



March 14, 2022

The Honorable Sharon Quirk-Silva
State Capitol, Room 6012
Sacramento, CA. 95814

RE: AB 1288 - Support

Dear Assemblymember Quirk-Silva:

On behalf of All Home, I am writing in support of AB 1288. All Home is a Bay Area organization that advances regional solutions to disrupt the cycles of poverty and homelessness and create more economic mobility for people with extremely low incomes. All Home is proud to support AB 1288, your bill to increase the effectiveness of the state's low-income housing tax credits.

There will be no end to the homelessness and housing insecurity that plagues California without a drastic increase in housing production throughout the state, especially of affordable homes. AB 1288 would reduce a barrier and increase an incentive for affordable housing production, which must be a priority if we are to improve the lives of Californians with low incomes and strengthen our communities and economy in the long term.

When California augmented the amount of state low-income housing tax credits by \$500 million annually in 2019, the Legislature paired the additional state credits with tax-exempt bonds and 4% federal low-income housing tax credits, to spur uptake of underutilized resources that California was leaving on the table. Since then, however, the tax-exempt bonds have become highly oversubscribed and will remain so for the foreseeable future. Each state credit development receiving a bond allocation displaces another applicant seeking bonds, resulting in greater unmet bond demand and uncertainty for all bond applicants. While the 9% low-income housing tax credit program is also oversubscribed, adding additional resources expands the program and the number of developments that receive an award, because there is no constraining factor.

In this environment, the state can maximize the production of affordable homes by redirecting the additional state credits to the 9% tax credit program in years when tax-exempt bonds are oversubscribed. AB 1288 grants the Tax Credit Allocation Committee (TCAC) the authority to do so.

Thank you for your leadership in authoring this important legislation to improve one of the state's most critical financing programs for affordable housing.

Sincerely,

Tomiquia Moss

Tomiquia Moss, Founder and CEO of All Home