MULTIFAMILY HOUSING BONDS IMPACT IN WASHINGTON

HOUSING BONDS’ BENEFITS FOR LOW-INCOME FAMILIES & THE ECONOMY 1986 – 2017

- 42,213 affordable homes in WA have been financed using Housing Bonds
- 56.3% of Housing Credit homes in WA have been financed using Housing Bonds
- 98,356 low-income households served
- 47,701 jobs supported for one year
- $1.8 billion tax revenue generated
- $4.5 billion wages & business income generated

The Housing Credit and Housing Bonds are our nation’s most successful tools for encouraging private investment in affordable rental housing. Multifamily Housing Bonds (Housing Bonds), a type of tax-exempt private activity bond, are used by state and local housing finance agencies, often in conjunction with the Low-Income Housing Tax Credit (Housing Credit) to acquire, construct, and rehabilitate affordable multifamily housing for low-income renters.

The ACTION Campaign calls on Congress to:

- Enact a minimum 4 percent Credit rate.
- Expand the Housing Credit to make a meaningful dent in our nation’s severe shortage of affordable housing.
- Strengthen the Housing Credit by making it more streamlined and flexible.
- Enhance multifamily Housing Bonds, which provide critical financing to about 50 percent of Housing Credit developments.

HOUSING BONDS AND THE 4 PERCENT HOUSING CREDIT RATE

The 4 percent Housing Credit can only be accessed when Housing Bonds are used to finance at least half of a development’s cost. Without Housing Bonds, about half of the annual affordable rental housing production would be lost, or nearly one million affordable homes over 10 years.

The 4 percent Housing Credit is much lower than Congress originally intended because the 4 percent Housing Credit rate fluctuates monthly based on a formula tied to federal borrowing rates. Setting a minimum 4 percent Housing Credit rate would allow additional affordable housing units to be built nationwide.

ADDRESSING OUR NATION’S SEVERE SHORTAGE OF AFFORDABLE HOUSING

- 3,307 additional affordable homes could be built in Washington over the next ten years by setting a minimum 4 percent Housing Credit rate

The ACTION Campaign represents over 2,200 organizations and businesses working to address our nation’s severe shortage of affordable rental housing by supporting the Low-Income Housing Tax Credit.

www.rentalhousingaction.org