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**CITY MANAGER** John Conley

April 19, 2023

The Honorable Anna Caballero State Capitol, Ste. 7620 Sacramento, CA 95814

Dear Senator Caballero:

The City of Vista is pleased to Support your SB 747, which contains much needed clarifications and reforms to the Surplus Land Act (SLA) and reaffirms the role of existing Economic Opportunity Law that is used by local agencies to acquire and dispose of property to improve economic opportunities for local residents.

The implementation of the SLA, including recent guidelines by the Housing and Community Development Department, has created immense delays and difficulties for local government agencies dealing with the use of their properties to further housing and economic development goals in service of their residents. SB 747 addresses these concerns through an array of helpful changes to the SLA, including clarifying that only leases of more than 35 years are subject to the SLA, providing exemptions to assist transit, transit-oriented development, airports, ports and other important agency uses, and avoiding delays for affordable housing developments which comply with the SLA's affordability requirements.

For example, the City of Vista made significant investments in blighted commercial properties along the South Santa Fe commercial corridor and Highway 78 with the intention of generating much needed sales tax revenue and creating jobs for our residents from redevelopment of the sites to commercial uses. One of these parcels has been home to a BMW automobile dealership for over a decade. As the initial lease is expiring soon, negotiations have been stalled due to the over-reach of the State's Department of Housing and Community Development's (HCD) interpretation of the SLA to include all leases. It was never the intent of that legislation to subject every parcel owned by a local jurisdiction to the disposal requirements of surplus land. In fact, leases are not even mentioned in the SLA. Economic development and job creation are important and integral uses for local municipalities. To subject parcels devoted for economic development and job creation to the requirements of the SLA is a monumental over-reach by HCD and the antithesis of the provisions and objectives of existing state law known as the Economic Opportunity Act.

Thank you for your leadership in beginning to apply a sharper legislative focus on the application of the SLA to ensure that the administration of the law remains consistent with legislative intent and avoids unintended delays or conflicts with other laws and policy priorities the Legislature has enacted-including actions to support and further economic development.

For these reasons, the City of Vista is pleased to Support SB 747. Please feel free to contact me or Larry Vaupel, Director of Economic Development at (760) 643-5244.

Sincerely,

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cc: Senator Catherine Blakespear, Fernando.a.hernandez@sen.ca.gov

Assemblymember Laurie Davies ryan.ewart@asm.ca.gov; donna.cleary@asm.ca.gov

Members, Senate Committee on Governance and Finance

Gurbax Sahota, Chief Executive Officer, California Association of Local Economic Development