

June 17, 2020

The Honorable Mitch McConnell Senate Majority Leader 317 Russell Senate Office Building Washington, DC 20510

Sent via email

Dear Leader McConnell:

Thank you for your leadership in shepherding the CARES Act through final passage in March and the federal allocations taken to mitigate the effects of COVID-19. However, much remains to be done. As we write to you, we are 13 days from July rents being due. As a follow up to our call with Tiffany Ge on June 5, we offer the following recommendations:

Shelter Needs

Kentucky shelters have responded to the crisis, and thanks to their quick action, the spread of COVID-19 among shelters and people experiencing homelessness has been minimized. This also means much of the first and second allocations of ESG-CV is already obligated in incurred costs. Congress must appropriate an additional \$11.5 billion to allow shelters to address COVID-19 concerns through the summer. Paired with the first two allocations of ESG-CV, the National Alliance to End Homelessness believes this will be sufficient to address the needs through the rest of the year.

Rental Assistance

According to the Kentucky State Data Center at the University of Louisville, as of June 2, 27% of Kentucky households had either missed last month's rent or mortgage payment or have little confidence in ability to pay next month, making Kentucky the 10th highest housing insecure state in the union. The KSDC further explains:

"There were a total of 2,042,289 households that had a mortgage or rent payment due last month. Of those, 546,765 (26.7 percent) had housing insecurity (those who had missed last month's rent/mortgage and have no confidence in the ability to pay next month's payment). Of the total number of households with a mortgage/rent payment, 1,268,964 were Owners and 773,325 were Renters. The percentage of Owner-occupied households that had housing insecurity was 16.3 percent, while that of Renters was 44.0" (data request fulfillment to HHCK from KSDC on June 11, 2020)

This problem is now too large to solve with patchwork individual programs and private charitable giving. It requires federal intervention in the housing market. Research from the National Low Income Housing Coalition (NLIHC) indicates that \$100 billion in emergency

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rental assistance is needed to help keep the lowest-income renters stably housed. Without emergency rental assistance, these households will face the destabilizing impacts of evictions and, in worst cases, homelessness.

According to NLIHC, the HEROES Act also provides an additional \$13 billion to further address housing instability, including 100,000 new emergency housing vouchers targeted to people with the greatest needs, such as people experiencing or at risk of homelessness and survivors of domestic violence.

Eviction Moratorium

Housing stability will be crucial in the coming weeks and months, especially for low-income renters. The HEROES Act includes a uniform, 12-month eviction and foreclosure moratorium policy to protect all renters and homeowners at a time when our collective health depends on each of us staying home. This policy would address the current patchwork of responses. Between the CARES Act moratorium expiring on July 25, yet the courts are reopening, it is a confusing time for landlords and renters alike. Paired with rent relief, a federal moratorium is necessary to stabilize the overall housing market and protect renters and landlords from this unprecedented economic fallout.

State and Local Aid

The CARES Act package was a good start, but unfortunately only Louisville was large enough to receive a direct Coronavirus Relief Fund allocation. Without federal relief, the pressure on our state and local governments will have a direct negative impact on communities' ability to fund affordable housing locally, which we cannot afford as we work to strengthen Kentucky post-pandemic. This has already been documented in Lexington.

In closing, our policy asks are:

- \$11.5 billion in Emergency Solutions Grant funding
- \$113 billion in federal rental assistance
- Nationwide eviction moratorium for 12 months from enactment of legislation
- \$375 billion in state and local government fiscal relief

The economic fallout from COVID-19 could continue to be devastating to Kentuckians – but with targeted federal intervention, we could come out of this stronger than ever. Housing advocates and providers stand ready to deploy these funds and serve Kentuckians across the Commonwealth. Thank you for your commitment to support Kentuckians through the economic fallout and recovery from COVID-19.

Sincerely,

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Adrienne S. Bush, MPA Executive Director

The following entities endorse this letter:

Advocacy Action Network, Louisville Beattyville Housing and Development Corporation BRASS, Inc., Bowling Green Children's Alliance KY, Frankfort Coalition for the Homeless, Louisville Family Promise of Northern Kentucky, Newport Habitat for Humanity Pennyrile Region Home of the Innocents, Louisville Housing Development Alliance, Inc., Hazard Kentucky Affordable Housing Coalition, Shelbyville Kentucky Coalition Against Domestic Violence, Frankfort Kentucky Equal Justice Center, Lexington Kentucky Habitat for Humanity, Louisville Kentucky Voices for Health, Louisville Louisville Affordable Housing Trust Fund Matthew 25 AIDS Services, Henderson Mental Health America - Kentucky, Lexington New Directions Housing Corporation, Louisville Oasis, Inc., Owensboro Partnership Housing, Inc., Booneville Peoples Self-Help Housing, Vanceburg Shelter Barren County, Glasgow Shelter of Hope, Ashland SpringHaven, Inc., Elizabethtown St. John Center for Homeless Men, Louisville ThriveKY Coalition, statewide Welcome House of Northern Kentucky, Covington Wellspring, Louisville

Cc: Sen. Rand Paul Rep. James Comer Rep. Brett Guthrie Rep. John Yarmuth Rep. Thomas Massie Rep. Hal Rogers Rep. Andy Barr