

The Importance of HOME in our Region

As organizations whose members are committed to best practices in creating quality affordable housing in this region, it is critical to underscore the irreplaceable value of HUD's HOME Investment Partnerships Program (HOME).

In the past decade, the HOME Program has been responsible for 20,418 units of housing in the Washington, DC metropolitan region. Often the seed money for a project, HOME provides funding for additional equity and debt from private capital markets, typically leveraging \$4 for every taxpayer dollar spent. But for this commitment, the housing units in all likelihood would not be built.

The need for HOME in our region is great – and growing. The George Mason Center for Regional Analysis predicts that over the next two decades, 731,457 new housing units will be needed to house our growing workforce. Many of these new workers will have jobs that pay less than the area median income. The HOME program is one of a few sources of funding that is used to help develop the housing these workers will need. In the metro region, more than 6,500 people are currently homeless, and more than 1,600 of them are children. Some 39,000 households are on the waiting list for Housing Choice Vouchers and public housing. An additional 47,500 households spend 50 percent or more of their incomes on housing, leaving little for other basic needs. HOME is key to addressing this need.

There are dozens of communities in our own backyards that reflect the tangible value of HOME:

In the District, the District Alliance for Safe Housing's 47 one-bedroom and studios provide emergency and transitional housing to women and children escaping domestic violence. Manna, Inc. was able to rehabilitate a donated building into 11 affordable condominiums and help former tenants displaced by fire become homeowners. Leveraged HOME investments also helped Jubilee Housing renovate 188 units of rental housing in six properties in rapidly gentrifying Adams Morgan.

In Northern Virginia, since 1993, 598 families benefited directly from HOME funding. Award-winning nonprofit developers have leveraged HOME funds to create 11 affordable housing communities in Arlington County alone, where every single one of the funded HOME capital projects are completed or on track for successful completion by year's end. The Arlington Partnership for Affordable Housing (APAH) has leveraged HOME funds of approximately \$13.5M to create more than 450 housing units in Arlington. AHC, Inc. has built seven affordable housing projects in Arlington and in Baltimore that now house 800 families, leveraging \$9.1 million in HOME funds at a 10:1 ratio. Without that initial HOME investment, where would those families live?

In Montgomery County, at least 17 successful affordable communities resulted directly from HOME funds. Since 1992, 1,255 families have been assisted leveraging \$119.6 million. In Silver Spring, a three-story brick building includes nine small one-bedroom units for formerly homeless adults, with rents capped at 30 percent of household incomes. The Glen, a 90-unit mixed income rental community includes town homes for twenty-five families: sixteen at 55

percent of median income and nine at 35 percent of median income. In all of Maryland, 16,073 families have benefited from HOME and \$1.78 billion has been leveraged. Without HOME, these families might never have been helped.

The HOME is not perfect and could be improved by management best practices. To that end, HUD is enacting substantial rule changes that will boost performance and accountability, and our members welcome this improved oversight. But we as a region simply cannot afford cuts to this critical program, especially with diminished resources at the local level. Given the fact that a typical 100-unit property jump-started with HOME funds also creates 116 jobs, it's not just households who are served, but our regional economy as well. In today's economy, programs like HOME are a critical element for getting much needed housing financed and built.

Given these outcomes, it is clear why HOME has received bipartisan support throughout its 20-year history, and we urge Congress to continue to recognize HOME's unique and irreplaceable value by investing in our nation's unmet housing needs.

Coalition for Nonprofit Housing and Economic Development, Housing Association of Nonprofit Developers, Northern Virginia Affordable Housing Alliance, The Affordable Housing Conference of Montgomery County, Maryland