



736 F Street
Arcata, CA 95521

City Manager (707) 822-5953	Police 822-2428	Recreation 822-7091
Community Development 822-5955	Finance 822-5951	Transportation 822-3775
Environmental Services Streets/Utilities 822-5957	Environmental Services Community Services 822-8184	Engineering & Building 825-2128

March 14, 2019

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

The Honorable Mike McGuire
California State Senate
State Capitol Building, Room 5061
Sacramento, CA 95814

**Re: SB 5 (Beall/McGuire) Local-State Sustainable Investment Incentive Program
Notice of SUPPORT (As Introduced 12/03/2018)**

Dear Senator Beall and Senator McGuire:

The City of Arcata supports your SB 5 (Beall/McGuire), the Local-State Sustainable Investment Incentive Program.

The elimination of redevelopment in 2011 created a huge deficit in community revitalization resources throughout California, including an annual loss of \$1 billion in funding for low- and moderate-income housing. In Arcata, the annual loss was \$500,000 alone. It has been significantly more difficult to put financing together for affordable housing projects since the loss of this vital resource. In particular, as HOME and CDBG funds become more difficult to count on, lacking the reliable local funding means we cannot make strong commitments to our housing partners. This uncertainty undermines our effectiveness bringing much needed affordable housing to our residents.

SB 5 provides the opportunities for communities to access additional tax increment revenues to fund affordable housing, infrastructure, and economic development projects that advance state and local priorities, including reducing greenhouse gas emissions, expanding transit oriented development (TOD), addressing poverty, and revitalizing neighborhoods.

The City of Arcata commends you for recognizing the diversity of California cities and acknowledging the need for flexible funding to spur housing construction and revitalize communities.

The time is right for the state to fill the void left by the elimination of redevelopment and provide more tools to support local efforts to build more affordable housing, provide essential infrastructure, and create opportunities in underserved communities. The City of Arcata applauds your leadership in this effort to give cities the tools they need to improve their communities.

For these reasons, the City of Arcata supports SB 5 (Beall/McGuire).

Sincerely,



Brett Watson
Mayor
Arcata, CA

cc:

Congressman Jared Huffman, John.Driscoll@mail.house.gov
Assembly Member Jim Wood, VIA FAX: (707) 445-6607 & (916) 319-2102
Sara Rounds, League Regional Public Affairs Manager, srounds@cacities.org
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