



# City of Whittier

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Joe Vinatieri  
Mayor

Cathy Warner  
Mayor Pro Tem

Octavio Martinez  
Council Member

Fernando Dutra  
Council Member

Mary Ann Pacheco  
Council Member

Brian Saeki  
City Manager

May 6, 2024

The Honorable Anna M. Caballero  
Chair, Senate Committee on Appropriations  
1021 O Street, Suite 7620  
Sacramento, CA 95814

**RE: SB 1164 (Newman) Property Taxation: New Construction  
Exclusion: Dwelling Units (As Amended 4/11/24)  
Notice of Opposition**

Dear Senator Caballero:

As Mayor for the City of Whittier, I am writing to express our opposition to SB 1164 (Newman), which would exclude from classification as "newly constructed" and "new construction" the construction of an accessory dwelling unit if construction on the unit is completed on or after January 1, 2025, and before January 1, 2030, until one of three conditions have been met.

While the City of Whittier understands that the State of California is experiencing a shortage of affordable housing crisis, this bill is not the solution. Other legislation has already been adopted and chaptered with the intent to facilitate the construction of ADUs by allowing for by-right approval of an ADU in a single-family residential zone. But new housing also brings increased demand for local services including police, parks & recreation, library and schools. The revenue generated from properties, including ADUs, help offset the costs of providing these increased services. The City of Whittier only receives 7.5% of the property tax dollar to fund these essential services, so if the property taxes from ADUs are excluded, then this will deprive the city of the revenues needed to provide and expand services that are of communitywide benefit. In other words, this bill could reduce the resources available for these essential services, impacting our community's well-being, safety, and quality of life.

Additionally, the bill's intent is to promote the construction of additional housing, but there is no guarantee that the housing has to be "affordable," which will do nothing to address the affordability housing crisis. In Whittier, there are approximately 300 affordable apartments and 33 affordable home ownership units where the city or the housing authority has affordability covenants, which last 45 years for ownership and 55 years for rental. The City also has mobile homes and other affordable units with restrictions from other entities (including senior facilities) that total another 329 units.

The bill also assumes that property taxes are an impediment that disincentivize homeowners from building ADUs. However, for the City of Whittier, in 2023, there were 105 ADUs permitted (but not yet built) compared to 76 in 2022. Additionally,

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in 2023, there were 62 ADUs that were constructed, compared to 32 in 2022. This reflects a significant increase over just one year, suggesting that property taxes do not have as large of an impact on the construction of ADUs as this bill seems to suggest.

For these reasons, the City of Whittier respectfully opposes SB 1164.

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Vinatieri". The signature is fluid and cursive, with a large loop at the end.

Joe Vinatieri  
Mayor

c: Senator Josh Newman  
Senator Bob Archuleta  
Assembly Member Lisa Calderon  
Whittier City Council  
Kristine Guerrero, Cal Cities  
League of California Cities