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Point of View

Poverty is a Choice

Last week, a report from the White House Council of Economic Advisors absurdly stated that the country's war on poverty is "largely over and a success." The unfortunate result of that success, according to the report's authors, is lessened "self-sufficiency" and an increased "dependency" on federal assistance. These statements are as gallingly untrue as Ambassador Nikki Haley's recent assertion that fewer than 250,000 people in the United States live in severe poverty (when twice that number are literally without homes, and many of them without basic shelter, on any given night). Together with Secretary Carson's past statements that "poverty is, in large part, a state of mind" and "really more of a choice than anything else," these statements crystalize the administration's view of the over 11 million extremely low income American households: they just aren't trying hard enough.

More people live in severe poverty in the United States today than at any time in the last 20 years. Over 30 million Americans have no health care. Twenty-five percent of children in the United States live in poverty, the highest rate in the developed world. One in five children lives without consistent access to food. Three in four of the lowest income families in need of and eligible for housing assistance receives none - they wait years or decades in hopes of winning our country's housing lottery. Nearly eight million extremely low income renters pay more than half of their income on rent. They are one financial emergency - a broken down car, a missed day of work, or a sick child - away from eviction and possible homelessness.

The affordable housing crisis - both a cause and a result of poverty - has reached historic heights. Today just three affordable and available homes exist for every ten of the poorest people. In some communities, homelessness is increasing for the first time in years, and as a result more cities along the West Coast and beyond have declared states of emergency. Tent cities housing hundreds of people, including children, have become more common sights. Last year, a record number of people died on the streets in cities like Los Angeles, Nashville and Baltimore.

Despite all this, the Trump administration uses faulty analysis, cherry-picked data and old stereotypes to propose taking basic assistance for housing, food and health care away from people who cannot meet harsh new work requirements. HUD Secretary Carson has done his part in advancing this harmful ideology by proposing rent hikes and work requirements for the lowest income Americans receiving housing assistance. We must continue to challenge the distortions of truth and faulty logic within these proposals, even as Secretary Carson publicly contradicts himself on whether or not he supports and will work to advance them.

Carson's claims that raising rents and imposing rigid work requirements will somehow increase "self-sufficiency" are wrong. The vast majority of households receiving housing benefits are elderly, disabled, providing full-time care for another family member, or are working for low wages that are insufficient to cover their housing costs. The problem is not that low income people aren't working hard enough - the problem is that many jobs do not pay enough for low income people to afford the rent.

This will be an issue for the foreseeable future. Seven out of the ten of jobs projected by the Department of Labor to have the greatest growth over the next decade pay less than is necessary to afford a basic one-bedroom apartment. Work requirements do not create jobs that pay high enough wages or provide sufficiently predictable hours to lift families out of poverty. Instead, such requirements threaten to cut individuals off from the very housing benefits and services that make it possible for them to find and keep jobs.

The administration says housing and other basic-needs assistance programs perpetuate "dependence." HUD's own data belie this myth. The typical household receiving HUD rental assistance leaves assisted housing after about six years. Working-age, non-disabled households receive housing assistance for less time; they typically

leave housing assistance in less than three years. Seniors tend to stay longer, for about nine years; nonelderly families with children stay for only about four years. Roughly half of all assisted tenants leave within four to six years of first receiving assistance, and more than three quarters leave after about ten years. What dependence, exactly, is the administration looking to correct?

Deep poverty exists in our country, and it is indeed a choice – not by the people experiencing it, but by the political leaders who tolerate or exacerbate it through harmful public policy. We don't lack the resources or the solutions to end poverty in our country; we lack political will and courage. Spreading stereotypes, dismissing facts and blaming people for being poor are easy and cheap. We need political leaders who are instead willing to skip the platitudes, recognize deep poverty as an economic condition created by low wages, high costs, a shredded social safety net and harmful public policies that exacerbate income inequality, and do the hard work of funding real solutions at the scale necessary. Only then will we be able to call efforts to end poverty a success.

Onward,



Congress

House Passes Voucher Mobility Demonstration Act

The House of Representatives passed the “Housing Choice Voucher Mobility Demonstration Act of 2018” ([H.R. 5793](#)) by a vote of 368-19 on July 10. Representatives Duffy (R-WI) and Cleaver (D-MO) of the House Financial Services Committee introduced the bill, which aims to further improve voucher mobility and help more Housing Choice Voucher households move to communities of their choice, such as areas with access to jobs with decent pay, good schools, transportation, and healthcare. The demonstration will enable HUD and public housing agencies to develop new models for improving voucher mobility as well as provide counseling to help voucher households move to areas of opportunity. The bill now moves to the Senate for consideration in committee. NLIHC supports H.R. 5793.

Learn more about the bill at: <https://bit.ly/2umUyMN>

Senate Banking Committee Holds Hearing on Fair Credit Reporting

The Senate Committee on Banking, Housing, and Urban Affairs met on July 12 for a hearing, “An Overview of the Credit Bureaus and the Fair Credit Reporting Act.” The committee and witnesses discussed a number of issues, including strategies to improve access to credit for low income households.

Senator Tim Scott (R-SC) spoke about his bill, the “Credit Access and Inclusion Act of 2018” ([S. 3040](#)), which would allow public housing agencies and utility and telecommunications companies to report payment data to credit agencies. This proposal is the Senate companion bill to [H.R. 435](#), which passed in the House earlier this month (see *Memo*, [7/2](#)). Senators Doug Jones (D-AL) and Catherine Cortez Masto (D-NV) also supported the bill. Peggy Twohig, an assistant director at the Consumer Financial Protection Bureau (CFPB), noted that the recently created Office of Innovation at CFPB is researching alternative data in credit reporting.

More about the hearing is at: <https://bit.ly/2KXFbBP>

Our Homes, Our Votes

Register Today for the First *Our Homes, Our Votes* Webinar on July 17

Registration is open for the first in NLIHC’s six-part webinar series on nonpartisan voter engagement, *Our Homes, Our Votes*. This first webinar is tomorrow, July 17 at 3:00 pm ET. The *Our Homes, Our Votes: An Introduction and an Exploration of Legal Considerations* webinar will provide an overview of the *Our Homes, Our Votes* effort and why it is imperative for housing organizations and other nonprofits to be involved in voter engagement work. The webinar will also discuss specific legal considerations that nonprofits should consider when developing their strategies. Shyaam Subramanian, southern California counsel for the Alliance for Justice, will join us as part of an in-depth discussion of these policies. Register for the webinar at: <https://bit.ly/2KooyTi>

The second webinar will be held on Tuesday, July 24, 3:00 pm ET focusing on how organizations can develop effective voter registration programs. That webinar will discuss conducting voter registration at community events, through door-to-door registration campaigns, and in day-to-day organizational operations.

The *Our Homes, Our Votes* project will provide strategies and tools for nonpartisan voter registration, education, and mobilization, as well as candidate engagement. The project seeks to have candidates for office address issues of homelessness and affordable housing and to commit to real solutions. Through *Our Homes, Our Votes* advocates and residents across the country will engage in the electoral process and stress to candidates at every level—federal, state, and local— that affordable housing is a critical issue they must address to earn our votes.

The webinars will occur every Tuesday at 3:00 pm ET beginning on July 17. The full list of webinar topics:

- *Our Homes, Our Votes: An Introduction, and an Exploration of Legal Considerations*, Tuesday, July 17
- *Building the Base: Voter Registration of Low Income Renters and Their Allies*, Tuesday, July 24
- *The Importance of Voter Lists! A Key Tool for Successful Mobilization*, Tuesday, July 31
- *An Informed Debate: Effectively Engaging Candidates while Remaining Non-Partisan*, Tuesday, August 7
- *“I Vote for More Affordable Homes!” Educating Voters Before Election Day*, Tuesday, August 14
- *Voter Mobilization: Getting Out the Vote*, Tuesday, August 21

Register once for all webinars and receive reminders for future webinars at: <https://bit.ly/2KooyTi>

Opportunity Starts at Home

Center on Budget and Policy Priorities President Explains Why Affordable Housing Crisis Requires New Approach

The *Opportunity Starts at Home* campaign released a video interview with [Bob Greenstein](#), nationally recognized federal budget expert and president of the Center on Budget and Policy Priorities (CBPP). Mr. Greenstein explains the affordable housing crisis, why it requires a multi-sector response, why it demands robust federal action, and how to build the political will to implement solutions. Under Mr. Greenstein's leadership, CBPP joined the *Opportunity Starts at Home* campaign as a founding partner.

Mr. Greenstein remarks that CBPP has worked on affordable housing policy for more than 20 years because it is “simply fundamental to the well-being of low income families.” As the housing affordability crisis continues to worsen, “the federal government has to play an absolutely central role,” said Mr. Greenstein. “It plays a role today, but that role isn't robust enough to address the problem.”

Building the political will to implement stronger federal solutions is a major challenge, he acknowledges, and it is going to require a fundamentally new approach to housing advocacy. “We need something beyond what's been done in the past,” he explains. “We need a broader-based campaign (like *Opportunity Starts at Home*).”

The full interview is available at: <https://bit.ly/2NgXZN8>

Please follow the campaign on all social media platforms: [Twitter](#), [Instagram](#), [Facebook](#), and [LinkedIn](#)



Bob Greenstein, Founder and President of the Center on Budget and Policy Priorities

Disaster Housing Recovery

Disaster Housing Recovery Updates – July 16

The following is a review of housing recovery developments related to Hurricanes Harvey, Irma, and Maria, and the California wildfires since last week's *Memo to Members and Partners* (for the article in last week's *Memo*, see [7/9](#)). NLIHC also posts this information at our [On the Home Front](#) blog.

Federal Response

Congress

Senators Robert Menendez (D-NJ), Sherrod Brown (D-OH), Elizabeth Warren (D-MA), and Catherine Cortez Masto (D-NV) wrote a [letter](#) to Kathy Kraninger, program associate director of the Office of Management and Budget (OMB) and nominee to head the Consumer Financial Protection Bureau (CFPB). The letter expresses concern about Ms. Kraninger's role in the Trump Administration's response to Hurricane Maria. The senators request documentation related to her oversight of the Department of Homeland Security, the Department of the Treasury, and HUD.

HUD

HUD approved the U.S. Virgin Islands' disaster recovery [plan](#) for \$243 million in CDBG-DR funds. The plan includes \$5 million for rental rehabilitation and reconstruction, \$15 million for supportive housing and sheltering programs, \$32 million for public and affordable housing development, and \$125.5 million for infrastructure.

The Puerto Rico Department of Housing (PRDOH) [posted](#) more than 300 pages of public comments (and PRDOH responses) to Puerto Rico's draft CDBG-DR Action Plan. In response to a letter sent on behalf of the Disaster Housing Recovery Coalition (DHRC), PRDOH added a rental assistance program for the elderly, a definition of "vulnerable population," and a Title Clearance Program.

Local Perspectives

New York Governor Andrew Cuomo [announced](#) a new \$1 million case management program to connect displaced Puerto Ricans with housing, social services, and employment opportunities. Governor Cuomo, in a [letter](#) to FEMA Administrator Brock Long and HUD Secretary Ben Carson, urged the federal government to activate DHAP and extend TSA.

The mayor and two former government officials of Sabana Grande, Puerto Rico, were arrested for allegedly using nearly [\\$5 million in federal funds](#), including \$2.5 million in HUD funds, to illegally pay the town's public employees and municipal contractors.

Resources

The National Disaster Legal Aid Advocacy Center released a [guide](#) to expedite locating key features in a [recording](#) of its webinar, *25 Pro Tips for Working with FEMA: Lessons Learned that Work*. It is designed for those providing legal assistance to clients in recovery efforts. To gain access, log in or sign up to be a member of the [practice area](#).

Equal Justice Works launched a [Disaster Recovery Legal Corps Fellowship Program](#) to provide legal assistance to individuals impacted by Hurricanes Harvey, Irma, and Maria. The program will place 18 lawyers in Texas and 3 lawyers in Florida, where they will be matched with local nonprofits to provide legal assistance related to housing, employment, flood insurance, and public benefits.

DHRC Online Tool for Sharing Disaster Survivor Stories

Personal stories from disaster survivors can make a compelling case for the development of more responsive federal policies and programs, now and in the future. DHRC is collecting accounts from survivors of the 2017 hurricanes and wildfires and their advocates through a brief online form in both [English](#) and [Spanish](#). Clients can choose to remain anonymous.

Low Income Housing Tax Credit

New LIHTC Income Averaging Option Outlined in NHLP Webinar

The National Housing Law Project (NHLP), Regional Housing Legal Services (Pennsylvania), and the Legal Aid Society of Southwest Ohio describe a new option for developers in the Low Income Housing Tax Credit (LIHTC) program that allows "income averaging." Potential adverse consequences for voucher households and other extremely low income households, along with opportunities for advocates to engage their state housing

finance agencies to prevent those adverse outcomes, are highlighted in the webinar [What Do Advocates Need to Know About the New Income Averaging Rules for LIHTC Properties?](#)

Congress added income averaging as an option to the LIHTC program on March 23, 2018. Income averaging allows LIHTC developers to choose to serve households with incomes up to 80% of the Area Median Income (AMI), as long as at least 40% of the units are both rent-restricted and occupied by households with incomes that do not exceed the “designated income limits,” which may range from 20% of AMI in 10% increments up to 80% AMI. The rent for a unit must not exceed 30% of the designated income limit, for example, 30% of 20% AMI, 30% of 30% AMI, etc.

The presenters highlight three concerns that advocates should address with their state LIHTC allocating agency:

1. LIHTC rents affordable to households at 70% or 80% of AMI could exceed voucher payment standards, providing a loophole for owners to reject voucher households for these units. Therefore, advocates should encourage their state allocating agency to establish a policy in their state’s Qualified Allocation Plan that assumes that for project underwriting and financing purposes all LIHTC units accept vouchers.
2. Tenants might not know what their maximum rent should be if they do not know their unit’s LIHTC income designation. Therefore, advocates should encourage their state allocating agency to require owners to indicate each unit’s income designation in the tenant’s lease.
3. There is no guidance regarding the size of units assigned to each AMI level. Consequently, only small units could be in the 30% AMI category while larger units are in higher income categories.

What Do Advocates Need to Know About the New Income Averaging Rules for LIHTC properties? is available at: <https://bit.ly/2KrGZXC>

Basic information about the LIHTC program is on page 5-30 of NLIHC’s [2018 Advocates’ Guide](#).

Research

Report Examines California’s Pursuit of Sustainable Development with Affordable Housing

A [report by the Turner Center](#) at the University of California at Berkeley examined the affordable housing implications of California’s “Sustainable Communities and Climate Protection Act of 2008” (SB 375). The goal of SB 375 is to reduce greenhouse gas emissions while meeting the state’s housing needs. SB 375 attempts to achieve this goal by reducing car dependency and fostering transit-accessible development through strategic land use, transportation, and housing planning.

The report, *California’s SB 375 and the Pursuit of Sustainable and Affordable Development*, finds that incentives such as state-provided gap funding can prod jurisdictions to support development that meets environmental and affordable housing goals. The report also highlights the potential for Metropolitan Planning Organizations (MPOs) to link federal transportation funds to environmental and housing-related goals. These incentives, however, are not necessarily sufficient to overcome barriers such as development costs and neighborhood opposition in some jurisdictions.

SB 375 requires MPOs to develop a Sustainable Communities Strategy (SCS) in their federally-mandated Regional Transportation Plan. MPOs are regional transportation planning organizations responsible for transportation planning and federal transportation expenditures. Each SCS must outline a development strategy to reduce vehicle miles traveled, and thus, greenhouse gas emissions. SB 375 also requires MPOs to align their state-required Regional Housing Needs Allocations (RHNA) with their SCS to facilitate housing development

in transit-accessible locations. RHNA are MPO estimates of the number of additional affordable housing units each jurisdiction needs to meet its projected growth. Finally, SB 375 allows an expedited state environmental review process for development projects that are consistent with the SCS.

The state established an incentive program in 2014, “Affordable Housing and Sustainable Communities (AHSC),” which offers grants and loans to development projects that further California’s climate change and affordable housing goals. The application process is extremely competitive due to insufficient funds. For the first three grant cycles since 2014, AHSC supported 6,000 affordable housing units, or 1% of the 540,000 affordable new units needed. This highlights the need for additional resources to provide incentives to produce more affordable housing.

MPOs can also provide incentives for jurisdictions to comply with SB 375 and RHNA affordable housing goals. The most innovative MPOs have linked transportation funding to housing, offering transportation funds for projects that are consistent with a SCS and a jurisdiction’s housing goals.

SB 375 did not include strong enforcement mechanisms, consequently jurisdictions unwilling to meet SB 375 planning requirements are largely unaffected. If a jurisdiction does not want new development, it faces few consequences for not complying. The report recommends strengthening enforcement of SB 375 and the RHNA housing goals. SB 35 passed in 2017, for example, opens the possibility for certain types of housing projects to be approved without review in jurisdictions that have not met their RHNA goals, but more needs to be done.

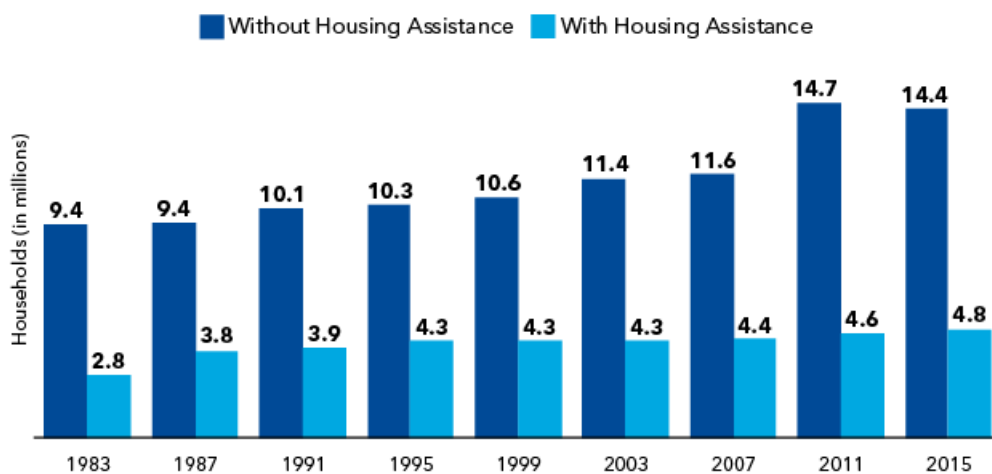
Finally, SB 375’s provisions that streamline and expedite the environmental review process for SCS-compliant projects have had minimal effect. Complicated requirements have discouraged many from utilizing the streamlining provisions.

The report, *California’s SB 375 and the Pursuit of Sustainable and Affordable Development*, is available at: <https://bit.ly/2zw5m0U>

Fact of the Week

Housing Assistance Fails to Keep Up with Need

Very Low Income Renters, With & Without Housing Assistance



Source: Joint Center for Housing Studies of Harvard University. (2018). *The State of the Nation's Housing*. Washington, DC: Author.

From the Field

New Jersey Advocates Win Increased Investment for Affordable Homes and Neighborhood Revitalization

New Jersey Governor Phil Murphy (D) and state legislators agreed on a budget on July 1 that for the first time in nearly a decade invests \$15 million in the New Jersey Affordable Housing Trust Fund. The budget also includes a 50% increase in the Neighborhood Revitalization Tax Credit, a successful community revitalization tool since 2002. Hundreds of members and supporters of the Housing and Community Development Network of New Jersey (HCDNNJ), an NLIHC state partner, worked for months to ensure that the governor and legislature fully funded the programs that protect the lowest income households in New Jersey.

Many legislators, including Assemblywoman Britnee Timberlake (D-34) and Assembly Housing and Community Development Committee Chair Benjie E. Wimberly (D-35), championed the Affordable Housing Trust Fund this budget cycle. The fund was created to construct and rehabilitate homes targeted to households with income less than 80% of the area median income. Since 2009, hundreds of millions of dollars were instead used to fund other programs in the state budget. As a candidate, Governor Murphy committed to spending Trust Fund dollars as intended. Advocates say this is a great first step toward solving New Jersey's housing crisis.

In addition to replenishing the Trust Fund, advocates secured a 50% increase in funding for the Neighborhood Revitalization Tax Credit. This popular program provides tax credits that encourage private businesses to invest in low and moderate income neighborhoods. The budget increase from \$10 million to \$15 million is the first in the program's history.

Advocates achieved these victories by showing up in force at the State Capitol for HCDNNJ's annual Legislative Day. More than 150 advocates met with 30 members of the legislature, describing the positive impact these funds have in their communities and urging them to support increased investments in affordable homes. HCDNNJ also told the legislators about a [poll conducted by Rutgers' Eagleton Institute](#) that found deep concern for housing affordability and strong support for investing the Trust Fund as intended.

"Network staff and board members will continue to work with the Murphy Administration and legislative leaders to secure additional resources and sound policy solutions to solve New Jersey's persistent housing affordability challenge," said Staci Berger, President and CEO of the Housing and Community Development Network of New Jersey. "We look forward to building a thriving New Jersey together."

For more information, contact Arnold Cohen at acohen@hcdnnj.org or 609-393-3752 x1600.

Resource

National Housing Trust Launches "Where Will We Live" Campaign for Affordable Housing

The National Housing Trust launched the "Where Will We Live" campaign on July 9. The campaign is a national engagement effort by the National Housing Trust, Enterprise Community Partners, and People's Action. Campaign staff travel to affordable housing communities to meet with residents, property managers, and service coordinators. The participants' experiences are recorded so that their stories can be shared with policymakers and the general public to build understanding and support for affordable housing.

Staff connect and coordinate with local and national organizations to create a cross-sector network of affordable housing advocates. These advocates will work together to draft op-eds, refer residents to civic engagement opportunities in the area, and educate their communities about affordable housing and how it relates to other issues such as access to health care, job opportunities, education and training, and transportation.

The “Where Will We Live” website is at <http://www.nationalhousingtrust.org/where-will-we-live>

For more information, contact: Halley Henry, National Housing Trust, 202-333-8931x135 or hhenry@nhtinc.org.

NLIHC in the News

NLIHC in the News for the Week of July 8

The following are some of the news stories that NLIHC contributed to during the week of July 8.

- “San Francisco's housing crisis puts pressure on historic Asian enclaves,” *NBCNEWS.com*, July 10 at: <https://nbcnews.to/2N3t0Uo>
 - “How Much Money Renters On Long Island Need For Modest Apartment,” *New York Patch.com*, July 10 at: <https://bit.ly/2NOy133>
 - “San Francisco's minimum wage is now \$15 an hour — here's how that stacks up to other major cities,” *Business Insider*, July 9 at: <https://read.bi/2uyqDRS>
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NLIHC News

Where to Find Us – July 16

NLIHC President and CEO Diane Yentel and other NLIHC staff will be speaking at the following events in the coming months:

- [A Home for Everyone 2018](#), Green Bay, WI on July 17
 - [Homes for All #RenterPower2018 Assembly](#), Atlanta, GA July 18-22
 - [POAH Quarterly Board Gathering](#), Boston, MA on August 7
 - [Oklahoma Coalition for Affordable Housing's 2018 Affordable Housing Conference](#), Oklahoma City, OK August 21-22
 - [Florida Housing Coalition Annual Conference](#), Orlando, FL on August 27
 - [NACCED Annual Conference](#), Minneapolis, MN on September 24
 - [Federal Reserve Bank of Philadelphia: Reinventing Our Communities: Investing in Opportunity](#), Baltimore, MD on October 1
 - [Utah's 14th Annual Homelessness Summit](#), Salt Lake City, UT on October 25
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Ed Gramlich, Senior Advisor, x314
Antoine Howell, Graphic Design & Communications Intern, x250
Paul Kealey, Chief Operating Officer, x232
Mike Koprowski, Director, Multisector Housing Campaign, x317
Joseph Lindstrom, Manager, Field Organizing, x222
Lisa Marlow, Communications Specialist, x239
Sarah Mickelson, Senior Director of Public Policy, x228
Khara Norris, Director of Administration, x242
Catherine Reeves, Development Coordinator, x234
Dina Rosin, Policy Intern, x241
Debra Susie, Disaster Housing Recovery Coordinator, x227
Elayne Weiss, Senior Policy Analyst, x243
Trey Walk, Field Intern, x252
Chantelle Wilkinson, Housing Campaign Coordinator, x230
Renee Willis, Vice President for Field and Communications, x247
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