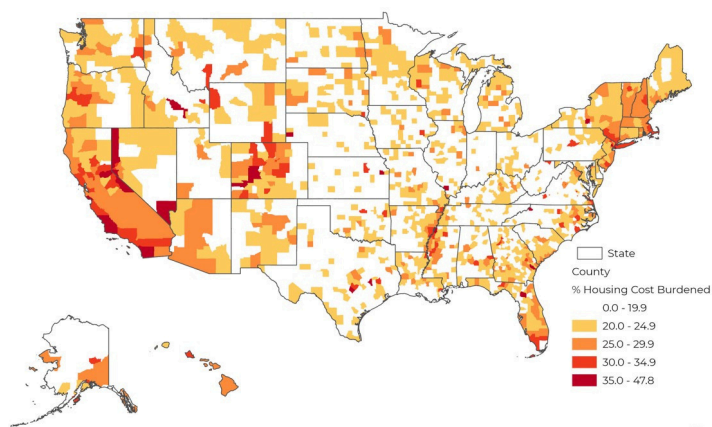


HOUSING ASSISTANCE COUNCIL

2025 RURAL HOUSING POLICY PRIORITIES: EXECUTIVE SUMMARY

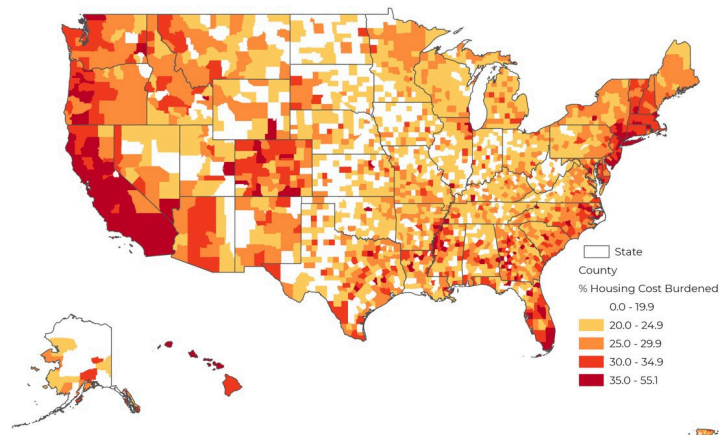
For over 50 years, the Housing Assistance Council (HAC) has been the voice for rural and persistently poor communities. Rural America is home to about 20 percent of the U.S. population and covers more than 90 percent of the U.S. landmass. Small towns and rural regions are diverse demographically and economically, and face a wide array of local challenges and opportunities for developing their communities and housing. While each place is unique, HAC has documented several themes. Rural communities experience housing market dysfunction, persistent poverty, substandard housing conditions, incomes well below the national median, increasing affordability challenges, and an aging housing stock. And racial inequity is endemic as the result of housing policies and banking practices that excluded rural people of color. Complicating these challenges, a lack of reliable rural data obscures rural realities. The maps below show the dramatic increase in housing cost burden over the last four decades.

Housing Affordability, 1980



Source: Housing Assistance Council Tabulations of Census Bureau's 1980 Census of Population and Housing.

Housing Affordability, 2021



Source: Housing Assistance Council Tabulations of Census Bureau's 2017-2021 American Community Survey.

In addressing these challenges, HAC's federal policy priorities are:

Building the capacity of local affordable housing and community development organizations deeply rooted in rural places.

Increased federal investment in rural capacity building and rural creative placemaking has the power to drive community and economic development, change the outlook and mindset of entire communities, and create a positive narrative of rural vibrancy and innovation.

HAC supports increased funding for both existing programs like the Rural Capacity Building (RCB) program at HUD at the Rural Community Development Initiative (RCDI) and USDA and new programs like the Rural Partnership Program to transform the local capacity embedded in rural places. HAC also supports continued federal funding for the Citizens' Institute on Rural Design at the NEA and for rural arts, design, and placemaking across the federal government including USDA's Rural Placemaking Innovation Challenge.

Expanding access to credit and safe, affordable lending in underserved rural communities.

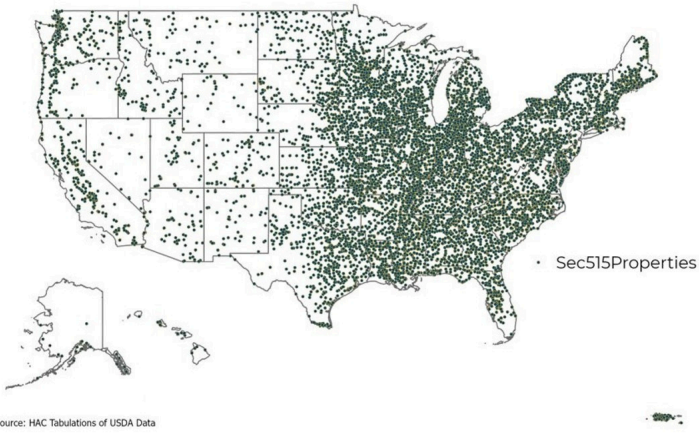
In recent decades, many rural regions have been stripped of their economic engines, financial establishments, and anchor institutions. Added to the shortage of federal and philanthropic investment, the result is that rural America faces a dire lack of access to capital. Access to capital can determine the future success of an entire rural community or region.

HAC supports increased federal investment in Community Development Financial Institutions (CDFIs), which step into the gap in financial services access to underserved communities, through the CDFI Fund. HAC also supports increased geographic equity in the financial services industry through programs and regulations like the Duty to Serve at the FHFA and the Community Reinvestment Act.

Preserving the critical stock of USDA multifamily homes amid the growing maturing mortgage crisis.

Rental homes financed by USDA are an important source of housing in many rural communities. Today, there are nearly 13,000 USDA rental properties providing around 400,000 affordable homes to families and individuals across rural America. However, due to federal funding cuts, no new USDA direct-financed rental housing has been developed in over a decade, and the existing properties are increasingly losing their affordability provisions. Once the mortgage on the property matures, the units lose their rental subsidy and thus their affordability. Significant federal commitment is needed to address this rising crisis.

USDA SECTION 515 MULTIFAMILY HOUSING PROPERTIES, June, 2021



HAC supports increased funding for the entire suite of USDA multifamily programs to address the preservation needs of the multifamily portfolio and allow for new construction to resume; the extension of rural rental assistance to all USDA multifamily units; decoupling of the mortgage and rental assistance upon mortgage maturity to allow the rental assistance to continue; and improved protections for tenants in USDA properties that are being preserved.



For more information visit www.ruralhome.org or contact policy@ruralhome.org

Improving the overall quality, availability, and affordability of housing to buy and rent in small towns and rural places.

HAC supports improved opportunities for housing in rural places. The number of housing units in rural communities increased by roughly 410,000 or 1.7 percent between 2010 and 2020. Rural housing growth was considerably lower than the 12 percent increase experienced in suburban areas and the 9 percent for the nation overall.

This trend can be reversed through a variety of federal investments. Single-family housing opportunity can be improved through the Self-Help Homeownership Opportunity Program (SHOP) at HUD; increased federal focus on improving and increasing high-quality manufactured housing options in rural places; support for the single-family loan programs at USDA; and federal recognition of the challenges around heirs' property, which fall disproportionately on families of color.

In addition to the USDA multifamily programs, HAC also supports increased preservation, rural-tailoring, and robust funding for the multifamily programs at HUD, which serve rural families across the country.

Additionally, homelessness often looks different in rural places, making it difficult to quantify and address. HAC supports increased rural-tailored, flexible resources to address homelessness.

All of these housing concerns also need to be addressed with a lens toward climate resiliency, given the realities of the evolving climate crisis.

Preserving, increasing, and tailoring resources for federal affordable housing programs serving rural populations.

Federal housing programs are often designed to serve and address urban challenges. But a one-size-fits-all approach doesn't work in many rural places, especially those facing persistent poverty. HAC supports tailoring federal housing and tax programs to proactively take geographic equity into account, with a focus on underserved regions like Native lands, farmworker communities, colonias, the lower Mississippi Delta, and central Appalachia. Additionally, HAC supports increased investment across the spectrum of federal housing programs, especially for those at the USDA's Rural Housing Service, which are uniquely tailored to the needs of rural communities.

