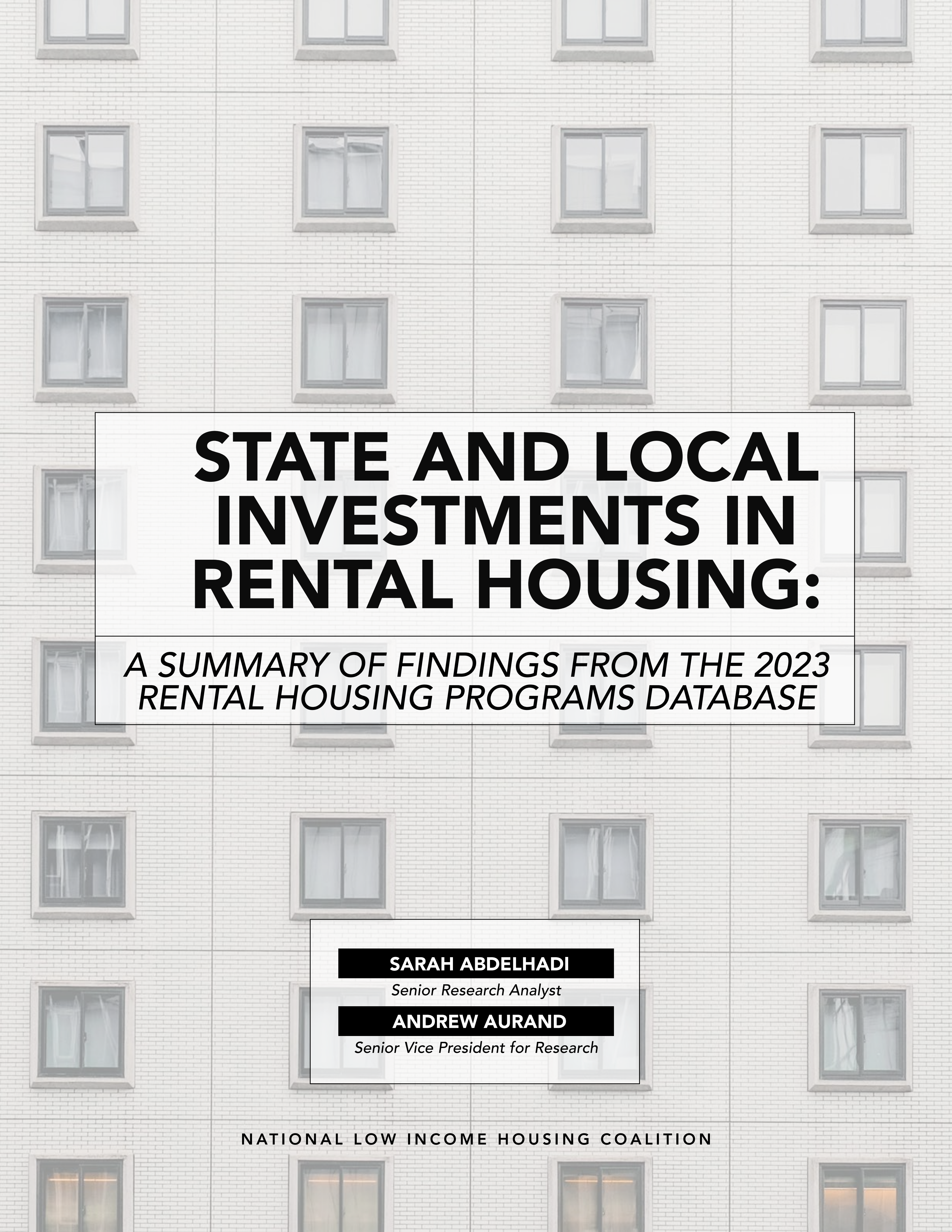

STATE AND LOCAL INVESTMENTS IN RENTAL HOUSING:

A SUMMARY OF FINDINGS FROM THE 2023 RENTAL HOUSING PROGRAMS DATABASE

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INTRODUCTION

As 2023 draws to a close, low-income renters in the U.S. are facing an increasingly dire housing crisis.

Over the last two decades, the national median rent increased by 17.9% while the median income of renter households increased by a mere 3.2% (Bailey, 2022). Furthermore, the U.S. currently has a deficit of 7.3 million affordable and available rental homes for extremely low-income renters,[1] the majority of whom are severely cost burdened and must spend more than half of their incomes on rent to remain housed (Aurand et al., 2023). A 2023 report from the U.S. Department of Housing and Urban Development (HUD) indicates that 8.53 million unsubsidized, very low-income renters[2] are severely cost-burdened, live in severely inadequate housing conditions, or both – the highest number ever recorded – with Black and Hispanic renters particularly affected (Alvarez & Steffen, 2023). Meanwhile, only one in four eligible low-income households receives long-term federal housing assistance due to limited funds, and those funds could face substantial cuts in the upcoming fiscal year (Gartland, 2022).

State and local investments in rental housing play a critical role in keeping individuals and families safely and stably housed in their communities of choice. The National Low Income Housing Coalition's (NLIHC) Rental Housing Programs Database (RHPD) was created to generate a better understanding of the diverse ways in which state and local governments use their own financial resources to close the gap between available federal funding for rental housing and the unmet needs of renters in their communities. The database also serves as a resource that enables housing advocates, state and local agencies, policymakers, and other interested parties to learn about initiatives around the country that can serve as models for programs in their own communities.

This report summarizes findings from this year's updated Rental Housing Programs Database. To explore the database, please visit this webpage.

KEY FINDINGS

- We identified 353 active rental housing programs across the country, including 281 state-funded programs and 72 locally funded programs among the largest cities. Over half of these programs provide capital for the construction, rehabilitation, purchase, and operation of affordable rental housing properties.
- For rental assistance programs, the most common income eligibility thresholds are at or below 50% of area median income (AMI) (23.1%), at or below 80% of AMI (22.2%), and at or below 30% of AMI (14.8%). Experiencing or being at risk of homelessness is the most common non-income eligibility criterion, required by 60.8% of rental assistance programs (n = 120).
- Tenant-based rental assistance programs tend to provide shorter term assistance than project-based rental assistance programs. Over half (53.7%, n = 82) of tenant-based programs provide rental assistance for less than two years, while over 80% (n = 18) of project-based programs provide assistance for more than two years or do not have a predetermined time limit.
- Most capital resources programs (60.3%, n = 156) require affordability periods longer than 20 years.
- Forty percent of tax relief programs require applicants to have an annual income at or below $35,000. The majority of programs prioritize elderly renters (69.6%, n = 23) and nearly half (47.8%) target renters with disabilities.
- More rental housing programs rely on general revenue than on any other type of funding (39.4%). At least a fourth (23.5%) of all programs are supported by dedicated revenue streams. However, only a tenth of tenant-based rental assistance programs receive funds from dedicated funding streams, in contrast to roughly a third each of project-based rental assistance programs and capital resources programs. Nearly one in five programs utilize special one-time funding, including federal SLFRF funds and non-federal sources.

1 "Extremely low-income renters" are those with incomes at or below the federal poverty guideline or 30% of their AMI.

2 "Very low-income renters" are those with incomes at or below 50% of AMI.

Methodology Highlights

The RHPD contains information on state and locally funded programs that create, preserve, or increase access to affordable rental housing. An update to the database in 2014 identified a total of 313 active programs that provide either development capital or rental assistance, including 242 state-funded programs and 71 locally funded programs in the largest cities. In 2023, we further expanded the scope of the RHPD to consider programs that provide tax relief to renters *separately* from rental assistance programs. We also included programs funded in whole or in part by the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program, a $350 billion flexible resource for pandemic recovery and resiliency initiatives created by the 2021 "American Rescue Plan Act" (ARPA) and managed by the U.S. Department of the Treasury (Treasury). Although SLFRF is a federal funding source, state and local governments were given considerable flexibility to use this funding for a wide range of initiatives, and many have chosen to invest in new or existing rental housing programs. In contrast, we did *not* include rental housing programs funded exclusively through the Treasury Emergency Rental Assistance (ERA) program.

Using an extensive internet search, we created a list of hundreds of rental housing programs led by governments from all 50 states, the District of Columbia, and 70 of the largest U.S. cities. We then invited administrators from each program to complete a survey with questions on program characteristics. After the survey period closed, the NLIHC Research Team conducted internet searches for information on programs for which an administrator response was not received. For many programs, we were not able to obtain complete information on every characteristic we sought to understand. Throughout this report, where complete information is not available for all programs, we specify the number of programs considered in the analysis (e.g., "(n = 100)").

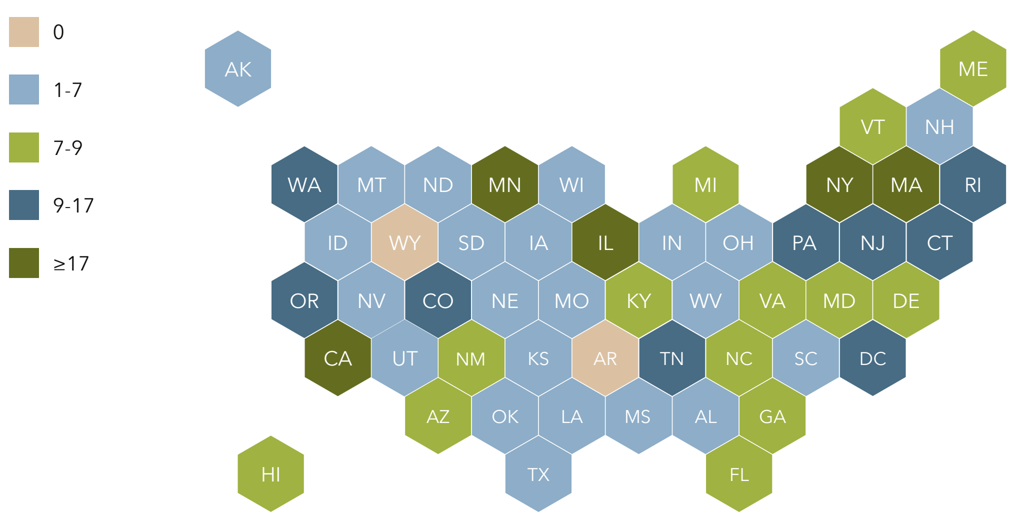
For a more detailed overview of our data collection methodology, please see Appendix A.

STATE AND LOCAL RENTAL HOUSING PROGRAMS IN 2023

We identified a total of 353 active state and locally funded rental housing programs across 48 states, the District of Columbia, and 41 cities as of August 2023 – up from 313 programs in 2014 (Figure 1). California (21 programs), Massachusetts (18), and Minnesota (18) had the most state-level programs. We found no active state or locally funded rental housing programs in Arkansas or Wyoming; however, this finding may simply reflect a lack of online information about existing programs. Chicago (6 programs), New York City (5), and Atlanta (5) had the most local-level programs.

Number of Active Rental Housing Programs Identified

Figure 1: Number of Programs by State



Map data: *Tilegrams/NPR*

****Note:*** *The count of programs includes those funded by states, the 50 largest cities in the U.S., and the largest city in each state without a top 50 city.*

We categorized each rental housing program as belonging to one of five program types:

- **Tenant-Based Rental Assistance:** Programs provide a subsidy to cover the difference between total housing costs up to a specified payment standard and what a tenant can afford to pay. These subsidies are associated with the tenant and can often "move" with them to new housing.

- **Project-Based Rental Assistance:** Programs provide a subsidy to landlords to partially cover the operating costs of a rental property, thereby reducing the costs passed on to tenants through rent. These subsidies are associated with the property itself rather than an individual tenant.

- **Capital Resources:** Programs provide funding to developers or other entities for the construction, acquisition, rehabilitation, or preservation of affordable rental housing properties.

- **Combination (Rental Assistance + Capital Resources):** Programs offer a combination of rental assistance and capital resources funding as described above.

- **Tenant Tax Relief:** Programs offer a state or local tax credit or refund that can be claimed directly by an eligible tenant, or by the owner of a rental unit in exchange for reducing the tenant's rent.

Capital resources programs were the most ubiquitous, accounting for more than half of all programs identified and existing in every state except Arkansas and Wyoming, including the District of Columbia (Table 1). Tenant-based rental assistance programs were the second most common type, accounting for 26.9% of programs identified.

Most State and Locally Funded Rental Housing Programs Provide Capital Resources

Table 1: Number of Rental Housing Programs Type and Geography

Program Type	State Programs #	State Programs %	Local Programs #	Local Programs %	Total #	Total %
Capital Resources	150	53.4%	45	62.5%	195	55.2%
Tenant-Based Rental Assistance	77	27.4%	18	25.0%	95	26.9%
Tenant Tax Relief	25	8.9%	0	0%	25	7.1%
Combination	18	6.4%	3	4.2%	21	5.9%
Project-Based Rental Assistance	11	3.9%	6	8.3%	17	4.8%
Total	**281**	**100.0%**	**72**	**100.0%**	**353**	**100.0%**

**Note:* See Appendix B for more information on programs by type within each state and city.*

We explore each rental housing program type in further detail below.

Characteristics of Rental Assistance Programs

Rental assistance programs provide a subsidy to help lower the amount tenants are required to pay to remain housed. *Tenant-based* programs provide a subsidy to cover the difference between total housing costs up to a specified payment standard and what a tenant can afford to pay. These subsidies are associated with the tenant and can often "move" with them to new housing. *Project-based* programs provide a subsidy to cover some of the operating costs of rental properties, thereby reducing the costs passed on to tenants through rent. These subsidies are associated with the property itself rather than an individual tenant.

We identified a total of 112 active rental assistance programs across 38 states and 17 cities. In this section, we also consider the rental assistance component of the 21 combination programs that provide both rental assistance and capital resources. Unless otherwise specified, percentages presented in this section are out of 133 total programs.

Most programs provide only tenant-based rental assistance (71.4%) or project-based rental assistance (18.0%). At least 7.5% of programs, including Minnesota Housing's Housing Trust Fund program, provide both tenant-based and project-based rental assistance. Rental assistance type was not available for four programs (3.0% of all rental assistance programs).

Income eligibility for rental assistance programs is largely based on how a tenant's household income compares to the AMI within a specific geographic area, like a tenant's state or county. The most common income eligibility thresholds for rental assistance programs are at or below 50% of AMI (23.1%), at or below 80% of AMI (22.2%), and at or below 30% of AMI (14.8%). This pattern holds for programs that provide tenant-based assistance only, project-based assistance only, and both. Thirteen percent of programs do not limit eligibility based on tenant income. Instead, these programs target specific populations, such as individuals who are currently experiencing homelessness, exiting the foster care system, or have severe mental illness.

Most rental assistance programs assess additional tenant characteristics to determine eligibility and prioritize applicants. Table 2 shows the top six tenant characteristics considered by rental assistance programs. Named as an eligibility criterion by 60.8% (n = 120) of programs and a priority area by 40.7% (n = 91) of programs, experiencing or being at risk of homelessness is by far the most common non-income eligibility criterion for rental assistance programs, regardless of the type of assistance provided. Roughly a fifth of programs limit eligibility to persons with mental illness (23.3%) or persons with disabilities (18.3%); in addition, these groups are prioritized for assistance in 16.5% and 17.6% of programs, respectively. Six percent of programs, including the Connecticut Department of Housing's Rental Assistance Program, do not consider additional criteria beyond income thresholds when assessing tenant eligibility.

At least seven programs restrict tenant eligibility for rental assistance based on a tenant's eviction or rent payment history, and at least five restrict eligibility based on a tenant's criminal conviction history (n = 79). These constraints create additional barriers for tenant populations already at high risk for housing instability and can disproportionately impact renters of color (Wu et al., 2023).

Most Rental Assistance Programs Target Persons Experiencing or at Risk of Homelessness

Table 2: Top Six Tenant Characteristics Considered by Rental Assistance Programs by Use

Eligibility Criteria

CHARACTERISTICS	PERCENT OF PROGRAMS (n=120)
Persons experiencing or at risk of homelessness	60.8%
Persons with mental illness	23.3%
Persons with disabilities	18.3%
Elderly	11.7%
Households with rental arrears or eviction notices	10.8%
Youth	10.8%

Priority Areas

CHARACTERISTICS	PERCENT OF PROGRAMS (n=79)
Persons experiencing or at risk of homelessness	40.7%
Persons with disabilities	17.6%
Persons with mental illness	16.5%
Extremely low-income households (income less than 30% AMI)	16.5%
Youth	15.4%
Victims of domestic violence	14.3%

***Note:** *Information on eligibility criteria (other than income) was not available for 13 of 133 total programs; information on priority areas was not available for 42 of 133 total programs.*

Like many social programs, rental assistance programs often require tenants to submit documentation to prove that they meet eligibility criteria. The majority of rental assistance programs (83.9%, n = 93) require applicants to submit documentation related to income, including 93.3% of project-based programs (n = 15), 81.9% of tenant-based programs (n = 72), and 83.3% of programs with both types of rental assistance (n = 6). Proof of identity – such as photo IDs, birth certificates, and Social Security cards or numbers – is required by 34.4% of all rental assistance programs (n = 93), though this is slightly less common for project-based rental assistance (26.7%, n = 15) than other types. Requiring proof of identity can be particularly burdensome for persons experiencing homelessness, who may struggle to retain identity documents and face both physical and financial barriers to replacing these documents if lost or damaged (Burt et al., 2010). At least 11 of the 93 programs require proof of U.S. citizenship or immigration status, eight of which provide tenant-based rental assistance. Nine programs, all of which provide tenant-based rental assistance only, do not require tenants to submit documentation.

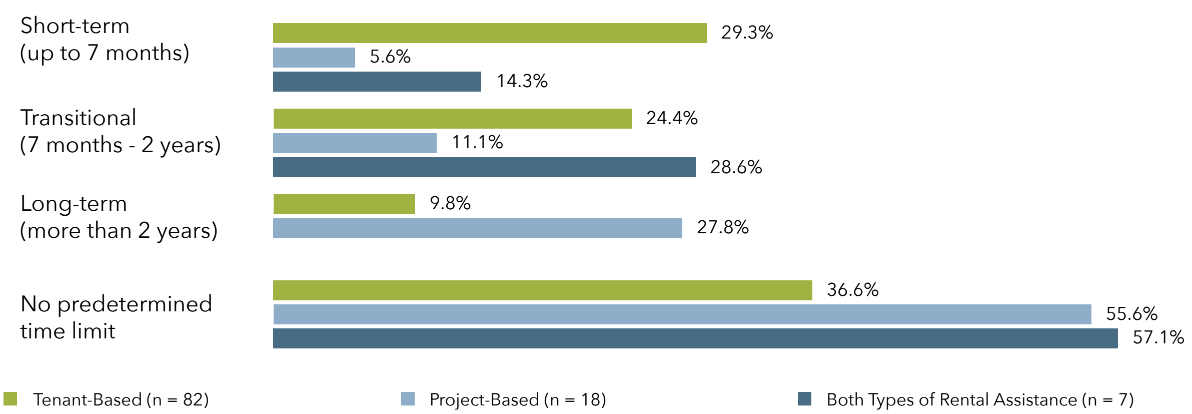
Documentation requirements like these can serve as barriers to tenants and landlords trying to access rental assistance programs, particularly for tenants with limited English proficiency, limited internet access, or disabilities

(Gallagher et al., 2023). For this reason, NLIHC advocates for flexible application processes for rental assistance programs, including the use of self-attestation when possible. Self-attestation allows applicants themselves to confirm they meet eligibility criteria, usually by signing a form, rather than requiring that they submit official documents or seek third-party verification to confirm their eligibility. Fifty-four percent of programs (n = 67) allow applicants to self-attest to their income, 20.9% allow self-attestation of housing instability, and 16.4% allow self-attestation of financial hardship. Roughly 5% of programs accept self-attestation for one or more requirements *only* as a last resort, while 23.9% of programs do not permit self-attestation at all.

Project-based rental assistance programs tend to provide assistance for a longer period of time than tenant-based programs. Over 80% (n = 18) of project-based programs provide assistance for more than two years or do not have a predetermined time limit, and over half (57.1%, n = 7) of programs offering both tenant-based and project-based rental assistance do not have a predetermined time limit (Figure 2). In contrast, less than half (46.4%, n = 82) of tenant-based rental assistance programs provide aid for more than two years or do not have a predetermined time limit. Although a few months to a year of rental assistance can work well to keep renters housed while experiencing an unexpected financial crisis, such as the loss of a job or costly medical needs, it may not be sufficient to protect renters who are elderly or have disabilities and rely on a fixed income that cannot keep pace with rising rents.

Programs with Project-Based Rental Assistance Tend to Provide Assistance for a Longer Period Than Only Tenant-Based Programs

Figure 2: Duration of Rental Assistance Provided by Program Type



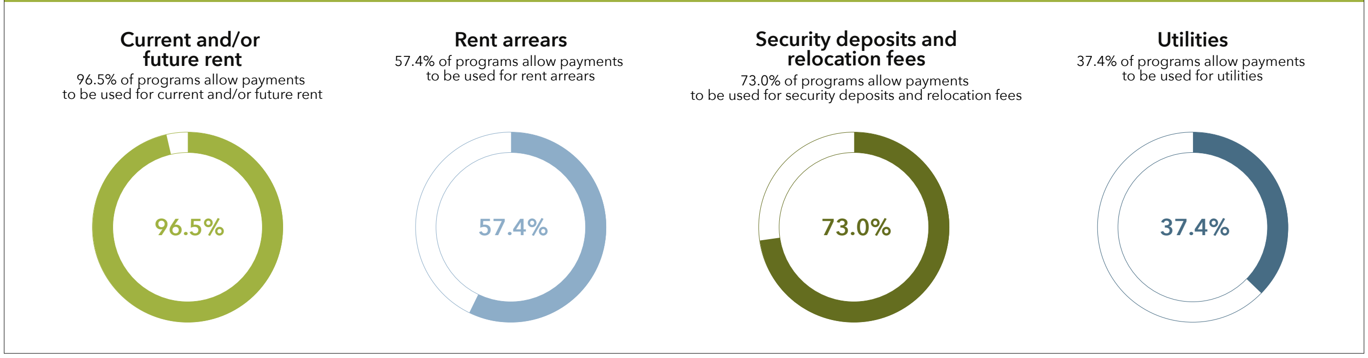
***Note:** Excludes 4 programs where rental assistance type is unknown and 22 programs where duration is unknown.*

By definition, all project-based rental assistance programs make payments directly to a housing provider. This is also the case for most tenant-based programs, 90.1% (n = 71) of which pay rental assistance only to a landlord, housing agency, or other approved vendor (e.g., a utility provider). Two tenant-based programs allow tenants to receive rental assistance payments if their housing provider is unwilling to participate in the program, and five programs pay rental assistance directly to tenants only. Nonprofit or for-profit organizations are involved in distributing payments for most programs (59.5%, n = 116), a trend that holds true regardless of the type of rental assistance provided.

Rental assistance payments can be applied to a variety of urgent housing needs to improve housing stability. Figure 3 shows the proportion of rental assistance programs that allow tenants to use funds for current and/or future rent, rental arrears, security deposits and relocation fees, and utility payments, respectively. All but four programs (n = 115) allow rental assistance for current and future rent payments. Funds from 57.4% of programs can be used to pay rent arrears, though this is less common among project-based rental assistance only programs (35.3%, n = 17) than in programs that offer only tenant-based rental assistance and in those that offer both types. Nearly three-fourths of programs allow rental assistance for security deposits and relocation fees; this is also slightly less common among programs offering only project-based rental assistance (47.1%, n = 17). Utilities (37.4%) are less common as permitted expenditures among all rental assistance program types.

Rental Assistance Funds Can Be Used to Cover a Diverse Range of Housing Needs

Figure 3: Percent of Rental Assistance Programs Allowing Funds to Be Used for Each Named Purpose (n = 115)



***Note:** No data for 18 of 133 programs*

Characteristics of Capital Resources Programs

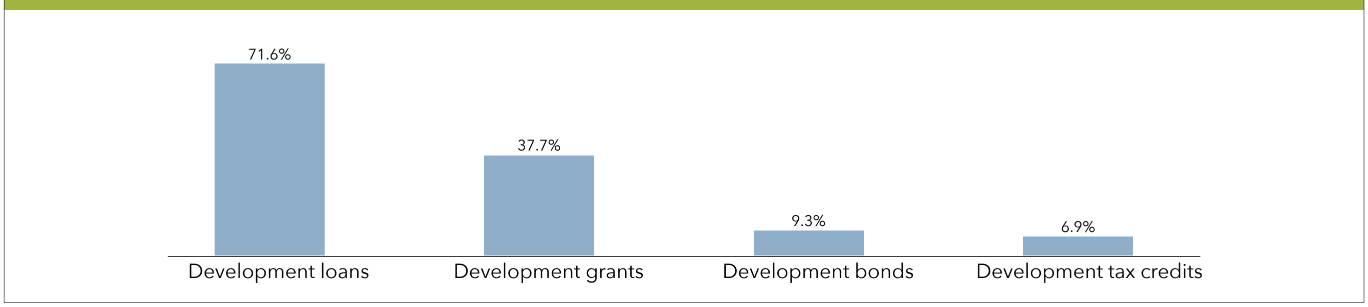
Capital resources programs provide funding to developers or other entities for the construction, acquisition, rehabilitation, and/or preservation of affordable rental housing properties.

We identified a total of 195 active capital resources programs in 49 states and 29 cities. In this section, we also consider the capital resources component of the 21 combination programs included in the RHPD. Unless otherwise specified, percentages presented in this section are out of 216 total programs.

Many capital resources programs are operated by state or local entities focused on housing finance or community development. Development loans, including forgivable loans, are the most common form of capital funding and are currently provided by 71.6% (n = 204) of programs (Figure 4).

Development Loans Are the Most Common Form of Funding Provided by Capital Resources Programs

Figure 4: Percentage of Programs Offering Each Captical Type (n=204)



***Note:** Information on the type of capital provided was not available for 12 of 216 total programs. Percentages do not add to 100% because programs may offer multiple types of capital.*

Tenant income eligibility criteria for capital resources programs are often more complex than those for rental assistance programs and may vary from one development project to the next. A third of programs (33.0%, n = 191) apply multiple tiers to their income eligibility criteria to accommodate a broader range of future tenants or to adjust requirements based on geographic location. Examples of tiered or conditional tenant income eligibility criteria include:

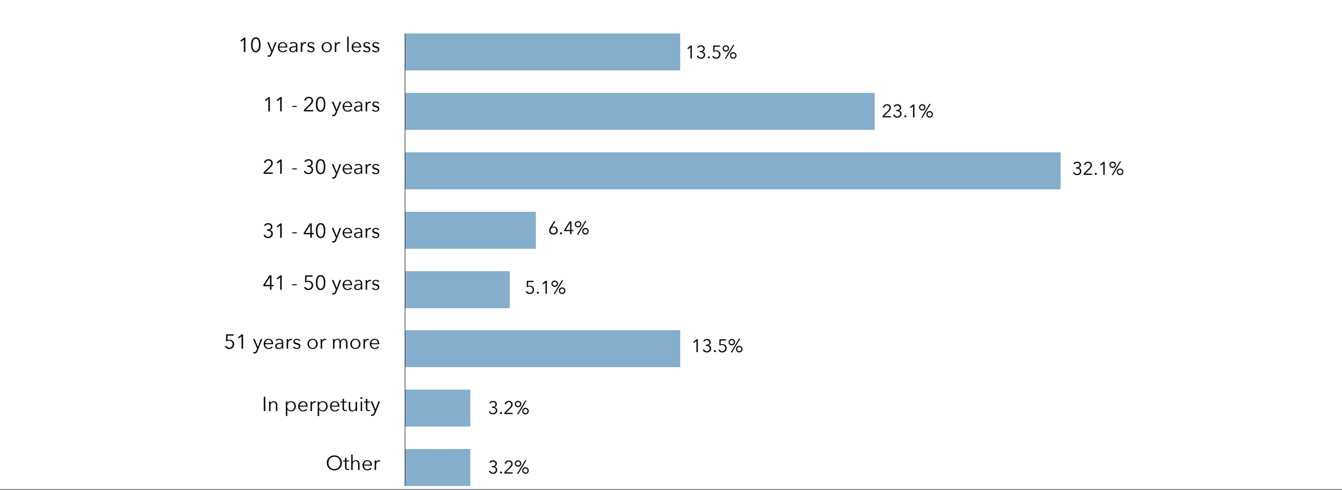
- **Multi-Year Affordability through Upfront Investment Program** (Chicago, IL) – Tenants' household income should be at or below 30% of AMI, though half of all units in the property should be affordable to households with incomes at or below 15% of AMI.
- **Housing Stabilization Fund (MA)** – Tenants' household income should be at or below 80% of AMI within the first 40 years of the development loan. The income eligibility threshold rises to 100% of AMI or less for years 41-50 of the loan.
- **New York Low Income Housing Trust Fund (NY)** – Tenants' household income should be at or below 80% of AMI for properties within New York City. For properties outside of New York City, the income eligibility threshold is 90% of AMI or less.

The most common straightforward eligibility thresholds used by capital-related programs are household incomes at or below 80% of AMI (21.5%, n = 191) and at or below 60% of AMI (16.2%). Only 3.7% (n = 191) of programs with straightforward thresholds cap income eligibility at 30% of AMI or less, targeting extremely low-income households. Many capital resources programs (57.9%, n = 133) do not consider criteria other than income when determining eligibility or tenant prioritization, instead deferring those decisions to funding recipients. However, specialized programs may mandate certain criteria to ensure one or more target populations are reached, such as those programs intended for persons with disabilities (12.8%), persons with mental illness (12.0%), and persons who are experiencing or have experienced homelessness (23.3%). Three programs, including the Oregon Housing and Community Services' Oregon Rural Rehabilitation Program, specifically target agricultural worker households. The majority of capital resources programs (87.4%, n = 119) do not coordinate with other entities to refer tenants to properties they have funded, and instead allow funding recipients to determine whether and with which agencies they will collaborate.

The affordability period, which is the amount of time funded properties must adhere to tenant income- and rent-restrictions, is an important consideration for capital resources programs. If an affordability period is too short, low-income renters can be rapidly priced out of the units the capital resources program sought to create or preserve. If an affordability period is too long, properties may accumulate unmet recapitalization needs before current restrictions expire, leading to property deterioration without additional investment. Most capital resources programs (60.3%, n = 156) require funded properties to observe an affordability period longer than 20 years (Figure 5). Thirteen percent of programs require affordability periods of 10 years or less, with some as brief as 3-5 years, which can negatively impact the stock of affordable rental housing within a community over time.

Most Capital Resources Require Properties to Remain Affordable for More Than 20 Years

Figure 5: Minimum Affordability Period by Number of Programs (n=156)



***Note:** *Information on affordability periods was not available for 60 of 216 total programs. Where a range was provided for an affordability period (e.g., "15 - 30 years"), the minimum value was used in preparing the figure above.*

Characteristics of Tenant Tax Relief Programs

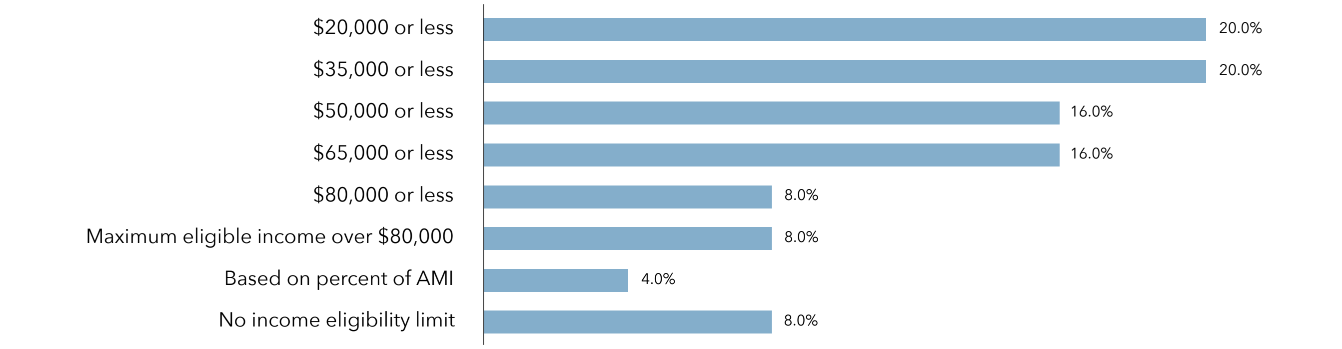
Tenant tax relief programs offer a state or local tax credit that can be claimed directly by an eligible renter, or by the owner of a rental unit in exchange for reducing the tenant's rent. These credits are often claimed on the applicant's state tax return each year, though some programs have a separate application process.

We identified a total of 25 active tenant tax relief programs across 23 states, typically administered by state departments of revenue or taxation. We found no tenant tax relief programs provided by the largest cities. While most states with a tax relief program for renters administer only one such program, Massachusetts and New Jersey each have two programs, with a separate program specifically for elderly renters.

An examination of applicant eligibility guidelines reveals that many tenant tax relief programs target lower-income renter households. As shown in Figure 6, 40.0% of tax relief programs require applicants to have an income at or below $35,000. The majority of programs prioritize elderly renters (69.6%, n = 23), and nearly half (47.8%) target renters with disabilities.

Many Tenant Tax Relief Programs Target Lower-Income Households

Figure 6: Distribution of Tenant Tax Relief Programs by Maximum Eligible Income (n=25)



****Note:*** *When the program reported different maximum eligible income values based on other eligibility criteria (e.g., applicant age, or whether applicants filed taxes singly or jointly), the lowest of the reported maximum values is included here.*

Twenty-four percent of renters' tax relief programs offer all eligible applicants a fixed refund amount. The majority of programs (76.0%) account for a tenant's annual income, the amount of rent they pay, and the amount of property taxes paid on the rental unit when calculating the maximum refund applicants will receive. Half of these (52.6%, or 40.0% of all tenant tax relief programs) have a set limit on the total amount applicants can receive. The maximum allowable refund varies widely between programs, ranging from as little as $75 to as much as $3,000 per year, and the average refund amount generally falls between $400 and $700 per year, though this information was available for less than half of programs (n = 11). Although annual refunds provided through tenant tax relief programs can be a helpful source of additional income for low-income renters, the relatively small dollar value and retrospective nature of these payments limits their utility as tools for reducing housing instability.

Funding for Rental Housing Programs

State and local rental housing programs are sustained by a broad range of funding sources, which we categorize as:

- **General Revenue:** Funding allocated by state or local governments on a recurring basis through appropriations, annual (or biennial) budgets, etc.
- **Dedicated Funding Streams:** A sustainable funding stream that contributes funds to the program on a continuous basis. These streams can include revenue from interest on government accounts, real estate transfer tax, sales tax, revenue from state- or city-owned property, and other sources. The amount of funds the program receives may vary over time depending on the total revenue the government collects from the source.
- **Special One-Time Federal Funding:** A one-time allocation of funds from the federal government to a state or local government. For most if not all programs in the RHPD, such funds are received through Treasury's SLFRF program.
- **Special One-Time Non-Federal Funding:** A one-time allocation of funds from a state or local government. Such an allocation differs from general revenue in that there is no clear indication that the funding source will be renewed in the future. This funding can include state or local funds related to COVID-19 response and recovery efforts.
- **Tax Expenditures:** Government revenue losses resulting from tax exemptions and credits. This mostly applies to programs in which tax credits or tax relief are provided to tenants, landlords, properties, or housing developers.

More programs included in the RHPD rely on general revenue than on any other type of funding (39.4%) (Table 3). This is particularly true of tenant-based rental assistance and combination programs, where the majority of programs (62.1% and 52.4%, respectively) rely on general revenue as a funding source. Fewer than one-third of capital resources programs receive funding from general revenue. As might be expected, most tenant tax relief programs (80.0%) are funded through tax expenditures.

At least a fourth (23.5%) of all programs are supported by dedicated revenue streams, perhaps the most reliable among the five funding categories. Dedicated revenue streams are less susceptible to political pressures and competing needs than funds from general revenue, though they can still be affected by shifts in market forces (for example, a rise or fall in government revenue collected from sales taxes). Interestingly, only 10.5% of tenant-based rental assistance programs receive funds from dedicated funding streams, in contrast to roughly a third each of project-based rental assistance programs, capital resources programs, and combination programs.

Nearly one in five programs utilize special one-time funding, including federal and non-federal sources. While these sources can play a vital role in establishing new programs or expanding existing ones, the uncertain nature of continued funding can impact the long-term sustainability of these programs.

Rental Housing Programs Rely on Diverse Funding Sources

Table 3: Number and Percent of Programs Receiving Funds by Source and Program Type

Program Type	Tenant-Based Rental Assistance		Project-Based Rental Assistance		Capital Resources		Combination		Tenant Tax Relief		Total	
General Revenue	59	62.1%	6	35.3%	59	30.3%	11	52.4%	4	16.0%	139	39.4%
Dedicated Funding Stream	10	10.5%	6	35.3%	60	30.8%	7	33.3%	0	0.0%	83	23.5%
Special One-Time Federal Funding	9	9.5%	1	5.9%	31	15.9%	1	4.8%	0	0.0%	42	11.9%
Special One-Time Non-Federal Funding	3	3.2%	0	0.0%	18	9.2%	0	0.0%	0	0.0%	21	5.9%
Tax Expenditures	5	5.3%	0	0.0%	16	8.2%	1	4.8%	20	80.0%	42	11.9%
Unknown	20	21.1%	4	23.5%	41	21.0%	4	19.0%	1	4.0%	70	19.8%
Total	**95**		**17**		**195**		**21**		**25**		**353**	

***Note:** *Percentages do not add to 100% because programs may have more than one source of funding.*

Accurately estimating the average amount of money state and local governments invest in rental housing programs is challenging due to a lack of public information on funding for many programs and differences in when and how programs receive funds. Some programs receive funding annually, biennially, or on an irregular basis. It is not uncommon, for example, for capital resource programs to receive funds only when the program is first launched, which are then replenished over time as developers pay back the principal and interest on their loans. Programs funded with bonds may or may not be subject to a maximum spending amount, typically called a volume cap. This cap may apply only to the rental housing program, or to multiple programs utilizing the same pool of bonds that must compete for funds up to the volume cap.

Rental assistance program funding (including tenant-based and project-based assistance) ranged from $167,000 to $285,000,000, with a median of $11,364,836 and an average of $34,697,909. Capital resources program funding ranged from $400,000 to $1,993,518,705, with a median of $26,100,000 and an average of $115,478,494. These estimates include only those programs that reported a single year of funding between 2019-2024 (54 rental assistance programs and 112 capital resources programs); biennially funded programs and those that reported a funding amount without a year were excluded.

ONWARD: LOOKING FORWARD

Rental housing has become increasingly unaffordable for low-income renters in the U.S. The supply of low-cost rental homes has steadily declined over the past decade, while federal housing assistance is too limited to help most renters in need (Joint Center for Housing Studies, 2023). The COVID-19 pandemic revealed the severe inadequacies in the housing safety net for low-income renters in crisis. However, the pandemic also demonstrated that state and local governments are eager to invest in programs to support these renters when more federal funding is made available to them. For example, as of March 2023, 861 state and local governments had invested $17 billion in SLFRF funds in projects related to affordable housing and homelessness – more than any other area of investment except for enhancements to water, sewer, and internet infrastructure (U.S. Dept. of the Treasury, 2023a).

NLIHC's Rental Housing Programs Database reflects the collective efforts of state and local governments across the country to bridge the gap between the needs of renters and the inadequate supply of affordable, available, and accessible rental housing. The database also hints at hundreds of success stories from the advocates, organizers, tenants, social services providers, and policymakers without whom the creation and growth of these programs would not be possible. The 2023 update to the RHPD captures interesting changes in the landscape of rental housing programs, such as the growth of eviction diversion/prevention programs and the increasing reliance of state and local governments on their own housing trust fund programs as flexible and relatively stable sources of funding.

Unfortunately, repeated attempts by some members of Congress to enact severe funding cuts to federal housing programs, the expiration of unspent Treasury SLFRF funds within the next three years, and rising rents that continue to outpace wage growth highlight the importance of state and local resources for affordable rental housing. This report and accompanying database are meant to provide information about existing programs to help housing advocates, state and local agencies, policymakers, and other interested parties learn from what is being done in other communities and push for increased funding for these programs. At the same time, states and localities on their own will be unable to completely address the affordable housing shortage for the lowest-income renters. Alongside such local efforts, Congress must appropriate additional funds for programs like the national Housing Trust Fund, which provides millions of dollars to states for the purpose of creating, preserving, rehabilitating, and operating affordable rental housing, and provide adequate rental assistance through the Housing Choice Voucher program and other means to guarantee that all eligible families are served. Only through a combined effort involving every level of government will the housing needs of all renters be met.

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APPENDIX A: BACKGROUND AND METHODOLOGY

The following is a detailed overview of the history of NLIHC's Rental Housing Programs Database (RHPD) and the methodology used to collect, clean, and analyze data on rental housing programs for the 2023 update and this report.

About the Rental Housing Programs Database (RHPD)

The 2023 update to the RHPD represents the latest in a series of investigations by NLIHC into state and locally funded rental housing programs. The first iteration of this study, *A Patchwork of Small Measures: A 2001 Report on State Funded Rental Assistance*, identified 101 active state-funded rental assistance programs in 40 states and the District of Columbia. The 2008 follow-up report, *Housing Assistance for Low-Income Households: States Do Not Fill the Gap*, found that the number of programs had risen to 112 in 42 states and the District of Columbia (Pelletiere et al.). In 2014, NLIHC expanded the scope of this research to create a comprehensive database capturing rental assistance *and* capital and production programs across all states, the District of Columbia, and 70 cities (NLIHC, 2014). A total of 313 active programs were identified, including 242 state-funded programs and 71 locally funded programs.

In 2023, we further expanded the scope of the RHPD to reflect programs that provide tax relief to renters *separately* from rental assistance programs. We also included programs funded in whole or in part by Treasury's SLFRF program. Although SLFRF is a federal funding source, state and local governments were given considerable flexibility to use this funding for a wide range of initiatives, and many have chosen to invest in new or existing rental housing programs.

Important Note

Though we made significant efforts to include as many rental housing programs meeting our criteria as possible in the RHPD, it is likely that some were overlooked. Our process for identifying programs relied heavily on internet searches; thus, programs with a limited web presence may not have been detected. Because we focused on programs, certain types of one-time investments into rental housing by state or local entities were not included in the RHPD (for example, one-time grants or loans to renovate specific public housing properties outside of a standing capital resources program).

We recommend using caution when making comparisons across states or cities – the needs of renters, the social and political conditions in the areas where they reside, and the appropriate solutions for addressing those needs can vary greatly across geographies. For example, some jurisdictions fund several small programs that serve specific populations, while others fund fewer, but larger, programs. Likewise, funding levels are difficult to compare across jurisdictions that may have significantly different rental costs.

Methodology

Step 1: Program Identification

The 2023 RHPD update aimed to collect information on active rental housing programs funded by governments in all 50 states and the District of Columbia, as well as local governments in 70 U.S. cities. The cities selected were the 50 most populous U.S. cities and the most populous cities in the 20 states without a "top 50" city, as per the 2021 American Community Survey. We focused on identifying rental housing programs offering the following:

- **Tenant-based rental assistance:** A rent subsidy to help cover the difference between total operating costs for a unit and what tenants can afford to pay. The assistance moves with the tenant.
- **Project-based rental assistance:** A rent subsidy payment to help cover the difference between properties' operating costs and what tenants can afford to pay. The assistance is tied to the property and does not move with the tenant.
- **Tenant tax relief:** A credit claimed directly by an eligible tenant on their state or local tax return or by the owner of a rental unit in exchange for reducing the tenant's rent. This does not include tax credits that provide capital for physical development or rehabilitation.
- **Capital resources:** Funds provided for the construction, acquisition, rehabilitation, or preservation of affordable rental housing. This may include loans, grants, bonds, or developer tax credits.
- **Both rental assistance and capital resources:** A combination of tenant- or project-based rental assistance and capital resources, as defined above.

An initial list of programs of interest was created in January-March 2023 using the following sources:

- Data from the most recent RHPD update in 2014 (NLIHC, 2014);
- A list of programs funded by the SLFRF program, as per the U.S. Department of the Treasury (2023b);
- A list of state housing trust funds from Community Change's Housing Trust Fund project (2023);
- A list of residential property tax relief programs from the Lincoln Institute of Land Policy (2022); and
- An internet search of agencies focused on housing, economic development, health and human services, and mental health across all target states and cities.

Step 2: Survey Development and Dissemination

A web-based survey targeting program administrators was developed using the SurveyMonkey platform. The survey solicited information from one program at a time. It included 12 general questions about program objectives, contact information, and funding, and an additional 6-20 questions on program requirements and logistics, depending on the type of program being captured.

A snowball sampling approach to data collection was employed. Program administrators identified in Step 1 were contacted via email and asked to complete the web-based survey for each of the programs on our list with which they were associated, as well as any other relevant programs managed by their agency that were not included in our list. Administrators were also asked whether they knew of any state or local initiatives to establish or revive rental housing programs and, if so, to provide a point of contact for these initiatives. Any programs identified by survey respondents that met our criteria were added to our list, and the administrators of those programs were invited to complete our survey.

Program administrators were contacted every few weeks from April to July 2023 until responses were received. When an administrator for a program could not be reached after multiple attempts, efforts were made to identify and reach out to a different contact for the program or agency. Administrators responsible for multiple programs were offered the opportunity to complete the survey verbally to streamline the process. In these situations, a member of our team would contact the administrator via phone or video call, verbally provide the survey questions, and complete the web-based survey with the administrator's responses.

Complete responses were received for 211 programs through our administrator survey.

Step 3: Internet Research

For each of the remaining programs for which a complete administrator survey response was not received, our team conducted an extensive internet search for information to answer our survey questions. Commonly used sources included program webpages, applications for assistance, requests for proposals, and guidance documents; agency budget documents, annual reports, press releases, and blog posts; state or local statutes, executive orders, ordinances, and other directives governing a program; press releases from partner organizations; and news articles. In some instances, a program administrator submitted a complete survey response after our team had already collected information on the program via internet search. In these situations, the administrator response was used instead of the internet search.

Our internet searches often uncovered additional programs not captured on our initial list. When this occurred, these programs were added to the list, and information was gathered for them via internet search.

Our team collected information for 308 programs through internet searches. We were unable to find or confirm the current operating status of 56 programs.

Step 4: Data Cleaning and Analysis

A total of 575 programs were identified, including 432 state programs and 143 local programs. Programs with the following characteristics were excluded from the final analysis and database:

- Inactive programs, including:
    - ▲ Programs authorized by recent legislation, ordinance, executive order, etc. that have not yet been implemented, and

- ▲ Programs that have exhausted all available funding without securing additional funds. For example, a rental assistance program that has expended all federal emergency rental assistance (ERA) funds without securing additional state, local, SLFRF, or other funding would be considered **inactive**. A capital resources program that has expended its allotted funds for the fiscal year and will receive a new allocation in the next fiscal year would be considered **active**.

- Programs focusing on the creation or preservation of shelters, inpatient care facilities, or other temporary living situations, without additional resources for creating, preserving, and/or increasing access to rental housing (including permanent supportive housing).

- Broad community development initiatives without specific components focused on creating, preserving, or increasing access to rental housing.

- Programs exclusively funded through federal sources, including the Community Development Block Grant (CDBG) program, HOME Investment Partnerships program, Emergency Solutions Grants (ESG) program, National Housing Trust Fund, Low-Income Housing Tax Credit (LIHTC) program, Choice Neighborhoods program, U.S. Department of the Treasury Emergency Rental Assistance (ERA) program, Medicaid programs, and U.S. Department of Agriculture programs.

    - ▲ Exceptions were made for state and locally led initiatives receiving partial funding from these programs. For example, rental assistance programs using a mix of Treasury ERA funds and state, local, or SLFRF funds were **included**.

- Land trusts, land banks, or similar organizations.

- Nonprofits operating independently of state or local governments.

Data cleaning and analysis were conducted using R (R Core Team, 2023). Ultimately, we collected information for a total of 353 active programs, including 281 state programs and 72 local programs.

APPENDIX B: RENTAL HOUSING PROGRAMS BY STATE, CITY, AND PROGRAM TYPE

The table below summarizes the number of programs found within each state and city by program type.

State	City	Tenant-Based Rental Assistance	Project-Based Rental Assistance	Capital Resources	Combination	Tenant Tax Relief	Total
ALABAMA	Statewide	0	0	1	0	0	1
ALASKA	Statewide	1	0	2	0	0	3
	Anchorage	1	1	0	0	0	2
ARIZONA	Statewide	2	0	1	2	1	6
	Tucson	1	0	0	0	0	1
CALIFORNIA	Statewide	6	0	13	1	1	21
	San Diego	1	0	1	0	0	2
	Los Angeles	0	0	2	0	0	2
	San Jose	0	0	1	0	0	1
	San Francisco	0	1	0	0	0	1
	Sacramento	0	0	1	0	0	1
COLORADO	Statewide	2	0	3	0	1	6
	Denver	1	0	1	1	0	3
CONNECTICUT	Statewide	3	0	5	0	1	9
DELAWARE	Statewide	3	0	4	0	0	7
DISTRICT OF COLUMBIA	District-wide	5	0	4	0	1	10
FLORIDA	Statewide	0	0	5	0	0	5
	Miami	1	0	0	0	0	1
	Jacksonville	1	0	0	0	0	1
GEORGIA	Statewide	1	1	1	0	0	3
	Atlanta	0	0	5	0	0	5
HAWAII	Statewide	2	1	3	0	1	7
IDAHO	Statewide	0	0	1	0	0	1
	Meridian	0	0	1	0	0	1
	Boise City	1	0	0	0	0	1
ILLINOIS	Statewide	4	2	5	0	0	11
	Chicago	1	2	3	0	0	6
INDIANA	Statewide	1	0	1	0	0	2
	Indianapolis	0	0	1	0	0	1

LOWA	Statewide	2	0	1	1	1	5
KANSAS	Statewide	0	0	1	0	0	1
	Wichita	1	0	1	0	0	2
KENTUCKY	Statewide	0	0	4	0	0	4
	Louisville	2	0	2	0	0	4
LOUISIANA	Statewide	0	0	1	0	0	1
	New Orleans	0	0	1	0	0	1
MAINE	Statewide	1	0	4	0	1	6
	Portland	0	0	1	0	0	1
MARYLAND	Statewide	1	0	5	1	1	8
MASSACHUSETTS	Statewide	5	3	6	2	2	18
MICHIGAN	Statewide	1	0	4	0	1	6
	Detroit	0	0	1	0	0	1
MINNESOTA	Statewide	9	0	7	1	1	18
	St. Paul	1	0	0	0	0	1
MISSISSIPPI	Statewide	0	0	1	0	0	1
MISSOURI	Statewide	1	0	0	1	1	3
	St. Louis	0	0	0	1	0	1
	Kansas City	0	0	1	0	0	1
MONTANA	Statewide	0	0	1	0	1	2
NEBRASKA	Statewide	1	0	2	0	0	3
	Omaha	0	0	1	0	0	1
NEVADA	Statewide	1	0	1	0	0	2
NEW HAMPSHIRE	Statewide	0	0	4	0	0	4
NEW JERSEY	Statewide	2	0	4	0	2	8
	Trenton	1	0	0	0	0	1
NEW MEXICO	Statewide	1	0	4	0	1	6
	Albuquerque	0	0	1	0	0	1
NEW YORK	Statewide	1	1	9	0	1	12
	New York City	3	0	2	0	0	5
NORTH CAROLINA	Statewide	1	1	4	0	0	6
	Raleigh	0	0	1	0	0	1
	Charlotte	0	0	1	0	0	1
NORTH DAKOTA	Statewide	1	0	1	0	1	3

OHIO	Statewide	2	0	3	0	0	5
OKLAHOMA	Oklahoma City	0	0	1	0	0	1
OREGON	Statewide	1	0	6	1	0	8
	Portland	0	0	4	0	0	4
PENNSYLVANIA	Statewide	1	0	4	2	1	8
	Philadelphia	1	1	0	0	0	2
RHODE ISLAND	Statewide	2	1	6	0	1	10
SOUTH CAROLINA	Statewide	0	0	2	0	0	2
SOUTH DAKOTA	Statewide	0	0	2	1	0	3
TENNESSEE	Statewide	3	0	2	2	0	7
	Nashville	0	0	3	0	0	3
	Memphis	0	0	1	0	0	1
TEXAS	Statewide	0	0	0	2	0	2
	San Antonio	0	0	0	1	0	1
	Austin	0	0	1	0	0	1
UTAH	Statewide	0	0	1	0	1	2
	Salt lake City	0	0	1	0	0	1
VERMONT	Statewide	1	1	4	0	1	7
	Burlington	0	0	1	0	0	1
VIRGINIA	Statewide	1	0	5	0	0	6
	Virginia Beach	1	0	0	0	0	1
WASHINGTON	Statewide	5	0	1	1	0	7
	Seattle	0	1	3	0	0	4
WEST VIRGINIA	Statewide	0	0	1	0	0	1
WISCONSIN	Statewide	3	0	0	0	1	4
	Milwaukee	0	0	1	0	0	1
TOTAL		**95**	**17**	**195**	**21**	**25**	**353**