City of Encinitas

Office of
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September 12, 2019

Governor Gavin Newsom
1303 10th Street, Suite 1173
Sacramento, CA 95814

RE: SB 5 (Beall/McGuire/Portantino) Local-State Sustainable Investment Incentive Program - Notice of SUPPORT (As Amended 6/17/2019)

Dear Governor Newsom:

The City of Encinitas 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.

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 Encinitas, like many coastal communities, has limited vacant land resources. Encinitas is very interested in progressive development that would provide an affordable housing component, at a managed pace and in locations that fit our community according to our General Plan and Housing Element. Many of the legislative bills that have recently been introduced force communities to allow development to fit a larger model that does not fit, nor serve a local community's needs.

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 Encinitas supports SB 5 (Beall/McGuire/Portantino).

Sincerely,

Catherine S. Blakespear
Mayor

CC: JGC Governmental Relations

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