



# nerej

## **Biden-Harris Administration increases housing supply & reduces costs**

August 02, 2024 - Owners Developers & Managers

Cambridge, MA According to Vice President Kamala Harris and HUD Acting Secretary Adrienne Todman, the Biden-Harris Administration is awarding \$85 million in grant funding for the first ever Pathways to Removing Obstacles to Housing (PRO Housing) program. HUD general counsel Damon Smith traveled to Cambridge to present the Metropolitan Area Planning Council (MAPC) in Massachusetts with a \$3 million award to boost the supply of affordable housing by expanding access to technical assistance and modernizing and improving local regulations.

PRO Housing provides grant funding to communities actively taking steps and demonstrating progress in addressing needless local housing barriers to housing production. Winners of the PRO Housing competition will update state and local housing plans, revise land use policies, streamline the permitting process for housing construction, and take other actions to create more housing-forward communities. Grants will also be used to preserve existing affordable housing units, provide development subsidies to create new affordable units, and increase access to homeownership.

In the Greater Boston Area, nearly 25% of rental households face an extreme rent burden — spending more than half of their income on rent. MAPC supports localities through technical assistance and resources to advance housing strategies, pursue locally led land use updates, and develop housing plans. PRO Housing funding will enable MAPC to advance housing strategies, assess local needs and barriers, and explore innovative building methods to build new homes.

Common barriers to housing identified in the PRO Housing applications include the high cost of land and development, lack of available units, underutilized vacant land and property, aging housing stock, inadequate infrastructure, displacement pressures, risks of extreme weather or environment hazards, and outdated, land-use policies, and permitting policies and processes.

HUD received considerable interest in the first round of PRO Housing funding. Applications were submitted from more than 175 communities – representing a wide variety of demographics, geographies and population sizes – across 47 States and territories. Successful applicants demonstrated a commitment to eliminating barriers to housing and progress toward creating more housing forward communities.

The winners of PRO Housing are actively deploying strategies to boost housing supply, reform local regulations, incentivize development, prevent displacement, and encourage community driven

solutions. Given the broad interest and urgent need to address housing supply, applicants will be provided technical assistance to address housing costs. Later this year, HUD will release an additional \$100 million in funding available for round two of the competition. The President also included an additional \$100 million for this program in his FY 25 budget.

“President Biden and I believe that every American deserves affordable housing, so they have a roof over their head and a place to call home. That is why we have a plan to build millions of new units of affordable housing in communities all across our nation, which will bring down the cost of housing for renters and help more Americans buy a home,” said Vice President Harris. “Today, I am proud to announce that we are taking a critical step forward by investing \$85 million to help more than 20 communities throughout our country remove barriers to building more affordable housing.”

“President Biden and Vice President Harris have prioritized reducing housing costs,” said HUD acting secretary Todman. “As I travel across the country, I hear from people all the time, including builders, elected officials, and other stakeholders, about how difficult it is to build housing. This is why I am pleased to announce our first round of PRO Housing funding, which will provide communities with incentives to address their local housing barriers. This expands on our ongoing efforts to lower housing costs by increasing the housing supply.”

“The cost of housing is the most important economic issue in America. Young families and seniors, alike, are struggling to afford homes,” said congressman Jake Auchincloss. “The solution is production: more, faster, cheaper. This HUD grant to MAPC is part of the solution by enabling an examination of offsite construction as a way to boost housing production.”

“We are grateful for HUD’s support to address one of the Greater Boston region’s most pressing needs – the ability to create new homes at scale, in a timely manner, and at a reasonable cost,” said MAPC executive director Marc Draisen. “Under this grant, we will use research and advance modular housing manufacturing in Greater Boston, not only to increase the supply of homes, but also to create good jobs with good benefits for the people who work in the region.”

“The creativity and innovation demonstrated by communities’ housing supply proposals made it difficult to select the 21 winners. All across the nation locally led, community-driven approaches have begun to close the housing gap.” said principal deputy assistant secretary for community planning and development Marion McFadden. “This funding will accelerate the number of homes produced and rehabilitated and enable investments in community development.”