



March 5, 2025

The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable John Thune
Majority Leader
United States Senate
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Minority Leader
United States Senate
Washington, DC 20515

Dear Speaker Johnson, Minority Leader Jeffries, Majority Leader Thune, and Minority Leader Schumer:

I am writing to ask you to focus on a top driver of economic anxiety for most Americans today: housing costs. This is not a partisan issue and bipartisan solutions already exist. The American people need leadership in the Congress to prioritize taking action to bring down housing costs. I am President and CEO of Housing Partnership Network, a national business collaborative of more than 110 of the largest and most effective nonprofit housing developers, owner-operators and lenders with operations in almost every state. Collectively, our members have developed and preserved hundreds of thousands of homes, and served more than 16 million people through housing, community facilities and services. HPN's mission is to help millions of people gain access to homes they can afford in thriving communities. Our policy work is informed by the real world experience of our members who are working every day to improve their communities.

Housing costs are having harmful economic effects. Mortgage and rental payments are the single biggest factor keeping inflation above the Federal Reserve's 2% target. CEOs and mayors alike are concerned that a lack of housing supply and high housing costs are constraining the labor market and slowing regional economic growth. Working class Americans have viscerally felt the "stickiness" of housing costs as home prices and rents have skyrocketed. In the coming years, housing costs will be a major factor that will shape whether Americans feel economically better off.

These housing cost pressures that used to only be felt in big coastal cities are now a monthly worry for families all over the country, in urban, suburban and rural communities alike. A [2024 report](#) by the Joint Center for Housing Studies of Harvard University concludes that half of all renter households – 22.4 million – are cost burdened. [The National Association of Home Builders](#)/Wells Fargo Cost of Housing Index, a respected private-sector data source, indicates that close to 40% of a typical family's income is needed to pay the mortgage on the average new single-family home; that percentage leaps to more than 75% for low-income households.

While the data is clear, the only real way to understand this challenge is in the reality of the household budgets of hard-working Americans. When a teacher in a rural community cannot afford to live in the same county as his students, and still has to pay half of his income for housing, the urgency of the housing affordability crisis comes into sharper focus. When a retail service worker cannot afford the rent, she and her children are forced to share an overcrowded unit, or even live out of her car. When a nurse turns down a job in a community that desperately needs health care workers because she can't afford the cost of housing in that community, we can better understand how housing costs have consequences.

As a country, we have not built enough housing in recent decades. The gap is largest for modestly priced starter for-sale homes and attainable rental units. Dramatic increases in the cost to build, preserve, and operate housing in recent years make it even more challenging to meet the need. This requires a practical approach to tax and housing policies that incentivizes private investment and accelerates affordable housing development.

The uncertainty created by recent federal executive actions are already putting upward pressure on housing costs and shaking the confidence of private investors in this sector. We are seeing the threat of tariffs being priced into the cost of building materials, construction delays because immigrant workers are afraid to go to work sites, and cuts to the federal workforce are making federal housing programs less efficient.

We need leaders in Congress to come together to address housing production and affordability. Thankfully, proven bipartisan approaches already exist.

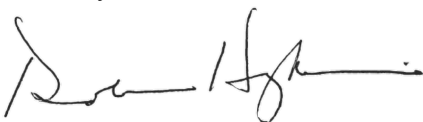
Congress can take the following actions to ease these burdens:

- Expand and strengthen the Low Income Housing Tax Credit (LIHTC). Since its inception in 1986, LIHTC has financed the development of 3.8 million affordable rental homes. Important expansions and improvements for LIHTCs were signed into law in 2018 and 2020. Last year, the House passed a bipartisan bill that would have expanded it.
- Make the New Markets Tax Credit (NMTC) permanent. The NMTC program incentivizes economic and community development in underserved areas, including financing for affordable homeownership. The last five-year expansion of the NMTC was signed into law in 2020. If left unaddressed in 2025, there will no longer be any resources available for the NMTC.
- Pass the Neighborhood Homes Investment Act (NHIA) to help finance the development and rehabilitation of single-family homes. NHIA would mobilize private investments to build and rehabilitate homes for lower- and middle-income homeowners in communities across the country.

- Protecting funding for the Community Development Financial Institution (CDFI) Fund at the Treasury Department and its critical programs. CDFIs finance hundreds of thousands of affordable housing units every year.
- Maintaining the resources made available through the HOME Investment Partnerships Program and the Community Development Block Grant. These programs provide critical resources directly to local communities to address their housing challenges. If you are interested in ways to make these resources even more effective, we would be happy to offer our ideas.
- Expand resources for housing counseling through HUD approved housing counseling intermediaries and support homeownership education which is a critical tool to help Americans reach their dreams of owning a home in the midst of a housing cost crisis.
- Provide the Secretaries of HUD, USDA, and Treasury with statutory authority to waive certain regulatory requirements for programs that support the production, preservation, and operation of affordable housing and to streamline reporting requirements in affordable housing deals that layer multiple sources of federal funding.
- Require the Federal Home Loan Banks to invest more in affordable housing, which would not be a cost the American taxpayer.

Please consider me and Housing Partnership Network's policy team as a resource to help you tackle the pressing issue of housing costs. Our team is available to you and your staff to provide any background or information you might need on how the above programs work on the ground and can improve the lives of your constituents.

Sincerely,



Robin Hughes
President and CEO
Housing Partnership Network

CC: Senator Tim Scott, Senator Elizabeth Warren, Senator Mike Crapo, Senator Ron Wyden, Senator Susan Collins, Senator Patty Murray, Representative French Hill, Representative Maxine Waters, Representative Jason Smith, Representative Richard Neal, Representative Tom Cole and Representative Rosa DeLauro