



**MAYOR ROBERT GARCIA**  
CITY OF LONG BEACH

March 24, 2021

The Honorable Anthony Portantino  
California State Senate  
State Capitol, Room 5050  
Sacramento, CA 95814

**RE: Support for SB 15 (Portantino)—Housing Development: Incentives: Rezoning of Idle Retail Sites**

Dear Senator Portantino,

On behalf of the City of Long Beach, I write to support SB 15. This bill proposes to provide State grants to local governments that rezone idle commercial zones space to allow workforce housing. The City is encouraged by the Legislature's efforts to incentivize the development of housing for lower- and moderate-income households.

Due to the high cost of construction across California, new residential developments often do not provide enough workforce and affordable housing opportunities to meet demand, creating economic stratification in housing. Since 2014, the City has approved and issued building permits for 614 deed-restricted affordable units and 28 moderate-income units. On February 2, 2021, the Long Beach City Council unanimously approved an Inclusionary Housing Ordinance, which seeks to address housing inequities by requiring qualified residential developments provide up to 11 percent affordable units. SB 15 will further the intent of the City's Inclusionary Housing Ordinance.

Given the existing property tax structure in California, many local governments are incentivized to create commercial corridors to retain sales tax revenues, instead of building housing. SB 15 would reverse these incentives by providing State funding to cities that rezone idle commercial sites for workforce housing. Cities would receive seven times the average amount of annual sales and use tax revenue generated by an idle commercial site over a seven-year period. This type of grant would help to alleviate the ongoing local tax burdens associated with building housing and would, instead, encourage more cities to plan for more workforce and affordable housing.

The City supports grants to increase access to workforce housing at all market levels. SB 15 is a promising step to address our housing shortage statewide through grant funding. Given these reasons, the City supports SB 15.

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 Lena Gonzalez, State Senate, 33<sup>rd</sup> District  
The Honorable Tom Umberg, State Senate, 34<sup>th</sup> District  
The Honorable Steven Bradford, State Senate, 35<sup>th</sup> District  
The Honorable Mike Gipson, State Assembly, 64<sup>th</sup> District  
The Honorable Patrick O'Donnell, State Assembly, 70<sup>th</sup> District

562.570.6801 | mayor@longbeach.gov | @LongBeachMayor  
411 West Ocean Blvd, Long Beach, California 90802