August 21, 2023

The Honorable Alex Lee Assemblymember, 24<sup>th</sup> District California State Capitol Sacramento, CA 95814

RE: AB 309 (Lee) The Social Housing Act. (Amended 7/13/2023) – Letter of Opposition Unless Amended

Dear Assemblymember Lee:

The City of Foster City writes to express our opposition to AB 309 (Lee), unless it is amended to address our concerns. AB 309 would create the Social Housing Program within the Department of General Services (DGS) to facilitate the construction of government-owned social housing on leased state property or excess state-owned property.

City of Foster City strongly supports the intent of AB 309, which is to address housing affordability facing California cities. Affordably priced homes are out of reach for many people and housing is not being built fast enough to meet the current or projected needs of people living in the state.

One of the main concerns with this bill as proposed is that there is currently no mechanism in place for a local jurisdiction to know that state land within its boundaries has been "selected" as part of this pilot program until after a bid for development/management has been awarded by DGS. Further, it is unclear if the units would count towards the Regional Housing Needs Allocation (RHNA) target that cities need to meet over the next eight (8) years. The bill does not address the impact of such proposed developments on the local infrastructure and how those impacts would be mitigated. The fact that cities would have no ability to regulate zoning or development standards, including floor area ratios, height limitations, or density requirements is also of major concern.

Over the last three years, Foster City went through a rigorous process of updating its Housing Element to add 1,896 units for the planning period 2023-31. Given that Foster City is built out with no vacant land, the City reached out to the State to inquire if it would be interested in making its lands within City boundaries available for housing. At the time, the State clearly expressed that they had no such interest. On one hand cities are going through an extensive multiyear planning process to identify sites suitable for new housing units, and on the other hand, the state seems to undermine these efforts and empower DGS to build housing on sites previously not considered for new housing. AB 309 includes that "Within 90 days of receiving the conceptual plans, the city or county may propose objective design review standards." However, DGS may, but is not required to, accept design review standard proposals. Thus, even if a city does develop

the standards promptly, it is not guaranteed that DGS will accept these.

While AB 309 currently limits DGS authority to three (3) housing projects on declared excess state property suitable for housing, the measure broadly establishes the Social Housing Program within DGS and could be easily expanded to include all state-owned lands.

For these reasons, the City of Foster City respectfully opposes AB 309 unless it is amended to address our concerns and provide additional clarification.

Sincerely,

Jon Froomin Mayor City of Foster City

Cc: Foster City City Council

Stefan Chatwin, City Manager

Marlene Subhashini, Assistant City Manager