MAKING HOME AND COMMUNITY PLACES OF PRIDE, POWER AND BELONGING:

ENTERPRISE'S POLICY PRIORITIES FOR 2021

Enterprise Community Partners | 2021

Enterprise®

This report was prepared by Enterprise Community Partners, Inc.

We thank the many partners and communities across the country who work day in and day out to ensure every American has access to an affordable, stable and safe home.

For more information about Enterprise Community Partners or about the recommendations in this document, please contact:
Liz Osborn | **losborn@enterprisecommunity.org**

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MAKING HOME AND COMMUNITY PLACES OF PRIDE, POWER AND BELONGING:

ENTERPRISE'S POLICY PRIORITIES FOR 2021

Every American deserves access to a home that is affordable, stable and safe. These days in particular it's so much more than a roof over our heads -- home is where we go to work, where our children go to school and where we stay to keep safe and healthy.

Nationwide, however, a shortage of affordable housing is making it harder and harder for families to make ends meet, let alone achieve their full potential. The Biden-Harris Administration and the 117th Congress have an historic opportunity to address these challenges and advance housing affordability. At a time when housing affordability and access is inextricably linked to racial justice, climate justice, economic justice, and healthy communities, robust investments in affordable housing must be a top national priority.

Enterprise is a national nonprofit on a mission to make home and community places of pride, power and belonging for all. To make that possible, we operate the only organization designed to address America's affordable housing crisis from every angle: we develop and deploy programs and support community organizations on the ground; we advocate on a nonpartisan basis for sound public policy at every level of government; we invest capital to build and preserve rental homes people can afford; and we own and operate 13,000 apartments and provide resident services for 22,000 people. All so that people not only make rent, they build futures. With this end-to-end approach, 40 years of experience and thousands of local partners, Enterprise has built and preserved 662,000 affordable homes, invested $53 billion in communities and changed millions of lives.

The challenges facing our communities existed long before the Covid-19 pandemic: more than 11 million low-income households were paying more than half of their income towards rent, only 1 in 4 families that qualified for rental assistance received it and affordable housing needs were growing at a rate that far outpaced available resources. The medical and economic impacts of Covid-19 have exacerbated these realities and have disproportionately harmed Black, Indigenous and other People of Color in the United States.

The added impact of systemic racial discrimination makes the situation even more dire for communities of color. Black households make up only 12% of the nation's population, but as a result of persistent inequity in the American housing market, they make up nearly 46% of people in HUD-assisted housing. Any policies designed to address the affordable housing challenge in America must also explicitly address the persistent legacy of institutionalized racism that continues to segregate and disenfranchise people and families of color.

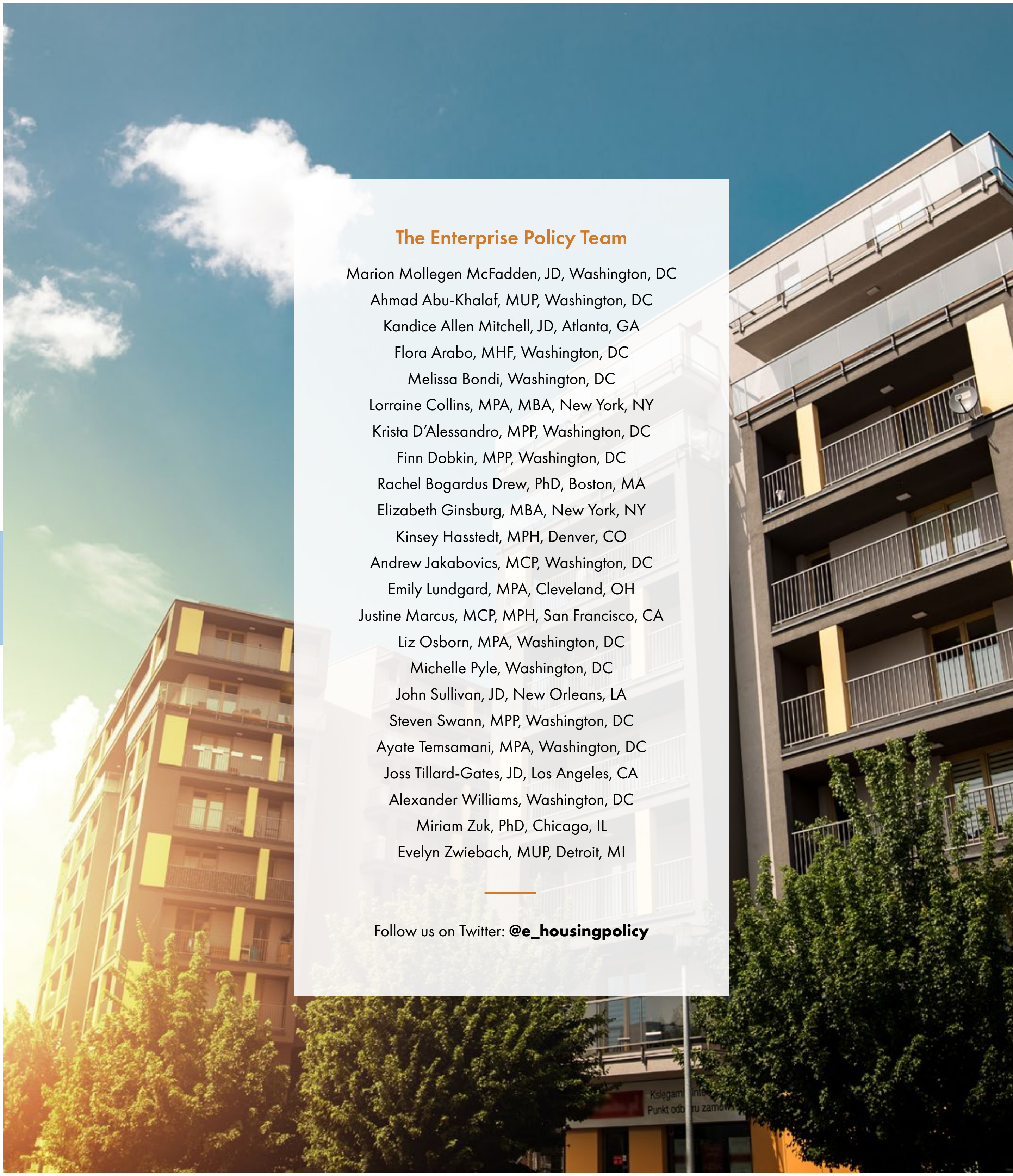
This document describes the actions Enterprise is committed to advocating for in 2021. It covers Covid-19 relief, executive actions the Biden-Harris Administration can take in the first 100 days in office and legislative solutions for the 117th Congress. Our recommendations are grounded in the strengths and needs of the communities we serve and the public and private sector partners we have worked with for decades. Our recommendations include proposals to address affordable housing needs that fall under the following key priorities:

1. Implementing housing solutions to overcome the medical and economic impacts of Covid-19, supporting an equitable recovery;
2. Increasing investments in federal programs that create and preserve affordable housing;
3. Creating housing policies that address systemic racial inequities and end cycles of poverty;
4. Providing resources to address climate change and improve disaster recovery and resilience;
5. Ensuring that housing finance reforms and CRA modernization strengthen and expand affordable housing investments;
6. Supporting investments in housing as part of our nation's infrastructure; and
7. Implementing a range of programs to prevent and end homelessness.

We look forward to working with the Biden-Harris Administration, the 117th U.S. Congress and our thousands of partners to turn these recommendations into reality. Many of these priorities are also applicable for state and local governments, and we will continue to advance them through our market offices around the country. Together, we will build an equitable path forward from Covid-19, a future where home and community are stepping stones to more, and a platform for resilience and upward mobility for all.

Sincerely,

Jacqueline Waggoner
President, Solutions Division
January 2021



The Enterprise Policy Team

Marion Mollegen McFadden, JD, Washington, DC
Ahmad Abu-Khalaf, MUP, Washington, DC
Kandice Allen Mitchell, JD, Atlanta, GA
Flora Arabo, MHF, Washington, DC
Melissa Bondi, Washington, DC
Lorraine Collins, MPA, MBA, New York, NY
Krista D'Alessandro, MPP, Washington, DC
Finn Dobkin, MPP, Washington, DC
Rachel Bogardus Drew, PhD, Boston, MA
Elizabeth Ginsburg, MBA, New York, NY
Kinsey Hasstedt, MPH, Denver, CO
Andrew Jakabovics, MCP, Washington, DC
Emily Lundgard, MPA, Cleveland, OH
Justine Marcus, MCP, MPH, San Francisco, CA
Liz Osborn, MPA, Washington, DC
Michelle Pyle, Washington, DC
John Sullivan, JD, New Orleans, LA
Steven Swann, MPP, Washington, DC
Ayate Temsamani, MPA, Washington, DC
Joss Tillard-Gates, JD, Los Angeles, CA
Alexander Williams, Washington, DC
Miriam Zuk, PhD, Chicago, IL
Evelyn Zwiebach, MUP, Detroit, MI

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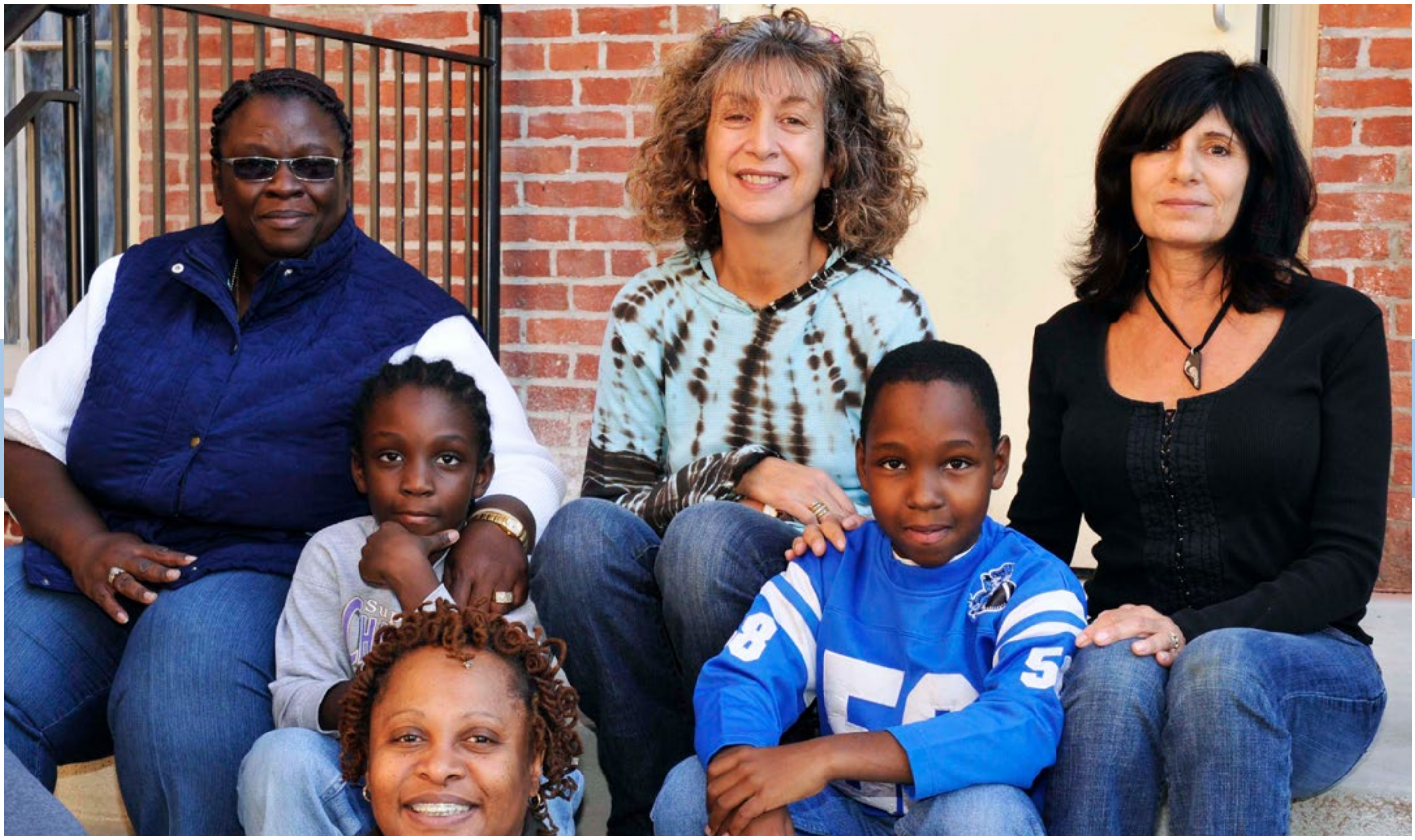
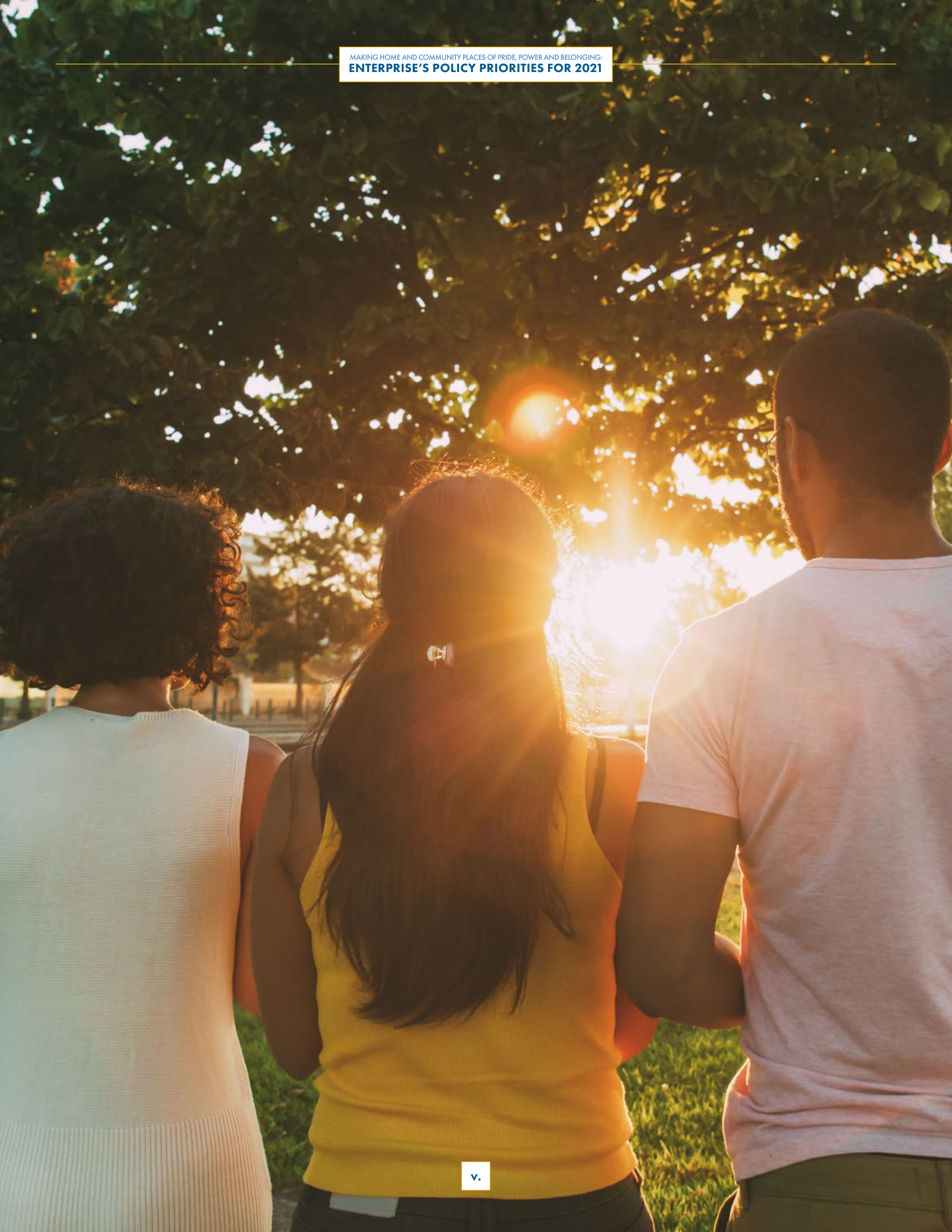
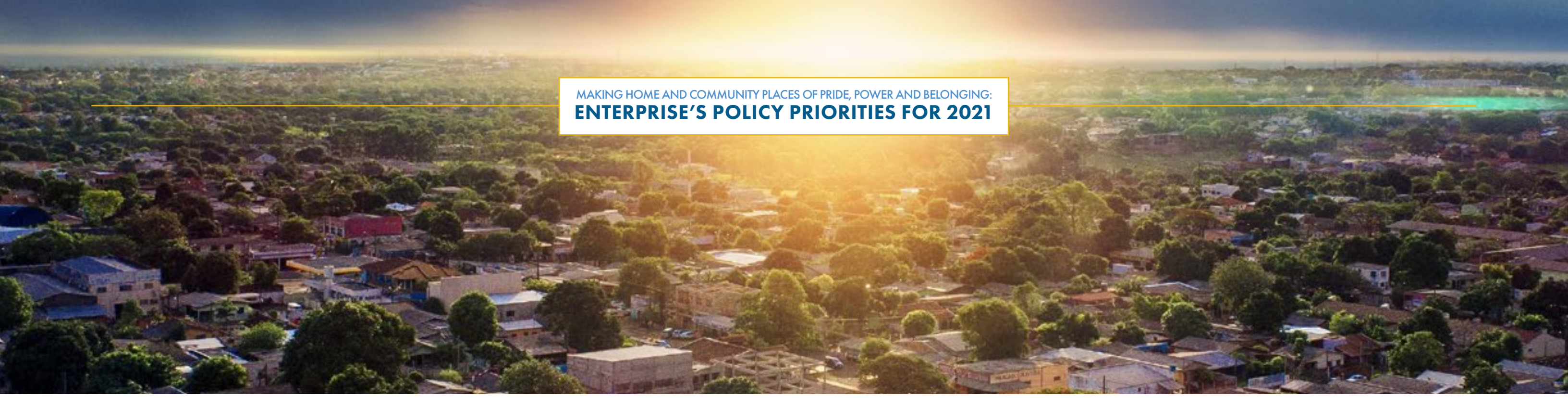






WHY THE FEDERAL GOVERNMENT SHOULD PRIORITIZE INVESTMENTS IN AFFORDABLE HOUSING

In a time of vast division across households by income, job type, and race, with disparities exacerbated by a global pandemic, only the Federal Government has the ability to strengthen the country and the economy at the scope and scale needed to ensure our shared prosperity. One of the places that our leaders can make the biggest impact for the American people is in affordable housing.

Systemic inequities mean there are massive disparities among those who can afford suitable housing and who struggle to make rent, regardless of their level of effort. Over the past year, the health and economic impacts of Covid-19 collided with the nation's pre-existing affordable housing shortages, insufficient wage growth, and racial disparities, creating a cataclysmic crisis that eviction and foreclosure moratoria alone could not solve. For families living in areas hit by weather-related disasters like wildfires and hurricanes, the realities of our new climate and insufficient government safety net exacerbated their suffering. With 2020 behind us, it's time for a robust infusion of innovation and political will to meet these challenges.

Even before Covid-19, the shortage of quality, homes people can afford was putting increased pressure on housing prices and rents, eroding affordability. At the same time as housing prices and other costs of living were rising, wages mostly remained stagnant, making it harder and harder for families to afford a safe, stable place to live. As we consider policies to spur the nation's economic recovery from Covid-19, we must consider families that are the most impacted and least equipped to rebound from the financial impacts. We must support America's renters.

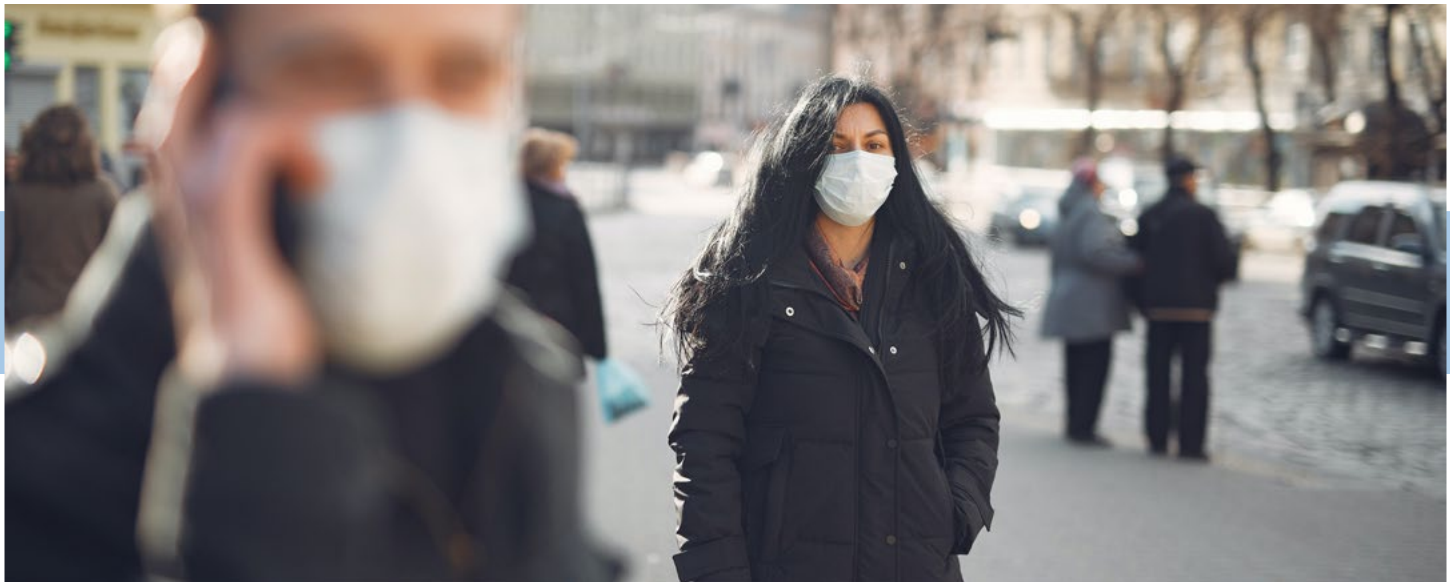
Because of the impacts stable housing can have on so many other aspects of life, a bold commitment from American leaders to ensure housing for all would not only benefit families struggling to make ends meet, but every American. Housing affordability and access is inextricably linked to racial justice, climate justice, economic justice, and health – all pivotal issues of our time.

Government must partner with the private sector to increase the dollars available for housing development, so that we may begin our economic recovery with the construction of new affordable homes and preservation of existing buildings. We must do the work to ensure life-changing housing vouchers are available for all who qualify for them – and make it easy for families to use them. Hardworking Americans, retirees, families struggling as a result of the Covid-19 economy, and other vital community members should not have to worry about losing their homes because they can't afford to pay their monthly housing costs. It must be a national priority that children have a warm, safe, and decent place to call home. We must make lasting changes so that no family will have to choose between rent, medicine, or groceries.

Job Number One: Leading America's Recovery from the Impacts of Covid-19

Home has taken on new meaning as a result of the pandemic. During Covid-19 spikes, home is where we hunker down to keep safe and healthy. Home is now where many of us go to work and where many children go to school. Unfortunately, amid the economic downturn and historic unemployment rates, millions of Americans continue to face the risk of eviction and homelessness. If there is not robust, long-term assistance provided to address this dire situation, the ripple effect will prevent our economic recovery. Congress and the Executive Branch should improve the current Federal-to-nonfederal government dynamics in Covid-19 recovery by meaningfully collaborating with and supporting state, tribal and local leaders.

We recommend a series of complementary policies and appropriations for immediate legislative action to address the personal, communal, and systemic needs driven by Covid-19 and put the country on an equitable path to recovery. If enacted, the country will be able to harness the existing network of housing agencies, nonprofit organizations, and private sector businesses to support individuals and families so they can pay their monthly housing costs. These solutions will help mission-based affordable housing providers with their immediate costs associated with keeping buildings safe. And importantly, these recommendations will spur new construction jobs. Taken together, these recommendations can begin to put America on an equitable path to recovery that goes beyond the needs covered by prior appropriations.



Provide widespread rental assistance and maintain eviction moratoria until renters rebound

Federal rental assistance is the only long-term solution to ensure that millions of Americans can remain stably housed and mission-driven affordable housing providers and small landlords can stay afloat in the wake of the unprecedented economic hardship created by the Covid-19 pandemic. While the Federal Government has already taken initial steps to provide funding and protections for individuals and existing beneficiaries of federal programs such as public housing, the rapid depletion of those resources signals a need for a comprehensive plan capable of addressing the problems at scale. The National Council of State Housing Agencies estimates that U.S. renter households could owe up to $34 billion in back-due rent, compounding housing instability with mounting household debt – so the recent appropriation of $25 billion to Treasury for Covid-19 housing relief will be insufficient. Unlike other potential forms of relief for tenants and landlords, rental assistance closely mirrors the way other rent payments flow through the local economy and the larger financial system, keeping people stably housed while giving owners the ability to pay staff and maintain buildings. Only the Federal Government has the power and resources to fund rental assistance at the level and scale required to keep renters stably housed in the long-term.

Until such time as additional rental assistance funds are made available and continuously delivered to renters in need, the Federal Government must extend the nationwide eviction moratoria. Failure to extend this nationwide halt will place millions at risk and further exacerbate the pandemic by putting people onto the street or into overcrowded living situations where they are unable to safely social distance.

Provide flexible HOME Investment Partnership Program dollars for low-income housing providers

The impact of Covid-19 has been immediate and severe on low-income residents and people of modest economic means and the mission-driven groups that develop and operate affordable housing for this population. The sudden onset of the pandemic required affordable housing providers to deliver personal protective equipment (PPE) to residents and staff, pay for staff additional hours and cleaning services, and retrofit their ventilation systems, among other safety measures. As a result of these increased costs and residents struggling to keep up with rent payments, affordable housing providers are experiencing budgetary shortfalls and find themselves in a precarious situation.

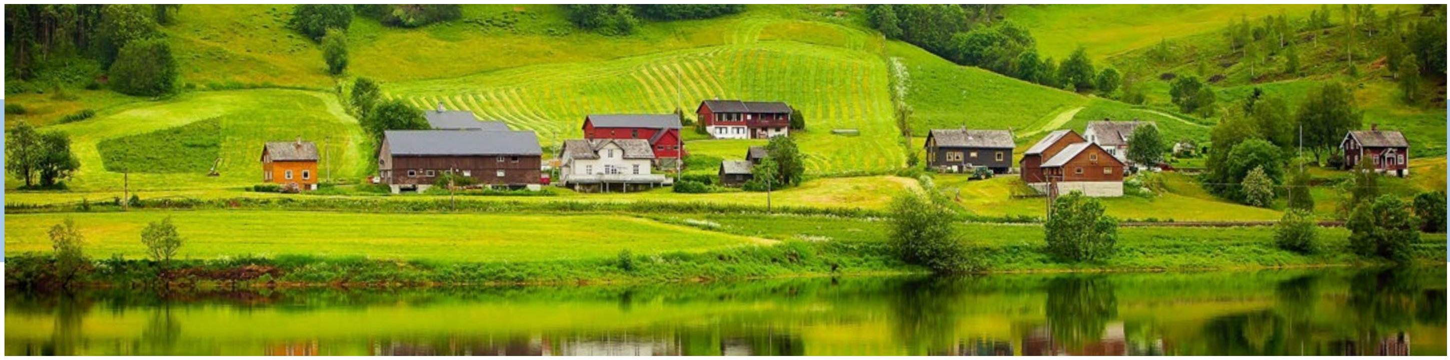
The most efficient way for Congress and the Biden-Harris Administration to help organizations address widening and unavoidable expense gaps is through the HOME program; the only federal housing program exclusively focused on providing states and local communities with flexible financing to address their most pressing affordable housing needs. The adaptability of the program makes it uniquely situated to provide support to both tenants and affordable housing providers, which is the reason why HOME was incorporated into the American Recovery and Reinvestment Act. In order to make HOME relief funding as effective as possible, additional appropriations must also be accompanied by language to provide HUD with broad waiver authority so that HOME dollars can be used allocated for the broad range of activities necessitated by the pandemic.

Provide at least $40 million for Section 4 Capacity Building for Community Development

The Covid-19 public health crisis is causing financial strain for many local nonprofit affordable housing organizations throughout the country. Many of these groups are experiencing financial distress from delays in construction projects due to local building moratoriums, reductions in charitable giving, and a lack of resources for new operations as they adapt to contribute to crisis response efforts. This is resulting in severe hardship for many affordable housing and community development organizations and threatening their financial viability. Awardees of HUD's Section 4 program are no exception, and the Federal Government must move swiftly to provide bridging funds to support these vital nonprofit enterprises for the duration of the Covid-19 crisis.

HUD's Section 4 program has been used successfully in the past to respond to disaster and crisis situations. During the financial crisis, Section 4 received a special appropriation of $28 million in the Recovery Act, allowing high-performing nonprofit enterprises to stay operational until economic circumstances returned to normal. As vital providers of affordable housing and other critical services in communities across the country, the Federal Government must ensure the continued operation throughout the pandemic and economic downturn, and ultimately the long-term survival of these community-based organizations.

In order to accomplish this, Enterprise recommends providing at least $40 million in supplemental Section 4 funding to support current awardees by providing them with at least 90 days of cash on hand so they may remain financially viable and able to continue providing much needed services during the pandemic.



Provide at least $900 million for USDA Rural Housing Services

Increasing supplemental aid to the USDA's Rural Housing Service (RHS) would enable tenants and owners of USDA properties to prevent, prepare for and respond to the Covid-19 pandemic. Enterprise urges the Administration and Congress to aid rural housing programs for both residents and owners.

For owners and operators of RHS properties, Congress should provide $300 million for short term operating costs, emergency staffing, communications and retrofits to ensure the safety of residents for the duration of the crisis. To mitigate the loss of rental income, Congress should enact a one-year moratorium on debt or mortgage payments to USDA Rural Development. Furthermore, Enterprise recommends supporting renters by allocating $500 million to provide rental assistance to 100% of units in RHS multi-family housing programs. We urge Congress to make $100 million available to establish a permanent service coordinator position for each property in the RHS portfolio.

Increase supports through Treasury's CDFI Capital Magnet Fund by at least $1 billion

Enterprise strongly supports the allocation of $12 billion for community development financial institutions (CDFIs) and minority depository institutions (MDIs) that was included in the Covid-19 relief package signed into law at the end of 2020. CDFIs finance a range of essential activities in low income communities, from consumer and small business credit, to affordable housing, and community facilities that support health and education. This funding will go a long way in providing debt relief, working capital and consumer loans to small business and non-profit borrowers who are struggling during this extraordinary period of uncertainty.

Enterprise urges Congress to now follow up this action by waiving the matching fund requirements and award caps that typically apply to CDFI Program dollars. To support the deployment of this additional capital, Congress should also allow the CDFI Fund the authority to distribute these special appropriations rapidly and efficiently and waive interest rates on existing Financial Assistance Direct Loan program awards.

Additionally, Congress should allocate upwards of $1 billion for a stabilization program run through the CDFI Capital Magnet Fund (CMF). The awarded funds will allow mission-driven entities to compete for properties with fast-moving privately funded buyers on an even playing field while ensuring long-term affordability for the tenants. As above, entity and project-level leverage requirements should be waived so as not to hamper the rapid deployment of the funds allocated in this separate round. It would also be advantageous if the project completion deadline for these funds was removed. Due to the market environment, Covid-19 delays, and resources being directed elsewhere, project timelines are frequently being pushed out. If there are project completion deadlines with these funds, some projects that could utilize the funds or work well for the program would automatically be disqualified.

Provide increases for individual cash assistance programs

To address Covid-related income shortfalls not covered by unemployment insurance, we suggest Congress allocate an across-the-board increase to safety net programs that would function as a plus-up in flexible funds to program recipients. This plus-up would be distributed via electronic benefits transfer (EBT) cards and every participating agency would be authorized to add unrestricted funds to the card.

For example, a tenant using a housing voucher (tenant- or project-based) would also receive a separate EBT card with $100 on it that could be used to pay their obligated portion of the rent but could also be used to cover other household expenses or saved to build rainy day funds or longer term savings. If a recipient participated in another federal safety net program, that program would also add flexible funds to the same card.

Strengthen and expand the Low-Income Housing Tax Credit (Housing Credit)

The Housing Credit is a proven, successful tax policy responsible for nearly all the affordable rental housing built and preserved in the country. The Housing Credit enjoys wide bipartisan support because it harnesses private capital for high-quality, attractive rental housing that is statutorily required to remain affordable to people of modest means for many years. Investors and syndicators of these credits – including Enterprise -- partner with developers to ensure quality, timely construction and compliance with ongoing requirements, such as rent caps.

Communities are in greater need of affordable housing than ever before with the economic downturn resulting from the pandemic and cannot afford a stall in their pipeline of affordable housing. Congress should continue to strengthen and expand the Housing Credit in any upcoming Covid-19 relief packages. Housing Credit investments will also help create jobs and spur the economy; as we saw with the implementation of the American Recovery and Reinvestment Act in 2008, federal housing investments create construction jobs even faster than infrastructure investments.

As co-chair of the ACTION Campaign, a coalition of nearly 2,400 affordable housing organizations and businesses across the country, Enterprise has helped develop **Housing Credit program proposals for Covid-19 relief**, including provisions from the widely supported, bipartisan, bicameral Affordable Housing Credit Improvement Act (AHCIA) in the previous Congress, **S. 1703** and **H.R. 3077**. These proposals include additional basis boosts, a lowering of the "50 percent" test, and an increase in Housing Credit allocation by at least 50 percent.

Providing basis boosts to targeted developments, such as properties in rural and tribal areas and those serving vulnerable populations, would supply additional equity for developments, particularly those that would not otherwise be financially feasible due to Covid-19. Lowering the "50 percent test" would allow more developments to access 4 percent Housing Credits, and increasing the annual Housing Credit allocation by at least 50 percent, phased-in over two years and adjusted for inflation beginning in 2021, would finance hundreds of thousands of affordable homes for low-income households who are in even more dire need given the economic fallout of the pandemic.

Enterprise recommends providing additional basis boosts, lowering of the "50 percent" test, and increasing the Housing Credit allocation by at least 50 percent. The inclusion of these Housing Credit priorities in the next Covid-19 relief package is particularly urgent given the delays to affordable housing production as a result of the pandemic.

Facilitate opportunistic affordable housing acquisitions and stabilize at-risk neighborhoods

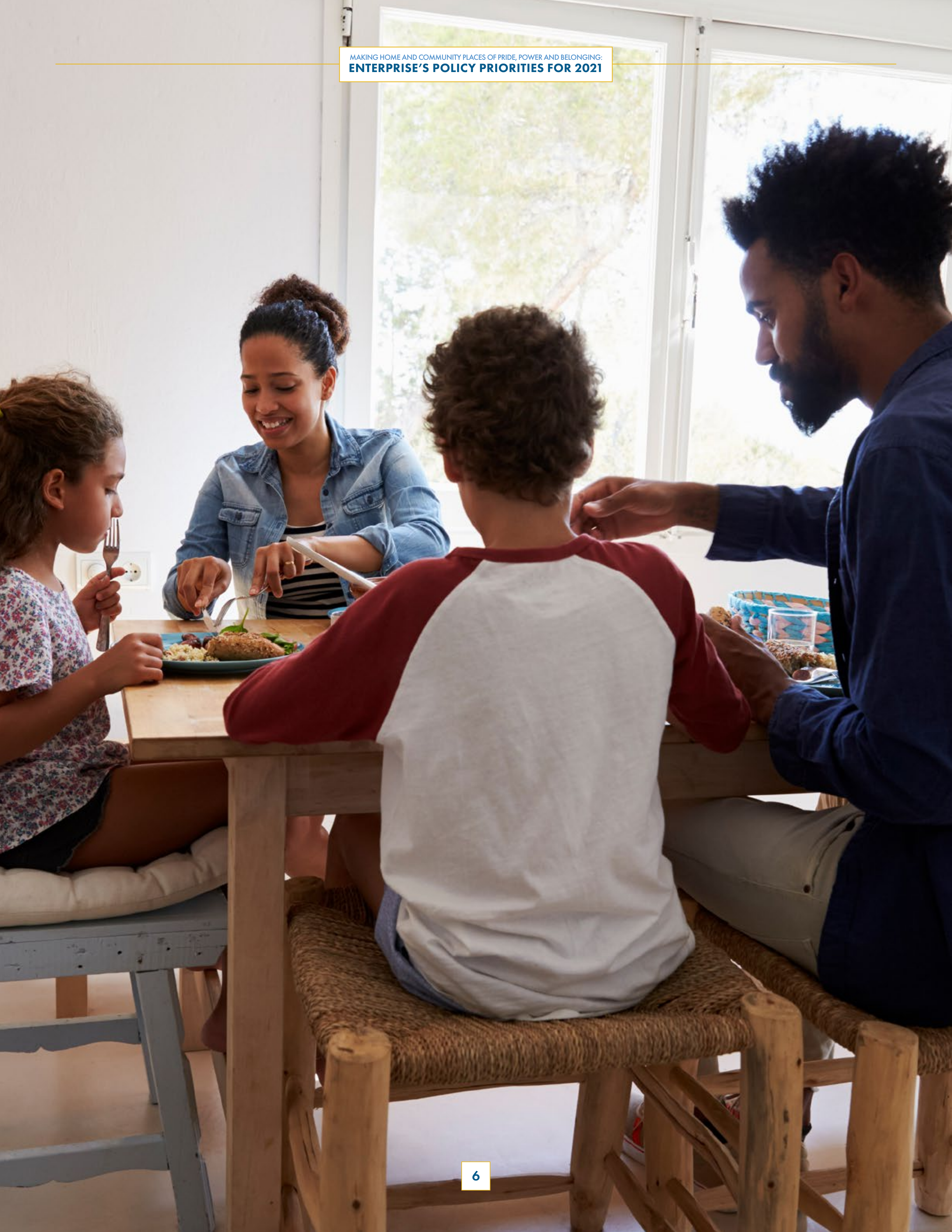
Market and political forces have always meant that minority and other marginalized communities are last in line for the allocation of land near good opportunity areas. However, in the wake of the Covid-19 pandemic, we have seen an accelerated reordering of the built environment. There has been a shift in demand towards the suburbs and the further emptying of retail, office and hotel spaces.

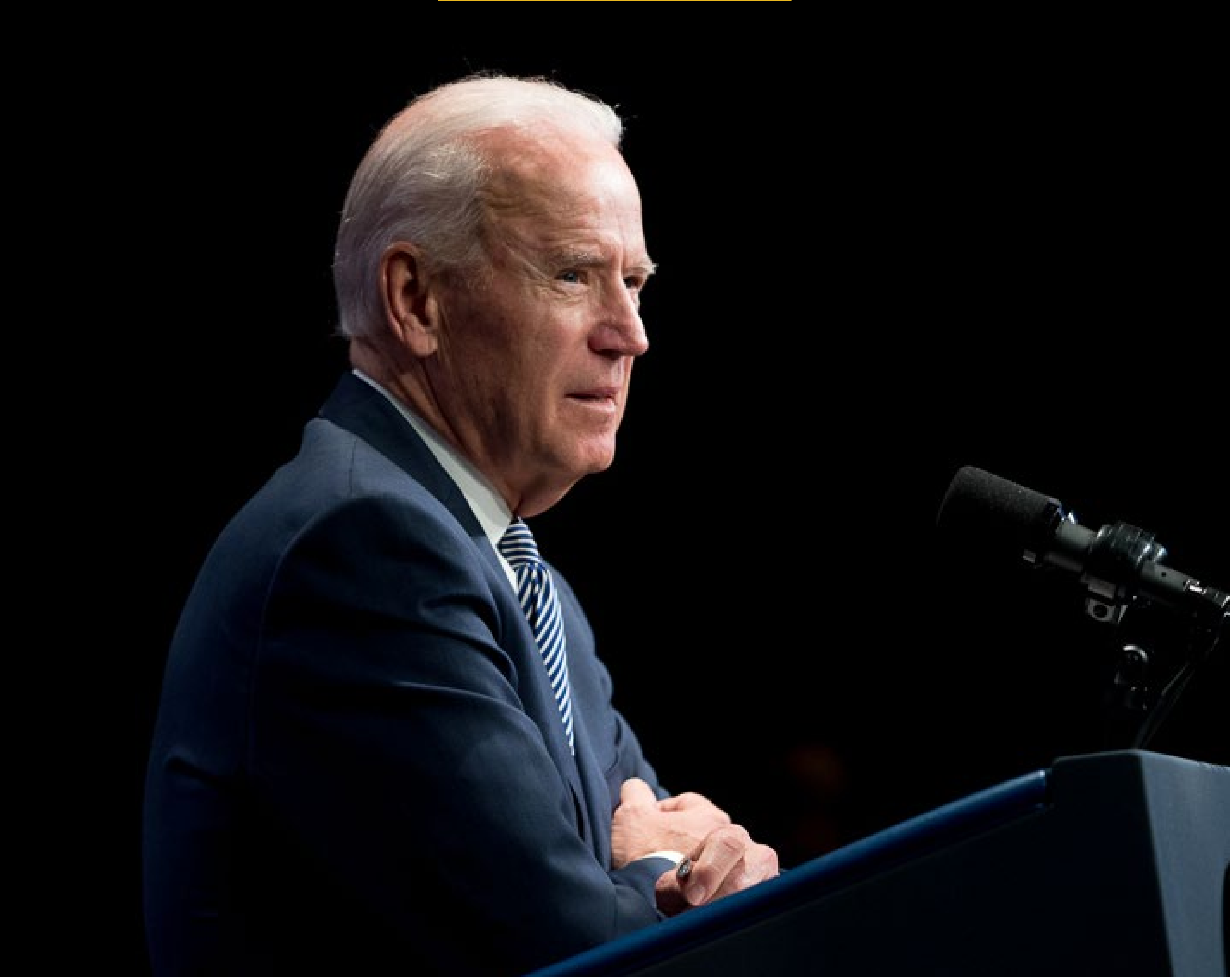
As such, certain asset classes may present opportunities for acquisitions and conversion to affordable rental housing. We have already seen the conversion of hotels into permanent supportive housing, but this strategy is considerably broader. By strategically deploying capital in partnership with and for the benefit of those residents, we have an opportunity to firmly break with past land use patterns and practices and make equitable access to desirable locations possible. Mission-oriented capital and public funds should be combined to make targeted acquisitions in high priority communities.

Enterprise urges Congress to authorize federal programs to deliver funding to support property acquisition and conversion through an updated Neighborhood Stabilization Program or allocations to CDFIs, as described above. These public resources could then be leveraged to expand the buying power of the programs. The resulting properties could be structured as cooperatives or community land trusts to allow residents to build wealth while retaining long-term affordability. Funds should be deployed mindful of climate risk and in sufficient measure to allow for property-level resilience upgrades, consistent with a long-term hold strategy. This approach could also be used to protect residents of stable but at-risk minority communities through targeted acquisition of properties at risk of foreclosure.

Require acceptance of vouchers as a condition of receipt of Federal grants and FHA insurance

Voucher underutilization is a nationwide problem due to some landlords' hesitance or refusal to rent to voucher holders. While some jurisdictions have outlawed discrimination on the basis of the source of a tenant's ability to pay rent and have educated landlords about the benefits of accepting vouchers, the problem persists. At a minimum, the Federal Government should require that Federal Housing Administration (FHA)-insured multifamily housing and all multifamily rental housing constructed or substantially rehabilitated with HOME, Community Development Block Grant (CDBG), and CDBG-Disaster Recovery funds accepts vouchers. The White House and HUD should work with USDA, FEMA, FHFA, Fannie Mae, and Freddie Mac to expand this policy where appropriate.





EXECUTIVE ACTIONS FOR BUILDING A STRONGER, HEALTHIER AND THRIVING AMERICA IN THE BIDEN-HARRIS ADMINISTRATION'S FIRST 100 DAYS

With the election season over, the American people are eager to hear how the Federal Government will keep families in their homes and create economic growth for communities across the country. To ensure every American has a safe place to call home, **President Biden and Vice President Harris** must advance the bold commitments to prioritizing sustainable affordable housing laid out in their policy platform. The Administration should act in the first 100 days to ensure millions of Americans do not end up experiencing homelessness, homeowners aren't left without a lifeline, and the path to homeownership and stability becomes or remains a reality for people of modest means.

Rescind President Trump's proposal to recategorize federal employees as essentially terminable at will

The Biden-Harris Administration should immediately review the list of agency employees proposed to become "Category F" employees and rescind President Trump's Executive Order on Creating Schedule F in the Excepted Service. Federal civil servants must be permitted to serve our country without fear of removal due to their personal beliefs. Additionally, the Biden-Harris Administration should immediately assess and fill critical civil service vacancies at HUD, Treasury, and USDA to better support communities receiving federal aid.

Create a chief equity officer reporting directly to President Biden

The nation needs a chief equity officer to guide the Federal Government in changing its policies and practices. The chief equity officer should ensure that the agencies and offices of the Federal Government provide trainings on racial equity for federal employees, contractors, and grantees; roll back President Trump's Executive Order on Combating Race and Sex Stereotyping (dated September 22, 2020) and replace it with a racial equity-affirming executive order from President Biden; and identify obstacles to equitable access to federal resources across the entire Federal Government. The chief equity officer should be tasked with identifying needed legislative actions for inclusion in the President's annual budget request and tracking agency progress toward equity goals, including housing-specific targets.

Reinstate HUD's 2015 Affirmatively Furthering Fair Housing rule as an interim rule and seek public comment on needed updates

Enterprise calls on the Biden-Harris Administration to reinstate the 2015 Affirmatively Furthering Fair Housing (AFFH) rule, which guided HUD recipients in fulfilling their responsibility to actively address housing discrimination and segregation and to foster inclusive communities, as established by the Fair Housing Act of 1968. As we explored in convening local exhibits of Undesign the Redline with **Designing the We**, communities all across the nation are still deeply segregated after hundreds of years of racial discrimination - and many decades after the passage of the Fair Housing Act and HUD's Affirmatively Furthering Fair Housing requirements. The Federal Government's own actions had a hand in housing segregation. During the Great Depression, for example, new federal programs were developed to help stimulate the economy through home building and buying. The Federal Housing Administration (FHA) was created to lead this effort by insuring home mortgages, allowing banks to lend and households to purchase homes more securely and less expensively than ever before. However, because of redlining, white homebuyers and homeowners were given access to credit – and the ability to build and pass down wealth - that Black homebuyers and other families of color could not access. The Federal Government embraced racist policies, leading to results which time has proven are not self-correcting, so the Federal Government must proactively ensure its administration of programs is equitable. This means starting with vigorous enforcement of fair housing requirements and working with communities to understand the many ways Federal actions can be corrected to realize our shared goal of fairness.

The Obama-Biden Administration's AFFH rule and tools established a structured format for grantees to present their activities through the Assessments of Fair Housing (AFH). Grantees used data to identify impediments to fair housing, plan evidence-based actions, and measure their progress. AFFH also set a transparent process through which AFHs are updated and assessed. However, HUD's 2020 Preserving Community and Neighborhood Choice final rule terminated the AFFH rule, taking a dramatic step backwards in HUD's legislatively mandated role in furthering fair housing. HUD should reinstate the Obama-Biden rule and related tools until such time as that regulation can be appropriately modernized. Jurisdictions that prepared Assessments of Fair Housing before the rule was rescinded should be consulted for their recommendations to update the rule.

Rescind the proposed rule limiting transgender Americans' access to HUD programs

As a matter of human dignity, HUD should immediately rescind the 2019 proposed rule that would permit taxpayer-funded emergency shelters to discriminate against transgender people. The 2016 Obama-Biden Equal Access Rule should be reinstated as an interim regulation and comments should be sought on any needed updates to the 2016 rule.

Make vouchers easier for tenants, landlords & PHAs to use

In support of the President's goal of making vouchers available to all who qualify, the Biden Administration should work with Congress to address longstanding challenges to voucher utilization. HUD should provide funds to cover security deposits, application fees, and other fees such as amenity fees that are proven barriers for residents, especially when they are trying to move into "high-opportunity" areas. HUD should allow public housing agencies to provide one-time incentive payments to attract and keep landlords, while allowing PHAs to set parameters around how and when the incentive payments would be made.

It is important to note that this approach could backfire if landlords all see these one-time payments and then drop the residents or leave the program after a short time, so safeguards are essential. HUD should revise the SEMAP scoring system to incentivize and track location of vouchers and timely payments to landlords. Additionally, HUD should minimize the numbers of HQS inspections performed on a unit, especially where multiple government subsidies are being used. This process is currently resulting in duplicative inspections with no added benefit to families or the government.

Pay nonprofit organizations as funds are needed

One of the large obstacles to nonprofit participation in HUD programs is entirely administrative – HUD's rule that nonprofit organizations must pay their costs upfront, then seek reimbursement from HUD or from government agencies receiving funding from HUD. States, tribes, territories, counties, cities, and housing authorities participating in HUD programs are generally permitted to draw down funds as they are needed, usually within 72 hours before an invoice or employee needs to be paid. Only nonprofits are required to front all their costs.

Local nonprofit organizations' inability to front large costs inhibits their ability to participate in HUD programs, including receiving urgently needed funding for disaster recovery efforts. Mission-driven nonprofit organizations are essential to the housing and community development field and therefore should be granted access to HUD funds on the same basis as other grantees, when they can meet OMB's Uniform Requirements for Federal Awards at 2 CFR §200.305(b)(1).

Enable jurisdictions to access up to $10 billion in dormant authority for community development projects

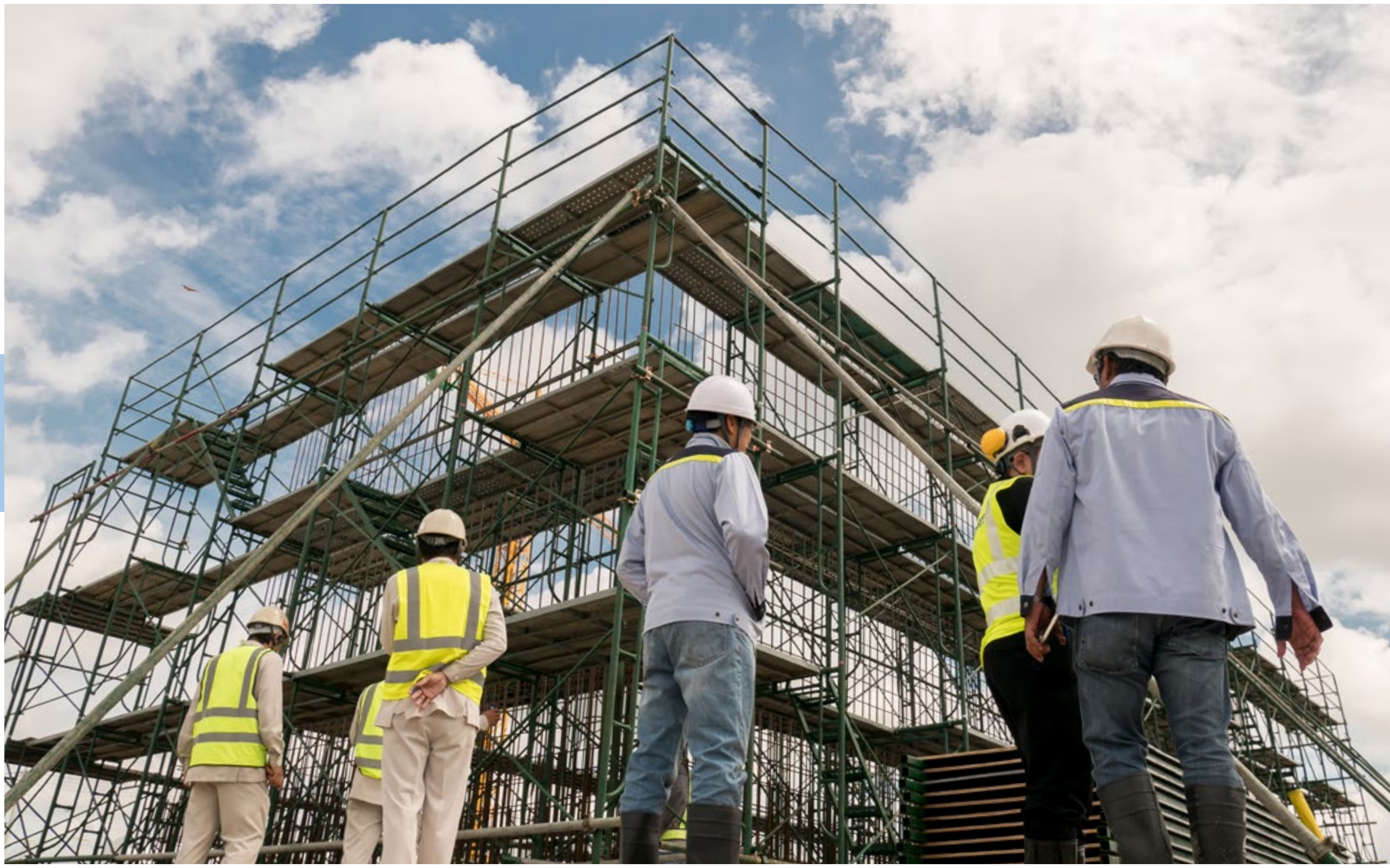
HUD's Section 108 loan guarantee is available to all of the States and 1,200 additional units of government nationwide, but too few take advantage of the ability to access up to five times their annual CDBG award because the application and administration process is overwhelming and requires expertise in loan administration, which grant administrators may lack. As a result, approximately $10 billion in authority is sitting untapped at a time when communities are struggling with budget cuts.

HUD staff, grantees and technical assistance providers – including Enterprise Community Partners – should work together to identify opportunities to streamline the application process, identify suitable community development projects, and develop opportunities for optional outside technical administrators for loan guarantee programs so that struggling communities can better make use of their Section 108 authority.

Use HUD technical assistance and capacity building to strengthen fair housing compliance and educate jurisdictions and nonprofits about resilience

Technical assistance and capacity building resources allow HUD to send in experts from across the country to help grantees address systemic challenges and aggregate best practices to support grantees. One area in which technical assistance and capacity building are particularly helpful is assisting HUD grantees with exploring their local housing landscapes to identify and address any fair housing violations and discriminatory housing practices. This work requires that jurisdictions collect and analyze large datasets on their housing markets to identify any fair housing barriers and then draft plans to address these barriers. Some municipalities may lack the capacity needed to complete this work. Providing those municipalities with access to experts can help build their capacity and allow them to replicate this work on their own in the future.

As a HUD-funded Community Compass partner, Enterprise stands ready to assist HUD grantees and subrecipients with conducting disaster recovery and mitigation work. This includes support for planning, drafting action plans, understanding green building methods, and standing up rebuilding programs, as well as potentially training construction crews in resilient building methods. This assistance is vital for building HUD grantees' capacity around rebuilding resilient communities and infrastructure.



Ensure that all federally-funded construction projects – not just disaster recovery projects – are built to resilience standards

Federal rebuilding grants, which are typically disbursed through HUD and Federal rebuilding grants, which are typically disbursed through HUD and FEMA, come with standards for resilient rebuilding, such as increased elevation of homes and critical facilities located in the 100-year flood plain. However, non-disaster-specific federal resources available for infrastructure projects, affordable housing and other public facilities do not consistently require a consideration of flood risk and other foreseeable risks over the course of the useful life of infrastructure.

Enterprise calls on the Biden-Harris Administration to reinstitute the Federal Flood Risk Management Standards and to develop other cross-cutting resilience requirements, to avoid investing taxpayer dollars in projects that do not plan for reasonably foreseeable risks. These standards should include internet readiness, so that residents can stay connected even when unable to travel. Additionally, Enterprise believes that federal agencies that supply state and local jurisdictions with rebuilding aid should require that new repairs and construction are done to the latest model building code.

Assess national capacity to implement green building standards and promulgate proposed rules seeking public comment on the adoption of green building standards for all construction in major metropolitan areas

The Obama-Biden Administration's green building requirements for new construction and substantial reconstruction that governed recipients of CDBG-DR funding for disasters occurring in 2011-2013 should form the basis of new proposals to ensure that federally funded and insured residential construction results in healthy homes. The **Enterprise Green Communities criteria** should be included as an acceptable green building standard. All proposals for revised requirements should be sensitive to the challenges of completing construction in non-metropolitan places and solicit input from rural and tribal governments and builders.

Immediately provide Puerto Rico the support it needs to begin rebuilding from Hurricane Maria at scale

The Biden-Harris Administration should direct its interagency working group on Puerto Rico to ensure Puerto Ricans have all the support they need to access the almost $20 billion in CDBG-DR and related mitigation funds awarded for their recovery from 2017's Hurricane Maria. With only $100 million of the $20 billion spent after more than three years, it is imperative that the Federal Government devote high-level attention to getting the recovery on track. Necessary actions include reviewing all special rules and policies governing existing grant funds and promulgating new rules to allow Puerto Rico to plan for and access approximately $1.5 million dollars for rebuilding the grid. The Biden-Harris Administration should assess whether HUD needs additional staff or technical assistance and capacity building dollars to support Puerto Rico's recovery.

Harness private sector capital to shorten the time between disaster and recovery

Over the past 15 years, the nation has experienced increased frequency and intensity of natural disasters, damaging or destroying millions of homes. Affordable housing, like housing in general, is chronically underinsured against disasters such as wildfires, tornados, earthquakes, and floods. Congress has been generous with long-term rebuilding dollars for disaster recovery and mitigation primarily for low- and moderate-income households and communities. HUD, in the administration of CDBG-DR, has built out robust formulas for allocation and provided extensive guidance on program design in the absence of permanent authorization. However, the patchwork nature of federal assistance programs (including FEMA, SBA, USDA and HUD) leads to confusion at the grantee and community level and is slow to stimulate rebuilding.

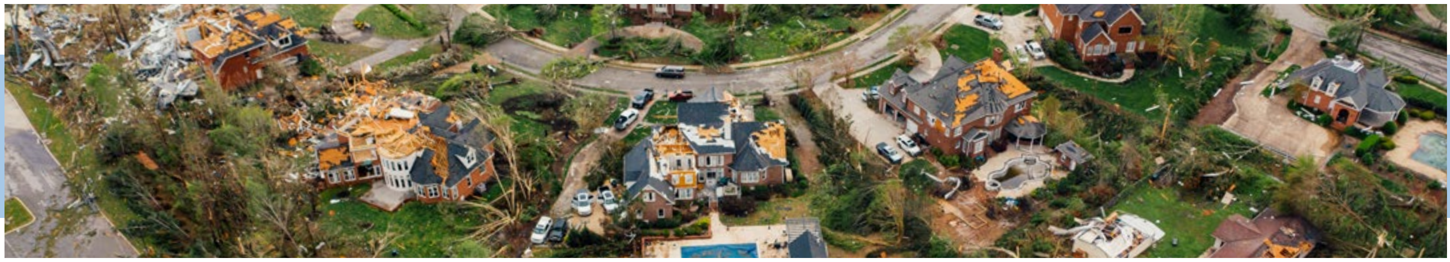
Currently, the gap between when a major disaster occurs and when the CDBG-DR rebuilding process for multifamily housing begins is 18 months to three years. During this period, families who have been displaced by a disaster may live in shelters, hotels, doubled up with family and in other poor-quality housing. Some families receive temporary rental assistance during this time, which means the cost to the government is greater the longer the period before the family is able to move into permanent housing. The disturbance of multiple moves impacts employment and children's education and is detrimental to seniors' wellbeing.

Once HUD receives a new CDBG-DR appropriation and makes allocations to new grantees, but before the grantees have signed grant agreements and are given access to their funds, HUD should use its administrative authority to permit those grantees to harness private sector capital to begin the rebuilding of affordable rental housing and construction of new affordable units. In order to enable grantees to secure private capital, HUD should explicitly authorize CDBG-DR grantees to pledge their forthcoming CDBG-DR funds for this purpose. Grantees could enter into agreements with owners of affordable housing while simultaneously completing the back-of-the-house work to execute a grant agreement, ultimately shaving a year or more off the time it takes to restore affordable rental housing.

Assess all manufactured housing programs to ensure continued affordability

Manufactured housing provides low-cost housing options across America, but in recent years these communities have seen an uptick in purchase for non-manufactured housing purposes, disturbing the lives of their residents who may own their homes but incur great expense to move them. USDA, HUD-FHA, FHFA, Fannie Mae and Freddie Mac should review all existing policies designed to provide affordable manufactured housing to ensure they include rent reasonableness provisions so that low-income renters and homeowners can afford to remain in their manufactured housing communities.

Fannie Mae's optional Tenant Site Lease Protection Program, which was rolled out in 2020 under its Duty to Serve obligations, includes year-long leases with a tenant's right to renew/extend, a 5 day grace period after the day the rent is due, and a right to cure defaults of nonpayment. The terms also require a minimum of 30 days' notice (in writing) of a rent increase and a minimum of 60 days' notice of intent to sell the community. These protections should be incorporated into all federally backed manufactured housing community mortgages. Similarly, programs designed to enable the conversion of investor-owned communities into resident-owned communities should offer preferential terms to incentivize the process.



Enact a unified, comprehensive Community Reinvestment Act modernization effort that supports affordable housing and community development lending in low- and moderate-income communities

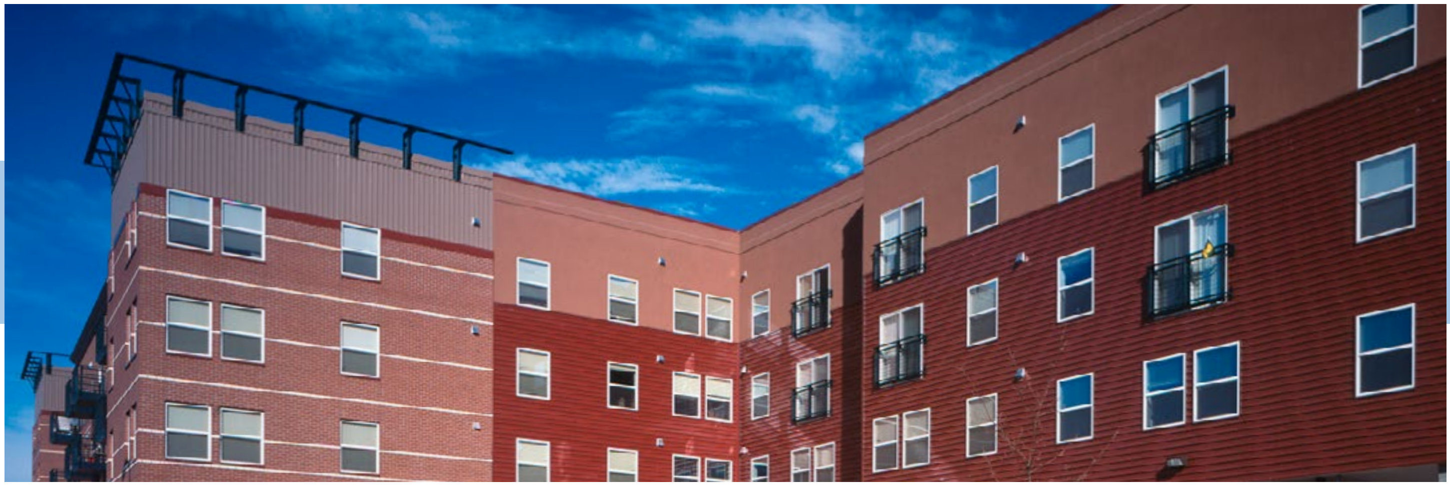
The Community Reinvestment Act (CRA) was enacted largely as a response to "redlining," a discriminatory practice in which banks would deny loans to residents living in neighborhoods with high shares of families of color. Therefore, any CRA reform effort must retain the original purpose of the law: helping low- and middle-income (LMI) and minority borrowers and communities gain access to financial services, loans, and community development investments that would otherwise be unavailable. In spring 2020, the Office of the Comptroller of the Currency (OCC) broke from the long-standing practice of consistent CRA regulations across all banking regulators and released its own, deeply flawed rule that eliminated the standalone community development test and evaluated banks' performance largely based on the overall size of their eligible activities rather than their impact. In fall 2020, the Federal Reserve issued its own Advance Notice of Proposed Rulemaking that also seeks to update the CRA to reflect changes to the banking system while "addressing ongoing systemic inequity in credit access for minority individuals and communities." Given the incompleteness of the OCC rule (critical components have yet to be promulgated), the Federal Deposit Insurance Corporation's decision not to adopt the OCC rule after joining the rulemaking process, and the Fed's current efforts, we believe the most prudent course of action is to shift to a unified rulemaking process that reinforces the original intent of the legislation while adapting to technological and other shifts in the financial system.

Project a path forward for housing finance reform

Enterprise has long advocated that any housing finance reform effort must a) ensure stable access to affordable single-family and multifamily credit for all eligible borrowers, both across geographies and throughout the business cycle, b) promote broad access to sustainable homeownership for all creditworthy families, and c) expand support for rental housing that is affordable to low- and moderate-income households. Actions taken by FHFA to end the conservatorships of Fannie Mae and Freddie Mac, the government sponsored enterprises (GSEs), put all of those objectives at risk at a time in which the GSEs are playing a critical role in keeping people stably housed by offering mortgage forbearance for single family and multifamily borrowers impacted by Covid-19. The Biden-Harris Administration must send a strong signal through the Treasury Secretary that the conservatorships will be ended only after substantive reforms are adopted that strengthen the GSEs' affordable housing and Duty to Serve obligations with an equity forward approach. Likewise, the recent rule on the GSEs capital framework must be revised so as to not to disproportionately raise the cost of mortgages to LMI and minority borrowers and to better support financing for affordable multifamily housing.

LEGISLATIVE ACTIONS FOR BUILDING A STRONGER, HEALTHIER AND THRIVING AMERICA IN THE 117TH CONGRESS

Housing policy matters to voters for two primary reasons. First, it is good economic policy. Home and community can provide a foundation for a productive life in good times and in tough times. Second, increasing the availability of housing that's affordable does more than simply improve the economy. It also leads to better health outcomes, improved education opportunities, and other social goods. Expanded investments in our nation's housing will provide families with the stability necessary to prioritize their health and succeed at school and work, leading to vibrant and thriving communities. Enterprise recommends Congress pass the following legislation in order to reap the cross-cutting benefits of affordable housing policy for Americans.



Maximize the Housing Credit through the enactment of the bipartisan Affordable Housing Credit Improvement Act

The bipartisan, bicameral Affordable Housing Credit Improvement Act (AHCIA) would strengthen and expand the Housing Credit, which, as noted above, is our nation's most successful tool for encouraging private investment in the creation and preservation of affordable rental housing.

In the 116th Congress, identical Senate and House bills contained more than two dozen provisions that drew on the expertise of many practitioners, developers, and Housing Credit advocates. Specifically, AHCIA would increase the Housing Credit allocation by 50 percent over current levels to help meet the vast and growing need for affordable housing — a step that would boost housing production over 10 years by 384,500 more homes than we are able to produce today. The bill would also enable the Housing Credit to better serve hard-to-reach communities including rural, Native American, high-poverty, and high-cost communities, as well as extremely low-income tenants.

Enterprise urges Congress and the White House to enact the bipartisan AHCIA as a critical step toward investing in our affordable housing infrastructure in communities nationwide.

Strengthen the preservation of Housing Credit units through the enactment of the Save Affordable Housing Act

Enterprise supports the passage of the bipartisan, bicameral Save Affordable Housing Act, as it would make a critical federal adjustment to the Housing Credit program by correcting the qualified contracts process, which currently allows owners of affordable housing properties to flip to market rate properties after only 15 years of affordability rather than the 30 years intended by Congress.

Recent analyses indicate that the qualified contract process is resulting in the premature loss of well over 10,000 low-income units annually. As of 2018, approximately 65,500 units nationwide had already been lost, and in that year alone owners served notice to state allocating agencies that they wanted to begin the qualified contract process on additional properties comprising approximately 10,398 units

Increase access to housing for Native Americans; reauthorize the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA)

Enterprise supports the passage of the bipartisan reauthorization effort since NAHASDA expired in 2013. The Native American Housing Assistance and Self-Determination Reauthorization Act of 2020 would reauthorize NAHASDA programs through 2031 and update several key provisions such as: creating an Assistant Secretary for Indian Housing at HUD; re-establishing a Drug Elimination program for tribal communities; consolidating environment review requirements; allowing student housing assistance; recognizing tribal sovereignty to govern maximum rent requirements; allowing tribal housing programs to access the IHS sanitation funding; making tribes eligible for HUD Housing Counseling grants; making tribes eligible for HUD Homelessness Assistance grants; reauthorizing Native Hawaiian housing programs; and other updates necessary to respect tribal sovereignty and better serve our First Americans.

Substantially increase investments into key Federal programs, including Community Development Block Grants (CDBG), the Public Housing Capital Fund, the national Housing Trust Fund and the Capital Magnet Fund

Enterprise respectfully requests that the new Administration and Congress consider the needs of the millions of low-income households across the United States without access to affordable homes when allocating appropriated resources and prioritize key housing and community development programs for the FY 2022 budget.

Partially as a result of constraints placed on policy makers as a result of the 2011 Budget Control Act, HUD's budget has steadily declined over the past decade, which has contributed to the discouraging trend of qualified Americans in need of assistance not receiving support. In fact, since the early 1980s HUD assistance has failed to reach at least 70% of eligible households.

In order to counter this trend and respond adequately to the additional challenges the nation faces as a result of the Covid-19 programs such as CDBG, the Public Housing Capital Fund, the national Housing Trust Fund and the Capital Magnet Fund must receive robust allocations.

CDBG is a critical resource for communities nationwide to invest in low- and moderate-income neighborhoods; producing and preserving homeowner and rental housing, providing fundamental infrastructure, vital public services and public improvements, and spurring economic development and public-private partnerships at the local level. CMF grants support the preservation, rehabilitation, development or purchase of affordable housing for low-income communities, as well as related economic development and community service facilities such as day care centers, workforce development centers and health care clinics. The Capital Fund provides funding to Public Housing Agencies who oversee the modernization and management of public housing developments.

Decades of inadequate funding for public housing capital funds have resulted in a backlog of capitol repair as much as $70 billion. By focusing on key programs such as these, low-income American families throughout the county will receive the support they need. Scaling up the capacity to deploy funds to preserve subsidized and unsubsidized affordable housing is critical to ensuring the ongoing viability of properties, many of which also have deferred maintenance due to age in addition to facing Covid-related increased operating costs. If we aren't able to ensure older affordable properties remain habitable, the pressure to raise rents on the remaining supply of unsubsidized affordable rental homes will increase. These units cannot be replaced at the rents they currently charge, so preservation is the most cost-effective strategy to maintain the existing supply of homes affordable to lower-income renters.

Increase funding and make key reforms to the HOME Investment Partnerships program

With more than more than 40 million jobs upended in recent months, many Americans have faced the very real possibility that they could lose their homes, the one place that is safe during the pandemic. Entire affordable apartment buildings housing millions of Americans are also at risk, as steep increases in operational costs and staffing needs take their toll on the organizations that own and manage these properties. The diverse nature of these challenges requires flexible solutions that are capable of meeting local needs as they arise. No program is better suited to address the wide range of housing challenges we face as a nation than the HOME program, which is our country's most flexible and proven affordable housing program for delivering resources to communities of all sizes. Not only is HOME central to efforts to combat the affordable rental housing crisis, but it also meets critical homeownership needs by allowing states and localities to provide down payment assistance to credit-worthy home buyers, lower mortgage interest rates, and assist with homeowner rehabilitation. Enterprise strongly encourages the Administration and Congress to provide robust increases in funding for the HOME program through the regular appropriations process (as well as Covid-19 relief legislation as noted above).

Enterprise also supports efforts to modernize and reauthorize the HOME program. Initially authorized in the Cranston-Gonzalez National Affordable Housing Act of 1990, HOME was last reauthorized in the Housing and Community Development Act of 1992. This act set authorized funding levels for the program through 1994, but since then, congressional appropriators have been funding HOME even though its authorization lapsed. Enterprise urges Congress to reauthorize the HOME program once again and increase the HOME authorized funding level by an amount no less than what would be necessary to index the program to inflation to make up for the loss in purchasing power since 1994. In modernizing the HOME program, Congress should also consider common sense reforms such as eliminating the 24-month commitment deadline, a provision that has been included in appropriations legislation since FY 2017.

Boost funding for HUD's Section 4 program to build the capacity of housing providers (including tribes, Tribal Housing Authorities, Tribally Designated Housing Entities and Native Community Development Financial Institutions)

The purpose of the Section 4 program is to enhance the technical and administrative capacity of community development corporations (CDCs) and community housing development organizations (CHDOs) so they can help strengthen rural and urban communities across the nation by developing affordable housing, financing small businesses, revitalizing commercial corridors, and helping address local healthcare, childcare, education, and safety needs . As noted above, many grantees are currently reporting an increased need for the program's flexible resources to sustain their operations during the Covid-19 pandemic Along with providing emergency Section 4 funds to combat Covid-19 and the economic downturn, Enterprise also urges Congress to boost annual funding for the Section 4 program to continue increasing the capacity of these critical non-profit organizations and bolster their impact and ability to serve communities across the country.

Permanently extend and expand the New Markets Tax Credit (NMTC) program through the passage of the New Markets Tax Credit Extension Act

The New Markets Tax Credit (NMTC) is an important financing tool to help spur investment in distressed rural and urban communities, and Enterprise urges Congress to pass legislation to permanently extend and expand the program.

According to data from 2019, since the program's inception in 2000 NMTCs have delivered over $100 billion in total project financing to over 6,000 projects, helping finance over 2,000 federally qualified health centers, schools, daycare centers, apprenticeship programs, treatment facilities, and other essential services. The program has also created one million jobs at a cost to the Federal Government of less than $20,000 per job.

Enact the Neighborhood Homes Investment Act to revitalize distressed urban, suburban, and rural neighborhoods using federal income tax credits

In many communities across the country, the absence of affordable and quality homes undermines neighborhood stability and families' ability to build their wealth through homeownership.

The Neighborhood Homes Investment Act is important legislation that would provide a tax credit to cover a portion of the construction and rehabilitation costs of owner-occupied homes in these communities. Over ten years, the legislation could support the development and rehabilitation of 500,000 homes for homebuyers, generate $100 billion in new investment, create nearly 800,000 jobs paying $43 billion in wages, increase nearby property values, and produce $29 billion in tax revenue.

Enterprise recognizes the importance of building new homes or rehabilitating abandoned or deteriorated homes in communities characterized by high poverty, low incomes, and low home values and supports the passage of this bipartisan, bicameral legislation.

Strengthen data collection and reporting requirements for the Opportunity Zone (OZ) tax incentive through the passage of legislation like the 116th Congress' S. 1344, to ensure the program serves low-income residents and businesses

Created in the 2017as a component of the Tax Cuts and Jobs Act, OZs are designed to drive long-term capital into low-income communities across the country, using tax incentives to encourage private investment into designated census tracts. Enterprise is committed to ensuring that the OZ tax incentive serves low-income residents and businesses, as was intended by Congress, and worked closely with members of Congress to introduce reporting requirements legislation for the OZ program in the 116th Congress, specifically S.1344.

Introduced by Senators Cory Booker (D-NJ), Tim Scott (R-SC), Todd Young (R-IN), and Maggie Hassan (D-NH), Enterprise supports the reintroduction and enactment of this bipartisan legislation to establish the collection of invaluable information related to the OZ program, including where investments are being made, what is being invested in, and the amount of private capital moving into low-income communities.

Expand our national commitments to ending homelessness

America's affordable housing shortage is inextricably linked to homelessness. In many communities around the country, families displaced by rising housing costs experience temporary and sometimes long-term homelessness. On any given night, an estimated 550,000 people experience homelessness in America.

In recent years, the Federal Government has moved away from evidence-based best practices like housing first. Enterprise encourages the Biden-Harris Administration to reprioritize and reinvest in proven solutions like housing first, permanent supportive housing, and rapid rehousing, along with the creation of innovative new programs to help people in situations we know commonly lead to homelessness.

We recommend increasing funding for permanent supportive housing with wrap-around services and rapid re-housing, so that a full spectrum of housing assistance is available to help people experiencing chronic homelessness access shelter and eventually stable housing. Additional resources are needed to provide an adequate supply of permanent supportive housing for people with higher service needs, and rapid re-housing solutions for people who need a boost of support to get back on their feet. We also must ensure that people experiencing are eligible for mainstream affordable housing programs.

Fund legal counsel for low-income tenants facing eviction

In order to ensure Americans experiencing homelessness is rare, brief, and non-recurring, we must not only provide resources to lift people out of homelessness, but also prevent people from falling into homelessness in the first place. Low-income households that are evicted are at high risk of experiencing homelessness, for example. A new federal program can be modeled off and amplify existing successful state and local legal aid programs to help prevent families facing eviction from entering homelessness. Interventions such as right-to-counsel programs have been proven to prevent eviction and result in a range of positive outcomes for tenants.

Enterprise recommends establishing a federal program that funds legal counsel for households at risk of eviction, which can help address the lack of representation among tenants during court hearings and dramatically increase housing stability for low-income households. Legislation like the 116th Congress's H.R.5884, Legal Assistance to Prevent Evictions Act of 2020, would establish a competitive federal grant program that would provide legal assistance at no cost to eligible tenants facing eviction. The grant allocation method would favor organizations that have track records of providing legal services to low-income populations and operate in census tracts with high rates of eviction.

Create new federal programs dedicated to assisting people exiting the foster care and criminal justice systems so that populations at high risk of experiencing homelessness can transition into communities with the necessary support and services to remain stably housed

Newly released individuals from the criminal justice system and youth who age out of the foster care system typically face challenges in securing employment and financial stability. Additionally, these individuals typically have difficulty affording rental housing and are at higher risk of experiencing housing instability and homelessness. Addressing these challenges requires authorizing federal aid in the form of rental assistance to help these vulnerable populations access emergency/transitional housing, and then transition into permanent affordable housing.

Enterprise encourages the Federal Government to establish new federal programs that would provide qualified mission-driven organizations with operating funds and rental assistance to rapidly rehouse individuals who are released from the criminal justice system or age out the foster care system. In addition to housing assistance, federal funds are needed to provide supportive services necessary for attaining financial and housing stability. This includes medical services, employment assistance, financial counseling, and housing search assistance. HUD should evaluate former Secretary Carson's pilot on the use of housing choice vouchers for young people aging out of the system.

Provide adequate funding for Multifamily Preservation and Revitalization (MPR) along the lines of - the Strategy and Investment in Rural Housing Preservation Act of 2019 and revitalize new construction of rental housing in rural America

In many rural communities, the rental housing financed by USDA - mostly through its Section 515 Rural Rental Housing program - is the only affordable housing. According to a 2016 USDA report, the cost to preserve and maintain this portfolio of some 400,000 units over 20 years totals $5.6 billion. According to a recent report by the Housing Assistance Council, mortgage maturing projects between 2016-2027 total over 700 developments and close to 18,000 units per year. Over the next four to five years, maturities will accelerate averaging up to 3,000 developments and up to 92,000 units with that trend continuing through 2050. When these units enter the private market, rent for thousands of families will increase dramatically.

Rural communities also need a new construction program. The USDA section 515 rural rental housing loan program for new construction was abandoned long ago. Without a new program aimed at affordable housing construction, rural communities will continue to lack an important source of capital to finance housing and leverage other resources, most notably the Housing Credit. As section 515 financing for new construction dwindled and finally came to an end, Housing Credit allocations to rural communities fell by two-thirds.

Increase appropriations for Rural Rental Assistance

An estimated 18.5% of residents of USDA rental housing (72,000 households) do not receive rental assistance from USDA, HUD or state sources. All are low income with annual incomes of only $13,500, and the vast majority pay more than 30% of their income for rent. Additional funding for rural rental assistance will not only help families in need, but also shore up the finances of many affordable housing developments. The approximate cost to cover these additional households is $350 million.

Improve housing conditions for agriculture workers

There are approximately 3 million migrant and seasonal farmworkers in the United States. These essential workers show up to work every day to maintain our domestic food supply. Unfortunately, they also face the greatest housing challenges of all rural people. According to the most recent National Agricultural Workers Survey, 33% of all farmworkers and 45% of migrant farmworkers live in crowded dwellings. Moreover, farmworkers and their families also suffer from poverty. 61% of farmworkers earn incomes below the poverty line. Consequently, three out of every five farmworker families live below the federal poverty line. Section 514 and 516 are the only federal programs that provide affordable loans and grants, respectively, to purchase, construct, or repair rental housing for America's farm laborers. Enterprise recommends Congress and the Administration provide $60 million in section 514 loans and $20 million in section 516 grants in order to improve housing conditions for agriculture workers.

Increase the Rural Community Development Initiative to $12 million

Rural low-income areas experience distinct capacity challenges in responding to local affordable housing and community development needs. It's often difficult for these communities to apply for and receive public and private resources due to capacity constraints, which typically include small, under-resourced local governments and fewer community development organizations. The USDA's Rural Community Development Initiative program is an important resource for funding nonprofit housing and community development organizations that invest in housing, community facilities, and community and economic development projects in rural areas. The appropriation should be doubled to allow USDA to support more rural community development efforts.

Provide Housing Choice Vouchers for all eligible households

Families should have access to stable, quality housing they can afford in safe, well-resourced neighborhoods that are connected to jobs and with resources that support childhood development. However, most high-opportunity neighborhoods are unaffordable to low-income families, and rising rents force families to make hard choices between basic necessities. Before Covid-19, nearly 11 million renter households -- nearly one in four renters -- spent more than half of their income on housing costs alone, leaving them with very little for other important expenses such as childcare, transportation, healthy food choices, medical expenses, or retirement savings. Covid-19 has greatly exacerbated this problem.

The Housing Choice Voucher Program is the nation's largest federal rental assistance program, assisting over 5 million people in 2.2 million low-income homes. Vouchers offer an important demand-side solution, helping low-income families struggling to pay rising rents and ideally providing greater choice about where to live. Unfortunately, there aren't enough vouchers to assist all those in need. In fact, three out of four eligible low-income, at-risk renters do not receive federal housing assistance.

Vouchers reduce homelessness and give families an opportunity to move to higher-opportunity neighborhoods. In order to ensure everyone is sufficiently housed, we must not only build and preserve affordable housing stock, but we should also help low-income families afford their choice of housing in neighborhoods that best meet their families' needs.

Strengthen Fair Housing Act protections to include source of income, veteran status, familial status, sexual orientation, and gender identity. Legislation like the 116th Congress' S.1986 would expand the Fair Housing Act's protections to prohibit discrimination based on source of income or veteran status

Currently, the Fair Housing Act prohibits housing discrimination on the basis of race, color, national origin, religion, sex, familial status, and disability. Unfortunately, low-income households that have secured a Housing Choice Voucher often still face an uphill battle in finding affordable homes because a landlord is unwilling to accept the subsidies as a "source of income" for rent payments. This issue extends to veterans served by the HUD-VASH Program, which helps veterans experiencing homelessness and their families afford decent, safe, and sanitary housing through housing vouchers. The 116th's S.1986 would have expanded the Fair Housing Act's protections to prohibit discrimination based on source of income or veteran status. Working with a broad range of partners, Enterprise has co-led efforts to advance source of income discrimination protections at the state and local level in a number of jurisdictions, including Denver (CO) and New York State. These state and local efforts can help shape a national effort to prohibit discrimination based on source of income or veteran status. Enterprise supports fair and equal access to housing and call on Congress to expand Fair Housing Act protections to explicitly prohibit discrimination on the basis of source of income, veteran status, sexual orientation, gender identity, or marital status.

Ensure housing is included in infrastructure legislation

Housing is fundamental to our national infrastructure, and as such the new Congress should work with the administration to ensure that housing is at the core of any infrastructure package considered. Opportunity for Americans begins with affordable, well-designed homes in thriving communities, and by creating more affordable homes you are opening pathways for hard working American families to reach their full potential.

Congress can use the 116th's H.R 2, the *Moving Forward Act* which incorporated a number of critical housing provisions, as a framework. The *Moving Forward Act* would have provided over $100 billion in funding for affordable housing infrastructure, including authorizing $70 billion for the Public Housing Capital Fund, $10 billion for CDBG, $5 billion for HOME, $5 billion for the Housing Trust Fund, $2.5 billion for the Capital Magnet Fund, $1 billion for the USDA's Multifamily Preservation and Revitalization Demonstration program, and $1 billion Native American Housing Block Grant program.

H.R. 2 would also have strengthened and expanded the Housing Credit by enacting numerous provisions, including but not limited to: expanding states' Housing Credit allocations; reducing the "50 percent test" for bond-financing to 25 percent; and enacting basis boosts for properties serving extremely low-income households, those in rural communities and Indian lands, and bond-financed properties. The *Moving Forward Act* would also have expanded and made permanent the NMTC.

Reform disaster recovery programs at FEMA, SBA, and HUD to ensure Black, indigenous, and other people of color and other low-income families who rent their homes or own small businesses do not fall through the cracks after disasters

While disasters can hit anywhere, the day to day stressors of our changing climate disproportionally affect socially vulnerable communities, including low income communities and communities of color. For example, poorer populations and people of color tend to be less likely to have the resources necessary to prepare for a disaster and tend to lack the savings needed after disasters strike.

Evacuating alone can be too costly for many, given that even before Covid-19 fewer than 40% of Americans had enough savings to cover a $1,000 emergency. These communities are also more likely to live in physically vulnerable areas that have greater natural hazard risks due to historical, economic, and political factors, and live in lower-quality homes that are less stable in the high winds of hurricanes and tornados. The result, as the data shows, is that natural disasters exacerbate wealth inequality.

In addition to this disparate impact, past rebuilding programs have emphasized home rebuilding for homeowners, which has the consequences of skewing money towards higher income households and keeping affordable homes in hazardous locations. Instead, the Biden-Harris Administration and Congress should work toward ensuring equitable distribution of funds between homeowners and renters based on unmet needs. One type of housing assistance should not be provided at the expense of the other.

Permanently authorize HUD's Community Development Block Grant – Disaster Recovery program

HUD's CDBG-DR program has become a critically important resource for urban, suburban, and rural communities recovering from natural disasters, including hurricanes, coastal and riverine flooding, tornadoes, wildfires, and mudslides. Grantees can use CDBG-DR funds to pay for repairs and rebuilding of apartment buildings, cover small businesses' uninsured losses, and repair damaged infrastructure and reopen hospitals and schools. However, since Congress has not codified CDBG-DR, HUD has never asked for public input on how to improve the program. Permanent authorization and the formal rulemaking process would bring greater transparency to CDBG-DR and result in greater stakeholder engagement in the process. Additionally, the permanent authorization of the program would allow HUD to have greater hiring authority and capacity to administer CDBG-DR, which in turn would enable HUD to provide more assistance to grantees and better oversight of grantee use of taxpayer funds.

Enterprise urges Congress to permanently authorize CDBG-DR, a legislative action that would enable more efficient use of disaster recovery funds and increase accountability and transparency of how the funds are used and who they serve.

Amend the Stafford Act to prioritize assistance for disaster victims least likely to recover without significant support, such as elders, people with disabilities, people with limited English proficiency and/or literacy, and very low income people

Disaster recovery regulations need safeguards to ensure that funds reach people and communities who have the greatest unmet needs and the least capacity and resources to recover without support. The Biden-Harris Administration and Congress should work to address these disparities by amending the Stafford Act, which prohibits consideration of income in FEMA programs.

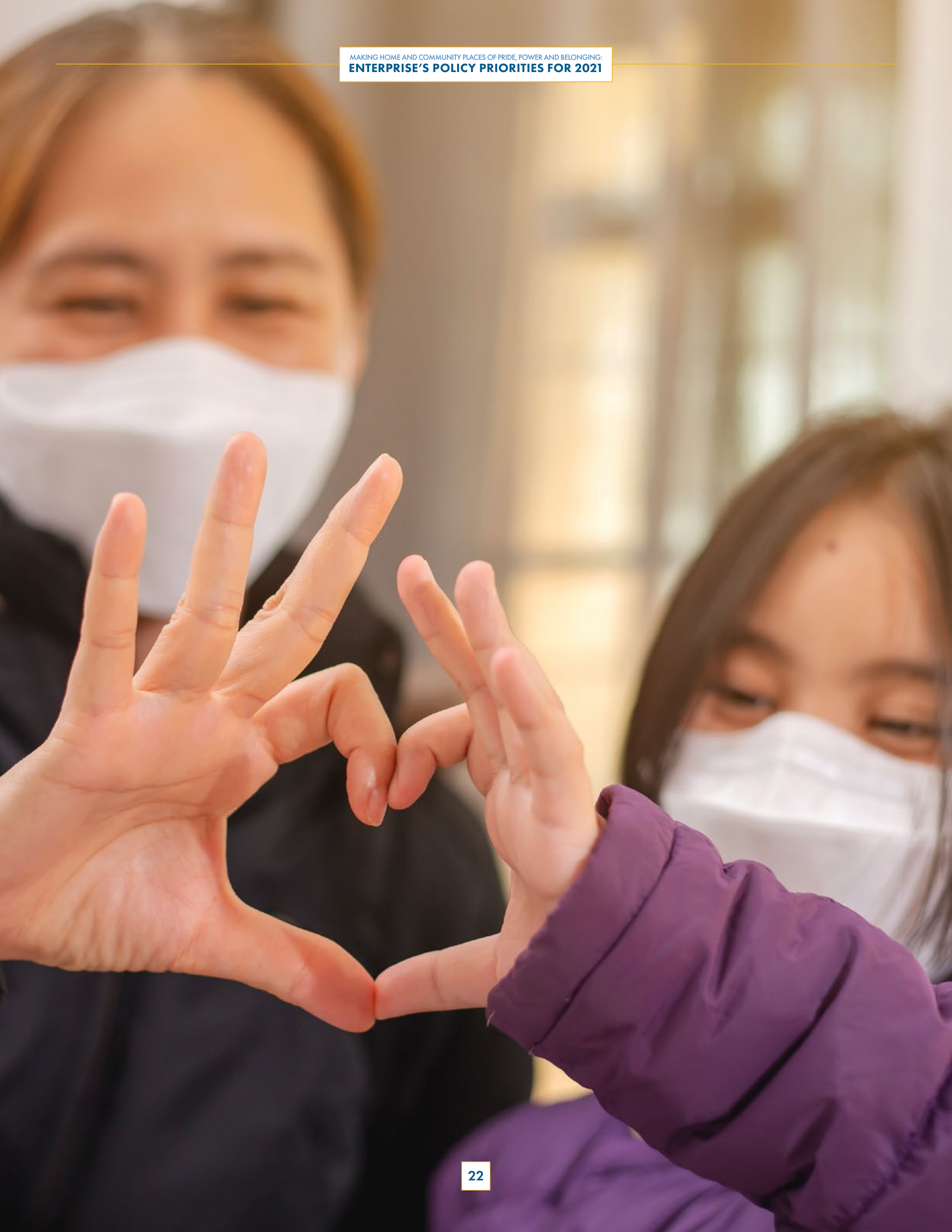
After a major natural disaster, families experience elevated levels of financial and emotional stress due to a range of factors including dislocation, exposure to environmental hazards and unemployment. Survivors also confront a complex and opaque web of federal agencies and have the burden of determining which forms of assistance they are eligible for. HUD should coordinate with FEMA and SBA to develop a common application for federal disaster assistance. This directive could be accomplished through either legislation or Executive Order.

In addition to this, they should require that housing counseling and case management is provided to all families that request or may need assistance after a disaster. These services are most necessary for low-income people to help them navigate potential program intake backlogs to ensure that they are served in a fair and timely manner. These requirements will preempt time-consuming decision making for grantees and better serve those vulnerable populations with the least capacity to recover without federal assistance.

Create a National Infrastructure Bank to further private investments in resilience

The need for resilient infrastructure finance is on the rise, as we continue to witness higher frequency and intensity of climate change-induced extreme weather events. However, state and local governments face challenges in funding resilient infrastructure, largely due to the inflexibility of federal systems in enabling state and local governments to leverage private financing for resilient infrastructure development.

Enterprise encourages Congress to establish a National Infrastructure Bank (NIB) to enable states and cities to leverage private financing, such as private loans or loan guarantees, to rehabilitate and enhance the resilience of the U.S. infrastructure, including affordable housing. Revenues generated from resilient infrastructure projects would be used to repay these loans and recapitalize the NIB to fund new investments.



MAKING HOME AND COMMUNITY PLACES OF PRIDE, POWER AND BELONGING:

ENTERPRISE'S POLICY PRIORITIES FOR 2021

Enterprise®