



3/21/20

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, D.C. 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, D.C. 20515

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

On behalf of Enterprise Community Partners (Enterprise), I write to thank you for passing both the “Coronavirus Preparedness & Response Supplemental Appropriations Act” and the “Families First Coronavirus Response Act” with strong bipartisan support. These measures will provide critical federal resources to American families and businesses to help them weather the storm of this public health crisis. As you work to provide the American public with additional support, I urge you to take steps to ensure that low-income renters, families struggling with mortgage payments, people experiencing homelessness, landlords managing affordable housing facilities, and non-profits serving vulnerable communities have the support that they need.

From our experience as national affordable housing and community development non-profit, we see first-hand how well-designed homes lay the foundation for healthier families and individuals. Time and again, research shows that housing stability, quality, and affordability are closely associated with improved health outcomes.¹ We also see the connection between housing and economic opportunity, and how the loss of a job can quickly lead to the loss of one’s home. Today, as the nation faces down a pandemic that has forced millions of Americans to self-isolate, the connection between health, housing, and the economy could not be more urgently clear. As you consider legislation in response to the COVID-19 pandemic, Enterprise recommends Congress work with the Administration to take these actions:

Rental Assistance

The federal government must direct funding to both families and housing providers, designed to keep all parties stable until economic circumstances return to normal. Already, the economic disruption caused by COVID-19 is falling disproportionately on low-income households, who lack savings, making it even more difficult for them to cover basic expenses including rent. Affordable housing providers, who operate on thin margins under the best economic circumstances, are also scrambling to deal with the fallout of the coronavirus—missed rent checks by tenants will lead to budgetary shortfalls that will make it harder for the providers to continue their critical operations. For this reason, while we applaud federal efforts to delay evictions and foreclosures, it is critical that

¹Lauren Taylor, “Housing and Health: An Overview of the Literature”. Health Affairs, <https://www.healthaffairs.org/doi/10.1377/hpb20180313.396577/full/>

the federal government provide support for both tenants and landlords, to ensure that families are not displaced, and the affordable housing supply does not shrink.

Enterprise requests a supplemental appropriation of **\$20 billion for the HOME Investment Partnerships (HOME) Program**, which can be used for temporary project-based and tenant-based rental assistance, including for people experiencing homelessness. The HOME Program was a proven success in deploying funds to communities quickly under the American Recovery and Reinvestment Act. However it is vital that HUD receive broad waiver authority for these funds, so that the HOME funds can be used for services associated with increased cleaning, food delivery for residents, and missed payments from tenants.

Enterprise also recommends that these funds be paired with **supplemental appropriations for other HUD TBRA and PBRA programs**, to help cover the unmet need for affordable housing that has been exacerbated by the crisis. In addition, Enterprise urges Congress to provide a supplemental appropriation of **\$5 billion for Public and Indian Housing**, including \$2 billion for lost revenue, \$1.5 billion for short term mitigation and operating costs, and \$1.5 billion for emergency staffing, communications, and retrofits, to equip agencies on the ground with the resources they need to keep tribal communities safe for the duration of this crisis.

Flexible Grants for States, Counties, and Cities

Much of the response of this crisis has fallen on state and local jurisdictions, who are bravely combatting the spread of the coronavirus to the best of their abilities. Congress must do everything in its power to support the communities at the frontline of this battle, including authorizing new funds for grant programs aimed at states and localities. The Community Development Block Grant (CDBG) Program is an excellent source of flexible federal funds to help stabilize and maintain affordable housing and viable communities in the face of this unprecedented challenge.

Enterprise recommends that Congress provide **\$35 billion in additional funding for the CDBG Program** to allow states and local jurisdictions to pay for the extra costs of public safety, temporary housing costs, and grantmaking to key nonprofit partners providing homeless services and medical assistance. These funds must be coupled with broad waiver authority, allowing jurisdictions to jumpstart their recovery with creative new economic development grants and loans that create and preserve jobs for people at or below 80% of Area Median Income. Allowing HUD to waive the statutory cap on funds for public services is paramount.

Homelessness Assistance

People experiencing homelessness are at high risk of contracting coronavirus. Many are seniors or have preexisting medical conditions that make them particularly vulnerable. Simultaneously, living conditions on the street and in shelters lack basic preventative necessities, like soap, and make it impossible to practice social distancing or self-isolation, thus creating increased risk to people experiencing homelessness and the general public.

In order to address this public health challenge, we urge Congress to provide increased supplies for shelters and service providers through an increase in funding for HHS's Office of the Assistant Secretary for Preparedness and Response. In addition, we request **\$5 billion in Emergency Solutions Grants (ESG)** funding to identify spaces for special populations to go to self-quarantine. Finally, to address this challenge among people experiencing homelessness, we recommend an increase in Continuum of Care (CoC) funds for infectious disease preparation and response.

Homeownership

Low-income homeowners are at risk of losing their homes if they are unable to pay their mortgage. We encourage the federal government to provide financial assistance as well as regulatory protections against foreclosure, including: an extended period of interest payments made on behalf of borrowers with forbore principal, rather than just a one-time full mortgage payment; assistance to low-income homeowners to pay property taxes and utility bills; and housing counseling and foreclosure prevention efforts.

Small Business and Community Revitalization

In order to ensure communities thrive after the threat of coronavirus has passed, Enterprise urges Congress to continue to support to small businesses and local non-profits in supplemental legislation. Therefore, we are recommending **\$1 billion in new funding for the Community Development Financial Institutions (CDFI) Fund** and a moratorium on loan payments to the fund. We also strongly support the inclusion of **\$40 million for HUD's Section 4 Capacity Building program**, in order to meet the operating needs of local non-profit organizations. In addition, we request funding for low-documentation Small Business Administration grants for small businesses with demonstrated impacts—including a mechanism to ensure that some of the SBA benefits provided by the government get passed on to employees.

Low-Income Housing Tax Credit

Securing the health of the Low-Income Housing Tax Credit (Housing Credit) program, which finances more than 90 percent of all affordable housing production and preservation, is critical for the housing stability of millions of low-income families. There are several simple federal actions that could provide immediate assistance to Housing Credit properties, which face a number of programmatic deadlines required under the Internal Revenue Code that could be difficult or impossible to meet as development slows due to COVID-19. To provide immediate assistance to Housing Credit properties, Enterprise is advocating for immediate statutory actions in the form of **one-year extensions for three key deadlines: 10 percent test deadlines, placed in service deadlines, and rehabilitation expenditure deadlines.**

We are grateful to Congress for its swift and robust action to protect the American public, and respectfully urge you to consider the above recommendations as negotiations on relief packages continue. Thank you again for your leadership in this uncertain time.

Sincerely,



Marion McFadden
Senior Vice President for Public Policy
Senior Advisor for Resilience
Enterprise Community Partners

CC: The Honorable Richard Shelby; The Honorable Patrick Leahy; The Honorable Nita Lowey; The Honorable Kay Granger; The Honorable Susan Collins; The Honorable Jack Reed; The Honorable David Price; The Honorable Mario Díaz-Balart