



Building Industry Association of Southern California, Inc.

June 1, 2020

RE: Request for One-Year Delay on Implementation of SB 743

Dear Mayor and City Council Members:

The Building Industry Association of Southern California (BIASC) writes to you to request your support in extending the implementation date of Senate Bill 743 by one year, to a new implementation date of July 1, 2021.

As one of the largest home building associations in the nation, BIASC is a leading advocate for thousands of building industry leaders who are committed to a better future by building communities, creating jobs, and ensuring housing opportunities for everyone.

The world has changed dramatically over the last several months, especially when it comes to how we live, work, and play. The term “social distancing” has been introduced to our collective lexicon and is sure to continue to influence our daily lives for years and decades to come. Just as residents and businesses have adapted to the dramatic changes brought about by the Coronavirus pandemic, we strongly believe that government must adapt as well.

Based on its current form, SB 743’s Vehicle Miles Traveled (VMT) regulations do not take into account the massive societal shift that has taken place as a result of the Coronavirus pandemic. SB 743’s disproportionate emphasis on costly high-density housing construction, along with the push towards increased use of overcrowded public transportation, are in direct conflict with the role that social distancing has played in flattening the infection curve. In addition, according to a recent Harris Poll, nearly one-third of Americans are considering moving to less densely populated areas because of the Coronavirus outbreak.

SB 743 also fails to take into consideration how the increase in remote working has proven to be a significant factor in how people have performed their jobs during the Coronavirus pandemic. Many business leaders anticipate that working remotely will continue to play a major role in the way businesses of all sizes operate in the future. This means that regardless of where they live, California’s workforce will most likely spend less time commuting in their cars or by public transportation. Additionally, BIASC has found inconsistencies among several local jurisdictions regarding the new VMT regulations. These inconsistencies include jurisdictions who have already adopted VMT and those who have not, along with how VMT will be utilized in concert with existing Level of Service measurements. Without a uniform approach by

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An Affiliate of the National Association of Home Builders and the California Building Industry Association

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Riverside County*

local jurisdictions, it is extremely difficult for homebuilders to proceed with the construction of new housing in any sort of efficient manner.

And although the state agency adopting the VMT guidelines has recommended the imposition of a regional "VMT Fee" on new projects to "mitigate" VMT impacts, no such VMT Fee mitigation program exists. Funding for the establishment of a regional VMT program has not been approved, and no work on a VMT mitigation fee program has been completed by the Southern California Association of Governments for the region.

Finally, amid our public health crisis, California's housing crisis has not gone away. According to the California Association of Realtors, a staggering 69% of California households cannot afford to purchase a median-priced home. Regrettably, VMT regulations would only worsen the state's affordable housing crisis by substantially increasing fees on new home construction. This is especially true in suburban and rural areas of the state where land is available and more affordable to build on.

We appreciate your consideration regarding our request and thank you for your tremendous dedication during these challenging times.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Montejano", with a long horizontal line extending to the right.

Jeff Montejano
BIA of Southern California
Chief Executive Officer

cc: Mayor
City Council
City Manager
City Attorney
ACMs
DCMs
Public Works Director