



**NATIONAL LOW INCOME
HOUSING COALITION**

September 8, 2021

The Honorable Ron Wyden
Chair
Committee on Finance
U.S. Senate
Washington, D.C.

The Honorable Richard Neal
Chair
Committee on Ways and Means
U.S. House of Representatives
Washington, D.C.

To Chairs Wyden and Neal:

On behalf of the National Low Income Housing Coalition, I write to urge the Senate Finance and House Ways and Means Committees to use the forthcoming infrastructure and economic recovery package to make transformational investments that directly address the underlying cause of America's homelessness and housing crisis: the severe shortage of homes affordable to renters with extremely low incomes (ELI). The Build Back Better Act is a once-in-a-generation opportunity to begin to end homelessness and housing poverty in America, but only if Congress includes the targeted investments necessary to address the housing needs of the lowest-income and most marginalized households. I urge you to include in any budget reconciliation package an expansion of the basis boost for Low Income Housing Tax Credit (LIHTC) developments in which at least 20% of the units built or preserved are affordable to ELI households, as proposed by Senator Wyden in his Decent, Affordable, Safe Housing for All Act and other members of Congress.

Evidence shows that nearly the entire shortage of affordable housing supply is concentrated among families with extremely low incomes. Nationally, there is a shortage of [7 million homes](#) affordable and available to the lowest-income renters. For every 10 of the lowest-income renter households, there are fewer than 4 homes affordable and available to them. There is not a single state or congressional district in the country with enough affordable homes to meet this demand. Without affordable housing options, more than 10 million renter households are severely cost-burdened, paying more than half of their incomes on rent. ELI households account for 73% of all severely housing cost-burdened renters in the U.S. An additional half a million people experience homelessness on any given night. America's housing crisis disproportionately impacts Black, Indigenous, and people of color (BIPOC), who are more likely than white households to have extremely low incomes, pay more than half of their income on rent, or experience homelessness.

While LIHTC is an important source of financing for the construction and preservation of affordable housing, the tax credit, on its own, rarely serves the households with the lowest incomes, who have the greatest, clearest needs. An expanded basis boost for ELI LIHTC developments is critical to increasing the supply of housing affordable to America's lowest-income families and directly addressing the market failure that has led to our nation's housing crisis. Without this measure, and without other significant investments in proven solutions like rental assistance, public housing, and the national Housing Trust Fund, the Build Back Better Act will not effectively address America's homelessness and housing crisis.

More than ever, bold policies are needed to ensure that people with the lowest incomes and the most marginalized people have a stable, affordable home. This must start with targeting federal tax resources to make housing affordable for those with the greatest needs.

If you have any questions or need additional information, please feel free to contact NLIHC Vice President Sarah Saadian at ssaadian@nlihc.org.

Sincerely,

A handwritten signature in cursive script that reads "Diane Yentel".

Diane Yentel
President and CEO
National Low Income Housing Coalition