

July 28, 2023

The Honorable Sandra Thompson
Federal Housing Finance Agency
Washington, D.C.

Dear Director Thompson:

The signers of this letter represent 21 multi-sector groups in the environmental, consumer protection, healthcare and related sectors based in Illinois who call on the Federal Housing Finance Agency (FHFA) to take bold action to create clear, strong, and enforceable renter protections for households living in rental properties with federally backed mortgages.

We support the following priorities identified by the National Low Income Housing Coalition:

1. **Source of income protections** to prohibit landlords from discriminating against households receiving rental housing assistance such as Section 8 Housing Choice Vouchers, or Supplemental Security Income (SSI), or local rental assistance, so that families can have greater choice about where to live. In Illinois, we passed a statewide Source of Income Protection law in 2022 that protects tenants and provides tools to address discrimination Illinois is one of 20 states (plus the District of Columbia) to have such a law on the books.
2. **Tenant Screening Practices** that address intentionally discriminatory practices that disproportionately harm communities of color and other protected groups, including limiting the impact of credit history, eviction record and criminal record, such as the look back period.
3. **Requirements to ensure housing is safe, decent, accessible, and healthy homes** for renters and their families. Too often, renters in low-income communities are plagued with issues related to air quality, pests, flooding, mold, lead, and water quality, leaving families with low incomes few options for housing that is both affordable and safe. No renter should have to live in an inaccessible home or in housing conditions that put their health and safety at risk.
4. **Prohibit landlords with FHFA backed mortgages from imposing egregious and predatory rent increases** to help reduce cost burden for tenants and stabilize communities. Increases in rents should be reasonable, with the acknowledgement that rents may need to increase to cover operating costs. These increases should be transparent and fair to protect against gouging.

We do want to add some additional priorities to help ensure that housing financed with FHFA federally backed mortgages is safe, decent, accessible, and promotes good health for people and the planet. We recommend that the FHFA take additional action to require and incentivize owners to:

1. **Increase energy efficiency in a way that reduces energy burdens on low-income tenants.** Research has found that low-income, Black, Hispanic, Native American and older adult households all face dramatically higher energy burdens—spending a greater portion of their

income on energy bills—than the average household.¹ Two ways the FHFA can support this goal are by requiring strengthened green construction standards and encouraging owners to make use of the federally funded Weatherization Assistance Program (WAP) and similar programs.

2. **Require and incentivize owners to take action to eliminate lead in drinking water by replacing lead services lines and eliminate lead-based paint hazards.** Illinois has more lead service lines than any other state with 65% of Black and Latinx residents disproportionately bearing the burden of lead in their drinking water. Clean, safe drinking water is essential to health and wellbeing for all, especially in communities who bear the burden of this issue.
3. **Make use of resources created by the Inflation Reduction Act, including the Green and Resilient Retrofit Program to improve energy efficiency, water efficiency and climate resilience;** the Greenhouse Gas Reduction Fund to promote climate investments and advance environmental justice; the US Department of Energy's Energy Rebate programs, which incentivizes Structure new construction and retrofits that promote energy efficient home electrification projects; and Solar Investment Tax Credits, to increase the use of solar power.

These actions – along with large-scale, sustained investments and anti-racist reforms – are necessary to ensure that everyone, including the lowest-income and most marginalized renters, have a safe, quality, affordable, and accessible place to call home.

Sincerely,

Citizens Utility Board

Disability Resource Center

Elevate

Faith in Place

Housing Action Illinois

Illinois Chapter, American Academy of Pediatrics

Illinois Network of Center for Independent Living

Illinois Iowa Center for Independent Living

IMPACT Center for Independent Living

Midwest Energy Efficiency Alliance

Natural Resources Defense Council

North/Northwest Suburban Task Force on Supportive Housing for Individuals with Mental Illness

¹ "Low-Income, Black, Hispanic, and Native American Households Face High Energy Burdens." American Council for an Energy-Efficient Economy. September 2020. Available at <https://www.aceee.org/energy-burden>.

ONE Northside

People for Community Recovery

RAMP Center for Independent Living

Refugee Action Network

SEIU Healthcare Illinois

Southern Illinois Center for Independent Living

Springfield Center for Independent Living

The Statewide Independent Living Council of Illinois

The Illinois Sierra Club