



November 28, 2022

The Honorable Patrick Leahy
Chairman
Senate Appropriations Committee
S-128 Capitol Building
Washington, District of Columbia 20510

The Honorable Richard Shelby
Ranking Member
Senate Appropriations Committee
S-128 Capitol Building
Washington, District of Columbia 20510

The Honorable Rosa DeLauro
Chairwoman
House Appropriations Committee
H-307 Capitol Building
Washington, District of Columbia 20515

The Honorable Kay Granger
Ranking Member
House Appropriations Committee
H-307 Capitol Building
Washington, District of Columbia 20515

The Honorable Brian Schatz
Chair, Senate Appropriations Subcommittee on
Transportation, Housing and Urban Development
Washington, District of Columbia 20510

The Honorable Susan Collins
Ranking Member, Senate Appropriations Subcommittee on
Transportation, Housing and Urban Development
Washington, District of Columbia 20510

The Honorable David Price
Chair, House Appropriations Subcommittee on
Transportation, Housing and Urban Development
Washington, District of Columbia 20515

The Honorable Mario Díaz-Balart
Ranking Member, Appropriations Subcommittee on
Transportation, Housing and Urban Development
Washington, District of Columbia 20515

Dear Chairman Leahy, Ranking Member Shelby, Chairwoman DeLauro, Ranking Member Granger, Chairman Schatz, Ranking Member Collins, Chairman Price, and Ranking Member Díaz –Balart:

We, the undersigned 44 national, state, and local organizations, support a funding level of \$2.5 billion for the U.S. Department of Housing and Urban Development’s HOME Investment Partnerships (HOME) program. While we understand that resources are finite, we believe a robust investment in HOME in Fiscal Year (FY) 2023 is critical given the shortage of affordable housing and the rising cost of housing. At a minimum, we urge Congress to fund the program at no less than \$1.9 billion, as requested by the Administration for FY 2023.

HOME is HUD’s flagship affordable housing production program. For three decades, it has been one of the most effective and flexible tools states and localities apply to affordable housing needs, including rental home production and preservation, single-family home construction, homeowner rehabilitation, and tenant-based rental assistance. In the current economic environment, with housing costs historically high and low-income households suffering, it is more important than ever for Congress to provide significant resources for this essential program.

According to the Bureau of Labor and Statistics, shelter makes up approximately one-third of the Consumer Price Index. The rising cost of housing is a major factor in inflation and is largely caused by the substantial imbalance between the supply and demand. This imbalance is only getting worse due to chronic underbuilding in the last decade. A reported 3.8 million homes were needed to meet housing demands in 2019, up from 1.65 million units in 2012.¹ Since early 2020, renter households have climbed by 1.1 million while the vacancy rates have dropped to 4.8 percent nationwide.² Home prices have been increasing at astounding rates as well, jumping nearly 20.2 percent over the previous 12 months, as of May 2022.³

Fewer homes and rising prices are especially challenging for low-income households who typically use more of their budget for housing than middle- and higher-income households. Nationwide, approximately 10.5 million renter households pay more than half their monthly income on rent, leaving too little for other necessary expenses like food, healthcare, transportation, and higher education.

While the housing supply problem exists nationwide, different approaches are needed to address this ongoing need. This is why HOME—our most flexible affordable housing program, which can be tailored to meet local needs—is such an important tool. While some areas need more new construction of affordable rental housing, others may have an existing rental housing stock that just needs rehabilitation. Still others most need single-family starter homes. HOME is the one resource that can do all these things.

Since 1992, HOME has supported over 1.34 million units of affordable housing for renters, home buyers, and homeowners — many of which are targeted to very low-income or extremely low-income households. Eighty-two percent of HOME rental units are occupied by very low-income or extremely low-income renters, and more than half of the home buyers assisted through HOME earn less than 60 percent of AMI.

Not only is HOME central to the production and preservation of affordable housing, but it is also a key source for rental assistance. HOME tenant-based rental assistance is especially important currently as renters are struggling and states and local governments by and large have exhausted pandemic rental assistance programs.

HOME is also a smart investment — leveraging \$4.60 in public and private funds for every dollar in HOME funding — and has supported more than 1.95 million jobs and generated more than \$128 billion in local income, according to the HOME Coalition’s recent analysis.

We strongly urge you to provide as much funding as possible, and no less than \$1.9 billion for HOME in FY 2023. If you have any questions about this letter, please contact Jennifer Schwartz (jschwartz@ncsha.org) with the National Council of State Housing Agencies, Josh Shumaker (jshumaker@coscda.org) with the Council of State Community Development Agencies, or Liz Osborn (losborn@enterprisecommunity.org) at Enterprise Community Partners.

Sincerely,

List of National Organizations

National Apartments Association

¹ Up for Growth. Housing Underproduction in the U.S. 2022.

² Joint Center for Housing Studies of Harvard University, “State of the Nation’s Housing 2022.” June, 22, 2022.

³ Core Logic, U.S. Home Price Insights (July 5, 2022).

National Association of Development Organizations
National Association of Home Builders
National Association of Realtors
National League of Cities
National Urban League
PIMA County
National Alliance to End Homelessness
Corporation for Supportive Housing
Council for Affordable and Rural Housing
Council of Large Public Housing Authorities
Council of State Community Development Agencies
Enterprise Community Partners
Fahe
Grounded Solutions Network
Habitat for Humanity International
Housing Assistance Council
Housing Partnership Network
Local Initiatives Support Corporation
Low Income Investment Fund
Mercy Housing, Inc.
National Affordable Housing Management Association
National Alliance of Community and Economic Development Associations
National Association for County Community and Economic Development
National Association of Affordable Housing Lenders
National Association of Counties
National Association of Housing and Redevelopment Officials
National Association of Local Housing Finance Agencies
National Association of Regional Councils
National Association of State Housing Agencies
National Community Development Association
National Community Stabilization Trust
National Housing Conference
National Housing Trust
National Leased Housing Association
National Multifamily Housing Council
National Neighborworks Association
National Rural Housing Coalition
New England Housing Network
Rebuilding Together
Stewards of Affordable Housing for the Future
The Community Builders, Inc.
U.S. Conference of Mayors
Vermont Housing & Conservation