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NATIONAL LOW INCOME HOUSING COALITION

MEMO TO MEMBERS

The Weekly Newsletter of the National Low Income Housing Coalition

NATIONAL HOUSING TRUST FUND

Letter Sent to FHFA Demanding Contributions to NHTF

Representing NLIHC and the Right to the City Alliance, Attorney Charles Elsesser of Florida Legal Services sent a letter to Federal Housing Finance Agency (FHFA) Acting Director Edward DeMarco demanding that FHFA make contributions to the National Housing Trust Fund (NHTF) immediately, as required by the Housing and Economic Recovery Act of 2008 (HERA). The letter, sent on April 15, states, "your continuing failure to [make contributions] is a direct violation of the terms of the Act, results in the loss of many hundreds of millions of dollars dedicated by Congress to those most in need of housing and must cease immediately."

HERA required that the government sponsored enterprises (GSEs) Fannie Mae and Freddie Mac transfer a portion of 0.042% of their new business to the NHTF. However, Fannie Mae and Freddie Mac were taken into conservatorship after the law was enacted, and their regulator, FHFA temporarily suspended contributions, as allowed under the statute.

The statute allows the contributions to be temporarily suspended if the allocations to the NHTF:

• Are contributing or would contribute to the financial instability of the enterprise;

• Are causing or would cause the enterprise to be classified as undercapitalized; or

• Are preventing or would prevent the enterprise from successfully completing a capital restoration plan under Section 1369C.

Mr. Elsesser says in the letter that the 2012 Securities and Exchange Commission's (SEC's) filings show both GSEs were profitable in that year and consequently, the conditions for the suspension no longer apply, the suspension should end immediately and "all suspended payments since, at a minimum, the first quarter of 2012" should be applied to the NHTF.

NLIHC President and CEO Sheila Crowley said in a press release that "ending the shortage of housing affordable for the lowest income people in our country ought to be a national priority. By bringing the GSEs into compliance with their statutory obligation to fund the National Housing Trust Fund, Mr. DeMarco can begin to address this longstanding and under-recognized problem. Implementing the National Housing Trust is overdue."

The full text of the letter is available at http://nlihc.org/sites/default/files/NLIHC_RTTC_Demand_Ltr_4-15-13.pdf.

View the press release at http://bit.ly/17O7bPO.

NLIHC Submits Comments to House Tax Reform Panel

NLIHC submitted comments to House Ways and Means Committee Real Estate Tax Reform Working Group on April 15, calling for modification of the mortgage interest deduction in order to fund the NHTF.

The Real Estate Working Group's Chairman and Vice Chairman are Representatives Sam Johnson (R-TX) and Bill Pascrell (D-NJ) respectively. The panel is charged with evaluating all aspects of the federal tax code that fall under the umbrella of "real estate." As part of this process, stakeholders and members of the public were invited to submit comments that will be summarized by the Joint Committee on Taxation (JCT) and included in a final report that also includes the Real Estate Working Group's findings. The report will be delivered by the JCT to the full Committee on Ways and Means on May 6.

No policy recommendations are expected to be included in the report, which is intended to be part of the groundwork needed to inform potential tax reform efforts this Congress. It remains uncertain if comprehensive tax reform will happen in the 113th Congress, but as recently as the week of April 7, House Committee on Ways and Means Committee Chair Dave Camp (R-MI) and Senate Finance Committee Chair Max Baucus (D-MT) indicated that they intend to work together this Congress to achieve this goal.

NLIHC's comments focus solely on the United for Homes campaign to fund the National Housing Trust Fund with revenue raised through modifications to the mortgage interest deduction. In addition in outlining the details of the proposal and providing supporting data, NLIHC President and CEO Sheila Crowley presented a case for why the time is right to modify the mortgage interest deduction and address the shortage of housing available and affordable for extremely low income households, a number that reached 7.1 million housing units in 2011.

Ms. Crowley said, "We readily acknowledge proposing to fund a federal trust fund by raising revenue through reform of a federal tax expenditure is unorthodox. But it is the kind of creative, out-of-the-box thinking that is required in this era of diminishing resources for low income housing programs."

Ms. Crowley also said, "There is bipartisan support for applying savings achieved through a modernization of the mortgage interest deduction to housing programs that serve the very poor," and noted that the Bipartisan Policy Center's Bipartisan Housing Commission said in its report, *Housing America's Future*, that revenue generated from changes in homeownership tax subsidies should be applied to affordable rental housing programs. Ms. Crowley also included a list of the more than 1,000 endorsers of the United for Homes Campaign in the comments.

The committee reports that more than 100 comments have been submitted and there consequently is a delay in the posting of public comments that have been submitted, including NLIHC's. All comments are expected to be posted on the committee's website early in the week of April 22.

View NLIHC's comments at http://nlihc.org/sites/default/files/U4H_RealEstateWorkingGroup_Comments_4-15-13.pdf.

View all submitted stakeholder comments at http://1.usa.gov/ZEvngN.

Learn Tips for Describing NHTF Funding Proposal to Realtors in Next United for Homes Webinar

The United for Homes Campaign continues its series of webinars on the proposal to fund the National Housing Trust Fund (NHTF) with revenues generated from modifications to the mortgage interest deduction on April 26. The next webinar that will help campaign supporters explain proposal to fund the National Housing Trust Fund with revenue generated from modifications to the mortgage interest deduction to realtors.

The webinar will take place on Friday, April 26 at 3 pm ET. Sheila Crowley, NLIHC President and CEO, will give the presentation. Attendees will have the opportunity to ask questions at the end of the presentation.

Register for the webinar at http://bit.ly/ZEyRQr.

Please save the date for our next webinar:

• Friday, May 3, 3-4pm ET: Making Twitter an Effective Tool for Spreading the United for Homes Message

FEDERAL BUDGET

House Holds FY14 Appropriations Hearings

The House THUD Subcommittee held a hearing on the President's FY14 budget request to Congress on April 17. Subcommittee Chair Tom Latham (R-IA) welcomed HUD Secretary Shaun Donovan, the sole witness, to the hearing and thanked him for his for continued service, which the Chair said "is very much appreciated."

In his opening statement, Chair Latham commented that it is challenging to compare HUD's FY14 request to spending in prior fiscal years because of the HUD funding anomalies included in the FY13 Continuing Resolution and the Federal Housing Administration (FHA) receipts in HUD's budget request.

HUD's gross spending, said the Chairman, is higher in this request than the FY13 enacted levels and these increases are not fully explained by HUD. The Chair specifically pointed to the additional funding for the Neighborhood Stabilization Initiative and the quadrupled request for the Choice Neighborhoods Initiative. Chair Latham contrasted the President's request to increase funding in these accounts while cutting the Community Development Block Grant program and the HOME Investment Partnerships program.

The Chair also expressed concern about the number of authorizing provisions included in the HUD budget request and suggested that these are "no substitute for genuine leadership on reform" in the form of authorizing legislation.

Ranking Member Ed Pastor (D-AZ) thanked the Secretary for his leadership in helping communities recover from Hurricane Sandy. Mr. Pastor expressed concern that the FY13 funding level is insufficient to "keep every person fully housed… this year." The Ranking Member said he was pleased that the President's request included an increase for Section 8 funding and a modest increase for public housing; however, he was concerned that the growth of these programs comes at the expense of the rest of HUD's programs.

Representative Nita Lowey (D-NY), Ranking Member of the Committee on Appropriations, said that she is concerned about the long-term health of HUD. Ms. Lowey noted that HUD's programs serve several million low income seniors and people with disabilities and that these housing programs are not protected from sequestration. Ms. Lowey said that 125,000 families will lose assistance because of sequestration.

Secretary Donovan provided the subcommittee with an overview of HUD's contribution to the President's budget: growing the economy from the middle class out, assisting in the recovery of the housing market, and creating ladders of opportunity. The FY14 HUD budget would create or retain 620,000 jobs, said the Secretary. HUD would also dedicated 84% of the budget to the rental programs and homeless assistance, serving people with an average annual income of $12,000.

The Secretary said that offsetting receipts from FHA allow HUD to request increased funding for critical programs. The receipts also allow HUD to participate in the Promise Zones initiative, contributing funds through the Neighborhood Stabilization Initiative to the three successful rounds of Neighborhood Stabilization Program funding to address foreclosures. The Secretary also noted that HUD's budget will fund the Office of Economic Resilience and increase efficiency of HUD's rental programs through reforms that would save $2.8 billion over the coming years. These changes to HUD's structure and practice will "better serve residents and save taxpayers money," said the Secretary.

Secretary Donovan also touted the department's successful progress on ending homelessness through, in large part, Veterans Affairs Supportive Housing (VASH) vouchers. These successes, said the Secretary are in danger of being reversed, however, unless Congress decides to reverse the harmful cuts of sequestration.

Ranking Member Pastor asked the Secretary about HUD's decision to request funding for CDBG that is the lowest funding level since 1976. In his district, Mr. Pastor said, he has seen "families getting keys to homes that had been rehabbed" through CDBG funds.

Secretary Donovan mirrored Mr. Pastor's support for the programs, saying that 100,000 properties have been renovated or rebuilt through CDBG and that the program has created 85,000 jobs. This has contributed to vacancy rates declining in 75% of neighborhoods where these dollars are invested. However, the Secretary said that "if we're going to prioritize keeping people in their homes, this puts pressure on other parts of the budget." Secretary Donovan said that he believes that funding for the CDBG and HOME Investment Partnerships programs should be increased from current levels.

Representatives Pastor, Tom Cole (R-OK), and Latham raised concerns about Indian housing loans and credit commitments. The Secretary said that he shared the concern over credit commitments for both the Indian housing and multifamily programs in HUD's portfolio. In the case of multifamily properties, HUD makes money by extending the credit commitment, said the Secretary. Leaving this unchanged would mean a $200 million loss to the taxpayers and a loss of 22,000 jobs.

Representative Michael Quigley (D-IL) asked the Secretary about plans to consolidate the Housing Opportunities for Persons with AIDS (HOPWA) program with HUD's homeless systems. Mr. Quigley expressed concerns that the agency will lose focus on HOPWA issues if the programs are merged. Secretary Donovan assured Mr. Quigley that HUD does not intend to merge the HOPWA program funds with Homeless Assistance Grants but instead is considering merging the staffing and oversight functions within HUD. The Secretary described this step as one of many HUD must take due to the fiscal challenges the department faces under sequestration. We have to "look for efficiencies where we can," said the Secretary. The Secretary explained that there are also programmatic reasons to merge these functions, saying that "more and more people struggling with AIDS are already or are imminently" facing homelessness.

Representative Jamie Herrera-Beutler (R-WA) questioned the Secretary about the $10.2 billion budget request for the Project-Based Rental Assistance (PBRA) program and whether this would fully fund contracts for 12 months. Secretary Donovan said that the request "is sufficient to fully fund the project based contracts," assuming that sequestration is reversed. If sequestration is not reversed, HUD will be short on funding for contracts in FY13 and will be forced to short-fund contracts in FY14. The account will be $1.2 billion short if sequestration is not reversed.

Ms. Herrera-Beutler asked the Secretary for assurances that HUD will fund PBRA contracts, regardless of the result of sequestration debates. The Secretary said that "if Congress doesn't appropriate the funding, we will short-fund [the contracts]." He said that Congress can remedy this by providing an advanced appropriation later in the fiscal year. If Congress does not take these actions, owners will start to opt out of the program and HUD will lose affordable housing. The Secretary also said that delaying funding makes it "more expensive to run projects…. Reserves and rates will go up and this will actually raise costs for the programs."

Chair Latham questioned Secretary Donovan about why legislation reforming the Section 8 program has not moved forward. The Secretary noted barriers in past legislative sessions, including "poison pills like immigration, issues like expansion of the Moving to Work program." These reforms, if authorized, could result in $383 million in saving next year alone, said the Secretary. The Chair asked what HUD could accomplish without these statutory changes. The Secretary said HUD has already taken steps to streamline administration, change the cost increase factor for programs, take back reserve funding to reinvest in other areas of the budget, and reduce utility costs.

Mr. Pastor questioned the Secretary about leasing of Section 8 vouchers and whether FY14 funding will be affected by the FY13 baseline. The Secretary said that the Administration estimates that 125,000 families who would have received vouchers by mid-year instead will remain on waiting lists for these vouchers. He said that HUD has identified 750 public housing agencies (PHAs) that will not be able to deal with sequestration by making other program cuts, even if they stop leasing now. These PHAs will have to take back vouchers from households that are currently looking for units and evict households currently housed.

Representative Charlie Dent (R-PA) requested that the Secretary provide PHAs with the flexibility to change rent payment standards without a lengthy waiting period as a way to mitigate sequestration and serve additional families.

Secretary Donovan said that changing payment standards is a practice HUD will use when it is the "right alternative, but we have to make sure it isn't going to hurt lots of families to help others." The Secretary pointed to other proposals in the budget meant to allow PHAs flexibility to help mitigate impacts from cuts that would be preferential to changing payment standards, which could harm residents.

USDA Secretary Tom Vilsack also testified before the House Appropriations subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies on April 16. The Secretary twice responded to questions from subcommittee members about the potential impacts of sequestration. If sequestration is not reversed, said Secretary Vilsack, 15,000 households will lose their rental assistance as early as August. In addition to this loss of subsidy and housing, the Secretary said that many of the properties that currently have families with rental assistance as tenants will face foreclosures.

Organizations, Elected Officials Urged to Sign Letter to Increase Housing Funding Allocation in FY14

The Campaign for Housing and Community Development Funding (CHCDF) and other national organizations are circulating a letter to House and Senate appropriators that calls for an increase to the FY14 Transportation, Housing and Urban Development, and Related Agencies (THUD) 302(b) subcommittee allocation. CHCDF is a campaign of more than 70 national organizations concerned about funding for affordable housing and community development programs that is staffed by NLIHC.

Congressional appropriations work customarily begins with the House and Senate Committees on Appropriations dividing the total spending amount for the fiscal year among the 12 appropriations subcommittees. This portioning is referred to as a 302(b) allocation. The subcommittee that provides funding to HUD is the THUD subcommittee.

"The THUD allocation uniquely promotes the well-being of our home communities by providing essential seed capital and program funding that enables public and private partners to build critical transportation infrastructure, spur economic development in communities, and help more than five million seniors, people with disabilities, and other families to afford stable housing," write the organizations.

The organizations call for an increase to the allocation, noting the importance of affordable housing, community development and transportation funding to low income households and underserved communities. The THUD allocation was 24% lower in FY13 than in FY10.

In 2012, over 1,700 organizations in every state supported increasing the FY13 302(b) allocation for the Departments of Transportation and HUD. The FY14 letter is now open for national, state, and local organizations and elected officials to sign to demonstrate their support for increasing funding for the THUD subcommittee in order to increase HUD's prospects for additional funding in FY14. NLIHC urges all organizations concerned about HUD programs to sign onto the letter by the deadline of April 30.

The House and Senate are expected to set their 302(b) allocations as early as the first full week of May.

View the letter at http://bit.ly/11hK10d (PDF).

Sign onto the letter at http://bit.ly/17O8Wwb.

Senators, Representatives Continue to Make FY14 Funding Requests

The House and Senate Committees on Appropriations prepared FY14 programmatic appropriations requests and held hearings on affordable housing programs during the week of April 15. At the beginning of April, Members of the House began circulating "dear colleague" sign-on letters in support of FY14 HUD and USDA budget requests (see *Memo*, 4/5).

The House Transportation, Housing and Urban Development, and Related Agencies subcommittee deadline for programmatic requests is April 22, and the House Agriculture, Rural Development, Food and Drug Administration, and Related Agencies subcommittee deadline was April 17. The Senate Committee on Appropriations programmatic request deadline is April 26 for the THUD and Agriculture subcommittees; several Senate "dear colleagues" are circulating currently.

Senator Chuck Schumer (D-NY) is circulating a letter in support of strong funding for the Rural Housing Service programs of the USDA. The deadline for Members to sign the letter is April 23.

Senator Richard Durbin (D-IL) is circulating a letter in support of funding the HOPWA program at $335 million in FY14. The deadline to sign onto the letter is April 25.

Senators Patrick Leahy (D-VT) and Chris Coons (D-DE) are circulating a letter in support of $1.2 billion for the HOME program. The deadline for Senators to sign on is April 23.

Senator Leahy is also circulating a letter in support of funding the Community Development Block Grant (CDBG) at $3.3 billion. Members can sign on until April 23.

Senator Sherrod Brown (D-OH) is supporting funding the Fair Housing consistent with the President's request in FY14. The deadline for members to join his letter is April 22.

Other letters are expected during the week of April 23.

MORE CONGRESS

FHFA Acting Director DeMarco Testifies Before Senate Panel

Federal Housing Finance Agency (FHFA) Acting Director Edward DeMarco testified at a hearing held by the Senate Committee on Banking, Housing, and Urban Affairs, "Oversight of the Federal Housing Finance Agency: Evaluating FHFA as Regulator and Conservator," on April 18. Steve Linick, FHFA Inspector General was also a witness.

Several Senators commended Mr. DeMarco for his performance as FHFA Acting Director. Senator David Vitter (R-LA) thanked Mr. DeMarco "for refusing to use Fannie and Freddie as a piggy bank for things that are popular for some forums in the short-term." Senator Vitter did not further elaborate on this comment.

A portion of the discussion was about the necessity for and likelihood of reform of the government sponsored enterprises (GSEs) Fannie Mae and Freddie Mac in the 113th Congress. Ranking Member Mike Crapo (R-ID) said "instead of a time-out, the conservatorships have been a perpetual state of limbo," referring to the current status of the GSEs. Ranking Member Crapo later said that he fears with the GSEs now profitable, there is a closing window of time in which GSE reform would be possible in Congress.

Senator Vitter noted that the Committee has not yet held a markup since September 8, 2011, and urged that the Committee soon consider S. 563, the Jumpstart GSE Reform Act. The legislation was introduced by Senator Vitter as well as Senators Bob Corker (R-TN), Mark Warner (D-VA) and Elizabeth Warren (D-MA). Mr. DeMarco said in his testimony, "I share the view of the sponsors that now is the time to address reform of the housing finance system. I look forward to working with all of you as you move forward on that effort."

Senator Jack Reed (D-RI) asked about FHFA's decision not to allow for principal reductions on GSE loans. Mr. DeMarco responded that FHFA has implemented other programs that result in similar outcomes to principal reductions for borrowers, and said that after a careful analysis, FHFA determined that allowing for principal reductions under the Home Affordable Modification Program (HAMP) was not consistent with FHFA's mandate as conservator.

Senator Richard Shelby (R-AL) and Senator Warner asked about the GSEs multifamily portfolio and trends in multifamily foreclosures. Mr. DeMarco indicated that the multifamily portfolio is continuing to perform quite well, and that the intended reduction of the GSEs footprint in the multifamily market should not be cause for concern and should not affect liquidity in the multifamily market.

While not mentioned at the hearing, Mr. Linick's testimony also discussed compliance with consumer protection laws. "We found in a March 2013 report that FHFA does not examine how the Enterprises monitor compliance with consumer protection laws, and the Enterprises do not ensure that their counterparties from which they purchase loans comply with such laws… further, FHFA has not attempted to enforce compliance with contractual provisions. We recommend that FHFA develop a risk-based plan to monitor the Enterprises' oversight of their counterparties' contractual compliance with applicable laws and regulations. FHFA agreed with our recommendation."

Also relevant to the hearing is the fact that the Housing and Economic Recovery Act (HERA) statute calls for the National Housing Trust Fund to be funded through contributions by the GSEs. FHFA suspended the contributions when the GSEs went into conservatorship. NLIHC holds the position that now that the GSEs are making profits, they should begin contributing to the NHTF immediately (see elsewhere in *Memo*). This issue was not raised any testimony or questions at the hearing; NLIHC however has asked for a determination to be made on this issue by April 30.

An archived hearing webcast and all witness testimony are available at http://1.usa.gov/17O7M3W.

HUD

Final Notice Implements Tenant Protection Set-Aside

Out of a $75 million FY12 Appropriations Act provision for tenant protection vouchers, $10 million was set aside for low income households in low-vacancy areas who may have to pay more than 30% of their income for rent at three types of HUD-assisted multifamily properties (see *Memo*, 11/18/11). The tenant protection assistance may be enhanced vouchers or project-based vouchers. Senators Richard Durbin (D-IL) and Scott Brown (R-MA) introduced this provision in response to advocates identifying at-risk tenants.

A notice intended to implement this provision, PIH 2012-19, had many flaws identified by advocates (see *Memo*, 3/23/12) and was withdrawn by HUD when the Senators raised the advocates' concerns. A proposed notice PIH 2012-39 was issued that was an improvement, but still had a number of shortcomings noted by advocates (see *Memo*, 10/12/12).

A final notice, PIH 2013-08, was issued on April 12, 2013. It has one improvement. Instead of limiting assistance to residents who would be paying more than 40% of their income for rent, a three-tiered system is established. First priority would still go to residents who would have to pay more than 40% of their income for rent, but if funds remain, then a second tier priority would assist household who would have to pay more than 35% of their income. A third tier would cover, if funds are available, households who would have to pay more than 30% of their income.

Key problems were not addressed in the final notice, including:

• Instead of making the full $10 million available as provided in the FY12 Appropriations Act, HUD is only setting aside $4 million (down from $6 million in PIH 2012-19). As in the previous notices, HUD states that because the $10 million is a set aside within $75,000,000 appropriated for all tenant protection needs, such as tenants displaced by public housing demolition, the department wants to ensure resources are available for other tenant protection assistance needs. However, if tenant protection vouchers are not needed for other situations, the notice indicates that HUD may add to the $4 million.

• The notice still requires owners to request tenant protection vouchers and does not provide a mechanism for tenants to make a request if the owner does not. Owners only have until June 14, 2013 to apply.

PIH Notice 2013-8 is at http://1.usa.gov/17O8Dl3 (PDF).

DISASTER HOUSING

Bipartisan Letter Sent to Speaker Boehner Urging Sandy Tax Relief

A group of 32 Representatives sent a letter to House Speaker John Boehner (R-OH), urging him to work to quickly pass tax legislation that would benefit victims of Super Storm Sandy.

The Super Storm Sandy Tax Relief Act was introduced on December 19, 2012 (see *Memo*, 1/2). However, this legislation died shortly thereafter at the end of the 112th Congress. While the new 113th Congress quickly enacted an emergency supplemental appropriations bill to address Sandy-related needs, Sandy-related tax legislation has not yet been reintroduced or considered as part of a broader package.

The letter, led by Representatives Bill Pascrell (D-NJ), Frank LoBiondo (R-NJ), Joe Crowley (D-NY), and Tom Reed (R-NY), called for Speaker Boehner to work with lawmakers to quickly enact the provisions of the Super Storm Sandy Tax Relief Act. “Hurricane Sandy was the second-costliest natural disaster in the history of our country, and its victims in New York, New Jersey, Connecticut, and across the region seek relief consistent with that which Congress provided to other areas of the country when they have faced similar hardship. One of the main roles of government is the protection of its citizens, and our constituents still need help,” said the signatories in the letter.

In a press release, the signatories called for reforms contained in the Super Storm Sandy Relief including an increased allocation of the Low Income Housing Tax Credit for declared disaster areas and a waiver of certain mortgage revenue bond requirements. The bill, which is expected to be reintroduced, also includes Individual Assistance provisions, including but not limited to allowing families in affected regions to opt to use their previous year’s earnings to calculate their Child and Tax Credit and Earned Income Tax Credit, and a waiver of the Adjusted Gross Income limitation for theft/loss deduction, so households can deduct the cost of uninsured losses. Also included are business assistance and public and municipal tax relief provisions.

The text of the letter is available at http://1.usa.gov/ZfZEGf.

FROM THE FIELD

New York City Campaign Calls on Next Mayor to Make Ending Homelessness a Top Priority

The Supportive Housing Network of New York, an NLIHC state coalition partner, is leading the effort to establish a coalition of nonprofit organizations, faith-based leaders, service providers and homeless individuals that will use the 2013 New York City elections to draw attention to the city’s growing number of homeless individuals and families. The coalition, United to End Homelessness (UEH), officially launched on April 9 and has a developed a platform outlining steps the next Mayor and City Council members must take to end the homelessness crisis.

Due to term limit, Mayor Michael Bloomberg (I) will step down following 12 years in office, as will 19 City Council members. Advocates expect that the new elected officials will have to address unprecedented levels of homelessness, and they are holding candidates accountable for advancing solutions to address the issue. More than 57,000 people, 22,000 of them children, sleep on the streets or in city-funded shelters, according to UEH. This is the largest homeless population ever recorded in the city, a 58% increase for sheltered homeless individuals and 68% increase for homeless families since 2002. These statistics do not include city residents who remain displaced by Super Storm Sandy.

According to the U.S. Census, 55% of New York City renter households are rent burdened and 30% are severely rent burdened, spending 30% and 50% of their income on rent, respectively. The high cost of housing and lack of rental assistance remain the greatest contributors to the city’s homeless crisis. As a result, UEH and other advocates are calling on future leadership to invest in such programs as permanent supportive housing and targeted affordable housing that are proven in their ability to prevent or end homelessness. In 2012, New York City spent more than $908 million on shelter and homeless services, a 68% increase from 2002.

More than 300 people attended the UEH April 9 launch, which took place on the steps of City Hall. Keith Hunter, a supportive housing resident, spoke about his struggle with homelessness prior to and following foster care, and the ways that a home and support network changed his life. He was joined at the podium by other formerly or currently homeless individuals, as well as faith-based and community leaders fighting homelessness in the city.

UEH had more than 150 organizations endorse its platform by the time of the launch. The platform includes a series of solutions to help prevent, mitigate and end New York City’s homelessness crisis, including increased funding for homeless prevention programs, expanding housing assistance resources, expanding and creating affordable housing for the lowest income residents, and improving planning around natural disaster-induced homelessness.

"Ending homelessness should be a top priority for the next administration and we look to the next Mayor to have a plan for doing so," said Ted Houghton, the Network's executive director. "Supportive housing must be a major part of any successful plan; it is the most effective way to house New Yorkers with disabilities or barriers that make it hard for them to keep their homes. Supportive housing lets people live in hope and dignity, saves taxpayers millions of dollars in expensive emergency services and replaces empty lots with beautiful new buildings."

To watch the campaign video, visit http://youtu.be/289_E-gBiJ4.

For the campaign website, including the UEH platform, visit www.endhomelessnessnyc.org .

For more information, contact Edline Jacquet at ejacquet@shnny.org.

RESOURCES

Interim Report on Homeless Interventions Shows Challenges, Opportunities

An interim report on the Family Options Study (formerly the Study of the Impact of Housing and Services Interventions for Homeless Families), finds that several project-based homeless interventions are unable to shift resources based on need, program eligibility requirements often exclude many families in shelters in need of assistance, homeless families are highly motivated to pursue permanent housing subsidies, and finally, low participation rates may suggest a gap between program services and what options families value.

The HUD-sponsored study measures and compares the impacts of four interventions commonly used to help families experiencing homelessness: community based rapid re-housing (CBRR), project-based transitional housing (PBTH), permanent housing subsidies (SUB), and the usual care (UC) emergency shelters. This report, the second of three expected reports on the study, provides baseline characteristics of study participants and preliminary data on intervention take-up (participation).

The four interventions differ in terms of type of housing, length of support, and degree of related services; these differences could affect both the probability of participation and the extent of impact. CBRR provides temporary, private market rental assistance for 2-6 months (with potential renewals up to 18 months) and limited case management focused on housing and income. PBTH provides temporary housing in agency-controlled buildings for 6-12 months, on average, and intensive support services. SUB (usually in the form of a housing voucher) provides permanent, private market rental assistance with no case management once leased-up. UC provides emergency shelter services, including extensive case management services, for a median length of 30 to 90 days.

Between September 2010 and January 2012, 2,307 families across twelve communities enrolled in the study. In order to be eligible for the study, families had to have been in emergency shelters for at least seven days, have at least one child under the age of 15 at the time of enrollment, and provide informed consent. The study sites include Alameda County, Atlanta, Baltimore, Boston, Bridgeport/New Haven, Denver, Honolulu, Kansas City, Louisville, Phoenix, Salt Lake City, and Minneapolis (including surrounding Hennepin County). Each provider of CBRR, PBTH, and SUB had its own eligibility requirements, with some stricter than others, so to be part of the study families also had to meet local program eligibility criteria for at least two interventions offered. Families were then randomly assigned to one of the interventions locally available.

Comparing baseline surveys and the most recent *Annual Homelessness Assessment Report* (AHAR), the report finds that participants are very similar to the U.S. homeless population as a whole. The typical family size is 3.29 people (comparable to 3.37 persons in AHAR's 2010 data), headed by an adult female of about 29 years old with one to two children. Thirty-one percent of families had more than one adult at the baseline. Across all twelve sites, racial characteristics were similar to those of homeless families nationwide: 41% of the study participants are African-American and 20% are Hispanic. Study participants reported that they either had a poor rental history (26% had been evicted) or that they had never been a leaseholder at all (35%). Responding to eligibility questions, 14% reported that at least one adult in the family had been convicted of a felony for drugs or other offenses.

As each intervention is voluntary and participation in the intervention on its own is expected to affect families, participation is a critical component of the overall study. Compared to the other interventions, PBTH had the lowest participation rate, at 29%. Some families interviewed said that location of housing relative to support networks, employment, transportation, and children's schooling were important, suggesting that location choice was a factor in take-up. Families receiving PBTH assistance must move into agency locations and do not have private market choices like those receiving SUB and CBRR assistance. The participation rate for the CBRR intervention, about 46%, is substantially less than that for the SUB intervention (72%). Qualitative interviews with study participants show that the opportunity to have permanent housing (only in SUB) was highly motivating and that most of the sub-group families were able to pass the subsidy program's eligibility criteria.

A final report on the study is expected in 2014. This report will provide an impact analysis of the interventions and their costs, utilizing administrative data and participant surveys 18 months after enrollment. The Family Options Study will thus provide substantive longitudinal data to help determine which of these homeless interventions best address homelessness among families, from housing stability to well-being and self-sufficiency.

Access the report at http://bit.ly/17O56mW.

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New Brief Provides Examination of Changes in U.S. Rental Market, 2009 to 2011

A new brief from the United States Census Bureau looks at four measures of rental market conditions in metropolitan areas using data from the American Community Survey (ACS). A follow-up on *Rental Housing Market Condition Measures: 2009*, the new report shows changes in housing costs, housing cost burdens, rental vacancy rates, and the renter share of total households from 2009 to 2011.

According to the brief, the national median gross rent was $871 in 2011, down from $880 in 2009. Only 80 of the 366 metro areas experienced a statistically significant change in median gross rent between 2009 and 2011, with 23 areas seeing an increase and 57 areas experiencing a decrease. Among the 50 most populous metropolitan areas, all experienced a decrease in median gross rent from 2009 to 2011, except for the Washington-Arlington-Alexandria, DC-VA-MD-WV Metro Area and the New York-Northern New Jersey-Long Island, NY-NJ-PA Metro Area, which saw increases of $26 and $15, respectively. Median gross rents ranged from $502 in the Wheeling, WV-OH metro area to $1,460 in the San Jose-Sunnyvale-Santa Clara, CA metro area.

Despite a slight overall decrease in median gross rent between 2009 and 2011, the report finds that there was an increase in the percentage of renter households experiencing a housing cost burden from 2009 to 2011. In this report, a household has a housing cost burden if it spends 35% or more of income on housing costs. Forty-four percent of all renter households had a housing cost burden in 2011, an increase of 1.8 percentage points from 2009.

Though most (58%) of the 366 metro areas had no statistical difference from the 2011 national rate, some of the heaviest burdens occurred in Florida, California, and Louisiana. More than half of all renter households were burdened in Miami-Fort Lauderdale-Pompano Beach, FL, Orlando-Kissimmee-Sanford, FL, Riverside-San Bernadino-Ontario, CA and New Orleans-Metairie-Kenner, LA.

Authors note that a trend in steady or increasing incomes and declining median gross rents might have suggested a decreasing percentage of burdened renters. However, of the 50 most populous metro areas, only Richmond, VA and Buffalo-Niagara Falls, NY became more affordable to renters between 2009 and 2011.

The report also discusses rental vacancy rates and the share of total households that are renters. The national rental vacancy rate went from 8.4% in 2009 to 8.2% in 2010 and to 7.4% in 2011. This steadily decreasing rate suggests a tightening rental market. The decline in rental vacancy rates was especially pronounced in the 50 most populous metro areas. Finally, the renter share of occupied housing increased from 34.1% in 2009 to 35.4% in 2011.

Access the full research brief at http://1.usa.gov/17O6shy (PDF).

NLIHC NEWS

NLIHC Hiring Communications Associate

The National Low Income Housing Coalition in Washington, D.C. seeks a well-qualified and talented communications associate. Reporting to the communications director, the communications associate will be responsible for implementing NLIHC's communications activities in a manner that advances our mission of ending the nation's affordable housing crisis.

The communications associate's duties include assisting in the execution of NLIHC's public relations and media outreach strategies, distributing press releases, editing publications, and strengthening NLIHC's online and social networking presence. We seek candidates with excellent writing and editing abilities, strong computer and website management skills, and demonstrated experience with the use of social and other electronic media. Experience with Adobe Creative Suite a plus.

A Bachelor's degree is required for the position, which is based in Washington, D.C. A commitment to social justice is a core qualification for employment. Awareness of federal housing policy issues is strongly preferred. NLIHC is an equal opportunity, affirmative action employer.

Interested candidates should forward a cover letter, salary requirements, resume, and a writing sample to Bill Shields, Vice President of Operations, 727 15th Street, N.W., 6th Floor, Washington, DC 20005, or to bill@nlihc.org. No phone calls, please.

2013 *Advocates' Guide* Available for Purchase

The 2013 *Advocates' Guide to Housing and Community Development Policy*, the latest edition of this National Low Income Housing Coalition classic, is now available for purchase. It is a compendium of all federal housing, community development, and related programs and issues with both current and historical information. Whether you are a new employee at a housing agency, a student in an urban planning program, or a seasoned affordable housing advocate looking for a refresher on key programs, this book will give you the overview of housing programs and advocacy tools you need to be a leader in the affordable housing movement.

To order a copy of the 2013 *Advocates' Guide to Housing and Community Development Policy*, please contact Christina Sin at christina@nlihc.org or 202-662-1530 x224. NLIHC members receive a discounted rate, and special bulk rates are also available.

NLIHC's *Advocates' Guide* is made possible by the generosity of PNC.

NATIONAL LOW INCOME HOUSING COALITION

MEMO TO MEMBERS

April 12, 2013
Volume 18, Issue No. 16

FACT OF THE WEEK

Take-up Rates Significantly Higher for Permanent Housing Subsidies Compared to Other Interventions

Interventions	Number of Families Assigned	Number of Families to take-up (enroll) in intervention	Take-up rate
CBRR	578	263	45.5%
PBTH	371	106	28.6%
SUB	604	433	71.7%
All Interventions	2,307	1,556	67.4%

Notes: Interventions include community based rapid re-housing (CBRR), project-based transitional housing (PBTH), permanent housing subsidies (SUB), and the usual care (UC) emergency shelters. All families assigned to UC are considered to have received the UC intervention.

Source: U.S. Department of Housing and Urban Development (2013). *Interim Report: Family Options Study*. Exhibit 5-1: Intervention Take-Up Rates as of September 1, 2012

Retrieved from: http://www.huduser.org/portal/family_options_study.html

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ABOUT NLIHC

The National Low Income Housing Coalition is dedicated solely to achieving equitable federal policy that assures affordable, accessible, and healthy homes for the people with the lowest incomes in the United States.

Established in 1974 by Cushing N. Dolbeare, NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone.

TELL YOUR FRIENDS!

NLIHC membership is the best way to stay informed about affordable housing issues, keep in touch with advocates around the country, and support NLIHC's work.

NLIHC membership information is available at www.nlihc.org/join. You can also e-mail us at outreach@nlihc.org or call 202-662-1530 to request membership materials to distribute at meetings and conferences.

Follow @NLIHC on Twitter!

Become a fan of NLIHC on Facebook!

Check out NLIHC's blog, *On the Home Front*, at www.nlihc.wordpress.com!