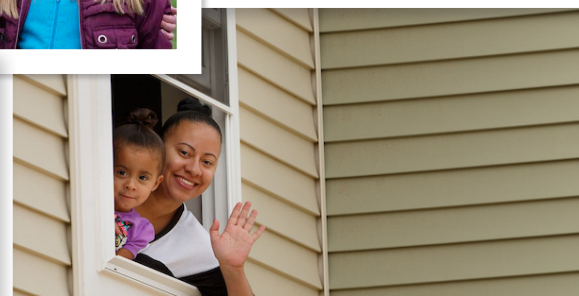
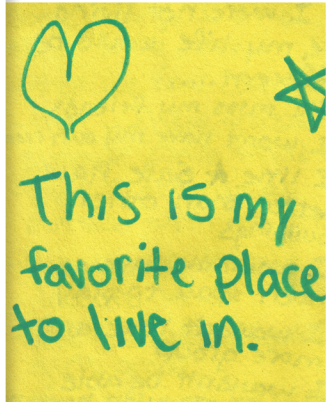


# A PLACE TO CALL HOME

The Case for Increased Federal Investments in Affordable Housing



# A PLACE TO CALL HOME

## The Case for Increased Federal Investments in Affordable Housing

Campaign for Housing and Community Development Funding (CHCDF)  
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The National Low Income Housing Coalition prepared this report for the Campaign for Housing and Community Development Funding (CHCDF). Elayne Weiss is the principal author. Assistance provided by Natalie Brown.

CHCDF is an education, strategy, and action hub for national organizations dedicated to preserving and expanding federal housing and community development funding for lower-income families and communities. CHCDF's members include a full continuum of national housing and community development organizations, including faith-based, nonprofit, private sector, financial/intermediary, public sector and advocacy groups.

**Disclaimer:** The views and opinions expressed in this report do not necessarily reflect the official policy or position of all CHCDF members.

**Acknowledgements:** All photos and success stories in this report were provided by local and state organizations, unless otherwise noted.

# TABLE OF CONTENTS

CHCDF Members .....	1
Executive Summary .....	2
Why Affordable Housing Matters .....	4
Homelessness and Poverty Reduction .....	4
Educational Attainment and Economic Mobility .....	5
Health Outcomes .....	6
Food Insecurity and Early Childhood Development .....	6
Mental Health .....	7
Environmental Health Hazards .....	8
Housing Accessibility and the Provision of Supportive Services .....	8
Reducing Healthcare and Other Costs .....	9
Strengthening the Economy .....	10
Creating Local Jobs .....	10
Jobs Supported Through HUD Investments .....	11
The Need for Affordable Housing .....	14
The Role of Federal Investments in Affordable Housing .....	15
Funding Levels for HUD and USDA Affordable Housing Programs .....	17
Affordable Housing Success Stories .....	21
HOME, Inc., Iowa .....	22
Foundation Communities, Texas .....	23
DOORWAYS, Missouri .....	24
Twin Falls Housing Authority, Idaho .....	25
Homeward, Montana .....	26
Pennrose, Pennsylvania .....	27
Greystone Affordable Housing Initiatives LLC, Tennessee .....	28

Ohio Capital Corporation for Housing, Ohio .....	29
Institute for Disability Studies, Mississippi .....	30
Cook Inlet Housing Authority, Alaska .....	31
Testimonials .....	32
Appendix .....	33
HUD Programs .....	34
Housing Choice Vouchers .....	34
Project-Based Rental Assistance (PBRA) .....	34
Public Housing .....	35
Community Development Block Grant Program .....	35
Homeless Assistance Programs .....	36
HOME Investment Partnerships Program .....	36
Housing for the Elderly (Section 202 Program) .....	37
Housing for Persons with Disabilities (Section 811 Program) .....	37
Housing Opportunities for Persons With AIDS (HOPWA) .....	38
Lead Hazard Control and Healthy Homes .....	38
Fair Housing Programs .....	39
Housing Trust Fund .....	39
Native American, and Native Hawaiian Housing Programs .....	40
USDA Programs .....	40
Rural Rental Housing Loans (Section 515) .....	41
Farm Labor Housing Loans And Grants (Section 514/516) .....	41
Rural Rental Assistance (Section 521) .....	41
Single Family Housing Direct Home Loans (Section 502) .....	41
Mutual and Self-Help Housing (Section 523) .....	41

# CHCDF MEMBERS

American Federation of State, County and Municipal Employees

American Planning Association

Arc of the United States

B'nai B'rith International

Catholic Charities USA

Center on Budget and Policy Priorities\*

Coalition on Human Needs

Coan and Lyons

Compass Group

Corporation for Supportive Housing\*

Council of Large Public Housing Authorities\*

Council of State Community Development Agencies

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General Board of Church and Society of the United Methodist Church

Grounded Solutions Network

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Low Income Investment Fund

Lutheran Services in America

National Affordable Housing Management Association

National AIDS Housing Coalition

National Alliance on Mental Illness

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National Alliance to End Homelessness\*

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National Association of Housing and Redevelopment Officials\*

National Association for Latino Community Asset Builders

National Center for Healthy Housing

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National Coalition for the Homeless

National Community Development Association

National Council of La Raza

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National Disability Rights Network\*

National Fair Housing Alliance

National Health Care for the Homeless Council

National Housing Conference\*

National Housing Law Project

National Housing Resource Center

National Housing Trust\*

National Law Center on Homelessness and Poverty

National Leased Housing Association

National Low Income Housing Coalition\*

National NeighborWorks Association

National Network to End Domestic Violence

NeighborWorks America

NETWORK, A National Catholic Social Justice Lobby

Poverty and Race Research Action Council

Public Housing Authorities Directors Association

Rebuilding Together

Reconnecting America

Religious Action Center of Reform Judaism

Robert A. Rapoza Associates

Rural Community Assistance Program, Inc.

Stewards of Affordable Housing for the Future\*

United States Conference of Catholic Bishops

\*Indicates organization is a member of the CHCDF Steering Committee

# EXECUTIVE SUMMARY

**F**ederal investments in affordable housing—at the U.S. Departments of Housing and Urban Development (HUD) and Agriculture (USDA)—provide families and communities with the resources they need to thrive. Evidence-based research has shown that when families have stable, decent, and accessible homes that they can afford, they are better able to find employment, achieve economic mobility, perform better in school, and maintain improved health. Access to affordable housing has wide ranging, positive impacts. Increasing and preserving access to affordable housing in areas of opportunity helps families climb the economic ladder, leading to greater community development and bolstering economic productivity and job creation.

Federal investments in affordable housing have lifted millions of families out of poverty. Without these investments, many of these families would be homeless, living in substandard or overcrowded conditions, or struggling to meet other basic needs because too much of their limited income would go to paying rent. Despite their proven track record, HUD and USDA affordable housing programs have been chronically underfunded. Today, of the families who qualify for housing assistance, only a quarter will get the help that they need.

But the need continues to grow. More households rent their homes than ever before. However, housing supply and rental assistance have not kept pace with demand, leading to rising rents across the nation. As a result, more families now spend the majority of their income to keep a roof over their heads, and family and young adult homelessness rates are rising in many communities. Moreover, much of our nation's affordable housing infrastructure, similar to our transportation infrastructure, is deteriorating and is often inaccessible to people with disabilities.

Every state and congressional district is impacted.

There is no silver-bullet solution. Housing challenges differ from community to community. Congress and the Trump administration, as well as state and local governments, must use every tool available to solve the problem. A comprehensive set of solutions to end housing insecurity in America includes: preserving and rehabilitating our nation's existing affordable housing stock; increasing investment in the production of affordable housing for low income families; and expanding rental assistance and other housing programs that help make housing affordable. Underlying all these



solutions is the need to increase federal investment in affordable housing.

However, low federal spending caps required by the *Budget Control Act of 2011* have decreased funding for affordable housing and community development programs, impacting the ability of Congress to invest in these solutions.

For example, HUD housing and community development funding was \$4.3 billion or 8.4% lower in 2016 than in 2010, adjusted for inflation. The programs hardest hit by funding cuts have been Public Housing (-\$1.6 billion), CDBG (-\$1.4 billion), HOME (-\$1.0 billion), and housing for the elderly and people with disabilities (-\$641 million).

This has only made it more difficult to ensure low income seniors, people with disabilities, families with children, and other vulnerable populations are stably housed. Further budget cuts will continue to undermine this critical piece of the federal safety net.

Since the *Budget Control Act* went into effect, Congress has reached short-term agreements to increase spending above the caps and provide very limited budgetary relief with parity for defense and non-defense spending, which includes investments in affordable housing. Low spending caps, however, will return in FY 2018 unless the White House and Congress act again.

These looming budget cuts threaten affordable housing and community development investments and millions of low income families. For these reasons, the Campaign for Housing and Community Development Funding (CHCDF) calls on Congress to lift the spending caps with parity for defense and non-defense programs and to ensure the highest level of funding possible for affordable housing. While we must work to reduce our nation's deficit over the long-term, balancing our budget should not be done on the backs of the low income families in our nation. Instead, we should invest in the resources families and communities need to thrive.

# WHY AFFORDABLE HOUSING MATTERS

A robust body of research has shown that access to affordable housing has broad, positive impacts on families, seniors, people with disabilities, and the economy. Increasing and preserving the supply of affordable housing and rental assistance in areas connected to good schools, well-paying jobs, healthcare, and transportation helps families climb the economic ladder and leads to greater community development. In addition, children who live in a stable, affordable homes enjoy better health and educational outcomes, greater access to economic opportunities, enjoy better mental and physical well-being, and benefit from stronger communities. Research shows that increasing access to affordable housing is *the* most cost-effective strategy for reducing childhood poverty in the United States.<sup>1</sup> According to the Harvard Joint Center for Housing Studies, families in affordable housing can spend nearly five times as much on healthcare, a third more on food, and twice as much on retirement savings. They can pay down debt, save to pay for college, or buy a home when they are not struggling to pay housing costs.

Decent and accessible affordable housing, coupled with coordinated services, has been shown to improve health outcomes for seniors.<sup>2</sup> As the nation's low income seniors become a larger share of the population,<sup>3</sup> access to affordable housing with coordinated services is key to healthy aging in place and will also bring savings by avoiding costlier institutional settings.

Investing in affordable housing for low income households bolsters productivity and economic growth, provides a long-term asset that connects workers to

## WHAT HOME MEANS TO JASMINE



"[My boys] haven't had a backyard before. I can't wait for them to be able to run around back there. This home means everything to us."

communities of opportunity, and supports local job creation and increased incomes.

## HOMELESSNESS AND POVERTY REDUCTION

Access to decent, accessible, and affordable housing provides stability for vulnerable households and prevents homelessness. A strong body of research has shown that rental assistance can decrease the likelihood that a low income family experiences homelessness.<sup>4</sup> HUD's Family Options study showed that long-term housing subsidies had a greater positive impact on housing stability than

- 1 Newman, S. J. & Holupka C. S. (2014). *Housing Affordability and Investments in Children*. Journal of Housing Economics. Retrieved from <http://www.sciencedirect.com/science/article/pii/S1051137713000600>; Fischer, W. (2015). *Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children*. Washington, DC: Center on Budget and Policy Priorities. Retrieved from <http://www.cbpp.org/sites/default/files/atoms/files/3-10-14hous.pdf>; Giannarelli, L., Lippold, K. et al. (2015). *Reducing Child Poverty in the US: Costs and Impacts of Policies Proposed by the Children's Defense Fund*. Washington, DC: Urban Institute. Retrieved from <http://www.urban.org/sites/default/files/alfresco/publication-pdfs/2000086-Reducing-Child-Poverty-in-the-US.pdf>.
- 2 Levine, C. A. & Johns A. R. (2008). *Multifamily Property Managers' Satisfaction with Service Coordination*. Washington, DC: Department of Housing and Urban Development. Retrieved from [http://www.huduser.gov/portal/Publications/PDF/Multifamily\\_prop.pdf](http://www.huduser.gov/portal/Publications/PDF/Multifamily_prop.pdf); Szanton, S. L., Wolff, J.L. et al. (2015). *Preliminary data from community aging in place, advancing better living for elders, a patient-directed, team-based intervention to improve physical function and decrease nursing home utilization: the first 100 individuals to complete a centers for Medicare and Medicaid services innovation project*. Journal of the American Geriatrics Society. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/25644085>; Golant S. M., Parsons P. & Boling P.A. (2010). *Assessing the Quality of Care Found in Affordable Clustered Housing-Care Arrangements: Key to Informing Public Policy*. Washington, DC: Cityscape. Retrieved from <https://www.huduser.gov/portal/periodicals/cityscape/vol12num2/ch1.pdf>.
- 3 Joint Center for Housing Studies of Harvard University. (2014). *Housing America's older adults: meeting the needs of an aging population*. Cambridge, MA: Author. Retrieved from [http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/jchs-housing\\_america's\\_older\\_adults\\_2014.pdf](http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/jchs-housing_america's_older_adults_2014.pdf).
- 4 Shinn, M. (2009). *Ending Homelessness for Families: The Evidence for Affordable Housing*. Washington, DC: Homeless Research Institute. Retrieved from [https://b3cdn.net/naeh/b39ff307355d6ade38\\_yfm6b9kot.pdf](https://b3cdn.net/naeh/b39ff307355d6ade38_yfm6b9kot.pdf).



emergency shelter care.<sup>5</sup> Long-term housing subsidies reduced the proportion of families that were homeless or doubled-up in the previous six months by 50% and reduced the proportion of families who experienced a shelter stay by 75%.<sup>6</sup> Project-based transitional housing also reduced the proportion of families who experienced a shelter stay.<sup>7</sup>

Other studies have repeatedly found that families leaving homeless shelters for subsidized housing live in safer and higher quality communities and are less likely to return to a shelter than families who did not receive housing assistance.<sup>8</sup>

Housing assistance is also one of the most effective ways to lift families and children out of poverty. In fact, a recent analysis of Census data conducted by the Center on Budget and Policy Priorities shows that housing assistance raised 4 million people out of poverty in 2012, including 1.5 million children.<sup>9</sup>

## EDUCATIONAL ATTAINMENT AND ECONOMIC MOBILITY

Where our children grow up and live matters. Every extra year that a child spends in a better neighborhood environment improves the child's economic outcome as an adult, as indicated by measures such as income, likelihood of college attendance, and probability of avoiding teenage pregnancy.<sup>10</sup> Counties with higher rates of upward mobility among low income children tend to have less economic and racial segregation, lower levels of

income inequality, better schools, lower rates of violent crime, and a larger share of two-parent households.<sup>11</sup>

A groundbreaking Harvard study by economist Raj Chetty offers persuasive evidence of the impact of affordable housing on upward economic mobility for children.<sup>12</sup> Using new tax data, Chetty and his colleagues assessed the long-term outcomes for children who moved at a younger age to lower poverty neighborhoods as part of HUD's Moving to Opportunity experiment. Chetty's study found that children who were younger than 13 when their family moved to lower poverty neighborhoods saw their earnings as adults increase by approximately 31%, an increased likelihood of living in better neighborhoods as adults, and a lowered likelihood of becoming a single parent.

Another study found that young adults who had lived in public or voucher-assisted housing as teenagers had higher earnings and lower rates of incarceration than young adults from unassisted low income households.<sup>13</sup> The study suggests that housing vouchers and public housing provide low income parents with greater financial resources to devote to their children's development, which improves adult outcomes later in life.

Other research shows that children living in stable, affordable homes are more likely to thrive in school and have greater opportunities to learn inside and outside the classroom. Children in low income households that live in affordable housing score better on cognitive development tests than those in households with unaffordable rents.<sup>14</sup> Researchers suggest that that is partly because parents with affordable housing can invest more in activities and materials that support their

5 Gubits, D., Shinn, M. et al. (2016). *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.

6 *Ibid.*

7 *Ibid.*

8 Rog, D. J., Holupka, C. S., & Patton, L. C. (2007). *Characteristics and Dynamics of Homeless Families with Children*. Washington, DC: Department of Health and Human Services. Retrieved from <https://aspe.hhs.gov/sites/default/files/pdf/75331/report.pdf>; Shinn, M., Weitzman, B. C. et al. (1998). *Predictors of Homelessness Among Families in New York City: From Shelter Request to Housing Stability*. American Journal of Public Health, 88(11). Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1508577/pdf/amjph00023-0057.pdf>; Shinn, M. (2009). *Ending Homelessness for Families: The Evidence for Affordable Housing*. Washington, DC: Homeless Research Institute. Retrieved from [https://b3cdn.net/naeh/b39ff307355d6ade38\\_yfm6b9kot.pdf](https://b3cdn.net/naeh/b39ff307355d6ade38_yfm6b9kot.pdf).

9 Center on Budget and Policy Priorities. (2015). *Chart book: Accomplishments of the Safety Net*. Washington, DC: Author. Retrieve from <http://www.cbpp.org/research/poverty-and-inequality/chart-book-accomplishments-of-the-safety-net>.

10 Chetty, R., & Hendren, N. (2016). *The Impacts of Neighborhoods on Intergenerational Mobility: Childhood Exposure Effects and County-Level Estimates*. Cambridge, MA: National Bureau of Economic Research. Retrieved from [http://scholar.harvard.edu/files/hendren/files/movers\\_paper2\\_vinterim.pdf](http://scholar.harvard.edu/files/hendren/files/movers_paper2_vinterim.pdf).

11 *Ibid.*

12 Chetty, R., Hendren, N., & Katz, L. (2015). *The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment*. Cambridge, MA: National Bureau of Economic Research. Retrieved from [http://www.nber.org/mtopublic/final/MTO\\_IRS\\_2015.pdf](http://www.nber.org/mtopublic/final/MTO_IRS_2015.pdf).

13 Andersson, F., Haltiwanger, J. C., & Kutzbach, M. (2016). *Childhood Housing and Adult Earnings: A Between-Siblings Analysis of Housing Vouchers and Public Housing*. Cambridge, MA: National Bureau of Economic Research. Retrieved from <http://www.nber.org/papers/w22721>.

14 Newman, S. J. & C. S. Holupka (2015). *Housing Affordability and Child Well-Being*. Housing Policy Debate, 25(1), 116-151. Retrieved from <http://www.tandfonline.com/doi/abs/10.1080/10511482.2014.899261>.

children's development.<sup>15</sup> Parents also are able to save more money for their children's college tuition when they are not rent burdened and are more likely to attend a parent teacher conference.<sup>16</sup>

Low income children who switch schools frequently due to housing instability or homelessness tend to perform less well in school, have learning disabilities and behavioral problems, and are less likely to graduate from high school.<sup>17</sup> When they grow up, they are also more likely to be employed in jobs with lower earnings and skill requirements.<sup>18</sup> Moreover, students who attend schools with large populations of hypermobile children also suffer academically since more time must be devoted to review and catching up on work.<sup>19</sup>

## HEALTH OUTCOMES

Housing contributes to a person's mental and physical health and well-being. Safe, decent and accessible affordable housing acts is a veritable "vaccine,"<sup>20</sup> contributing to positive health outcomes and ensuring that families thrive. It allows families and seniors to put more resources towards paying for healthcare and wholesome foods, while also ensuring children grow up in a household free of environmental hazards, such as lead paint. Families that can afford their own home are not forced to "double up" with others in overcrowded living situations and are less likely to face mental health stressors that come with financial burdens and frequent moves.

Affordable housing also provides an important platform for delivering supportive health services to vulnerable

## WHAT HOME MEANS FOR SHELLIE

"Living at the Housing Authority at the City of Austin allows for my rent to be affordable so that I can concentrate on completing school and become self-sufficient."



populations, such as the elderly, people with disabilities, and people experiencing homelessness.

## FOOD INSECURITY AND EARLY CHILDHOOD DEVELOPMENT

Adults with significant housing cost burdens often forego healthcare, such as adhering to a treatment plan or having a prescription filled,<sup>21</sup> and skimp on food, causing significant health problems and limiting their children's learning and early development.<sup>22</sup> Severely cost burdened

- 15 Newman, S. J. & C. S. Holupka (2014). *Housing Affordability and investments in children*. Journal of Housing Economics, 24(June 2014), 89-100. Retrieved from <http://www.sciencedirect.com/science/article/pii/S1051137713000600>.
- 16 Public and Affordable Housing Research Corporation (2016). *Housing is a Foundation*. Cheshire, CT: Author. Retrieved from [https://www.housingcenter.com/sites/default/files/FINAL\\_NB\\_2016%20PAHRC%20Report.pdf](https://www.housingcenter.com/sites/default/files/FINAL_NB_2016%20PAHRC%20Report.pdf).
- 17 Voight, A., Shinn, M., & Nation, M. (2012). *The Longitudinal Effects of Residential Mobility on the Academic Achievement of Urban Elementary and Middle School Students*. Educational Researcher, 41(9), 385-392. Retrieved from <http://journals.sagepub.com/doi/pdf/10.3102/0013189X12442239>; Cunningham, M., & MacDonald, G. (2012). *Housing as a Platform for Improving Education Outcomes among Low-Income Children*. Washington, DC: Urban Institute. Retrieved from <http://www.urban.org/sites/default/files/publication/25331/412554-Housing-as-a-Platform-for-Improving-Education-Outcomes-among-Low-Income-Children.PDF>; Fischer, W. (2015). *Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children*. Washington, DC: Center on Budget and Policy Priorities. Retrieved from <http://www.cbpp.org/sites/default/files/atoms/files/3-10-14hous.pdf>.
- 18 Fischer, W. (2015). *Research Shows Housing Vouchers Reduce Hardship and Provide Platform for Long-Term Gains Among Children*. Washington, DC: Center on Budget and Policy Priorities. Retrieved from <http://www.cbpp.org/sites/default/files/atoms/files/3-10-14hous.pdf>.
- 19 Cunningham, M., & MacDonald, G. (2012). *Housing as a Platform for Improving Education Outcomes among Low-Income Children*. Washington, DC: Urban Institute. Retrieved from <http://www.urban.org/sites/default/files/publication/25331/412554-Housing-as-a-Platform-for-Improving-Education-Outcomes-among-Low-Income-Children.PDF>.
- 20 Sandel, M. T. (2016, February 25). *Housing is a Critical Vaccine* [Web log post]. Retrieved from <http://www.enterprisecommunity.org/2016/02/housing-critical-vaccine>.
- 21 Pollack, C. E., Griffin, B. A., & Lynch, J. (2010). *Housing Affordability and Health Among Homeowners and Renters*. American Journal of Preventive Medicine, 39(6), 515-521. Retrieved from [http://www.ajpmonline.org/article/S0749-3797\(10\)00455-1/pdf](http://www.ajpmonline.org/article/S0749-3797(10)00455-1/pdf).
- 22 Children's HealthWatch. (2011). *Behind Closed Doors: The hidden health impacts of being behind on rent*. Cambridge, MA: Author. Retrieved from [http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors\\_report\\_jan11-.pdf](http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors_report_jan11-.pdf); Fletcher, J. M., Andreyeva, T., & Busch, S. H. (2009). *Assessing the effect of changes in housing costs on food insecurity*. Journal of Children and Poverty, 15(2), 79-93. Retrieved from [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=1503043](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1503043); Cutts, D. B., Meyers, A. F. et al. (2011). *U.S. Housing Insecurity and the Health of Very Young Children*. American Journal of Public Health, 101(8), 1508-1514. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3134514/>.

households living in rural areas make particularly deep cuts to spending on food and healthcare.<sup>23</sup>

Families that are behind on rent are more likely than families with stable housing to compromise living expenses to pay medical bills and vice versa, and have greater food insecurities.<sup>24</sup> They are also more likely to participate in non-housing federal assistance programs.<sup>25</sup> Children in these families are more likely to be in fair or poor health and are at greater risk at being delayed in their social, emotional, motor, or cognitive development.<sup>26</sup> Furthermore, children who are homeless or insecurely housed are more likely to witness and be victims of domestic violence and sexual abuse.<sup>27</sup>



In families that do receive housing assistance, children are more likely to have a nutritious diet and to meet “well-child” criteria<sup>28</sup> when compared to other children whose families are on the wait list for housing assistance.<sup>29</sup> In 2011, families living in affordable housing spent nearly five times more on healthcare and a third more on food compared to their severely cost-burdened peers.<sup>30</sup>

## MENTAL HEALTH

Affordable housing has positive impacts on mental health and well-being.<sup>31</sup> A study found that housing assistance can reduce psychological distress, as well as post-traumatic stress disorder, among formerly homeless families.<sup>32</sup> Research has also shown stable housing decreases depression among seniors<sup>33</sup> and anxiety and aggression among adolescents.<sup>34</sup> In contrast, housing instability and homelessness have been linked to an increased risk of depression and mental illness for adults and children over their lifetimes.<sup>35</sup>

Socially integrated, affordable housing also serves as a foundation for providing services to people with serious mental illness (SMI), while affording them the dignity of integration with the wider community. It is a cornerstone of community-based mental healthcare. Without access to housing and services, people with SMI often end up homeless or in inappropriate institutional settings, such as prisons or jails. Homeless people with SMI are also

- 23 Joint Center for Housing Studies of Harvard University. (2014). *The State of the Nation's Housing*. Cambridge, MA: Author. Retrieved from <http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/sonhr14-color-full.pdf>.
- 24 Children's HealthWatch. (2011). *Behind Closed Doors: The hidden health impacts of being behind on rent*. Cambridge, MA: Author. Retrieved from [http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors\\_report\\_jan11-.pdf](http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors_report_jan11-.pdf).
- 25 *Ibid.*
- 26 *Ibid.*; Coley, R. L., Leventhal, T. et al. (2013). *Relations between housing characteristics and the well-being of low-income children and adolescents*. *Developmental Psychology*, 49(9), 1775-1789. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/23244408>.
- 27 University of Pittsburgh Office of Child Development (2010). *Unstable Living Situations and Early Childhood Mental Health*. Pittsburgh, PA: Author. Retrieved from <https://www.ocd.pitt.edu/Files/PDF/ECMH-unstableliving.pdf>.
- 28 Such as maintaining a healthy weight, lack of developmental concerns, and being in good or excellent health.
- 29 Cook, J. T., Ettinger de Cuba, S. et al. (2009). *Rx for Hunger: Affordable Housing*. Cambridge, MA: Children's HealthWatch. Retrieved from [http://www.issueab.org/resource/rx\\_for\\_hunger\\_affordable\\_housing](http://www.issueab.org/resource/rx_for_hunger_affordable_housing).
- 30 Joint Center for Housing Studies of Harvard University. (2013). *The State of the Nation's Housing*. Cambridge, MA: Author. Retrieved from <http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2013.pdf>.
- 31 Burt, M. R., Wilkins, C., & Mauch, D. (2011). *Medicaid and Permanent Supportive Housing for Chronically Homeless Individuals: Literature Synthesis and Environmental Scan*. Washington, DC: U.S. Department of Health and Human Services. Retrieved from <https://aspe.hhs.gov/sites/default/files/pdf/76196/ChrHomlr.pdf>; Gubits, D., Shinn, M. et al. (2016). *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.
- 32 *Ibid.*
- 33 Robison, J., Schensul, J. J. et al. (2009). *Mental health in senior housing: Racial/ethnic patterns and correlates of major depressive disorder*. *Aging & Mental Health*, 13(5), 659-673. Retrieved from <http://www.tandfonline.com/doi/abs/10.1080/13607860802607298?journalCode=camh20>.
- 34 Coley, R. L., Leventhal, T. et al. (2013). *Relations between housing characteristics and the well-being of low-income children and adolescents*. *Developmental Psychology*, 49(9), 1775-1789. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/23244408>.
- 35 Gilman, S. E., Kawachi I. et al. (2003). *Socio-economic status, family disruption and residential stability in childhood: relation to onset, recurrence and remission of major depression*. *Psychological Medicine*, 33(8), 1341-1355. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/14672243>; Children's HealthWatch. (2011). *Behind Closed Doors: The hidden health impacts of being behind on rent*. Boston, MA: Author. Retrieved from [http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors\\_report\\_jan11-.pdf](http://childrenshealthwatch.org/wp-content/uploads/behindcloseddoors_report_jan11-.pdf).

more likely to frequent emergency rooms at great public expense. Studies have shown that formerly homeless adults with mental illness are more likely to spend fewer days in the hospital and improve their mental health outcomes after receiving stable housing.<sup>36</sup>

## ENVIRONMENTAL HEALTH HAZARDS

Environmental hazards in substandard housing pose a grave risk to the health and well-being of low income families and children. Statistics and key findings regarding the long-term effects of housing-related health hazards are alarming. Childhood exposure to lead can have lifelong consequences, including decreased cognitive function, developmental delays, behavior problems, and, exposure at very high levels of lead, can cause seizures, coma, and even death. New research shows that children living in HUD-assisted housing have lower levels of lead in their blood compared to children whose families remain unassisted.<sup>37</sup>

Low income children living in substandard housing are more at risk for asthma and hospitalization.<sup>38</sup> Asthma is a leading common chronic disease among children in the U.S. and leads to high levels of school absences;<sup>39</sup> 24 million people in the U.S. have asthma, including 8.6% of children under 18 years old.<sup>40</sup>

Between 2007 and 2008, the economic costs to society of lead poisoning and asthma were estimated at \$50 billion and \$56 billion respectively.<sup>41</sup>



## HOUSING ACCESSIBILITY AND THE PROVISION OF SUPPORTIVE SERVICES

Accessible affordable housing serves as a crucial platform for delivering supportive health services to vulnerable populations. Accessible housing allows people with disabilities and seniors, who are more likely to develop mobility impairments as they age, to remain in their homes and receive community-based care instead of becoming institutionalized. Accessibility features also prevent accidents, like falls, that can cause future mobility impairment. Publicly subsidized rental units are more

likely to be accessible than other apartments. One study found that public housing and privately-owned subsidized rental units were 2.5 times more likely than owner-occupied units to be livable for people with mobility issues.<sup>42</sup>

Demand for accessible housing is expected to grow significantly by 2040 when seniors will account for 21% of the U.S. population.<sup>43</sup> Between 2015 and 2035, the nation's number of senior households will increase by 20 million from 29.9

million to 49.6 million.<sup>44</sup> The numbers of low income seniors will also grow. In 2015, about 15 million older adults were low income; in 2035, 27 million older adults will be low income.<sup>45</sup> Low income seniors cannot afford market rate homes and need assistance to afford safe, decent, and accessible homes.

- 36 Kyle, T., & Dunn, J. R. (2008). *Effects of housing circumstances on health, quality of life and healthcare use for people with severe mental illness: a review*. Health & Social Care in the Community, 16(1), 1-15. Retrieved from <https://www.ncbi.nlm.nih.gov/pubmed/18181811>; Martinez, T. E., & Burt, M. R. (2006). *Impact of Permanent Supportive Housing on the Use of Acute Care Health Services by Homeless Adults*. Psychiatric Services, 57(7), 992-999. Retrieved from [http://shnny.org/uploads/Supportive\\_Housing\\_and\\_Acute\\_Care\\_Services\\_Use.pdf](http://shnny.org/uploads/Supportive_Housing_and_Acute_Care_Services_Use.pdf).
- 37 Children who lived in HUD-assisted households had half the prevalence of higher blood levels when compared to children whose families received no housing assistance. Ahrens, K. A., Haley, B. A. et al (2016). *Housing Assistance and Blood Lead Levels: Children in the United States, 2005–2012*. American Journal of Public Health, 106(11), 2049-2056. Retrieved from <http://howhousingmatters.org/articles/low-income-families-children-live-hud-assisted-housing-lower-levels-lead-blood/>.
- 38 Wu, F., & Takaro, T. K. (2007). *Childhood Asthma and Environmental Interventions*. Environmental Health Perspectives, 115(6), 971-975. Retrieved from <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1892116/>.
- 39 Akinbami, L. J., Moorman, J. E., & Liu, X. (2011). *Asthma Prevalence, Health Care Use, and Mortality: United States, 2005–2009*. Hyattsville, MD: National Health Statistics Report. Retrieved from <https://www.cdc.gov/nchs/data/nhsr/nhsr032.pdf>.
- 40 Centers for Disease Control and Prevention (2017). *Asthma Statistics*. Author. Retrieved from <https://www.cdc.gov/nchs/fastats/asthma.htm>.
- 41 Kruse, J. (2016). *Lead Hazard Control and Healthy Homes*. Washington, DC: National Low Income Housing Coalition's Advocates' Guide. Retrieved from [http://nlihc.org/sites/default/files/2016AG\\_Chapter\\_5-3.pdf](http://nlihc.org/sites/default/files/2016AG_Chapter_5-3.pdf).
- 42 Chan, S. & Gould Ellen, I. (2016). *Housing for an Aging Population*, Housing Policy Debate. Retrieved from [http://nlihc.org/sites/default/files/Housing\\_for\\_an\\_Aging\\_Population.pdf](http://nlihc.org/sites/default/files/Housing_for_an_Aging_Population.pdf).
- 43 Ortman, J. M., Velkoff, V. A., & Hogan, H. (2014). *An Aging Nation: The Older Population in the United States*. Washington, DC: U.S. Census Bureau. Retrieved from <https://www.census.gov/prod/2014pubs/p25-1140.pdf>.
- 44 Joint Center for Housing Studies of Harvard University. (2014). *Projections & Implications for Housing a Growing Population: Older Households 2015-2035*. Cambridge, MA: Author. Retrieved from [http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/harvard\\_jchs\\_housing\\_growing\\_population\\_2016.pdf](http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/harvard_jchs_housing_growing_population_2016.pdf).
- 45 *Ibid.*

Supportive housing has also been shown to help individuals with substance abuse disorders, mental illness, and chronic diseases, such as HIV/AIDS and diabetes, achieve better health outcomes by making it easier for people to seek medical care and maintain their treatment regimens.<sup>46</sup> In particular, people experiencing homelessness often face difficulties in properly storing their prescriptions, some of which may require refrigeration, and going to follow-up doctor's appointments. A recent study found that supportive housing successfully reduced the use of detox services and emergency room visits by people struggling with substance abuse.<sup>47</sup>

As the opioid epidemic continues to claim more victims, the need for more supportive housing units will become ever more critical as people will need a safe and stable place to recover. This is especially true in rural towns

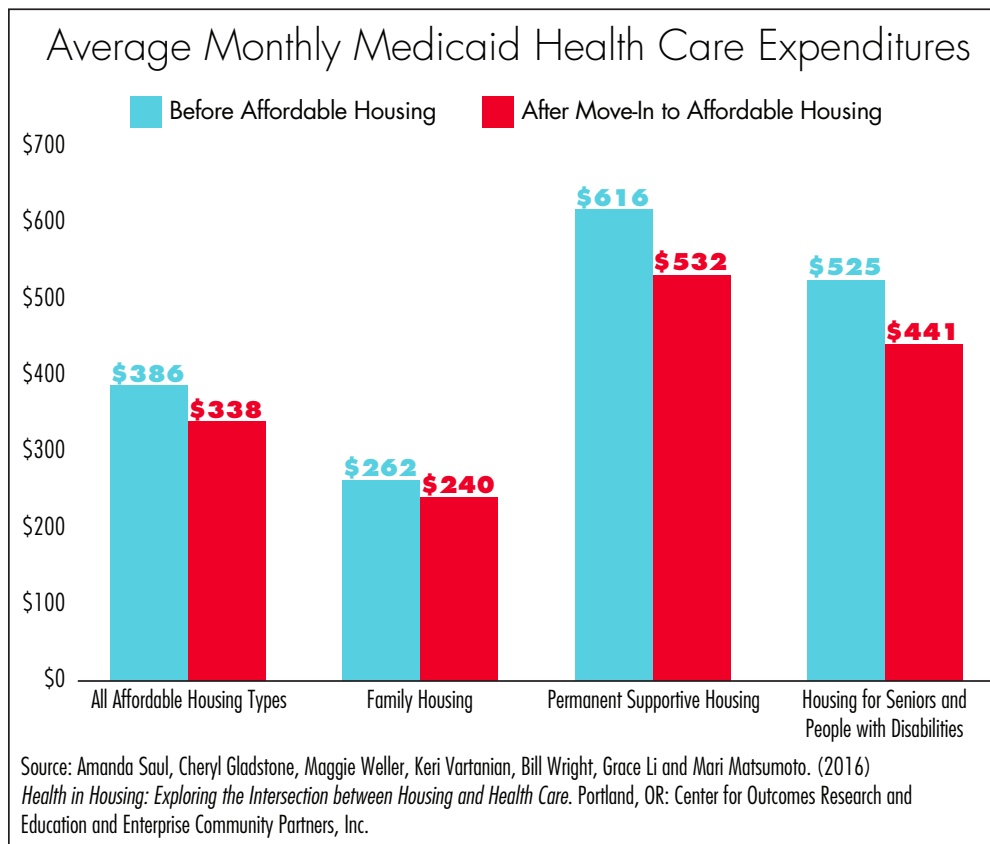
and small cities that have been particularly hard hit by the epidemic. USDA has recently announced a plan to finance transitional housing for people receiving treatment for opioid addiction in 22 states.<sup>48</sup>

## REDUCING HEALTHCARE AND OTHER COSTS

Research suggests that affordable housing can help reduce healthcare costs. The federal government may realize cross-sector cost savings by placing people experiencing homelessness into permanent supportive housing, especially individuals with complex health needs who have been homeless for an extended period of time. The total cost of providing housing and wrap-around supportive services is often less than the total cost of services people access while

experiencing homelessness including shelters, non-acute emergency room visits, inpatient psychiatric care, and encounters with law enforcement and first responders. Dennis Culhane's landmark study in 2002 found that a homeless, mentally ill person on the streets of New York City costs taxpayers \$40,451 a year. Supportive housing reduces these annual costs by a net \$16,282 per housing unit.<sup>49</sup>

Another study conducted by the Center for Outcomes Research and Education (CORE) found affordable housing reduced overall healthcare expenditures by 12% for Medicaid recipients.<sup>50</sup> Researchers attribute these



46 Spillman, B. C., Allen, E. H., & Spencer, A. (2015). *Evaluation of the Medicaid Health Home Option for Beneficiaries with Chronic Conditions: Annual Report - Year Three*. Washington, DC: U.S. Department of Health and Human Services. Retrieved from <https://aspe.hhs.gov/sites/default/files/pdf/163041/HHOption3.pdf>.

47 Hall, G., Davidson, C. et al. (2014). *Public Service Use and Costs Associated with NY/NY III's Supportive Housing for Active Substance Users*. New York, NY: The National Center on Addiction and Substance Abuse at Columbia University. Retrieved from [https://www.centeronaddiction.org/sites/default/files/files/4\\_public-service-use-and-costs-associated-with-ny-ny-iii-supportive-housing-for-active-substance-users.pdf](https://www.centeronaddiction.org/sites/default/files/files/4_public-service-use-and-costs-associated-with-ny-ny-iii-supportive-housing-for-active-substance-users.pdf).

48 U.S. Department of Agriculture, Office of Communications. (2016, August 31). *USDA Announces Initiative to Provide Transitional Housing for Rural Americans in Recovery from Substance Use Disorders* [Press release]. Retrieved from <https://www.usda.gov/wps/portal/usda/usdahome?contentid=2016/08/0186.xml>.

49 Culhane, D. P., Metraux, S. & Hadley, T. (2002). *Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing*. Housing Policy Debate, (13)1. Retrieved from [http://shnny.org/uploads/The\\_Culhane\\_Report.pdf](http://shnny.org/uploads/The_Culhane_Report.pdf).

50 Centers for Outcomes Research and Education. (2016). *Health in Housing: Exploring the Intersection Between Housing & Health Care*. Portland, OR: Author. Retrieved from [https://s3.amazonaws.com/KSPProd/ERC\\_Upload/0100981.pdf](https://s3.amazonaws.com/KSPProd/ERC_Upload/0100981.pdf).

savings to more cost-efficient use of health services, with an 18% decrease in costly emergency department visits and a 20% increase in less costly primary care services.<sup>51</sup> The study estimated that total annual savings to Medicaid would be \$936,000 for the 1,625 study participants.

## STRENGTHENING THE ECONOMY

Investing in affordable housing strengthens our economy, creating jobs, boosting families' incomes, and encouraging further development. Each dollar invested in affordable housing infrastructure boosts local economies by leveraging public and private resources to lift resident earnings and local tax revenue, as well as to support job creation and retention. In fact, building 100 affordable rental homes generates \$11.7 million in local income, \$2.2 million in taxes and other revenue for local governments, and 161 local jobs in the first year alone.<sup>52</sup> Affordable housing development also benefits local business through increased patronage created by the sale of construction materials and new neighborhood customers.

Like roads and bridges, affordable housing is a long-term asset that helps communities and families succeed. Without the burden of higher housing costs, families would be better able to move to areas with growing local economies where their wages and employment prospects may improve. Increasing and preserving the supply of affordable housing—especially in areas connected to good schools, well-paying jobs, healthcare, and transportation—will help more families climb the economic ladder and help communities meet their workforce needs.

A recent study found that the shortage of affordable housing in major metropolitan areas costs the American economy about \$2 trillion a year in lower wages and productivity. The lack of affordable housing acts as a barrier to entry, preventing lower income households from moving to communities with more economic opportunities. Without the burden of higher housing

## WHAT HOME MEANS TO MARV

"I never imagined I would need to live in subsidized housing, but I thank God every day that Coleman House was here for me when I needed it!"



costs, these families would be better able to move to areas with growing local economies where their wages and employment prospects may improve.

High housing costs constrain opportunities for families to increase earnings, causing slower GDP growth. In fact, researchers estimate that the growth in GDP between 1964 and 2009 would have been 13.5% higher if families had better access to affordable housing.<sup>53</sup> This would have led to a \$1.7 trillion increase in total income, or \$8,775 in additional wages per worker.<sup>54</sup> The lack of affordable housing prevents lower income households from moving to communities with more economic opportunities and makes it difficult for businesses to attract and retain the workers they need.

## CREATING LOCAL JOBS

HUD programs boosts local economies, supporting hundreds of thousands of jobs each year. CHCDF estimates that in fiscal year (FY) 2015, HUD investments supported 537,297 jobs. Of those jobs, 301,217 were directly supported by HUD programs, while 236,080 were supported indirectly.

51 *Ibid.*

52 National Association of Home Builders. (2015). *The Economic Impact of Home Building in a Typical Local Area*. Washington, DC: Author. Retrieved from [https://www.nahb.org/~media/Sites/NAHB/Economic%20studies/1-REPORT\\_local\\_20150318115955.ashx?la=en](https://www.nahb.org/~media/Sites/NAHB/Economic%20studies/1-REPORT_local_20150318115955.ashx?la=en).

53 *Ibid.*

54 *Ibid.*

# JOBS SUPPORTED THROUGH HUD INVESTMENTS

(FY 2015, YEAR-ONE IMPACT ONLY)

STATE	FY 2015 HUD INVESTMENT	DIRECT JOBS	INDIRECT JOBS	TOTAL JOBS
AK	\$187,925,675	1,398	1,567	2,965
AL	\$571,623,690	4,093	3,219	7,311
AR	\$278,193,944	1,988	1,556	3,544
AZ	\$509,255,502	3,842	3,633	7,475
CA	\$5,624,477,593	38,741	29,845	68,586
CO	\$501,277,396	3,471	2,691	6,162
CT	\$796,688,591	5,401	4,179	9,580
DC	\$446,835,003	3,156	2,295	5,450
DE	\$120,166,727	833	652	1,485
FL	\$1,757,525,728	12,450	9,533	21,983
GA	\$1,095,886,062	7,827	6,060	13,887
HI	\$225,000,328	1,553	1,194	2,746
IA	\$238,168,144	1,733	1,363	3,096
ID	\$92,518,741	668	544	1,212
IL	\$2,117,889,147	14,958	11,617	26,575
IN	\$593,824,650	4,263	3,351	7,614
KS	\$210,254,798	1,532	1,220	2,752
KY	\$514,229,706	3,627	2,836	6,463
LA	\$694,927,097	4,845	3,706	8,551
MA	\$2,128,991,693	14,410	11,152	25,562
MD	\$1,041,797,988	7,188	5,445	12,634
ME	\$214,494,012	1,496	1,190	2,685
MI	\$1,051,617,464	7,614	6,004	13,619
MN	\$639,062,338	4,547	3,589	8,136
MO	\$613,794,148	4,433	3,508	7,941
MS	\$378,746,782	2,655	2,079	4,734
MT	\$106,257,875	780	737	1,518
NC	\$868,214,028	6,214	4,927	11,141
ND	\$87,275,474	627	590	1,217
NE	\$164,263,640	1,184	948	2,132
NH	\$182,465,105	1,257	974	2,231
NJ	\$1,695,309,877	11,870	9,080	20,950

STATE	FY 2015 HUD INVESTMENT	DIRECT JOBS	INDIRECT JOBS	TOTAL JOBS
NM	\$176,220,217	1,272	1,072	2,344
NV	\$252,045,185	1,795	1,453	3,248
NY	\$5,875,737,173	41,102	31,807	72,909
OH	\$1,626,463,637	11,565	9,056	20,621
OK	\$425,025,992	3,080	2,884	5,964
OR	\$415,360,263	2,909	2,320	5,229
PA	\$1,820,907,572	13,280	10,319	23,589
RI	\$322,706,249	2,221	1,758	3,979
SC	\$440,801,065	3,128	2,459	5,587
SD	\$112,110,412	820	815	1,635
TN	\$679,790,176	4,863	3,865	8,727
TX	\$2,166,830,531	15,632	12,010	27,642
UT	\$159,885,335	1,160	924	2,084
VA	\$836,618,633	5,859	4,496	10,354
VT	\$103,902,623	710	555	1,266
WA	\$812,292,653	5,652	4,517	10,169
WI	\$494,262,199	3,612	3,008	6,620
WV	\$218,900,430	1,590	1,225	2,815
WY	\$42,936,727	309	268	577
<b>GRAND TOTAL</b>	<b>\$42,731,756,018</b>	<b>301,217</b>	<b>236,080</b>	<b>537,297</b>

To calculate HUD's overall impact on job creation, CHCDF analyzed HUD data relating to the agency's major housing programs and their funding levels in FY15. CHCDF examined the following programs: public housing, Housing Choice Voucher program, housing counseling, Choice Neighborhood Initiative, Indian Housing Block Grant program, Section 8 Project-Based Rental Assistance program, Section 202 Housing for the Elderly program, Section 811 Supportive Housing for Persons with Disabilities program, Community Development Block Grant program, HOME Investment Partnerships program, Continuum of Care program, Emergency Solutions Grant program, and the Housing Opportunities for Persons with AIDS program.

CHCDF used HUD's FY13 jobs multiplier data adjusted, for inflation.

According to HUD, Congress provided \$5.84 billion for the public housing programs in FY15. HUD also reports that for every \$1 million spent through the program's capital fund, 10.03 direct jobs and 8.86 indirect jobs

are supported. For every \$1 million spent through the program's operating fund, 6.15 direct jobs and 4.54 indirect jobs are supported. The data provided by HUD combined funding for the public housing capital fund and operating fund into a single amount for the program's overall funding level. To determine how much funding went into each account to calculate the number of jobs supported, CHCDF used HUD's summary of FY15 enacted level provided in HUD's FY17 Congressional Justifications. As a result, public housing funding in FY15 supported 42,633 direct and 34,007 indirect jobs.

Congress provided \$19.79 billion for the Housing Choice Voucher program in FY 2015. HUD also reports that for every \$1 million spent through the program, 6.29 direct jobs and 4.60 indirect jobs are supported. As a result, CHCDF estimates that in FY15, the Housing Choice Voucher program has helped support 124,367 direct jobs and 91,034 indirect jobs.

HUD data shows that Congress provided \$78.88 million for the Choice Neighborhood Initiative in FY 2015. HUD



also reports that for every \$1 million spent through the program, 9.59 direct jobs and 11.25 indirect jobs are supported. As a result, CHCDF estimates that in FY15, the Choice Neighborhood Initiative program has helped support 756 direct jobs and 887 indirect jobs.

According to HUD, Congress provided \$660.26 million for the Indian Housing Block Grants in FY 2015. HUD also reports that for every \$1 million spent through the program, 8.02 direct jobs and 11.17 indirect jobs are supported. As a result, CHCDF estimates that in FY15, Indian Housing Block Grants has helped support 5,467 direct jobs and 7,617 indirect jobs.

Congress provided \$9.78 billion for the Section 8 Project-Based Rental Assistance program in FY 2015. HUD also reports that for every \$1 million spent through the program, 6.36 direct jobs and 5.22 indirect jobs are supported. As a result, CHCDF estimates that in FY15, Section 8 Project-Based Rental Assistance program has helped support 62,238 direct jobs and 51,062 indirect jobs.

In FY 2015, Congress provided \$485.52 million for the Section 202 Housing for the Elderly program (Section 202). HUD reports that for every \$1 million spent through the program to renew rental assistance contracts, 6.36 of direct jobs and 5.22 indirect jobs are supported. HUD reports that for every \$1 million spent through the program to fund service coordinators, 20.81 direct jobs and 9.75 indirect jobs are supported. The data provided by HUD combined funding for the Section 202 program's contract renewals and service coordinators into a single amount for the program's overall funding level. To determine how much funding went into each account to calculate the number of jobs supported, CHCDF used HUD's summary of FY15 enacted level provided in HUD's FY17 Congressional Justifications. As a result, CHCDF estimates that in FY15, Section 202 supported 4,261 direct and 2,903 indirect jobs.

According to HUD, Congress provided \$150.58 million for the Section 811 Supportive Housing for Persons with Disabilities program (Section 811) in FY 2015. HUD also reports that for every \$1 million spent through the

program's contract renewals, 6.36 direct jobs and 5.22 indirect jobs are supported. As a result, CHCDF estimates that in FY15, Section 811 has helped support 958 direct jobs and 786 indirect jobs.

In FY 2015, Congress provided \$39.08 million for the Housing Counseling Assistance program. HUD also reports that for every \$1 million spent through the program, 20.81 direct jobs are supported. As a result, CHCDF estimates that in FY15, the Housing Counseling Assistance program has helped support 813 direct jobs.

Congress provided \$2.92 billion for the Community Development Block Grant program (CDBG) in FY 2015. HUD also reports that for every \$1 million spent through the program, 10.79 direct jobs and 9.67 indirect jobs are supported. As a result, CHCDF estimates that in FY15, CDBG has helped support 31,551 direct jobs and 28,295 of indirect jobs.

HUD data shows that Congress provided \$895.98 million for the HOME Investment Partnerships program (HOME) in FY 2015. HUD also reports that for every \$1 million spent through the program, 8.51 direct jobs and 9.09 indirect jobs are supported. As a result, CHCDF estimates that in FY15, the HOME program has helped support 7,627 direct jobs and 8,148 indirect jobs.

Congress also provided \$1.66 billion for Homeless Assistance Grants, which include the Continuum of Care and Emergency Solutions Grants programs, in FY 2015. HUD also reports that for every \$1 million spent through the program, 9.74 direct jobs and 5.39 indirect jobs are supported. As a result, CHCDF estimates that in FY15, Homeless Assistance Grants have helped support 16,168 direct jobs and 8,942 indirect jobs.

Moreover, Congress provided \$395.06 million for the Housing Opportunities for Persons with AIDS program (HOPWA) in FY 2015. HUD also reports that for every \$1 million spent through the program, 11.46 direct jobs and 6.73 indirect jobs are supported. As a result, CHCDF estimates that in FY15, HOPWA has helped support 4,526 direct jobs and 2,658 indirect jobs.

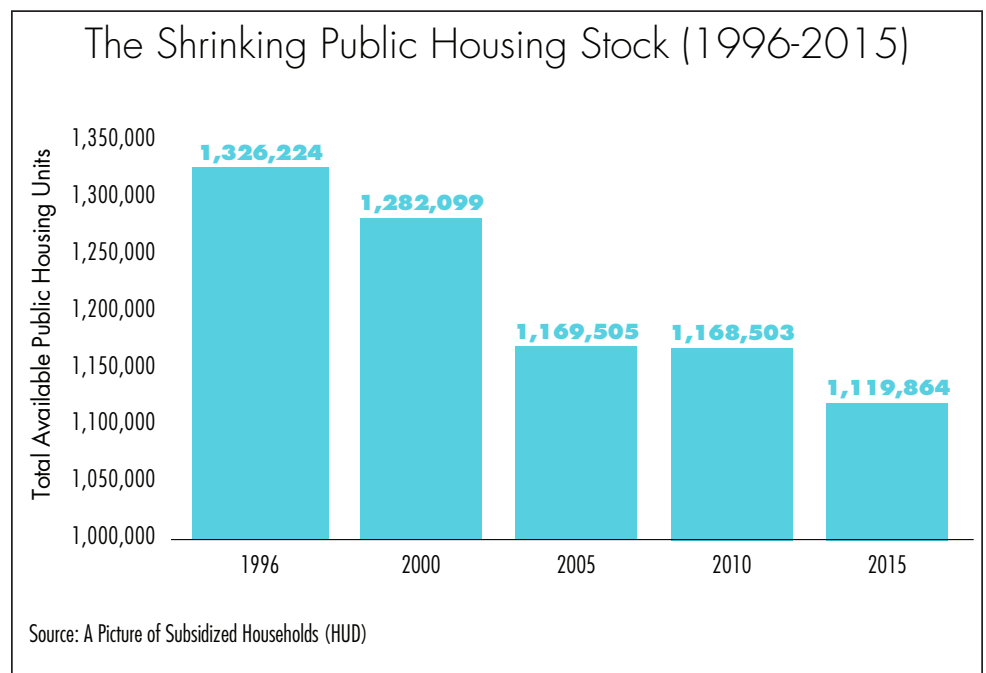
# THE NEED FOR AFFORDABLE HOUSING

More people are renting their homes than ever before. Demand for rental housing has reached its highest level since the 1960s.<sup>55</sup> Vacancy rates are at their lowest levels since 1985, and rents have risen at an annual rate of 3.5%, the fastest pace in three decades. Growth in the supply of low-cost rental units has not kept pace with the significant growth in demand. Between 2003 and 2013, the number of low-cost units renting for less than \$400 increased by 10%, but the number of renter households in need of these units increased by 40%.<sup>56</sup> In large part, this is due to stagnating wages, tight mortgage standards, and high home prices, which have put even more strain on renters' pocketbooks and put homeownership out of reach for many Americans.

The increased demand for rental housing has caused rents to rise across the nation, leading to more low income families having to spend most of their income on keeping a roof over their heads. The Joint Center for Housing Studies of Harvard University recently reported that nearly three quarters of the nation's 9.6 million lowest income renters—those with incomes less than \$15,000 per year—dedicate more than half of their income towards their housing.<sup>57</sup> A full-time worker earning the prevailing minimum wage cannot afford a modest two-bedroom apartment in any state, metropolitan area, or county in the United States.<sup>58</sup> These households have little left to spend on basic needs, like food or medicine, and have no means to save for retirement or college. This is the definition of “housing poverty.” Unaffordable rents can lead to undernourished children because, as sociologist Matthew Desmond put it, “The rent eats first.”<sup>59</sup> They are

also at high risk of falling behind on their rent, being evicted, and becoming homeless, which can set them back further by contributing to job losses and family separations.

Despite the need, just one in four families who are eligible for housing assistance get the help they need. This is because Congress—under both Republican and Democratic leadership—has chronically underfunded federal housing programs for decades. For example, because of underfunding, 10,000 public housing units are lost each year to disrepair, while the public housing capital backlog is likely close to \$40 billion dollars and grows at a rate of \$3.4 billion per year.<sup>60</sup>



Meanwhile, waiting lists for public housing and housing choice vouchers are often closed or have years-long wait times.<sup>61</sup> The loss of public housing and of other existing federally-supported housing is something our nation cannot afford.

55 Joint Center for Housing Studies of Harvard University. (2016). *The State of the Nation's Housing*. Cambridge, MA: Author. Retrieved from [http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/americas\\_rental\\_housing\\_2015\\_web.pdf](http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/americas_rental_housing_2015_web.pdf).

56 *Ibid.*

57 *Ibid.*

58 NLIHC's *Out of Reach* report shows the difference between wages and the price of housing in every state, county, and jurisdiction by estimating each locality's "housing wage", the hourly wage a full-time worker needs to earn in order to afford a modest, two-bedroom apartment. In 2016, the national housing wage was \$20.30 per hour. A worker earning the federal minimum wage would need to work 112 hours a week—or 2.8 full-time jobs—just to afford a modest two-bedroom apartment. National Low Income Housing Coalition. (2016). *Out of Reach*. Washington, DC: Author. Retrieved from <http://nlihc.org/oor>.

59 Desmond M. (2016). *Evicted: Poverty and Profit in the American City*. New York: Crown.

60 Finkel, M., Lam, K. et al. (2010). *Capital Needs in the Public Housing Program*. Cambridge, MA: Abt Associates Inc. Retrieved from [https://portal.hud.gov/hudportal/documents/huddoc?id=PH\\_Capital\\_Needs.pdf](https://portal.hud.gov/hudportal/documents/huddoc?id=PH_Capital_Needs.pdf).

61 National Low Income Housing Coalition. (2016). *Housing Spotlight: the Long Wait for a Home*. Washington, DC: Author. Retrieved from <http://nlihc.org/article/housing-spotlight-volume-6-issue-1>.

# THE ROLE OF FEDERAL INVESTMENTS IN AFFORDABLE HOUSING

While decent, accessible housing remains unavailable or unaffordable for far too many today, the affordable housing crisis would be significantly worse without the federal investments provided by the HUD and USDA's Rural Housing Service (RHS).

In the past 20 years alone, HUD has provided housing assistance to more than 35 million households. Without the opportunity that HUD provided, many of these families would be homeless, living in substandard or overcrowded conditions, or unable to afford other basic necessities because so much of their income is spent on rent. In fact, a recent analysis of U.S. Census data conducted by the Center on Budget and Policy Priorities shows that housing assistance raised 4 million people out of poverty in 2012, including 1.5 million children, and has significantly reduced homelessness.<sup>62</sup>

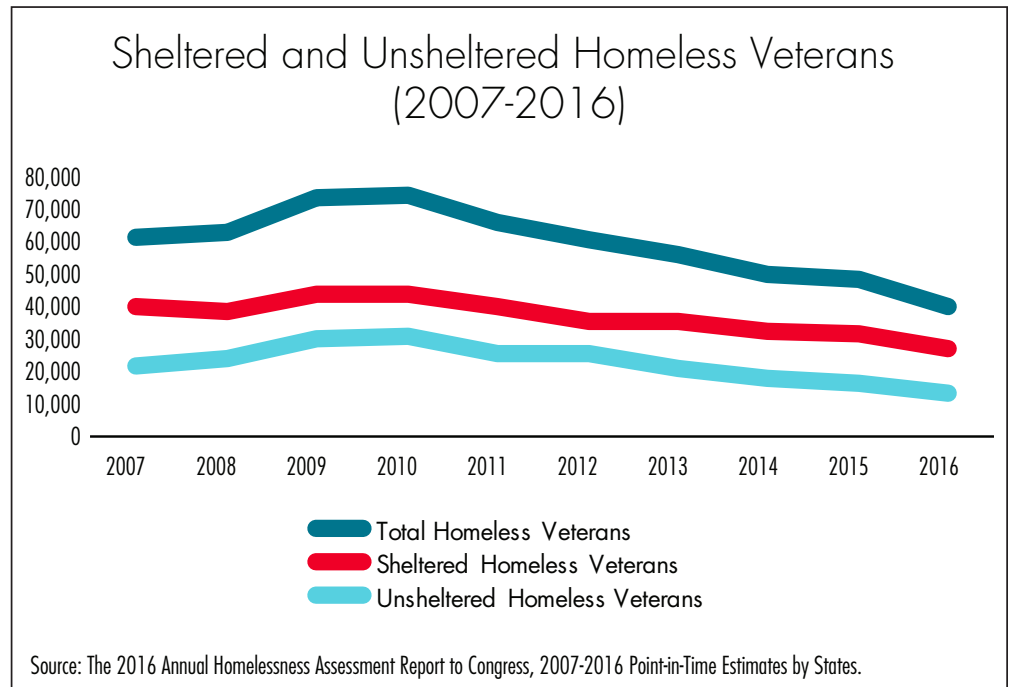
Since 1934, HUD, the Federal Housing Administration, and RHS have insured over 44 million home mortgages and 50,000 multifamily project mortgages—providing an especially critical safety net during the recent mortgage crisis and ensuing recession.

Federal programs continue to leverage billions of dollars in private resources to preserve and expand the supply of affordable housing so needed by low income families.

The federal government also plays a critical role in convening and providing leadership to states and local communities to develop and implement strategies for addressing housing insecurity and homelessness in our nation. For example, HUD, the Department of Veterans Affairs, and the United State Interagency Council on

Homelessness worked together with states and local communities to address veterans' homelessness, which has seen nearly a 50% reduction since 2010. That achievement was largely made possible by increased federal funding directly targeted at those in need of assistance.

HUD also administers several innovative programs, including the Jobs-Plus and Family Self-Sufficiency programs, that have helped thousands of adults living in assisted housing to improve their employment and earnings. Congress has already taken steps to expand



these programs in recent years, and research favors this approach over one that would impose costly and burdensome new requirements on housing authorities and families.

The role of federal affordable housing investments is even more important given the limited ability of the private market to address these needs. In fact, the private market often cannot provide rental housing that is affordable to

62 Center on Budget and Policy Priorities. (2015). *Chart book: Accomplishments of the Safety Net*. Washington, DC: Author. Retrieve from <http://www.cbpp.org/research/poverty-and-inequality/chart-book-accomplishments-of-the-safety-net>.

the lowest income households without public subsidy.<sup>63</sup> Private sector housing developers have testified before Congress that without federal resources, the private market would not invest in affordable housing at all.<sup>64</sup>

This is because there is significant gap between the rents that low income households can afford and the costs of building and maintaining rental housing.<sup>65</sup> Since the rents collected from low income residents do not cover their operating costs, developers cannot produce enough revenue to pay their lenders and investors. Modifying land use restrictions and regulations or reducing

construction costs can help, but ultimately are not enough to close the gap without subsidies.<sup>66</sup>

HUD Secretary Dr. Ben Carson explains that “when it comes to deep affordability, though, removing all regulatory barriers won’t get you there. It comes down to subsidy. Subsidy levels haven’t changed appreciably under Democratic or Republican administrations.” This is a role that only the federal government can play.

You can learn more about HUD’s affordable housing and community development programs in the appendix.



63 Joint Center for Housing Studies of Harvard University. (2015). *America’s Rental Housing: Expanding Options for Diverse and Growing Demand*. Cambridge, MA: Author. Retrieved from [http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/americas\\_rental\\_housing\\_2015\\_web.pdf](http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/americas_rental_housing_2015_web.pdf).

64 U.S. Cong., House Financial Services Subcommittee on Housing and Insurance. (April 16, 2015). *The Future of Housing in America: Increasing Private Sector Participation in Affordable Housing* [Cong. Rept. 114-14 from 114 Cong., 1 sess.]. Retrieved from <http://financialservices.house.gov/uploadedfiles/114-14.pdf>.

65 Urban Institute & National Housing Conference. (2016). *The cost of affordable housing: Does it pencil out?*. Washington, DC: Author. Retrieved at <http://apps.urban.org/features/cost-of-affordable-housing/>.

66 *Ibid.*

# FUNDING LEVELS FOR HUD AND USDA AFFORDABLE HOUSING PROGRAMS

## HUD INVESTMENTS IN AFFORDABLE HOUSING (FY 2015—IN MILLIONS)

ST	VOUCHERS	PUBLIC HOUSING	CHOICE	INDIAN HOUSING BLOCK GRANTS	HOPWA	CDBG	HOME	HOMELESS ASSISTANCE	PBRA	HOUSING FOR THE ELDERLY	HOUSING FOR PERSONS WITH DISABILITIES	HOUSING COUNSELING	FHIP	GRAND TOTAL
AK	\$54.9	\$11.6	\$0	\$97.7	\$0	\$4.1	\$3.5	\$2.1	\$11.3	\$1.3	\$1.1	\$0	\$0.3	\$187.9
AL	\$199.8	\$187.8	\$0	\$2.2	\$2.1	\$40.0	\$12.2	\$18.2	\$100.4	\$6.3	\$1.8	\$0.3	\$0.6	\$571.6
AR	\$114.6	\$54.4	\$0	\$0	\$3.9	\$23.1	\$7.6	\$7.9	\$60.2	\$3.6	\$2.8	\$0.1	\$0	\$278.2
AZ	\$187.4	\$29.2	\$0.8	\$132.2	\$2.5	\$48.9	\$14.7	\$28.9	\$55.6	\$6.1	\$1.8	\$0.0	\$1.1	\$509.3
CA	\$3,508.4	\$204.2	\$15.0	\$48.1	\$35.8	\$356.9	\$120.2	\$222.2	\$1,039.0	\$54.4	\$13.9	\$1.8	\$4.4	\$5,624.5
CO	\$274.4	\$40.8	\$0	\$2.6	\$2.0	\$33.8	\$12.4	\$17.3	\$111.6	\$4.5	\$1.3	\$0.4	\$0.3	\$501.3
CT	\$392.1	\$88.2	\$0	\$0.1	\$3.5	\$35.6	\$10.4	\$17.8	\$235.3	\$10.6	\$1.8	\$0.2	\$1.1	\$796.7
DC	\$194.6	\$63.6	\$0	\$0	\$11.2	\$13.7	\$3.7	\$10.6	\$136.6	\$1.9	\$1.0	\$7.9	\$2.0	\$446.8
DE	\$48.1	\$14.9	\$0	\$0	\$0.9	\$6.4	\$4.1	\$4.1	\$38.5	\$1.5	\$1.3	\$0.1	\$0.3	\$120.2
FL	\$937.0	\$176.5	\$0.3	\$1.1	\$35.5	\$130.2	\$43.9	\$75.4	\$318.5	\$29.7	\$6.7	\$0.5	\$2.3	\$1,757.5
GA	\$523.7	\$184.3	\$15.0	\$0	\$21.4	\$75.9	\$24.0	\$37.9	\$199.4	\$9.4	\$2.3	\$2.0	\$0.7	\$1,095.9
HI	\$127.0	\$34.5	\$0	\$0	\$0.6	\$12.2	\$5.2	\$7.5	\$33.8	\$2.9	\$1.0	\$0	\$0.4	\$225.0
IA	\$111.8	\$11.1	\$0	\$0.3	\$0.4	\$33.0	\$7.8	\$13.7	\$58.4	\$1.1	\$0.5	\$0.1	\$0	\$238.2
ID	\$44.1	\$2.4	\$0	\$3.8	\$0	\$11.3	\$3.8	\$3.8	\$21.8	\$0.8	\$0.3	\$0.2	\$0.3	\$92.5
IL	\$843.0	\$365.5	\$0	\$0	\$10.4	\$149.3	\$39.1	\$93.2	\$562.6	\$40.5	\$11.1	\$0.6	\$2.6	\$2,117.9
IN	\$225.5	\$68.9	\$0	\$0	\$3.2	\$60.4	\$17.7	\$30.0	\$178.7	\$6.6	\$2.2	\$0.1	\$0.5	\$593.8
KS	\$73.3	\$31.1	\$0	\$1.7	\$1.5	\$23.7	\$7.2	\$10.8	\$58.6	\$1.5	\$0.9	\$0	\$0	\$210.3
KY	\$217.3	\$90.0	\$0.5	\$0	\$1.8	\$39.0	\$12.6	\$19.3	\$127.0	\$4.0	\$2.1	\$0.3	\$0.3	\$514.2
LA	\$396.4	\$102.4	\$0.5	\$0.5	\$7.8	\$43.9	\$12.4	\$23.7	\$95.6	\$6.0	\$4.1	\$0.5	\$1.1	\$694.9
MA	\$981.4	\$214.9	\$0	\$1.2	\$5.8	\$91.2	\$23.0	\$50.4	\$730.1	\$21.3	\$5.8	\$2.6	\$1.3	\$2,129.0
MD	\$573.8	\$132.1	\$0	\$0	\$21.1	\$44.3	\$12.4	\$29.0	\$208.9	\$13.0	\$5.5	\$1.5	\$0.3	\$1,041.8
ME	\$91.0	\$20.1	\$0	\$4.0	\$0	\$16.5	\$4.2	\$6.4	\$67.6	\$3.2	\$1.0	\$0.2	\$0.3	\$214.5
MI	\$386.4	\$99.8	\$0	\$14.2	\$4.1	\$111.2	\$27.3	\$65.2	\$326.5	\$11.2	\$2.3	\$1.8	\$1.6	\$1,051.6
MN	\$258.0	\$78.5	\$0	\$18.2	\$1.2	\$48.0	\$12.8	\$27.3	\$182.3	\$6.5	\$2.9	\$3.1	\$0.3	\$639.1
MO	\$261.3	\$68.5	\$15.0	\$0.1	\$3.0	\$57.2	\$16.4	\$32.4	\$145.0	\$9.2	\$5.4	\$0.1	\$0.3	\$613.8
MS	\$163.3	\$43.8	\$0	\$3.1	\$5.5	\$26.5	\$7.8	\$9.7	\$113.4	\$3.4	\$1.6	\$0.6	\$-	\$378.7
MT	\$36.2	\$8.0	\$0	\$25.9	\$0	\$7.5	\$3.8	\$2.6	\$20.1	\$1.2	\$0.5	\$0.3	\$0.2	\$106.3
NC	\$384.4	\$172.1	\$0	\$18.6	\$6.2	\$70.2	\$24.3	\$29.2	\$150.3	\$7.2	\$4.1	\$1.2	\$0.3	\$868.2
ND	\$39.6	\$5.6	\$0	\$20.4	\$0	\$4.9	\$3.3	\$1.7	\$10.9	\$0.1	\$0.4	\$0.1	\$0.1	\$87.3
NE	\$75.7	\$22.9	\$0	\$5.5	\$0.4	\$15.7	\$5.2	\$8.4	\$27.7	\$1.4	\$0.9	\$0.1	\$0.3	\$164.3
NH	\$89.9	\$16.7	\$0	\$0	\$0	\$11.3	\$3.7	\$4.5	\$50.5	\$5.2	\$0.2	\$0.2	\$0.3	\$182.5
NJ	\$734.3	\$226.4	\$0.3	\$0	\$59.1	\$79.5	\$22.4	\$49.4	\$497.8	\$18.9	\$6.0	\$0.9	\$0.3	\$1,695.3

ST	VOUCHERS	PUBLIC HOUSING	CHOICE	INDIAN HOUSING BLOCK GRANTS	HOPWA	CDBG	HOME	HOMELESS ASSISTANCE	PBRA	HOUSING FOR THE ELDERLY	HOUSING FOR PERSONS WITH DISABILITIES	HOUSING COUNSELING	FHIP	GRAND TOTAL
NM	\$81.4	\$17.1	\$0	\$16.4	\$0.6	\$16.1	\$5.1	\$6.7	\$29.6	\$2.1	\$1.0	\$0.0	\$0	\$176.2
NV	\$148.0	\$21.2	\$0	\$15.3	\$1.4	\$19.9	\$8.5	\$12.7	\$21.8	\$1.3	\$1.6	\$0.0	\$0.3	\$252.0
NY	\$2,426.9	\$1,404.5	\$0	\$6.1	\$52.9	\$286.6	\$88.9	\$191.9	\$1,330.3	\$72.2	\$9.1	\$2.7	\$3.6	\$5,875.7
OH	\$600.7	\$254.9	\$0.8	\$0	\$3.7	\$137.2	\$36.5	\$78.5	\$479.4	\$24.7	\$8.1	\$0.1	\$1.9	\$1,626.5
OK	\$152.5	\$51.6	\$0	\$97.4	\$1.1	\$24.4	\$9.5	\$11.7	\$72.7	\$2.1	\$1.7	\$0.1	\$0.3	\$425.0
OR	\$245.2	\$29.1	\$0	\$15.9	\$1.5	\$31.3	\$12.4	\$15.6	\$58.3	\$3.5	\$1.7	\$0.1	\$0.7	\$415.4
PA	\$627.9	\$411.2	\$0.3	\$0	\$16.6	\$168.3	\$38.6	\$106.2	\$416.9	\$23.7	\$7.9	\$2.2	\$1.1	\$1,820.9
RI	\$84.6	\$47.6	\$0	\$0.5	\$0.9	\$15.3	\$4.7	\$8.7	\$149.9	\$6.7	\$3.9	\$0.0	\$0	\$322.7
SC	\$168.1	\$71.4	\$0	\$1.5	\$6.4	\$34.3	\$11.3	\$14.5	\$125.0	\$4.3	\$3.5	\$0.1	\$0.4	\$440.8
SD	\$35.0	\$5.1	\$0	\$34.8	\$0	\$6.4	\$3.3	\$2.2	\$24.4	\$0.5	\$0.3	\$0.2	\$0	\$112.1
TN	\$236.4	\$161.7	\$15.1	\$0	\$4.9	\$45.1	\$16.4	\$21.5	\$168.4	\$6.4	\$2.5	\$0.7	\$0.6	\$679.8
TX	\$1,139.5	\$242.4	\$0.3	\$2.2	\$22.6	\$215.6	\$60.5	\$126.4	\$326.8	\$20.6	\$5.7	\$2.4	\$1.8	\$2,166.8
UT	\$84.6	\$6.5	\$0	\$4.2	\$0.5	\$19.3	\$6.3	\$9.4	\$26.6	\$1.6	\$0.6	\$0.0	\$0.2	\$159.9
VA	\$392.6	\$101.7	\$0.3	\$0.1	\$13.9	\$50.5	\$17.4	\$27.2	\$222.6	\$5.8	\$2.1	\$2.3	\$0.3	\$836.6
VT	\$56.2	\$6.1	\$0	\$0	\$0	\$7.1	\$3.4	\$2.4	\$27.0	\$1.1	\$0.3	\$0.0	\$0.3	\$103.9
WA	\$494.9	\$72.5	\$0	\$40.0	\$3.6	\$50.8	\$17.9	\$27.1	\$92.6	\$8.3	\$2.8	\$0.3	\$1.7	\$812.3
WI	\$160.2	\$36.6	\$15.0	\$20.7	\$2.1	\$48.9	\$17.3	\$27.1	\$159.2	\$4.4	\$1.9	\$0.1	\$0.8	\$494.3
WV	\$86.3	\$24.9	\$0	\$0	\$11.5	\$18.7	\$5.2	\$7.7	\$61.9	\$1.1	\$1.2	\$0.1	\$0.3	\$218.9
WY	\$15.7	\$2.7	\$0	\$3.8	\$0	\$3.5	\$3.5	\$1.1	\$11.9	\$0.5	\$0.2	\$0	\$0	\$42.9
<b>Total</b>	<b>\$19,785.7</b>	<b>\$5,839.6</b>	<b>\$78.9</b>	<b>\$660.3</b>	<b>\$395.0</b>	<b>\$2,924.6</b>	<b>\$896.0</b>	<b>\$1,659.3</b>	<b>\$9,778.9</b>	<b>\$485.5</b>	<b>\$150.6</b>	<b>\$39.1</b>	<b>\$38.4</b>	<b>\$42,731.8</b>

# USDA INVESTMENTS IN AFFORDABLE HOUSING (FY 2015—IN MILLIONS)

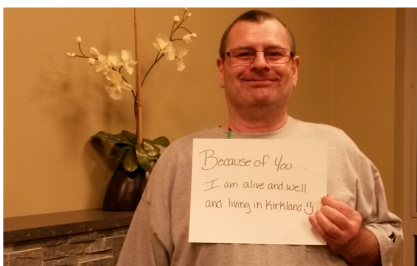
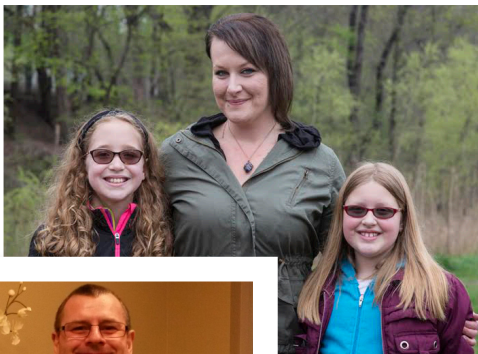
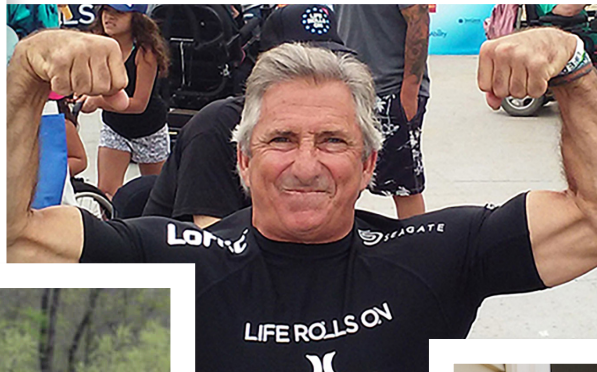
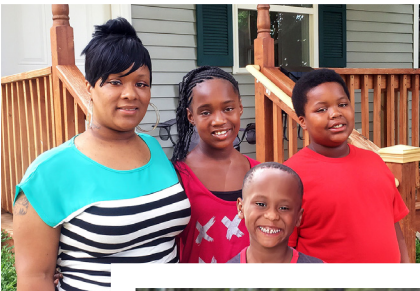
ST	DIRECT HOMEOWNERSHIP LOANS	GUARANTEED HOMEOWNERSHIP LOANS	SECTION 504 REPAIR LOANS/GRANTS	FARM LABOR HOUSING LOANS/GRANTS	DIRECT RENTAL LOANS	RENTAL ASSISTANCE	SELF-HELP HOUSING	GUARANTEED RENTAL LOANS	TOTAL INVESTMENT
AL	\$17.8	\$447.4	\$1.8	\$0	\$4.5	\$29.3	\$0	\$1.7	\$502.5
AK	\$11.4	\$102.7	\$0.3	\$0	\$0	\$5.2	\$0.1	\$0	\$119.5
AZ	\$16.3	\$278.0	\$0.6	\$0	\$0	\$16.5	\$1.8	\$2.4	\$315.7
AR	\$13.6	\$366.9	\$0.7	\$0.3	\$0	\$22.2	\$0.7	\$0	\$404.5
CA	\$100.6	\$563.0	\$0.5	\$16.6	\$4.1	\$91.1	\$8.5	\$35.3	\$819.7
CO	\$19.8	\$306.9	\$0.3	\$0	\$0	\$12.0	\$1.1	\$0	\$340.0
CT	\$4.1	\$130.9	\$0.1	\$0	\$2.3	\$8.5	\$0	\$0	\$146.0
DE	\$5.3	\$133.9	\$0.1	\$0	\$0	\$7.6	\$0	\$0	\$146.9
FL	\$28.6	\$629.7	\$1.0	\$0	\$0	\$54.7	\$2.1	\$1.8	\$717.8
GA	\$10.8	\$524.7	\$1.3	\$0	\$0	\$28.6	\$0	\$1.3	\$566.7
HI	\$14.9	\$217.2	\$0.4	\$1.9	\$0	\$7.8	\$1.4	\$0	\$243.5
ID	\$5.0	\$219.8	\$0.3	\$0	\$0	\$13.5	\$0.5	\$4.0	\$243.1
IL	\$19.8	\$326.5	\$2.2	\$0	\$2.9	\$26.8	\$0	\$0	\$378.3
IN	\$22.2	\$594.8	\$1.0	\$0	\$1.1	\$19.4	\$0.6	\$0	\$639.1
IA	\$9.1	\$237.1	\$1.0	\$0	\$0	\$19.7	\$0	\$0	\$266.8
KS	\$5.4	\$142.3	\$0.2	\$0	\$0.5	\$9.5	\$0	\$1.1	\$159.0
KY	\$30.7	\$482.0	\$2.7	\$0	\$17.1	\$19.9	\$0.5	\$0	\$552.9
LA	\$26.2	\$686.2	\$2.0	\$0	\$8.5	\$38.1	\$0	\$0.7	\$761.7
ME	\$16.3	\$244.2	\$0.6	\$0	\$1.7	\$28.1	\$0.8	\$0	\$291.7
MD	\$10.0	\$506.8	\$0.2	\$0	\$3.8	\$15.5	\$0	\$0	\$536.2
MA	\$6.6	\$205.0	\$0.3	\$0	\$0.6	\$10.8	\$0	\$0	\$223.3
MI	\$26.7	\$753.8	\$1.9	\$0	\$0	\$30.3	\$0.2	\$1.2	\$814.0
MN	\$19.1	\$517.1	\$0.7	\$0	\$0	\$18.3	\$0	\$0	\$555.2
MS	\$26.9	\$321.8	\$2.2	\$0	\$0	\$44.0	\$0.1	\$0	\$395.0
MO	\$20.3	\$579.2	\$1.2	\$0	\$1.7	\$18.6	\$0	\$0	\$621.0
MT	\$7.1	\$196.9	\$0.1	\$0	\$0	\$5.8	\$0.5	\$0	\$210.5
NE	\$2.1	\$103.1	\$0.1	\$0	\$0.5	\$5.8	\$0	\$0	\$111.5
NV	\$7.9	\$118.4	\$0.2	\$0	\$0	\$9.0	\$0	\$1.6	\$137.0
NH	\$9.0	\$146.9	\$0.8	\$0	\$12.1	\$12.4	\$0	\$0	\$181.1
NJ	\$10.3	\$168.3	\$0.1	\$0	\$0	\$9.0	\$0	\$0	\$187.7
NM	\$15.3	\$50.5	\$0.5	\$0	\$0	\$16.0	\$1.4	\$1.8	\$85.5
NY	\$18.2	\$232.8	\$0.9	\$0	\$10.5	\$23.9	\$0	\$0	\$286.3
NC	\$49.0	\$941.4	\$3.3	\$0	\$11.0	\$70.0	\$1.1	\$4.9	\$1,080.6

<b>ST</b>	<b>DIRECT HOMEOWNERSHIP LOANS</b>	<b>GUARANTEED HOMEOWNERSHIP LOANS</b>	<b>SECTION 504 REPAIR LOANS/GRANTS</b>	<b>FARM LABOR HOUSING LOANS/GRANTS</b>	<b>DIRECT RENTAL LOANS</b>	<b>RENTAL ASSISTANCE</b>	<b>SELF-HELP HOUSING</b>	<b>GUARANTEED RENTAL LOANS</b>	<b>TOTAL INVESTMENT</b>
ND	\$3.9	\$56.9	\$0.1	\$0	\$0	\$4.0	\$0	\$1.0	\$66.0
OH	\$20.4	\$557.2	\$1.2	\$0	\$1.3	\$24.9	\$0	\$4.9	\$609.9
OK	\$16.0	\$255.2	\$0.8	\$0	\$0	\$18.7	\$1.0	\$0.7	\$292.4
OR	\$12.0	\$445.4	\$0.1	\$0	\$3.0	\$18.8	\$0.7	\$0	\$480.0
PA	\$21.2	\$642.0	\$1.5	\$0	\$8.2	\$26.5	\$0.2	\$3.5	\$703.1
RI	\$2.7	\$32.9	\$0.1	\$0	\$0	\$1.9	\$0	\$0	\$37.6
SC	\$27.2	\$521.9	\$1.3	\$2.4	\$11.0	\$27.1	\$0	\$0	\$590.8
SD	\$11.1	\$179.1	\$0.3	\$0	\$0.5	\$11.2	\$1.0	\$0	\$203.2
TN	\$20.5	\$931.7	\$1.7	\$0	\$17.8	\$26.2	\$0	\$20.4	\$1,018.2
TX	\$29.4	\$764.2	\$2.8	\$0	\$3.0	\$47.9	\$0.1	\$14.6	\$862.0
UT	\$25.6	\$422.6	\$0.2	\$0	\$0	\$8.1	\$3.5	\$0.9	\$460.9
VT	\$9.7	\$80.6	\$0.3	\$0	\$2.8	\$7.3	\$0	\$0	\$100.7
VA	\$13.8	\$626.2	\$1.1	\$4.3	\$0.9	\$29.1	\$0	\$0	\$675.4
WA	\$27.9	\$537.4	\$0.3	\$0.3	\$2.5	\$28.2	\$2.6	\$7.6	\$606.8
WV	\$7.3	\$231.3	\$0.5	\$0	\$0	\$16.1	\$0.3	\$1.6	\$257.1
WI	\$13.6	\$372.5	\$0.9	\$0	\$0.4	\$18.6	\$0.6	\$0	\$406.7
WY	\$7.1	\$235.2	\$0	\$0	\$0	\$4.1	\$0	\$0.6	\$247.1
<b>GRAND TOTAL</b>	<b>\$875.8</b>	<b>\$18,368.5</b>	<b>\$42.7</b>	<b>\$25.8</b>	<b>\$134.4</b>	<b>\$1,066.4</b>	<b>\$31.4</b>	<b>\$113.5</b>	<b>\$20,658.5</b>





# AFFORDABLE HOUSING SUCCESS STORIES



# AFFORDABLE HOUSING SUCCESS STORY: IOWA HOME, INC.

Pam Carmichael  
515-779-3886  
pscarmichael@homeincdsm.org  
homeincdsm.com

**City:** Des Moines

**Congressional District:** IA-3

**Use of Funds:**  
Housing counseling and education

**Federal Programs:**

Housing Counseling:  
\$17,500

**Total Federal Dollars:**  
\$17,500

**Mission:** HOME, Inc. develops affordable housing and provides both rental and homeownership counseling and education. In five decades, we have created 367 units of affordable housing and provided homeownership opportunities to 272 low income families, 91% of whom stay in their home for the long term. We have provided homeownership and rental housing counseling and education to more than 160,000 households and have made \$3 million in improvements to the homes of 266 elderly and/or disabled homeowners since 2000. As a HUD-certified agency, we use the HUD Housing Counseling grant program for homeownership counseling and supportive services, as well as the HOME Investment Partnerships Program (HOME) for development of affordable rental and homeownership units and Emergency Solutions Grant (ESG) funds for homeless prevention.

**Story:** For 50 years, HOME, Inc. has developed affordable housing and provided both rental and homeownership counseling and education. HOME, Inc. has worked with thousands of families and individuals who all have inspirational stories. One story HOME, Inc. has followed for more than 25 years.

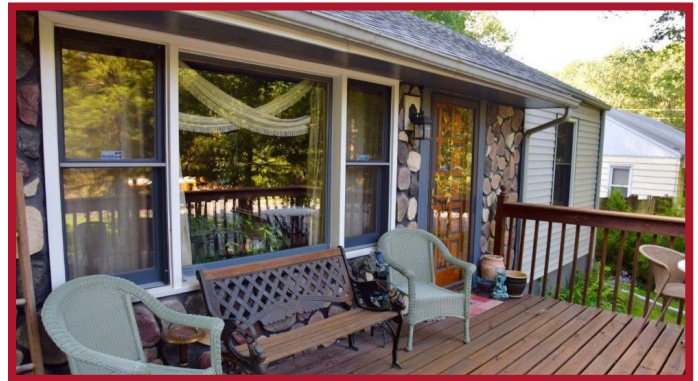
Anne came to HOME, Inc. as a single mom who was struggling financially. She was accepted into

our lease-to-purchase program and received HOME, Inc.'s homeownership counseling and supportive services. Over two years, Anne developed budgeting and financial management skills that enabled her to increase her credit score and save \$4,000 for down payment and closing costs.

During her rental term, she also learned how to maintain her home and earned equity, which decreased her sale price. She has lived in her home for 27 years. About 15 years after she purchased, she used her home's equity and invested in a second home, and five years ago, she purchased a duplex. These additional properties are the foundation of her rental business.

Her background makes her a wonderful landlord and a success story for people who are willing to work for it.

In her own words: "I was a single mom making \$14,000 a year back in 1990. I had no child support, no government help as I made \$40 more than was allowed to be eligible for assistance. So life was tough and I was not sure I could do this by myself. Without HOME, Inc., I would not have learned how to save or value my abilities to do for myself. This certainly didn't happen overnight, but the realness of this program gave me opportunities above and beyond."



# AFFORDABLE HOUSING SUCCESS STORY: TEXAS FOUNDATION COMMUNITIES

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**City:** Austin

**Congressional District:** TX-25

**Use of Funds:**  
New construction, rental assistance

**Federal Programs:**  
CDGB: \$1.15 million  
VASH: \$403,200/year  
LIHTC: \$11.70 million

**Total Federal Dollars:**

**Development:**  
\$12.98 million

**Rental Assistance/ Services:**  
\$403,200/year

**Other Financing:**  
\$9.02 million

**Total Project Cost:**  
\$22 million

**Affordable homes created or preserved:**  
135

**Mission:** Foundation Communities is a local nonprofit based in Austin, Texas. We provide affordable, attractive homes and free onsite support services for over 6,000 residents, including low income families, veterans, seniors, and individuals with disabilities. We offer an innovative, proven model that empowers our residents and neighbors to achieve educational success, financial stability, and healthier lifestyles. We own and operate 22 communities. We rely on critical federal funding to construct new affordable housing communities and provide rental assistance to vulnerable populations.

**Story:** Capital Studios, the first affordable housing in downtown Austin in 45 years, opened in December 2014. It is now home to 135 low income individuals, including formerly homeless veterans, seniors and individuals with disabilities. The community is owned and operated by local nonprofit Foundation Communities.

For many residents, living at Capital Studios offers a fresh start. David, a veteran who served in the U.S. Navy, was living on the street before finding a home with Foundation Communities.

He now works at a downtown church and has a renewed sense of purpose in life. At Capital Studios, David gets support through an onsite case manager and has access to free education, financial stability and health services, such as college level courses, one-on-one financial coaching and integrated primary and mental healthcare.



Capital Studios includes a beautiful outdoor courtyard and community kitchen where residents can get to know their neighbors and members of the larger Austin community who volunteer with us. David has been able to cultivate meaningful relationships and, as a result, is healthier and happier.

HUD Community Development Block Grant (CDBG) funding was critical in the construction of Capital Studios. We received \$1.15 million in CDBG funds during the development period of 2012-2014, which covered pre-development and construction costs. Foundation Communities also partnered with the Veterans Administration to make apartments available for over 50 formerly homeless veterans—including David—who are VASH voucher holders. The project also received a \$1 million grant from the Federal Home Loan Bank of San Francisco.

Capital Studios sits just two blocks from the Texas State Capitol. To David and his fellow residents, it is a beautiful and affordable home. But to Austin, as a whole, it represents a step towards making the city a better place for everyone to live.

# AFFORDABLE HOUSING SUCCESS STORY: MISSOURI DOORWAYS

Britta Smith

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**City:** St. Louis

**Congressional District:**  
MO-1

**Use of Funds:**

Rental assistance,  
supportive services

**Federal Programs:**

CoC: \$238,019

**Total Federal Dollars:**

\$238,019

**Mission:** DOORWAYS is an interfaith nonprofit organization that provides housing and related supportive services to improve quality of life and health outcomes for people affected by HIV/AIDS. DOORWAYS is the only organization in the Saint Louis, Missouri area whose sole mission is to provide affordable, secure housing and related services for people living with HIV/AIDS. This mission is based on research that demonstrates that stable housing is the primary requisite for the most effective and compassionate treatment, management and prevention of HIV/AIDS. Funding through HUD's Continuum of Care (COC) and Housing Opportunities for People with AIDS (HOPWA) programs are critical for us to be able to carry out our mission.

**Story:** Jasmine is a young mother who came to St. Louis, Missouri from Georgia to provide love and support to her sick and ailing father. When Jasmine arrived, she was not prepared to manage the details necessary to build a life for herself and her daughter. Desperately in need of a safe place to stay, they had to "couch surf" in her dad's room at a senior living facility.

Jasmine is not a stranger to challenges; she was born HIV positive and has always been faced with interruptions related to her health. She was not in an active treatment plan

prior to moving to St. Louis, due to many family complications. As a result, her health began to decline and she began searching for healthcare.

Jasmine enrolled in the DOORWAYS Jump Start Program in December 2015. She really wanted an apartment so that she and her daughter could have a place to call home. They didn't have any furniture, just a few essential personal hygiene items. DOORWAYS quickly secured a two-bedroom apartment and provided Jasmine with a bed, microwave, washer, dryer, and furniture. DOORWAYS was able to help Jasmine because of a \$238,000 grant through HUD's CoC program.

Jasmine was not able to work because she did not have a copy of her birth certificate, Social Security card, or identification card. DOORWAYS helped her obtain her out of state birth certificate, and then used that to get her other documents.

Today, Jasmine is employed, active in a treatment plan, and participates in the quarterly program meetings where she receives education and life skills necessary to provide hope, housing and healthcare to her daughter and herself.



# AFFORDABLE HOUSING SUCCESS STORY: IDAHO TWIN FALLS HOUSING AUTHORITY

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**City:** Twin Falls

**Rural Housing**

**Congressional District:**  
ID-2

**Use of Funds:**  
Rental assistance,  
homeownership

**Federal Programs:**  
Public Housing: \$490,000/  
year  
SHOP: \$240,000  
USDA Sec. 523: \$157,500

**Total Federal Dollars:**

**Development:**  
\$397,500

**Rental Assistance/  
Services:**  
\$490,000/year

**Mission:** The Twin Falls Housing Authority is a high-performing small housing authority that was established in 1940 and has played a key role providing affordable housing options for low to moderate income people in rural southern Idaho. Twin Falls Housing Authority recognizes the complex challenges facing those who need affordable housing and seeks to stay connected with community resources in an effort to help improve their lives. Twin Falls Housing Authority provides safe, decent affordable housing in good repair to approximately 250 households. The Twin Falls Housing Authority is governed by five members, consisting of community leaders and residents commissioners. We are committed to providing our tenants with high standards of professionalism, both in the housing we provide and the customer service we deliver.

**Story:** Angela, a single mother of two and a resident to Twin Falls Public Housing Authority since 2011, is currently building her own home. Because of public housing's affordable rent, Angela was able to maintain her family's housing while obtaining her nursing degree, placing Angela in a better position for other housing options.



However, with a 1.2% vacancy rate, her ability to find affordable housing is limited. The increasing need for available, affordable rental housing, has resulted in higher rent rates.

Connecting low income families to community resources is essential in rural areas and the Twin Falls Housing Authority, along with other organizations, have focused on opportunities for family and housing stability. Through these resources, Angela submitted an application for the USDA Self-Help Housing grant program (USDA Sec. 523) with South Central Community Action Partnership (SCCAP). HUD's Self-Help Housing Opportunity Program (SHOP) further supported Angela and her family. For several months, Angela, along with several other families who received Sec. 523 and SHOP grants, worked to build their new homes.

Angela and her family moved into their new home in February 2017, creating an opportunity for another family to obtain housing stability with the Twin Falls Housing Authority.

SCCAP's housing program has helped numerous families living in public housing or using a Housing Choice Voucher become homeowners. Local organizations work together to provide housing stability for vulnerable populations. Coordinated efforts target those most in need. The ability to obtain a conventional construction loan with a manageable monthly payment was a dream until becoming eligible for this program. Angela has developed many new skills achieving the American Dream of homeownership.

# AFFORDABLE HOUSING SUCCESS STORY: MONTANA HOMWORD

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**City:** Missoula

**Congressional District:**  
MT-AL

**Use of Funds:**  
New construction

**Federal Programs:**  
HOME: \$325,457  
LIHTC: \$688,750

**Total Federal Dollars:**  
\$1.01 million

**Other Financing:**  
\$172,000

**Total Project Cost:**  
\$1.32 million

**Affordable homes  
created or preserved:**  
12

**Mission:** Homeword is a nonprofit organization headquartered in Missoula, Montana, that uses sustainable methods to provide safe, healthy housing people can afford and strengthens community through housing counseling and education for those in need. Since 1994, Homeword has built or renovated 528 housing units across the state for people primarily earning 60% or less of the area median income. The addition of three projects in 2017 will result in a total of 723 units produced throughout Montana. Homeword also provides housing and financial counseling and education. These services include homebuyer, financial, renter and foreclosure prevention education and counseling. Financial Fitness and Rent Wise classes are offered free of charge. Free one-on-one coaching sessions are available. Since 1997, 12,000 people have been served by these services.

**Story:** Fireweed Court, a 12-unit mixed-financed affordable housing project, is the first Low Income Housing Tax Credit (LIHTC) project Homeword developed in 1999. HUD funding played a critical role in that it provided gap funding for the project. The project also received a Federal Home Loan Bank grant. This property includes two- and three-bedroom units built in duplex and triplex buildings and targets households earning less than 50% area median income.

Located in Missoula, Montana along busy Russell Street, Homeword organized a resident-focused art project that led to the creation of a straw-bale wall to provide a noise and safety barrier. Residents learned how to create and apply mosaics to the wall, thus creating a sense of place in their new home.

Missoula has long had a tight housing market given its desirability, lack of buildable land, and pressure from the more than 12,000 University of Montana students. Historically, Missoula was an extractive-based economy, but those jobs have been replaced by service-oriented jobs, many of which provide low or moderate wages.

Homeword is dedicated to providing education and counseling so those living with low wages or fixed incomes make the most of their limited resources. We teach financial and homebuyer education as the first steps towards self-empowerment and self-sufficiency.

Kim, a resident at Fireweed Court, took Homeword's classes and saved \$100 per month for years to build up a down payment for her own home, which she purchased in 2010. Her son, Emerson, is now a Dartmouth and Vassar graduate.



# AFFORDABLE HOUSING SUCCESS STORY: PENNSYLVANIA **PENNROSE**

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**City:** Allentown

**Congressional District:**  
PA-15

**Use of Funds:**  
New construction, rental  
assistance

**Federal Programs:**  
HOME: \$1.35 million  
PBV: \$167,563/year  
LIHTC: \$11.69 million

**Total Federal Dollars:**

**Development:**  
\$13.04 million

**Rental Assistance/  
Services:**  
\$167,563

**Other Financing:**  
\$1.17 million

**Total Project Cost:**  
\$14.22 million

**Affordable homes  
created or preserved:**  
61

**Mission:** Pennrose is a premier multifamily development and residential property management company, offering extensive expertise in complex, multi-phase urban and suburban development, including mixed-use development for both market-rate and mixed-income communities. From new construction to historic preservation, Pennrose maximizes value and provides outstanding quality, achieving unparalleled success in the more than 200-plus apartment communities and 10,000-plus units that have been developed and/or managed. Pennrose utilizes a variety of HUD funds to fulfill our mission of transforming communities by creating high quality real estate developments and delivering outstanding value to our clients and partners. These funds are in the form of Low Income Housing Tax Credits (LIHTC), vouchers, and Rental Assistance Demonstration programs.

**Story:** Sacred Heart Senior Residences in Allentown, Pennsylvania is a 61-unit affordable apartment community for seniors aged 62 and up, co-developed by Pennrose and the Allentown Housing Authority. The Allentown Comprehensive Plan 2020 specifically recognizes the need for affordable housing for the elderly, and states as a main goal “the provision of sufficient affordable and special needs housing within the City and on a regional level.”



The 78,011 square foot, four-story structure will include 54 one-bedroom units and seven two-bedroom units. Amenity space available only to residents will include a community room with kitchenette, wellness or exercise room, game room, library, lobby lounge, common laundry rooms, and roof terrace.

Rental subsidies will increase the viability of the project, while still serving seniors in the lowest income tiers. Twenty-four of the rental units will be subsidized by project-based vouchers (PBVs) and the remaining 37 will be LIHTC units with no rental subsidy. Seven of the units are affordable at 20% of the area median income (AMI), 25 units are affordable at 50% AMI, and 29 units are affordable at 60% AMI.

This project received City of Allentown HOME Investment Partnerships program (HOME) funds in the amount of \$1,350,000. It is predicted that within one year after project completion, 14 new jobs would be created (12 full-time and 2 part-time), 131 non-permanent construction jobs will be created by the project, and total state tax generation will be \$90,000.

Sacred Heart is being developed in collaboration with Sacred Heart Hospital with the first floor of the building having 6,884 square feet of space, which the hospital anticipates to use for geriatric, physical therapy, and other senior focused medical functions.

# AFFORDABLE HOUSING SUCCESS STORY: TENNESSEE GREYSTONE AFFORDABLE HOUSING INITIATIVES LLC

Tanya Eastwood  
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**City:** White House

**Rural Housing**

**Congressional District:**  
TN-6

**Use of Funds:**  
Rehabilitation, preservation

**Federal Programs:**  
USDA Sec. 538: \$19.3 million  
USDA Sec. 515: \$2.44 million  
LIHTC: \$16.43 million

**Total Federal Dollars:**  
\$60.13 million

**Other Financing:**  
\$28.47 million

**Total Project Cost:**  
\$88.6 million

**Affordable homes created or preserved:**  
793

**Mission:** Greystone Affordable Housing Initiatives LLC, an affiliate of Greystone, is a finance and transaction management company that is focused on meeting the challenges associated with the recapitalization, rehabilitation and preservation of affordable housing throughout the U.S. To date, Greystone has coordinated the rehabilitation and preservation of over 8,200 apartment units with another 5,800 in various stages of completion. The company's mission is to create meaningful and significant impacts on communities by helping to provide low income households with decent, safe affordable housing.

**Story:** Faced with the dire future of 20 aging affordable housing properties across Tennessee, the Hallmark Companies, Inc. sought a way to recapitalize and rehabilitate the communities in an efficient and timely manner. Greystone orchestrated a complex financial transaction to save 793 apartments, which are home to low income residents across 16 counties in the state.

Greystone worked closely with the Tennessee Housing Development Agency (THDA), as well as both USDA's Rural Housing Service (RHS) national office and Tennessee state office, to coordinate and secure the financing needed to acquire and rehabilitate the housing.



At 25 to 35 years old, these rural housing communities were nearing the end of their useful life and desperately required significant upgrades to their interior and exterior systems. Greystone was able to pool the financing into one large bond transaction, which is a prime example of using economies of scale to make a huge impact for a cluster of homes here and there across the state (where refinancing and renovations would be much more difficult, if not impossible). The financing included sources such as tax-exempt bonds, Low Income Housing Tax Credits (LIHTC), USDA Rural Housing Service Section 515 loans, USDA Section 538 Guaranteed loans, and other funding sources to total \$88.6 million.

The 793 units were scheduled for speedy rehabilitation over a 12-month period, which included dozens of workers descending on the various communities in rapid succession to complete renovations. This was all accomplished without any long-term displacement of the residents.

The overwhelming reactions from residents are a testament to the impact that USDA financing and a careful orchestration of tax-exempt bonds can make on the lives of thousands across rural areas of the country.



# AFFORDABLE HOUSING SUCCESS STORY: OHIO

## OHIO CAPITAL CORPORATION FOR HOUSING

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**City:** Lancaster

**Rural Housing**

**Congressional District:**  
OH-15

**Use of Funds:**  
Rental assistance

**Federal Programs:**  
PBV: \$238,667/year  
LIHTC: \$4.32 million

**Total Federal Dollars:**

**Development:**  
\$4.32 million

**Rental Assistance/  
Services:**  
\$238.667/year

**Other Financing:**  
\$1.29 million

**Total Project Cost:**  
\$5.61 million

**Mission:** The Ohio Capital Corporation for Housing (OCCH) is a nonprofit financial intermediary based in Columbus, Ohio that works with private and public developers to create affordable housing opportunities. OCCH is an independent nonprofit organization with its own board of directors. Its mission is “to cause the construction, rehabilitation, and preservation of affordable housing.” OCCH’s core activity is raising private capital from corporations for investment in affordable housing developments utilizing the Low Income Housing Tax Credit program (LIHTC). As a syndicator of these tax credit transactions, OCCH performs long-term asset management and related activities for its investors, developers, and property managers. OCCH has raised over \$3.7 billion in private capital and invested in over 40,000 units of affordable housing in over 750 developments.

**Story:** Pearl House provides safe and affordable rental housing, combined with comprehensive supportive services to allow families to focus on successful recovery from the devastating impact of addiction. The project was funded in part through equity generated by the LIHTC program, as well as a loan from the Federal Home Loan Bank of Cincinnati. Units are further subsidized by HUD project-based vouchers (PBVs).



On August 4, 2016, Senator Rob Portman visited Pearl House and toured the adjacent treatment center. He then hosted a roundtable with resident families who are in recovery and members of the Fairfield County Drug Taskforce. The visit was the fifth stop on his seven-city tour across Ohio to highlight his Comprehensive Addiction and Recover Act, which was signed into law by President Obama in July 2016 after being passed by overwhelming bipartisan majorities of the House and Senate. The law will help combat the devastating heroin and prescription drug epidemic rippling through rural America and provides funding for treatment, prevention, recovery, overdose reversal, law enforcement and criminal justice reform.

Portman stated, “ Pearl House is a model for the state and the county on long-term recovery [...]”

# AFFORDABLE HOUSING SUCCESS STORY: MISSISSIPPI INSTITUTE FOR DISABILITY STUDIES

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**City:** Kosciusko

**Rural Housing**

**Congressional District:**  
MS-2

**Use of Funds:**

Down payment and closing cost assistance, mortgage loan

**Federal Programs:**

HOME: \$13,174

USDA Sec. 502: \$59,726

**Total Federal Dollars:**

\$72,900

**Mission:** The Institute for Disability Studies (IDS) at the University of Southern Mississippi has committed to enhancing the lives of Mississippians with disabilities for the past 40 years. IDS focuses on education and early intervention, housing, health and recreation, and employment. Quality of life is enhanced through leadership activities that promote policies of inclusion at home, school, work, and recreational settings. In the area of housing, the Home of Your Own Program (HOYO) has assisted more than 677 families in 65 Mississippi counties in becoming homeowners. This program focuses on creating a support system that identifies potential homebuyers, analyzes their housing needs and financial capacity and prepares them for homeownership.

**Story:** Anita and her family moved to Hattiesburg after fleeing a domestic violence situation. She was referred to the Home of Your Own (HOYO) Program by Heather Steele, a housing counselor. Anita went through individualized budget, credit, and homeownership counseling and attended a homebuyer education class. Ms. Steele told her about the Individual Development Account (IDA) program to help towards the purchase of a home.

Anita reached her goal of saving \$1,000, but a few weeks later, her daughter died in a car accident out of state. Anita used the money for funeral expenses, putting her goal of homeownership on hold. However, Anita was still able to earn her college degree. She moved away from Hattiesburg, but always kept in touch with the HOYO staff.

Anita contacted Ms. Steele in February 2016 and asked about how she could purchase a home of her own. Anita was provided budget and credit counseling and was guided through the home buying process. She completed another homebuyer class to make sure she knew the current home buying requirements and process.

USDA Rural Development approved her for loan through the Section 502 Single Family Housing Direct Loan program (Sec. 502) and she began looking for a home. Anita located a 3-bedroom home and was able to purchase it using two grants from the HOYO program, including \$13,174 in HOME Investment Partnerships program (HOME) funds through Mississippi Home Corporation. She also received a \$10,500 grant from the Federal Home Loan Bank of Dallas.

Prior to moving into her home, her rent was \$359 per month and now she has a house payment of \$310.65.



# AFFORDABLE HOUSING SUCCESS STORY: ALASKA COOK INLET HOUSING AUTHORITY

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**City:** Anchorage

**Congressional District:**  
AK-AL

**Use of Funds:** New construction

**Federal Programs:**  
Indian Housing Block Grant: \$4.17 million  
LIHTC: \$20.65 million

**Total Federal Dollars:**  
\$24.82 million

**Other Financing:**  
\$12 million

**Total Project Cost:**  
\$36.82 million

**Affordable homes created or preserved:**  
120

**Mission:** Cook Inlet Housing Authority (CIHA) is one of 14 regional housing authorities established in the 1970s to address poor housing conditions throughout Alaska. Its service area includes the state’s largest urban center, Anchorage, small towns, and remote Alaska Native villages accessible only by sea and air. CIHA is a Tribally Designated Housing Entity that leverages Native and non-Native federal housing resources to serve all eligible Alaskans. It has become one of Alaska’s largest housing developers and managers, with a rental portfolio of more than 1,400 homes. CIHA’s developments have been recognized nationally by the National Association of Home Builders, the Charles L. Edson Tax Credit Excellence Awards, HUD, and the American Planning Association.

**Story:** Because of complex market conditions, mixed-income housing developments are uncommon in Anchorage. Because of the availability of Low Income Housing Tax Credits (LIHTC), Indian Housing Block Grant program (IHBG) funding, and other private and state resources, CIHA was able to develop Loussac Place, a mixed-income community, despite the market barriers.

Loussac Place is home to an incredible diverse community. Its first residents include a recent widow with five young children, a retired senior

couple on a fixed-income, a pharmaceutical marketing professional with a college degree, a single father employed as a traveling sales representative, and a recently homeless veteran.

Loussac Place includes a community building, where residents have access to a library and a computer lab. A gathering room provides space for financial fitness classes, job and education fairs, and cultural celebrations. CampFire Alaska provides onsite afterschool programming for families living at Loussac Place, allowing them to work or to pursue education or job training.

After five years, Loussac Place is enabling families to stabilize and thrive. The Lupie family lives at Loussac Place and proudly reports that for the first time in their lives, their Alaska Native children do not feel subjected to racial discrimination in their own community. Through a partnership with CampFire Alaska, several Loussac Place families received scholarships to send their children to an overnight summer camp, where the kids experienced many “firsts”—including their first canoe ride, first hike, and first time away from home. A parent told us, “I can’t afford to take my kids to something like this. Thank you for bringing CampFire here.” One child who attended the camp shared, “I never knew how to follow the Big Dipper to the North Star. I’m going to look for it at night.”



# TESTIMONIALS

**Taressa Ariss, Adrian, Michigan:** “When I was 18 years old, I was kicked out of my house by my parents. It was safer living on the streets of Ventura County, California than in my home with my mother. I moved back to Michigan and stayed with family after living on the streets for 8 months.

At the age of 19, I got married and was doubled up with a friend. A year later, I began the process to divorce my husband. It took three years to afford the lawyer to complete the divorce. Soon, I was on the streets of Warren, Michigan homeless. I stayed with friends for a few weeks and slept in my car until I got pregnant with my first child.

Over the years, I’ve found myself in a cycle of abusive relationships that often left me and my children homeless, sleeping at campgrounds, or crashing at the homes of family and friends for six years. Eventually, my children and I escaped my abusive relationship and ran away to Lenawee County. We stayed at a domestic violence shelter. It took me 14 years to finally become housed in a stable housing unit.

We lived in an accessible apartment and paid \$7.00 a month to live there for six years. I married my childhood sweetheart and I have been successfully housed for the last eight years. I now use my experience of being homeless and in an abusive relationship to help others in my community by speaking publicly and serving on the Homeless Continuum of Care Committee.”

**Regina Sabin, Bronx, New York:** “I am a senior citizen in my late 60s. Because my only income is Social Security, I live below the poverty level. I live in a rental housing development that is affordable to low to middle income renters like me.

In 2001, my then 86 year old, disabled mother developed dementia. Because no one else could help her, I moved in with mother into her small apartment. With my added income from work, we together paid the larger part of the rent with some assistance from HUD’s Housing Choice Voucher (HCV) program. As time went on, her condition got worse. I had to work only part time as she could not be alone. My mother passed away in 2009.

HUD’s HCV program allowed me to care for my mother in her own home, instead of moving her to an institution, which would have cost the government a great deal more. As a senior citizen, I am now able to live in dignity and safety, despite my very low income, because of HUD assistance. I have no spouse, children, or surviving family to help me. Without the HCV Program, I would be homeless and would rather take my own life rather than live in the streets. Without the HCV Program, I could not survive.”

**Margaret Upchurch, Barnegat, New Jersey:** “In 2008, I was living in North Carolina when I lost the job that I held for 21 years. By 2010, I went through all of my savings just to survive. I lost her home, my car, and couldn’t find work anywhere. My sister invited her to stay with her in New Jersey.

After living with my sister for almost a month, she told me that I couldn’t stay there anymore. I ended up experiencing homelessness three times between 2010 and 2016. The second time I became homeless was when Hurricane Sandy hit the East Coast in 2012.

After being displaced by Hurricane Sandy, I was able to find a home that I rent with her two sons in Barnegat, New Jersey. I receive \$2,100 per month from Social Security Disability Insurance, but I paid \$1,500 in rent. The hardest thing about paying such high rent is not being able to buy food or pay my utilities.

Fortunately, since September 2016, I started to receive housing assistance through HUD’s Community Development Block Grant-Disaster Recovery program that has helped families recover from being displaced from their homes by Hurricane Sandy. My assistance is set to expire in August 2017.”

**Chrissy Simonds, Manchester, New Hampshire:** “I applied to live in Family in Transitions (FIT), a program that houses homeless single women and children. They didn’t just give my son and me a home, they also gave me a second chance at having a good life.

I went into the program as a battered woman with such low-self esteem that I believed I deserved to be beaten because I had irritated my abuser. That if he didn’t abuse me, it meant he didn’t love me. I had not gone past the eighth grade and I just didn’t feel good about myself. I felt unwanted and unloved. My family had turned their backs on me and I didn’t have anyone I could trust.

I walked out eighteen months later and had received my GED due to a volunteer from a community college that volunteered at FIT, where they tutored me in math. I walked away with self-confidence that I never had felt before. It was all due to FIT giving me the tools I needed to become the mother I was meant to be. I had taken classes on how to budget my money, balance a check book, self esteem, parenting, and so many other classes that helped me to never become homeless again. I won’t make the same mistakes I made because I’m not the same person I was before I went into FIT. I am now on a board called Housing Benefits, and I went through a program called Granite Leaders that’s run by the New Hampshire Coalition to End Homelessness. It was about learning how to advocate.

I appreciate everything FIT did for us. I couldn’t have done it without them.”

**Lisa Davis, Granby, Colorado:** “I am a tenant at Grand Living Apartments in Granby, Colorado. I rely solely on Social Security Disability Insurance (SSDI) and receive less than \$15,000 annually. I am 51 years old.

In 2009, I became very ill and was no longer able to work. I had used up my savings and was facing homelessness. Ironic, since I had been the director of a local homeless coalition.

Fortunately, in 2011, I was approved for SSDI and was able to move into Grand Living Apartments. Senior Housing Options manages Grand Living Apartments and is a nonprofit serving low income elderly households and adults with disabilities throughout Colorado. Because of USDA’s Section 515 Rural Rental Housing Loan program and Section 521 Rural Rental Assistance program, the rent is affordable and the apartments serve very low income households earning less than 50% of the area median income.

The current wait list is over a year with a 1% annual vacancy rate, demonstrating the high need for affordable housing for low income elderly and disabled adults in Grand County. Grand County is very rural, but has a high cost of living associated with a local economy reliant on recreation and tourism. Without USDA Rural Housing programs, people in need of affordable housing in Grand County often have no choice but to live in substandard housing, become homeless, or move to urban areas, losing access to informal support networks, such as extended family and faith-based organizations. Because of Grand Living Apartments, I am able to live in the community where I grew up and I am able to be close to my elderly parents.”

**Michelle Price, Seaside Heights, New Jersey:** “My name is Michelle. I am a 35 year old woman from Ocean County, New Jersey. Growing up, I never ever thought that I would be in need of any type of resources or help. But a few years ago, I took some wrong roads that did not lead me in the right direction, at no one’s fault but my own.

I didn’t have the adequate coping skills needed to deal with the ups and downs of life and I abused drugs. I ended up finding myself in a very dark place. I had no family, no real friends, and no one I could turn to for help or support. I had lost my job, I had no where to live, and I was pregnant. I needed to fix myself and quick.

Getting clean was actually easier than finding a decent place to live. Luckily, someone told me about Special Response and they helped me so much. I found a place in Seaside Heights, a small one-bedroom apartment. For two years, Special Response helped pay my rent.

Within that time, I was able to find a part-time job, which turned into a full-time job. I was able to become self-sufficient, saving money and paying bills. My son now has a home to go to, somewhere stable and safe! I’ve made friends. Life has been good, and I am so unbelievably thankful and appreciative for the help I received!”

# APPENDIX

## HUD PROGRAMS

### HOUSING CHOICE VOUCHERS

Housing Choice Vouchers (HCV) provide a stepping stone for struggling families to keep a roof over their heads, help make ends meet, and provide a better future for their children. Two studies released in 2015 show how HCVs can help children grow up in stable homes, stay in school, and improve their future prospects.

A ground-breaking analysis by Harvard economists Raj Chetty, Nathaniel Hendren, and Lawrence Katz found that young children whose families used a housing voucher to move to better neighborhoods were later more likely to attend college and less likely to become single parents, and earned more as adults than children in similar families who did not make such moves.<sup>1</sup>

The final report of the Family Options Study, which HUD just released, is the first rigorous, large-scale evaluation of alternative strategies to reduce homelessness among families with children. Families living in shelters in 12 cities were randomly assigned one of several types of assistance, including housing vouchers.<sup>2</sup> Families who were given a housing voucher were much less likely to experience subsequent episodes of homelessness, compared to families who received other types of assistance, the study found. Families using vouchers also experienced significantly less domestic violence, and their children were less likely have behavior problems or to change schools.



HCVs are thus a cost-effective investment that reduces homelessness and improves family well-being, including children's chances of long-term success.

Unfortunately, the demand for vouchers far outstrips their supply. A recent study, conducted by the National Low Income Housing Coalition (NLIHC), looking at waiting lists for public housing and vouchers found that more than half (53%) of HCV waiting lists are closed to new applicants. Of these, 65% of HCV waiting lists have been closed for at least one year. On average, a family will wait 1.5 years to receive a voucher. Twenty-five percent of voucher wait lists for HCVs had a wait time of at least 3 years.<sup>3</sup>

### PROJECT-BASED RENTAL ASSISTANCE (PBRA)

The Section 8 project-based rental assistance (PBRA) program provides rental assistance that is leveraged by the private sector to develop and

operate rental homes for 1.2 million low income and very low income households living across the country. Fifty-six percent of these households include someone with a disability or who is elderly. The average income of households receiving PBRA is less than \$12,000. PBRA housing stabilizes neighborhoods and contributes to local economic bases. PBRA allows seniors to live in the communities they helped to build, provides modest homes for residents who cannot work because of injury or disability and offers a foundation to build on for young families who are just starting out or who are struggling with our slow economy. Privately-owned properties with PBRA generate \$460 million in property taxes for local municipalities annually and directly support 55,000 jobs.

1 Chetty, R., Hendren, N., & Katz, L. (2015). *The Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment*. Cambridge, MA: National Bureau of Economic Research. Retrieved from [http://www.nber.org/mtopublic/final/MTO\\_IRS\\_2015.pdf](http://www.nber.org/mtopublic/final/MTO_IRS_2015.pdf).

2 Gubits, D., Shinn, M. et al. (2016). *Family Options Study: 3-Year Impacts of Housing and Services Interventions for Homeless Families*. Washington, DC: U.S. Department of Housing and Urban Development. Retrieved from <https://www.huduser.gov/portal/sites/default/files/pdf/Family-Options-Study-Full-Report.pdf>.

3 National Low Income Housing Coalition. (2016). *Housing Spotlight: The Long Wait for a Home*. Washington, DC: Author. Retrieved from <http://nlihc.org/article/housing-spotlight-volume-6-issue-1>.

PBRA contracts also act as a critical support for project financing, allowing owners to leverage private debt and equity—often through the Housing Credit—to permit project refinancing and rehabilitation. PBRA supports the stock of long-term affordable housing and helps protect federal investments which would be prohibitively costly to reproduce. According to HUD, the PBRA portfolio leverages over \$17 billion in private financing and equity.

## PUBLIC HOUSING

Public housing is home to over 1.1 million low income families and an essential asset for local communities. Over half of public housing households are headed by seniors and persons with disabilities. Families with approximately 750,000 children comprise more than 35% of public housing households. Like other forms of rental assistance, public housing residents benefit by affordable, stable housing that frees household resources to focus on employment, education and self-sufficiency. Consequently, public housing authorities, which operate public housing and the Section 8 HCV program, are engaged in developing transformational partnerships with other important and interested stakeholders to benefit children, seniors, people with disabilities, veterans, people experiencing homelessness, and familial caregivers including parents, adult children and grandparents.

Public housing plays a central role in the country's approach to addressing affordable housing needs. Public housing authorities take innovative approaches to improve their residents' lives across the country, such as workforce development and asset building programs. Public housing authorities also develop innovative funding mechanisms to improve resident wellness and health outcomes through continuum of care models, with the added benefit of achieving savings in Medicaid and Medicare expenses, and reducing hospital and emergency room visits.

The Rental Assistance Demonstration (RAD) is an example of a recent HUD innovation to bring our public housing stock into the 21<sup>st</sup> century. Deep underfunding has left some public housing properties across the country in need of recapitalization, with a capital needs backlog of over \$26 billion. RAD can put some public housing on more stable financial footing by converting its funding stream to project-based Section 8, which is more stable, predictable and flexible, allowing a portion

of public housing properties to leverage outside sources of private and public funds needed for repairs, including proven, efficient financing tools like LIHTC. Already RAD has spurred over \$3.2 billion in construction financing from the more than 44,000 units that have closed. RAD also allows properties financed under outdated “legacy programs” like Section 8 Moderate Rehabilitation and the Rent Supplement program to convert to project-based Section 8 assistance, further streamlining HUD's operations.

NLIHC's wait list study reported that 11% of public housing waiting lists are closed to new applicants and that of these, 37% have been closed for at least one year.<sup>4</sup> The average wait time is 9 months for public housing. Twenty-five percent of public housing waiting lists had a wait time of at 1.5 years.

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Community Development Block Grant (CDBG) Program invests in rural, urban, and suburban areas by providing flexible funding for a wide range of community development uses. CDBG is often one of few sources for infrastructure that supports the development of housing. Authorized by Title I of the Housing and Community Development Act of 1974, nearly 1,200 State and local grantees receive a direct allocation of funds through the program annually. More than 7,250 communities have access to the funding. Since 1974, CDBG has invested over \$144 billion in communities. This investment has leveraged three to four times this amount, resulting in a \$432 billion to \$576 billion in non-federal investment in communities over the 41-year life of the program, resulting in a large rate of return on federal investment.

CDBG funding is used locally to aid in the prevention and elimination of blight, address urgent community needs, and benefit low and moderate income people through the provision of public facilities and improvements, public services, housing, and economic development.

According to HUD, between Fiscal Year (FY) 2004 and FY 2013, CDBG economic development activities created or retained more than 421,183 permanent jobs, while the program also provided rehabilitation assistance to more than 1.3 million owner-occupied housing units.

4 *Ibid.*

From FY 2007 to 2013, CDBG assisted more than 232,000 businesses with business expansion and from FY 2005 to 2013, the program provided or improved public facilities that assisted in providing critical services for more than 33.7 million people. These improvements included sanitary water and sewer systems, improved drainage systems, safe streets and transit ways.

## HOMELESS ASSISTANCE PROGRAMS

HUD's McKinney-Vento Homelessness Assistance programs, which include the Continuum of Care program (CoC) Emergency Solutions Grants (ESG), provide funding for some of the most cost-effective housing solutions communities use to serve the highest need populations. The

program supports over 340,000 housing opportunities for homeless individuals and families.

It gives communities the ability to provide emergency shelters and safe havens for homeless households, creates permanent supportive housing for homeless individuals who are experiencing multiple challenges and provides families the ability to quickly move into stable housing while they connect with other services and systems.

Further, Congress has invested heavily in the HUD-Veterans Affairs Supportive Housing (VASH) program to serve homeless veterans and has seen positive results. Since 2009, the number of homeless veterans has been reduced by 33 percent. Communities have made significant improvements to delivering housing and other critical services in order to better serve homeless populations and the nation has seen an overall decrease in the homeless population. But more still needs to be done.

As HUD spends just over \$2 billion on programs to support homeless populations through its various programs, it saves other systems a far greater amount of money. Independent studies have proven that an individual cycling between different emergency response systems, like criminal justice and emergency health services, costs approximately twice as much as simply

providing stable, affordable housing with wrap around services. With greater investment in HUD's programs to serve individuals and families that are in crisis, we cannot only end homelessness for all populations by 2020, but may help other systems operate more effectively and efficiently.

## HOME INVESTMENT PARTNERSHIPS PROGRAM

For over 20 years, the HOME Investment Partnerships Program (HOME) has proven to be one of the most effective, locally driven tools to help states and communities provide access to safe, decent, and affordable housing for low income residents. HUD reports that since its authorization in 1990, \$27.2 billion

in HOME funds have leveraged \$132 billion in public and private resources to help build and preserve more than 1.2 million affordable homes and to provide direct rental assistance to more than 285,000 families. HOME advocates estimate that this investment has supported nearly 1.6 million jobs and has generated \$101 billion in local income.



With HOME, Congress created a program that provides states and communities with unmatched flexibility and local control to meet the housing needs that they identify as most pressing. HOME is the only federal housing program exclusively focused on addressing such a wide range of housing activities. States and local communities use HOME to fund new production where affordable housing is scarce, rehabilitation where housing quality is a challenge, rental assistance when units are available but unaffordable, and provide homeownership opportunities when those are most needed. This flexibility means that states and communities can quickly react to changes in their local housing markets.

Moreover, HOME plays a key role in ensuring the success of other federal programs, such as the LIHTC program and U.S. Department of Agriculture Rural Housing programs, because it often provides essential soft funding to fill financing gaps and make affordable housing developments financially feasible.



## HOUSING FOR THE ELDERLY (HUD SECTION 202 PROGRAM)

Enacted to allow seniors to live with dignity by providing housing assistance and a platform for services, the Section 202 Supportive Housing for the Elderly program provides funding to nonprofit organizations to develop and operate housing for seniors with very low incomes. Research has shown service-enriched affordable housing slows the growth of Medicaid costs while also allowing people to age in place. The Section 202 Service Coordinator Grant Program funds trained staff in Section 202 senior housing to assist residents with their needs and provide linkages to community-based services.

According to HUD, senior households with very low incomes are the most likely to pay more than they can afford for their housing. The 2015 HUD study of worst-case housing needs found that out of 7.72 million renter households with worst-case housing, 1.47 million are senior renter households. According to Harvard's Joint Center for Housing Studies, only one in three seniors eligible for rental assistance receives it. Of those who are not assisted, two-thirds have worst-case housing needs.

The Section 202 program has been one of the most successful federal programs for building quality, safe, and affordable senior housing for decades. The program has long been recognized for creating affordable housing serving the nation's most vulnerable seniors that is well managed by mission-driven nonprofits. Seniors residing in Section 202 housing can enjoy an enhanced quality of life as they safely age in their communities. More than 6,000 properties with more than 300,000 rental units have provided housing and, in many cases, supportive services to seniors in both large and small communities.

Unfortunately, in FY 2012 Congress eliminated the Section 202 Capital Advance Program to fund the development of new units. The population of seniors over age 75 will almost double in 2035 compared to 2015. As the U.S. population ages, it will also be much more

poor than seniors today, many of whom live in poverty. We must return to building affordable senior housing through the Section 202 program and also preserve and expand other programs that meet the affordable housing needs of our lowest income seniors.

## HOUSING FOR PERSONS WITH DISABILITIES (HUD SECTION 811 PROGRAM)

The Section 811 Supportive Housing for Persons with Disabilities is an essential federal program that assists the lowest income people with the most significant and long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports. Through a substantial body of research conducted over the past 20 years, supportive

housing has proven to be a cost-effective and successful approach to addressing the affordable housing and supportive services needs of people with significant and long term disabilities who need community-based supports and services to live in the community. More than 30,000 units of permanent supportive housing have been developed under the Section 811 Capital Advance Program, while an



additional 7,500 units of permanent supportive housing are being developed through the Section 811 Project-Based Rental Assistance (PRA) program.

Congress passed major reforms to the Section 811 program in 2010. The reforms are intended to promote a national expansion of integrated supportive housing by fostering partnerships among state housing and health and human service agencies to leverage mainstream affordable housing, Medicaid, and related community-based support services resources, and to ensure people with disabilities most in need can access these new housing opportunities.

The most significant innovation is the new Section 811 PRA option which - for the first time - provides cost-effective PRA subsidies directly to state housing agencies leveraging dollars from other sources of funding for

development of new permanent supportive housing units. This new PRA option is intended to identify, stimulate, and support innovative state-level partnerships and strategies to substantially increase integrated permanent supportive housing opportunities. In the final two years in which Congress funded new units for the old 811 capital advance program (FY 2010 and 2011), only 975 units were developed. By contrast, the new PRA program will develop more than 7,500 units of integrated permanent supportive housing with only three years of funding (FY 2012-2014). These PRA units will help generate millions in savings as an alternative to costly institutional care for people with disabilities.

## HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

The Housing Opportunities for Persons With AIDS program (HOPWA), was authorized in 1990 through the Cranston-Gonzalez National Affordable Housing Act during the early years of the epidemic as a response to the unique and numerous obstacles faced by individuals living with HIV/AIDS to acquire stable housing, due to poverty, housing instability or stigma. Stable housing has long been identified as one of the greatest unmet needs for people living with HIV/AIDS and their families and housing is a proven cost-effective healthcare intervention. HOPWA prevents homelessness by providing short-term and permanent housing, creating access to life-saving medical care and support services, and promoting adherence to treatments among patients. As such, HOPWA is a powerful tool for prevention of the spread of the virus.

HOPWA affords communities the flexibility – now through 139 eligible formula jurisdictions – to craft HIV/AIDS housing responses to meet their unique needs, whether through the construction of community residences with supportive services, short-term rental, mortgage and utility assistance to people with HIV/AIDS who are homeless or at risk of homelessness or project-based or tenant-based rental assistance for permanent supportive housing. Part of HOPWA's effectiveness is its ability to operate as a gap-filler with other HUD low income programs to meet community HIV/AIDS housing need.

HOPWA continues to be an uncontrovertibly efficient and cost-effective program, with 96% of clients receiving long-term assistance in 2015 achieving housing stability

and 70 percent receiving transitional housing remaining stably housed or at reduced risk of homelessness. During the 2014-2015 program year, 11,577 individuals were newly placed in housing, including 2,106 who were formerly homeless, 95% having contact with healthcare providers, and 94% accessing and maintaining health insurance.

Without additional resources in the current fiscal year, implementation of the long awaited HOPWA formula update—importantly switching from counting cumulative AIDS to living HIV/AIDS— may result in the loss of housing assistance to more than 3,000 households. Though need is vastly greater than the 49,125 households served by the program in the current year, HOPWA is key to preventing and ending homelessness among people with HIV/AIDS by enabling them to access and adhere to care resulting in better individual and community health outcomes

## LEAD HAZARD CONTROL AND HEALTHY HOMES

HUD's Office of Lead Hazard Control and Healthy Homes (OLHCHH) has enabled communities with large numbers of pre-1978 housing and pre-1940 rental housing, respectively, in which there are high rates of childhood lead poisoning cases, to identify and control lead-based paint hazards in eligible housing.

Recent research confirms that housing policy has a profound impact on public health, and for any public health agenda to be effective, it must include a housing component. The statistics and key findings regarding the long-term effects of housing-related health hazards are alarming. Over half a million children under five years old in the U.S. have elevated blood lead levels. Childhood exposure to lead can have lifelong consequences including decreased cognitive function, developmental delays, behavior problems, and, at very high levels can cause seizures, coma, and even death. Asthma is a leading common chronic disease among children in the U.S and leads to high levels of school absences;<sup>5</sup> 24 million people in the U.S. have asthma, including 8.6% of children under 18 years old. In 2007-2008, the economic costs to society of lead poisoning and asthma were estimated at \$50 billion and \$56 billion respectively.

The number of children under five with blood poisoning would have included an additional 265,000 children

5 <https://www.cdc.gov/nchs/data/nhsr/nhsr032.pdf>.

if not for HUD programs' actions to control hazards in over 370,000 housing units. These funds are vitally important for helping cities and states end childhood lead poisoning. Healthy homes interventions prevent injury, neurological and respiratory diseases, and cancer and even death from toxins such as carbon monoxide and radon. Each dollar invested in lead hazard control returns at least \$17 and positions children and their families for greater opportunities in the future.

American Healthy Housing Survey data from 2005-2006 estimated that 37 million housing units have lead paint, and 23 million units are estimated to have significant lead-based paint hazards (in the form of deteriorated lead paint, contaminated house dust and/or contaminated bare soil). 3.6 million of these households are estimated to currently house children under six, of which 1.1 million are low income. HUD's lead hazard control grant program should carry out risk assessment, inspection and abatement for the 1.25 million high-risk units in which young children reside or are likely to be born or move into.



## FAIR HOUSING PROGRAMS

There are two federal programs dedicated solely to assist in the enforcement of the Fair Housing Act—an essential role in ensuring that all households can access a range of housing options and opportunities. The Fair Housing Initiatives Program (FHIP) funds private fair housing organizations, and the Fair Housing Assistance Program (FHAP) funds the fair housing enforcement programs of state and local government agencies.

FHIP funds private fair housing organizations to provide education and outreach to their local populations and housing providers, and to enforce the Fair Housing Act by investigating allegations of rental, sales, homeowner insurance, and lending discrimination. FHIP is a competitive grant program administered by HUD's Office of Fair Housing and Equal Opportunity. In 2012 and 2013, FHIP-funded organizations investigated 38,600 complaints of housing discrimination across the country for families and communities, more than twice that of all state and federal agencies combined. According to

HUD, 71% of the cases in which a FHIP organization is a complainant result in conciliation or a cause finding, making it a highly successful federal investment in addressing housing discrimination. In FY 2014, HUD awarded FHIP grants to more than 100 private fair housing and other qualified nonprofit organizations in 40 states and the District of Columbia.

State and local government agencies certified by HUD to enforce fair housing laws that are substantially equivalent to the Fair Housing Act receive FHAP funds. HUD funds FHAP agencies by reimbursing them based on the number of cases they successfully process. In addition, FHAP funds help cover administrative expenses and training. Between 2013 and 2014, FHAP agencies investigated 13,254 complaints of housing discrimination.

The Department's long-awaited fair housing initiative, the Affirmatively Furthering Fair Housing (AFFH) rule, has the potential to expand residential integration and reduce disparities in access to opportunity across neighborhoods and communities separated by race, class and disability. The AFFH rule is intended to reduce barriers and support integration to increase opportunity. The AFFH rule will also help guide HUD program participants, including states, local governments, and PHAs to meet the obligation established by the Fair Housing Act to affirmatively further fair housing.

## HOUSING TRUST FUND

The national Housing Trust Fund (HTF) is the first new federal housing resource in a generation, and it is exclusively targeted to help build, preserve, rehabilitate, and operate housing affordable to people with the lowest incomes. In 2016, the first \$174 million in HTF dollars were allocated to states. By law, 90% of HTF dollars must be used for the production, preservation, rehabilitation, or operation of affordable rental housing. Up to 10% may be used to support homeownership activities for first-time homebuyers, such as producing, rehabilitating, or preserving owner-occupied housing, as well as providing

down payment assistance, closing costs, and interest rate buy-downs.

The HTF is *the* most highly targeted federal rental housing capital and homeownership program. By law, at least 75% of HTF dollars used to support rental housing must serve extremely low income (ELI) households earning no more than 30% of the area median income (AMI) or the federal poverty limit. All HTF dollars must benefit households with very low incomes earning no more than 50% of AMI. In comparison, most other federal housing programs can serve families up to 80% of AMI.

Because the HTF is administered by HUD as a block grant, each state has the flexibility to decide how to best use HTF resources to address its most pressing housing needs. States decide which developments to support.



## **NATIVE AMERICAN, AND NATIVE HAWAIIAN HOUSING PROGRAMS**

Enacted in 1996, Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) provides assistance to Indian tribes and Alaska Natives to allow affordable housing-related activities for low income families residing on reservations and other tribal areas. NAHASDA resulted in the largest change in the history of federal housing programs available to tribal housing entities, and it recognized tribal sovereignty and self-determination. NAHASDA created the Indian Housing Block Grant program (IHBG) that awards grants to eligible Indian tribes or their tribally designated housing entities, and Native Alaskans for a range of affordable housing activities that primarily benefit low income Indian families living on Indian reservations or in other Indian areas. The amounts of annual IHBGs are based on a formula that considers need and the amount of existing housing stock.

NAHASDA enhances tribal capacity to address the substandard housing and infrastructure conditions

in tribal communities by encouraging greater self-management of housing programs and by encouraging private sector financing to complement limited IHBG dollars.

Activities eligible to be funded with NAHASDA assistance include new construction, rehabilitation, acquisition, infrastructure, and various support services. Housing assisted with these funds may be either rental or

homeowner units. NAHASDA funds can also be used for certain types of community facilities. Generally, only families with incomes that do not exceed 80% of the area median income are eligible for assistance.

In 2000, NAHASDA was amended to include the Native Hawaiian Housing Block Grant program (NHHBG), which provides eligible affordable housing assistance to low income

native Hawaiians eligible to reside on Hawaiian home lands.

## **USDA PROGRAMS**

The U.S. Department of Agriculture's (USDA's) Rural Development (RD) arm runs several rental housing and homeownership programs through its Rural Housing Service. Together, these programs serve more than 800,000 households and have provided homeownership opportunities to more than 2 million low-income rural families who would not have been able to become homeowners otherwise.

## **RURAL RENTAL HOUSING LOANS (SECTION 515)**

Under the Section 515 program, USDA makes direct loans to developers to finance affordable multifamily rental housing for very low income and low income families, seniors, and people with disabilities. Section 515 loans have an interest rate as low as 1%, amortized over 50 years, to finance modest rental or cooperatively-owned housing. Section 515 loans can be used for new construction as well for the rehabilitation of existing properties. Funds may also be used to buy and improve land, and to provide necessary facilities such as water and waste disposal systems. However, no new rental

properties have been developed under Section 515 since 2012; the program's entire appropriation for the last few years has been used to preserve existing units.

The vast majority (93%) of Section 515 tenants have incomes less than 50% of area median income. More than half of the assisted households are headed by elderly people or people with disabilities.

## **FARM LABOR HOUSING LOANS AND GRANTS(SECTION 514/516)**

The Section 514 Farm Worker Housing Loan program makes direct loans to develop housing for year-round and migrant or seasonal domestic farm laborers; they have an interest rate as low as 1% for 33 year terms. Some Section 514 borrowers, such as nonprofits, are also eligible for Section 516 grants.

Section 514/516 funds can be used for new construction as well as for the rehabilitation of existing properties. Funds may also be used to buy and improve land, and to provide necessary facilities such as water and waste disposal systems.

## **RURAL RENTAL ASSISTANCE (SECTION 521)**

The Section 521 Rural Rental Assistance program is available in some properties financed by the Section 515

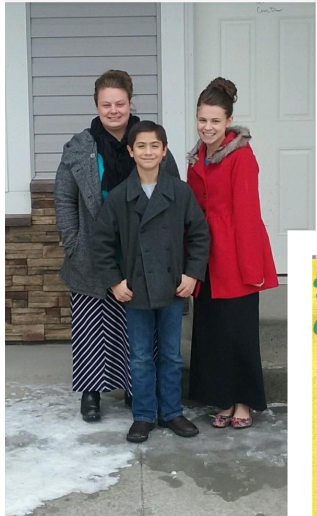
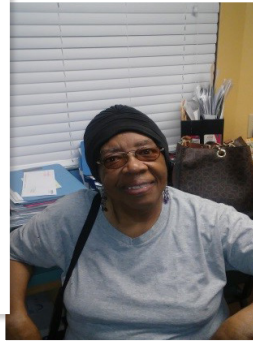
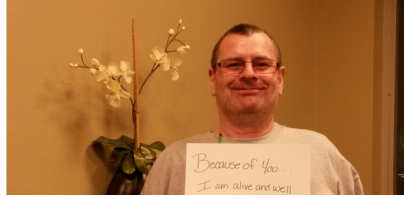
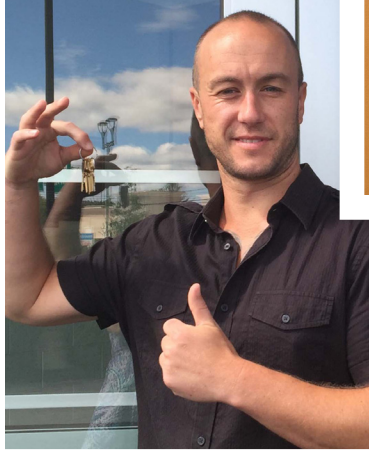
Rural Rental or Section 514/516 Farm Labor Housing programs. The Section 521 program provides rental assistance to cover the difference between 30% of a tenant's income and the monthly rental rate of their apartment.

## **SINGLE FAMILY HOUSING DIRECT HOME LOANS (SECTION 502)**

The Section 502 program is credited with building more than \$40 billion in wealth for our nation's poorest families, while also being one of the most cost-effective federal housing programs. The program provides low and very low income applicants with payment assistance so that they can purchase safe, decent, and sanitary housing in eligible rural areas. The payment assistance helps reduce the applicant's mortgage payment for a short period of time.

## **MUTUAL AND SELF-HELP HOUSING (SECTION 523)**

USDA's Self-Help Housing program is celebrated as the only federal housing program that combines "sweat equity" with safe, affordable mortgages, and technical assistance. Under the program, small groups of six to twelve rural families join together on nights and weekends to build each other's homes, reducing construction costs, earning equity in their homes, and making lasting investments in their communities.



Some things I like about living here.....

- that we have counselors
- that we have groups, summer camp, field trips
- that I get to play outside with my friends
- that we can do our laundry here
- that we have a special arts group
- that I have a lot of friends

