



CITY of LAGUNA NIGUEL

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CITY COUNCIL

Mayor John Mark Jennings
Mayor Pro Tem Laurie Davies
Council Member Elaine Gennaway
Council Member Fred Minagar
Council Member Sandy Rains

March 18, 2019

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

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

RE: Support of S.B. 5

Dear Senators Beall and McGuire,

On behalf of the City of Laguna Niguel, I am writing to express our support for your bill, S.B. 5 (Beall/McGuire).

The elimination of redevelopment agencies in 2011 created a deficit in community revitalization resources throughout California. Since the elimination of these agencies, the Legislature has attempted to create several new funding mechanisms. These funding mechanisms, including infrastructure financing districts, affordable housing authorities, and community revitalization investment authorities, are not without their limitations. A more viable funding option for cities is needed and desired. S.B. 5 could fill this void.

S.B. 5 provides the opportunity for cities across California to access additional tax increment revenues to fund housing, infrastructure, and economic development projects that advance state and local priorities, including increasing high quality jobs through the rehabilitation, construction and maintenance of new housing or infrastructure, improving the quality of life in neighborhoods and incentivizing growth. With a projected multi-billion budget surplus for the 2019/2020 fiscal year, the time is right for California to take financial responsibility in contributing to the realization of priorities, rather than that weight primarily resting on the shoulders of local jurisdictions.

Through the requirement that guidelines be adopted that detail how geographic equity will be maintained in the approval of applications, all cities are provided a fair shot. Laguna Niguel commends you for recognizing the diversity of California cities.

Laguna Niguel thanks you for your leadership in this effort. We are encouraged that S.B. 5 may fill the void for viable funding mechanisms for city development projects. This legislation will be a useful tool for many cities that choose to participate.

Sincerely,

A handwritten signature in blue ink, appearing to read 'John Mark Jennings', with a large, stylized flourish at the end.

John Mark Jennings
Mayor

cc: The Honorable Senator Patricia Bates
The Honorable Assembly Member Bill Brough
Members, Senate Governance and Finance Committee
Members, Senate Housing Committee
Tony Cardenas, League of California Cities, tcardenas@cacities.org
League of California Cities, cityletters@cacities.org