

# FY 2027 Federal Policy Agenda

Community Preservation Corporation

## ABOUT THE COMMUNITY PRESERVATION CORPORATION (CPC)

**CPC is a nonprofit multifamily housing and community revitalization finance company** providing flexible capital solutions, innovative thinking built on 50 years of experience, and a collaborative approach to the complex issues facing communities. Over the past five decades, CPC has grown from a NYC-based nonprofit to a national lender and equity investor with a robust suite of capital products that can meet the needs of our customers and the communities we serve together, having invested more than $16 billion to finance the creation and preservation of more than 250,000 units of quality housing in neighborhoods across New York State and beyond. **Today, CPC works at the nexus of capital, communities, and building innovation.**

### CAPITAL

CPC offers responsive capital solutions for the creation and preservation of multifamily affordable and workforce housing, spanning new construction, rehabilitation, refinancing, and acquisition. Our national permanent loan product offering includes Freddie Mac, Fannie Mae, and FHA financing through CPC Mortgage Company. CPC maintains an AA- rating from S&P.

### COMMUNITIES

CPC is guided by a decades-long experience in shoring up the physical and financial conditions of New York City's affordable housing stock. Now, CPC is working with our public and private sector partners to develop and implement solutions that address disinvestment and distress across large-scale portfolios while maintaining affordability and restoring long-term stability.

### BUILDING INNOVATION

CPC's longstanding commitment to innovation allows us to continually develop and advance new approaches to address the evolving challenges facing the housing sector. By promoting policy solutions grounded in energy efficiency and innovation, CPC helps reduce operating costs, mitigate risks, and preserve the long-term affordability and stability of housing.

## LEGISLATIVE AND REGULATORY PRIORITIES

**Safeguard The Community Reinvestment Act (CRA):** Enacted in 1977 under the Housing and Community Development Act, the CRA was designed to address the lasting effects of redlining and discriminatory lending. CRA requirements are crucial to the affordable housing industry, and any new regulations should be structured to minimize disruption of the CRA ecosystem and maintain robust access to private capital for purposes of community development.

**Pass the Neighborhood Homes Investment Act (S.1686/H.R. 2854):** The Neighborhood Homes Investment Act is a bipartisan federal tax credit that will produce financial equity investment dollars for the development and renovation of 1-4 family housing in distressed urban, suburban, and rural neighborhoods. Neighborhood Homes could potentially build or rehabilitate 500,000 homes, spur $100 billion in total development activity and create nearly 800,000 jobs in the construction and related industries.

**Pass the Affordable Housing Credit Improvement Act (AHCIA) (S. 1557/H.R. 2725):** LIHTC is the nation's most successful financing incentive for the development and preservation of affordable and workforce housing. Building on the momentum of recent reforms to the LIHTC program, provisions in the AHCIA would further support affordable housing goals such as a temporary 50% increase in overall housing credit authority volume and "basis boosts" designated for properties targeting extremely low-income households, rural regions, and tribal/Native American communities.

**Temporarily Exempt Housing Bonds from the Private Activity Bond (PAB) Volume Cap:** Tax-exempt PABs are an essential tool to build and preserve affordable housing as they generate as-of-right LIHTC, providing financial equity to development projects at no expense to the developer. Congress has already exempted 17 infrastructure activities from this volume cap due to their role in achieving the public good, ranging from transportation infrastructure, school improvements, and green building projects. Temporarily exempting Housing Bonds from the PAB cap would significantly boost housing supply, enabling States and local governments to assist more low-income homebuyers in alleviating the housing crisis until inflation stabilizes and mortgage interest rates become more affordable.

## *APPROPRIATION PRIORITES*

It is important that Congress fully fund housing programs that are critical to meeting the supply and demand challenges of the affordable housing crisis. In FY27, funding these programs will be particularly important in light of the historic 21st Century ROAD to Housing Act (ROAD), enacted on July 11, 2026. We applaud Congress for passing ROAD and look forward to working in partnership to maximize the opportunities it provides, including through appropriations for programs such as:

- *Section 8:* Section 8 vouchers address the immediate affordability crisis for families struggling to afford an apartment. They also serve as a crucial operating subsidy for new housing construction, complementing other financing tools like the Low-Income Housing Tax Credit (LIHTC) to increase supply. To maximize the impact of Section 8 funding, administrative burdens on tenants and landlords must be reduced by streamlining applications, improving inspections and payment timelines, and making it simpler to set and recertify rents. Additionally, Section 8 plays a vital role in Rental Assistance Demonstration (RAD) program conversions, enabling Public Housing Authorities to leverage new public and private funding sources for rehabilitation and modernization. ROAD raised the conversion cap from 455,000 units to 555,000 units, and sustained Section 8 funding is needed to make those additional conversions possible.
- *HOME Investment Partnerships Program:* Since 1992, the flexible HOME program has helped create 1.39 million affordable homes, often providing essential gap financing for lower-income households, including seniors. ROAD reauthorizes and reforms HOME and allows funds to be used to help convert vacant and abandoned properties into housing, creating new opportunities for adaptive reuse and neighborhood revitalization. Congress should harness this reformed program and sufficiently fund the HOME program as it fills out its new mandate.
- *Community Development Block Grants (CDBG) and CDBG Disaster Recovery (CDBG-DR):* These programs provide local governments with flexible funding to develop and rehabilitate housing in underserved and disaster-impacted communities. ROAD reauthorizes CDBG-DR funding for three years and establishes an Office of Disaster Management and Resiliency to improve program coordination and oversight - initiating a new chapter for CDBG.

CPC urges Congress to fully fund Section 8, HOME, CDBG, and CDBG-DR at the levels required to renew all current contracts and account for inflationary increases. Adequate agency staffing is also essential, so that government partners can implement innovations and deliver critical services in a timely manner.

***Connect with the Policy Team:***

www.communityp.com

**EMILY KLEIN**
Deputy Director, Public Affairs
eklein@communityp.com

**HOLLY MARTIN**
Manager, Policy and Legislative Affairs
hmartin@communityp.com