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April 21, 2015

Honorable David Chiu
California State Assembly
State Capitol, Room 2196
Sacramento, CA 95814

Dear Assembly Member Chiu:

On behalf of the Cities Association of Santa Clara County, I write to you in support of AB 35, legislation that would increase the state's Low Income Housing Tax Credit by \$300 million to build and rehabilitate affordable housing.

The Cities Association is a collaboration of the 15 cities in Santa Clara County and advocates on behalf of the cities to improve the quality of life for the people of our county. The Cities Association has prioritized affordable housing for the past three years due to the challenges our cities have met in providing low-income housing for our communities. In Santa Clara County, affordable housing funds plummeted 64% due to the loss of redevelopment housing funds and federal grants. The Cities Association has been working with its membership cities to identify a number of strategies cities can individually or collectively pursue and utilize to reassemble permanent funding for affordable housing.

AB 35 is a great step in the reestablishment of a funding stream for affordable housing in California. Increasing the aggregate housing state credit dollar amount that may be allocated among low-income housing developments and allowing the state to more effectively leverage federal tax-exempt bond financing will help fill the gap in funding affordable housing units across our communities and the state. Not only will this enable the building of additional units but it will also lead to additional jobs, economic activity, and state and local tax revenues.

For these reasons, the Cities Association supports AB 35. Thank you for your leadership on the important issue of affordable housing.

Sincerely,

Jason T. Baker
President, Cities Association of Santa Clara County
Vice Mayor, City of Campbell

CC: Assembly Speaker Toni Atkins
Chair and Members, Assembly Committee on Revenue and Taxation