

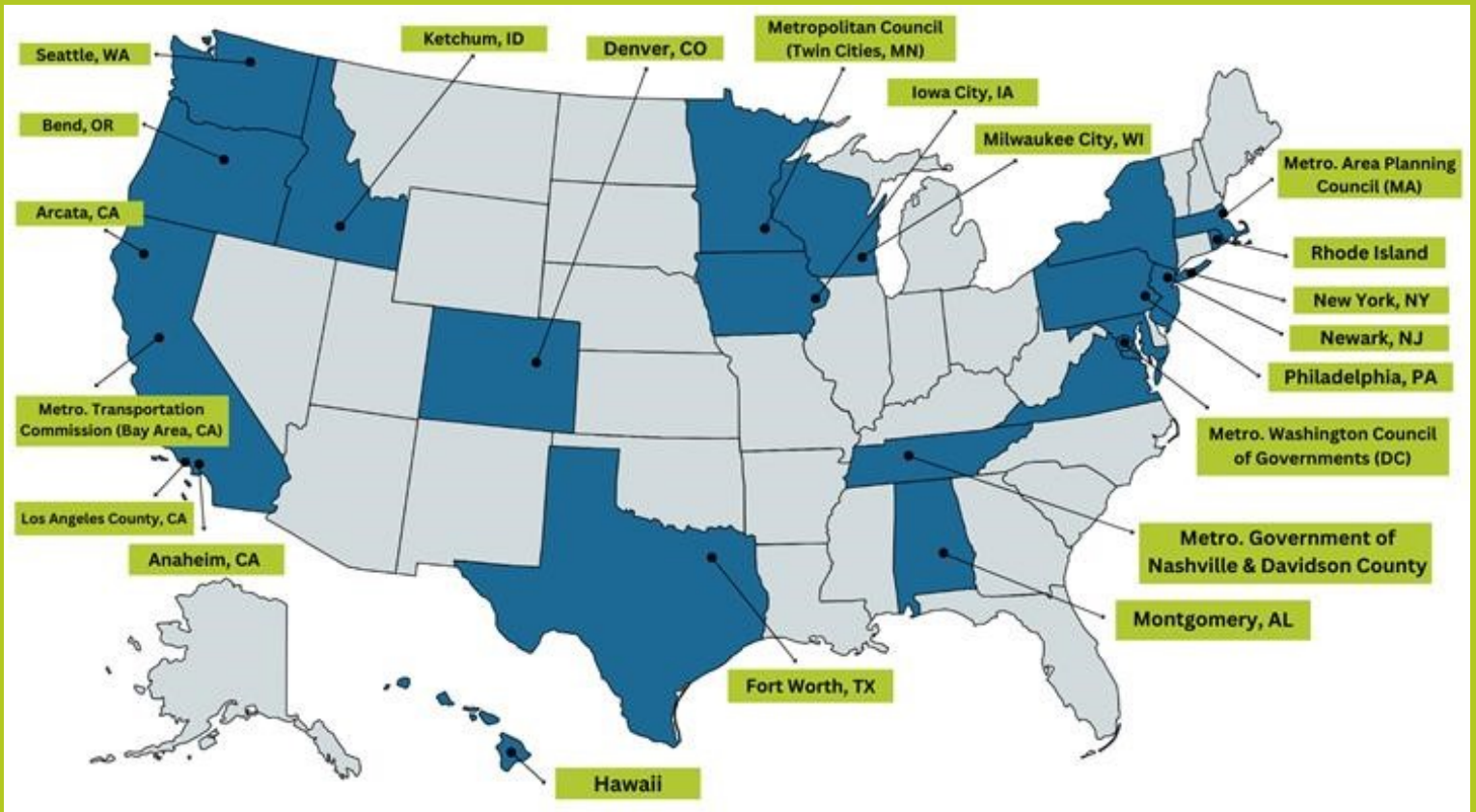
HUD AWARDS \$85 MILLION IN PRO HOUSING FUNDING



Overview: To expand housing supply, HUD’s Office of Community Planning and Development awarded **\$85 million in Pathways to Removing Obstacles to Housing** funding. PRO Housing provides first-of-its-kind funding to identify and remove barriers to affordable housing production and preservation, and lower housing costs.

The PRO Housing competition was incredibly well received and greatly oversubscribed. HUD received more than 175 applications from applicants across 47 States and territories. Small towns, big cities, counties, regional entities, and States applied. For every \$1 available in funding, \$13 was requested from applicants.

HUD announced 21 winners benefiting communities across 19 States and the District of Columbia.



COMING SOON: In Summer of 2024, HUD will launch Round 2 of the PRO Housing competition — making an additional \$100 million available for cities, counties, regional entities, and States to identify and remove barriers to housing production and preservation. Previous applicants and other eligible communities are encouraged to apply. PRO Housing grantees will further develop, evaluate, and implement housing policy plans, improve housing strategies, and facilitate the construction of affordable housing.



ROUND 1 WINNERS

HUD Region	Winner	Amount Awarded
I	Metropolitan Area Planning Council, MA	\$3,000,000.00
I	State of Rhode Island	\$3,831,200.00
II	New York, NY	\$3,996,956.80
II	Newark, NJ	\$4,000,000.00
III	Metropolitan Washington Council of Governments, DC/MD/VA	\$3,509,112.00
III	Philadelphia, PA	\$3,329,929.06
IV	Metropolitan Government of Nashville and Davidson County, TN	\$5,000,000.00
IV	Montgomery, AL	\$3,581,160.00
V	Metropolitan Council (Twin Cities Area), MN	\$4,000,000.00
V	Milwaukee, WI	\$2,100,000.00
VI	Fort Worth, TX	\$5,000,000.00
VII	Iowa City, IA	\$3,752,000.00
VIII	Denver, CO	\$4,506,262.00
IX	Anaheim, CA	\$3,497,329.50
IX	Arcata, CA	\$1,000,000.00
IX	State of Hawaii	\$6,631,950.56
IX	Los Angeles County, CA	\$6,700,000.00
IX	Metropolitan Transportation Commission, CA	\$5,000,000.00
X	Bend, OR	\$5,000,000.00
X	Ketchum, ID	\$2,500,000.00
X	Seattle, WA	\$5,000,000.00
TOTAL	21 AWARDS	\$84,925,899.92

Examples of Recent Actions Awardees Have Taken to Advance Housing Supply

- Committed funding, resources, and capacity to boost local housing development.
- Created incentives for developers to build or preserve affordable housing units.
- Deployed creative housing strategies, such as community land trusts, accessory dwelling units, commercial-to-residential adaptive reuse, use of public lands for development, and properties with 1-4 homeownership units.
- Updated local regulations, land use policies, permitting processes, and local housing plans.
- Created neighborhood specific community development plans, equity housing plans, and transit oriented development plans to be inclusive of all community needs.



ANTICIPATED IMPACT OF PRO HOUSING FUNDING

as contemplated in grant application

- **MONTGOMERY, AL** — To address nearly 60 years of disinvestment in a primarily residential community along a three mile stretch of the National Historic Selma to Montgomery Trail, the City of Montgomery will use its awarded **\$3.5 million in PRO Housing grant funding** to build new energy efficient affordable housing units and rehabilitate existing units for low- to moderate- income households along this historic stretch. The City will also invest in traditional, smart, and green infrastructure to transform a historically disinvested community and simultaneously preserve the National Historic Selma to Montgomery Trail for years to come.

- **ANAHEIM, CA** — Given that home values keep increasing rapidly and almost half of all households in Anaheim are cost burdened, the City of Anaheim will use its **\$3.5 million in PRO Housing grant funding** to create the Anaheim Housing Trust to offer a flexible funding source to support affordable housing development. The City will also establish a City Livability Lab, an autonomous team within the City, that will focus on innovative, systemic shifts in planning and policy to address the affordable housing crisis and quality of life issues through neighborhood-centered revitalization.

- **ARCATA, CA** — With a rapid influx in population due to nearby fires and increased university enrollment and geographic constraints that add lengthy environmental permitting procedures for new affordable housing, Arcata will use its awarded **\$1 million in PRO Housing grant funding** to develop streamlined, ministerial permitting processes that will reduce costs for builders. The City will also develop an ordinance supporting the development of Accessory Dwelling Units and create a marketing campaign to encourage property owners to take advantage of the City’s loan program.

- **LOS ANGELES COUNTY, CA** — Due to Los Angeles County’s geographic density and high diversity of housing types, a single solution for the increased production of affordable housing does not exist. The County of Los Angeles will use its **\$6.7 million in PRO Housing grant funding** to support housing in unincorporated areas of the county - building and modernizing sewer and transportation infrastructure and facilitating construction in areas that are supported by major public transit infrastructure, known as Transit-Oriented Districts. The County will conduct an Equity Audit to reverse land use patterns that have roots in systemically racist policies.

- **METROPOLITAN TRANSPORTATION COMMISSION, BAY AREA, CA** — With some of the highest housing costs in the nation, the Metropolitan Transportation Commission (MTC) of the Bay Area will use its awarded **\$5 million in PRO Housing grant funding** to begin building and incentivizing the construction of new homes. The Bay Area has an estimated need for 1.4 million units to address the region’s chronic housing shortage over the next 25 years. The MTC will expand its regionwide technical assistance to remove barriers to site advancements and launch Priority Sites Catalyst Projects, which will be targeted investments in housing-supportive infrastructure.



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- **DENVER, CO** — With a rapidly growing city and more than 115,000 Denver households already housing cost burdened, the City and County of Denver will use its awarded **\$4.5 million in PRO Housing grant funding** to expand local capacity for housing development by creating technical assistance tools to improve customer service and analyzing current department regulations that could be modernized. The City and County will also launch an infrastructure and environmental remediation loan fund to fill the gap incurred by unexpected infrastructure or environmental costs.
- **METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS, DC/MD/VA** — With 1 of 8 renters behind on rent and high income disparity throughout the region, the Metro Washington Council of Governments will use its awarded **\$3.5 million in PRO Housing grant funding** to reform local land use policies to expand access to fair housing choice, increase affordable housing supply particularly in areas that have historically lacked such housing, and implement policies designed to preserve affordable housing.
- **STATE OF HAWAII** — With the highest priced homes in the nation and the need to build over 50,000 new housing units by 2025 to meet housing demand, the State of Hawaii will use its awarded **\$6.6 million in PRO Housing grant funding** to establish a Statewide Infrastructure Bank to expand the available funds for infrastructure and housing construction and use a Request for Proposal Process to select and award infrastructure design or capacity building projects.
- **IOWA CITY, IA** — Approximately 61% of renters in Iowa City are housing cost-burdened, and new construction is difficult to navigate due to local land use policies and development capacity challenges. The City will use its awarded **\$3.75 million in PRO Housing grant funding** to provide housing counseling services and housing assistance for low-and moderate-income households. Iowa City will also update the housing and land use elements of the City's Comprehensive Plan, which will directly help lower construction costs for new housing.
- **KETCHUM, ID** — Given its unique location in the mountains which creates natural constraints on housing development and high costs of land acquisition, coupled with a current shortage of at least 660 homes, the City of Ketchum will use its awarded **\$2.5 million in PRO Housing grant funding** to establish an Affordable Housing Gap Fund to support the predevelopment, construction, and renovation costs of affordable housing. The City will update land use codes and streamline all processes for affordable housing developments.
- **METROPOLITAN AREA PLANNING COUNCIL, MA** — The Metropolitan Area Planning Council of Massachusetts will use its awarded **\$3 million in PRO Housing grant funding** to address its key barriers to affordable housing development, including high construction and development costs, antiquated local codes and local opposition to the construction of new housing. The Council will develop a regional strategy to research and incentivize the use of innovative offsite construction methods.

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- **METROPOLITAN COUNCIL, TWIN CITIES, MN** — Given that between 2011 and 2020, the Twin Cities Metropolitan Region met 37% of its forecasted need for affordable housing, the Twin Cities Metropolitan Council will use its awarded **\$4 million in PRO Housing grant funding** to support technical assistance and ordinance review for communities across the region, which will further land use policy development. To support development, the Council will boost capacity for planning activities in Hennepin and Ramsey Counties. The Council will increase Ramsey County’s annual consolidated housing development solicitation funding for units affordable at 30% of Area Median Income.
- **NEWARK, NJ** — As one of the least affordable areas in the country and one of the most segregated, Newark will use its awarded **\$4 million in PRO Housing grant funding** to continue the implementation of its updated local land-use regulations, which will significantly increase the speed at which affordable units can be generated. The City will also expand its homeowner assistance program and its Equitable Investments in Newark Communities Program, which facilitates the development or rehabilitation of homes, while simultaneously expanding opportunities for Minority/Women-owned Business Enterprise developers and contractors.
- **NEW YORK CITY, NY** — With over half of all renter households being rent-burdened and the City having one of the lowest homeownership rates nationwide, New York City will use its awarded **\$3.99 million in PRO Housing grant funding** to automate and simplify the preparation and review of environmental review materials. The City will also develop long-term neighborhood plans for land use and housing for Jamaica, Queens, and Richmond Terrace, Staten Island.
- **BEND, OR** — Given that land acquisition costs can exceed \$1 million, and the City of Bend is currently suffering from a housing shortage of over 6,000 units, Bend will use its awarded **\$5 million in PRO Housing grant funding** to establish a Housing Development Fund for the acquisition of land and construction of new units. The City will also develop a five-year Housing Production Implementation Plan centered on equity to address ongoing infrastructure limitations and capacity challenges.
- **PHILADELPHIA, PA** — As one of the most energy burdened cities in the U.S., the City of Philadelphia plans to use its awarded **\$3.3 million in PRO Housing grant funding** to assess the city’s affordable housing stock’s climate vulnerability and increase its flood and extreme heat resilience. With over 40% of rental units needing repairs, the City will also develop a comprehensive action plan to preserve affordable housing and conduct a market feasibility study to assess the optimal ratio of affordable to market rate units.

ANTICIPATED IMPACT OF PRO HOUSING FUNDING

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- **STATE OF RHODE ISLAND** — With a history of low investment in housing development, Rhode Island recently ranked last in the nation for production of housing. Rhode Island’s Office of Housing and Community Development will use its awarded **\$3.8 million in PRO Housing grant funding** to replicate its Health Equity Zones Housing Pilot, which tackles public perception around affordable housing at the local level, and invest in community led actions that will support the expansion of affordable and permanent supportive housing in both Bristol and Washington Counties. The State will also expand its nonprofit developer capacity support to jump start the development of affordable housing projects.
- **METROPOLITAN GOVERNMENT OF NASHVILLE & DAVIDSON COUNTY, TN** — Gentrification, land use constraints, and limited land availability all contribute to the Metro Nashville’s affordable housing shortage. With its awarded **\$5 million in PRO Housing grant funding**, Metro Nashville will use this to bolster its Affordable Housing Finance Program and create or preserve new permanent supportive housing units. Metro Nashville will also increase the development capacity of emerging developers and contractors to create and preserve affordable housing benefitting low- and moderate- income persons and build innovative partnerships with local community groups including faith-based organizations.
- **FORT WORTH, TX** — With an urgent need for over \$3.5 billion in public and private subsidies to address its affordable rental housing shortage, the City of Fort Worth will use its awarded **\$5 million in PRO Housing grant funding** to develop a housing pattern book of pre-approved architecturally and engineering stamped plans for infill housing to lower the costs of construction for affordable housing developers. The City will also create a capital pool for affordable housing in High Opportunity Index Areas and a formal land bank to encourage the redevelopment of affordable housing.
- **SEATTLE, WA** — Given that 7 in 10 households with incomes at or below 80% of the Area Median Income are cost burdened in Seattle, the City will use its **\$5 million in PRO Housing grant funding** to establish a Homeownership as Preservation program to preserve smaller multifamily affordable housing units and empower low-income residents with homeownership opportunities. The City will also establish the Legacy Homeowner Program to help lower-income homeowners, including in communities of color at risk of displacement, overcome structural barriers to upgrading and adding housing to their property.
- **MILWAUKEE, WI** — The City of Milwaukee will use its awarded **\$2.1 million in PRO Housing grant funding** to address its 2:1 racial homeownership gap between white and Black household owner occupants, among the worst in the nation, and overwhelmingly aging housing stock. The City will preserve and create units for families earning less than \$15 per hour by building out the capacity of local developers, specifically emerging developers and developers of color, to generate more affordable units. The City will also pursue land use updates to permit a wider variety of housing styles.