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KATHLEEN KRAUSE
Clerk of the Board of Supervisors
Kern County Administrative Center
1115 Truxtun Avenue, 5th Floor
Bakersfield, CA 93301
Telephone (661) 868-3585
TTY Relay (800) 735-2929

September 5, 2024

The Honorable Gavin Newsom
Governor of California
1021 O Street, Suite 9000
Sacramento, CA 95814

RE: AB 98 (Carrillo, Reyes), Warehouse design and build standards - Request for Veto

Dear Governor Newsom,

I am writing on behalf of the Kern County Board of Supervisors, in lockstep with the California State Association of Counties and the League of California Cities, to express our strong opposition to AB 98 (Carrillo, Reyes), which would limit new or expanded logistics use developments and warehouses on existing rezoned industrial sites within 900 feet of "sensitive receptors¹". The bill would also require local governments to update their circulation elements and logistics use development information including truck routes, signage, parking, and idling. Under this legislation, the Attorney General would be authorized to fine local jurisdictions \$50,000 every six months if they are not in compliance.

This bill was negotiated behind closed doors, excluded key stakeholders including cities and counties, and was introduced for the first time in the final week of the legislative session. There has not been a proper vetting of the far-reaching impacts this bill will have, no policy committee has deliberated on this bill, and there has been no public hearings or opportunity for public comment. In typical Sacramento fashion, this significant policy matter will once again force a "one-size-fits-all" approach on communities.

Here in Kern, the State's habitual enactment of bad policies has significantly hampered our agricultural industry and proceeded to legislate our oil and gas industry out of existence. Our communities are disproportionately burdened by lost tax revenue and good paying jobs at the hands of the State. To add insult to injury, this bill would hamper our expanding logistics and warehousing sector as we seek to find economic development alternatives that can employ our residents and fill the void in lost tax revenue left behind by our legacy industries.

¹ Homes, hospitals, schools, and public recreation areas.

Kern's logistics and warehouse industry far exceeds the standards of any project in California, yet AB 98 would take local community-based solutions completely off the table by outright limiting a local jurisdiction's ability to site a new or expanded logistic use development or warehouse that is within 900 feet of a sensitive receptor. Local decision making is essential to ensure zoning regulations are tailored to the unique needs and concerns of various communities. Simply put, local governments should retain their abilities to exercise local discretion when siting logistic use developments prior to any state-mandated conditions being required.

In addition, the bill establishes a tiered framework that applies different setback requirements and warehouse conditions depending on existing industrial or re-zoned sites across the state. This would make logistic use and warehouse developments in certain cities or counties more attractive compared to other cities or counties. This uneven playing field will benefit certain local governments to the detriment of others, in some cases solely based on geographic differences, hindering the ability of cities and counties to provide future job opportunities for their communities. Creating winners and losers based on geography will hamper employment opportunities and limit future economic growth.

Local governments work hard to comply with existing statute and regulations such as the California Environmental Quality Act, Advanced Clean Fleet, and many other state-mandated requirements. Adding new and complicated requirements without including a mechanism for local governments to receive reimbursement for those mandated costs is irresponsible. The proposed changes in this legislation would make it more challenging for local governments to meet their regulatory obligations. Exacerbating this challenge is the authorization in AB 98 that would allow the Attorney General to impose a fine of \$50,000 every six months on a local jurisdiction that does not complete their circulation element updates. This unprecedented level of enforcement absent a court order or litigation targets local governments with punitive measures and is a heavy-handed solution that will seriously erode and jeopardize the cooperative nature and mutual respect all levels of government are expected to adhere to in a modern democracy. The lack of transparency and utter disregard for public input on this important policy issue is simply appalling.

For these reasons, the Kern County Board of Supervisors strongly opposes this legislation and respectfully requests that you **veto AB 98**.

Sincerely,



David Couch, Chairman
Kern County Board of Supervisors

cc: The Honorable Juan Carrillo
The Honorable Eloise Gomez Reyes
Shaw Yoder Antwih Schmelzer & Lange