CITY OF NEWPORT BEACH

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May 18, 2020

The Honorable Buffy Wicks California State Assembly State Capitol, Room 5160 Sacramento, CA 95814

RE: AB 725 (Wicks) – Notice of Opposition

General plans: housing element: moderate and above-moderate income housing

Dear Assembly Member Wicks,

The City Newport Beach respectfully opposes AB 725, which attempts to lower the cost of housing by encouraging zoning for medium-density typologies such as duplexes, fourplexes, garden apartments, townhomes, etc. Although the intent of the bill has merit, it is duplicative of existing efforts requiring jurisdictions to permit and amend zoning to permit Accessory Dwelling Units (ADUs) and Junior Accessory Dwelling Units (JADUs), further complicates an already overly-complicated Housing Element Update, and eliminates a jurisdiction's flexibility in identifying and planning for moderate and above moderate income housing sites.

Additionally, you are no doubt aware that cities in the Southern California Association of Governments are grappling with how to comply with an extraordinary, unprecedented housing mandate. We are concerned that modifying housing policies during this process will derail cities' attempts — including our own — to comply with HCD's housing element requirements within the specified time frame. Any changes to housing policy that increases burdens affecting the already tight time frame is unwise without concurrently granting significant additional time to cities to comply in SCAG's region.

<u>Duplicative of Recent ADU and JADU Efforts</u>. The ADU and JADU laws passed in 2019 were a major overhaul of existing single-family throughout the State already. Effectively, every single-family zoned lot can now accommodate an ADU and a JADU, for a total of three units

on a single-family zoned lot. Every existing multi-unit building can now construct up to 25% more units as ADUs. Jurisdictions are struggling to keep up with changes in housing legislation and updating regulations for compliance. Since Newport Beach is located in the Coastal Zone, approval by the California Coastal Commission is also required further complicating the process. Requiring jurisdictions upzone existing single-family neighborhoods is duplicative of the goal of the ADU and JADU laws and unnecessary to achieve the goals of this bill.

Punishes Cities that Include Substantial Multi-Family Housing. Although a majority of jurisdictions in the State are cited in the bill analysis for providing less than 25% of their zoning for multi-family housing units, Newport Beach has substantial multi-family housing in place, including two-unit residential zoning. According to the American Community Survey (2013-2017) data, of the City's 44,678 housing units, only 48.6% of the units are single-family detached units and 16.3% are single-family attached. The remaining 35% consists of multi-unit housing. Furthermore, a majority of the multi-family units are actually located within the coastal zone boundaries of City. The proposed bill provides no exceptions to jurisdictions that currently already provide significant multi-family zoning and housing options. Jurisdictions that already provide increased opportunities for multifamily housing should be given more flexibility to zone for moderateincome and above-moderate housing as most appropriate for that particular jurisdiction.

<u>Destabilizes Existing Neighborhoods</u>. Forcing stable single-family neighborhoods to accommodate increased density will destabilize existing neighborhoods. Existing high cost of land in our City will increase further due to speculation and buy-outs by increasing the development potential of lots. Existing housing and neighborhoods would be destroyed, existing residents displaced, and no new housing affordable to moderate-income households would result as intended.

<u>Lack of Infrastructure</u>. The bill entirely ignores the need for infrastructure to accommodate increased density and provides no local funding to help.

<u>Conflicts with Coastal Act</u>. Increasing density in the coastal zone conflicts with the goals and policies of the California Coastal Act that also requires jurisdictions to plan and adapt to coastal hazards, such as sea level rise, with adaptation strategies that may include coastal retreat.

<u>Lacks Flexibility.</u> Given the lack of vacant land in the City and substantial environmental and coastal constraints, the City must given the flexibility to zone for higher density in-fill development as deemed

must appropriate for our conditions and unique circumstances, not as dictated through another complicated and inflexible Housing Element standard. This one-size-fits-all approach appears to be arbitrarily determined without research to identify how communities throughout California will be affected by this change.

For these reasons, the City of Newport Beach opposes AB725.

Sincerely,

Will O'Neill

Mayor

Newport Beach

CC.

Newport Beach City Council Grace Leung, City Manager

League of California Cities (Via email: cityletters@cacities.org)

Senator John Moorlach

Assembly Member Cottie Petrie-Norris