

**Congress of the United States**  
**Washington, DC 20515**

April 20, 2020.

The Honorable Nancy Pelosi  
Speaker of the House  
United States House of Representatives  
Washington DC 20515

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington DC 20510

The Honorable Kevin McCarthy  
Minority Leader  
United States House of Representatives  
Washington DC 20515

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
Washington DC 20510

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

As you consider additional legislative priorities related to COVID-19, we respectfully urge you to support critical improvements to the Low-Income Housing Tax Credit (LIHTC) Program.

The LIHTC program, administered jointly by the Internal Revenue Service (IRS) and state tax credit allocating agencies, provides federal tax credits to developers in exchange for their investment in developing and preserving affordable rental housing. The Pennsylvania Housing Finance Agency, for instance, monitors more than 1,100 affordable housing communities receiving LIHTC. Across the country, LIHTC has led to the development and preservation of over 3 million affordable rental units.

As American families struggle to cover health care, utilities, and food costs during this health and economic crisis, access to safe, permanent housing is critical to prevent homelessness and poverty. Targeted public-private investments help provide desperately needed affordable housing for low-income families.

As you weigh additional federal assistance measures to address COVID-19, we strongly encourage you to include the following LIHTC changes:

**Enact a minimum 4% credit rate used to finance acquisitions and Housing Bond-financed developments.** LIHTC rates fluctuate in response to market interest movements. Tied to declining federal borrowing rates, the value of the 4% credit rate is closer to 3% – the lowest it has ever been. Fixing the 4% credit rate and increasing the certainty of the cash flows would decrease the cost of affordable housing development.

**Enact a 50% basis boost for developments serving extremely low-income tenants.** COVID-19 has stressed an already vulnerable housing situation for the lowest-income

Americans and underscored the need to direct federal resources towards communities and projects with the most need. Providing a 50% basis boost in qualified costs, increasing tax credits and investment equity for developments serving extremely low-income and homeless families, would make such projects much more financially feasible.

We commend your leadership during this crisis and appreciate your consideration of these improvements to LIHTC.

Sincerely,



Dwight Evans  
Member of Congress



Brian Fitzpatrick  
Member of Congress

Mary Gay Scanlon  
Member of Congress

Susan Wild  
Member of Congress

Brendan F. Boyle  
Member of Congress

Mike Doyle  
Member of Congress

Madeleine Dean  
Member of Congress

Lisa Blunt Rochester  
Member of Congress

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Member of Congress