

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



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,

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