

## Housing Is Infrastructure Talking Points 2021

Safe, decent, and affordable housing is a vital part of our nation's infrastructure. The House of Representatives recognized this in the comprehensive infrastructure legislation it passed in 2020, The Moving Forward Act, making affordable housing a central part of that legislation. As Congress and the Administration again work to tackle our country's considerable infrastructure challenges in 2021, they must again include expanding and strengthening affordable housing programs run by state housing finance agencies (HFAs). These programs bolster productivity and economic growth, connect workers to communities of opportunity, improve health and education outcomes, and support local job creation and increased incomes.

- **Right now, high housing costs constrain opportunities for families to increase earnings, causing slower GDP growth.** The lack of safe and accessible affordable housing in major metropolitan areas is costing Americans approximately \$1.6 trillion a year in lower wages and lost productivity.<sup>1</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.
- **Each dollar invested in affordable housing infrastructure boosts local economies and creates public-private partnerships** that lift resident earnings and local tax revenue, as well as support job creation and retention. In fact, the National Association of Home Builders estimates that, for every single-family home constructed, 2.90 jobs are created and \$129,647 in taxes are generated.<sup>2</sup> Building an average rental apartment is estimated to generate 1.25 jobs and \$55,909 in taxes.<sup>3</sup> \$100,000 spent on remodeling is estimated to generate 0.75 jobs and an additional \$29,797 in taxes.<sup>4</sup>
- **An investment in affordable housing infrastructure is a direct investment in America's families.** Increasing and preserving affordable housing and rental assistance — especially in areas connected to good schools, well-paying jobs, healthcare, and transportation — helps families climb the economic ladder. Research shows that increasing access to affordable housing is the most cost-effective strategy for reducing childhood poverty in the United States.

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<sup>1</sup> [Hsieh and Moretti, \*Housing Constraints and Spatial Misallocation\*](#), updated 2018

<sup>2</sup> National Association of Home Builders, National Impact of Home Building and Remodeling: Updated Estimates, 2020

<sup>3</sup> National Association of Home Builders, National Impact of Home Building and Remodeling: Updated Estimates, 2020

<sup>4</sup> National Association of Home Builders, National Impact of Home Building and Remodeling: Updated Estimates, 2020

- **Housing programs build vital public infrastructure.** There is a serious shortage of affordable housing in our country. The Low Income Housing Tax Credit, Housing Bonds, HOME, Housing Trust Fund, and other programs add to our stock of affordable housing and produce a valuable and durable public resource that will likely last for many decades. More housing generates additional infrastructure and other activity as communities grow and flourish.
- **The lack of affordable housing is also thwarting economic growth and job creation in rural America.** Rural business leaders cite the lack of affordable housing as a key issue in attracting and maintaining a vital workforce.