

The Honorable Gavin Newsom California Governor 1021 O Street, Suite 9000 Sacramento, CA 95814

RE: SENATE BILL 937 (WIENER) - REQUEST FOR VETO

Dear Governor Newsom,

On behalf of the City of Beaumont, I am writing to respectfully request your veto on Senate Bill (SB) 937, which would prohibit a local government from requiring payment of fees or charges for public improvements or facilities on a designated residential development project before the development receives a certificate of occupancy.

Development related fees pay for the costs to install infrastructure necessary to build new homes and other developments in livable, equitable, and thriving communities. These fees pay for critical services such as water, sewer, fire protection, parks and open space, flood protection, libraries, and other essential needs. These fees and the infrastructure they fund make new housing and economic development possible.

SB 937 would, among other things, for certain developments, defer development impact fees until the certificate of occupancy or its equivalent, locks in those fees at prior to the issuance of a building permit, and prohibit the charging on interest on those deferred fees. The bill would also restrict local agencies from charging interest on any deferred fees. The bill would therefore create significant fiscal challenges to local agencies and their efforts to provide essential services and infrastructure.

The City of Beaumont already gives several concessions to incentivize developers to invest in our community. Prohibiting cities from requiring impact fees until late in the development process, from charging interest on deferred fees, and transferring risk should a project fail will further limit our ability to serve the needs of our community.

For these reasons, we respectfully request your veto on SB 937. Should you have any questions, please contact our legislative advocate Sharon Gonsalves with Renne Public Policy Group at 916-974-9270.

Sincerely,

Mayor, City of Beaumont

CC: The Honorable Rosilicie Ochoa Bogh, Senate District 23
The Honorable Greg Wallis, Assembly District 47
Myles White, Deputy Legislative Secretary, Office of Governor Gavin Newsom

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