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February 1, 2022

Honorable Senator Steven Glazer
State Capitol, Room 7250
Sacramento, California 95814

Subject: City of Capitola's Support of SB 843 (Glazer)

Dear Senator Glazer,

I am writing to you on behalf of the City of Capitola to express support of Senate Bill 853. This bill would provide financial relief to 2.4 million low-and-middle income Californians by expanding and reforming the renter's tax credit.

In the City of Capitola, approximately 46% of lived-in housing units are renter-occupied and the average monthly rent is more than \$2,300. According to data collected in 2018, 39.2% of residents in our local Senate District are renters.

Surging rental prices across our state have made California increasingly unaffordable. Half of California's renters pay more than 30% of their income on rent; almost 1 in 3 renters pay 50% or more of their income on rent each month.

Further, the COVID-19 pandemic has exacerbated the pressure on California's renters. While the Legislature passed temporary relief through the Golden State Stimulus and the eviction moratorium, the affordable housing crisis for renters existed before the pandemic and will exist after if we don't take steps to provide permanent relief.

Senate Bill 853 increases the renter's tax credit to \$1,000 for all those that are income eligible. This bill would provide needed relief to renters throughout the state and by not only increasing the credit, but making it refundable. Even those without an income could receive this credit, helping California families struggling the most.

This bill would help California renters in a meaningful way, increasing the renter's tax credit to address the reality of the housing affordability crisis throughout our state and providing relief to struggling California families.

For these reasons, the City of Capitola supports Senate Bill 843 (Glazer).

Sincerely,

Sam Storey, Mayor
City of Capitola

Cc: Denna Sessums, League of Cities