Date

The Honorable Sharon Quirk-Silva

1021 O Street, Suite 4210

Sacramento, CA 95814

**RE: AB 480 - SUPPORT**

Dear Assemblymember Quirk-Silva:

[**Name of Your Organization**] is pleased to support AB 480, your bill to increase the value of state Low-Income Housing Tax Credits (Housing Credits).

Housing Credits are the basic building block with which almost all affordable rental housing is financed. Most credits are federal, but California adds state Housing Credits that stretch federal credits further, allowing for more affordable housing overall.

2016 legislation allowed for the state Housing Credits to be “certificated,” which means the investor may buy the credits outright rather than becoming an owner of the affordable housing development. For reasons related to federal tax law, certificated credits sell at a higher price, increasing private financing for affordable housing and reducing public subsidies. However, current state law prohibits a developer from choosing certificated credits after submitting their initial application to the Tax Credit Allocation Committee. This prohibition unnecessarily prevents some developers from accessing the higher pricing of certificated credits.

AB 480 increases the impact of state Housing Credits by allowing developers to opt in to certificated credits after award. Thank you for authoring this important legislation.

Sincerely,

Your name and title