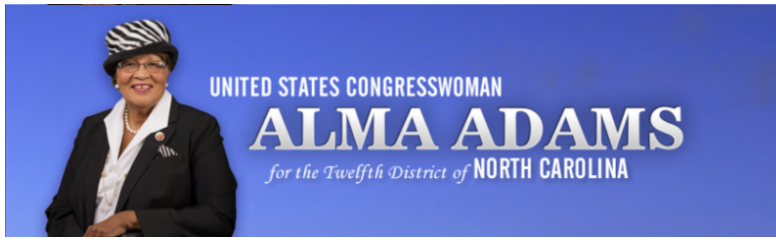


Adams Celebrates \$8 Billion Victory for Affordable Housing



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Adams, Collins, Leahy, Maloney, Rouzer Celebrate \$8 Billion Victory for Affordable Housing

Bipartisan bill unlocks billions for affordable housing

WASHINGTON, D.C. – Today, **Congresswoman Alma Adams (D-NC)**, **Senators Patrick Leahy (D-VT)** and **Susan Collins (R-ME)**, and **Representatives Carolyn B. Maloney (D-NY)** and **David Rouzer (R-NC)** announced their legislation, the *LIFELINE Act*, led to the publication of revised guidance by the Treasury Department that will unlock an additional \$8 billion for affordable housing from the American Rescue Plan Act’s State and Local Fiscal Recovery Fund.

“Too many families in Charlotte, North Carolina, and across the country are suffering due to the housing crisis. The \$8 billion in already-appropriated funds that this decision unlocks for affordable housing will be a lifeline for American families,” **said Congresswoman Adams**. “I want to thank our bipartisan co-leads for joining me on the LIFELINE Act and spurring the Treasury Department into action. This is a major win our community, for increasing housing stock and lowering the cost of housing for thousands of Americans and for our collective efforts to address the affordable housing crisis.”

“Increasing the nation’s housing supply is essential to lowering shelter costs over the long-term,” **said Deputy Secretary of the Treasury Wally Adeyemo**. “Treasury continues to strongly encourage state and local governments to dedicate a portion of the historic funding available through President Biden’s American Rescue Plan toward building and rehabilitating affordable housing in their communities and the actions being announced today will make it even easier for them to do so. Treasury appreciates the partnership with housing advocates and Members of Congress, including those who co-sponsored the LIFELINE Act, whose advocacy helped inform today’s announcement.”

“A lack of affordable housing in many communities in Maine and across the country is causing significant hardships for countless families. Low Income Housing Tax Credits can be an important part of the solution by leveraging private investments to significantly expand the supply of affordable rental units,” **said Senator Collins, Ranking Member of the Housing Appropriations Subcommittee**. “I am pleased that, following the introduction of our bill to remove red tape created by the American Rescue Plan and allow state and local governments to tap into the potential of this tax credit, Treasury has taken action to help more families find safe, affordable housing.”

“In Vermont, there is simply not enough housing, and during the pandemic, we saw how this shortage has a detrimental impact on the lives of too many Vermonters. That is why we introduced the LIFELINE Act, to unlock the full potential of ARPA dollars to create much-needed housing. I applaud Treasury for implementing the changes proposed in LIFELINE. Its new guidance, the result of a close partnership with Congress and housing practitioners, will direct additional dollars toward needed housing production and help ensure that families across Vermont and the country can live and thrive in safe, decent and affordable homes,” **said Senator Leahy, Chairman of the Senate Committee on Appropriations**.

“Families across New York and the country are feeling the ramifications of the housing crisis due to sky rocketing rents, limited affordable housing stock, and exorbitant housing related costs. The LIFELINE Act will provide a much needed \$8 billion for affordable housing,” **said Congresswoman Maloney, Chairwoman of the House Committee on Oversight and Reform**. “I am thrilled that - along with our bipartisan co-leads - we were successful in putting the necessary pressure on the Treasury Department to unlock these funds, which will serve as a lifeline for Americans who are struggling to get by as a result of the high cost of housing.”

“Communities in Southeastern North Carolina, like many others around the country, are facing an affordable housing crisis. Rather than let unspent COVID-19 dollars languish in bureaucratic red-tape, I’m pleased the Treasury Department will implement common-sense provisions included in the bipartisan LIFELINE Act to allow cities, counties, and states to utilize funds that have already been allocated by Congress to support affordable housing developments across the country,” **said Rep. Rouzer**.

“Representatives Adams, Maloney, and Rouzer’s and Senators Collins and Leahy’s tenacious leadership will get more affordable housing built in North Carolina and many other states,” **said Stockton Williams, executive director of the National Council of State Housing Agencies.** “Treasury’s announcement today of a policy based on her legislation is indeed a lifeline for countless working families who will have more stable and affordable homes.”

Additionally, [the NCSHA wrote today](#), “The bipartisan leadership of Senators Leahy (D-VT) and Collins (R-ME) and Representatives Adams (D-NC) and Rouzer (R-NC) was also instrumental in the development of Treasury’s policy. NCSHA commends them for their sponsorship of the LIFELINE Act, which led to this game-changing announcement.”

Background

Earlier this year, the Treasury Department issued a [Final Rule](#) pertaining to the State and Local Fiscal Recovery Fund (SLFRF), which was created by the American Rescue Plan Act of 2021 (ARPA). Per that rule, SLFRF dollars must be obligated by December 31, 2024 and expended by December 31, 2026.

In February, [the National Council of State Housing Agencies and other stakeholders wrote a “four corners” letter](#) in which they remarked, “As of this month, approximately half of states and countless local governments have chosen or proposed to dedicate a portion of their SLFRF to affordable housing uses, including as a supplemental financing source in Housing Credit developments. **We estimate current commitments to represent as much as \$8 billion in potential affordable housing investment, and maybe more.**”

As a result of present economic conditions, the cost of developing housing units has risen significantly. Over 20 states have declared their intention to use SLFRF dollars to offset those costs and ensure that the pipeline of affordable housing units will remain robust; however, Treasury’s original Final Rule presented an immediate and insurmountable barrier for states and localities wishing to do so. Because funds must be expended by 2026, states cannot continue to make LIHTC payments for the duration of previously negotiated contracts; nor can these funds be given immediately as grants without reducing the cost basis for developers and disincentivizing construction.

In March, Adams, Rouzer, and Maloney [introduced H.R. 7078](#), the ***LIHTC Financing Enabling Long-term Investment in Neighborhood Excellence Act or LIFELINE Act*** in the United States House of Representatives. The *LIFELINE Act* would make American Rescue Plan funds available for affordable housing developments receiving low-income housing tax credits. The *LIFELINE Act*, drafted in consultation with the Treasury Department, the authorizing committees for SLFRF, and housing stakeholders, provided the legislative solution required by deeming SLFRF dollars put towards housing credit development as considered expended in compliance with statutory requirements.

The language inspired [today’s guidance](#) from the Treasury Department.

In the House, the *LIFELINE Act* is cosponsored by **Representatives Rouzer, Carolyn Maloney, Kildee, Pingree, Budd, Pappas, Dean, Stansbury, Lawson, Kuster, Cicilline, Omar, Carson, Norton, Krishnamoorthi, Cherfilus-McCormick, Clarke, Titus, Cole, Welch, Evans, Manning, Ross, Blunt Rochester, Torres, Cleaver, Williams, Sherman, Lynch, Auchincloss, Butterfield, Brown, Lee, Stanton, Bonamici, Fitzpatrick, Green, Lee, Langevin, O’Halloran, and Hudson.**

In the Senate, S.4181, the *LIFELINE Act*, is cosponsored by **Senators Collins, Wyden, Bennet, Cortez Masto, King, Hassan, Padilla, Reed, Sanders, and Whitehouse.**

LIFELINE is endorsed by organizations including **Ability Housing, Inc, Affordable Housing Tax Credit Coalition, Applegate & Thorne-Thomsen, AURA Development & Advisory, LLC, Beacon Hill Capital, BRIDGE Housing, CAHEC, California Council for Affordable Housing, CCIM Institute, Centrant Community Capital, Cinnaire, CohnReznick, Community Revitalization and Development Corporation, Council for Affordable and Rural Housing, Council of Development Finance Agencies, Council of Large Public Housing Authorities, Council of State Community Development Agencies, CREA, LLC, CSH, Dauby O’Connor & Zaleski, LLC, Denton Housing Authority, DreamKey Partners,**

Eden Housing, Enterprise Community Partners, Evernorth, First Community Housing, Greystone Affordable Development, Hawaii Housing Finance, LLC, HDC MidAtlantic, Holland & Knight LLP, Housing Advisory Group, Housing Partnership Network, Illinois Housing Council, Impact Development Partners LLC, Institute of Real Estate Management, Iowa Housing Partnership, KCG Companies, LLC, Kittle Property Group, Inc., Kutak Rock LLP, Lincoln Avenue Capital, Local Initiatives Support Corporation, Low Income Investment Fund, Marble Cliff Capital, Massachusetts Housing Investment Corporation, Merchants Capital, Merritt Community Capital Corporation, Midwest Housing Equity Group, Mills Property Development, LLC, Mountain Plains Equity Group, National Apartment Association, National Association for County Community and Economic Development, National Association of Affordable Housing Lenders, National Association of Counties, National Association of Home Builders, National Association of Housing and Redevelopment Officials, National Association of Local Housing Finance Agencies, National Association of REALTORS®, National Association of State and Local Equity Funds, National Community Renaissance, National Council of State Housing Agencies, National Equity Fund, National Housing & Rehabilitation Association, National Housing Conference, National Housing Trust, National League of Cities, National Low Income Housing Coalition, National Multifamily Housing Council, National Neighborworks Association, Nevada HAND, Inc, Nixon Peabody LLP, Novogradac, Ohio Capital Corporation for Housing, Pennrose, LLC, Pennsylvania Developers Council, Public Housing Authorities Directors Association, R4 Capital LLC, RBC Community Investments, LLC, Roof Above, St. Louis Equity Fund, Stewards of Affordable Housing for the Future, Stonehenge Capital, The Community Builders Inc., The Michaels Organization, The NHP Foundation, United States Conference of Mayors, VCDC, and Wallick Communities.

Congresswoman Alma S. Adams, Ph.D. is in her fourth full term representing Charlotte and Mecklenburg County in the U.S. House of Representatives. She serves on the House Committee on Financial Services which oversees housing policy, one of Rep. Adams' "4H" policy priorities.

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