

November 14, 2008

Hon. Barbara Boxer
Office of U.S. Senator Barbara Boxer
112 Hart Senate Office Building
Washington, D.C. 20510
Via fax (202) 228-2382

RE: SUPPORT FOR ENACTMENT OF A SECOND STIMULUS PACKAGE TO INCLUDE

Senator Boxer:

On behalf of the Southern California Association of Non-Profit Housing (SCANPH) representing 400 home builders, community development corporations, and advocates and organizations providing affordable homes to California residents and constituents, we respectfully request your support for enactment of a second stimulus package.

Many low income housing people have urgent housing needs that could be remedied by the inclusion of the recommendations described below into the next stimulus bill. We urge you to include housing assistance for people who have gone through foreclosure and protections for renters faced with eviction due to foreclosure; funding for public housing so that our nation's federal housing safety net can better aid the growing numbers of people in need of safe, decent and affordable housing; and, funding to assist Alabama families whose housing needs have gone unmet since Hurricane Katrina.

First, as the Senate's recent stimulus measure (SB3604) would have provided, SCANPH requests \$200 million for relocation and temporary housing assistance for tenants who live in homes that are foreclosed upon or are in default and where foreclosure is imminent. While we hope that the larger bill can work to arrest the nation's tidal wave of foreclosures, the reality is that many families will continue to lose their homes. Many tenants will be abruptly pushed into rental markets with limited funds for rent, security deposits and, probably, poor credit. It appears that as many as 40% of the families who have or could lose their homes due to foreclosure are renters. They are unlikely to get their security deposits returned and will incur unforeseen expenses to relocate to new rental housing. They are at high risk of joining the ranks of America's homeless.

Second, SCANPH also urges the next economic stimulus bill to include important protections for tenants in properties subject to foreclosure, providing renters with 90 days' notice before eviction and the right to remain in the property for the remainder of any lease, subject only to the right of the new owner to occupy the property.

Third, SCANPH urges the inclusion of \$5 billion for public housing capital funds. Our nation's public housing agencies have not been able to operate at their potential because they have been funded at levels well below what they actually need. Years of underfunding have caused the number of vacant public housing units to increase and housing agencies' rehabilitation needs to escalate. Public housing agencies take annual stock of their short- and long- term rehabilitation needs and, therefore, are very well suited to

expend stimulus funds quickly and effectively. Affordable homes could return quickly to the housing inventory. In addition to the jobs created, families would be housed.

Fourth, SCANPH also urges inclusion of \$110 million in disaster-related Community Development Block Grant (CDBG) funding for the state of Alabama. The funding being requested for Alabama is critical to the rebuilding and recovery of a region still trying to get back to normalcy three years after Hurricane Katrina. Out of the Gulf Coast states, Alabama is the lone state not to have received additional appropriations in FY09 for Katrina aid.

Finally, SCANPH is concerned about the expected loss of low-income housing tax credits as the result of the downturn of the investor market for those credits. Revenues from the sale of housing tax credits produce more than 100,000 affordable housing units each year. When the credits are not purchased by investors, affordable housing developers do not have the resources to produce new units. While housing credits had been projected to produce about \$9 billion in affordable housing resources this year, it is now estimated that only \$5 to \$6 billion will be generated. SCANPH welcomes Congressional action to address this \$3 to \$4 billion gap in affordable housing production resources.

These proposals fit the criteria for an economic stimulus as they are targeted, timely, and temporary. SCANPH would also welcome your support for increased and extended unemployment insurance benefits, increased food stamp and other food assistance program benefits, and temporary fiscal relief to states for America's working families with the enactment of a second stimulus package as well.

Thank you for considering our recommendations. Please contact me at (213) 480-1249 if you require additional information.

Sincerely,

Paul Zimmerman
Executive Director

November 14, 2008

Hon. Dianne Feinstein
Office of U.S. Senator Dianne Feinstein
331 Hart Senate Office Building
Washington, D.C. 20510
Via fax (202) 228-3954

RE: SUPPORT FOR ENACTMENT OF A SECOND STIMULUS PACKAGE TO INCLUDE

Senator Feinstein:

On behalf of the Southern California Association of Non-Profit Housing (SCANPH) representing 400 home builders, community development corporations, and advocates and organizations providing affordable homes to California residents and constituents, we respectfully request your support for enactment of a second stimulus package.

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Paul Zimmerman
Executive Director