



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE ▪ BEVERLY HILLS, CALIFORNIA 90210

Lester J. Friedman, Mayor

March 30, 2021

The Honorable Anthony Portantino
California State Senate, District 25
State Capitol, Room 5050
Sacramento, CA 95814

Re: SB 15 (Portantino) - Housing development: incentives
City of Beverly Hills – Support

Dear Senator Portantino,

On behalf of the City of Beverly Hills, I write to inform you of our city's Support position on SB 15, your measure which would enable local cities to receive from the Department of Housing and Community Development (“HCD”) the average of the annual amount of sales tax revenue generated by an abandoned retail site, for the last seven years, if the site has been converted and occupied with new housing, according to specified, local planning procedures.

This legislation will create incentives for cities to convert idle retail sites into affordable housing by requiring HCD to issue grants to cities that rezone commercial sites to make residential an allowable use. In order to receive a grant, a city must rezone the site as a use by right, approve a housing development project affordable to households earning up to 120 percent AMI, impose certain labor standards, and issue a certificate of occupancy.

The goal of SB 15 is to offset the lost sales tax revenue that would have been generated from a commercial property and quickly develop new housing units in areas where retailers have been affected by closures due to the past year's challenging economic conditions. Such incentives come at a critical time where housing demand far outpaces supply.

SB 15 is a well-timed piece of legislation that will lead to more affordable housing on land formerly used by commercial retailers. More tools like this are needed to provide a stable supply of housing to meet demand.

For these reasons, the City of Beverly Supports SB 15.

Sincerely,

A handwritten signature in black ink, appearing to read "Lester J. Friedman", with a horizontal line extending to the right.

Lester J. Friedman
Mayor, City of Beverly Hills

cc: Members and Consultants, Senate Housing Committee Elections
The Honorable Ben Allen, 26th Senate District
The Honorable Richard Bloom, 50th Assembly District
Mayor and City Councilmembers, City of Beverly Hills
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange