



OFFICE OF THE GOVERNOR

OCT 13 2013

To the Members of the California State Assembly:


I am returning Assembly Bill 1229 without my signature.

This bill would supersede the holding of *Palmer v. City of Los Angeles* and allow local governments to require inclusionary housing in new residential development projects.

As Mayor of Oakland, I saw how difficult it can be to attract development to low and middle income communities. Requiring developers to include below-market units in their projects can exacerbate these challenges, even while not meaningfully increasing the amount of affordable housing in a given community.

The California Supreme Court is currently considering when a city may insist on inclusionary housing in new developments. I would like the benefit of the Supreme Court's thinking before we make adjustments in this area.

Sincerely,


Edmund G. Brown Jr.