

## Treasury Announces \$135 Million More in Recovery Act Funds to Create Jobs, Provide Affordable Housing

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WASHINGTON – As part of the Obama Administration's effort to create jobs and ease pressures on the housing market, the U.S. Department of the Treasury today announced nearly \$135 million in American Recovery and Reinvestment Act (Recovery Act) funding to spur the development of affordable housing units in Iowa, Maine, New Hampshire, Rhode Island, and Washington.

"Today's announcement of housing funds demonstrates how the Recovery Act is putting our nation on the path to economic stability, one community at a time," said Treasury Deputy Secretary Neal Wolin. "This initiative will help to spur construction and development, create much needed jobs, and increase the availability of affordable housing for families around the country."

The labor and housing crises in this country are deeply inter-connected. Since their peak level at the beginning of 2006, housing starts have fallen 80 percent. Houses currently under construction are at a 13-year low, down more than 60 percent from the peak in the first quarter of 2006. This collapse has led to severe job losses in the residential building and specialty trades sector related to housing, with employment down by nearly one-third -- a loss of more than one million jobs. Such losses not only indicate significant problems in the residential construction sector, but also suggest that the need for affordable housing has risen markedly during the recession.

In response, the Treasury Department has launched an innovative program that will provide more than \$3 billion from the Recovery Act to put people to work building quality, affordable housing for individuals and families affected by the current crisis.

The Treasury Department will work with state housing agencies to jump start the development or renovation of qualified affordable housing for families across the country. Under this program, after meeting certain eligibility requirements, state housing agencies will receive funding to construct affordable housing developments.

Today, the Treasury Department is announcing funding for five states: \$72 million in Iowa; \$4 million in Maine; \$10 million in New Hampshire; \$36 million in Rhode Island; and \$11 million in Washington. These states have elected to exchange a portion of their unutilized allocation of low-income housing tax credits (LIHTCs) for direct cash assistance, which will then be provided to developers in support of affordable housing. LIHTC projects around the nation have experienced financial problems getting to the finish line but these critical funds will provide a much-needed final push to get people home.

The funds announced today are the second round in a series of awards based on a rolling application process. The Treasury Department anticipates making similar announcements in the coming weeks. To view the terms and conditions for the Treasury application, please click [here](#).

For further information on local projects, please contact:

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