



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE ▪ BEVERLY HILLS, CALIFORNIA 90210

Lester J. Friedman, Mayor

February 22, 2021

The Honorable Toni Atkins
President Pro Tempore
California State Senate
State Capitol, Room 205
Sacramento, CA 95814

Re: SB 7 (Atkins) - Environmental Quality: Jobs and Economic Improvement through Environmental Leadership Act of 2011: Housing Projects
City of Beverly Hills - Oppose

Dear Senator Atkins:

I write to inform you that the City of Beverly Hills has adopted a position of Oppose to SB 7, which would reauthorize the Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (AB 900). The bill would also make housing projects with 15 percent affordable units eligible for certification under the measure. SB 7 would authorize statutory authority for a program that expired on January 1, 2020, known as the Jobs and Economic Improvement Through Environmental Leadership Act of 2011 (hereafter AB 900 or Act). This AB 900 program established specified administrative and judicial review procedures for the review of the environmental review documents and public agency approvals granted for designated residential, retail, commercial, sports, cultural, entertainment, or recreational use projects, known as Environmental Leadership Development Projects (ELDP). To qualify as an ELDP, the project must meet specified objective environmental standards. The Legislature has also applied similar expedited frameworks for specific sports stadiums that meet certain objective environmental standards.

The AB 900 program also required projects seeking ELDP status to meet LEED Gold standard. Under the old requirements for the AB 900 program, projects required a \$100 million minimum and were not subject to a minimum affordable housing requirement.

SB 7 adds affordable housing to the list of projects that could qualify for AB 900 certification and be eligible for expedited judicial review of CEQA challenges. The bill would require project sponsors to complete Environmental Impact Reports (EIRs) and undertake any necessary mitigations identified within those reports. Eligible projects must also be located on an infill site and be consistent with a sustainable communities strategy or alternative planning strategy, and result in a minimum investment of \$15 million in California.

By streamlining the judicial review of CEQA challenges, SB 7 may reduce the overall time spent in litigation and potentially reduce the overall costs for a project. This would effectively “fast track” the timeline for these projects and specifically for reviewing judicial challenges – including those from local residents around CEQA. By including an undisclosed amount of housing in potentially very large commercial projects with just 15 percent of which must be affordable to people of moderate income.

The City of Beverly Hills is concerned that requiring just 15 percent of the units in eligible projects be set aside as affordable units is too low. The City of Beverly Hills adopted a Support if Amended position on similar legislation in 2020, SB 995 (Atkins). We requested in 2020 that SB 995 be amended to increase the minimum requirement for affordable units to 49 percent. SB 995 did not reach the Governor’s desk before the end of the 2019-2020 Regular Session. Since this new proposal was introduced as SB 7 without the amendment that we requested in 2020, we have respectfully adopted an oppose position on SB 7.

SB 7 contains provisions that are substantially similar to SB 995. Given the magnitude of our affordable housing crisis, we believe that this important process subsidy should be reserved for projects that produce a more significant amount of affordable units. SB 7 was introduced without the same affordability threshold as SB 995.

It is for these reasons that we have adopted an OPPOSE position on SB 7.

Sincerely,



Lester J. Friedman
Mayor, City of Beverly Hills

cc: Members and Consultants, Senate Committee on Environmental Quality
The Honorable Ben Allen, 26th Senate District
The Honorable Richard Bloom, 50th Assembly District
Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange