



PEGGY LEMONS
Mayor

BRENDA OLMOS
Vice Mayor

ISABEL AGUAYO
Councilmember

ANNETTE C. DELGADILLO
Councilmember

VILMA CUELLAR STALLINGS
Councilmember

April 8, 2026

The Honorable Jesse Arreguín
Chair, California State Senate Housing Committee
1021 O Street, Suite 3330
Sacramento, CA 95814

RE: SB 1117 (Cervantes) – Accessory dwelling units and junior accessory dwelling units. Notice of OPPOSITION (As of February 17, 2026)

Dear Chair Arreguín,

The City of Paramount must respectfully oppose SB 1117 (Cervantes), which would limit the amount of impact fees a local government may charge on accessory dwelling units (ADUs) larger than 750 square feet.

Local governments understand the importance of providing builders with predictability regarding fees and development conditions. However, that certainty must be balanced with the real costs of serving new residents. Roads, fire stations, water and sewer systems, parks, and other essential public facilities are not optional – they are the backbone of safe, livable communities. Prospective residents expect reliable public services, and communities cannot absorb new development without the infrastructure needed to support it.

SB 1117 disregards the longstanding requirements of the Mitigation Fee Act, which already ensures that impact fees are tied to the actual cost of providing a specific service. Arbitrarily capping these fees would undermine the ability of cities to construct the improvements necessary to serve residents of newly built ADUs. It would also jeopardize the legal defensibility of environmental mitigation measures and increase the likelihood of project delays.

Impact fees – grounded in nexus studies and evidence-based analysis – are often the only funding source available to cities with limited revenue options. Without these funds, many jurisdictions simply cannot build the public facilities required to maintain safe, healthy, and equitable neighborhoods.

Dedicated to providing fiscally responsible services that maintain a vibrant community.

16400 Colorado Avenue • Paramount, CA 90723-5012 • Ph: 562-220-2000 • paramountcity.gov

[facebook.com/CityofParamount](https://www.facebook.com/CityofParamount) | [instagram.com/paramount_posts](https://www.instagram.com/paramount_posts) | [youtube.com/CityofParamount](https://www.youtube.com/CityofParamount)

As a small, fully built-out city with aging infrastructure and limited opportunities for new revenue, Paramount is particularly vulnerable to the consequences of fee caps. Our community relies on carefully calibrated impact fees to maintain water and sewer capacity, upgrade aging streets, and support public safety services that are already operating at high demand. Paramount's dense residential neighborhoods and constrained land availability mean that even modest increases in housing units – such as through the recent surge in ADU permitting and construction – create real, immediate service impacts. Capping fees would shift the cost of necessary infrastructure upgrades onto existing residents, many of whom are working-class families already facing affordability pressures. SB 1117 would reduce our ability to maintain essential services and plan responsibly for growth.

Especially considering the ongoing housing availability and affordability crisis, Paramount supports housing production that meets State law and local planning regulations. Since 2020, new housing in Paramount has mostly been ADUs. As the number of ADUs permitted and constructed in Paramount has not slowed down in the last five years, the impact of the accumulated number of ADUs cannot be overlooked. Without development impact fees for ADUs, and with the changing nature of shopping and retail taxation reducing a once reliable source of municipal funding, the risk of a funding gap for basic service will result in deferred maintenance and the return of blighted conditions. This is unacceptable.

For these reasons, the City of Paramount must respectfully oppose SB 1117 (Cervantes). If you have any questions, please feel free to contact City Manager John Moreno at (562) 220-2225. Thank you for your consideration.

CITY OF PARAMOUNT



Peggy Lemons
Mayor

Cc: Honorable Congresswoman Nanette Barragan, 44th District
Honorable Assemblymember Jose Luis Solache, 62nd District
Honorable State Senator Lena Gonzalez, 33rd District
Nicholas Cabeza, Public Affairs Manager, League of California Cities
Jorge Morales, Legislative and Governmental Affairs Consultant, California Contract Cities Association