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

MULTIFAMILY HOUSING BONDS IMPACT IN MASSACHUSETTS

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

17,916 affordable homes in MA have been financed using Housing Bonds

32% of Housing Credit homes in MA have been financed using Housing Bonds

41,744 low-income households served

20,245 jobs supported for one year

$760 million tax revenue generated

$1.9 billion wages & business income generated

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

2,764 additional affordable homes could be built in Massachusetts over the next ten years by setting a minimum 4 percent Housing Credit rate

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.