



April 2, 2020

Chairwoman Nita M. Lowey
Committee on Appropriations
1016 Longworth Building
Washington, DC 20515

Ranking Member Kay Granger
Committee on Appropriations
1016 Longworth Building
Washington, DC 20515

Chairman David E. Price
Subcommittee on HUD and
Related Agencies
Washington, DC 20515

Ranking Member Mario Diaz Balart
Subcommittee on HUD and
Related Agencies
Washington, DC 20515

Dear Chairwoman Lowey, Ranking Member Granger, Chairman David Price and Ranking Member Diaz-Balart:

On behalf of the National Leased Housing Association (NLHA) I am writing to thank you for your heroic efforts to address a broad range of issues related to the serious health care, financial and social impact of the COVID-19 pandemic. We are inspired by the bipartisan efforts to quickly get much needed assistance to those individuals and organizations that need it most.

As NLHA represents organizations and housing agencies that provide federally assisted rental housing, we applaud the provision of supplemental FY20 HUD rental subsidies to account for the anticipated reduction of incomes related to existing subsidy recipients' loss of employment. That coupled with broad waiver authority to provide flexibility related to recertification and inspections among other issues are important and will help keep residents safe during this horrific health crisis. The additional resources provided to address homelessness and funding for state and local housing jurisdictions is also sorely needed and will go along way to address immediate concerns.

The suspension of evictions for some renters along with forbearance provisions for owners/landlords is important in the short term, but could result in long term harm that will be irreversible. In other words, rent payments and mortgage obligations will eventually come due with no way to satisfy them. Our members operate tens of thousands of affordable units under the housing tax credit program occupied by tenants with incomes at or below 60 percent of median income. The majority of those households pay upwards of

\$1000 a month in rent formulated on their income. Unlike Section 8, their rents will not be reduced as their incomes decline.

We understand that Congress may be formulating another relief package to provide additional resources and authority to address a myriad of concerns. **We are urging you to consider authorizing and funding an emergency rental assistance program for the millions of renters that have or will certainly see reductions in income.** We believe that the disproportionate share of those affected by employment disruptions or loss are or will be hourly wage workers and others in the hospitality, restaurant, transportation and construction industries among others.

A recent study by Amherst Capital (attached) estimates that there are 43.5 million renters and of those, approximately 26 percent will need temporary rental payment support at a cost of \$12 billion per month for three to six months. The estimates will likely change as we experience the direct impact, but there is no doubt the need will be great.

We believe that the most efficient rental assistance program should be delivered through an existing system of housing agencies throughout the country, in urban, suburban and rural areas. Such a program could be modeled after the Disaster Housing Assistance Payment voucher program (DHAP) that has been utilized successfully in previous disasters. Payments would be made on behalf of eligible renters directly to owners/landlords.

We are happy to provide any guidance or information that will assist you as you move forward. Thank you for your consideration.

Sincerely,



Denise B. Muha
Executive Director

Enclosures: Amherst Capital Management Analysis, NLHA Talking Points