

119TH CONGRESS
2D SESSION

S. 5298

To facilitate the leasing of United States Postal Service property for the development of housing, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 6, 2026

Mr. VAN HOLLEN (for himself and Mr. CURTIS) introduced the following bill; which was read twice and referred to the Committee on Homeland Security and Governmental Affairs

A BILL

To facilitate the leasing of United States Postal Service property for the development of housing, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Delivering Americans
5 Affordable Homes Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) The United States is facing a housing sup-
9 ply shortage that has resulted in a record number of

1 housing cost-burdened households across regions and
2 spanning the large and small cities, towns, and
3 coastal and rural communities of the United States.

4 (2) The Postal Service has operated with an an-
5 nual financial loss in each year since fiscal year
6 2007. In fiscal year 2025, the Postal Service re-
7 ported a net loss of \$9,000,000,000.

8 (3) The Postal Service owns roughly 8,500 par-
9 cels of land in communities across the country,
10 many of which are suitable for housing development.

11 (4) The development of housing on land owned
12 by the Postal Service is consistent with its long-
13 standing mission and the delivery of prompt, reli-
14 able, and efficient mail services to all communities.

15 (5) In order to generate revenue to improve its
16 financial position, and respond to the national hous-
17 ing supply shortage, it is in the public interest for
18 the Postal Service to pursue opportunities to lease to
19 State, local, and Tribal governments and their devel-
20 opment partners those real property rights which
21 would facilitate housing development and which
22 would create new sources of revenue for the Postal
23 Service.

24 **SEC. 3. DEFINITIONS.**

25 In this Act:

1 (1) ELIGIBLE HOUSING USE.—The term “eligi-
 2 ble housing use” means a project to construct new
 3 housing units—

4 (A) for which not less than 80 percent of
 5 the total net rentable area is exclusively for res-
 6 idential use; and

7 (B) which may include commercial, rec-
 8 reational, or public uses.

9 (2) JOINT DEVELOPMENT PARTNERSHIP.—The
 10 term “Joint Development Partnership” means a
 11 joint venture to acquire real property rights and de-
 12 velop the property for an eligible housing use—

13 (A) consisting of—

14 (i) a public entity; and

15 (ii) 1 or more entities with the dem-
 16 onstrated capacity to construct and operate
 17 housing for rent, including any—

18 (I) private entity;

19 (II) non-profit entity;

20 (III) public housing agency; or

21 (IV) local housing finance agen-
 22 cy; and

23 (B) that is memorialized in a contract, a
 24 memorandum of understanding, or other legally
 25 binding agreement.

1 (3) OFFICE.—The term “Office” means the
2 Housing Liaison Office established under section
3 4(a).

4 (4) POSTAL SERVICE.—The term “Postal Serv-
5 ice” means the United States Postal Service.

6 (5) POSTMASTER.—The term “Postmaster”
7 means the Postmaster General of the United States
8 Postal Service.

9 (6) PUBLIC ENTITY.—The term “public entity”
10 means—

11 (A) a State, or an agency or instrumen-
12 tality of a State;

13 (B) a political subdivision of a State, or an
14 agency or instrumentality of a political subdivi-
15 sion of a State;

16 (C) the District of Columbia, Puerto Rico,
17 the Virgin Islands, Guam, American Samoa,
18 and or the Commonwealth of the Northern
19 Mariana Islands, or agency or instrumentality
20 of any such district or territory; or

21 (D) an Indian tribe or authorized tribal or-
22 ganization, or Alaska Native village or organi-
23 zation.

24 **SEC. 4. HOUSING LIAISON OFFICE.**

25 (a) ESTABLISHMENT.—

1 (1) IN GENERAL.—Not later than 60 days after
2 the date of enactment of this Act, the Postmaster
3 shall establish within the Postal Service a Housing
4 Liaison Office.

5 (2) PLACEMENT.—The Postmaster may task an
6 existing office of the Postal Service with the func-
7 tions of the Office.

8 (b) DUTIES.—The duties of the Office shall be to
9 support the lease of Postal Service real property for hous-
10 ing development in accordance with this Act and carry out
11 the following:

12 (1) INVENTORY PARCELS FOR LEASING.—

13 (A) IN GENERAL.—The Office shall iden-
14 tify all real property owned by the Postal Serv-
15 ice, with respect to which the lease of such
16 property, in whole or in part, including the
17 lease of any right in connection with such prop-
18 erty, may be feasible for housing development.

19 (B) FACTORS.—In identifying any parcel
20 of real property for the purposes of subpara-
21 graph (A), the Office shall consider—

22 (i) the parcel's size, shape, grading,
23 adjacencies, developable air rights, develop-
24 able ground rights, and potential for site

consolidation with neighboring land parcels;

(ii) any physical constraints on the development of the parcel for housing; and

(iii) the parcel's proximity to amenities, including employers, public transportation stations, utilities, and other services and amenities.

(C) PUBLICATION OF INVENTORY.—Not later than 180 days after the date of enactment of this Act, and annually thereafter on January 1 of each year, the Office shall publish the inventory of property identified under subparagraph (A) in the Federal Register and on an official Postal Service website.

(2) ESTABLISH A JOINT DEVELOPMENT PROCESS.—

(A) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Office shall publish guidance on a publicly available website establishing a process by which a Joint Development Partnership may propose and negotiate with the Office to lease, in whole or in part, Postal Service real property, including developable ground rights, devel-

1 opable air rights, and any other potential devel-
2 opment rights, for an eligible housing use.

3 (B) REQUIREMENTS.—The joint develop-
4 ment process established under subparagraph
5 (A) shall, in sequential order—

6 (i) permit a public entity to identify
7 any particular parcel of real property
8 owned by the Postal Service for a joint de-
9 velopment proposal, whether or not it is in-
10 cluded in the inventory published under
11 paragraph (1)(C);

12 (ii) permit a Joint Development Part-
13 nership to propose an eligible housing use
14 for the parcel; and

15 (iii) permit a Joint Development Part-
16 nership to enter into negotiations with the
17 Office to potentially lease the identified
18 parcel, in accordance with this Act.

19 (C) MODEL DOCUMENTS.—Not later than
20 180 days after the date of enactment of this
21 Act, the Office shall make publicly available
22 model lease agreements and model versions of
23 other transactional documents which may be
24 used by the Office to complete real property
25 transactions pursuant to this Act.

1 (3) DISPOSITION FOR HOUSING DEVELOP-
2 MENT.—

3 (A) PERMITTED DISPOSITIONS.—The Of-
4 fice shall, at the discretion of the Office and
5 subject to the approval of the Postmaster, enter
6 into a lease of real property rights, including
7 developable ground rights, developable air
8 rights, and any other potential development
9 rights, in connection with any real property
10 owned by the Postal Service with a Joint Devel-
11 opment Partnership for an eligible housing use,
12 in accordance with section 5.

13 (B) CONSIDERATIONS; REFUSAL TO
14 LEASE.—The Office shall consider in its deci-
15 sion to enter into a lease agreement and may
16 refuse to lease property rights under this Act
17 if—

18 (i) the financial benefit of such lease
19 to the Postal Service would be less than
20 the cost to the Postal Service arising from
21 the development of housing pursuant to
22 the lease agreement; or

23 (ii)(I) the development of housing
24 pursuant to the lease agreement would be

1 substantially disruptive to the delivery of
2 mail; and

3 (II) the Postal Service would be un-
4 able to mitigate such disruption with rea-
5 sonable changes to its delivery service.

6 (C) PRIORITIZATION.—The Office shall
7 prioritize prospective lease agreements—

8 (i) that cover the costs, in whole or in
9 part, of the maintenance, renovation, or re-
10 habilitation of the Postal Service facility at
11 the property of the prospective lease;

12 (ii) with a Joint Development Part-
13 nership the component entities of which—

14 (I) have previously demonstrated
15 time and cost efficiency in housing de-
16 velopment;

17 (II) have previously constructed
18 housing with the support of Federal,
19 State, local, or non-profit subsidies;
20 and

21 (III) have demonstrated willing-
22 ness to obtain Federal, State, local, or
23 non-profit subsidies for development
24 of housing on the property of the pro-
25 spective lease; and

1 (iii) that maximize the income-re-
2 stricted affordability of the units in the
3 proposed housing development project.

4 (c) CONSULTANTS.—The Office may hire experts and
5 consultants as may be necessary to carry out its functions
6 under this Act.

7 **SEC. 5. LEASE AGREEMENTS.**

8 (a) IN GENERAL.—Each lease agreement entered
9 into pursuant to this Act shall—

10 (1) be for a term of not less than 60 years;

11 (2) specify affordability terms, including that—

12 (A) restrictions on affordability in the
13 lease agreement shall last for not less than 50
14 years; and

15 (B) not less than 20 percent of units in
16 the proposed housing development project shall
17 be affordable to households earning 80 percent
18 or less of the Area Median Income of the area
19 of the proposed housing project, adjusted for
20 household size; and

21 (3) over the life of the lease, provide revenue to
22 the Postal Service of not less than the lesser of—

23 (A) the appraised fair annual rental value
24 of the leased property rights, as appraised at
25 the time the parties enter into the lease agree-

1 ment, minus the value of any public benefit, at
2 the discretion of the Postal Service; or

3 (B) the net present value of the leased
4 property rights, as appraised at the time the
5 parties enter into the lease agreement, minus
6 the value of any public benefit, at the discretion
7 of the Postal Service.

8 (b) NO SALES.—The Office may not enter into any
9 agreement to sell any real property rights to a Joint De-
10 velopment Partnership for an eligible housing use pursu-
11 ant to this Act.

12 (c) PRESERVATION.—In any lease agreement under
13 this Act, the Office shall preserve any art that—

14 (1) is physically located at the Postal Service
15 property subject to the lease agreement;

16 (2) was completed between 1934 and 1943; and

17 (3) was commissioned, in whole or in part, with
18 funding from the United States Department of the
19 Treasury Section of Painting and Sculpture Pro-
20 gram, United States Department of the Treasury
21 Section of Fine Arts, or United States Department
22 of the Treasury Relief Art Project.

23 (d) OTHER REQUIREMENTS.—All laborers and me-
24 chanics employed by contractors or subcontractors in the
25 performance of construction, alteration, or repair work

1 carried out, in whole or in part, pursuant to a lease agree-
 2 ment under this Act shall be paid wages at rates not less
 3 than those prevailing on projects of a similar character
 4 in the locality as determined by the Secretary of Labor
 5 in accordance with subchapter IV of chapter 31 of title
 6 40, United States Code. With respect to the labor stand-
 7 ards specified in this subsection, the Secretary of Labor
 8 shall have the authority and functions set forth in Reorga-
 9 nization Plan Numbered 14 of 1950 (64 Stat. 1267; 5
 10 U.S.C. App.) and section 3145 of title 40, United States
 11 Code.

12 (e) RULE OF CONSTRUCTION.—The lease of property
 13 rights pursuant to this Act shall not, by itself, be consid-
 14 ered to be a closure or consolidation for purposes of sec-
 15 tion 404(d) of title 39, United States Code, or any regula-
 16 tions issued under that section.

17 **SEC. 6. FUNDING.**

18 (a) INITIAL FUNDING.—Upon the enactment of this
 19 Act, the Postal Service shall reserve the next \$10,000,000
 20 dollars it receives in revenue from the sale of Postal Serv-
 21 ice property for carrying out the activities of the Office.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—

23 (1) IN GENERAL.—There are authorized to be
 24 appropriated to the Postal Service to carry out this
 25 Act, to remain available until expended—

- 1 (A) \$10,000,000 for fiscal year 2027;
2 (B) \$10,000,000 for fiscal year 2028;
3 (C) \$10,000,000 for fiscal year 2029;
4 (D) \$10,000,000 for fiscal year 2030; and
5 (E) \$10,000,000 for fiscal year 2031.

6 (2) AUTHORIZATION IN SUBSEQUENT FISCAL
7 YEARS.—To the extent amounts authorized to be ap-
8 propriated under paragraph (1) for a fiscal year are
9 not appropriated in that fiscal year, such amounts
10 are authorized to be appropriated in a subsequent
11 fiscal year, in addition to any other amount author-
12 ized to be appropriated in that subsequent fiscal
13 year.

14 (c) REVENUE FROM ACTIVITIES.—Each year, the
15 Postal Service may reserve up to \$10,000,000 (as adjusted
16 annually for inflation) that it receives from lease agree-
17 ments entered into under this Act for carrying out the
18 activities of the Office. All other revenue from lease agree-
19 ments entered into under this Act shall be deposited into
20 the Postal Service Fund.

21 **SEC. 7. PRESERVATION OF AUTHORITY.**

22 Nothing in this Act shall be construed to limit any
23 authority of the Postal Service over real property under
24 section 401 of title 39, United States Code.

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