

United States Senate

WASHINGTON, DC 20510

December 10, 2020

The Honorable Mitch McConnell
Senate Majority Leader
S-230, U.S. Capitol
Washington, D.C. 20510

The Honorable Charles Schumer
Senate Minority Leader
S-221, U.S. Capitol
Washington, D.C. 20510

The Honorable Richard Shelby
Chairman
Senate Committee on Appropriations

The Honorable Patrick Leahy
Vice Chairman
Senate Committee on Appropriations

Dear Leader McConnell, Minority Leader Schumer, Chairman Shelby, and Vice Chairman Leahy,

We write to request that the Senate immediately consider and pass urgent federal housing assistance for residents of Oregon, Washington, and California impacted by historically destructive and dangerous wildfires. While FEMA has delivered substantial emergency relief to our home states, the scale of natural disasters in western states demands additional resources that can only be delivered through disaster supplemental legislation.

Since August dozens of large fires in Oregon, Washington, and California have burned over 5 million acres, displacing tens of thousands of people and resulting in dozens of fatalities. Air travel was temporarily suspended in several locations due to poor visibility, schools were forced to close, and many of our constituents have been forced to stay indoors due to extremely hazardous air quality conditions. Many of these homes and businesses are uninsured, leaving these victims even more vulnerable in the recovery process.

The current wildfires will further exacerbate an already critical affordable housing shortage impacting western states. Oregon, California, and Washington are short over 1.2 million affordable rental housing units, and have an average of 75% of extremely low income renter households dealing with severe cost burden.

State resources and funding were already seriously strained by the COVID-19 pandemic, and are now completely depleted by weeks of fighting some of the most dangerous and widespread fires on record. With nowhere else to turn, western states are looking to the Senate to deliver critical housing relief. We strongly encourage you to consider including the following specific funding levels and programs as you work to negotiate an appropriate disaster supplemental response package in the near future.

1. \$15 billion for Community Development Block Grant – Disaster Recovery
 - a. To ensure that funds reach victims quickly, HUD should use the same process by which CDBG – COVID Relief (CDBG-CV) funds were recently allocated and disbursed.
 - b. CDBG grantees should be allowed to immediately use CDBG-CV funds to assist people significantly impacted by fire.

- c. Current CDBG grantees should be allowed to pledge CDBG and CDBG-DR estimated allocations as collateral for funding through HUD's Section 108 Loan Guarantee Program, and borrow up to 10 times their estimated annual allocation.
 - d. CDBG-DR funds should be able to pay of land acquisition loans executed as a direct result of fire recovery efforts.
2. \$3 billion for the National Housing Trust Fund
 - a. \$3 billion for wildfire impacted states will help incentive and prioritize affordable housing rebuilding, including private owners of manufactured housing parks who might otherwise sell to an investor to build luxury housing.
3. \$2 billion Emergency Community Development Financial Institution (CDFI) Funding
 - a. CDFI funding can quickly ramp up lending capacity in fire impacted states through the preexisting CDFI lending network.
4. \$1 billion for USDA Rural Development and Rural Housing Service
 - a. Funds should be directed towards repairing and rebuilding housing, community facilities, and infrastructure projects.
 - b. Expand USDA's Section 502 Manufactured Housing Loan Pilot program to any fire impacted state, and modify lending rules to cover new manufactured homes on land owned by nonprofits and housing authorities.

We thank you for your consideration, and look forward to working with you on this matter of importance to our states.

Sincerely,

/s/ Jeffrey A. Merkley
United States Senator

/s/ Ron Wyden
United States Senator

/s/ Dianne Feinstein
United States Senator

/s/ Patty Murray
United States Senator

/s/ Maria Cantwell
United States Senator