February 28, 2020

The Honorable Firstname Lastname

#### Buildingname House Office Building

Washington, DC 20003

Re: FY21 Appropriations

Dear Representative Lastname,

Thank you for another year of strong representation of your constituents, who live in communities that we both work hard to strengthen. Thank you also for your continued support for investments in housing, community and economic development, community development financial institutions (CDFI’s), and all the federal programs that invest in our Appalachian communities.

I believe we agree that no government investment on its own can have the effectiveness of an investment combined with the right local leadership on the ground. We ask that you support local leaders having the resources to continue addressing our region’s needs by requesting of the Appropriations Committee at least the following investment levels in FY21:

1. $1.35 billion for HUD’s HOME Investment Partnerships, which our Members use throughout Appalachia to leverage other sources of funds to build homes and create jobs (nationally, more than $4.26 in public and private funds is leveraged for every $1 of HOME funds);
2. $1.25 billion for USDA Section 502 Direct Loans, from which more than 2.1 million families own a home and have built their wealth by more than $40 billion since the program’s inception;
3. $24 billion for USDA Section 502 Guaranteed Loans, which made the purchase of nearly 100,000 homes a reality in rural communities last year alone;
4. $304 million for the CDFI fund which provides the capital for institutions like Fahe operating in across America to help businesses and community projects unlikely to win bank financing;
5. $500 million authorization for the CDFI Fund Bond Guarantee Program that allows institutions like Fahe to collaborate and access affordable long term capital at no cost to taxpayers;
6. $28 million for loans and $36 million for grants for USDA Section 504 VLI Repair Loan and Grant Program that provides capital for cost-effective repairs of existing housing, much needed in Appalachia;
7. $45 million for HUD’s Capacity Building for Community Development (Section 4), which national intermediaries invest in regional intermediaries such as Fahe to build our capacity;
8. $200 million for USDA Section 515 Rental Housing Loans, which have been cut from $555 million since 1987, disadvantaging rural communities that want to leverage private sector LIHTC, the primary source of rental housing funding;
9. $35 million for USDA Section 523 Self-Help Housing, where families work nights/weekends to provide 65% of the labor, on average 1,000 hours, on their own and each other’s homes;
10. $10 million for the Self-Help Opportunity Program (SHOP), which has been a uniquely effective tool for creating successful low-income homeownership in rural America;
11. $5 million for Rural Capacity Building (RCB), which builds the national capacity for work in rural areas and helps local leaders in hard-to-reach rural places increase their impact;
12. $3.43 billion for Community Development Block Grants (CDBG), which make a meaningful difference to communities in Appalachia hoping for community improvements but lacking the resources of other parts of the country;
13. $175 million for the Neighborhood Reinvestment Corporation, or NeighborWorks America (NWA), which provides essential resources to 245 local organizations across the country that effectively connect people with housing opportunities and create numerous jobs;
14. $2.5 billion for Community Facilities Loans and $38 million for Community Facilities Grants that provide affordable funding to develop health, public buildings, and child care in rural areas;
15. $1.5 billion for Water-Wastewater Loans and $600 million for Water-Wastewater Grants that provide clean, reliable drinking water and ensure all of small town America can have safe and sanitary disposal infrastructure for sewage and other waste;
16. $25 million for USDA Intermediary Re-lending that provides loans to local organizations for relending to improve economic conditions and create jobs in rural communities;
17. $8 million for USDA Rural Community Development Initiatives that help fund community development organizations in rural areas to work with entrepreneurs and future homeowners;
18. $1 billion to continue to fully fund the USDA Loan and Grant Program Pilot Program for Rural Broadband (ReConnect), and additional funds necessary for full funding of other broadband programs to help erase the digital divide experienced by rural America;
19. $185 million to fully fund the Appalachian Regional Commission, including the proposed increase for broadband deployment found in the reauthorization bills scheduled for passage this fiscal year (H.R. 4434, S. 2273);
20. $1.1 billion for the Corporation for National and Community Service, which provides AmeriCorps service members for non-profits across the Region, not only providing capacity-building work, but also serving as the only inflow of young, talented, residents to many communities in Appalachia;
21. $2.777 billion for HUD Homeless Assistance Grants, which channel funding directly into communities to serve families experiencing homelessness, or at risk of homelessness. Transitional housing, shelter, prevention, rapid rehousing, and permanent supportive housing are all supported by this account;
22. $53 million for HUD Housing Counseling program, which supports non-profit experts in their work to house Americans by educating them on budgeting, credit, tenancy, and homeownership. The program costs only $48 per person educated, and, at $53 million, the appropriation would support more than a million consumers;
23. $1.5 billion for USDA Rural Rental Assistance, which assists low-income residents of rural areas with housing costs. While many wrongly assume that housing affordability is an urban-only issue, the fact is that 2.1 million rural households across the country pay more than 50% of their income to housing costs; and
24. Fully funding Section 8 voucher program, at least $2.78 billion, to renew all existing vouchers and expand this resource to more families.

These appropriations enable Fahe to invest in the families we’re working for and the region we both care about. As remains the case, greater investments are needed when places like Appalachia are, unfortunately, not sharing in our nation’s overall growth to the extent we’d both like to see.

On that subject of investments, I also wanted to call your attention the need to extend the USDA Community Facilities Re-lending Program appropriation made in 2016. This five-year, no cost, extension would allow CDFI’s like Fahe around the country to fully deliver needed community facility financing to the nation’s high poverty rural areas. As we rapidly approach the end of the original five year approval, this year’s appropriation process is the opportunity we need to seize to ensure the continued availability of these funds.

I would be glad to discuss any of these items more at your convenience, and I appreciate your consideration of our thoughts.

Sincerely,