

Item 10.4



FOSTERING REGIONAL ECONOMIC PROSPERITY

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Mayor Jimmie Yee and City Council Members
City of Sacramento
City Hall
915 I Street
Sacramento, CA 95814

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Dear Mayor Yee and City Council Members:

The Sacramento Metropolitan Chamber of Commerce supports efforts to create housing that accommodates residents at all economic levels throughout the Sacramento region. However, it does not support policies or concepts that would require one segment of society to assume a disproportionate share of the cost to realize such goals.

Adequate low-income housing is an objective for which all segments of society should be responsible. A policy mandating that a certain percentage of the units in each new development be affordable to very-low-income families places an inordinate amount of responsibility upon the homebuilders of those new projects. Ultimately, a portion of the financial cost would be passed on to the market-rate homebuyer, actually increasing over-all housing costs.

A more balanced solution to accomplishing the objective of creating more very-low-income housing would be to provide homebuilders with incentives to achieve the proposed percentage of housing for very-low-income families. This approach lessens the burden placed upon homebuilders, yet it encourages the production of affordable housing in future growth areas.

Sincerely,

Russell J. Hammer
President and Chief Executive Officer