
September 9, 2021

The Honorable Suzan DelBene
The Honorable Pramila Jayapal
The Honorable Kim Schrier
The Honorable Adam Smith
United States House of Representatives
Washington, DC 20515

The Honorable Maria Cantwell
The Honorable Patty Murray
United States Senate
Washington, DC 20510

RE: Supporting King County with Robust Federal Investments in Affordable Housing

Dear Members of the King County Delegation:

The undersigned write to request your strong advocacy in securing significant affordable housing investments as part of the \$3.5 trillion spending package currently under consideration. While the bipartisan infrastructure legislation is moving forward without initially proposed affordable housing funding, we are hopeful that Congress will make a significant investment in housing as part of its two-track approach to securing our nation's future. Congress has the opportunity through this initiative to make a generational investment in our nation's affordable housing infrastructure. As we outline below, additional federal resources will catalyze local efforts to address our region's housing and homelessness crises. Puget Sound communities are in desperate need of additional affordable housing resources, and we ask you to make housing a funding priority in this bill.

The COVID-19 pandemic has increased the need to address our region's affordable housing and homelessness crises. A report completed in 2018 by the King County Regional Affordable Housing Task Force noted that over 156,000 households in our region are cost burdened, paying more than 30% of their income on housing costs. To address this existing cost burden and ensure housing affordability for all low-income families, we must build or preserve 244,000 new affordable homes by 2040.¹ The housing crisis remains the starkest for extremely low-income renters in our region who earn below 30% of area median income. Of this group, over 66% are spending more than 50% of income on rent.² The work to address these immediate needs is challenging and federal resources are a critical part of the solution.

The King County Affordable Housing Committee (AHC) is a 19-member committee that includes nine elected officials from Seattle, suburban cities and King County and ten members of the public representing developers, business, housing and community advocates, and other stakeholders. The AHC has approved a federal legislative agenda that includes capital investments in affordable housing infrastructure, strong funding for existing HUD programs, and a call for a significant expansion of the Housing Choice Voucher (HCV) program. The undersigned AHC members and numerous other local affordable housing stakeholders support these investments.

We kindly request your advocacy in securing the following investments as part of the planned \$3.5 trillion spending package:

Enacting the Affordable Housing Credit Improvement Act of 2021

The Affordable Housing Credit Improvement Act of 2021 (AHCIA), sponsored by Senator Cantwell and Congresswoman DelBene, proposes to significantly strengthen and expand the proven Low-Income Housing Tax

¹ King County Affordable Housing Task Force Report, 2018. <https://kingcounty.gov/initiatives/affordablehousing.aspx>.

² American Community Survey, Analysis of 1-Year Public Use Microdata Sample.

Credit Program. The Housing Credit is the single most productive resource we have to move new affordable housing development forward. Since its inception, it has been used to produce or preserve nearly 50,000 homes in King County alone. Passing the AHCIA in full would produce thousands more units in King County over the next decade. We specifically urge you to prioritize the following provisions:

- **Expanding the 9% Tax Credit Allocation by 50%:** The AHCIA would greatly accelerate efforts to build housing for extremely low-income households by increasing access to the 9% tax credit program. This deep subsidy provides our region with a critical resource for expanding the supply of permanent supportive housing, a solution that brings people living outside into a supportive, safe environment with the supports they need to remain stably housed.
- **Lowering the Private Activity Bond Test:** Washington State is one of a dozen states where the demand for the 4% Housing Credit far exceeds the supply. The AHCIA proposes to lower the amount of private activity bonds needed to finance a project from 50% to 25%. This change would free up significant capacity to expand the development and preservation pipeline in our region.

Fund Capital Investment to Produce and Preserve Affordable Housing

Financing affordable housing projects is complex and often requires combining multiple local, state, and federal programs. Historically, federal resources have been necessary to produce new affordable housing at scale. In order to preserve our existing affordable housing stock and to catalyze new development of housing for low-income families, we call on Congress to:

- **Invest \$40 Billion in the National Housing Trust Fund (NHTF):** A robust allocation for the NHTF would provide long-overdue federal funding to jumpstart new construction of affordable housing dedicated to the lowest income households. Locally, this funding could be used to finance projects serving people experiencing homelessness, people with disabilities, veterans experiencing homelessness, and families with children.
- **Invest \$70 Billion to Address the Public Housing Repair Backlog:** As we look to make significant investments in new affordable housing construction, Congress must ensure the preservation of our existing affordable housing stock by eliminating the public housing capital repair backlog once and for all. Ensuring that this vital resource can serve low-income families and their children, seniors, and people with disabilities for decades to come is an efficient and necessary component in supporting our region's efforts to assure an adequate supply of affordable housing over the long term.
- **Make Significant Investments in HUD Community Development Programs:** Local governments are well-positioned to identify affordable housing solutions that address unique community needs. To support local efforts, Congress should include at least \$5 billion for the HOME Investment Partnerships Program (HOME) and \$10 billion for the Community Development Block Grant (CDBG) program in spending that is supplemental to yearly allocations.

Expand the Housing Choice Voucher Program

The COVID-19 pandemic will have long-term economic impacts on low-income families and their ability to afford safe and quality housing. According to Opportunity Insights, while higher wage jobs (over \$67,000 per year) had returned to pre-pandemic levels by May 2021, low wage jobs (under \$27,000) were 40% below their pre-pandemic levels.³ This stratified recovery, combined with the existing shortage of affordable homes, adds extraordinary

³ Opportunity Insights. Economic Tracker. Accessed August 5, 2021. <https://tracktherecovery.org>.

urgency to the need to significantly expand the Housing Choice Voucher (HCV) program. The administration's proposal to increase vouchers by 200,000 families and Congressman Smith's *Ensuring a Long-Term Housing Recovery Act* both provide avenues to support long-term housing stability for families locally. We urge Congress to include a significant voucher expansion as part of the infrastructure legislation as a first step to ensuring we have vouchers available for all who need them.

King County is fortunate to have some of the nation's leaders on affordable housing policy as part of our local delegation. You continually advocate for funding and policy solutions that meet the needs of people in our state. We are deeply thankful and appreciative for this and urge you to continue this important work to prioritize affordable housing investments in forthcoming spending packages.

In partnership,

Claudia Balducci
Council Chair, King County Council
KING COUNTY AFFORDABLE HOUSING COMMITTEE CHAIR

Emily Alvarado
Director, Seattle Office of Housing
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Susan Boyd
CEO, Bellwether Housing
AFFORDABLE HOUSING COMMITTEE MEMBER

Mary Cummings
Deputy CEO, Sound Transit

Brett D'Antonio
CEO, Habitat for Humanity Seattle-King & Kittitas
Counties

Claude DaCorsi
Deputy Mayor, City of Auburn
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Marc Dones
CEO, King County Regional Homelessness Authority

Alison Eisinger
Executive Director, Seattle/King County Coalition on
Homelessness

Mark Ellerbrook
Division Director, Housing, Homelessness and
Community Development, King County Dept. of
Community and Human Services
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Mark Gropper
Executive Director, Renton Housing Authority

Will Hall
Mayor, City of Shoreline

Nigel Herbig
Deputy Mayor, City of Kenmore
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Patience Malaba
Director of Government Relations, Housing
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Rob McFarland
Mayor, City of North Bend

Teresa Mosqueda
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KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

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KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Tanika Padhye
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KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Armondo Pavone
Mayor, City of Renton

Lynne Robinson
Mayor, City of Bellevue
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Nancy Tosta
Councilmember, City of Burien
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER

Brett Waller
Director of Government Affairs, Washington Multi-
Family Housing Association
KING COUNTY AFFORDABLE HOUSING COMMITTEE MEMBER