

November 20, 2003

TO: Assemblyman John Campbell

On behalf of a recently active and unified neighborhood group, I respectfully request the assistance of the Assemblyman regarding a major community concern.

AT ISSUE

The State of California currently allows residential homes to be used as Drug and Alcohol Recovery Centers. **The problem is: The State fails to require a local review (local zoning) as to the 'appropriateness' of a recovery center in a particular neighborhood PRIOR to issuing a State License.** The result has been:

- √ a dramatic increase in the number of drug and alcohol addicts, in the local neighborhood, by converting six residential properties in Newport Beach to Residential Treatment Centers;
- √ the deterioration of neighborhoods in close proximity to these centers due to problems of overcrowding, traffic, insufficient parking, noise, concentration of criminally-convicted individuals, loitering, profanity, and increases in home burglaries, etc.;
- √ the increasingly aggressive pattern of these 'halfway houses for drug and alcohol addicts' to use additional neighboring residential properties to expand their 'business operations'; and
- √ the disturbingly close proximity of these facilities (and addicts) to the local elementary school, student population, and public beaches frequented by our children.

DETAILS

Six residential properties located in Newport Beach have been allowed to convert to Residential Treatment Centers (halfway houses for drug and alcohol addicts) without a "Use Permit" application, review and approval as required in the city's Zoning Code. The Newport Beach Zoning Code states, "Use permits are required for use classifications typically having unusual site development features or operating characteristics requiring special consideration so that they may be designed, located, and operated compatibly with uses on adjoining properties and in the surrounding area." (Newport Beach Zoning Code 20.91.010)

The city has issued 'business licenses' to these operators IN RESIDENTIAL PROPERTIES without regard to the proximity to Newport Elementary School; pathways of children coming to and from school; traffic; density of addicts on a single property; proximity to other parks & preschools; nor any other neighborhood impact. In addition, the Newport Beach Zoning Code specifically requires Use Permits (and the resulting hearings, and consideration and review of residential and neighborhood impact) for "Residential Care, General" businesses. Each of these six businesses ARE "Residential Treatment Centers", considered Residential Care, General; and licensed by the State of California. These are WITHIN the current, legal and local authority of the city. (Newport Beach Zoning Code 20.10.3)

Detailed information on each of these Halfway House operations is below:

RESIDENTIAL DRUG AND ALCOHOL TREATMENT CENTERS [ACTIVE]

<u>Residential Address</u>	<u>Business Name</u>	<u>Clients/Addicts residing on the property</u>	<u>Employees, Staff & Volunteers</u>	<u>Total Persons</u>	<u>Parking Spaces</u>
1810 W. Oceanfront	So. Cal. Headqtrs. of Narconon	32	34	66	3
1601 W. Balboa Blvd.	Ocean Recovery/ Solutions by Sea	18	10(?)	18+	3

1216 W. Balboa Blvd.	Pat Moore Found.	27	15(?)	42+	8
4500 Seashore Dr./ 4504 Seashore	Sober Living by the Sea	14	7(?)	21+	3
4800 Seashore Dr.	Sober Living by the Sea	11	5(?)	16+	3
TOTALS		102	71(?)	163+	20*

NEW! PENDING A CITY BUSINESS LICENSE

1510 W. Balboa Blvd.	Spencer Recovery	50+	25(?)	75+	19
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? Special note on employees, staff & volunteers: This is a very conservative estimate of the number of employees on each site. These businesses operate as Residential Treatment Centers advertising one-to-one counseling, group counseling, non-medical services, drug testing, food services, facility supervision, business services including detox, saunas, weigh rooms, etc. Estimated number of employees appears to be equal to number of resident beds, which **DOUBLES** the facility capacity. In addition, 'recovered' addicts make up a large majority of the staff/employee numbers.

Special note on expansion of these businesses: At least three of these businesses have leased additional neighboring residences to expand their business operations. These additional properties are not recognized by the state-licensing agency, have no city business licenses nor City Use Permits. Each, however, means there are more drug/alcohol addicts in the neighborhood.

Addicts/clients in these residential treatment centers represent a criminal element unregulated by the city. Many of the addicts residing in Residential Treatment Centers in our city are there as a result of a criminal justice placement or court order. Last week, an administrator with the state licensing agency admitted that 90% of addicts in these facilities have been criminally convicted. They have usually been convicted of possession and use of drugs, and many, also, have convictions for dealing drugs, and other crimes. A recent L.A. Times article (10/12/03) focused on one such client in a Newport Beach halfway house. She had been convicted of drug use, dealing drugs, and other related crimes. In the article, she also described her association with parolees and criminals, and her dealing drugs to fund the Nazi Low Riders- a prison and street gang. Addicts stay at these residences between 1-5 months. So the turnover of clients/addicts in these facilities is dizzying. The City has allowed these centers to multiply in the Newport Beach (specifically on the Newport Peninsula) without any review of impact to residents, neighborhoods, and their safety. Neither City Hall, the NB Police Department, nor the NB Fire Department keeps a listing/addresses of licensed Residential Treatment Centers in the city. Yet these represent a concentration of individuals criminally convicted of drug use, dealing drugs and other crimes, usually theft to pay for their drug habit. Their association with parolees, criminals and others doesn't stop with their placement in a Halfway House. It just means their 'associates' now come to Newport to visit them. How can the city treat residents/owners, our neighborhoods, schools, and safety so lightly, and allow these facilities to multiple without local regulatory/zoning procedures?

Currently, there are six state-licensed 'halfway houses' in Newport Beach. ALL are located on the Balboa Peninsula. TWO are within only 2 residential blocks of one another. And three are within blocks of an elementary school and two pre-schools. Most are directly on the beach, or close to the sand. (This location helps their national marketing/advertisement)

We continue to marvel at the 'protection' these businesses seem to enjoy by our State and in Newport Beach. Of particular interest is the fact that most bring in **NO FINANCIAL DOLLARS** to the city. The \$114 annual fee for a business license in Newport Beach is waived since most operate as non-profit

organizations. They pay NO city taxes, since they 'sell no product'. They pay NO city 'bed tax' or 'transient accommodation tax' (as those with weekly vacation rentals, or hotels/motels) since their addicts/clients stay a minimum of 2 months. They may pay NO state taxes, if they are a non-profit organization. Owners leasing properties to one of these non-profit organizations may pay NO PROPERTY TAXES since they are leasing their property to a non-profit agency. All around, this is a great deal for these business operators. Narconon, Inc, (1810 W. Oceanfront) for example is making \$20,000 per client for a two to five month stay. They operate 32 beds. This means almost a QUARTER OF A MILLION DOLLARS PER MONTH IN THIS SINGLE PROPERTY. And no state or local taxes are paid? No wonder Narconon, Inc. and others come to Newport Beach and want to stay-- and no wonder residents are furious over the peaceful enjoyment of their homes and neighborhoods being compromised in this way.

The city of Irvine maintains the same city zoning ordinances as the city of Newport Beach. However. Irvine enforce theirs. The result is NO Residential Treatment Centers in the city of Irvine. **But the State licensing agency, Department of Alcohol and Drug Programs, does NOT require local zoning unless the city does. This has created a miserable problem for residents of cities WITHOUT city enforcement of local zoning codes.**

With the rampant drug problems among our youth, can we afford to have these facilities and addicts in the neighborhoods adjacent to elementary school children, our beaches, and parks? And how long can we allow this problem to continue? And what risks are we taking while city politicians study the issue? What will our city's failure to act, cost us? Is the profit of independent corporations more valuable than the future and neighborhood safety of our children and residents?

REQUEST FOR REVIEW

We believe a review by the Assemblyman is necessary. The operation of these halfway houses, un-zoned and un-regulated by the city; **FOR WHICH THE STATE DOES NOT REQUIRE ANY LOCAL ZONING FOR LICENSING**, has a tremendously negative, and potentially dangerous, impact on local neighborhoods. **The State of California's procedure to NOT require local zoning approval prior to issuing state licensing for Residential Treatment Centers has created this problem.** The City of Newport Beach's lack of implementation of their OWN city Zoning Code requiring a 'Use Permit' for this kind of business to operate from residential properties adds to the problem. *A review of this problem, and appropriate action will best serve and protect the children, residents and neighborhoods from falling victim to increasingly inappropriate Residential Treatment Centers.*

Respectfully,

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cc. Residents, Owners & Interested Citizens