

September 18, 2024

ANNETTE C. DELGADILLO Mayor

> **PEGGY LEMONS** Vice Mayor

> ISABEL AGUAYO Councilmember

BRENDA OLMOS Councilmember

VILMA CUELLAR STALLINGS Councilmember

Governor Gavin Newsom 1021 O Street. Suite 9000 Sacramento, CA 95814

SB 1037 (Wiener) Planning and zoning: housing element: enforcement **Request for VETO**

Dear Governor Newsom,

The City of Paramount regretfully requests a veto on SB 1037 (Wiener), which would allow the Attorney General to take legal action against a city and seek fines up to \$50K each month for failure to adopt a compliant housing element or if the city does not follow state laws that require ministerial approval of certain housing projects.

Under existing law cities can be subject to significant fines and penalties for violating certain housing laws. However, before fines are imposed, a city has the ability to correct the action. Additionally, enhanced fines are not imposed unless the city fails to follow a court order or acts in bad faith.

Unfortunately, as currently drafted, SB 1037 does not provide an opportunity for cities to correct an honest mistake or address a genuine difference in interpreting the law. Even those jurisdictions acting in good faith could be subject to significant fines and be required to pay the Attorney General for all costs investigating and prosecuting the action, including expert witness fees and attorney fees.

SB 1037 relies on increased fines when there is already an array of compliance tools available to the Department of Housing and Community Development (HCD). Instead, the City of Paramount would prefer cities to have more access to technical assistance for the development and completion of housing elements. Paramount benefited from such assistance at the start of the 6th Cycle, and the assistance helped result in a compliant housing element without delay. Jurisdictions should have increased technical assistance throughout the housing element process, not more punitive actions. Much needed housing construction will follow.

For these reasons, the City of Paramount requests a veto on SB 1037. Please feel free to contact City Manager John Moreno at (562) 220-2225, if you have any guestions. We thank you for your time and consideration.

CITY OF PARAMOUNT

Annette C. Delgaseillo
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Mayor

Cc: Honorable Scott Wiener

Honorable State Senator Lena Gonzalez, 33rd District Honorable Assembly Speaker Anthony Rendon, 62nd District Kristine Guerrero, Public Affairs Director, League of California Cities

Jorge Morales, Legislative and Governmental Affairs Consultant, California Contract Cities Association