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Leslye Corsiglia
Executive Director

February 21, 2017

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

Dear Assemblymember Chiu,

Re: Support for Assembly Bill 71

SV@Home strongly supports Assembly Bill 71 (the Bring California Home Act).

SV@Home is a housing policy and advocacy organization that is driving the creation of affordable housing for a more vibrant and equitable Silicon Valley. SV@Home represents a broad range of interests, from leading employers who drive the Bay Area economy, to labor and service organizations, to local government agencies, to nonprofit and for-profit developers who provide housing and services to those most in need.

It takes an hourly wage of \$51, or more than \$105,000 a year, to afford the average apartment rent of \$2,640 in Santa Clara County. The average price of buying a home now exceeds \$1 million. The market simply cannot provide affordable housing on its own. We need subsidies and tools to bring rents to a level that lower-income households can afford.

AB 71 will provide needed resources to all areas of the State, including Santa Clara County, creating new affordable homes and well-paying jobs. The bill would raise funds to create an estimated 3,000 homes annually for working households, seniors and people with disabilities, and veterans who struggle to find safe, affordable, and stable housing in this heated housing market. While it would be funded by eliminating the mortgage interest deduction for vacation homes-- which costs California taxpayers \$300 million annually-- the bill protects the mortgage interest deduction that allows Californians to achieve the dream of homeownership.

The \$300 million raised by AB 71 will leverage an additional \$600 million in federal housing resources that would otherwise go unclaimed. This measure builds on the proven success of the Low Income Housing Tax Credit (LIHTC), which for decades has effectively helped build and preserve more than

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300,000 affordable homes throughout the State. Additionally, the LIHTC has created 340,000 jobs, generated more than \$32 billion in local income, and created \$12.73 billion in tax revenues in California since its inception in 1986.

We sincerely appreciate your leadership and thank you for authoring this important measure.

Sincerely,



Leslye Corsiglia
Executive Director

- c. Tyrone Buckley, Policy Director, Housing California (tbuckley@housingca.org)
Marina Wiant, Policy Director, California Housing Consortium (mwiant@calhsng.org)
Michael Lane, Policy Director, Non-Profit Housing Association of Northern California (michael@nonprofithousing.org)