



Sample Letter for \$100 Million Increase to LIHC CapT

He Honorable Gray Davis
State of California State Capitol
Sacramento, CA 95818

June , 2000

Dear Governor Davis:

I am writing to ask for your support for a one time \$100 million augmentation to the Low-Income Housing program.

As you know, California is facing an overwhelming housing shortage that in the long run will undermine economy. While there is a demand for 233,000 new housing units every year, fewer than 130,000 new hc are being approved. Not only is housing becoming scarce, it is becoming extremely expensive. Over half of and one third of homeowners in California pay more than 30 percent of their monthly income for ho shortage of affordable housing is affecting our economic competitiveness and threatens the long-term h State's economy.

The Low-Income Housing Tax Credit program has proved very successful in producing over 100,C affordable housing units since its inception. In 1999 alone, the Low-Income Housing Tax Credit Program assist in the construction or rehabilitation of over 5,700 rental units.

Unfortunately, the available tax credits currently fall far short of demand, and many high quality and ba housing projects are denied funding each year.

The one time increase would make possible the immediate construction of approximately 5,000 affordal units without the creation of any new bureaucracy.

We strongly urge your favorable consideration of this request to construct new affordable multi-family housi

Sincerely,

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