



WRITTEN Testimony in **OPPOSITION** to House Bill 2119

February 5, 2025

Dear Chair Tarwater and Members of the House Committee on Commerce, Labor and Economic Development:

On behalf of LISC Greater Kansas City, I write to express our strong **opposition to House Bill 2119**. As one of our nation's oldest and largest Community Development Financial Institutions, LISC Greater Kansas City partners with residents and stakeholders to forge resilient and inclusive communities of opportunity. Advancing affordable housing and economic development has been at the core of our work for the past four decades. In fact, our first Low-Income Housing Tax Credit deal was closed by National Equity Fund, a LISC affiliate, in 1987 in the Kansas City market. Since our founding, LISC has invested over \$73 Million in the State of Kansas, including more than \$12 Million in grants to 40+ community-based partners, as well as nearly \$30 Million in loan capital and over \$31 Million in equity investments to support the preservation and production of more than 2,000 homes and apartments, and nearly 320,000 square feet of community and commercial space. These LISC investments supported nearly \$300 Million in total development costs for projects in Kansas.

While many people consider Kansas an affordable state to live, tens of thousands of our fellow citizens are having difficulty finding stable, quality, affordable housing. According to census data analyzed recently by the National Low Income Housing Coalition, **Kansas has a deficit of over 90,000 affordable and available units for its residents**, impacting both rural and urban communities. In 2021, the Kansas Housing Resources Corporation and Kansas Department of Commerce conducted a comprehensive Statewide Housing Needs Assessment that is exceptionally thorough and provides a framework for how to combat these challenges. Among the findings were that housing production has remained below pre-2008 recession levels in many locations, and although incomes are generally increasing, in some areas they are not increasing more than inflation, affecting the ability to afford housing.

The Affordable Housing Tax Credit (AHTC) has proven to be an impressive step forward in addressing many of the housing challenges in Kansas. Just in the few years of its existence, **housing production has nearly tripled in Kansas with the support of this public-private partnership**. The economic impact of this program includes supporting more than \$1 Billion in developments, leveraging hundreds of millions of additional federal funding, and creating thousands of well-paying jobs across all parts of Kansas. You need only to look at the chilling economic effect in Missouri, from 2017-2020 when they canceled their state housing tax credit program. Housing investment in the state plummeted before the Missouri Legislature reversed course and reinstated the program, rejoining the nearly 30 states with dedicated tax credit programs. The Kansas Legislature should be celebrating the steps you taken these past few years to increase housing opportunities and continue to support the Affordable Housing Tax Credit program, as it provides critical benefits to people all across Kansas.

We ask that you please **oppose House Bill 2119** and appreciate your consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "Geoff Jolley".

Geoff Jolley
Executive Director