

April 27, 2020

The Honorable Sidney Katz
President, Montgomery County Council
100 Maryland Avenue Rockville, MD 20850



Dear Council President Katz,

We are writing to urge the Montgomery County Council to prioritize the protections of low-income renters, and the preservation and creation of affordable housing during and after the COVID-19 crisis. According to the National Multi-family Housing Council, nearly one-third of renters were unable to pay their rent in April. Since then, an additional 15.7 million people have filed for unemployment insurance¹, and in Maryland, Montgomery County has the second highest number of unemployment claims.² And this does not include the over 60% of undocumented workers in jobs that have either put them at increased risk, or were hardest hit by COVID-19.³ In a county that was already struggling to meet the need for affordable housing, the need could not be greater.

To protect renters and preserve and create affordable housing, we support the recommendations proposed by MHP in their letter to the Council dated April 16, 2020. In particular, we urge the Council to dedicate up to \$20 million for rental assistance. Providing funding for rental assistance has many benefits:

- Maryland has issued an eviction moratorium. **Rental assistance is a necessary complement to eviction moratoriums.** Eviction moratoriums do not eliminate the obligation to pay rent. Unless relief is provided, renters who are impacted by the economic downturn and unable to pay back rents risk being evicted when the moratoriums expire.
- Rental assistance **helps to ensure that rental housing owners can continue to operate their buildings safely.** Many affordable rental units are in buildings that do not generate enough operating revenue to withstand a sudden loss of income. Deferred maintenance could put renters at risk and lead to a loss of much needed affordable housing.
- **Rental assistance will benefit the local economy**, and according to Making Home Possible, some of the most vulnerable small businesses in Montgomery County are reporting up to a 70% drop in sales. Providing relief to renters will help them stretch their limited income so they can afford other essential household needs. Helping building owners to maintain their properties allows them to continue to employ their staff and purchase local goods and services, as well as pay local taxes.

¹ <https://www.politico.com/news/2020/04/23/coronavirus-unemployment-claims-numbers-203455>

² <https://www.wbaltv.com/article/maryland-surpasses-300000-new-unemployment-claims-since-march-14/32250715>

³ <https://www.migrationpolicy.org/data/unauthorized-immigrant-population/county/24031>

- **Rental assistance will protect renters in need who do not currently receive federal rental subsidies.** Only 20% of renters who are in need of rental assistance currently receive it through federal housing programs. Tens of millions of renters living in Low Income Housing Tax Credit properties and naturally occurring affordable housing do not currently benefit from any rent subsidies.

At a time when Americans are being ordered to stay home, a person's immediate and devastating loss of income cannot be allowed to increase their risk of displacement. Montgomery County has the opportunity to be a true champion of the most vulnerable and provide rental assistance to families and individuals that is needed now.

Thank you for your consideration.

Sincerely,
Raymond Nevo
State Policy and Equity Advocate
National Housing Trust