



U.S. DEPARTMENT OF THE TREASURY

# THE AMERICAN RESCUE PLAN: EXPANDING ACCESS TO HOUSING

---

September 2024

The American Rescue Plan Act is providing support to families across the country to help access stable and affordable housing. During the depths of the pandemic, the Treasury Department's Emergency Rental Assistance (ERA) and Homeowners Assistance Fund (HAF) programs kept Americans in their homes, provided assistance to American households at risk of eviction or foreclosure.

These housing investments not only resulted in a [rapid economic recovery](#), but also laid the foundation for durable economic prosperity. Governments across the country are investing nearly \$20 billion in State and Local Fiscal Recovery Funds (SLFRF), made available under the American Rescue Plan, for housing-related uses, including creating, rehabilitating, and preserving tens of thousands of homes and further investing in housing stability programs. By increasing the overall [supply of housing and housing stability of families](#), these investments are lowering housing costs for all Americans.

The examples discussed here are just a small fraction of the more than 3,300 new housing projects across the country funded under the American Rescue Plan. They represent a few of the stories of Americans who benefited from the Biden-Harris Administration's efforts to ensure that everyone has access to an affordable home.

## Keeping Americans in their Homes

During the Great Recession, more than 4 million Americans lost their homes to foreclosure. But the decisive actions of the Biden-Harris Administration prevented this devastation from reoccurring during the pandemic and kept Americans in their homes. [Treasury's Emergency Rental Assistance](#) (ERA) programs have collectively provided communities over \$40 billion, which governments have used to make over 10 million payments to [renters at risk of eviction](#). The [Homeowner Assistance Fund](#) (HAF) provided over \$7 billion to homeowners struggling to make their mortgage payments, assisting more than [500,000 homeowners](#) to date.

### Durham, North Carolina Homeowner Assistance

Latoya A. is a homeowner in Durham County, NC. She had dreamed of purchasing a larger home for her family, but when the pandemic hit, she was laid off and fell behind on her mortgage payments for her current home. She eventually received a notification from her mortgage lender that they would not continue to accept her partial mortgage payments and would move towards foreclosure on her home.

It was at this point that Latoya learned of North Carolina's Homeowners Assistance Fund and completed a pre-application. Exactly one day after she was notified of the foreclosure, the state program emailed her that her application was approved. Because of the HAF assistance, Latoya's mortgage was reinstated. Latoya and her family have since started their own business and are continuing to work towards their dream of buying a larger home.

***"After COVID we fell behind and didn't see a way we could get caught back up. (Nevada's HAF Program) was our last hope, they were the missing piece of the puzzle. There was a light at the end of this dark tunnel thanks to this program. Thank you, more than you know."***

**- HAF Testimonial: Homeowner in Nevada**

*“The thought of losing my home has caused me insomnia, depression, and anxiety. I can’t thank you enough. Thank you, thank you, thank you.”*

- HAF Testimonial: Homeowner in Philadelphia, PA

Latoya was just one of the 18,000 eligible homeowners in the state of North Carolina that received a total of \$244 million in assistance to cover mortgages, property tax payments and homeowners’ insurance. The success of North Carolina’s program was, in part, the result of the state’s efforts to [proactively conduct outreach](#) and [adjust the administration of their program to meet the needs of their residents](#). Of the homeowners assisted, nearly 13,000 (approximately 70%) identified as socially disadvantaged individuals and 97% had incomes below the Area Median Income.

## State of Kansas Homeowner Assistance

Kansas’ HAF program moved quickly to support homeowners at risk of foreclosure and displacement related to the COVID-19 pandemic. Kansas’ HAF program had strong communications with homeowners, housing counselors, and legal aid services in the state, supporting rapid use of HAF funds. By March of 2023, Kansas’ HAF program had spent most of its funds to help over 4,300 homeowners in the state to get back on their feet by assisting with delinquent mortgage payments, unpaid utility payments, property tax payment assistance, and other essential housing costs. Over 90% of households supported with HAF assistance had low-to-moderate incomes and the program reached families from at least 98 of the 105 counties in Kansas.

## Gwinnett County, Georgia Rental Assistance

In April 2021, Gwinnett County utilized Emergency Rental Assistance funds to launch the Project RESET 2.0 (PR 2.0) program to provide rental assistance and promote housing stability throughout the jurisdiction.

PR2.0 utilized over \$66.9 million in ERA1 and over \$25.5 million in ERA2 funding to ensure that 24,768 individuals in Gwinnett County did not have to face an eviction or utility disconnection.

Gwinnett County took concrete steps to ensure that ERA funds reached its residents who most needed it. They distributed information in monthly newsletters and mailers ([including water bills](#)), and in [partnership with community organizations](#) such as the school system, library system, hospital system, Gwinnett Chamber, nonprofit, and faith-based organizations. These steps were critical to reaching approximately one in forty Gwinnett County residents, keeping those individuals in their homes and ensuring the lights remained on.

*“Things were tough. Like many others during the pandemic, I lost employment. My wife lost her job as well around the same time as me, so that added to the feeling of more stress. I applied (for rental assistance) in September and got approved in October and then the check was processed in November. It was a quick turnaround, which I am so grateful for...instead of just applying for rental assistance, I clicked on the agency’s career page to apply to work with them. I not only received rental assistance, but that exact same agency — a few months later — hired me. I am now able to assist others who are in similar situations to those that were once like me during the pandemic. I am going back to school now. I would not have.”*

- ERA Testimonial: Jerry from Dallas

## Minnesota Rental Assistance

At least 52,000 households across Minnesota have received funds under the ERA program. Seven jurisdictions across the state have expended \$493.6M in ERA funds. Under the ERA2 program, 69 percent of funds have assisted households with incomes below 30 percent of Area Median Income (AMI). The State of Minnesota continues to support renters through collaborative eviction prevention efforts with the state's judicial districts, legal aid, and courts.

Across the state, ERA programs worked collaboratively to find the renters most at risk of eviction through a high-touch outreach strategy designed to reach households most in need of assistance. As noted in the State of Minnesota's reporting to Treasury,

"For this program to be effective, it must be equitable and human-centered so that no one is left behind. We have been intentional in developing strategies to reach all corners of the state and those who may face greater barriers to program access."

Programs in Minnesota paid special attention to reaching populations least likely to apply for ERA assistance, or that might have trouble accessing the application system. They worked with field partners to provide one-on-one navigation assistance, including community-based organizations with expertise engaging seniors, people with disabilities, those with limited technical capacity, and those who speak a language other than English.

*"I had a medical emergency that put me behind in my rent. I tried to catch up but with the enormous late fees that kept being added, I was peddling backwards. I came across this agency and they were a blessing! Kind, compassionate, and a true lifesaver in my time of need. When I felt abandoned, scared, and backed against a wall, they gave me faith in humanity. I am so grateful, words cannot express. I cannot thank them enough."*

- ERA Testimonial: Renter in Pittsburgh, PA

Community processors paid special attention to incomplete applications to ensure that renters with barriers could still access assistance. Through a [coordinated effort to reach landlords](#), they reached many renters who otherwise may not have started applications on their own but for their landlord initiating the process. And programs in Minnesota recruited trusted individuals from within communities to spread the word about their ERA programs using a plain language outreach tool-kit (available in several languages).

## The Commonwealth of Kentucky, Rental Assistance

Brandon B. was thousands of dollars behind in rent, had nearly \$2,000 in unpaid electrical bills and was on the precipice of eviction. By applying to Kentucky's Healthy at Home Eviction Relief Fund (HHERF), he was able to pay all these expenses off and prevent his family from becoming homeless. Throughout the Commonwealth of Kentucky, over \$490 million in ERA funds have been spent to help families like Brandon's.

Kentucky was successful in distributing rental assistance by adapting to meet the needs of its residents. HHERF was among the first ERA programs in the country to [streamline the application process](#) and reduce documentation burdens for the communities at the highest risk of housing instability. Subsequent studies have shown that these innovative approaches taken by the Commonwealth resulted in the approval of up to 9,500 applications for assistance.

Across the state, ERA funds have supported in-court [eviction diversion services](#) in counties with high eviction rates. These funds have helped tenants remain housed, helped landlords recoup rental arrears, and provided viable solutions for many tenants who would have otherwise been evicted due to non-payment.

***“The KY eviction diversion program has been a great asset to our eviction caseload in Hardin County. Eligible tenants can remain housed or locate alternative housing and get additional resources, if they need them, which is a great resource! Bringing it close to home is a welcome benefit.”***

**- ERA Testimonial: Judge Shumate, Hardin County, KY**

A major factor in Kentucky's success was also the collaboration amongst HHERF and the two other grantees within the Commonwealth. This coordination allowed funds to best serve the unique housing needs of different parts of Kentucky, including rural areas that are less populated and urban areas with high need. For example, since 2021, the City of Louisville has used ERA funding to help implement a right to counsel program for tenants with children who are facing eviction. To aid tenants who “self-evict,” moving when they receive an eviction notice, the city has put in place a rapid-rehousing program that provides a rental deposit and first month's rent to help people relocate.



To view a short [film](#) created by Mecklenburg County and Charlottesville, North Carolina's ERA programs, scan this QR code.

# Creating New Homes

The State and Local Fiscal Recovery Funds (SLFRF) program provided \$350 billion to governments across the country to respond to the impacts of the pandemic and serve the needs of their communities. Governments have budgeted nearly \$20 billion for housing-related uses, including more than \$7.5 billion to construct, preserve, or stabilize tens of thousands of homes across the country.

## Pennsylvania's Investments in Mixed-Income Housing

Thirty-one percent of Pennsylvania's population is composed of renters, and many are burdened by high housing costs. When Pennsylvania received funds under the State and Local Fiscal Recovery Funds (SLFRF) program, the Commonwealth saw an opportunity to increase the development of affordable rental units in the Commonwealth. Through the Development Cost Relief Program—and its predecessor, the Construction Cost Relief Program—the Pennsylvania Housing Finance Agency has dedicated \$200 million in SLFRF funds to fund over 95 affordable housing developments. Collectively, these projects will develop an estimated 5,405 new housing units.

In Coatesville, Pennsylvania, the first phase of the new mixed-income community of Willows at Valley Run will offer 60 new apartments for residents of varying incomes. Eighteen three-bedroom apartments will provide housing for working families. One new resident of the facility is a mother of three children who spent an extended period in a women's shelter, facing down the prospect of homelessness. Thanks to the nearly \$1.4 million the Commonwealth invested in the project, the development was completed and the mother and her children were approved for housing in the nick of time. Willows at Valley Run is also providing housing to a grandfather who recently gained custody of his two-year-old granddaughter, and a father and daughter who previously lived together in a cramped spare bedroom at a friend's house. The new housing is providing two-bedroom units for these children and their families.

Located in the Fairhill Neighborhood of North Philadelphia, the new Rafael Porrata-Doria Place apartments offer 63 units, including 30 units for residents 55 years and older to age in place. Rising construction costs due to the COVID-19 pandemic threatened the viability of the project, but the Commonwealth invested SLFRF funds to ensure that the project could be completed. One resident of the apartment complex is intellectually disabled; her parents were not able to care for her, and she

was previously living in a shared facility. The tenant wanted the opportunity to have her own sense of place. By moving into Rafael Porrata-Doria Place, she has had the opportunity to become more independent in a supportive environment.



Renderings of three of the more than 95 affordable housing developments funded through Pennsylvania's Development Cost Relief Program and its predecessor program. Clockwise from top: Evergreen Heights, a 40-unit senior housing facility in State College, PA; and 800 Vine Senior, a 41-unit senior housing facility in Philadelphia, PA; and Cedarwood Homes, a group of 46 townhouse-style apartments in Pittsburgh, PA.



## Reno, Nevada Support for Homeless Veterans

On August 15, 2024, the city of Reno, Nevada celebrated the opening of a new permanent supportive housing facility for veterans in its community. The two stucco buildings at 1035 8th Street make up the Dick Scott Manor, which will provide housing for up to 24 veterans who have experienced homelessness or are at risk of experiencing homelessness. The buildings are two blocks away from the Washoe County Senior Center, and close to public transportation and the local grocery store, pharmacy, and hospital. All the residents of the Dick Scott Manor will receive case management services through the VA, enabling them to access healthcare and other critical resources.

The project was made possible by the State and Local Fiscal Recovery Funds received by the City of Reno, which dedicated \$3 million of its funds to the project.

On the occasion of the ribbon cutting for the facility, Nevada Senator Jacky Rosen said, “Our veterans bravely served our nation, and we all have a responsibility to ensure they have everything they need. Dick Scott Manor will provide new, affordable housing for veterans in Reno, and I’m proud to have helped pass the legislation that made funding for this project possible.”



Ribbon cutting ceremony for the Dick Scott Manor Project.

## Michigan's Investments in Middle-Class Housing

“Every Michigander deserves a safe, affordable place to call home,” Michigan Governor Gretchen Whitmer [said](#) standing at Zone 32, a new housing development and childcare center in Kalamazoo’s Northside neighborhood. “That’s why we are taking action to make the largest investment to build housing in Michigan history. Today’s project in Kalamazoo will expand the supply of housing and childcare, building on our efforts to lower costs and boost access to both.”

The Kalamazoo project is one of dozens of new housing projects across the state that were made possible through the American Rescue Plan. Through the Missing Middle Housing Program, Michigan has budgeted \$110 million to construct or rehabilitate homes serving middle-class Michiganders across the state. From single-family homes in rural areas to apartment buildings in Michigan’s largest cities, the program is leveraging funds from the American Rescue Plan to serve Michigan’s housing needs. In total, the Missing Middle Housing Program will add nearly 1,500 homes for middle-class working Michiganders.

In Eaton Rapids, a local builder took inspiration from early 20th century “pocket neighborhoods” to create Eaton Village, a group of ten single-family rental homes with a central green space intended to foster a stronger sense of community. The project received \$800,000 from the Missing Middle Housing Program. In Lansing, the program supported the construction of twenty-four new energy efficient apartment units at the former site of the REO Motor Car Company.

Michigan’s investments aren’t just supporting new housing, but other critical community needs. In Kalamazoo, Zone 32 was built in connection with a new YMCA Early Childhood Center and offers rents beginning at \$850 per month for a studio apartment. Northside residents get priority enrollment for childcare. As one Kalamazoo resident told a [reporter](#): “There wasn’t a day care anywhere” on the Northside. “We are very learning-focused family ... it’s so awesome to have this so close and in an area where it’s accessible.” In addition to their investments in new housing, recipient governments have budgeted more than \$1.3 billion in recovery funds for childcare and early learning projects. Michigan’s efforts show how these efforts have been combined to lower both housing and childcare costs for American families.



Michigan State Housing Development Authority [video](#) on Eaton Village Project: Eaton Village Groundbreaking.



## **Lowering Housing Costs in California**

The State of California is investing \$1.75 billion in SLFRF funds as development capital for “shovel-ready” affordable housing developments, preservation of existing affordable housing at risk of conversion to market-rate housing or in need of significant repairs, and development of additional adult and senior care facilities. The State is also seeking to develop state-owned land into affordable housing.

In addition to expanding affordable housing supply overall, the State is also making a major investment to purchase and rehabilitate housing specifically for individuals facing homelessness, including rehabilitating hotels, motels, vacant apartment buildings, and other buildings and converting them into housing.

Other jurisdictions in California are engaged in complementary efforts to build new housing. Los Angeles County is investing \$173 million as part of the State of California’s Homekey program to create new interim and permanent supportive housing for individuals and families with complex health or behavioral health conditions who are experiencing homelessness by acquiring hotels, motels, and apartment complexes. And Perris City, California, is using SLFRF funds to help struggling homeowners pay their mortgage costs and keep their homes.

## **Utah’s Work to Address Zoning Roadblocks**

The State of Utah is using SLFRF funds to incentivize zoning changes to permit more and denser development of affordable housing. The state is using \$35 million in SLFRF funds for a matching grant program. The program creates incentives for municipalities to redevelop and rezone current commercial, retail, or industrial vacant land to a zone to allow higher density housing as a permitted use. The State of Utah has budgeted an additional \$85 million for grants for development, land costs, and construction of new affordable apartment buildings that are in advanced stages of development.

In addition, Salt Lake County, Utah, is using \$20 million in SLFRF funds to increase and preserve access to safe affordable rental housing and home ownership. In particular, homeownership programs are seeking to connect low-income households with opportunities to build future equity.

