

Low-Income Housing Tax Credit

The Low-Income Housing Tax Credit (LIHTC) has been a critical source of equity for almost 3 million affordable housing units over the last 30 years. Each year, LIHTC development supports a financial return on our nation's investment by supporting 96,000 jobs and adding approximately \$3.5 billion in taxes and other revenues to local economies. LIHTC is our nation's most successful tool for encouraging private investment in affordable rental housing, and is a vital financing component for many federally-funded housing programs.

Over the last decade an unprecedented nine million renter households were added to the overall housing share. One in four renter households now spends over 50 percent of its income on housing. There is no state in the U.S. where a full-time worker earning minimum wage can afford a modest, one-bedroom apartment. Given the well documented lack of affordable housing throughout our nation and the competitive nature of obtaining tax credits, LIHTC must be expanded and improved.

LIHTC IS AN INTEGRAL FINANCING TOOL

- LIHTCs provide a critical source of equity for about 90% of new affordable housing developments.
- LIHTCs have been used to develop 2.8 million affordable rental units for low-income families, generate 96,000 jobs a year, and have leveraged nearly \$100 billion in private investment.
- To create, acquire and rehabilitate public housing and other affordable housing, LIHTCs can be an important financing component to many of our existing federal programs:
 - Rental Assistance Demonstration.
 - Choice Neighborhoods.
 - HOME Investment Partnerships Program.
 - Community Development Block Grant.



Half of all renters (21.3 million) spend more than 30% of their income on housing and over a quarter of all renters (11.4 million) spend over 50% of their income on housing.

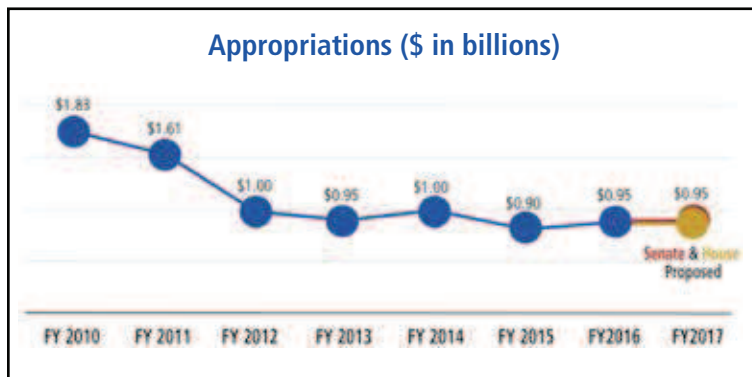
NAHRO's Low-Income Housing Tax Credit Priorities:

- NAHRO will continue to demonstrate unwavering support for the LIHTC as Congress contemplates tax reform and infrastructure investment.
- NAHRO remains committed to working alongside the ACTION Campaign (a national coalition of roughly 2,000 organizations and businesses) to call on Congress to establish a minimum 4 percent credit rate and to expand and improve LIHTC.



HOME Investment Partnerships Program (HOME)

For 20 years, the HOME program has been effective in empowering over 600 states and localities to design and implement affordable housing strategies in response to locally determined need. HOME funds can be used for new construction, housing rehabilitation, down payment assistance to creditworthy homebuyers, and tenant-based rental assistance. HOME benefits those most in need by supporting low-income households (those earning less than 80 percent of the area median income), particularly people with disabilities, veterans, families with children, and people experiencing homelessness. HOME is a vital federal housing program that allows communities to leverage \$4.20 of public and private dollars for every HOME dollar invested, yet HOME has been slashed by almost 50 percent since FY 2010, while grantees face increasing regulatory burdens in order to administer their HOME programs.



- \$1 of HOME funding leverages \$4.20 of public and private dollars in affordable housing.
- \$1 billion in HOME funding creates or preserves approximately 18,000 jobs.
- 1.2 million housing units have been produced by HOME funds since 1990.
- 642 states, local governments and insular areas received HOME assistance in FY 2016.

NAHRO's HOME Priorities:

- NAHRO will protect HOME from devastating funding cuts and advocate restoring the program funding to former baseline levels.
- NAHRO will work to address the negative impact recent regulatory reforms have had on the ability of PHAs and LRAs to fully engage in the program.
- NAHRO will support effective program administration by advocating the elimination of the burdensome statutory 24-month commitment of funds requirement.



National Housing Trust Fund (HTF)

In recognition of our nation's deep need for affordable housing targeted to extremely low-income households, Congress implemented the National Housing Trust Fund (HTF) under the Housing and Economic Recovery Act of 2008 with the purpose of generating a dedicated funding source allocated to states for affordable housing preservation and production.

NAHRO's Housing Trust Fund Priorities:

- NAHRO supports the full capitalization and implementation of this important new federal housing resource and will work to ensure that it is not threatened by legislation that seeks to cancel or transfer its funds away.

