

Give our Communities a LIFELINE: Cosponsor Legislation to Protect and Preserve Affordable Housing Tax Credit Developments

Sending Office: Honorable Alma S. Adams
Sent By: Gordon.Holzberg@mail.house.gov

Request for
Cosponsor(s)

Give our Communities a LIFELINE: Cosponsor Legislation to Protect and Preserve Affordable Housing Tax Credit Developments

House Leads: Reps. Alma S. Adams, Ph.D., *David Rouzer*

House Cosponsors: Reps. *Ted Budd*, Madeleine Dean, Dan Kildee, Carolyn B. Maloney, Chris Pappas, Chellie Pingree, Melanie Stansbury

Endorsing Organizations (89): Ability Housing, Inc, Affordable Housing Tax Credit Coalition, Applegate & Thorne-Thomsen, AURA Development & Advisory, LLC, Beacon Hill Capital, BRIDGE Housing, CAHEC, California Council for Affordable Housing, CCIM Institute, Centrant Community Capital, Cinnaire, CohnReznick, Community Revitalization and Development Corporation, Council for Affordable and Rural Housing, Council of Development Finance Agencies, Council of Large Public Housing Authorities, Council of State Community Development Agencies, CREA, LLC, CSH, Dauby O'Connor & Zaleski, LLC, Denton Housing Authority, DreamKey Partners, Eden Housing, Enterprise Community Partners, Evernorth, First Community Housing, Greystone Affordable Development, Hawaii Housing Finance, LLC, HDC MidAtlantic, Holland & Knight LLP, Housing Advisory Group, Housing Partnership Network, Illinois Housing Council, Impact Development Partners LLC, Institute of Real Estate Management, Iowa Housing Partnership, KCG Companies, LLC, Kittle Property Group, Inc., Kutak Rock LLP, Lincoln Avenue Capital, Local Initiatives Support Corporation, Low Income Investment Fund, Marble Cliff Capital, Massachusetts Housing Investment Corporation, Merchants Capital, Merritt Community Capital Corporation, Midwest Housing Equity Group, Mills Property Development, LLC, Mountain Plains Equity Group, National Apartment Association, National Association for County Community and Economic Development, National Association of Affordable Housing Lenders, National Association of Counties, National Association of Home Builders, National Association of

Housing and Redevelopment Officials, National Association of Local Housing Finance Agencies, National Association of REALTORS®, National Association of State and Local Equity Funds, National Community Renaissance, National Council of State Housing Agencies, National Council of State Legislatures, National Equity Fund, National Housing & Rehabilitation Association, National Housing Conference, National Housing Trust, National League of Cities, National Multifamily Housing Council, National Neighborworks Association, Nevada HAND, Inc, NewWest Community Capital, Nixon Peabody LLP, Novogradac, Ohio Capital Corporation for Housing, Pennrose, LLC, Pennsylvania Developers Council, Public Housing Authorities Directors Association, R4 Capital LLC, RBC Community Investments, LLC, Roof Above, St. Louis Equity Fund, Stewards of Affordable Housing for the Future, Stonehenge Capital, Texas Affiliation of Affordable Housing Providers, The Community Builders Inc., The Michaels Organization, The NHP Foundation, VCDC, Wallick Communities

Dear Colleague:

Reps. Adams and Rouzer invite you to cosponsor legislation that will protect and preserve affordable housing developments that rely upon low-income housing tax credits (LIHTC).

Earlier this year, the Treasury Department issued a final rule pertaining to the State and Local Fiscal Recovery Fund (SLFRF), which was created by the American Rescue Plan Act of 2021 (ARPA). Per that rule, SLFRF dollars must be obligated by December 31, 2024 and expended by December 31, 2026.

As a result of present economic conditions, the cost of developing housing units has risen significantly. Over 20 states have declared their intention to use SLFRF dollars to offset those costs and ensure that the pipeline of affordable housing units will remain robust; however, Treasury's final rule has presented an immediate and insurmountable barrier for states and localities wishing to do so. Because funds must be expended by 2026, states cannot continue to make LIHTC payments for the duration of previously-negotiated contracts; nor can these funds be given immediately as grants without reducing the cost basis for developers and disincentivizing construction.

Our bipartisan legislation- which was drafted in consultation with the Treasury Department, the authorizing committees for SLFRF, and housing stakeholders- would provide the legislative solution required by deeming SLFRF dollars put towards housing credit development as considered expended in compliance with statutory requirements.

To cosponsor this legislation, please fill out the Google Form here. If you have any questions, please contact Gordon Holzberg (Gordon.Holzberg@mail.house.gov) in Rep. Adams' office or Ian Whitson (Ian.Whitson@mail.house.gov) in Rep. Rouzer's office.

Sincerely,

Alma S. Adams, Ph.D.

David Rouzer

Member of Congress

Member of Congress