**Sample Governor Signature Letter – AB 434 (Daly)**

**STREAMLINE HCD RENTAL HOUSING PROGRAMS**

**INTO A SINGLE APPLICATION AND AWARD PROCESS**

**Please submit a support letter on letterhead** to [Leg.Unit@gov.ca.gov](mailto:Leg.Unit@gov.ca.gov).

**Send Copy to:** [mstivers@chpc.net](mailto:mstivers@chpc.net)

**[ADD DATE]**

The Honorable Gavin Newsom

State Capitol, First Floor

Sacramento, CA 95814

**Re: AB 434 (Daly) - Support**

Dear Governor Newsom,

[**Name of Your Organization**] is proud to support AB 434 to streamline Department of Housing and Community Development (HCD) rental housing programs into a single application and award process.

While the Multifamily Housing Program (MHP) was intended to be the state’s omnibus rental housing finance program, HCD now administers at least nine additional rental housing programs for specific purposes. Affordable housing providers must piece together a combination of these sources to fully fund a development. According to a [recent study by the Terner Center for Housing Innovation](http://ternercenter.berkeley.edu/uploads/LIHTC_Construction_Costs_March_2020.pdf) at UC Berkeley, 89% of new affordable developments built with 9% Low-Income Housing Tax Credits rely on four or more sources of funding, and each additional source of funding is associated with an average increase of $6,450 (2%) in total development costs of each affordable home. In addition, this compartmentalized funding process creates significant additional cost for HCD as different program staff review the same project at different times, and projects funded under one program return awards when they fail to win funding from a needed second program.

AB 434 harmonizes the statutes relating to MHP and six of the special purpose rental housing programs so that HCD can use a single application and scoring system to make coordinated awards for all seven programs at one time while maintaining the special intent of each original program. By streamlining the application process for HCD resources, this bill will measurably reduce the cost of affordable housing by reducing HCD and developer staff time spent on multiple applications and decreasing long development timeline delays.

We respectfully request your signature on this important measure to reduce the time, cost, and risk of developing affordable rental housing.

Sincerely,

**Your Name and Title**