



February 20, 2019

Senator Jim Beall  
State Capitol, Room  
Sacramento, California 95814

SUBJECT: **SUPPORT FOR SB 128 (BEALL) – LOW INCOME HOUSING TAX CREDITS**

Dear Senator Beall:

The American Planning Association, California Chapter (APA California) is pleased to support for your bill, SB 128, which removes the vote requirement for issuing EIFD bonds.

EIFDs are an important economic development finance tool as their structure and use allow jurisdictions to move economic development projects forward that would otherwise remain inactive. EIFDs provide local governments a way to finance needed infrastructure projects with tax increment financing (TIF).

Currently, EIFDs require a 55% vote approval to issue bonds. The vote requirement is burdensome for implementing the key purpose of EIFDs—issuing bonds for infrastructure projects. It adds an element of uncertainty and restricts the ability of the EIFD to make long-term commitments. The solution is to eliminate the vote requirement to issue EIFD bonds. The property taxes allocated to EIFDs are not new taxes or special assessments, and therefore not subject Proposition 13 voting requirements for issuing bonds. Public oversight and transparency are built in to the EIFD process.

APA California is supportive of EIFD's and efforts to streamline the process as they are an important tool for local governments to finance a range of local projects and we are pleased to support your bill.

If you have any questions, please contact Lauren De Valencia, Stefan/George Associates, APA California's lobbyist, at 443-5301, lauren@stefangeorge.com.

Sincerely,

Eric Phillips  
Vice President Policy and Legislation  
APA California

cc: The Governor, OPR, Republican Caucus

**C/O STEFAN/GEORGE ASSOCIATES  
1333 36<sup>TH</sup> STREET  
SACRAMENTO CA 95816-5401**

**P: 916.736.2434  
F: 916.456.1283  
www.calapa.org**