exemptions for infill projects.

Our members strongly support efforts to streamline permitting for infill projects, which can otherwise create a significant barrier for badly needed housing near our job centers and major transit. Local government decisions to allow discretionary review on these types of projects can trigger lengthy and expensive CEQA review. In the absence of by-right, ministerial local permitting, the existing statutory and categorical CEQA infill exemptions provide relief but need updating and expanding. AB 2323 can help address this need, in particular by allowing projects to qualify on 5 acres instead of 4 and on sites cleared by the Department of Toxic Substances Control.

We also encourage three additional changes to the bill. First, the geographic area eligible for infill should include "low vehicle-miles traveled (VMT)" areas that are below 15% regional average VMT. Development in these low-VMT areas is consistent with state climate and transportation goals under Senate Bill 743 (Steinberg) to reduce long commutes, address the housing shortage, and better utilize existing transit nodes.

Second, the acreage and unit size limitations should be eliminated – or at least greatly relaxed. The current restrictions, even with the proposed expansion to 5 acres, are in practice largely infeasible for many projects, as documented in studies such as at <u>UCLA Law</u>. Eliminating these limits and instead requiring a minimum of 20 units per acre density would ensure greater utilization. Most urbanized land in California is otherwise constrained, so the market already imposes size limits.

Finally, we suggest amending the statutory definition of "urbanized area" to allow rural downtowns to qualify for these streamlining benefits. The legislature could incorporate the

## Council of Infill Builders – AB 2323 Support, Page 2

California Department of Housing and Community Development's (HCD) definition of "urbanized area," currently used for distributing bond proceeds, as follows (the text to add to the statutory definition is underlined):

"Urbanized area" means an incorporated city or an urbanized area or urban cluster as defined by the United States Census Bureau. For unincorporated areas outside of an urban area or urban cluster, the area shall be within a designated urban service area that is designated in the local general plan for urban development and is served by public sewer and water.

The Council of Infill Builders thanks you in advance for considering these recommendations and for your legislative efforts on infill housing. We look forward to working with you further to support this effort.

Sincerely,

Meea Kang

Council of Infill Builders