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Budget and Appropriations

More than 1,000 Organizations Call on Congress and President Trump to Reach Agreement on FY19 Spending Bills and Avert Another Shutdown

More than 1,000 organizations signed onto NLIHC and the Campaign for Housing and Community Development Funding's (CHCDF's) letter to Congress and President Trump urging them to come to an agreement on final FY19 spending bills and to avoid another shutdown when the current continuing resolution ends on February 15. The letter emphasizes the tens of thousands of low-income households put at risk during the recent shutdown and urges passage of FY19 spending bills with robust funding for affordable housing and community development programs. The letter also urges congressional leadership and President Trump to lift the Budget Control Act spending caps for 2020, which would lead to drastic cuts to housing and community development programs.

The letter will be delivered to congressional offices this week.

See the letter at: <u>https://bit.ly/2I0KwLg</u>

Join Letter Urging Congress to Lift Harmful Sequester Spending Caps for FY20

NDD United, a broad group of stakeholders interested in protecting federal nondefense discretionary (NDD) funding, is coordinating a <u>sign-on letter</u> urging Congress to end the harmful Budget Control Act sequester spending caps, which return in full-force for the FY20 appropriations process. These spending caps will force lawmakers to make deep cuts to housing programs.

NLIHC represents housing, homeless, and community development organizations on the steering committee of NDD United. We encourage all housing, homeless, and community development advocates to join the letter to produce a strong showing from the housing field.

The deadline to sign the letter is February 8. Please share the letter with your networks and encourage others to sign on. <u>Read and sign onto the letter here</u>.

Congress

NLIHC Provides Memo to 116th Congress Offering Solutions to Rental Housing Crisis

NLIHC released on January 30 "<u>Opportunities to End Homelessness and Housing Poverty in the 116th</u> <u>Congress</u>," a memo for incoming senators and representatives suggesting concrete steps they can take to help address one of the most critical issues facing extremely low-income families – the lack of decent, accessible, and affordable housing.

Expanding affordable housing solutions for the nation's poorest families should be a top priority for Congress. In the 2018 election, affordable housing was squarely on the agenda in many states and districts. Newly-elected representatives ran and won on platforms with bold housing solutions – from expanding housing vouchers and increasing funding for the national Housing Trust Fund to addressing homelessness. These leaders now join other bipartisan congressional champions of expanding affordable housing investments.

NLIHC's memo provides members of Congress with specific legislative recommendations to pursue – whether through an infrastructure spending package, the appropriations process, housing finance reform, or other initiatives – to make critical investments in affordable housing that will help the economy, communities, children, and families thrive.

NLIHC encourages advocates and organizations to use NLIHC's "<u>Opportunities to End Homelessness and</u> <u>Housing Poverty in the 116th Congress</u>" to help educate members of Congress about proven and new solutions to the country's growing rental housing crisis.

Read NLIHC's memo at: https://bit.ly/2G9HcLv

Senators Reintroduce 'Voucher Mobility' Bill to Improve Access to High-Opportunity Neighborhoods

Senators Todd Young (R-ID), Chris Van Hollen (D-MD), Marco Rubio (R-FL), Amy Klobuchar (D-MN), Roy Blunt (R-MO), and Maggie Hassan (D-NH) introduced S. 291, the "Housing Choice Voucher Mobility Demonstration Act," on January 31. The bipartisan bill, which aims to incentivize greater choice and mobility in HUD's existing voucher program, builds on the same legislation introduced by Senators Young and Hollen during the 115th Congress.

If enacted, the Housing Choice Mobility Demonstration Act would require PHAs to draft and submit regional housing mobility plans on how to help families move to high-opportunity areas. HUD would be authorized to then competitively award demonstration program funds, prioritizing regional collaborations among PHAs with factors such as an existing high-performing Family Self Sufficiency program or high concentrations of voucher holders in low-opportunity neighborhoods and an adequate number of moderately-priced rental units in higher-opportunity areas. After five years, HUD will evaluate the program's effectiveness.

Read Senator Young's official press release at: https://bit.ly/2RwpTX9

House Finalizes Committee Rosters for 116th Congress

The House has finalized the membership of committees and announced subcommittee leadership for the 116th Congress.

House Financial Services Committee

Chair Maxine Waters (D-CA) and Ranking Member Patrick McHenry (R-NC) lead the full committee. Below is the full roster. Representatives William "Lacy" Clay (D-MO) and Sean Duffy (R-WI) will serve as the new chair and ranking member, respectively, of the Subcommittee on Housing, Community Development, and Insurance (*Those who sit on the subcommittee are marked with an asterisk).

- Maxine Waters (D-CA)
- Carolyn B. Maloney* (D-NY)
- Nydia M. Velázquez* (D-NY)
- Brad Sherman* (D-CA)
- Gregory Meeks (D-NY)
- William Lacy Clay* (D-MO)
- David Scott (D-GA)

- Al Green* (D-TX)
- Emanuel Cleaver* (D-MO)
- Ed Perlmutter (D-CO)
- Jim A. Himes (D-CT)
- Bill Foster (D-IL)
- Joyce Beatty* (D-OH)
- Denny Heck* (D-WA)
- Juan Vargas* (D-CA)
- Josh Gottheimer (D-NJ)
- Vicente Gonzalez* (D-TX)
- Al Lawson* (D-FL)
- Michael San Nicolas (D-GU)
- Rashida Tlaib* (D-MI)
- Katie Porter (D-CA)
- Cindy Axne* (D-IA)
- Sean Casten (D-IL)
- Ayanna Pressley (D-MA)
- Ben McAdams (D-UT)
- Alexandria Ocasio-Cortez (D-NY)
- Jennifer Wexton (D-VA)
- Stephen F. Lynch (D-MA)
- Tulsi Gabbard (D-HI)
- Alma Adams (D-NC)
- Madeleine Dean (D-PA)
- Jesús "Chuy" García (D-IL)
- Sylvia Garcia (D-TX)
- Dean Phillips (D-MN)
- Patrick McHenry (R-NC)
- Peter T. King (R-NY)
- Frank D. Lucas (R-OK)
- Bill Posey (R-FL)
- Blaine Luetkemeyer* (R-MO)
- Bill Huizenga* (R-MI)
- Sean P. Duffy* (R-WI)
- Steve Stivers (R-OH)
- Ann Wagner (R-MO)
- Andy Barr (R-KY)
- Scott Tipton* (R-CO)
- Roger Williams (R-TX)
- French Hill (R-AR)
- Tom Emmer (R-MN)
- Lee M. Zeldin* (R-NY)
- Barry Loudermilk (R-GA)
- Alexander X. Mooney (R-WV)
- Warren Davidson (R-OH)
- Ted Budd (R-NC)
- David Kustoff* (R-TN)
- Trey Hollingsworth (R-IN)

- Anthony Gonzalez* (R-OH)
- John Rose* (R-TN)
- Bryan Steil* (R-WI)
- Lance Gooden* (R-TX)
- Denver Riggleman (R-VA)

House Committee on Appropriations

Representative Nita Lowey (D-NY) serves as chair and Representative Kay Granger (R-TX) serves as ranking member of the full Appropriations Committee. Representative David Price (D-NC) will serve as chair of the Subcommittee on Transportation, and Housing and Urban Development, and Related Agencies with Representative Mario Diaz-Balart (R-FL) serving as ranking member (*Those who sit on the subcommittee are marked with an asterisk).

- Nita Lowey (D-NY)
- Marcy Kaptur (D-OH)
- Peter Visclosky (D-IN)
- José Serrano (D-NY)
- Rosa DeLauro (D-CT)
- David Price* (D-NC)
- Lucille Roybal-Allard (D-CA)
- Sanford Bishop (D-GA)
- Barbara Lee (D-CA)
- Betty McCollum (D-MN)
- Tim Ryan (D-OH)
- C. Ruppersberger (D-MD)
- Debbie Wasserman Shultz (D-FL)
- Henry Cuellar (D-TX)
- Chellie Pingree (D-ME)
- Mike Quigley* (D-IL)
- Derek Kilmer (D-WA)
- Matt Cartwright (D-PA)
- Grace Meng (D-NY)
- Mark Pocan (D-WI)
- Katherine Clark* (D-MA)
- Pete Aguilar* (D-CA)
- Lois Frankel (D-FL)
- Cheri Bustos (D-IL)
- Bonnie Watson Coleman* (D-NJ)
- Brenda Lawrence* (D-MI)
- Norma Torres* (D-CA)
- Charlie Crist (D-FL)
- Ann Kirkpatrick (D-AZ)
- Ed Case (D-HI)
- Kay Granger (R-TX)
- Harold Rogers (R-KY)
- Robert Aderholt (R-AL)
- Michael Simpson (R-ID)
- John Carter (R-TX)

- Ken Calvert (R-CA)
- Tom Cole (R-OK)
- Mario Diaz-Balart* (R-FL)
- Tom Graves (R-GA)
- Steve Womack* (R-AR)
- Jeff Fortenberry (R-NE)
- Charles Fleischmann (R-TN)
- Jamie Herrera Beutler (R-WA)
- David Joyce (R-OH)
- Andy Harris (R-MD)
- Martha Roby (R-AL)
- Mark Amodei (R-NV)
- Chris Stewart (R-UT)
- Stephen Palazzo (R-MS)
- Dan Newhouse (R-WA)
- John Moolenaar (R-MI)
- John Rutherford* (R-FL)
- William Hurd* (R-TX)

House Ways and Means Committee

Chair Richard Neal (D-MA) and Ranking Member Kevin Brady (R-TX) will lead the House Ways and Means Committee.

- Richard Neal (D-MA)
- John Lewis (D-GA)
- Lloyd Doggett (D-TX)
- Mike Thompson (D-CA)
- John Larson (D-CT)
- Earl Blumenauer (D-OR)
- Ron Kind (D-WI)
- Bill Pascrell (D-NJ)
- Danny Davis (D-IL)
- Linda Sánchez (D-CA)
- Brian Higgins (D-NY)
- Terri Sewell (D-AL)
- Suzan DelBene (D-WA)
- Judy Chu (D-CA)
- Gwen Moore (D-WI)
- Dan Kildee (D-MI)
- Brendan Boyle (D-PA)
- Don Beyer (D-VA)
- Dwight Evans (D-PA)
- Brad Schneider (D-IL)
- Tom Suozzi (D-NY)
- Jimmy Panetta (D-CA)
- Stephanie Murphy (D-FL)
- Jimmy Gomez (D-CA)

- Steven Horsford (D-NV)
- Kevin Brady (R-TX)
- Devin Nunes (R-CA)
- Vern Buchanan (R-FL)
- Adrian Smith (R-NE)
- Kenny Marchant (R-TX)
- Tom Reed (R-NY)
- Mike Kelly (R-PA)
- George Holding (R-NC)
- Jason Smith (R-MO)
- Tom Rice (R-SC)
- David Schweikert (R-AZ)
- Jackie Walorski (R-IN)
- Darin LaHood (R-IL)
- Brad Wenstrup (R-OH)

2019 Housing Policy Forum

Advocates to Discuss Federal Fixes to Achieve Equitable Disaster Recovery at NLIHC 2019 Housing Policy Forum, March 27-29

Major disasters in 2017 and 2018 caused immense damage, exacerbating the housing crisis in impacted communities and leaving low-income households with even fewer options for safe, sanitary, and affordable housing. The current response and recovery systems often fail to address the housing needs of the lowest-income people, and with the frequency of disasters increasing, the federal government needs to adjust. At NLIHC's 2019 Housing Policy Forum: *Seizing the Moment for Bold Solutions*, advocates from impacted areas will discuss the current issues they face during the recovery process and the federal solutions that are needed to ensure equitable rebuilding. The Forum will take place in Washington, DC, March 27-29. Register today at: http://www.nlihcforum.org/

Speakers on equitable disaster housing recovery will be:

- Adi Martinez, Fundación Fondo de Acceso a la Justicia in Puerto Rico
- Ilene Jacobs, California Rural Legal Assistance
- Trey Reffett, Office of Senator Brian Schatz (D-HI)
- Chrishelle Palay, Houston HOME Coalition (moderator)

Other topics to be addressed at this year's forum include:

- The state of affordable housing in 2019, recent successes and challenges, and emerging opportunities
- The state of play related to affordable housing on Capitol Hill in 2019
- Achieving greater racial equity in housing
- The affordable housing crisis in rural areas and tribal lands and advocacy strategies to achieve real solutions.
- The growing Opportunity Starts at Home multi-sector affordable housing movement
- The U.S. eviction epidemic and its solutions
- Getting started building and preserving homes for people with the lowest incomes though the national Housing Trust Fund

- Best practices in non-partisan voter engagement and ways to get candidates for public office to make affordable housing a priority in their campaigns
- Working with and making housing an issue with the media
- The future of public housing
- Achieving development without displacement
- Research on the issues and solutions related to housing for extremely vulnerable populations
- The keys to state, local, and resident-led organizing
- Low-income resident leadership
- And more

Learn more about the Forum and register today at: http://www.nlihcforum.org/

Honor the 2019 Housing Leadership Awardees Rep. Emanuel Cleaver, Pinky Clifford, and Dr. Mitchell Katz

Join NLIHC in recognizing 2019 Housing Leadership Award honorees **Representative Emanuel Cleaver** (D-MO); **Emma "Pinky" Clifford**, executive director of the Oglala Sioux Tribe Partnership for Housing and NLIHC board member; and **Dr. Mitchell Katz**, president and CEO of NYC Health + Hospitals. All three honorees will be recognized at **NLIHC's 37th Annual Housing Leadership Awards Reception** on Thursday, March 28 at the Washington Court Hotel in Washington, DC. Learn more and make a contribution to NLIHC in honor of these outstanding leaders today!

Representative Cleaver will receive the 2019 Edward Brooke Housing Leadership Award for his years of leadership in Congress, unwavering commitment to addressing the needs of the lowest income people in the U.S., and steadfast support for federal affordable housing and homelessness programs. As ranking member of the Housing and Insurance Subcommittee, he co-authored the "Housing Opportunity Through Modernization Act," a comprehensive bipartisan housing bill passed into law unanimously in 2017. The award is named after former U.S. Senator and NLIHC Board Chair Edward W. Brooke

Emma "Pinky" Clifford will receive the Dolbeare Lifetime Service Award, named for NLIHC's founder Cushing Niles Dolbeare, a true pioneer of the affordable housing movement. Ms. Clifford will receive the award for her many years of leadership and dedication on behalf of Native Americans and her tireless work to secure decent, safe, and affordable homes for the lowest income people living on Pine Ridge Reservation.

Dr. Mitchell Katz will receive the Sheila Crowley Housing Justice Award, named after former NLIHC President and CEO Sheila Crowley, who led NLIHC for more than 17 years. Dr. Katz will receive the award for elevating public and policy-maker awareness about the connections between health, housing, and homelessness and for implementing bold solutions to meet the affordable housing needs of the lowest income people.

Make a donation to NLIHC in their honor today! There are three ways to make a contribution:

- Donate Online as an Individual
- Donate Online as an Organization
- Download the Pledge Form and Submit Via Email

Your contribution will help NLIHC achieve socially just public policy to ensure the lowest income people in America have decent, affordable homes.

The 2019 Leadership Awards Reception will be held on the second evening of NLIHC's 2019 Housing Policy Forum: *Seizing the Moment for Bold Solutions* taking place March 27-29. Register for the Forum and/or Leadership Awards Reception at: <u>https://bit.ly/2SzJcjW</u>

National Housing Trust Fund

Senator Crapo Releases Banking Committee Agenda, Housing Finance Reform Outline

Senator Mike Crapo (R-ID) released the Senate Banking, Housing, and Urban Affairs Committee's agenda for the 116th Congress. A key piece of the agenda is to begin assessing proposals to reform the current housing finance system. Priorities include establishing appropriate levels of taxpayer protection, preserving the 30-year fixed rate mortgage, increasing competition among mortgage guarantors, and promoting access to affordable housing. The Chairman insisted perpetual conservatorship of the government sponsored entities (GSEs) Fannie Mae and Freddie Mac is not sustainable, signaling his intentions to release the enterprises from government control. Just three days after releasing the Committee's agenda, Chairman Crapo released an outline for housing finance reform.

Under Representative Crapo's outline, the GSE's duty-to-serve requirements and affordable housing goals would be replaced with a new Market Access Fund providing grants, loans, and credit enhancements to underserved and low-income communities. The Market Access Fund, along with the national Housing Trust Fund and Capital Magnet Fund, would be collectively funded through an annual assessment of 10.0 basis points of total annual loan volume, although the precise funding levels for each program are not specified.

The Committee's release of the housing finance reform outline comes on the heels of a *MarketWatch* report from January 19 claiming FHFA employees were told to expect a White House reform plan "within weeks," implying the Trump administration would attempt to release the GSEs from conservatorship without Congressional input. The FHFA has since received letters from both the House and the Senate regarding critical next steps, and the White House appears to have walked back its initial intention to act unilaterally.

Senator Sherrod Brown (D-OH), the Committee's ranking member, released the following statement on GSE reform: "I will fight to ensure that any efforts to reform the housing market start by addressing the affordability crisis that is hurting too many renters and homeowners across this country. Too often Congress and the White House have put Wall Street ahead of working people, and we cannot let that happen when it comes to the stability of our housing market. Failure to put working people first would threaten access to affordable homeownership and rental housing, put the viability of the 30-year mortgage at risk, and hit lower income communities, communities of color, and rural Americans particularly hard. The Banking Committee must hold hearings to carefully examine our housing market and listen closely to feedback provided by homeowners, renters, the Civil Rights community and lenders. I look forward to working with my colleagues."

Senator Crapo's press release on the agenda can be found at: https://bit.ly/2sYwu2H

The Committee press release on the outline can be found at: https://bit.ly/2S0Gszi

Read NLIHC President and CEO Diane Yentel's testimony before the House Financial Services Committee on alleviating the affordable housing crisis through comprehensive housing finance reform at: https://bit.ly/2D1Gltc

Senators Collins and Reed Urge Continued Funding of Housing Trust Fund and Capital Magnet Fund

Senators Jack Reed (D-RI) and Susan Collins (R-ME) have called upon the Federal Housing Finance Agency (FHFA) to continue funding the national Housing Trust Fund (HTF) and Capital Magnet Fund (CMF) to help address the lack of affordable rental housing in America. The funds are capitalized through a small assessment (0.042%) on the books of business of Fannie Mae and Freddie Mac, which are regulated by the FHFA. The letter reminds Acting FHFA Director Joseph Otting that both funds were created on a strong bipartisan basis to address a critical lack of affordable housing in every state. To emphasize the nationwide reach of the affordable housing crisis, Senators Collins and Reed reference NLIHC's research (*The Gap: A Shortage of Affordable Homes*) that finds no state has an adequate supply of rental housing for extremely low-income households. The senators' letter can be read <u>here</u>.

Opportunity Starts at Home

Researchers Find Rental Assistance Bills Would Be Most Efficient in Reducing Poverty

As described by <u>Dylan Matthews at *Vox*</u>, a team of researchers at Columbia University's Center on Poverty and Social Policy analyzed five bills recently proposed by Democratic presidential hopefuls or likely hopefuls to see which bills would reduce poverty most efficiently. The team found that the bills expanding rental assistance are the most efficient, dollar-for-dollar, in reducing poverty.

Of the five bills, two would greatly expand the Earned Income Tax Credit: "The LIFT Act" by Senator Kamala Harris (D-CA) and "The GAIN Act" by Senator Sherrod Brown (D-OH) and Representative Ro Khanna (D-CA). "The American Family Act" by Senators Brown and Michael Bennet (D-CO) would establish a child allowance, providing parents regular stipends for each child. "The Rent Relief Act" by Senator Harris and "The HOME Act" by Senator Cory Booker (D-NJ) would significantly expand rental assistance through renters' tax credits.

Researchers found that all five bills would lift millions out of poverty. Each of the five bills vary in size and incur different costs, however, so the researchers dug deeper to explore how the bills compared if they all cost the same. They found that the rental assistance bills proved most efficient in reducing poverty.

As Columbia's Sara Kimberlin explained in the *Vox* article, housing and utilities "generally make up the largest share of total basic needs expenses for most families." It is not surprising, then, that greater rental assistance would have a large impact on poverty reduction.

The *Vox* article also suggests that this type of expansion of rental assistance would likely increase the overall demand for housing. Thus, any comprehensive strategy to tackle the housing affordability crisis should also include "supply-side" solutions to expand the overall stock of affordable housing. It is worth noting that the researchers did not analyze "The American Housing and Economic Mobility Act" introduced by presidential hopeful Senator Elizabeth Warren (D-MA), which would dramatically increase the supply of deeply affordable housing through major investments in the national Housing Trust Fund.

The *Vox* article, "5 anti-poverty plans from 2020 Democratic presidential contenders, explained," is at: <u>https://bit.ly/2RXvcnq</u> On January 24, the *<u>Opportunity Starts at Home</u>* multi-sector affordable homes campaign released <u>*Within Reach*</u>, a policy agenda that articulates a bold plan for both demand-side and supply-side federal solutions.

HUD

HUD Informs PHAs about Voucher and Public Housing Funds Available for Coming Months

HUD's Office of Public and Indian Housing (PIH) sent an email to public housing agency (PHA) executive directors on February 1 describing Housing Choice Voucher renewal and public housing Operating Fund availability for the coming months under the continuing resolution set to expire on February 15.

For Housing Choice Vouchers, PIH indicated that March and April Housing Assistance Payment (HAP) renewal funding disbursements will be made on time at a 99% proration rate. Full funding for administrative fee payments will be made available for March and April. PHAs with HUD-held reserves will still be able to request additional funding from those reserves if the HUD disbursement is not sufficient to cover a PHA's HAP through April.

PIH will be providing public housing Operating Funds at an 88% proration rate for March, April, and May.

The PIH email is at: <u>https://bit.ly/2DOPzus</u>

HUD's Office of Multifamily Housing Sends Out Two Post-Shutdown Memos

HUD's Office of Multifamily Housing Programs sent two memos to property owners, HUD offices, and lenders on February 1, one discussing the resumption of Multifamily asset management activities, the other discussing the resumption of Multifamily production activities.

The Multifamily asset management memo stated that the first priority of that office is work related to tenant health and safety, including contract renewals and subsidy payments. HUD is currently allocating new funding made available by the continuing resolution (which expires on February 15) to support renewal of expiring contracts for Section 8 Project-Based Rental Assistance (PBRA), Section 202 Supportive Hosing for the Elderly, and Section 811 Supportive Housing for Persons with Disabilities properties. In addition, HUD notes that additional funding is now available for ongoing Section 8 PBRA contracts to ensure timely payments through April 1.

HUD acknowledges that there are some properties with expiring contracts for which renewals might not be fully processed by February 1. If necessary, such properties with HUD-controlled reserves may request loans from reserve accounts in the interim.

The Multifamily production activities memo states that HUD's first priority is to identify and prioritize work on loans that have been issued a firm commitment and are in a position to reach initial or final endorsement, meaning the complete closing package was submitted before December 21, 2018, with only minor corrections necessary to close. Of these, HUD's priority will be loans that have critical external deadlines such as Low Income Housing Tax Credits, rate-lock extension fees, and purchase-sale agreements with substantial penalties.

The asset management memo is at: https://bit.ly/2Rzjfz8

The production activities memo is at: https://bit.ly/2Ghx7Mr

HUD and New York City Reach Agreement on NYC Housing Authority

HUD Secretary Ben Carson and New York City Mayor Bill de Blasio announced on January 31 that they reached an agreement on how to address problems related to health, safety, and agency operations at the New York City Housing Authority (NYCHA). The agreement avoids HUD having to place NYCHA into receivership, which was a concern to advocates (see *Memo*, <u>12/17/18</u>). Instead, HUD and the U.S. District Court for the Southern District of New York (SDNY), after consultation with NYCHA and the City, will appoint a federal monitor to be chosen "on the basis of merit." The agreement also sets out detailed requirements for addressing past problems pertaining to mold, elevator outages, pest infestations, and lack of heat.

The Monitor

The agreement clearly states that the monitor will not be responsible for NYCHA's day-to-day operations. The monitor will report quarterly to HUD, SDNY, and the U.S. Environmental Protection Agency, and these quarterly reports ("or a summary") must be publicly available on NYCHA's website.

The monitor must engage with NYCHA stakeholders, including residents and resident groups. The monitor must convene, at least quarterly, a Community Advisory Committee consisting of NYCHA stakeholders such as the Resident Advisory Board (RAB) and representatives for residents, the community, employees, and senior NYCHA managers.

NYCHA must prepare Action Plans setting forth policies, practices, and specific actions to address heating outages, mold, elevator outages, pests, and annual inspections. Each Action Plan must be submitted to the monitor for approval, with copies sent to HUD and SDNY. Each monitor-approved Action Plan must be posted on NYCHA's website.

The City will pay all the costs associated with the monitor and any staff, expert consultants, or third-party contractors.

Shifting the Financial Burden from HUD to the City

The City agrees to provide a total of nearly \$2 billion for capital expenses and \$972 million for operating expenses spread out in smaller increments from fiscal years 2018 to 2027, as outlined in Appendix C. As promised previously, the City will also provide an additional \$1 billion for capital repairs over four years and an additional \$200 million for such uses each year for at least six years after the first four years. HUD will not, however, increase funding for NYCHA's estimated \$32 billion capital shortfall. HUD agrees to support NYCHA's PACT plan to convert approximately 62,000 units of public housing under the Rental Assistance Demonstration (RAD), with a unique use of HUD's Section 18 demolition/disposition process that will grant waivers to allow tenant protection vouchers to be converted to project-based vouchers for a portion of the units (see *Memo*, 12/17/18).

Addressing Lead-based Paint, Heat Outages, Mold, Elevator Repairs, and Pest Infestations

Exhibit A of the agreement details requirements for addressing lead-based paint problems. Within 30 days NYCHA must identify all developments built before January 1, 1978 (when lead-based paint was eliminated from the market) and the units in them, termed "Lead Paint Units." NYCHA must create an "Immediate Action List" that identifies a subset of those units that NYCHA has reason to believe are occupied by or routinely visited by a child under the age of six. Also within 30 days, NYCHA has to perform at least one visual assessment of each Lead Paint Unit on the Immediate Action List. NYCHA must eliminate any lead-based paint

hazards in these homes by undertaking interim control measures or by abating the hazards. Exhibit A also lays out a 20-year goal, in five-year increments, for abating lead-based paint in 100% NYCHA's apartments.

Exhibit B of the agreement details requirements for addressing the provision of heat, remediating mold, repairing elevators, and combating pest infestations.

Organizational Changes

The agreement also sets out key institutional changes for NYCHA, including a process for selecting a permanent agency chair and CEO, and engaging a third-party management consultant to make recommendations to the City for changing NYCHA's management, organizational, and workforce structure. NYCHA must create an Environmental Health and Safety Department and a Quality Assurance Unit. NYCHA agrees that it will not use deceptive practices with respect to Public Housing Assessment System (PHAS) inspections, and that it will make all improvements in accordance with Uniform Physical Conditions Inspection Standards (UPCS).

Advocates' Responses

The Community Service Society of New York (CSS) expressed relief that a HUD receivership was averted and that the agreement sidesteps the federal court (because SDNY has agreed to dismiss the case), thus avoiding delays and uncertainties in getting a new consent decree (see *Memo*, 12/17/18). The continued involvement of SDNY in the monitoring process provides some assurance that, if NYCHA falls short in its compliance, a new suit could be brought in federal court.

CSS notes, however, that the success of the agreement is highly dependent on who is appointed as the monitor. In addition, CSS states that "the major disappointment is that HUD will simply continue to fund NYCHA as it has in the past, there will be no increase in Washington commitments to the new federal-local partnership."

"Today's agreement is devoid of increased funding necessary for NYCHA to fully rehabilitate developments across the city and to provide tenants a decent quality of life," stated Judith Goldiner, attorney-in-charge of the Law Reform Unit at the Legal Aid Society. "The Housing Authority needs billions of dollars, and this settlement fails to appropriate resources of that scale. Once again, we call on Washington, Albany, and City Hall to fully fund NYCHA at a sufficient level to ensure that residents have reliable heat and hot water, roofs that don't leak, apartments free of mold and vermin, and working elevator service."

"The fundamental challenge that NYCHA faces is lack of funding for urgently needed repairs," said Diane Yentel, NLIHC president and CEO. "After decades of federal disinvestment, many public housing homes have fallen into serious disrepair. In the last 15 years, federal funding for public housing repairs has been cut in half. In his recent budget proposal, President Trump proposed eliminating funding for public housing repairs altogether. Because of this continuous underfunding of public housing repairs, today there is a nearly \$50 billion backlog in needed repairs. NYCHA accounts for almost \$32 billion of that amount. . .. With this agreement, HUD must take great care in appointing a federal monitor with deep expertise and a proven track record in running successful public housing programs."

The agreement is at: <u>https://bit.ly/2SjMeeL</u>

Diane Yentel's statement is at: https://nlihc.org/press/releases/11544

The CSS statement is at: <u>https://bit.ly/2CY1nJ3</u>

Disaster Housing Recovery

Disaster Housing Recovery Updates – February 4, 2019

The following is a review of disaster housing recovery developments since the last edition of *Memo to Members* and *Partners* (for the article in the previous *Memo*, see 1/28). NLIHC also posts this information at our <u>On the Home Front</u> blog.

Congress

Congressman José E. Serrano (D-NY) led 55 Democratic colleagues who sent a <u>letter</u> to President Trump condemning his administration for attempting to undermine disaster recovery efforts in Puerto Rico, including the president's objections to providing \$600 million for the Nutrition Assistance Program (NAP) and his initial consideration of diverting funds Congress appropriated for the U.S. Army Corps of Engineers for disaster recovery to instead build a wall on the southern U.S. border.

2018 California Wildfires

The last remaining shelter in Chico, CA, is set to close January 31. A <u>story</u> in the *Sacramento Bee* describes how families displaced from Paradise, CA, bounced from shelter to shelter following the Camp Fire in November. Survivors contracted norovirus and dealt with crime and other dangerous activity. An estimated 100 people remain living at the Red Cross shelter and an additional 470 survivors live in cars or trailers in the parking lot. Those with newer trailers or RVs will be allowed to stay on the property for \$40 per night while others have been told they need to leave. Counselors are working with the remaining individuals to help them find a place to stay – a difficult task given the limited amount of housing prior to the fire and increasing rent prices after the disaster.

Hurricane Michael

Florida

Federal Response

FEMA released recovery fact sheets for Jackson, Bay, Calhoun, Gulf, and Gadsden counties. In total, more than 10,000 homeowners have been approved for basic housing repairs, 19,528 survivors were approved for rental assistance, 604 households remain in hotels through the TSA program, and 389 households have been licensed-in under the Direct Temporary Housing Assistance Program. FEMA also reports that it cannot approve assistance for more than 18,500 survivors because they have not submitted insurance claims or other paperwork.

The White House <u>approved</u> Governor Ron DeSantis's request for 45 days of 100% federal cost share for emergency protective measures. This cost-share support will assist ongoing Hurricane Michael recovery efforts through debris removal, overtime pay for workers, and community restoration.

Local Perspectives and Resources

Families in the Florida Panhandle are still struggling to find stability following Hurricane Michael. A recent <u>NPR story</u> focused on Panama City, where many families of Macedonia Garden and other federally subsidized housing – which comprised about 66% of the housing stock prior to the storm – are still looking for a place to live. Many others have been forced to leave their community. FEMA and local officials are working to bring in about 1,000 trailers to help meet the need of displaced Panama City residents, particularly the 70% of the population that rented. FEMA housing like RVs or trailers are only available for 18 months, however, whereas

rebuilding affordable housing could take much longer than that. Mayor Greg Brudnicki advocates to have areas of Panama City designated federal "opportunity zones" to encourage reinvestment.

Communities in the Florida Panhandle are still <u>waiting</u> for ruined houses to be demolished and debris to be removed. The moratorium on rebuilding continues as local and FEMA officials discuss a new construction code. "It's not the food anymore; it's not the water anymore. It's trying to figure out how to put your life back together," a resident of Mexico Beach told *NPR*.

Philanthropic contributions to the Florida Panhandle have <u>fallen</u> far below donations for recent landmark hurricanes. The difference seems to originate primarily from a weaker corporate response, with corporate giants contributing tens of millions of dollars less for recovery than after past hurricanes.

Georgia

Dozens of homes still have tarps and fallen trees on their roofs in <u>Seminole County</u>, one of counties with the greatest damage in Georgia following Hurricane Michael.

Hurricane Florence

North Carolina

The North Carolina Department of Public Safety <u>reports</u> that FEMA has installed 601 housing units and that 273 households (773 individuals) are checked into hotels through the Transitional Sheltering Assistance (TSA) program.

2017 Disasters

Federal Response

Individuals in Puerto Rico who became unemployed as a direct consequence of either Hurricane Maria or Hurricane Irma and have exhausted Disaster Unemployment Assistance may be eligible to receive <u>additional</u> <u>assistance</u>.

Survivors of Hurricane Harvey living in temporary housing units provided by <u>FEMA</u> and <u>Texas GLO</u> will need to leave or pay rent by February 25. Some households may also opt to purchase their units. Survivors choosing to remain in their current units through August 25 by paying rent must meet eligibility requirements.

State Response

Texas Land Commissioner George P. Bush sent a <u>letter</u> on January 29 to President Trump calling on him to "cut through the red tape" and ensure HUD and Office of Management and Budget (OMB) immediately publish the rules governing mitigation funding. In February 2018, Congress appropriated \$13.8 billion in Community Development Block Grant-Disaster Recovery (CDBG-DR) grants to help disaster-impacted states with major mitigation efforts. Commissioner Bush previously sent a <u>letter</u> to OMB Director Mick Mulvaney about the same issue.

Local Perspectives and Resources

FEMA <u>failed</u> to address aspects of its temporary housing program – like sewer issues and the need for butane tanks – for some local residents. Despite the <u>extension</u> of the temporary housing program until <u>August</u> 2019, one resident claims that FEMA has only given her the option to move out, forcing her to turn to a local church for assistance.

Some Puerto Rican residents <u>are skeptical</u> about recovery and reconstruction efforts following Hurricane Maria and question the government's ability to spend \$20 billion from HUD in a way that benefits people, not just developers. Researchers at The Center for a New Economy state the territory's CDBG-DR plan accurately identifies housing issues in Puerto Rico but does not outline comprehensive solutions.

According to the Massachusetts Executive Office of Housing and Economic Development, nearly all Puerto Rican evacuees who fled to the state have been <u>able to find</u> permanent <u>housing</u>. This success is in large part due to public housing and certain cities' policies to give waitlist priority to those made homeless by natural disasters.

Research

Survey of Mayors Finds Bipartisan Agreement that High Housing Costs are Obstacle to Social Mobility

The fifth edition of the <u>Menino Survey of Mayors</u> from Boston University's "Initiative on Cities" found that mayors across the political spectrum identify high housing costs as one of the biggest obstacles to social mobility. Twenty percent of mayors agree that declining housing prices would be good for their city and 50% prefer to grow their city's housing stock by less than 10% over the next 10 years.

The 2018 *Menino Survey* represents a nationally representative sample of 110 mayors of cities with populations greater than 75,000. Researchers used a combination of open- and closed-ended survey questions to gauge mayoral thoughts on various local policy issues. The survey aims to highlight the priorities of mayors regarding issues affecting cities.

Thirty-two percent of mayors identified a lack of living-wage jobs and 27% identified high housing costs as the biggest obstacle to social mobility. Twenty-seven percent of Democrats and 26% of Republicans cited high housing costs as the biggest obstacle, indicating bipartisan agreement about housing. Mayors of more expensive cities were more likely than those of less expensive cities to list high housing costs as the biggest obstacle by a margin of 27 percentage points.

Only 20% of mayors agreed that declining housing prices would be good for their cities. Sixty percent of Democrats and 61% of Republicans disagreed that declining prices would be good. In addition, 50% of mayors thought their cities needed to increase their city's housing stock by less than 10% over the next 10 years. Twenty-three percent of mayors thought they needed 10% to 20% growth in the housing stock, 12% thought they needed 20% to 30% growth, and 15% thought they needed growth greater than 30%. Mayors of more expensive cities and of smaller cities were more likely to favor substantial growth of more than 20% in the housing stock.

When asked about how they thought new housing should be distributed across different types of housing, the mayors on average allocated 30% of the hypothetical new housing stock to single-family homes, 20% to mixed-use buildings, 18% to townhouses, 17% to market-rate apartments or condos, and 15% to subsidized apartments or condos.

The Menino Survey of Mayors is available at https://bit.ly/2RooUrU

Prosperity Now Scorecard Finds Millions of Families Live in Economic Uncertainty

The <u>2019 Prosperity Now Scorecard</u> reports that 40% of households are liquid-asset poor, meaning they lack savings to make ends meet for three months at the poverty level if their income is interrupted. Despite a growing economy, the *Scorecard* shows household financial vulnerability across the country, income levels not keeping up with rising housing costs, and persistent racial disparities in income, wealth, and homeownership.

One in five jobs are in low-wage occupations with median pay less than the poverty threshold for a family of four. One in five households experience modest-to-significant fluctuations in monthly income. Having savings is the best way to get through financial hardship due to income volatility or unexpected expenses, but 40% of households lack the savings or assets easily converted to cash to sustain themselves at the poverty level for three months in such situations. Overall, 13% of households fell behind on their bills in the past year. Falling behind varies significantly among demographic groups: 28% percent of working-age householders with a disability, 24% of black households, and 21% of households that earn less than \$30,000 fell behind on their bills.

Twenty-nine percent of households do not have a savings account, and 42% of households do not save any money for an emergency. While 62% of white households save for emergencies, fewer than half of black and Latino households can afford to do so. Twenty-percent of households in the past year did not use mainstream credit. Almost half of consumers have credit scores below prime, meaning they cannot access credit at affordable rates. Black and Latino households are more than twice as likely to not use mainstream credit compared to white households. Black and Latino households are also underbanked at higher rates than whites and therefore turn to alternative financials services more often.

A substantial racial gap persists in income and wealth. Black households earn 61 cents and Latino households earn 76 cents to every dollar earned by white households. Compared to every dollar of white wealth, blacks own 6 cents and Latinos own 13 cents of wealth. Black and Latino households are twice as likely to experience liquid-asset poverty and income poverty as white households.

Households of color have significantly lower homeownership rates than white households. Seventy-two percent of white households own their homes compared to 41% of black, 47% of Latino, 60% of Asian, and 54% of Native American households. Homeownership has become less attainable in recent years as housing costs have increased faster than incomes. The income needed to afford a median value home in the U.S. is \$72,533, while the median income of white households is \$65,645, \$49,793 for Latino households, and \$40,232 for black households. Rent is also unaffordable for many households. Fifty percent of all renters and 54% of renters of color are housing cost-burdened, meaning they spend more than 30% of their income on rent and utilities.

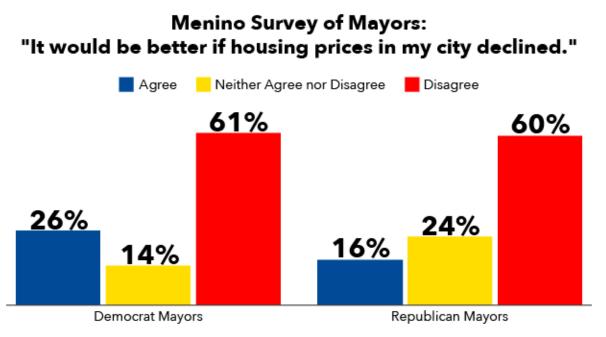
The authors recommend protecting safety-net programs, such as the Supplemental Nutrition Assistance Program (SNAP), Temporary Assistance for Needy Families (TANF), Medicaid, and Medicare, which keep low- and moderate-income families from falling into poverty. They also recommend removing features of these programs that penalize households for accruing savings. The authors propose further measures such as:

- Helping families acquire safer and more affordable mortgages by improving credit reporting and scoring through passage of the Credit Access and Inclusion Act (H.R. 435 and S. 3040);
- Supporting affordable and fair housing by protecting and implementing the Community Reinvestment Act (CRA) and the Fair Housing Act's requirement to affirmatively further fair housing; and
- Creating opportunities for emergency and wealth-building savings by supporting programs such as Individual Development Accounts (IDAs) and passage of the "American Opportunity Accounts Act."

The 2019 Prosperity Now Scorecard is available at: https://bit.ly/2RooT7k

Fact of the Week

Majority of U.S. Mayors of Both Parties Believe Housing-Price Reductions Would Not be Good for their Cities



Source: Einstein, K., Glick, D., Palmer, M., Fox, S.(2019). Menino Survey of Mayors: 2018 Results. Retrieved from http://www.surveyofmayors.com/reports/Menino-Survey-of-Mayors-2018-Final-Report.pdf.

Source: Einstein, K., Glick, D., Palmer, M., Fox, S. (2019). Menino Survey of Mayors: 2018 Results.

NLIHC in the News

NLIHC in the News for the Week of January 27

The following are some of the news stories that NLIHC contributed to during the week of January 27.

- "A minimum-wage worker needs 1.5 jobs just to afford half the rent for a 2-bedroom apartment in most of the US," *Business Insider*, January 30 at: <u>https://read.bi/2GdwrI8</u>
- "By the numbers: the Kamala Harris townhall," *CNN.com International*, January 30 at: <u>https://cnn.it/2BdeF4w</u>
- "The 35-day government shutdown created long-term affordable housing concerns," *Yahoo! Finance*, January 30 at: <u>https://yhoo.it/2t2T4qV</u>
- "The government shutdown is over, but uncertainty remains for tenants in public housing," *Los Angeles Times*, January 30 at: <u>https://lat.ms/2D5HxeP</u>
- "Over the Past 5 Weeks, Fair Housing Advocacy Nearly Collapsed," *Mother Jones*, January 25 at: <u>https://bit.ly/2UnxpFw</u>

NLIHC News

NLIHC is Hiring for a New Housing Advocacy Organizer

NLIHC seeks a well-qualified and talented housing advocacy organizer. As a member of the NLIHC field team, the housing advocacy organizer mobilizes NLIHC members and partners on federal policy advocacy based on NLIHC's approved policy agenda, assists in the design and implementation of campaign field strategies, and conducts outreach activities in specific states. The organizer will spend significant time developing and retaining NLIHC membership, increasing endorsements for NLIHC campaigns, and mobilizing membership and state coalition partners on "calls to action" and other organizing efforts in support of providing decent, accessible, affordable homes to people with the lowest incomes.

The position requires strong written and oral communication skills, strong project management experience, and excellent electronic technology skills, including proficiency in the Microsoft Office suite, database management, and social media use; some familiarity with customer relationship management systems like Salesforce would be a plus. Priority consideration will be given to candidates with organizing experience mobilizing a community or constituent base at a national, state, or local level. Some knowledge of federal housing policy would be a plus. A bachelor's degree is required. The position is based in Washington, DC. Some travel is required.

An equal-opportunity, affirmative-action employer, NLIHC offers a competitive salary and benefits package.

Interested candidates should email a cover letter with salary requirements, a resume, and two writing samples to Renee Willis, VP for field and communications, and Paul Kealey, COO, National Low Income Housing Coalition, 1000 Vermont Avenue, NW, Suite 500, Washington, D.C. 20005 at: rwillis@nlihc.org and pkealey@nlihc.org and pkealey@nlihc.org and

NLIHC is Hiring for a Field Intern for Winter/Spring 2019 Semester

NLIHC is accepting applications for its field internship position for the winter/spring 2019 semester. The NLHC field intern assists our Field team in creating email campaigns focused on important federal policies, writing blogs, managing our database of membership records, mobilizing the field for the legislative efforts, and reaching out to new and existing members. Interns are highly valued and fully integrated into our staff work. We seek students passionate about social justice issues with excellent writing and interpersonal skills.

NLIHC interns are expected to work 25 hours a week beginning as soon as possible and finishing up in May. A modest stipend is provided. A cover letter, resume, and writing sample are required for consideration. In your cover letter, please specify the position(s) for which you are applying and that you are interested in the winter/spring 2019 semester.

Interested students should send their materials to: Joey Lindstrom, Manager of Field Organizing, National Low Income Housing Coalition, 1000 Vermont Avenue, NW, Washington, DC 20005 via email to: jlindstrom@nlihc.org

Where to Find Us – February 4

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

- Just Cities Narrative Project Meeting, New Orleans, LA, February 11–15
- National Association of Regional Councils <u>2019 National Conference of Regions</u>, Washington, DC, on February 12
- CHAPA Federal Housing Policy Forum, Boston, MA, on February 15
- NeighborWorks Training Institute workshop, Cleveland, OH, on February 18
- <u>Solutions for Individual Homeless Adults: A National Conference</u>, National Alliance to End Homelessness, San Diego, CA, February 21–22
- HousingWorks Austin Annual Summit, Austin, TX, on March 1
- <u>Tennessee Housing Conference</u>, Nashville, TN, March 6-7
- NCRC <u>2019 Just Economy Conference</u>, Washington, DC, on March 12
- NHLP Housing Justice Network National Meeting, New Orleans, LA, March 18-20
- Arkansas Fair Housing Commission 2019 Annual Fair Housing/Fair Lending Conference, Little Rock, AR, on April 19
- Building Michigan Communities Conference, Lansing, MI, April 30
- Rural Housing Summit, San Jose, CA, on November 7

NLIHC Staff

Sonya Acosta, Policy Analyst, x231 Andrew Aurand, Vice President for Research, x245 Lily Barrett, Policy Intern, x241 Victoria Bourret, Housing Advocacy Organizer, x244 Josephine Clarke, Executive Assistant, x226 Abby Cooper, Research Intern, x249 Dan Emmanuel, Senior Research Analyst, x316 Ellen Errico, Creative Services Manager, x246 Ed Gramlich, Senior Advisor, x314 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 Brooke Schipporeit, Housing Advocacy Organizer, x233 Elayne Weiss, Senior Policy Analyst, x243 Chantelle Wilkinson, Housing Campaign Coordinator, x230 Renee Willis, Vice President for Field and Communications, x247 Gloria Yang, Communications & Graphic Design Intern, x250 Diane Yentel, President and CEO, x225