



City Council

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June 22, 2020

The Honorable Anna Caballero
State Senator, 12th District
State Capitol, Room 5052
Sacramento, CA 95814

RE: SB 1385 (Caballero) – OPPOSE

Dear Senator Caballero,

On behalf of the City of Lafayette, I am writing to express our opposition to SB 1385, your measure that would enact the “Neighborhood Homes Act,” which establishes a housing development project as an authorized use on a neighborhood lot, defined as a lot zoned for office or retail commercial use under a local agency’s zoning code or general plan.

Specifically, SB 1120 would allow a housing development project consisting entirely of residential units or a mix of commercial, retail, office, or residential units if the project complies with the following:

- The density for the housing development must meet or exceed the applicable density deemed appropriate to accommodate housing for lower income households under housing element law. If more than one zoning designation in the city or county meets this requirement, the zoning standards that apply to a neighborhood lot are the same zoning standards that apply to the closest parcel that allows for residential use at that density. If the existing zoning on the parcel allows denser residential use, the local zoning applies.
- The housing development is subject to local zoning, parking, design, and other ordinances, and must comply with any design review or other procedural requirements imposed by the local government, applicable to a housing development in the zone identified above.

SB 1385 allows a local jurisdiction to exempt a lot zoned for commercial retail or office use from the bill if the local agency concurrently reallocates the lost residential density to other lots, so that there is no net loss in residential production capacity, but only if the local agency finds that the construction cost of the reallocated housing units will not be greater than the construction cost of housing units built on the neighborhood lot.

While in some instances it may make sense to repurpose underutilized retail or commercial areas for housing, this should not be a one-size-fits all decision that is made on a streamlined, ministerial basis. The loss of retail and commercial spaces can have a significant fiscal impact on a city, particularly those that do not have a broad base of retailers, such as the City of Lafayette. Locally elected officials, and members of the community, should have the opportunity to weigh in on such decisions, so that the full extent of the local impacts can be considered.

While SB 1385 requires that a site must have had no commercial or retail tenants on 50% or more of its total square footage for at least three years, this bill could result in land banking or the displacement of existing businesses and retail that are occupying retail or commercial space. In many instances, it will not make sense for a business to relocate to another city, and they may not have the ability to wait for new retail spaces to become available. This would result in the loss of valuable businesses to the community, as well as the jobs associated with those businesses.

In Lafayette, the conversion of retail and commercial space into housing ultimately results in our residents needing to travel increased distances to the jobs, access services, or to go shopping. This runs counter to the author's goals, as this measure could result in increased commutes and vehicle miles travelled for the residents of Lafayette, which is why we believe that local governments should be provided with tools that they can utilize based on what is best for individual communities.

It is for these reasons that we must respectfully oppose SB 1385. If you have any questions, or need more information, about the City's position or our suggested amendments, please contact our City Manager, Niroop Srivatsa, at (925) 284-1968.

Sincerely

A handwritten signature in black ink, appearing to read 'Mike Anderson', followed by a horizontal line extending to the right.

Mike Anderson
Mayor, City of Lafayette

cc: Senator Steven Glazer
Assembly Member Rebecca Bauer-Kahan