March 19, 2020

Senator Amy Klobuchar
Senator Tina Smith
Representative Angie Craig
Representative Tom Emmer
Representative Jim Hagedorn
Representative Betty McCollum
Representative Ilhan Omar
Representative Colin Peterson
Representative Dean Phillips
Representative Pete Stauber

Via Email

Re: COVID-19 Emergency Response supporting shelters and housing stability.

Dear Senators and Representatives:

We urge you to include resources in the COVID-19 stimulus package to address the housing and health needs of people experiencing homelessness, who are at the greatest risk of an outbreak, and the needs of low-income renters, and ensure that the housing needs of Native Nations and rural communities are prioritized. Attached are recommended actions from the ACTION campaign, National Low Income Housing Coalition, and National Rural Housing Coalition; MHP is a member of all three organizations and strongly urges these recommendations be included in COVID-19 response.

Minnesota Housing Partnership (MHP) works to strengthen development capacity and promotes systems change, serving communities throughout the United States. We provide capacity building for rural and Native communities, produce original research, and advocate for policies that advance affordable housing and strengthen communities. We have served hundreds of communities in Minnesota and throughout the United States, including working with many Native Nations. https://www.mhponline.org/community-development/where-we-work

We urge you to include resources to help ensure housing stability for low-income individuals and people experiencing homelessness. Emergency funds for shelters, rental assistance, and eviction prevention tools are needed, among other resources, to ensure the health, shelter, and housing needs of residents in Minnesota and across the United States. Emergency shelters and services are part of an integrated system of health services that serve and support high-risk vulnerable populations. Funding to ensure provision of emergency services and shelters is incredibly critical, as shelter in place and quarantine orders escalate by the hour.

We also urge you to consider significant funding to provide individuals and families with rental assistance paired with an eviction moratorium. Unemployment insurance will not be sufficient to ensure low-income residents have stable housing and can remain in place. Here is a real world example from Minnesota: Food prep and serving-related occupations, including cooks, bartenders, servers, dishwashers, and first-line supervisors, currently account for approximately 242,170 employees across the state of Minnesota with median annual incomes of $24,757. Unemployment insurance, if available, would equal $1,032 (half of approximate monthly income). As the state median rent is $969, the typically affected food prep worker or server would then have to pay 94% of their income on rent, leaving just 6% of in-
come for food, medication, and all other family necessities. This percentage would significantly increase in the Twin Cities metropolitan area, where average rents are significantly higher.

In the context of ensuring we have safe and affordable housing available, there are important simple federal actions that can provide timing relieve and prevent projects from losing their tax credits due to COVID-19’s impact. Along with partners from the ACTION campaign, MHP is advocating for an immediate one-year extension for three key deadlines: 10 percent test deadlines, placed in service deadlines, and rehabilitation expenditure deadlines.

For rural areas, which are often served by USDA housing programs, funding for essential housing such as USDA Rural Development Section 515 properties is also critical. These properties serve lowest income residents, many with average annual income of $13,500. If residents are displaced, due to a property owner’s inability to operate the property safely, many will become homeless as there are no available affordable homes in the surrounding area. Critical needs for rural areas, including 515 properties, include rental assistance, emergency funds for owners to ensure safe operations of properties, a moratorium on multifamily owner payments to Rural Development, program flexibility to ensure continuity of housing availability and capacity-building funding for technical assistance.

Finally, MHP requests targeted COVID-19 Emergency Funding for the housing needs of Native Nations, including through set asides specific to Native Nations’ needs for emergency shelter support, rental assistance, and more. MHP provides services to many Native Nations, including the Sisseton-Wahpeton Oyate, Yankton Sioux Tribe, Flandreau Santee Sioux Tribe, and Omaha Tribe of Nebraska. Projects which MHP is assisting include Thunder Valley CDC on the Pine Ridge Reservation in South Dakota and Pawhuska Indian Village in Osage Nation, in Oklahoma. Many Native Nations have significant homeless issues that result in overcrowding of existing housing, a clear health risk with COVID-19 that must be addressed. In addition, many Native Nations lack broadband access especially at home, making it difficult to work from home or participate in online conferencing, webinars, or remote training: work conditions that have become a “new normal” across the country. Programs available to Native Nations, but not set aside for Native Nations, are often primarily utilized by non-native applicants. Even specific homeownership funding through HUD for Tribal members is underutilized on reservations; for example Section 184 is most often utilized outside of reservations. For these reasons, MHP advocates for unique supports to Native Nations as part of COVID-19 response.

These strategies will help address urgent critical housing needs. Future strategies are being discussed to mitigate the anticipated significant disruptions to our housing systems over the coming months and we will continue to work with you to help inform and guide those responses as well.

Thank you for your attention.

Sincerely,

Elizabeth Glidden
Director of Strategic Initiatives and Policy

Enclosures:
ACTION campaign COVID-19 Recommendations to Congress, March 18, 2020