



September 28<sup>th</sup>, 2015

Mayor Rob Johnson and Honorable Councilmembers  
City of Cypress  
5275 Orange Avenue  
Cypress, CA 90630

**Re: Comments on Proposed New Residential Moratorium**

Dear Mayor Johnson and Honorable Councilmembers,

**On behalf of our membership, I would like to respectfully request the City not adopt the proposed moratorium on New Residential Uses in Commercial Zones.**

The Building Industry Association of Southern California, Orange County Chapter (BIA/OC) is a non-profit trade association of over member 1,100 companies employing over 100,000 people affiliated with the home building industry. The Orange County Chapter represents the largest member base within BIA Southern California. Our mission is to champion housing as the foundation of vibrant and sustainable communities.

Upon reading your Council agenda over the weekend, we became aware of an upcoming public hearing to impose a moratorium on new residential uses in commercial zones. We have not received adequate written notification pertaining to the moratorium, allowing us to properly communicate with our members that may be doing business in the City. Furthermore, while we understand a city's desire for careful planning, a moratorium sends a negative message to the business community about potential opportunity in Cypress.

Orange County is ranked 2<sup>nd</sup> only to the bay area for the highest housing costs in California. This is largely due to 1) lack of adequate housing stock, 2) a jobs to housing imbalance, and 3) lack of available land coupled with excessive regulation on the housing industry. Policies that

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MICHAEL BALSAMO

support the production of housing allow for fundamental economic principles of supply and demand to occur.

The trend in land use is to convert vacant and underutilized commercial and industrial property to residential. Commercial uses are in transition now due to internet sales and international outsourcing, and the market is responding. We would encourage the City to keep the door open to revitalization and request that drastic actions such as a moratorium not occur.

As always, we remain a resource to the City on important issues that are related to the wellbeing of our local communities. Thank you for your time and thoughtful consideration.

Respectfully,

A handwritten signature in black ink, appearing to read "M. Balsamo", with a stylized flourish at the end.

Michael Balsamo  
Chief Executive Officer