



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

Lili Bosse, Mayor

September 13, 2022

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

**RE: AB 1551 (Santiago) Development bonuses: mixed-use projects
City of Beverly Hills REQUEST FOR VETO**

Dear Governor Newsom,

On behalf of the City of Beverly Hills, I write to respectfully request you **VETO AB 1551** (Santiago) when the measure is presented to you for final action. This measure would reenact the recently-sunset commercial development bonus of AB 1934 (Santiago, 2016), to provide the same commercial development bonuses as AB 1934 (Santiago, 2016), from January 1, 2023 through January 1, 2028.

AB 1934 (Santiago, 2016) created a commercial "development bonus" modeled after Density Bonus Law by similarly granting a number of incentives (including an increase in density) to a commercial developer that facilitates the creation of affordable housing units. Specifically, AB 1934 required a city or county to grant a commercial development bonus to a commercial developer that proposes to construct, donate land for, or partner with an affordable housing developer to construct affordable housing that consists of at least 30 percent low-income or 15 percent very low-income units.

During the five years this program existed under AB 1934 (Santiago, 2016), there is not much evidence to suggest this program was widely utilized. AB 1934 required local governments report the use of this program to the State of California Department of Housing and Community Development (HCD) as part of their annual progress reports. The data from HCD reveals only five units of affordable housing were created across three projects due to this program.

While this measure seeks to address California's affordable housing crisis, we are concerned that reauthorizing a program that has proven to be ineffective will not meaningfully contribute to creating more affordable housing in the state.

For these reasons, the City of Beverly Hills must respectfully **OPPOSE AB 1551 (Santiago)** and requests your **VETO** this measure. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Lili Bosse". The signature is written in a cursive, flowing style.

Lili Bosse

Mayor, City of Beverly Hills

Cc: The Honorable Miguel Santiago, 53rd Assembly District
The Honorable Ben Allen, 26th Senate District
The Honorable Richard Bloom, 50th Assembly District
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange