



MAYOR ROBERT GARCIA
CITY OF LONG BEACH

March 27, 2019

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

RE: Support for SB 521 (Portantino) Income taxes: credits: leased or rented property: Section 8 assistance

Dear Senator Portantino:

On behalf of the City of Long Beach, I write in support of Senate Bill 521 (Portantino). Low-income families and veterans face constant barriers in finding safe and affordable housing. This legislation proposes a way to address one of these barriers – that landlords currently have no financial incentive to accept HUD-issued Section 8 vouchers. Once a household does obtain a Section 8 voucher, they then must find housing within a certain price range based on the tenant household's income. Often, landlords must reduce their rent below market value to make their units eligible for Section 8 vouchers. Because there is no financial incentive for landlords to do this, many families that possess Section 8 vouchers are left with few or no housing choices.

This legislation proposes a solution by proposing a state income tax credit to property owners that rent to persons receiving assistance under Section 8. This goal is consistent with the City's support of policies that promote the development of affordable and accessible housing. The City supports full funding for housing assistance programs, including existing Section 8 vouchers and administrative costs. Further, it is critical that the City provide housing opportunities for veterans, and this legislation presents a clear means of doing so. The legislation would also strengthen the City's existing Homeless Incentive Program, which provides financial protections and other safeguards to landlords who agree to accept subsidized tenants.

The City's low housing vacancy rate and rising rental rates, combined with the fact that many landlords do not accept Section 8 vouchers, severely limits housing options for Section 8 renters. Providing state income tax credits to property owners contributing to the Section 8 voucher-eligible housing stock, as SB 521 (Portantino) proposes, would make housing more accessible for low-income residents in Long Beach and allow these residents to easily access parks, schools, libraries, and other essential City services.

Given these reasons, the City of Long Beach supports SB 521 (Portantino).

Sincerely,

A handwritten signature in black ink, appearing to read "Robert Garcia", written over a light blue rectangular background.

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