



HOME Provides Needed Support for Affordable Housing

The Washington Post's recent series on HUD's HOME Investment Partnership highlights notable examples of failed projects and inadequate oversight. These examples are troubling, but they represent only a small fraction of thousands of important housing efforts supported with HOME funds. **It is the nature of the HOME program that investments are made in difficult redevelopment projects, often in distressed neighborhoods, precisely where public funding for redevelopment is badly needed** to improve the quality of life for residents and attract private investment. Another basic principle of the HOME program is that funding decisions and project oversight are driven locally – not by HUD. In the rare cases cited by the Post, HUD should do a better job of recapturing misspent funds and cancelling funding for stalled projects – and has already stepped up efforts to do so. However, additional overall HUD control is not the solution to a better HOME program.

A reader of the series is also left with the impression that nonprofit housing providers as a class are at best incompetent. In fact, a whole new generation of **scaled social enterprise nonprofits** that represent a mix of mission and business competence **have been working for years to develop and preserve high-quality affordable housing throughout the country**. Despite the worst real-estate led recession in decades, there are many excellent examples of complex and ambitious development projects that use HOME funding to improve neighborhoods and expand much-needed affordable housing opportunities. Here are a few among hundreds:

- The Commons at Livingston in Columbus, OH was developed by National Church Residences and houses exclusively low-income veterans in 50 one-bedroom apartments and 25 units of permanent supportive housing for formerly homeless veterans. The City of Columbus provided \$600,000 in HOME funds to fill financing gaps in the more than \$8 million total cost of construction.
- St. Vincent's Gardens in Santa Barbara, CA, completed by Mercy Housing in 2007, leveraged \$4.4 million in HOME funding with low-income housing tax credits and other financing to build 75 units of family housing and community facilities. Residents are provided services, including job training, homeownership counseling, healthcare, nutrition programs, and literacy classes.
- The Blakeley Building in Lawrence, MA, developed by Volunteers of America, transformed a 120 year old building into 46 affordable apartments and rehabilitated a landmark structure that previously sat blighted and unused. The National Association of Homebuilders recognized the project as a particularly difficult financing challenge.
- Poppleton Apartments in East Baltimore, MD will provide 86 desperately needed affordable apartments for low-income families and help rebuild a severely distressed East Baltimore neighborhood. The project, developed by National Housing Trust-Enterprise Preservation

Corporation (NHTE), includes energy efficiency improvements that will directly create 180 local jobs.

- Skyview Park Apartments in Scranton, PA, originally built in 1970, is home to 188 low-income families and seniors. NHTE and Evergreen Partners are using HOME funds to leverage a variety of additional public and private financing sources to make needed repairs and fund new improvements including a new community center that will preserve affordability and improve the quality of life for residents.
- The Commons at Buckingham in Columbus OH, another award-winning property, used HOME funds to create permanent supportive housing for senior residents moving out of nursing homes and group homes. By providing residents with supportive services that will allow them to live independently and improve their quality of life over nursing home situations, the project will also save an estimated \$30,000 per resident compared to nursing and group homes.
- Arden Aire in Sacramento, CA was completed by Mercy Housing in 2008 and provides safe, high-quality rental housing to 53 families earning 30% and 55% area median income, including 19 apartments for mentally ill adults that include supportive services. The \$12.6 million project was funded in part by \$3.1 million in HOME funds from the Sacramento Housing and Redevelopment Agency.

For more information on these and other affordable housing development projects, visit www.sahfnet.org or email contact@sahfnet.org.