



July 16, 2025

The Honorable Mike Flood  
Chairman, House Financial Services  
Subcommittee on Housing and Insurance  
343 Cannon House Office Building  
United States House of Representatives  
Washington, DC 20515

The Honorable Emanuel Cleaver  
Ranking Member, House Financial Services  
Subcommittee on Housing and Insurance  
2217 Rayburn House Office Building  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Flood and Ranking Member Cleaver:

The National Multifamily Housing Council (NMHC) writes to submit a statement for the record for the House Financial Services Subcommittee on Housing and Insurance hearing, HOME 2.0: Modern Solutions to the Housing Shortage. NMHC greatly appreciates the work you both have done on the HOME Reform Act of 2025 and offers a proposal that could be added to the bill to incentivize states and localities to reduce their barriers to development and preservation of affordable housing.

HOME has a proven history of providing gap financing for the development and preservation of affordable rental housing financed with other Federal, state, and local affordable housing programs, as well as financing other important sources of affordable housing. NMHC believes it can go further by helping state and local governments learn to reduce their own barriers. Recent [research](#)<sup>1</sup> sponsored by NMHC has shown that local tax incentives, in particular, spur new housing development, including creating affordable housing opportunities. In that vein, NMHC recommends that the Housing Production Partnership Program (HPPP) be added to the HOME Reform Act of 2025.

Specifically, the proposal would establish HPPP as a new stand-alone grant program within HOME that incentivizes states and localities to establish tax-abatement programs for newly constructed, substantially rehabilitated, and converted multifamily properties that provide otherwise-unsubsidized affordable housing. On a first come/first served basis, appropriated grant funds could provide matching funds to states and localities that invest in housing by providing tax abatements. Qualifying jurisdictions would have to ensure all tax abatements are used at developments that provide quality housing, as well as demonstrate progress and a commitment to overcoming local barriers to housing production and preservation.

Again, thank you for your leadership in helping identify and implement innovative ways for addressing the long-standing problem of housing affordability across the country through reform of HOME. As always, we are eager to collaborate with you to address the nation's affordable housing crisis.

Sincerely,

A handwritten signature in black ink, appearing to read "Sharon Wilson G no", written in a cursive style.

Sharon Wilson G no

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<sup>1</sup> <https://www.nmhc.org/research-insight/research-report/building-blocks-how-tax-incentives-lay-the-foundation-for-housing-growth/>