



September 22, 2025

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

Re: SB 79 (Wiener) – Letter of Concern

Dear Governor Newsom:

California Business Properties Association and California Manufacturers & Technology Association write with concerns regarding SB 79 (Wiener). The bill seeks to accelerate housing near transit, an intent we strongly support and one that reflects your leadership to build sustainable communities where people can live, work, and travel more efficiently.

At the same time, California's goods movement and logistics sector is foundational to the state's economy. We host the nation's gateway ports, the cleanest in the country, along with two robust Class I railroads, extensive warehouse and transload facilities, and the cleanest trucking fleets in the nation. Together this sector represents the system that sustains our communities, our businesses, and our economy. California's logistics sector is rapidly growing and evolving.

It is critical that new and modernized logistics facilities remain in or near transit corridors to ensure a clean and efficient supply chain that reduces emissions, supports high-paying jobs for nearby residents, and advances California's work toward building sustainable communities, a goal the logistics industry fully supports.

SB 79's housing entitlements on nearby commercial or mixed-use parcels could create sensitive receptors that trigger AB 98 (Carrillo, 2024) setback requirements, making it harder or even impossible to build new logistics facilities or to redevelop, reinvest in, and modernize existing facilities in transit-served corridors, an issue of particular importance as redevelopment and rebuild language was not included in the AB 98 cleanup legislation.

After AB 98's passage, new restrictions and unclear requirements created major challenges for planning and approving logistics facilities. The Legislature made cleanup a top priority, resulting in AB 735 (Carrillo) and SB 415 (Reyes), with SB 415 now on your desk, to ensure the law can be implemented in a way that both protects communities

and allows California to continue modernizing logistics. SB 79, if not clarified, risks complicating those efforts.

We support the intent of SB 79 and the urgent need to build more housing, especially near transit centers. A truly sustainable community means residents have nearby access to housing, reliable transit, and good-paying jobs and logistics facilities are a key part of delivering those jobs.

SB 79 exempted industrial land with this in mind, but there is concern that certain mixed-use designations, such as industrial-mixed use, flex-industrial, and commercial-manufacturing zones that still host industrial activities could be unintentionally impacted. Our concern is only to ensure that AB 98 requirements do not unintentionally limit these opportunities. Should you sign SB 79 into law, we respectfully request a signing statement acknowledging this concern and the need for future cleanup legislation to keep these priorities aligned.

Thank you for your consideration.

Sincerely,



Skyler Wonnacott
Senior Director Government Relations
California Business Properties Association



Elizabeth Esquivel
Vice President of Government Relations
California Manufacturers & Technology Association

cc: The Honorable Scott Wiener, State Senator
Sarah Bridges, Policy Director, CMTA
Audrey Ratajczak, Cruz Strategies
Nichole Muñoz-Murillo, Deputy Legislative Secretary for Governor Newsom
Brady Borcherding, Deputy Legislative Secretary for Governor Newsom