Dear Chairman Price, Ranking Member Díaz-Balart, Chairwoman Collins, and Ranking Member Reed:

We, the undersigned XXXX affordable rental housing providers, funders, and intermediaries are working diligently during the COVID-19 pandemic to ensure residents have safe, stable, and healthy places to call home. But providers are facing a myriad of challenges, including significant increases in health and safety related operating expenses and costs due to construction delays, that are threatening this work and placing the nation’s critically needed affordable housing stock in jeopardy. A comprehensive and sustained federal housing response is required so that residents and owners are not burdened by mounting debt from which they cannot recover. We therefore urge you to provide at least $14 billion in the next COVID-19 relief package to meet these immediate needs, through the proven and flexible HOME Investment Partnerships Program (HOME).

Affordable housing staff are essential employees, serving on the front lines of the COVID-19 crisis. When employees fall sick, temporary workers must be employed to fill their roles, which results in higher associated costs. Permanent staff who are healthy and working often receive hazard pay. More frequent cleaning and disinfecting of buildings and units also adds to operating expenses, along with personal protective equipment for staff, food access services for residents, and increased security, health care and other urgent needs. As a result, providers are facing significant increases in monthly operating costs. Existing operating reserves were not calculated or funded for this purpose and are insufficient.

Affordable housing developers are also experiencing challenges, including a need for additional resources for construction projects experiencing higher costs due to the crisis. Costs include remobilization, construction period interest, higher insurance premiums, and new safety procedures paired with lost revenue from delayed lease-ups. Without additional support to make up for these increased costs and changes to deal terms and pricing, numerous affordable housing projects will be put at risk at a time when the demand for them is as high as it has ever been.

There will also be emerging housing needs, from new construction to additional needs for rental assistance that a robust investment in HOME would be able to address. This is because HOME is our country’s most flexible and proven housing program and its delivery system gives state and local governments the resources to respond to a variety of affordable housing challenges.

As affordable housing providers, funders, and intermediaries, we are living every day with the new realities of the COVID-19 pandemic and working to continue to ensure residents have a safe, stable, and healthy places to call home. Funding for HOME is critical to address the myriad of challenges owners are facing to protect our staff and residents, and we request that you provide at least $14 billion in funding for the program to cover these immediate and emerging needs. Including HOME funding with a focus on flexibility to respond to the crisis in the next relief package will help ensure that the pandemic does not hamper our efforts to solve the nation’s affordability challenges.

Thank you for your consideration.

CC:

The Honorable Mitch McConnell, Majority Leader, United States Senate
The Honorable Charles Schumer, Minority Leader, United States Senate
The Honorable Nancy Pelosi, Speaker, United States House of Representatives
The Honorable Kevin McCarthy, Minority Leader, United States House Representatives