



County Executive
David Villanueva

Governmental Relations and
Legislative Officer
Elisia De Bord

County of Sacramento

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August 29, 2024

The Honorable Maria Elena Durazo, Chair
Senate Local Government Committee
State Capitol, Room 7530
Sacramento, CA 95814

Re: AB 98 (Carrillo and Reyes). Warehouse Design and Build Standards. Oppose
Hearing: August 28, 2024 at 9:00 a.m.

Dear Senator Durazo.

Sacramento County strongly opposes AB 98 (Carrillo and Reyes), just introduced, which will limit economic development opportunities already in motion.

AB 98 will significantly limit the growth and expansion of warehouses and logistic facilities through costly requirements and litigation over future siting and expansion plans. These facilities serve as a critical to our economy and provide jobs. Such legislation must be carefully considered through an open and transparent process; instead, AB 98 was crafted without input from county associations and key stakeholders. The County asks you to seriously consider these overarching impacts:

- **Impact on small businesses:** An overly broad definition of “logistics facility,” which has no minimum square footage limitation, that could be interpreted to apply to many small businesses up and down the state.
- **Reduced economic and job opportunities: Imposing** excessive and costly mandates on all affected businesses will curtail investment and force more economic activity out of state, or into remote areas which require more vehicle miles travelled. Several provisions of the bill even boldly tout that: “cost shall not be a factor.”
- **Inconsistent proposals:** An odd arrangement is established in the legislation where “sensitive receptors” could still continue to be built close to industrial properties and logistics facilities, thus both increasing impacts and limiting the ability of existing facilities to operate and expand.
- **Limiting future sites:** Undermining existing zoning and development plans by restricting areas where facilities can be constructed to along roads that primarily serve commercial uses, and then exposing local agencies to litigation over mitigation measures.

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- **Wasting public funds:** Requiring local agencies which don't even have these facilities (including those in rural areas) to spend limited tax dollars updating their transportation elements by 2028, to avoid \$50,000 fines from the Attorney General.

For these reasons, Sacramento County opposes AB 98. Please feel free to contact me at (916) 874-4627 or deborde@saccounty.gov.

Sincerely,



Elisia De Bord

Governmental Relations and Legislative Officer

cc: The Honorable Juan Carillo
The Honorable Eloise Reyes
Members, Senate Local Government Committee
Sacramento County Delegation
Chair and Members, Board of Supervisors
Audrey Ratajczak, Cruz Strategies