

April 28, 2020

The Honorable Betty McCollum
2256 Rayburn House Office Building
Washington, DC 20515

Re: Immediate COVID-19 Housing Needs

Dear Representative McCollum:

As Congress works to prepare its next COVID-19 Response package we urge you to prioritize appropriations for immediate housing and homelessness needs. We are concerned that direct assistance for housing has not been provided in the last two relief packages approved by Congress, and yet the need for safe housing is critical to the health and economy of Minnesota and the United States. Specifically, we ask that you support:

- At least \$11.5B in Emergency Solutions Grants (ESG)
- \$100B for emergency rental assistance
- \$75B for the Housing Assistance Fund (Democrats on the Senate Banking Committee plan to cosponsor Senator Reed (D-RI) and Senator Brown's (D-OH) forthcoming bill to create a fund to support state Housing Finance Agency efforts to reduce foreclosures and evictions).
- Emergency funds for public housing and other HUD housing providers

We write to you as organizations committed to meeting the housing needs of Minnesotans. Renters and property owners are facing financial hardship now, with adverse impacts set to increase in future months. State housing assistance funds, administered on a quarterly basis, have in some regions been depleted in 1-2 weeks. Some providers also report that energy assistance fund requests (LIHEAP), which help with utility payments, have substantially increased. Minneapolis and St Paul are two of many local jurisdictions in Minnesota that have set aside some funds for COVID-19 related housing assistance; those funds are expected to be very quickly depleted, if they have not been already.

We know that the challenges of paying housing costs will increase every month and continue through the end of the year. Many Minnesota households have not been able to access unemployment benefits yet, especially small and solo business owners and those who have had their pay or hours cut. For low wealth renters and homeowners who get up to two payments behind, it is highly unlikely they can ever catch up, affecting their future ability to secure housing and putting properties at risk.

Information from the Greater Minnesota Housing Fund (GMHF) and Minnesota Multi-Housing Association (MMHA) show a noticeable increase in nonpayment of rent for April, which will be compounded in May and future months. The GMHF survey, completed April 16, 2020, showed that rental income declined on average by over 19% in rent-assisted units. Non-rent assisted units, experienced a decline in rent of 16%. Similarly, the MMHA reports that a typical month's late payments of \$48 million (from a total of \$640 million), was increased by \$33 million in April, with May and June promising to be more challenging.

Safe housing is critical to every sector of our economy, and essential to our health and safety. Federal government support of our basic right to shelter and housing is more essential now than ever; our needs in this area are especially acute, as local and state funds are quickly depleted. Again, we urge your

support for housing assistance as a priority in the next COVID-19 response package. Thank you for your work on behalf of Minnesota.

Sincerely,

Aeon
Ain Dah Yung (Our Home) Center
Align Minneapolis
The Alliance
Alliance Housing, Inc.
American Indian Community Housing Organization
The Arc Minnesota
Boisclair Corporation
Catholic Charities of Saint Paul and Minneapolis
Central Minnesota Housing Partnership, Inc.
Community Mediation & Restorative Services
Community Stabilization Project
Dominium
DW Jones, Inc.
Family Housing Fund
Fresh Energy
Greater Minnesota Housing Fund
Guild, Inc.
Headwaters Regional Development Commission
Hearth Connection
Hess, Roise and Company
HOME Line
Housing Justice Center
JB Vang, Inc.
Jewish Community Action
The Link
LISC Duluth
Landon Group
Lutheran Advocacy-Minnesota
National Housing Trust
New American Development Center
Northwest Indian Community Development Center
Minnesota Community Action Partnership
Minnesota Homeownership Center
Metropolitan Consortium of Community Developers (MCCD)
MICAH- Metropolitan Interfaith Council on Affordable Housing
Minnesota Brain Injury Alliance
Minnesota Council on Latino Affairs
Minnesota Equity Fund
Minnesota Housing Finance Agency
Minnesota Housing Partnership (MHP)
Minnesota NAHRO (National Association of Housing and Redevelopment Officials)
NOAH Impact Fund

Project for Pride in Living
Ramsey County
Saint Paul NAACP
Southeastern MN Multi-County Housing & Redevelopment Authority (SEMMCHRA)
Southwest Minnesota Housing Partnership
Three Rivers Community Action
Urban Homeworks
Voices for Racial Justice
Violence Free Minnesota

See NLIHC's research that support \$100 billion: <https://nlihc.org/sites/default/files/Need-for-Rental-Assistance-During-the-COVID-19-and-Economic-Crisis.pdf>

See Greater Minnesota Housing Fund's April 16, 2020 analysis of Tenant and Rental Property Impacts: https://www.mhponline.org/images/COVID19/COVID19_Apr2020_MN_Rent_Survey_by_GMHF_v5_tenant_impacts_dfw_h_003_002.pdf

See Minnesota Housing Partnership COVID-19 Impact on Renters in Key Occupations: <https://www.mhponline.org/images/COVID19/COVID19Renters.png>