



May 20, 2020

Speaker Nancy Pelosi  
House of Representatives  
H-232, the Capitol  
Washington, DC 20515

Minority Leader Kevin McCarthy  
House of Representatives  
H-222, the Capitol  
Washington, DC 20515

Majority Leader Mitch McConnell  
U.S. Senate  
S-230, the Capitol  
Washington, DC 20510

Minority Leader Chuck Schumer  
U.S. Senate  
S-221, the Capitol  
Washington, DC 20510

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell and Leader Schumer:

The National Affordable Housing Management Association (NAHMA) applauds the bipartisan work Congress has done to prepare and provide relief to American families and businesses negatively impacted by the COVID-19 outbreak. The current pandemic has made it very clear that housing and health are inextricably linked. Therefore, we urge Congress to continue to work together to enact legislation that protects the health and safety of residents in affordable rental housing communities, while ensuring the financial viability and stability of the affordable rental housing industry.

To address the most urgent housing needs in the next coronavirus relief package, Congress must include the following, which were not addressed in the CARES Act:

**Provide Emergency Rental Assistance:** Congress must provide emergency rental assistance to help renters who are elderly, currently not assisted by federal housing programs, and individuals facing expiring unemployment benefits due to a delayed return to the workforce. These individuals are struggling to afford rent, utilities and other basic needs because of a pay cut, job loss, or increased healthcare costs associated with COVID-19. It is imperative that such emergency assistance be quickly dispatched and be immediately available in urban, suburban, and rural communities. To expedite the delivery of this funding, Congress must utilize the capacity and expertise of private housing providers, public housing agencies (PHAs), housing finance agencies (HFAs), and state or local jurisdictions to ensure funds are quickly and effectively deployed throughout rural and urban communities.

Similar to the relief provided in the CARES Act, Congress must adequately fund all current rental assistance programs, including Project-based Rental Assistance, Public Housing Operating Fund, Housing Choice Vouchers, the Section 521 Rural Rental Assistance, and Rural vouchers to assist current renters facing challenges. In addition, HUD's block-grant HOME program can be modified and utilized to target the renters who are not currently assisted in housing credit properties or by other rental assistance programs. Under the HOME program, states and localities have flexibility to target emergency rental assistance to meet current and expected housing needs, while providing direct funding to affordable housing providers to also meet increased operating costs directly related to the COVID-19 pandemic.

**Protect the Low Income Housing Tax Credit (LIHTC):** The Low Income Housing Tax Credit (Housing Credit) finances more than 90 percent of all affordable housing production and preservation, and is critical for the housing stability of millions of low-income families. NAHMA, as member of the ACTION Coalition, believes there are several simple federal actions that can provide timing relief and prevent projects from losing their tax credits due to COVID-19's impact. Congress must enact a minimum 4 percent rate for buildings placed in service after January 20, 2020 (per the COVID-19 "incident period" for states per FEMA), to provide parity to the 9 percent Housing Credit rate. Additionally, allowing developments to access 4 percent Housing Credits by lowering the "50 percent test" to 25 percent (for buildings placed in service after January 20, 2020) would also stimulate much needed additional affordable housing production. Congress should also increase the annual Housing Credit allocation by 50 percent, phased in over two years at 25 percent per year, and adjusted for inflation, beginning in 2021. This allocation would finance hundreds of thousands of affordable homes for low-income households, who are in much more dire need of affordable housing in light of the growing economic crisis caused by the COVID-19 crisis. Finally, Congress should protect the Housing Credit by including an immediate one-year extension for three key deadlines: 10 percent test deadlines, placed-in-service deadlines, and rehabilitation expenditure deadlines.

**Clarify and Further Target Eviction Moratorium Protections:** Under the CARES Act, Congress approved a 120-day moratorium on eviction filings, late fees and other penalties ending on July 25. The moratorium applies to all properties with a federally insured mortgage (Fannie Mae, Freddie Mac, and FHA) and properties participating in a covered housing program such as those administered by the United States Department of Agriculture's (USDA's Rural Development (RD)). However, this protection was not limited to those financially impacted by COVID-19. If Congress decides to extend this policy, please provide clarification that the national eviction moratorium be limited to those negatively impacted by COVID-19. Protections offered should also require residents to officially notify the property owner of their temporary financial hardship and request temporary assistance/relief from the property owner and acknowledge the contractual terms of the lease remain in effect. Further, while the intent of the CARES Act was to maintain the ability of property owners to move forward with evictions in cases of criminal activity or other activities that endanger the community, there is confusion among local governments, residents, and housing providers in this regard, and we urge Congress to strengthen this language to specifically identify the ability of property owners to move forward with necessary evictions, where tenants' activities endanger the health and safety of rental housing communities and other residents.

Thank you again for all the hard work you have done, and for considering these important and urgent recommendations to address the most pressing needs of the affordable rental housing community during and after the COVID-19 pandemic. Please contact Larry Keys, NAHMA Manager of Government Affairs, at [lkeys@nahma.org](mailto:lkeys@nahma.org), with any questions.

Sincerely,



Kris Cook, CAE  
Executive Director