



May 12, 2025

The Honorable Mike Crapo  
Chairman, Finance Committee  
United States Senate  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member, Finance Committee  
United States Senate  
Washington, DC 20510

The Honorable Jason Smith  
Chairman, Ways and Means Committee  
United States House of Representatives  
Washington, DC 20515

The Honorable Richard Neal  
Ranking Member, Ways and Means Committee  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Crapo, Chairman Smith, Ranking Member Wyden, and Ranking Member Neal:

As 130 mayors, county executives, and county board chairs representing communities across the country, we write to urge Congress to enact the *Affordable Housing Credit Improvement Act of 2025* (AHCIA), S. 1515 and H.R. 2725, which would strengthen, protect, and expand the Low-Income Housing Tax Credit (Housing Credit). The Housing Credit is our nation's top tool for encouraging private investment in affordable rental housing. If enacted, the AHCIA would finance nearly 1.6 million additional affordable rental units nationwide; support over 2.4 million jobs unlocking over \$271 billion in wages and business income; and raising approximately \$94 billion in federal, state, and local tax revenues.

The tax code is the most powerful mechanism available for solving our nation's housing crisis—one of the most pressing problems in generations. This year, Congress has a unique opportunity to expand Housing Credit production to help meet the affordable housing supply needs of communities of all types by including AHCIA priorities in the reconciliation tax package.

Since its creation in the *Tax Reform Act of 1986*, the Housing Credit has been the primary financing source for the production and preservation of affordable rental housing. It has financed around 4 million apartments since 1986, providing affordable homes to 9.28 million low-income households, including families, seniors, veterans, and people with disabilities. The Housing Credit brings together private-sector financing and oversight by state agencies, resulting in a durable solution to the need for affordable housing.

The AHCIA of 2025 includes a number of provisions that would enhance the program and enable cities and counties like ours to better serve the affordable housing needs in our communities. Specifically, the legislation would:

- **Lower the “50 percent test” bond financing threshold for 4 Percent Housing Credit developments.** The 4 Percent Housing Credit is available for developments that receive 50 percent or more of their financing from Private Activity Bonds, and such developments are now responsible for almost 60 percent of all Housing Credit developments. However, unexpected and increased project development costs due to higher interest rates, rising costs of materials, labor challenges, and skyrocketing insurance premiums are jeopardizing properties' ability to assemble enough bond financing to meet the “50 percent test,” which puts their access to Housing Credit equity at risk. Lowering the 50 percent threshold would allow more developments to move forward despite these disruptions. It would also increase affordable housing production by allowing more developments to access 4 Percent Housing Credits. This fix would increase affordable rental housing production and preservation by over 1.14 million more homes over 2025-2034 than we are able to finance under present law.

- **Expand the 9 Percent Housing Credit.** The AHCIA of 2025 would increase the annual Housing Credit allocation authority by 50 percent, phased in over two years (25 percent in 2025 and 2026, plus an inflation adjustment in 2026). It would also restore and make permanent a 12.5 percent cap increase in the baseline which expired at the end of 2021. This additional allocation would increase affordable rental housing production and preservation by 167,000 more homes over 2025-2034 than we are able to finance under present law.
- **Allow for basis boosts to better serve hard-to-reach communities.** The legislation includes provisions that would allow basis boosts for extremely low-income tenants, bond-financed Housing Credit properties, tribal areas, and rural communities. By allowing certain projects a “boost” on their eligible basis, this would make more projects financially feasible for these harder-to-serve groups. Together, these basis boosts in the AHCIA of 2025 are estimated to finance an estimated 279,100 affordable rental homes over 2025-2034. These enhancements to the Housing Credit would allow states to more effectively address the unique affordable housing needs in cities, towns, and counties across the country.

We, as mayors, county executives, and county board chairs, see firsthand the need for affordable rental housing among families in our communities. Together with our partners at the ACTION Campaign, Mayors & CEOs for U.S. Housing Investment, the National Association of Counties, and National League of Cities, we urge Congress to enact the bipartisan, bicameral AHCIA of 2025 to expand and strengthen the Housing Credit, a proven public-private investment in our nation’s housing infrastructure. Thank you for your consideration.

Sincerely,

Mayor Marie Moore, Camp Verde, Arizona

Mayor Ann Shaw, Cottonwood, Arizona

Mayor Kate Gallego, Phoenix, Arizona

Mayor Corey Woods, Tempe, Arizona

Mayor Price E. Boney, Sr., Dumas, Arkansas

Mayor Robin Lopez, Albany, California

Mayor Rex Richardson, Long Beach, California

Mayor Karen Bass, Los Angeles, California

Chair Mary Sackett, Marin County, California

Interim Mayor Kevin Jenkins, Oakland, California

Chair V. Manuel Perez, Riverside County, California

Mayor Kevin McCarty, Sacramento, California

Mayor Todd Gloria, San Diego, California

Mayor Daniel Lurie, San Francisco, California

Mayor Matt Mahan, San Jose, California

Mayor Lana Negrete, Santa Monica, California

Mayor Martha Guerrero, West Sacramento, California

Mayor Lauren Simpson, Arvada, Colorado

Mayor Aaron Brockett, Boulder, Colorado

Chair Marta Loachamin, Boulder County, Colorado

Executive Heidi Henkel, City and County of Broomfield, Colorado

Mayor Mike Johnston, Denver, Colorado

Mayor Laura Weinberg, Golden, Colorado

Chair Lesley Dahlkemper, Jefferson County, Colorado

Mayor JD Mangat, Lafayette, Colorado

Mayor Tara Beiter-Fluhr, Sheridan, Colorado

Chair Eric Mamula, Summit County, Colorado

Mayor Teddy Errico, Telluride, Colorado

Mayor Joseph P. Ganim, Bridgeport, Connecticut

Mayor Arunan Arulampalam, Hartford, Connecticut

Mayor Michael E. Passero, New London, Connecticut

Mayor Caroline Simmons, Stamford, Connecticut

Mayor Paul K. Pernerewski, Jr., Waterbury, Connecticut

Mayor Shari Cantor, West Hartford, Connecticut

Mayor Jared M. Kraham, Binghamton, Florida

Chair Nan Rich, Broward County, Florida

Mayor Dean Trantalis, Fort Lauderdale, Florida

Mayor Buddy Dyer, Orlando, Florida

Chair Dr. Alieka Anderson-Henry, Clayton County, Georgia

Chair Lisa Cupid, Cobb County, Georgia

Mayor Joseph Geierman, Doraville, Georgia

Chair Carlotta Harrell, Henry County, Georgia

Mayor Anthony S. Ford, Stockbridge, Georgia

Mayor Lauren McLean, Boise, Idaho

Mayor Neil Bradshaw, Ketchum, Idaho

Chair Deb Conroy, DuPage County, Illinois

Mayor Curtis Marshall, Olmsted, Illinois

Mayor Thomas P. McNamara, Rockford, Illinois

Mayor Kerry Thomson, Bloomington, Indiana

Mayor Stephanie Terry, Evansville, Indiana

President Steve Dillinger, Hamilton County, Indiana

Mayor Quentin Hart, Waterloo, Iowa

Mayor LaToya Cantrell, New Orleans, Louisiana

Mayor Richard Carlson, Accident, Maryland

Mayor Brandon Scott, Baltimore, Maryland

Mayor Emily Newman-Edwards, Grantsville, Maryland

Mayor Robert Reckart, Kitzmiller, Maryland

Mayor Donald W. Sincell, Mountain Lake Park, Maryland

Mayor Andrew Sauder, Oakland, Maryland

Executive David Coulter, Oakland County, Michigan

Chair Mike Slavik, Dakota County, Minnesota

Mayor Jacob Frey, Minneapolis, Minnesota

Chair Rafael Ortega, Ramsey County, Minnesota

Mayor Mary Supple, Richfield, Minnesota

Mayor Melvin Carter, Saint Paul, Minnesota

Mayor Quinton D. Lucas, Kansas City, Missouri

Mayor Carol Branham, Nevada, Missouri

Executive Sam Page, Saint Louis County, Missouri

Mayor Jeff Schrag, Springfield, Missouri

Mayor James B. Bulkley, Columbus, Nebraska

Mayor Renee Baskerville, Montclair, New Jersey

Mayor Jared Kraham, Binghamton, New York

Mayor Robert G. Cantelmo, Ithaca, New York

Mayor Eric Adams, New York, New York

Mayor Malik Evans, Rochester, New York

Mayor Michael P. Galime, Utica, New York

Mayor Esther E. Manheimer, Asheville, North Carolina

Mayor Vi Lyles, Charlotte, North Carolina

Chair Tony Grindberg, Cass County, North Dakota

Mayor Tim Mahoney, Fargo, North Dakota

Mayor Bernie Dardis, West Fargo, North Dakota

Mayor Shammias Malik, Akron, Ohio

Mayor Aftab Pureval, Cincinnati, Ohio

Mayor Justin M. Bibb, Cleveland, Ohio

Chair Lisa A. Sobecki, Lucas County, Ohio

Mayor Trevor K. Elkins, Newburgh Heights, Ohio

Mayor Joe Begeny, Reynoldsburg, Ohio

Mayor Georgine Welo, South Euclid, Ohio

Mayor Michael T. Bivens, Whitehall, Ohio

Mayor Mary Schamehorn, Bandon, Oregon

Mayor Melanie Kebler, Bend, Oregon

Mayor Joe Benetti, Coos Bay, Oregon

Mayor Kaarin Knudson, Eugene, Oregon

Mayor Jerry Lachenbruch, Halsey, Oregon

Mayor Beach Pace, Hillsboro, Oregon

Council President Lynn Peterson, Metro Oregon

Mayor Lisa Batey, Milwaukie, Oregon

Chair Jessica Vega Pederson, Multnomah County, Oregon

Mayor Keith Wilson, Portland, Oregon

Mayor Heidi Lueb, Tigard, Oregon

Chair Kathryn Harrington, Washington County, Oregon

Mayor Shawn O'Neil, Wilsonville, Oregon

Mayor Ed Gainey, Pittsburgh, Pennsylvania

Mayor Maria Rivera, Central Falls, Rhode Island

Mayor Roberto L. DaSilva, East Providence, Rhode Island

Mayor Donald R. Grebien, Pawtucket, Rhode Island

Mayor Brett P. Smiley, Providence, Rhode Island

Mayor Indya Kincannon, Knoxville, Tennessee

Mayor Paul A. Young, Memphis, Tennessee

Mayor Mark Shepherd, Clearfield, Utah

Mayor Dustin Gettel, Midvale, Utah

Mayor Erin Mendenhall, Salt Lake City, Utah

Mayor Dr. Danny Avula, Richmond, Virginia

Mayor Lynne Robinson, Bellevue, Washington

Mayor Cassie Franklin, Everett, Washington

Mayor Nigel Herbig, Kenmore, Washington

Mayor Dontae Payne, Olympia, Washington

Executive Ryan N. Mello, Pierce County, Washington

Chair Jani Hitchen, Pierce County, Washington

Mayor Angela Birney, Redmond, Washington

Mayor Armondo Pavone, Renton, Washington

Mayor Bruce Harrell, Seattle, Washington

Mayor Chris Roberts, Shoreline, Washington

Mayor Linda Redmon, Snohomish, Washington

Mayor Victoria Woodards, Tacoma, Washington

Mayor M. Joseph Abu-Ghannam, Morgantown, West Virginia

Mayor Julia Arata-Fratta, Fitchburg, Wisconsin

Mayor Satya Rhodes-Conway, Madison, Wisconsin

Mayor Nancy W. Moore, Monona, Wisconsin

Mayor Dennis R. McBride, Wauwatosa, Wisconsin