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The Honorable Alex Padilla United States Senate 331 Hart Senate Office Building Washington, DC 20510

The Honorable Ken Calvert United States House of Representatives 2205 Rayburn Building Washington, DC 20515 The Honorable Adam Schiff United States Senate 112 Hart Senate Office Building Washington, DC 20510

The Honorable Dr. Raul Ruiz United States House of Representatives 2342 Rayburn Building Washington, DC 20515

Subject: Urgent Call for Federal Action to Protect Affordable Housing and Homelessness Services in the Coachella Valley

Dear Senators Padilla and Schiff and Representatives Calvert and Ruiz,

We, the undersigned members of the Housing Collaborative Action Network (Housing CAN), anchored by Lift to Rise and its lead institutional partner, Riverside County, write to express our urgent concern regarding recent federal actions that threaten affordable housing, homelessness services, and community development in our region.

The Coachella Valley is facing a deepening housing affordability crisis, where rent burden remains high, homeownership is increasingly unattainable, and homelessness is growing. Federal housing programs have played a critical role in helping our region make significant progress, allowing Riverside County to invest \$33.7 million in federal funds in fiscal year 2023-2024 to build affordable housing, improve neighborhoods, and provide essential services to residents including seniors, veterans, families with children, people with disabilities, people experiencing homelessness, and hard-working employees in key economic sectors.

These funds—primarily from the Department of Housing and Urban Development (HUD)'s HOME Investment Partnerships Program (HOME), Community Development Block Grant (CDBG), and Emergency Solutions Grant (ESG)—were instrumental in enabling the county to leverage nearly \$100 million in additional investment for affordable housing and community development, impacting thousands of Coachella Valley residents.

Our coalition is organized around a regional housing affordability initiative aimed at improving housing stability and economic mobility in the Coachella Valley by radically increasing the supply of affordable housing—10,000 units over 10 years. The Housing CAN's collective impact approach has already produced tremendous progress in affordable housing development. Before 2018, the Coachella Valley was producing an average of just 38 affordable housing units per year. Since the launch of our housing affordability initiative, we have created a pipeline of over 9,300 affordable units, with more than 1,200 units under construction each year. None of this progress would have been possible without sustained federal funding and support.

However, recent federal actions—including the freezing of Congressionally appropriated housing funds, mass firing of HUD employees, and the rollback of critical fair housing policies—pose an existential threat to our community's stability. Furthermore, the administration's proposed corporate tax rate cut will reduce tax liability for banks and investors, diminishing their incentive to purchase tax credits via the Low-Income Housing Tax Credit program, the nation's most important affordable housing financing vehicle. These actions would severely impede our ability to build affordable housing, provide vital homelessness services, and ensure equitable access to housing opportunities.

Stable and affordable housing is the foundation for health, economic security, and community prosperity. With federal funding for Medicaid, food assistance, and other supports also at risk, it is more important than ever to ensure that our community continues to remain stably housed. This is why, as a community, we strongly encourage you to collaborate with us and take the following steps to strengthen affordable housing in our region:

- 1. <u>Fully fund and protect key affordable housing and homelessness programs</u> across several federal agencies, including:
  - Department of Housing and Urban Development (HUD): HOME Investment Partnerships Program (HOME), Community Development Block Grant (CDBG), Community Development Block Grant Disaster Recovery (CDBG-DR), Emergency Solutions Grant (ESG), Continuum of Care Program (COC), the Housing Choice Voucher (HCV) program including its Project-Based Voucher component, Tribal housing programs, Section 4 Capacity Building for Community Development and Affordable Housing Program, Section 202 Housing for the Elderly, Section 811 Housing for Persons with Disabilities, Housing Opportunities for Persons with AIDS Program (HOPWA), Housing Trust Fund (HTF), Rural Capacity Building for Community Development and Affordable Housing (Rural Capacity Building) program, the Self-Help Homeownership Opportunity Program (SHOP).
  - **Department of Agriculture (USDA):** Section 502 Direct Loan Program, Section 502 Guaranteed Loan Program, Section 504 Home Repair program, Multifamily Housing Direct Loans program, Multifamily

Housing Loan Guarantees program, Section 521 Stand-Alone Rental Assistance program, Section 523 Mutual Self Help Technical Assistance and Section 524 Rural Housing Site Loans program.

- **Department of Veterans Affairs (VA):** HUD-Veterans Affairs Supportive Housing (HUD-VASH) program and Supportive Services for Veteran Families (SSVF) program.
- **Department of Health and Human Services (HHS):** various programs to address homeless across HHS sub-agencies including Administration for Children and Families (ACF), Centers for Medicare & Medicaid Services (CMS), Health Resources and Services Administration (HRSA), and the Substance Abuse and Mental Health Services Administration (SAMHSA).
- **2.** <u>Demand the immediate release of frozen Congressionally appropriated housing funds</u> to ensure that local governments and service providers can continue delivering critical housing and homelessness programs.
- 3. <u>Demand the restoration of HUD's staffing capacity</u> to not only ensure timely processing of housing programs but also to enforce housing quality standards and anti-discrimination laws.
- 4. Oppose changes to the federal tax code and the Community Reinvestment Act (CRA) that would disincentivize participation in and reduce the impact of the Low-Income Housing Tax Credit program and other community development tax incentives, especially the reduction of the corporate tax rate and reversal of 2023's CRA rule change.
- 5. Oppose any efforts to weaken the Affirmatively Furthering Fair Housing and Equal Access Rules, which play a critical role in preventing housing discrimination and promoting equal access for historically marginalized communities.

Federal partnership is essential to our region's ability to build housing, prevent homelessness, and create a healthy, stable, and prosperous future for all Coachella Valley residents. We call on you to use all legislative and oversight tools at your disposal to protect funding and policies that keep our communities housed and improve our neighborhoods.

We appreciate your leadership and commitment to ensuring that all Coachella Valley residents have access to safe, stable, and affordable housing. We welcome the opportunity to meet with your offices to discuss these urgent concerns further.

## Sincerely,

Stephen C. Padilla V. Manuel Perez Ian Gabriel Director of Collective Impact Fourth District Supervisor California State Senate Lift to Rise County of Riverside Eighteenth Senate District Steven Hernandez Ariel Tolefree-Williams Bruce Whitman Mayor Housing Services Administrator Mayor City of Coachella City of Palm Springs City of Indian Wells Leticia de Lara Charles McClendon Chris Christensen

Charles McClendon Chris Christensen Leticia de Lara
City Manager Chief Executive Officer City of Cathedral City Desert Healthcare District & RAP Foundation

Foundation

Darren Berberian Pedro S.G. Rodriguez Holly Benson **Development Partner** Executive Director / CEO President & CEO The Pacific Companies Coachella Valley Housing Coalition **Abode Communities** Joy Silver Ryan Sears Dave Thornton Chief Strategy Officer Policy Lead **Executive Director** Community Housing Neighborhood Partnership Hous-Habitat for Humanity of the ing Services (NPHS) Opportunities Corp. (CHOC) Coachella Valley Suzanne Anarde-Devenport Brande Orr Melanie Steele CEO Chief Strategy Officer **Executive Director Rural Communities Assistance** DAP Health Inland SoCal Housing Collective Corp. (RCAC) Christian Rodriguez Ceja J. Reyes Lopez R Justine Ross, Ph.D. Community Principal Lead Organizer CV **Executive Director** Kounkuey Design Initiative Inland Congregations United for UC Riverside Center for Commu-Change (ICUC) nity Solutions Gabriela Perez Jackson Loop Ginny Weissman Policy Director **Executive Director** Developer Southern California Association of New Harmony Inland Empire Latino Lawyers Association Non-Profit Housing (SCANPH) Adam Reed Dr. Conrado Bárzaga Vanessa Ali Vice President & Chief Project **Director of Student Services Executive Director** Riverside Legal Aid Officer Farmworkers Institute of Education

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