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October 19, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
H-232, The Capitol
Washington, DC 20510

The Honorable Charles E. Schumer
Majority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

Dear Speaker Pelosi and Majority Leader Schumer,

The National Affordable Housing Management Association (NAHMA) applauds your efforts to provide critical resources for housing and community development. As the leading voice for affordable housing management, NAHMA urges you to support funding increases for affordable housing programs currently being considered in budget negotiations, and to ensure robust funding levels for fiscal year 2022 (FY22).

NAHMA members ask that Congress provides additional funding for affordable housing and rental assistance programs. The increased investments are critical for our residents and our communities especially as we work towards pandemic recovery. The investments do more than provide affordable housing for hard-working adults, families with children, seniors, and people with disabilities; the housing stability accessed through HUD's affordable housing, rental assistance, and community development programs provides opportunities for struggling households to improve the lives of their families.

To meet increasing housing costs, many low-income renters often sacrifice additional expenses on important necessities such as food, clothing, and medicine -- negatively impacting their health, employment, and educational outcomes.¹ Most of these renters are hardworking families with children (33 percent), households headed by elderly persons (45 percent) or persons with disabilities (16 percent).² To address the rising costs of affordable housing, NAHMA's nationwide membership of multifamily owners and managers support providing increased funding for rental assistance programs. This includes funding for:

¹ Joint Center for Housing Studies of Harvard University (2020). The State of the Nation's Housing 2020. Available at: <https://www.jchs.harvard.edu/state-nations-housing-2020>

² HUD Administrative Data. 12 Month Tenant Characteristics Report - Ending December 31, 2020. Available at: https://www.hud.gov/sites/dfiles/Housing/documents/Tenant_Characteristics_Rpt.pdf

- **Project-Based Rental Assistance** to assist 260,000 additional households while continuing to provide the 1.2 million low-income and low-income families currently in the program with decent, safe, and affordable homes.
- **Section 202 Supportive Housing for the Elderly** to increase the supply of affordable housing for seniors by approximately 1,100 units and to provide continued support for existing service-enriched affordable homes for low-income elderly adults.
- **Section 811 Housing for Persons with Disabilities** to provide 900 additional homes for very low- and extremely low-income persons with disabilities to live independently in the community with connections to critical supportive services.
- **Housing Choice Vouchers (HCV)** to assist 750,000 additional households while continuing to serve approximately 2.3 million low-income families.

While costs for affordable housing have risen, the supply has remained relatively flat. Nationally, a shortage of affordable housing existed prior to the onset of COVID-19, with only 37 affordable rental units available per 100 extremely low-income renters.³ To address the shortage of affordable housing, NAHMA members support funding for the preservation and new construction of affordable housing. This includes increasing investments for:

- **HOME Investment Partnerships** to develop nearly 107,000 new affordable homes while also providing tenant-based rental assistance to over 300,000 low-income families and helping more than 26,000 low-and moderate-income families purchase a home.
- **Housing Trust Fund** to support the preservation and creation of 330,000 additional rental homes affordable to the lowest income households.
- **Rural Housing** to provide additional rural rental assistance to 252,000 eligible households and to carry out new construction, make improvements to energy and water efficiency or climate resilience, to remove health and safety hazards, and to preserve housing.
- **Energy Efficiencies** to establish a grant program for owners of federally assisted housing to make energy efficiency upgrades, including electrification of systems and appliances, and installation of renewable energy types and resiliency.

Congress should also continue to encourage private investment in affordable rental housing by **expanding the Low-Income Housing Tax Credit (Housing Credit)**, which has financed nearly 3.5 million homes for low-income families and individuals nationwide since 1986.⁴ Providing additional resources for the Housing Credit to produce more affordable housing will quickly support job creation and higher economic output in addition to addressing the enormous

³ National Low Income Housing Coalition (2021). The Gap: A Shortage of Affordable Rental Homes March 2021. Analysis based on tabulations of 2019 American Community Survey Public Use Microdata Sample data. Available at: <https://reports.nlihc.org/gap>

⁴ A Call To Invest in Our Neighborhoods (ACTION) 2021. The Low-Income Housing Tax Credit Impact in the United States. Available at: <https://static1.squarespace.com/static/566ee654bfe8736211c559eb/t/607763314b628a205aa010a4/1618436913622/ACTION-NATIONAL-2021.pdf>

shortage of affordable housing as well as workforce housing. The expansion of the Housing Credit would create 1.4 million additional affordable homes for 3.2 million low-income individuals and support more than 2 million jobs, nearly \$235 billion in wages and business income, and \$81 billion in tax revenue over 10 years.⁵

NAHMA members also support funding for the creation of a **Middle-Income Housing Tax Credit (MIHTC)**. Proposed to be administered similar to the Housing Credit -- this project-based rental tax credit would target middle-income Americans earning between 60% and 100% of area median income and would create 344,000 additional affordable rental homes in the next decade.⁶

As Congress continues working to reach agreement on the funding priorities set out in President Biden's Build Back Better plan, we urge you to support the highest level of funding available for HUD and USDA affordable housing and community development programs and to build on these investments in FY22. This additional funding would not only help more of our lowest-income residents but also allow underserved families and communities to recover and thrive together.

Thank you again for your efforts to protect affordable housing programs, and we look forward to continuing to work with you to further increase access to safe, decent, and affordable homes to eligible families and workers.

Sincerely,



Kris Cook
Executive Director

⁵ ACTION 2021. Housing credit Provisions at Risk for Cuts in Reconciliation Negotiations. Available at: <https://rentalhousingaction.org/blog/2021/10/13/housing-credit-provisions-at-risk-for-cuts-in-reconciliation-negotiations-action-member-advocacy-needed>

⁶ Novogradac (2021). DASH Act's Middle-Income Housing Tax Credit Would Finance 344,000 Affordable Rental Homes for Households Just Above LIHTC Income Limits. Available here: <https://www.novoco.com/notes-from-novogradac/dash-acts-middle-income-housing-tax-credit-would-finance-344000-affordable-rental-homes-households>