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National Housing Trust Fund

What Does House Leadership Shake-up Mean for NHTF

Speaker of the House John Boehner's (R-OH) decision to resign from Congress at the end of October has set off speculation about who will replace him and who will move up in the Republican hierarchy. The ultra-conservative wing of the House Republicans, which threatened to unseat Mr. Boehner as Speaker, will continue to influence major decisions and may indeed have more power.

At this point, current Majority Leader Kevin McCarthy (R-CA) is expected to be the next Speaker. The major competition will be for the next Majority Leader. Among the names circulating is House Financial Services Committee Chair Jeb Hensarling (R-TX). If Mr. Hensarling moves up, there will need to be a new Chair for the Financial Services Committee. Representative Ed Royce (R-CA) has already announced his interest in the post.

Mr. Royce is the author of several legislative efforts to defund the National Housing Trust Fund (NHTF) When Federal Housing Finance Agency Director Mel Watt lifted the suspension on funding the NHTF from Fannie Mae and Freddie Mac, Mr. Royce introduced H.R. 574, the "Pay Back the Taxpayers Act of 2015," which would prohibit Fannie and Freddie from using funds for the NHTF as long as they remain in conservatorship (see *Memo*, [2/2/15](#)). He had introduced the same bill in the previous Congress. Mr. Royce was also behind the provision in the FY15 House Appropriations bill that would have prevented HUD from spending any federal funds to implement the NHTF (see *Memo*, [12/15/2014](#)).

On housing finance reform, Speaker Boehner was the backstop against further movement on Chair Hensarling's PATH Act, which would have eliminated Fannie and Freddie, and the NHTF in the process (see *Memo*, [7/26/13](#).) The bill, H.R. 2767, was voted out of committee, but never brought to the House floor. More centrist House Republicans and the housing industry opposed the bill. It remains to be seen if the new House leadership will be willing to entertain similar legislation.

Pope Francis on Lack of Housing

On September 25, 2015, NLIHC posted the blog below by President and CEO Sheila Crowley in which she reflects on Pope Francis's visit to Washington DC, September 23-24:

For those of us whose job it is to influence the U.S. Congress to help people who are poor and vulnerable, it's hard not to be deeply cynical about our democracy. The legislative process is a shambles, and public discourse offends more than enlightens. Getting serious about issues heard above the din of the toxic debate is nearly impossible. Well-honed advocacy tools are wasted defending the status quo at best, not advancing the cause.

But yesterday was different. Pope Francis spoke before a Joint Session of Congress; for 51 minutes, he appealed to our elected officials to get their act together and work for the common good. His delivery was gentle but firm. "You are called to defend and preserve the dignity of your fellow citizens in the tireless and demanding pursuit of the common good." And the common good includes everyone, but "especially those in situations of greater vulnerability and risk." Pope Francis made clear the imperative of elected officials. "Politics is an expression of our compelling need to live as one in order to build as one the greatest common good: that of a



community which sacrifices particular interests in order to share, in justice and peace, its goods, its interests, its social life.”

While Pope Francis covered a wide range of important issues, he wove concern for others throughout the speech. When he reminded those assembled of the Golden Rule, Congress cheered. He was direct that the “fight against poverty and hunger must be fought constantly and on many fronts, especially in its causes. . . . It goes without saying that part of this great effort is the creation and distribution of wealth.”

After addressing Congress, Pope Francis left the Capitol to have lunch with 300 homeless people at St. Patrick’s Church in downtown DC, where he declared: “Let me be clear. There is no social or moral justification, no justification whatsoever, for the lack of housing.” Did the Pope mean to give us a perfect tweet? Housing and homeless advocates sent the quote far and wide.

Despite working in Washington, I tend towards hopefulness and Pope Francis gave me reason to do so yesterday. His words offer guidance on how to speak about what the National Low Income Housing Coalition is trying to do. We are asking Americans to “sacrifice particular interests in order to share.” Specifically, we are asking well-off people with expensive homes to sacrifice some of their tax benefits in order to share federal housing assistance with people who lack decent and affordable housing. We are asking those who make their living in the home buying business to give up just a little to be able to help a lot.

Let *me* be clear. There is no justification whatsoever to continue to subsidize higher income homeowners through the tax code while anyone in our country lacks decent and affordable housing.

Thank you, Pope Francis. Let’s hope Congress heeds your message.

To visit NLIHC’s blog site, go to www.hfront.org

Federal Budget

Clean CR Taking Shape

Speaker of the House John Boehner (R-OH) announced he was resigning from Congress at the end of October, an action many believe clears the way for Congress to pass a “clean” Continuing Resolution (CR) to keep government programs operating through December 11, avoiding a government shutdown this week.

Senate Majority Leader Mitch McConnell (R-KY) is expected to move forward this week with a Senate vote on a clean CR. A clean CR is one without riders such as defunding Planned Parenthood. Advocates hope that passage of a short term CR will lead to a broader agreement to raise the sequester caps for FY16.



On September 24, the Senate rejected by a vote of 47 nays to 52 yeas a CR that would have prohibited any federal discretionary funding for Planned Parenthood in FY16. Joining most Democrats who voted against the CR were eight Republican Senators: Kelly Ayotte (NH), Susan Collins (ME), Tom Cotton (AR), Dean Heller (NV), Mark Kirk (IL), Lisa Murkowski (AK), Rand Paul (KY), and Ben Sasse (NE). Senator Joe Manchin (D-WV) was only Democrat to vote for the CR. Senator Barbara Boxer (D-CA) did not vote. Sixty votes in favor of the CR were required to avoid a filibuster.

Congress has until midnight on September 30 to pass a CR that the President will sign to avoid a government shutdown. The Senate could vote to pass a clean CR as early as September 29, leaving the House just one day to approve it. Speaker Boehner's decision to retire indicates that he is resolved to get a clean CR through the House to avoid a shutdown.

The CR that the Senate is expected to consider would fund federal programs at FY15 levels but would impose a .21% across-the-board cut to all defense and nondefense discretionary programs to comply with FY16 sequester spending caps mandated by the Budget Control Act of 2011.

The CR also includes language that would help address a problem in USDA Rural Development's (RD) Rental Assistance program. The CR would permit the amendment of rental assistance contracts entered into or renewed in 2015 that exhausted funds during their 12-month contract period. Because RD believes it cannot amend these contracts, RD has been advising owners that they may raise rents beyond their legal authority to do so. Approximately fifty Section 515 rental and Section 514/516 farm labor housing developments will exhaust their rental assistance on current contracts before September 30, 2015. Another several hundred properties will exhaust their funding between October 1 and December 31, 2015. With the language in the CR, RD would be able to amend contracts by an amount sufficient for owners to operate their developments for the remainder of their contract terms.

Passage of a short-term CR will provide Congress the opportunity to forge an agreement to end sequester caps for FY16. In his FY16 budget request, President Barack Obama is seeking \$76 billion in federal funding above the FY16 sequester spending caps. The President has stated that he will veto any spending bill that does not lift the caps.

Without the caps, appropriators would be able to avoid raiding the National Housing Trust Fund as the House THUD spending bill does in order to fund the HOME program. Appropriators could also choose to fully fund the renewal of all Housing Choice vouchers currently in use and to provide for 12-month contracts for all project-based rental assistance contracts expiring in 2016. Raising the caps would also allow Appropriators to avoid gutting the HOME program as the Senate Appropriations Committee's THUD spending bill does.

Senate THUD Appropriations Subcommittee Ranking Member Jack Reed (D-RI) spoke on the Senate floor on September 24 about the importance of raising the sequester spending caps, maintaining parity between defense and non-defense programs, and adequately funding housing programs. "If the caps stay," Senator Reed stated, "we won't be able to provide adequate and decent housing for our citizens."

During the weeks of September 14 and 21 national organizations participating in the Campaign for Housing and Community Development's "Caps Hurt Communities" campaign sent letters to Senate and House leadership urging them to lift the sequester spending caps and to adequately fund housing, homelessness, and community development programs. In its letter, NLIHC noted that "[t]he United States is experiencing a sustained and worsening affordable housing shortage, which disproportionately impacts the nation's lowest income households."

Read national organizations' letters urging Congress to raise the sequester spending caps at <http://www.caphurtcommunities.org/#!resources/cla6>

USICH

USICH Issues Guidelines for Addressing Youth Homelessness

On September 22, the U.S. Interagency Council on Homelessness (USICH) issued preliminary guidelines on preventing and ending youth homelessness through a comprehensive and coordinated community response.

Youth often experience homelessness differently than adults, so strategies for preventing and ending youth homelessness must be tailored to this population.

USICH describes recent improvements in collecting reliable data on youth homelessness and in building the capacity of communities to deliver effective services. According to HUD's latest Point-in-Time count of homeless individuals, approximately 45,000 unaccompanied children and youth under age 25 were living on the streets, in shelters, or in transitional housing on a given night in 2014. The majority of these youth were between 18 and 24 years of age.

To effectively respond to the issue of youth homelessness, USICH says policy makers and service providers need to focus on the unique needs of particularly vulnerable populations like trafficked youth or those who identify as lesbian, gay, bisexual, transgender or questioning, and to understand how age and developmental issues impact the ways youth experience homelessness.

USICH suggests a collaborative response that builds on local, state and federal efforts to support healthy families that:

- Prevents youth from becoming homeless by identifying and working with at-risk families;
- Identifies and engages youth who are at risk or who are experiencing homelessness to connect them with trauma-informed, culturally and age-appropriate interventions;
- Intervenes early when youth become homeless and make efforts toward family reunification when safe and appropriate;
- Develops coordinated entry systems to identify youth-appropriate types of assistance and prioritize resources for the most vulnerable youth;
- Ensures access to safe shelter and emergency services;
- Ensures that assessments respond to the unique needs and circumstances of youth; and
- Creates individualized services and housing options tailored to the needs of each youth, and include measurable outcomes.

Read the USICH guidelines at:

http://usich.gov/resources/uploads/asset_library/Ending_Youth_Homelessness_Coordinated_Response.pdf

From the Field

Virginia Housing Coalition Launches New Trust Fund Campaign

The Virginia Housing Coalition (VHC), a NLIHC State Coalition Partner, has launched the *Fund the Virginia Housing Trust Fund* campaign, an initiative to secure a dedicated source of revenue for the Virginia Housing Trust Fund (VHTF).

The campaign builds on VHC's successes in the 2015 session of the Virginia General Assembly (see *Memo, 3/23/15*). Despite a projected \$2.4 billion revenue shortfall in the state's budget, VHC's *Restore \$10 Million for Housing* campaign achieved appropriations of \$8 million for the VHTF and \$2 million for Virginia's Rapid Rehousing program over the next 2 years. VHC and advocates across the state also successfully advocated for passage of legislation that directs the Virginia Housing Commission to undertake a study of potential dedicated, non-appropriated sources of revenue for VHTF. According to VHC Policy Director Zack Miller, VHC is

“hoping to get a recommendation out of the Affordable Housing, Real Estate Law and Mortgages Workgroup of the Virginia Housing Commission and then the full commission coming into the 2016 session.”

As the Virginia Housing Commission studies potential revenue streams, VHC is pursuing strategies to build support for potential legislation to establish a dedicated source of revenue for the VHTF. Throughout the summer, VHC educated elected officials through meetings and tours of VHTF-funded projects. VHC also launched a website for the campaign that contains information about VHTF, its history and mechanics, recent affordable housing studies, and various fact sheets for advocates. Advocates visiting the site can endorse the campaign and share their own stories about the impact of VHTF funding.

VHC’s efforts also come amid growing interest from Governor Terry McAuliffe (D) in using affordable housing as a tool for economic development. VHC has commissioned the Center for Housing Research at Virginia Tech to conduct a study on the economic impact of the first VHTF projects funded in 2013. The results will be presented to the full Housing Commission, as well as to the Counties, Cities, and Towns Committee (CCT) in the Virginia House of Delegates. Any future bill to establish a dedicated source of revenue for the VHTF will likely need to pass through the CCT prior to a full vote on the House floor.

In the coming weeks, VHC will educate the public about the *Fund the Virginia Housing Trust Fund* campaign during a series of regional policy forums across the state. The forums will be an opportunity for Virginia residents to learn about Virginia’s current housing needs and latest housing policy developments.

For more on the *Fund the Virginia Housing Trust Fund* campaign, go to: <http://www.fundthevhtf.org/>

To see the Regional Policy Forum Schedule go to:

http://salsa3.salsalabs.com/o/50638/c/10316/t/0/blastContent.jsp?email_blast_KEY=1328433

For more information contact Zack Miller, VHC Policy Director, at zack@hdadvisors.net

Research

Study Predicts an Increase in Severely Cost Burdened Renters over Next Decade

A report by the Joint Center for Housing Studies of Harvard University and Enterprise Community Partners, *Projecting Trends in Severely Cost-Burdened Renters: 2015-2025*, predicts that the number of severely cost burdened renter households, those spending more than half of their income on housing, is likely to increase over the next decade due to demographic changes and rental cost increases that outpace income growth.

The study projected the number of severely cost burdened renter households for 2025 under various scenarios. The baseline scenario assumed both rental costs and income would increase at the expected 2% annual rate of inflation. Under this scenario, the number of severely burdened renters was predicted to increase by 1.3 million, from an estimated 11.8 million in 2015 to 13.1 million by 2025. This predicted growth can be attributed to a growing number of millennials and older adults. The report suggests that millennials are expected to form new households as they age but will be more likely to remain renters than previous generations. The number of severely cost burdened adults aged 25 to 44 would increase by almost 569,000. The report also recognizes the significant growth over the next decade in the number of adults aged 65 and older, about 30% of whom are expected to have a severe cost burden in this scenario. The number of severely cost burdened older adults would increase by almost 694,000.

The second scenario assumed that rental costs would increase faster than income over the next ten years. Under this scenario, an additional 400,000 renters were predicted to be severely cost burdened for every 0.25% increase in annual rental costs over income growth. For example, if annual rent increases are assumed to be

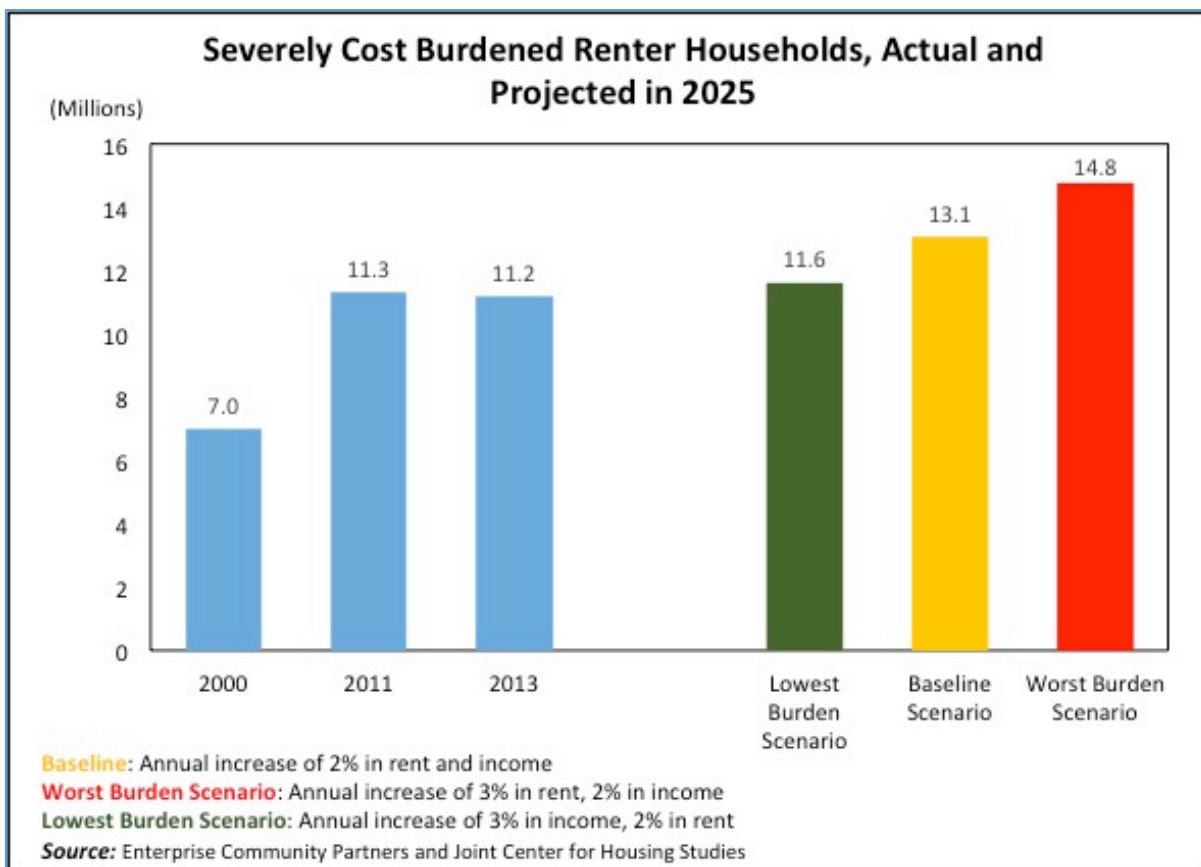
2.25% and annual income growth 2.00%, then the number of severely cost burdened renter households was predicted to increase by 1.7 million (1.3 million under baseline scenario + 0.4 million) from 11.8 million in 2015 to 13.5 million in 2025. The worst case in the second scenario assumed annual rent increases of 3% and annual income growth of 2%. Under these assumptions, the number of severely cost burdened renter households would increase by 3.0 million from 11.8 million in 2015 to 14.8 million in 2025. The number of severely cost burdened adults aged 25 to 44 would increase by more than 1.3 million and the number of severely cost burdened older adults aged 65 and older would increase by 1.0 million.

The third scenario assumed that income growth would outpace rent increases over the next ten years. Under this scenario, growth in the number of severely cost burdened renter households would decline by more than 370,000 relative to the baseline scenario for every 0.25% increase in annual income over annual rent increases. For example, if annual income growth was 2.50% and annual rent increases were 2.0%, then the number of severely cost burdened renter households would still increase by 0.5 million from 11.8 million in 2015 to 12.3 million in 2025. The best case under the third scenario assumed annual income growth of 3% and annual rental cost increases of 2%. Under these assumptions, the number of severely cost burdened renter households would decline by 0.2 million, from 11.8 million to 11.6 million renter households. The number of older adults aged 65 and older would still increase by 0.4 million.

Projecting Trends in Severely Cost-Burdened Renters: 2015-2025 is available at <http://bit.ly/1WeclwG>

Fact of the Week

Severely Cost Burdened Renter Households, Actual and Projected in 2025



Source: Enterprise Community Partners and Joint Center for Housing Studies (2015). Projecting Trends in Severely Cost-Burdened Renters: 2015-2025. Retrieved from <http://bit.ly/1WeclwG>

NLIHC News

NLIHC President and CEO Sheila Crowley Announces Retirement

After 17 years as President and CEO of the National Low Income Housing Coalition, Sheila Crowley announced her retirement in a press release issued September 22 (See *Press Release*, [9/22](#)). Sheila will continue with NLIHC through April 2016 to ensure a smooth and successful transition for her successor.

Brenda Clement, NLIHC Board Chair, commended Sheila for her devotion to NLIHC's mission and noted that Sheila's leadership has been "instrumental in shaping NLIHC to the force for change that it is today." "Sheila has developed partners and champions on both sides of the aisle, within Congress, multiple Administrations, and with thousands of low income housing advocates across the country," said Ms. Clement in her statement. "She has established, cultivated, and solidified the reputation of NLIHC as a trusted source of information for policymakers in Washington, DC and the members we serve. NLIHC is well positioned for continued success due in large part to Sheila's leadership and vision."



The NLIHC Board of Directors has formed a Search Committee, composed of Ms. Clement, six current board members, and George Moses, who was the Board Chair from 2006 to 2012. The board has engaged the consulting firm Nonprofit HR to facilitate the search. A job announcement will be released in the coming month.

For further information, as well as to provide recommendations to the Search Committee, please contact NLIHC's Executive Search Consultant, Patty Hampton, CSP, Managing Partner at Nonprofit HR via email at phampton@nonprofithr.com or 202-785-2060 ext. 103.

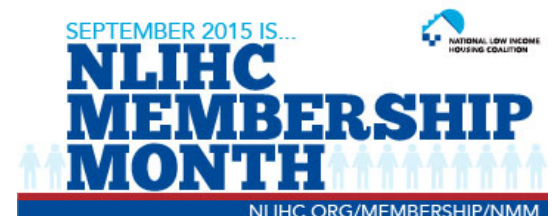
NLIHC Welcomes James Saucedo as New Housing Advocacy Organizer

On September 21, James Saucedo joined NLIHC as a Housing Advocacy Organizer. Prior to NLIHC, James worked at Ashoka Changemakers, where he served as a Finance & Administrative Associate. Prior to his work at Ashoka Changemakers, James was a Research Associate for a national real estate organization based in Washington, DC. In this role, James observed first-hand the gentrification trends in several cities across America. Originally from New Mexico, James earned his Bachelor of Science degree from the Georgetown University McDonough School of Business and served as a leader and member of several social justice-oriented student organizations.



NLIHC Membership Campaign Enters Final Week

NLIHC's Membership Month is entering its final week. We need your help in these final days of our campaign to encourage family members, friends and colleagues to join NLIHC in our mission to ensure safe, decent, affordable housing for the lowest income people in the U.S.



By joining NLIHC, you will become a part of growing movement of committed housing and social justice advocates across the nation. NLIHC's research provides cutting edge analysis of the state of affordable housing throughout the country. NLIHC's publications keep you up-to-date on the latest information about the state of homelessness and affordable housing in America, and our policy experts are relied on by policy makers and the nation's top media outlets for the breadth and depth of their expertise.

Your membership shows you care. Together we *can* end housing poverty and homelessness in America. To become an NLIHC member, go to <http://nlihc.org/membership/nmm>

We also encourage you to share information about our membership campaign on social media by using the hashtag #JoinNLIHC. Send us a photo of yourself holding a placard telling us what home means to you or why you decided to join NLIHC. We will use photos from our new and existing members as a collage at the end of the Membership Month and share your messages on our social media platforms. You can also read a series of interviews with our longstanding members as to why they joined NLIHC and why they think others should join. Read the interviews here: <http://hfront.org/2015/09/21/home-is-where-you-feel-physically-and-emotionally-secure/>

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