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

September 12, 2019

The Honorable Gavin Newsom
Governor, State of California
State Capitol Building, 1st Floor
Sacramento, CA 95814

Re: SB 5 (Beall/McGuire/Portantino) Local-State Sustainable Investment Incentive Program—Notice of SUPPORT and Request for Signature

Dear Governor Newsom:

The City of Arcata supports SB 5 (Beall/McGuire/Portantino), the Local-State Sustainable Investment Incentive Program. SB 5 gives cities the tools to improve communities while acknowledging the need for flexible funding to spur housing construction and revitalize communities.

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 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.

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

Sincerely,



Brett Watson
Mayor
Arcata, CA

cc:

Senator Mike McGuire, Senator.McGuire@senate.ca.gov & VIA FAX: (916) 651-4902

Congressman Jared Huffman, John.Driscoll@mail.house.gov

Assembly Member Jim Wood, VIA FAX: (707) 445-6607 & (916) 319-2102

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