



# BUILDING ON SUCCESS

WITH HFAS





Only **one in five** renter households who qualify for housing assistance receives it.

**NCSHA urges Congress to build on the success state Housing Finance Agencies (HFAs) have achieved with proven, effective federal programs.** These programs only need additional resources and flexibility to reach many more people and communities still waiting desperately for assistance.

We applaud Congress for preserving in tax reform two of the most important federal programs for addressing our nation's tremendous affordable housing needs – the Low Income Housing Tax Credit and tax-exempt private activity Housing Bonds.

Building on success means strengthening these HFA-administered programs by enacting the Affordable Housing Credit Improvement Act and additional provisions that may be necessary to restore the Housing Credit's production potential in the post-tax reform environment.

Building on success means making sure our housing finance system continues to facilitate affordable housing for those who need it.

Building on success means supporting the HOME Investment Partnerships (HOME), Housing Trust Fund, Section 8 rental assistance, and rural housing programs to enable them to reach more than the select few fortunate families who receive housing assistance, when the vast majority of those eligible for help do not.

**HFAs and the programs they administer can help solve the serious affordable housing and economic development challenges our nation faces today.** They are already making a huge difference by helping struggling home buyers and renters, thereby creating jobs and generating economic activity and government revenue. HFAs also preserve our existing affordable housing stock so that our nation does not lose this critical infrastructure.



**According to recent research, nowhere in America can a full-time worker earning the minimum wage afford a modest two-bedroom rental.** What's more, for every 100 low-income families looking for an available, affordable apartment, only 35 such rental homes exist. Even when a family finds a home, it often must pay 50 percent of its income or more for housing, leaving little money for other necessities, like food, clothing, medicine, and transportation.

**Consequently, many families live in severe risk of foreclosure, eviction, and homelessness.** Only increasing the supply of affordable housing, preserving the housing we have now, and providing additional rental assistance will allow working families who need help to get the affordable rental homes or mortgages they need.



In 2016, more than a **quarter** — 11 million — of renter households paid **50% or more** of their income for housing.

**The Housing Credit is responsible for virtually all affordable rental housing produced in our country today,** approximately half of which is financed with tax-exempt private activity multifamily Housing Bonds and would not be possible otherwise. These bonds on their own account for still more affordable rental homes.

**Housing Bonds for homeownership – also known as Mortgage Revenue Bonds – help HFAs enable potential home buyers to purchase their first homes.** These purchases, the construction they encourage, and the move-up buying they make possible all contribute to more jobs and important infrastructure investments. Not only do Housing Bonds help individual households attain affordable housing, bonds also provide other important indirect benefits by helping the sale of homes under foreclosure; revitalizing distressed neighborhoods; bringing mortgage funds into capital-deprived areas; funding the repair and purchase of homes in older, urban communities; and helping low-income renters move out of public and assisted housing into homes of their own.

**The Housing Credit and Bond programs work because they are run by HFAs –** mission-driven, publicly accountable, and highly sophisticated financial institutions. They work because the federal government has largely stepped out of the way, allowing states to administer them within appropriate and broad federal mandates to respond to their most pressing needs. They work because they leverage resources from both the public and private sectors and draw on the skills and discipline of both.



**Congress and the Administration also must protect funding for other federal housing programs**, especially HOME, Section 8, the Housing Trust Fund, and rural housing. These programs operate effectively on their own, and when combined with the Housing Credit and Bonds, allow them to reach people and places they otherwise may not be able to serve.

**Increased investment in affordable housing would also build our nation's infrastructure**, both directly and because of the roads, schools, water systems, utilities, hospitals, parks, and commercial centers necessary to serve homeowners and renters. All these investments and a well-housed workforce would attract businesses and expand employment.



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.



**Relatively modest investments would generate exponential returns.**

We would help many more families into homes they can afford, vastly reducing homelessness, overcrowding, and crushing expense burdens. And, we would put these families on a sound platform to improve other areas of their lives, including employment, education, and health.

State HFAs have consistently demonstrated that effective federal programs with strong state administration and oversight can make major strides toward addressing our affordable housing needs. **We need to keep BUILDING ON SUCCESS by supporting these programs and the HFAs that administer them.**



# HFAs CALL ON CONGRESS AND THE ADMINISTRATION TO:

**STRENGTHEN** and expand the Low Income Housing Tax Credit so HFAs can maintain production after tax reform and respond more fully to rapidly growing affordable rental housing need and ever-increasing demands on the Credit.

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**SUPPORT** Housing Bonds and make strategic improvements in program rules so HFAs can provide most efficiently affordable and sustainable mortgages to first-time home buyers and Housing Credit and other rental housing developments.

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**DESIGN** a housing finance system that is dedicated to affordable housing, including funding for the Housing Trust Fund and a stable and thriving Federal Housing Administration, so HFAs can provide housing help to home buyers and renters who need it.

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**SUPPORT** resources and flexibility for HOME, Section 8 rental assistance, and rural housing programs so HFAs can better meet their states' priority housing needs.

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**PROMOTE** HFA interests in HUD's Performance-Based Contract Administration (PBCA) program so they can make sure housing assistance gets to the people who need it and owners and managers fulfill their obligations to their tenants and HUD.

For more information on NCSHA's requests of Congress, visit [ncsha.org](http://ncsha.org).



National Council of  
State Housing Agencies

State Housing Finance Agencies (HFAs) share a public purpose mission to provide affordable housing help to the people of their jurisdictions who need it.

The National Council of State Housing Agencies (NCSHA) is a national nonprofit, nonpartisan association that advocates on behalf of HFAs before Congress and the Administration for affordable housing resources. NCSHA represents virtually every state HFA as well as the HFAs of the District of Columbia, New York City, Puerto Rico, and the U.S. Virgin Islands. Learn more at [ncsha.org](http://ncsha.org).



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