

June 20, 2024

The Honorable Scott Wiener
California State Senate
1021 O Street, Suite 8620
Sacramento, CA 95814

**RE: SB 937 (Wiener): Development projects: permits and other entitlements: fees and charges
Oppose Unless Amended**

Dear Senator Wiener,

On behalf of members of the Oakland City Council, we write to respectfully Oppose Unless Amended SB 937 related to development projects and impact fees.

The City of Oakland has a strong policy interest in ensuring that Affordable Housing Impact Fees generated by *market rate housing development projects* in our City are provided by the developer earlier than Certificate of Occupancy in order to facilitate the much-needed generation of affordable housing units in Oakland. Such funding is crucial to the timely development of affordable housing and provides an important source of subsidy for affordable housing developers. Oakland collects 50% of these fees at issuance of building permit and 50% at certificate of occupancy.

We are *opposed unless amended* on your legislation, and we are only looking for an explicit clarifying exemption for affordable housing impact fees charged to new market-rate units. The City has an interest in the prompt payment of affordable housing impact fees to continue the steady stream of funding needed for affordable housing projects applying for City funding and to run our affordable housing programs in the City. Your bill, should it become law, will cause delays in the creation of new affordable housing in our city. We do not object to the other elements of the bill.

The City of Oakland seeks to encourage and facilitate much more affordable housing in as timely a manner as possible for our residents. Because of this, we are respectfully opposed unless amended on SB 937.

Sincerely

Dan Kalb
Oakland City Councilmember
Chair, Community & Economic Development Committee

Nikki Fortunato Bas
City Council President
City of Oakland

CC: Assembly Committee on Housing and Community Development

Proposed amendment:

For purposes of this subdivision, “fees or charges on the residential development for the construction of public improvements or facilities” does not include impact fees that a local agency may impose on unrestricted units in a market rate housing development project for the purpose of constructing, acquiring or otherwise facilitating the creation, expansion or preservation of affordable housing.