



CITY OF MURRIETA

September 17, 2019

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: **SB 330 (Skinner) Housing Crisis Act of 2019**
Request for Veto

Dear Governor Newsom,

The City of Murrieta urges your veto on SB 330 (Skinner), which would, among other things, declare a statewide housing crisis and for a five-year period freeze nearly all development related fees once a developer submits a "preliminary" application, including essential project specific fees.

While it is critically important to spur the production of homes, especially homes affordable to low-income households, SB 330 is not the appropriate answer.

Specifically, the City of Murrieta opposes the following provisions in SB 330:

- **Creates A New Type Of Housing Project Application** – SB 330 creates a "preliminary" housing project application, which upon submittal, limits the number of public hearings, freezes nearly all project related fees, and starts the approval timeline before an application is deemed complete.
- **Freezes Impact Fees For Up To 2 1/2 Years** – SB 330 would lock in place nearly all fees imposed on a housing project once a developer submits a "preliminary" application. Developers would have up to 2 1/2 years to begin construction and not be subject to any new fee, even an affordable housing fee.
- **Essentially Bans Project Specific Fees** – SB 330 would prohibit a city from imposing any fee, except CEQA related fees, after the submittal of a "preliminary" application. This would essentially ban project specific fees because these fees cannot be determined until a city fully analyzes the project. It is important to note that all project impact fees are extensively regulated by state law and the constitution. Cities can only charge a fee to cover the cost of providing the service for which the fee is applied. It is illegal for cities to charge project fees and use the funds for other purposes.

The City of Murrieta strongly questions the effectiveness of restricting essential housing related fees, particularly when SB 330 does not require any of the cost savings associated with these limitations to be passed on to the renter or purchaser of the housing unit.

For the reasons stated above, the City requests your veto on SB 330. If you have any questions, please feel free to contact Louie Lacasella, City Manager's Office at (951) 461-6008 or llacasella@MurrietaCA.gov.

Sincerely,



Kelly Seyarto
Mayor

Cc. Murrieta City Council
Senator Jeff Stone
Assembly Member Melissa Melendez
Erin Sasse, League of California Cities Public Affairs Manager
David Jones, Emanuels Jones & Associates