



April 23, 2019

The Honorable Ron Johnson
Chairman
U.S. Senate Committee on Homeland
Security and Governmental Affairs
340 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Gary Peters
Ranking Member
U.S. Senate Committee on Homeland
Security and Governmental Affairs
340 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Johnson and Ranking Member Peters:

The National Multifamily Housing Council (NMHC) and the National Apartment Association (NAA) support the long-term viability and modernization of the United States Postal Service (USPS). Like all Americans, operators and residents of apartment communities across the country continue to rely on the USPS for much of their mail and package delivery.

For more than 20 years, NMHC and NAA have partnered on behalf of America's apartment industry. Drawing on the knowledge and policy expertise of staff in Washington, D.C., as well as the advocacy power of more than 160 NAA state and local affiliated associations, NAA and NMHC provide a single voice for developers, owners and operators of multifamily rental housing. One-third of all Americans rent their housing and 39 million of them live in an apartment home.

As legislative solutions are considered to address the financial stability of the USPS, NMHC and NAA ask that the Committee consider how changes to mail delivery policy could impact apartment operations and the services received by residents. Of particular concern to apartment firms are often-discussed cost-cutting measures that would mandate a move to centralized delivery locations for new and existing addresses. While USPS policy already favors centralized mail delivery for new addresses, requiring existing communities to convert to centralized delivery could pose significant challenges.

As the Committee explores reforming the USPS this year, NMHC and NAA respectfully request that any federal legislation that addresses mail and package delivery include:

- **A voluntary conversion process to centralized delivery.** Our memberships operate in all types of markets, from garden apartments in rural and suburban areas to high-rise buildings in the urban core. While some apartment communities have already converted to centralized delivery, it is not feasible for all building types and communities to convert given space and design constraints. Where feasible, existing multifamily residential addresses and apartment communities that are still in the design and construction phase with established USPS door-to-door delivery service should be “grandfathered” and continue with current delivery practices.
- **Language that clarifies that that multifamily residential addresses are to be classified as residential addresses for mail delivery purposes.** Previous legislative proposals would have allowed for voluntary conversion of residential addresses but would have mandated conversion to centralized delivery for business addresses. Residents who live in rental homes should receive mail delivery in the same manner that other residential addresses do. To prevent confusion, multifamily residential addresses should be codified as residential addresses.

- **A requirement that cost savings created by centralized delivery conversion be used to defray the installation and maintenance costs of new mail receptacles for residential addresses, including multifamily residential addresses.** While there are significant cost savings for the USPS with the increased conversion to centralized delivery, this effort should not financially burden postal patrons and property owners. It is likely that apartment firms will incur substantial installation and design expenses related to centralized delivery conversions. Congress should authorize the USPS to use a portion of the cost savings achieved through centralized delivery to help install and maintain new centralized delivery receptacles.
- **A mandate that there are clear and concise guidelines identifying both the responsibility for installation, maintenance, and security of the new centralized receptacles and compliance with Americans with Disabilities Act (ADA) and other accessibility requirements.** From design to operation, apartment communities operate under layers of local, state and federal regulation that range from building codes to ADA requirements. Many of the apartment industry's concerns around centralized delivery stem from required compliance with these laws and regulations. They raise serious issues surrounding safety and security; construction and design costs; available space and building design; accessibility and convenience; historic designations and aesthetic style; and weather and geographical landscape. Clarity is needed on where responsibility for compliance lies. Further, when compliance with ADA or other accessibility requirements makes conversion to centralized delivery a challenge, the USPS should be required to continue door-to-door operation so as not to disenfranchise any postal patron.
- **A repeal of the monopoly on the mailbox.** Centralized delivery poses challenges to apartment community operators that are compounded by changing resident preferences and the continued growth of e-commerce. The increasing number of package deliveries have forced apartment communities to modify operations, shift resources, divert staff time and, where possible, expand storage space. Traditional apartment buildings and communities that do not receive door-to-door delivery must currently provide two separate delivery spaces for packages, one for USPS and one for other delivery companies. This causes a duplicative expense and design challenge for multifamily communities. This is required under antiquated postal regulations that create a monopoly on mail-boxes designated for USPS deliveries. Removing the USPS monopoly on the mailbox would enable apartment firms to invest in mail and package delivery equipment in a manner that best utilizes community space while ensuring resident access and convenience is preserved.
- **A requirement that there be uniform enforcement of policies surrounding delivery postal regulations, points of delivery and processes.** The current system allows local and regional postmasters broad discretion in implementing varying requirements surrounding centralized delivery. This creates confusion and uncertainty as apartment firms that operate in various localities have to contend with varying interpretations of mail delivery policies. Currently, an apartment operator may face mandated conversion to centralized delivery at some communities and different policies at other communities. Apartment communities also face a significant obstacle in using new and innovative mail and package delivery technologies to meet resident preferences and service demands because of the uneven acceptance or varying interpretations of their acceptability within the USPS. Despite the stated goal of the USPS to embrace new technologies and accelerate testing of new approaches, once again, wide discretion is provided to local and regional postmasters to implement postal guidance. For example, an apartment developer or operator may install a modern USPS-approved mail and parcel receptacle that uses technology to enhance security, increase parcel space or improve resident

access, yet find that the local postmaster refuses to deliver to the location because they do not deem it as an acceptable point of delivery. In all too many cases, a USPS-approved delivery point, such as a package locker, may be permitted in one jurisdiction but not in another. This has created an uneven patchwork of accepted delivery points and a lack of clarity on how to provide centralized delivery in apartment communities. Apartment firms should know that USPS policy will be applied consistently throughout the country.

We thank you for the opportunity to present the views of the apartment industry as you continue your work on this important matter. NMHC and NAA look forward to meeting with you to discuss the impact of postal reform efforts on our industry and the ways we can all work to improve the financial standing and long-term viability of the USPS.

Sincerely,



Douglas M. Bibby
President
National Multifamily Housing Council



Robert Pinnegar, CAE
President & CEO
National Apartment Association

cc: U.S. Senate Committee on Homeland Security and Governmental Affairs