

June 3, 2021

The Honorable Adam Smith  
2264 Rayburn House Office Building  
United States House of Representatives  
Washington, DC 20515

Dear Representative Smith:

We write today in support of the *Promote Affordable Housing Near Transit Act*. If passed, this legislation will make it possible for local and regional transit agencies to play a role in solving the affordable housing crisis that so many communities currently experience - a role that is difficult to fulfill under current law. The *Promote Affordable Housing Near Transit Act* will create a process for transit agencies to donate unused land to build new housing, particularly affordable housing.

Under current law, after a federal transit investment is complete, recipients of federal transit funding may choose to transfer property no longer needed for a transit project at zero cost to a local government for the public benefit. This provision allows local government entities to receive valuable transit-adjacent property to put to public use. Unfortunately, transit entities cannot transfer assets in the same manner to non-profit or other non-governmental entities.

The *Promote Affordable Housing Near Transit Act* creates a process by which a non-profit organization or non-governmental entity with a satisfactory track record of developing affordable housing can receive a land transfer from a federal transit grant recipient at zero cost. Beneficiaries of donated land must agree to set aside 40 percent of total units as affordable for thirty years to households with incomes at or below 60 percent of area median income. The Department of Transportation will provide oversight, ensuring that participants only build housing that meets program requirements on land donated under the program.

According to a recent Brookings Institute study of real estate development from across the country, the cost of land totals 10% - 20% of development cost. Eliminating the costs associated with the land acquisition will immediately make many otherwise infeasible affordable housing proposals feasible. What's more, building affordable housing with easy access to public transit helps to achieve critical equity goals, connecting people of all incomes with the benefits and amenities associated with living close to a transit stop.

The House had already given this concept its seal of approval when it passed H.R. 2, *the Moving Forward Act*, last summer. The *Promote Affordable Housing Near Transit Act* should find a home in the infrastructure legislation that Congress is currently drafting. Indeed, a slight change in federal law that will allow unused land to become affordable housing should fit in anyone's definition of an innovative and sensible infrastructure proposal.

Thank you for your leadership in crafting and introducing this much-needed legislation. We look forward to working with you and your staff to push the *Promote Affordable Housing Near Transit Act* across the finish line so that more Americans will have access to quality and affordable housing.

Sincerely,

BRIDGE Housing Corporation  
Congress for the New Urbanism (CNU)  
Enterprise Community Partners

Family Promise  
Grounded Solutions Network  
Local Initiatives Support Corporation (LISC)  
Low Income Investment Fund (LIIF)  
Mercy Housing  
Mercy Housing Northwest  
Mortgage Bankers Association (MBA)  
National Apartment Association (NAA)  
National Association of REALTORS® (NAR)  
National Housing Conference (NHC)  
National Housing Trust (NHT)  
National Leased Housing Association (NLHA)  
National Multifamily Housing Council (NMHC)  
National NeighborWorks Association  
Prosperity Now  
Up for Growth Action  
Washington State Mortgage Bankers Association

CC: The Honorable Pete Buttigieg, Secretary of the United States Department of Transportation  
The Honorable Chuck Schumer, United States Senate Majority Leader  
The Honorable Mitch McConnell, United States Senate Minority Leader  
The Honorable Nancy Pelosi, Speaker of the United States House of Representatives  
The Honorable Kevin McCarthy, Minority Leader of the United States House of Representatives  
The Honorable Sherrod Brown, Chairman of the United States Senate Committee on Banking,  
Housing and Urban Affairs  
The Honorable Patrick Toomey, Ranking Member of the United States Senate Committee on  
Banking, Housing and Urban Affairs  
The Honorable Peter DeFazio, Chair of the United States House Committee on Transportation and  
Infrastructure  
The Honorable Sam Graves, Ranking Member of the United States House Committee on  
Transportation and Infrastructure