



April 3, 2024

The Honorable Juan Carrillo  
Chair, Assembly Committee on Local Government  
1020 N Street, Room 157  
Sacramento, CA 95814

**RE: AB 2553 (Friedman) Major transit stops: vehicular traffic impact fees—SUPPORT**

Dear Chair Carrillo,

The California Home Building Alliance (HBA) is committed to supporting legislation and administrative actions that will increase housing production in our state. This coalition includes trade associations representing small and large businesses, for-profit and not-for-profit home builders, realtors, developers, employers, affordable housing infill builders, and non-profit research, education, and advocacy organizations focused on increasing the supply of new housing and improving the quality and affordability of housing in California.

**We write to you in support of AB 2553 (Friedman), which would clarify when a local jurisdiction must impose lower traffic impact fees on transit near housing developments while updating the definition of “major transit stop” to keep up with post-COVID service levels and on-demand transit.**

As of now, if a local agency has adopted a traffic impact fee, the Mitigation Fee Act would make sure the fee is set at a lower rate for housing development projects that reduce vehicle trips and miles traveled. As the current law stands, it requires the housing development to be within one-half mile of a “transit station,” which is a definition that leaves out many projects that are near “transit stops.” Numerous local agencies have high traffic impact fees, which creates another hurdle in the production of housing and over-charging housing developments located near transit stops that would have minimum traffic impacts.

The California Environmental Quality Act and the State Density Bonus Law currently encourage development projects near transit stops. Written in these statutes, a development project must be proximate to a “major transit stop,” which under its current definition, means it includes the intersection of two or more major bus routes with a frequency of 15 minutes or less during morning and afternoon peak commute periods. However, after the pandemic, there have been significant cuts to ridership, which has translated into a reduction in bus routes and service frequency. Thus, many locations no longer meet the existing definition for a “major transit stop.” In addition, public transit agencies are adopting policies that facilitate on-demand transit, which

is an alternative to more traditional fixed route transit. The current definition excludes this new form of transit.

AB 2553 (Friedman) will provide much needed clarification by amending the definition of a “major transit stop” to increase progress for bus routes from 15 minutes to 20 minutes and to include on-demand transit services. It will also mandate local agencies to reduce traffic impact fees for housing developments close to a “major transit stop”, thereby increasing the number of developments that qualify.

For these reasons, the HBA supports AB 2553 (Friedman).

Sincerely,



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Executive Director  
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