Dear Governor Newsom,

On behalf of the City of Beverly Hills, I write to you in OPPOSITION to AB 725 (Wicks) and respectfully request you VETO this bill when it comes before your desk. This bill would establish new minimum density requirements on a portion of sites identified by a city in its housing element to comply with its share of the regional housing need for moderate- and above moderate-income housing.

Current law requires local jurisdictions to identify adequate sites for housing at all income levels—very low, low, moderate, and above moderate income. Each local jurisdiction must also ensure that its housing element has enough sites available to accommodate its assigned share of housing units under the regional housing need assessment (RHNA) program. If a city or county does not have enough sites within its existing inventory of residentially zoned land to accommodate its RHNA target, it must adopt a program to rezone land within the first three years of the established planning period. Every city and county must submit a report to HCD and the Governor’s Office of Planning and Research (OPR) annually on its implementation and progress towards meeting its RHNA amount and removing governmental obstacles to housing development.

We are concerned AB 725 could have the effect of actually lowering the number of the affordable housing units that would be produced under the process that the bill would impose. Lowering the required percentage of affordable units from 40 percent to 20 percent will incentivize the development of moderate-income units at the expense of low- and very low-income households. This will further exacerbate the state’s housing crisis and fail to address housing affordability for California’s lower-income households. California must enact legislation that encourages the development of all types of housing. California’s housing shortage remains a classic example of a supply-demand mismatch that is driving home and rental prices to all-time highs.
Furthermore, our City believes the state should allow more time for legislation that has already been approved to take effect before enacting new mandates like AB 725. The State adopted massive reforms just three years ago and every year since. As development takes time, cities are only now beginning to see the impacts of those prior bills. Adopting new legislation that adds additional mandates before seeing the full impacts of prior legislation could be irreversibly detrimental.

The City of Beverly Hills has long supported the preservation of local control, as localities are best suited to address the needs of local constituents. We work hard to ensure the City’s growth is well planned. This bill would override local discretionary land use authority and prevent municipalities, like ours, from best serving our communities.

AB 725 (Wicks) would add another unnecessary layer of mandates and usurp local control without increasing the goal of producing new housing. For these reasons, the City of Beverly Hills must respectfully OPPOSE AB 725 (Wicks). Thank you for your consideration.

Sincerely,

Lester J. Friedman
Mayor, City of Beverly Hills

cc: The Honorable Buffy Wicks, 15th Assembly District
    The Honorable Ben Allen, 26th Senate District
    The Honorable Richard Bloom, 50th Assembly District
    Andrew K. Antwih, Shaw Yoder Antwih Schmelzer & Lange