



MAYOR ROBERT GARCIA

CITY OF LONG BEACH

March 20, 2019

The Honorable Anthony J. Portantino
California State Senate
State Capitol, Room 4066
Sacramento, CA 95814

RE: Support for SB 532 (Portantino) Redevelopment: bond proceeds: affordable housing

Dear Senator Portantino:

On behalf of the City of Long Beach, I write in support of Senate Bill 532 (Portantino). With the dissolution of the state's 400 plus redevelopment agencies (RDAs) in 2012, municipalities across California were left with large bonds allocated to RDA project areas that they could not utilize under State law. Existing State law requires remaining RDA bond proceeds to be defeased or purchased on the open market for cancellation. This legislation instead proposes that RDA successor agencies be allowed to use bond proceeds to increase, improve, and preserve affordable housing.

The City of Long Beach supports policies that promote the development of affordable and accessible housing. The Long Beach Community Investment Company (the City's RDA successor agency) has leveraged more than \$400M in funding to support development of affordable housing over the past decade. In the same timeframe, the City has facilitated the construction of 1,694 new affordable units, preserved nearly 2,000 units, rehabilitated 367 existing units. In addition, the City is developing inclusionary zoning and tenant assistance policies and has 800 affordable units in the development pipeline. To achieve the same or greater levels of affordable housing production moving forward, it is critical that any and all funding sources be made available.

The housing crisis is not an issue that municipalities can address alone; it is regional in scale. The City of Glendale has an approximately \$27 million RDA bond that it is prevented from using under existing State law. Unlocking RDA bond funds for developing, improving, and preserving affordable housing, as SB 532 (Portantino) proposes, would allow cities like Glendale and Long Beach to produce affordable housing to keep pace with increasing statewide demand. Rising housing costs are impacting nearly all California communities. This legislation directly addresses this problem by freeing up resources that will directly increase the supply of affordable housing.

Given these reasons, the City of Long Beach supports SB 532 (Portantino).

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Garcia".

Mayor Robert Garcia
City of Long Beach

cc: The Honorable Speaker Anthony Rendon, State Assembly
The Honorable Tom Umberg, State Senate, 34th District
The Honorable Steven Bradford, State Senate, 35th District
The Honorable Mike Gipson, State Assembly, 64th District
The Honorable Patrick O'Donnell, State Assembly, 70th District
Senate Committee on Governance and Finance

