

December 8, 2022

The Honorable Patrick Leahy Chair, U.S. Senate Committee on Appropriations 437 Russell Senate Office Building Washington, DC 20510

The Honorable Richard Shelby Ranking Member, U.S. Senate Committee on Appropriations 303 Russell Senate Office Building Washington, DC 20510 The Honorable Rosa DeLauro Chair, U.S. House Committee on Appropriations 2413 Rayburn House Office Building Washington, DC 20515

ASSOCIATION

The Honorable Kay Granger Ranking Member, U.S. House Committee on Appropriations 1026 Longworth House Office Building Washington, DC 20515

Dear Chair Leahy, Vice Chair Shelby, Chair DeLauro, and Ranking Member Granger:

The undersigned national associations represent for-profit and non-profit owners, operators, developers, lenders, property managers, housing agencies and housing cooperatives involved in the provision of rental housing, both affordable and conventional. We are writing to urge your support for the inclusion, in a year-end omnibus appropriations bill, of a provision in the Senate draft of the Fiscal Year 2023 Transportation, Housing and Urban Development (THUD) Appropriations bill, that would improve our nation's supply of affordable housing in communities of all types including urban, suburban and rural that are in desperate need of increased housing production.

The language included in the draft THUD bill would provide \$200 million in competitive grants for state and local governments, and metropolitan planning organizations, to identify and remove barriers to affordable housing production. Recognizing and eliminating exclusionary policies, zoning and density restrictions, onerous parking requirements, and other regulations, is an important step in decreasing barriers to housing production, increasing desperately needed supply, and improving housing affordability for millions of American families.

There is no doubt that America is facing a housing affordability crisis. Challenges are different from community to community, but facts are facts. Recent research from the National Multifamily Housing Council (NMHC) and the National Apartment Association (NAA) found that the U.S. needs to build 4.3 million apartment homes by 2035 to meet both future demand and an existing shortfall of 600,000 units¹. That shortage means there are too many people competing for not enough rental housing, which drives prices up. The rent increases seen in many areas of the U.S. in late 2021/early 2022 coincided with record low apartment vacancy rates (i.e., the number of empty and available apartments).

Again, we urge the inclusion of this important grant program in any year-end omnibus appropriations bill to improve housing supply and affordability. It would be an incremental and positive step to incentivize communities to recognize their own agency in addressing the housing shortage, create a framework for smarter policymaking, and provide the federal government a constructive role to play in reaching important housing policy ends.

Sincerely,

CCIM Institute Council for Affordable and Rural Housing Institute of Real Estate Management Manufactured Housing Institute Mortgage Bankers Association National Affordable Housing Management Association National Apartment Association National Association of Affordable Housing Lenders National Association of Home Builders National Association of Housing Cooperatives National Association of REALTORS® National Leased Housing Association National Multifamily Housing Council

¹ https://www.weareapartments.org/