



CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

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July 17, 2019

The Honorable Jim Beall
California State Senate
State Capitol, Room 2082
Sacramento, CA 95814

RE: Support for SB 5 (Beall) Affordable Housing and Community Development Investment Program

Dear Senator Beall:

On behalf of the City of Long Beach, I write in support of Senate Bill 5 (Beall). This bill proposes to allow cities to reduce contributions to their associated county's Educational Revenue Augmentation Fund (ERAF) and require the State to provide equivalent funds to ERAFs to expend additional local property tax revenue on affordable housing and housing-related projects. Long Beach has not been immune from California's housing crisis. A sustainable funding source, like that proposed in SB 5, will enable the City to provide greater support for quality affordable housing developments and associated public services.

The City embraces its role in the housing development process, which is to work with the community and developers to permit quality housing developments that are consistent with local land use policies. Statistics on housing development from 2014 to 2018 show developers proposed to build a total of 7,384 new housing units in Long Beach. Of those, the City entitled 3,061 new housing units, continues to work with developers on entitlements for 2,155 new housing units, and denied a mere 5 housing units. Funding from the Program proposed by SB 5 would facilitate construction of affordable housing units to efficiently alleviate the housing crisis.

To sustain quality neighborhoods, a myriad of public services such as street maintenance, parks and safety enforcement are also necessary. The City supports legislation that provides tax increment for affordable housing and public infrastructure benefitting affordable housing without compromising other expenditures. Further, the City appreciates legislative recognition of the correlation between affordable housing and public services and looks forward to equipping neighborhoods with both through funding made available by SB 5.

Given these reasons, the City of Long Beach supports SB 5 (Beall).

Sincerely,



Patrick H. West
CITY MANAGER

cc: The Honorable Speaker Anthony Rendon, State Assembly
The Honorable Lena Gonzalez, State Senate, 33rd District
The Honorable Tom Umberg, State Senate, 34th District
The Honorable Steven Bradford, State Senate, 35th District