



The Honorable Joseph Biden  
President  
United States of America  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

The Honorable Nancy Pelosi  
Speaker  
United States House of Representatives  
1236 Longworth House Office Building  
Washington, DC 20515

The Honorable Charles Schumer  
Majority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

Dear President Biden, Speaker Pelosi, and Leader Schumer:

**The Council of Large Public Housing Authorities (CLPHA) and the MTW Collaborative strongly urge you to maintain investments in the Low-Income Housing Tax Credit program as part of your historic Build Back Better legislation.** We applaud the historic \$150 billion in affordable housing and public housing investments in the initial and revised legislation of the \$1.75 trillion budget reconciliation proposal released by Congress and supported in the Biden Administration's Build Back Better (BBB) Act. These new investments will transform the lives of millions of Americans by making public housing safe and sustainable for generations to come and significantly expanding rental and homeownership assistance.

However, the Low-Income Housing Tax Credit (LIHTC) is a critical tool for developing affordable housing, and essential for leveraging the capital required to develop and redevelop aging public housing infrastructure. Strengthening the LIHTC is essential to successfully leveraging and increasing the impact of the combined \$150 billion in new BBB housing investments.

We strongly urge that the following provisions be included in the final BBB legislation:

- *Increase the annual Housing Credit allocation by 60 percent.*

- *Lower the bond financing threshold from 50 to 25 percent for seven years to unlock additional Housing Credit resources.*
- *Provide up to a 50 percent basis boost for developments serving Extremely Low-Income (ELI) households for 10 years (2022 to 2031).*

The current Housing Credit production provisions in the House Ways and Means Committee-passed Build Back Better Act would provide an additional 1.4 million affordable homes and house an estimated 3.2 million low-income people and people experiencing homelessness. If the Housing Credit program is left out of this legislation, we will see a 12.5 percent reduction in its resources due to the expiration of the temporary increase in Housing Credit authority provided in the Consolidated Appropriations Act of 2018.

Since 1996, PHAs have depended on LIHTC to reposition their public housing stock under the Rental Assistance Demonstration (RAD) and the HOPE VI and Choice Neighborhoods programs. They have become key developers of affordable housing in their communities. HUD has estimated that RAD accounted for roughly 25 percent of all 4% LIHTCs from the years between 2014-2017, and around 10 percent of all 9% LIHTCs. They have also estimated that if the entire public housing stock were converted to RAD, the program would utilize three-fifths of all 4% LIHTC allocations and one-fifth of all 9% LIHTC allocations over a 10-year span.

As active members of the A Call To Invest in Our Neighborhoods (ACTION) Campaign Steering Committee, we stand in support of their BBB legislative priorities and those of the affordable housing advocates and industry groups they represent. Thank you for your consideration of our request and we look forward to working with you as we work to advance the Build Back Better agenda.

CLPHA and the MTW Collaborative represent the interests of over 100 local public housing authorities (PHAs).

Sincerely,

Council of Large Public Housing Authorities  
MTW Collaborative

cc:

The Honorable Susan E. Rice, Assistant to the President for Domestic Policy  
The Honorable Gene B. Sperling, Senior Advisor to the President  
Ms. Erika Poethig, Special Assistant to the President for Housing and Urban Policy