



CITY OF MURRIETA

September 19, 2019

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

**RE: AB 485 (Medina) Economic Subsidies. Warehouses.
Request for Veto**

Dear Governor Newsom,

The City of Murrieta urges your veto on AB 485 (Medina), which would impose significant obstacles to a local agency seeking to provide local economic development subsidies to a warehouse. In brief, it creates an inequity by establishing a higher bar for one type of local economic development activity than required of any others. These requirements include more detailed information; annual reports and public hearings, and copies sent to the Governor's Office of Business and Economic Development.

AB 485 creates an inequity by adding extensive additional hoops and hurdles for local economic development activity associated with a warehouse -- as compared to a myriad of other possible local economic development efforts- and lacks justification for such disparate treatment under the law, and provides no justification why this matter is of statewide concern. The bill fails to articulate why there is a need for such extensive analysis and reporting specifically on a warehouse, as opposed to other potential economic development opportunities.

The City of Murrieta supports addressing the effects of warehouse sales tax consolidation however, AB 485 goes too far in creating a higher bar for one type of economic development.

For the reasons stated above, the City requests your veto on AB 485. If you have any questions, please feel free to contact Louie Lacasella, City Manager's Office at (951) 461-6008 or llacasella@MurrietaCA.gov.

Sincerely,

Kelly Seyarto
Mayor

Cc. Murrieta City Council
Senator Jeff Stone
Assembly Member Melissa Melendez
Erin Sasse, League of California Cities Public Affairs Manager
David Jones, Emanuels Jones & Associates