



December 29, 2020

Department of the Treasury
Internal Revenue Service
1111 Constitution Avenue NW
Washington, DC 20224

22645 Grand Street
Hayward, CA 94541

510.582.1460 Phone
510.582.6523 Fax

**Re: IRS Notice of Proposed Rule Making:
Section 42 Low Income Housing Credit Average Income Test Regulations
Reg-119890-18**

To whom it may concern:

On behalf of Eden Housing, I am writing to strongly support the income averaging flexibility provided by Congress in 2018, which has been widely used to make more types of affordable housing development possible. We are concerned about the Internal Revenue Service's proposed new regulations for the average income test, which will severely limit utilization of the income averaging flexibility. We believe mitigation remedies are needed to ensure that income averaging remains a viable option.

Eden Housing is one of California's oldest non-profit housing developers, and since our inception in 1968, Eden has partnered with communities throughout the California to develop, acquire, and preserve more than 10,000 affordable apartments—providing homes to 22,000 low-income Californians.

Operating in a high-cost state, we have relied on the income averaging flexibility provided under the law to make our projects more financially feasible—and to provide safe, stable affordable housing to a broader range of low-income tenants. Based on our experience, we support the recommendations that have been provided to you by the Affordable Housing Tax Credit Coalition in their comment letter, which is attached as a supporting document.

Eden appreciates the opportunity to comment on the proposed regulation. The income averaging flexibility has successfully made affordable housing available to more people that are in critical need, and we hope it continues to do so in the future.

If you have any questions, please contact Daniela Ogden, Eden's vice president of communications, advocacy and fund development, at 510-247-8125 or Daniela.Ogden@edenhousing.org.

Thank you for considering this request.

Sincerely,

A handwritten signature in blue ink that reads "Linda Mandolini".

Linda Mandolini
President

