



March 14, 2023

The Honorable Catherine Blakespear
1021 O Street, Suite 7340
Sacramento, CA 95814

RE: SB 482 - Multifamily Housing Program – SUPPORT

Dear Senator Blakespear,

On behalf of All Home, I am writing to support SB 482, your bill to require the Department of Housing and Community Development (HCD) to offer capitalized operating subsidy reserves (COSRs) in its Multifamily Housing Program (MHP). 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.

California faces a severe shortage of housing, and the need is especially great for people with extremely low incomes, who are among the most vulnerable to becoming unhoused. We urgently need more housing that is affordable to extremely low and low-income community members. This housing often requires additional funding to cover the costs of operating builds and providing supportive services - and capitalized operating subsidy reserves can fill that gap (COSR).

A capitalized operating subsidy reserve is money that is committed upfront in a housing project to cover the expected operating gaps for 15-20 years. By financing shortfalls upfront, banks are more likely to provide money for these developments. While not a replacement for sustainable, long-term funding, COSRs are an important financing tool for affordable housing production. HCD has provided COSRs in programs like No Place Like Home and the Veteran's Housing and Homelessness Prevention Program, but is consolidating programs to increase efficiency as funding runs out.

SB 482 would require HCD to offer COSRs in its flagship Multi-Family Housing Program, so it can better serve people with extremely low incomes. SB 482 would streamline the development process, as developers would not have to apply for additional programs, and

ensure that the developments serving our most vulnerable populations are not left behind due to funding scarcities.

A commitment to funding deeply affordable housing is necessary to address the needs of our most vulnerable residents and to end homelessness in California. SB 482 is a vital step and will move California in the right direction. Thank you for your leadership on this important issue.

Sincerely,

A handwritten signature in black ink that reads "Tomiquia Moss". The script is fluid and cursive, with the first letter of each word being capitalized and larger than the others.

Tomiquia Moss
Founder and CEO
All Home