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Committee on Commerce, Labor and Economic Development 300 SW 10th St. Topeka, Kansas 66612

February 4, 2025

To the Honorable Chair, Rep. Sean Tarwater, and Members of House Committee on Commerce, Labor and Economic Development:

I am writing to express my grave concern regarding HB 2119, which proposes to eliminate the affordable housing tax credit program after June 30, 2025, without provision for projects which have already received credit allocation, currently under development and construction, but which are unable to meet an arbitrary completion deadline of June 30, 2025.

This bill puts Community Housing of Wyandotte County (CHWC), a 501c3 Comprehensive Community Development Organization serving Wyandotte County and neighboring counties including Johnson and Leavenworth Counties, as well as other affordable housing developers, investors, contractors, suppliers and other small businesses at catastrophic financial risk.

In 2024, CHWC was awarded nearly \$7mm in combined federal and state credits to bring sorely needed high quality housing to the rapidly gentrifying Rosedale neighborhood in Kansas City, Kansas. We have already invested over \$300K of our limited- and often philanthropic- capital in predevelopment expenses in anticipation of a spring 2025 construction start. As written, this bill would render the project infeasible and cause a very real financial loss to a community nonprofit who has brought millions of dollars in housing investment into Wyandotte, Johnson, and Leavenworth counties over our nearly 25-year history.

Further, in 2024, CHWC accepted the donation of Northeast Junior High Apartments, which will provide newly renovated high-quality apartments for 38 low-income senior households in the historic Northeast in Kanas City, Kansas. We accepted this property in partnership with a trusted, high-capacity development partner who was awarded State and Federal tax credits for the project in 2024. Without these tax credits, this project, too, is infeasible, and would result in the loss of significant investment by our development partner and our own organization; and more important, would deny this community the promise of 38 new homes for seniors, who are facing a historical shortage of affordable, accessible homes in our neighborhoods.

Please consider the potentially unbearable financial impact of this legislation on organizations like ours, our partners, and our communities as you consider this bill; I have faith that the creative, committed legislators on this Committee will find a solution to responsibly manage our tax dollars without unfairly penalizing the organizations working hardest to solve a historic housing problem for hardworking Kansans, and who can least afford to bear the cost.

Sincerely,

Brennan Crawford Executive Director & CEO Community Housing of Wyandotte County (CHWC) bcrawford@chwckck.org







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