

United States Senate

WASHINGTON, DC 20510

May 21, 2015

The Honorable Julian Castro
Secretary
Department of Housing and Urban Development
451 7th Street S.W.
Washington, D.C. 20410

Dear Secretary Castro:

As the Department of Housing and Urban Development (HUD) moves forward with its contract renewal process for the Moving to Work (MTW) demonstration program we urge that you ensure that MTW agencies maintain the flexibility to provide maximum affordable housing opportunities in ways that meet their local circumstances.

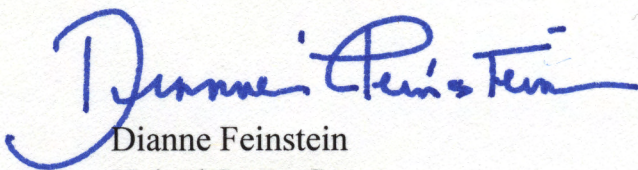
Specifically, we hope that HUD will recognize the unique circumstances facing MTW agencies in California, where 21 of the 30 most expensive rental housing markets in the country are located. With a shortage of over 1.54 million homes affordable to the state's lowest income households, California MTW agencies should retain their current flexibility to expand affordable housing opportunities. To this end, we would be concerned by any new requirements that would unreasonably restrict MTW agencies' use of Housing Choice Voucher funds for currently allowable alternatives such as development and preservation of affordable housing, public housing preservation or supportive services.

In addition, while we support the sense of urgency with which HUD is acting to renew contracts and provide certainty to the MTW agencies, we hope the process will not be driven by artificial deadlines while important issues remain unresolved. As you understand, it is more important that the agreements be done right than quickly, and we urge HUD to continue to work with the MTW agencies to develop mutually workable solutions to outstanding issues.

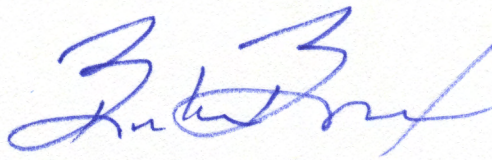
Currently, California's MTW agencies are using statutory flexibilities and funding to provide housing and support services to as many eligible families as possible. We hope that changes to the MTW agreements, while protecting against abuse, will continue to encourage innovation in how agencies operate in order to serve the needs of California's low-income households.

Thank you for your consideration of this request, and we look forward to your response. Should you have any questions, please do not hesitate to contact us or have your staff contact Crystal Martinez of Senator Feinstein's staff at (202) 224-2287 or Jeff Merkowitz of Senator Boxer's staff at (202) 224-3553.

Sincerely,



Dianne Feinstein
United States Senator



Barbara Boxer
United States Senator