May 7, 2010

The Honorable Sander M. Levin
Chairman
Committee on Ways & Means
Washington, DC 20515

The Honorable David Camp
Ranking Member
Committee on Ways & Means
Washington, DC 20515

The Honorable Max Baucus
Chairman
Committee on Finance
Washington, DC 20510

The Honorable Charles Grassley
Ranking Member
Committee on Finance
Washington, DC 20510

Dear Chairman Levin, Ranking Member Camp, Chairman Baucus, and Ranking Member Grassley:

Enterprise Community Partners, Inc. (Enterprise) strongly urges you to retain the Gulf Opportunity Zone (GO Zone) Low Income Housing Tax Credit (LIHTC) placed in service deadline extension (Section 604) and disaster LIHTC (GO Zone, Midwestern and Hurricane Ike) exchange (Sections 608 and 609) provisions in the final version of the American Workers, State, and Business Relief Act of 2010 (H.R. 4213). We greatly appreciated their inclusion in the Senate-approved version of the bill, and we ask that the House agree to their inclusion in the final bill.

The reconstruction of desperately needed affordable rental housing damaged or destroyed in hurricanes has suffered a significant setback in the current financial and economic crises. The placed in service deadline extension will provide developers with tax credit awards an additional two years to use GO Zone LIHTC to build much needed affordable housing in the gulf coast region. This provision would shift a congressionally mandated deadline of December 2010 for completing construction by two years, providing more time for state governments, developers and investors to overcome financial and development challenges and enable the use of previously allocated housing credits. The deadline combined with the economic downturn has made it difficult for developers to retain investors and close on project financing so that construction could begin.

For state-approved projects in the gulf without private investment, the disaster LIHTC exchange would allow gulf coast state agencies to exchange the disaster credits for grants from Treasury, much as states can currently do so under the national Section 1602 LIHTC exchange program.

These outstanding gulf coast projects represent more than 6,000 affordable homes and $1 billion in construction activity that have been stalled and at risk of not being built. Furthermore, nearly 14,000 jobs are at risk if these much needed affordable homes are not built.

As Congress brings up H.R. 4213 for final consideration, Enterprise urges you to keep these important provisions in the final bill.

Sincerely,

Doris W. Koo
President & CEO