Agenda

a. Welcome
   Diane Yentel
b. The Gap
   Andrew Aurand
c. UFH Campaign Overview
   Diane
d. Solution & Opportunities
   Diane
e. Messaging & Tools
   Renee Willis
f. Questions/Closing
   Diane
Presenters

Diane Yentel
NLIHC President & CEO

Andrew Aurand
NLIHC Vice President of Research

Renee Willis
NLIHC Vice President of Field & Communications
The Gap: A Shortage of Affordable Homes

Presenter: Andrew Aurand
NLIHC Vice President of Research
The U.S. has a shortage of 7.4 million affordable rental homes available to the extremely low income renter households: there are just 35 affordable and available units for every 100 of these households.
THE GAP

FIGURE 5: UNITS AFFORDABLE AND AVAILABLE PER 100 ELI RENTER HOUSEHOLDS BY STATE

Source: NLIHC tabulations of 2015 ACS PUMS data. ©2017, National Low Income Housing Coalition

The 2017 figures should not be compared to previous years, because of a change in the definition of extremely low income.
FIGURE 2. AFFORDABLE AND AVAILABLE RENTAL HOMES PER 100 RENTER HOUSEHOLDS, 2015

- At Extremely Low Income: 35
- At 50% AMI: 55
- At 80% AMI: 93
- At 100% AMI: 101

AMI = Area Median Income
Source: NLIHC tabulations of 2015 ACS PUMS data.
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FIGURE 3: RENTER HOUSEHOLDS WITH COST BURDEN BY INCOME GROUP, 2015

- **Extremely Low Income**
  - Cost Burden: 9,939,068
  - Severe Cost Burden: 8,147,865

- **Very Low Income**
  - Cost Burden: 5,050,106
  - Severe Cost Burden: 2,167,860

- **Low Income**
  - Cost Burden: 4,240,264
  - Severe Cost Burden: 734,480

- **Middle Income**
  - Cost Burden: 968,677
  - Severe Cost Burden: 106,575

- **Above Median Income**
  - Cost Burden: 795,394
  - Severe Cost Burden: 68,855

Source: NLIHC tabulations of 2015 ACS PUMS data.
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Housing Poverty

A condition experienced by a person or family when they don’t have enough money to pay the cost of a modest, decent home and also pay for food, medicine, and other basic needs.
Figure 4: Cost Burdens and Housing Poverty by Renter Income Group, 2015

Source: NLIHC tabulations of 2015 ACS PUMS data. ©2017, National Low Income Housing Coalition
Solutions

• Greater resources for deeply targeted housing and housing assistance
  • National Housing Trust Fund
  • Rental Assistance
  • Low Income Housing Tax Credit

• Rebalance federal housing expenditures
United for Homes
Campaign Overview

Presenter: Diane Yentel
NLIHC President & CEO

www.unitedforhomes.org
Overview

United for Homes:

A national effort to rebalance federal housing policy by making modest changes to the mortgage interest deduction (MID) to provide tax relief to more low and moderate income homeowners and invest the significant savings into programs that ensure the lowest income people in the U.S., including those who are homeless can have decent, affordable homes.

www.unitedforhomes.org
Overview

2,310 Supporters in 435 Congressional Districts

United for Homes is a collaboration of more than 2,300 individuals and organizations—representing all 435 Congressional Districts—working to rebalance federal housing policy for those with the greatest need.

www.unitedforhomes.org
THE PROBLEM

HOUSING SHORTAGE
7.4 Million more affordable housing units are needed for extremely low income renter households

HOMELESSNESS
500,000+ people are experiencing homelessness on any given night

HOUSING POVERTY
71% of extremely low income renter households pay more than half their income on rent

UNDERFUNDED PROGRAMS
1 in 4 extremely low income households who need assistance receive it

INEQUITY
Less than 25% of federal housing dollars benefit low-income renters

www.unitedforhomes.org
Overview

Projected Mortgage Interest Deduction (MID) Tax Expenditure and HUD Budget (2015-2021)

Total MID Expenditure | HUD Budget Authority | HUD Budget Outlays

$120,000,000,000
$100,000,000,000
$80,000,000,000
$60,000,000,000
$40,000,000,000
$20,000,000,000


Note: Not in constant dollars.
Sources: MID projections from Table 14-2B of OMB’s Analytical Perspectives (2015). HUD budget authority and budget outlay data from OMB FY17 historical tables 5.2 and 4.1, respectively.

www.unitedforhomes.org
United for Homes seeks to **end homelessness**, **build a strong foundation**, and **strengthen communities** by providing tax relief to more low and moderate income homeowners and increasing federal investments in rental housing solutions for the lowest income people such as the national Housing Trust Fund and rental assistance programs.

We can make the investments we need by reforming the mortgage interest deduction, a tax write-off that largely benefits America's highest income households, and reinvesting the savings in housing solutions that assist people with the greatest needs.
Overview

New Alliances

*United for Homes* seeks to develop cross sector partnerships to **end homelessness, build a strong foundation**, and **strengthen communities**. The UFH Campaign emphasized the connection between housing and health, education, economic mobility, communities, jobs, and income equality and racial equity.
Overview

Our Integrated Approach

Health: Living in a stable, affordable home improves a family's mental and physical well-being.

Education: Children living in a stable, affordable home are more likely to thrive in school and have greater opportunities to learn inside and outside the classroom.

Economic Mobility: Helping families live in communities with access to good schools and good jobs helps them climb the ladder of economic success.

Communities: Investments in affordable housing boosts local economies and contributes to neighborhood and community development.

Jobs: Every dollar invested in affordable housing helps create jobs and increase local income and property values.

Income Equality: By investing in affordable homes, our nation can lift up families with the greatest needs and help close the gap between rich and poor.

Racial Equity: We can help level the playing field for families of color by investing in affordable homes.

www.unitedforhomes.org
The Solution

Presenter: Diane Yentel
NLIHC President & CEO
Reform the mortgage interest deduction (MID)—a $70 billion a year tax write-off that largely benefits America’s highest income households—to provide tax relief to more low and moderate income homeowners and reinvest the significant savings in rental housing that serves families with the greatest needs.
Here’s How:

- **Lower Mortgage Cap:** Reduce the amount of a mortgage eligible for tax write-off from $1 million to $500,000;

- **Convert to Tax Credit:** Turn the MID into a tax credit to benefit millions of lower income homeowners who currently do not benefit from the MID; and

- **Reinvest in Affordable Rental Housing:** Reinvest the savings generated—more than $241 billion over 10 years—in housing that serves families with the greatest needs.
Just 6.0% of Mortgages in the United States From 2013 to 2015 Were Over $500,000

Source: NLIHC analysis of Home Mortgage Disclosure Act (HMDA) data.

www.unitedforhomes.org
HOW WOULD REFORMING THE MID AFFECT A MARRIED COUPLE UNDER 65 WITH NO CHILDREN?

**LOWER INCOME**

INCOME: $45,000

MORTGAGE INTEREST PAID: $4,000

**CURRENT LAW: Deduction**

$2,904 TAXES OWED

**PROPOSED LAW: 15% Credit**

$2,304 TAXES OWED

$600 TAX CUT

**MIDDLE INCOME**

INCOME: $80,000

MORTGAGE INTEREST PAID: $8,000

**CURRENT LAW: Deduction**

$8,194 TAXES OWED

**PROPOSED LAW: 15% Credit**

$6,994 TAXES OWED

$1,200 TAX CUT

**HIGHER INCOME**

INCOME: $200,000

MORTGAGE INTEREST PAID: $20,000

**CURRENT LAW: Deduction**

$35,155 TAXES OWED

**PROPOSED LAW: 15% Credit**

$35,291 TAXES OWED

$136 TAX INCREASE

*Calculations by the Center for Economic and Policy Research. Based on 2012 Form 1040 (U.S. Individual Income Tax Return).*

[www.unitedforhomes.org](http://www.unitedforhomes.org)
# How Would Reforming the MID Affect a Head of Household Taxpayer with 2 Children Under 13?

<table>
<thead>
<tr>
<th>Income Level</th>
<th>Current Law: Deduction</th>
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<tr>
<td>Lower Income</td>
<td>$259 TAXES OWED</td>
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<tr>
<td>Middle Income</td>
<td>$7,016 TAXES OWED</td>
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<td>Higher Income</td>
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</table>

*Calculations by the Center for Economic and Policy Research. Based on 2012 Form 1040 (U.S. Individual Income Tax Return).*

www.unitedforforhomes.org
Opportunities

Presenter: Diane Yentel
NLIHC President & CEO
Opportunities

Tax reform is happening and reforms to the MID are on the table

Comprehensive tax reform provides a major opportunity to enact modest changes to the mortgage interest deduction and expand investments in affordable housing.

www.unitedforhomes.org
Messaging + Tools

Presenter: Renee Willis
NLIHC Vice President of Field & Communications

www.unitedforhomes.org
NEW
Website
Collateral
Videos
www.unitedforhomes.org
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@united4homes

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Facebook.com/UnitedforHomes
It’s never been easy. Our commitment is unwavering. Join us and amplify the voices of the poorest families in need.

OUR MEMBERS ARE OUR STRENGTH.

JOIN TODAY
WWW.NLIHC.ORG/MEMBERSHIP