A weekly newsletter from the National Low Income Housing Coalition

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2019 Housing Policy Forum

NLIHC's March 27-29 Housing Policy Forum to Address Effective Non-Partisan Voter and Candidate Engagement

NLIHC's March 27-29 Housing Policy Forum: *Seizing the Moment for Bold Solutions*, taking place March 27-29 at the Washington Court Hotel in our nation's capital, will offer a session on effective non-partisan voter and candidate engagement in the run-up to the 2020 elections. The session panelists will include Halley Henry, National Housing Trust & NHT Communities; Andrew Foley, Jonathan Rose Companies; and Joey Lindstrom, NLIHC. Register to attend the Forum <u>here</u>.

Throughout the country, voters are demanding housing solutions at the ballot box. Presidential hopefuls are already discussing important housing solutions during their stump speeches, several have put forward bold housing legislation as lawmakers, and in November 2018, voters passed twenty ballot initiatives to increase funding for affordable housing production. This session will explore how housing organizations in the public, for-profit, and non-profit sectors can engage residents on voter registration and election-day mobilization, as well as candidates on housing issues.

Other forum topics will 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 growing *Opportunity Starts at Home* multi-sector affordable housing movement; the U.S. eviction epidemic and its solutions; and how advocates and policy makers can "undesign" redlining in America. There will also be sessions on working with and making housing an issue with the media; the future of public housing; achieving development without displacement; the keys to state, local, and resident-led organizing; ensuring equitable housing recovery in the wake of recent and future disasters; tribal and rural affordable housing needs and solutions; and low-income resident leadership, among others.

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

See a more complete list of Forum speakers at: <u>https://www.nlihcforum.org/forum-speakers</u>

Please note that the special Forum reservation block at the Washington Court Hotel closes on Tuesday, March 5, <u>so make your reservation today</u>!

Leaders from Congress, Heath Care, and Native American Community to be Honored at March 28 Reception

<u>Register</u> to attend NLIHC's March 28 Reception 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. These individuals will be honored at NLIHC's 37th Annual Housing Leadership Awards Reception on Thursday, March 28, at the Washington Court Hotel in Washington, DC. <u>Register to attend the</u> reception today!

You can also make a donation to NLIHC in recognition of these outstanding leaders. Donate online as an **individual** or as an **organization**, or download the **pledge form and submit it via mail or email.**

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 landmark "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

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.

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.

Register to attend the reception here.

First of Two Lobby Day Preparation Webinars Happening on March 7

The first of two webinars on effective advocacy and NLIHC's policy priorities is Thursday, March 7, 2:00 p.m. ET. The webinars will prepare advocates for NLIHC's annual Capitol Hill Lobby Day on March 29. Register for the March 7 webinar, "Lobbying 101," an introduction to effective advocacy, at: <u>https://bit.ly/2N08LZ8</u>

In "Lobbying 101," NLIHC staff will share information on how a bill becomes a law and key moments for advocates to be involved, details of the federal budget process, reasons to advocate, and tips for effective lobbying and advocacy. This webinar will also include a mock legislative visit. This is an excellent training opportunity for those new to advocacy. There is still time to register for this webinar.

The second webinar, "NLIHC 2019 Forum Policy Priorities," an overview of policy priorities and Lobby Day talking points, is scheduled for March 14 at 2:00 p.m. ET. NLIHC staff will highlight key legislative requests and provide comprehensive information that makes the case for more federal investments in affordable homes. Sign up for the March 14 webinar at: https://bit.ly/2BwviIt

NLIHC staff presenting on both webinars are:

- Joey Lindstrom, Manager for Field Organizing
- Tori Bourret, Housing Advocacy Organizer
- Brooke Schipporeit, Housing Advocacy Organizer
- Sarah Mickelson, Senior Director of Public Policy
- Elayne Weiss, Senior Policy Analyst

The annual Capitol Hill Lobby Day on March 29 is part of the March 27-29 NLIHC Housing Policy Forum: *Seizing the Moment for Bold Solutions*. Register for this Forum at: <u>https://www.nlihcforum.org/</u>

Congress

House Subcommittee Examines Stakeholder Perspectives on Fair Housing

The House Transportation-HUD (THUD) Appropriations Subcommittee held a hearing on February 12 at which stakeholders provided their perspectives on HUD's recent policy changes related to fair housing. Witnesses

testified about the effect of delays in fair housing funding as well as HUD's decisions to reassess existing fair housing rules, including those related to Affirmatively Furthering Fair Housing (AFFH), disparate impact, and LGBTQ equal access.

Keenya Robertson, president of the Housing Opportunities Project for Excellence and chair of the National Fair Housing Alliance, testified that funding gaps forced her organization to temporarily cut experienced staff, with some not returning as they found other jobs elsewhere. She also said more funding is needed so that fair housing organizations and state and local agencies can investigate claims more effectively and conduct more outreach and marketing to better inform people about how to file complaints. She and witness Claudia Aranda of the Urban Institute also talked about the important work fair housing organizations do to bring fair housing claims and to develop protocols and procedures to better address discrimination.

THUD Subcommittee Chair David Price (D-NC) asked the witnesses how HUD's recent decisions to change or suspend fair housing rules have impacted or could impact people facing discrimination. Ms. Robertson spoke about how the disparate impact rule, now under review by the Trump Administration (see *Memo*, 2/11), helps prevent discrimination of survivors of domestic violence, most commonly women and families with children. She explained that the disparate impact rule helps protect survivors from local ordinances and restrictions that require them to be evicted, while also helping to prevent families from being turned away when applying for affordable housing. Ms. Aranda spoke about how communities that began implementing the AFFH rule, now suspended by HUD, were finally taking a holistic approach to examining their housing needs. She noted that these communities benefited from the specific guidance the AFFH rule provided and were better able to reach out and engage diverse voices to ensure their planning reflected the needs of the overall community.

Representative John Rutherford (R-FL) discussed ways to improve the Housing Choice Voucher program to better help families with children find landlords willing to accept their vouchers. The witnesses discussed lengthening the time a person has to lease up their vouchers and improving services to better engage and support landlords to increase their participation in the program.

Learn more about the hearing at: <u>https://bit.ly/2tywNkR</u>

House Subcommittee to Hold Hearing on Affordable Housing Production

The House Transportation-HUD Appropriations Subcommittee will hold a hearing on affordable housing production. The hearing, taking place on March 7 at 10:30 a.m. ET in Room 2358-A of the Rayburn House Office Building, will be broadcast <u>live</u>.

Witnesses are:

- Scott Farmer, executive director of the North Carolina Housing Finance Agency
- Ellen Lurie Hoffman, federal policy director for the National Housing Trust
- Anthony Scott, CEO of the Durham Housing Authority

View the live hearing at: <u>https://youtu.be/YoiFtGbxyIo</u>

HUD

Proposed Section 3 Rule Clears OIRA Review, Moves to HUD

A proposed rule to streamline the Section 3 regulations has cleared review by the Office of Information and Regulatory Affairs (OIRA) at the Office of Management and Budget (OMB). The proposed rule is now back at HUD for eventual publication in the *Federal Register* for public review and comment. NLIHC will notify *Memo* readers when the proposed rule is published and will analyze it and offer sample comments.

The purpose of Section 3 of the Housing and Urban Development Act of 1968 is to ensure that, when HUD funds are used to assist housing and community development projects, "to the greatest extent feasible" preference for some of the new jobs, training, and contracting opportunities that are created go to low-income people and to businesses owned or controlled by low-income people or to businesses that hire them. Public housing agencies and jurisdictions using Community Development Block Grant (CDBG), HOME Investment Partnerships program, and other HUD funds must comply with Section 3 and ensure that contractors and subcontractors also comply.

Section 3 has been operating under an interim regulation since 1994. During the Obama administration, staff of HUD's Office of Fair Housing and Equal Opportunity (FHEO), which oversees Section 3 enforcement, proposed significant changes to the interim rule. Many of those changes reflected input from advocates, including NLIHC, after numerous conference calls. That proposed rule never cleared OIRA, however. The Trump administration replaced the previous proposed rule with a different version announced in HUD's <u>Spring</u> Regulatory Agenda posted on May 9, 2018. That proposed rule was received by OIRA on October 4, 2018.

The <u>current status announcement</u> at OIRA has a <u>link to the Fall Regulatory Agenda</u> providing more background than was provided by the Spring Regulatory Agenda. Removed from the fall description was a troubling sentence in the spring description: "The rule proposes to align and integrate oversight and reporting by eliminating complaint and compliance review provisions in favor of program-specific mechanisms, thereby reducing burden."

Another hopeful feature in the fall description notes that the interim rule required that 30% of new hires be Section 3 residents. HUD has determined that this led to "churning" – employers creating a series of short-term jobs and hiring and firing employees in order to meet their Section 3 numeric goals. The proposed rule would curb such practices by changing the metric to a percentage of hours worked, a change advocates have long sought. HUD anticipates the change will provide an incentive to employers to create longer-term employment opportunities.

An interesting feature of the proposed Section 3 rule summary is that three HUD officials are listed as references: one from the Office of Community Planning and Development (which oversees CDBG and HOME), one from the Office of Recapitalization (which oversees the Rental Assistance Demonstration, RAD), and one from the Office of Policy, Programs, and Legislative Initiatives – but no one from the Office of Public and Indian Housing or FHEO.

When federal agencies such as HUD propose regulations, they must send them to OIRA for review. OIRA submits comments to HUD and HUD then takes OIRA comments into consideration. Although HUD does not have to abide by OIRA suggestions, given the power wielded by OMB, agencies such as HUD generally accept them. When the OIRA review is completed, HUD eventually has the OIRA-approved proposed or final rule published in the *Federal Register*.

The announcement that the proposed rule has been cleared by OIRA is at: <u>https://bit.ly/2SFpUZw</u> in the "Regulatory Review Completed in Last 30 Days" window.

The Fall Regulatory Agenda summary is at: https://bit.ly/2BXrtMD

More about Section 3 is available on page 7-38 of NLIHC's 2018 Advocates' Guide.

Draft RAD for PRACs Notice Published for Feedback

HUD' Office Recapitalization published for public review and comment, a <u>draft Section IV</u> of the Rental Assistance Demonstration (RAD) Notice. (It will revise Notice PIH-2012-32/H-2017-03 REV 3, becoming part of REV 4 of the RAD Notice.) Section IV applies to properties assisted by Section 202 Supportive Housing for the Elderly that have Project Rental Assistance Contracts (PRACs). The FY18 Appropriations Act authorized the use of RAD to convert Section 202 PRACs to either Project-Based Rental Assistance (PBRA) or to Project-Based Vouchers (PBVs). The draft is on the Office of Multifamily Housing Program's "<u>Drafting Table</u>." Comments are due to <u>rad2@hud.gov</u> by March 12.

The Section 202 Supportive Housing for the Elderly program provides funds to nonprofit organizations to develop and operate senior housing. Section 202 residents generally must be at least 62 years old and have incomes less than 50% of the area median income (AMI). Since 1991, the Section 202 program operated as a Capital Advance grant with a Project Rental Assistance Contract (PRAC). The Capital Advance covered expenses related to housing construction and the PRAC provides operating assistance that supports a building's ongoing operating costs. While the Capital Advance program has not been funded since FY11, Congress has provided funds to renew the PRACs.

The draft of Section IV is at: https://bit.ly/2XrJf3D

More information about Section 202 is on page 4-29 of NLIHC's 2018 Advocates' Guide.

More information about RAD is on page 4-15 of NLIHC's 2018 Advocates' Guide.

HUD Posts Slides from REAC Listening Session in Philadelphia

As reported in last week's *Memo*, HUD held the first of five listening sessions to obtain input from the public and HUD stakeholders about a planned pilot program to test innovative approaches to inspecting public housing and HUD-assisted multifamily housing. NLIHC did not attend the February 21 listening session in Philadelphia, but HUD has posted <u>slides</u> apparently used at the event. The slides are on the <u>Real Estate Assessment Center</u> (REAC) webpage.

HUD lists problems with the current system, including: REAC inspections do not always identify the extent of health and safety conditions affecting residents; properties can pass inspection even with poor unit conditions; and some owners merely prepare for inspections instead of performing maintenance all year.

An Inspection Task Force will conduct a wholesale reexamination of REAC inspections, giving the greatest emphasis to eliminating health and safety hazards. The slides describe a new inspection model that places 50% of the emphasis on the inside of units, up from the current 35%. A property will not pass overall inspection if a dwelling-unit inspectable area fails.

Inspection of a unit's water heater is offered as an example of how the new model will focus on indicators that are most important to quality. The model proposes to delete superficial rust from consideration because such a defect does not impact the resident, while a misaligned water heater exhaust system will be counted because this defect can cause death.

The new model is to be tested beginning in the fall in HUD Region III, which includes Delaware, the District of Columbia, Maryland, Pennsylvania, Virginia, and West Virginia.

Additional listening sessions are planned for Forth Worth (March 19), Atlanta (March 21), Detroit (March 26), and Seattle (March 28). A <u>media release</u> from February 20 indicates the public and stakeholders will be invited, but it is not clear how residents will be invited. NLIHC will report in *Memo* how residents and advocates can register when HUD makes such information available.

The slides are at: <u>https://bit.ly/2VsN0Em</u>

National Housing Trust Fund

Senate Banking Committee Approves Nomination of Mark Calabria to Head FHFA

The Senate Banking Committee approved the nomination of Dr. Mark Calabria as the new director of the Federal Housing Finance Agency (FHFA) this week by a 13-12 party-line vote. Dr. Calabria must now be confirmed by a full Senate to replace the interim Acting Director Joseph Otting. If confirmed, he will lead the agency overseeing the government-sponsored enterprises (GSEs) Fannie Mae and Freddie Mac at a pivotal moment. The Administration and Congress are likely to take up housing finance reform this year to define the future of the GSEs, which contribute a tiny fraction of their books of business each year to fund the national Housing Trust Fund and Capital Magnet Fund.

Mark Calabria has held positions as a chief economist for Vice President Mike Pence, deputy assistant secretary for regulatory affairs at HUD, and others at Harvard's Joint Center for Housing Studies, the National Association of Home Builders, and the National Association of Realtors. He was also a senior aide to the Senate Banking Committee during the drafting of the Housing and Economic Recovery Act of 2008, which created the FHFA.

The Committee heard his testimony and asked questions on February 14. Dr. Calabria's written remarks do not mention the GSEs or particular policy commitments, but when responding to questions from Democratic senators, Dr. Calabria assured the committee his goals are to "carry out the clear intent of Congress, not to impose my own vision." The full Senate vote is expected sometime this spring.

Read about Dr. Calabria's confirmation hearing at: https://bit.ly/2NB0RWq

Opportunity Starts at Home

Apply for an Endorsement from the Opportunity Starts at Home Campaign!

Are you a state-level organization engaged in multi-sector partnerships to advocate for better affordable housing policies? If so, this is for you!

The <u>Opportunity Starts at Home</u> multi-sector affordable homes campaign has launched an "<u>Endorsement</u> <u>Application</u>." The Endorsement Application is an opportunity for state-level organizations across the country that are pursuing multi-sector efforts focused on housing policy to earn a formal endorsement from the national campaign. We know there are existing multi-sector efforts happening across the country, and we want to identify that work, raise its visibility, and help encourage and support its ongoing success. And by expanding the number of state partners affiliated with Opportunity Starts at Home, we will strengthen our overall advocacy campaign.

Such an endorsement would codify a state partner's multi-sector work under the *Opportunity Starts at Home* umbrella. Those chosen for endorsement will be considered formal state partners of the campaign and featured on the national website. They will also participate in cohort learning experiences with other states and gain access to resources, networks, and technical assistance from the national campaign.

Opportunity Starts at Home is currently providing support and financial assistance to <u>seven state partners</u>: Housing California, Idaho Asset Building Network, Maine Together, the Housing and Community Development Network of New Jersey, the Coalition on Homelessness and Housing in Ohio, Oregon Housing Alliance, and the Utah Housing Coalition.

Receiving this endorsement from the national campaign does not, however, come with financial assistance at this time. The national campaign would need to secure more funds before it could provide financial assistance to any additional state partners beyond the seven mentioned above. Those already earning the status of endorsement would, though, receive special consideration (though not a guarantee) if and when additional funds become available. We are actively fundraising so that we can eventually expand financial assistance to additional state partners.

If you are interested in applying for an endorsement from *Opportunity Starts at Home*, please email the national campaign director, Mike Koprowski, at <u>mkoprowski@nlihc.org</u>, and he will schedule a brief exploratory conversation with you. After the exploratory conversation, the application itself will be made available to you.

To learn more about the Endorsement Application, including very important eligibility criteria, please click <u>here</u>.

Also, follow the campaign on all social media platforms: <u>Twitter</u>, <u>Instagram</u>, <u>Facebook</u>, and <u>LinkedIn</u>. Be sure to <u>sign up</u> for our e-newsletter to get the latest updates about the campaign, including new multi-sector partners, <u>calls to action</u>, events, and <u>research</u>.

Disaster Housing Recovery

Senators Introduce \$13.6 Billion Disaster Relief Package

A bipartisan group of eight senators introduced a \$13.6 billion disaster relief package (S. 572) on February 26. The bill includes \$1.06 billion in Community Development Block Grant–Disaster Recovery (CDBG-DR) funds for states impacted by disasters in 2018 and \$610 million for the Nutrition Assistance for Puerto Rico (NAP) program – which faces a fiscal cliff in March that would cause over 100,000 people to lose assistance. The bill also provides relief to farmers impacted by the recent disasters. The funding levels proposed in this bill fall between a Senate Republican proposal introduced in February and the disaster package included in <u>HR 268</u>, which passed the House in January.

House Subcommittee to Hold Oversight Hearing on Administration of Disaster Recovery Funds after 2017 Hurricanes

The House Financial Services Subcommittee on Oversight and Investigations will hold a hearing, "The Administration of Disaster Recovery Funds in the Wake of Hurricanes Harvey, Irma, and Maria," on Tuesday, March 26 at 10:00 a.m. ET. The hearing will take place in 2128 Rayburn House Office Building and can be livestreamed <u>here</u>. Witnesses have not yet been announced.

Disaster Housing Recovery Updates - March 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 $\frac{2}{25}$).

2018 California Wildfires

Federal Response

Disaster Recovery Centers in Chico and Paradise <u>closed</u> on March 1.

The federal cost-share for the California Wildfires covered in declarations $\underline{4382}$ and $\underline{4407}$ has <u>increased</u> from 75% to 90%. This increase covers all categories of public assistance, hazard mitigation, and other needs assistance. The increase is retroactive to the incident date.

Local Perspectives and Resources

An <u>article</u> in *HuffPost* shares the continuing housing challenges for survivors of the Camp Fire. FEMA has provided about 220 trailers – not nearly enough for the thousands of displaced people, leaving many to live in over-crowded conditions.

North Valley Community Foundation President and CEO Alexa Benson-Valavanis recently <u>discussed</u> the philanthropic efforts of her organization as well as new partnerships with Sierra Nevada Brewing Company and the Aaron Rodger NorCal Recovery Fund to create the Butte Strong Fund. Housing is a key issue addressed by these funding efforts.

Hurricane Michael

Florida

Federal Response

A local news outlet <u>reports</u> that FEMA plans to provide additional temporary housing to Gulf County, where 28 families are still in need.

FEMA <u>provided</u> a list of long-term recovery groups with resources for affected families and residents of the Florida Panhandle.

State Action

A nonprofit board created by the state legislature <u>agreed</u> to use \$15 million from the state's settlement with BP – won after the Deepwater Horizon disaster – for disaster recovery projects in Bay, Franklin, Gulf and Wakulla counties. Each county will be asked to submit a list of projected property-tax losses by county, municipality and school district.

Local Perspectives and Resources

Port St. Joe's recovery is <u>well under-way</u>, except for a two-square mile community of mostly black and lowincome residents north of the railroad tracks near the former St. Joe Paper Company mill, where community members allege FEMA has been moving slower. "I went over to FEMA they sent me to SHIP," one said. "They always sending you somewhere else. They don't do the rich people on Reid Avenue like that."

Hurricane Florence

North Carolina

Federal Response

Transitional Sheltering Assistance (TSA) for Hurricane Florence survivors <u>ends</u> Tuesday, March 12. FEMA reports that of 871 households that have participated in the temporary hotel shelter program, 646 have found longer-term housing and 225 remain in hotels.

State Action

The North Carolina Office of Recovery and Resiliency <u>launched</u> two programs to assist local governments facing financial struggles following Hurricane Florence. These grants and 0% interest loans aim to provide short-term assistance for general and disaster-specific expenses.

Local Perspectives and Resources

Local government and regional leaders of the Eastern NC Disaster Recovery & Resiliency Alliance introduced their top five <u>priorities</u> for the state budget last week, which included "new construction of affordable housing and . . . tax credit projects in disaster declared counties."

Wilmington area officials have <u>reported</u> that about 1,200 low- to moderate-income housing units and 22 mobile homes were lost or severely damaged by Hurricane Florence, and the number of local children receiving assistance from the McKinney-Vento Homeless Assistance Act has risen dramatically. The coordination office plans to use funding to increase the overall number of housing units available in New Hanover County.

2017 Disasters

Federal Response

HUD published a <u>notice</u> in the *Federal Register* announcing it would respond by March 1 to any CDBG-DR Action Plan amendments that were pending at the start of the government shutdown. HUD will respond to any Action Plans that were outstanding by March 15, 2019. HUD previously published a *Federal Register* notice on January 9 waiving the timing-review requirement of CDBG-DR action plans and amendments due to the government shutdown.

HUD Secretary Ben Carson <u>told</u> reporters that HUD is still working on the rules regarding the mitigationspecific CDBG-DR funding included in the disaster recovery package passed in February, 2017. He stated those rules should be released in May.

Secretary Carson also <u>announced</u> the approval of an additional \$652 million of CDBG-DR funds to support Texas in the wake of Hurricane Harvey. This is the third and final CDBG-DR allocation for Texas recovery efforts.

State Action

Although Puerto Rico Governor Ricardo Rosselló met with Secretary Carson and former FEMA Administrator Brock Long over the last two weeks, the White House <u>declined</u> his requests to meet directly with President Trump to discuss hurricane recovery efforts on the island.

During an <u>interview</u> on February 22, Governor Rosselló discussed recovery efforts in Puerto Rico, his disappointment with FEMA under the Trump administration, and his hopes that Democratic candidates will emphasize Puerto Rico's needs during the primary season.

Local Perspectives and Resources

Ariadna Godreau-Aubert, executive director of Disaster Housing Recovery Coalition (DHRC) partner Ayuda Legal Puerto Rico, published an <u>op-ed</u> in *The Hill* on February 21 discussing the failures and limitations of Puerto Rico's CDBG-DR Action Plan. Many vulnerable communities may lose out on crucial financial assistance because they cannot afford to comply with flood-protection standards. The Puerto Rican government can rectify the failures and limitations, Ms. Godreau-Aubert wrote, by minimizing displacement, applying a racial-equity lens, ensuring transparency, and adapting regulations to the local context.

An *ABC* story examines Hurricane Maria's many impacts on the island – from long-term effects on children to the loss of employment for adults.

The application process for the Texas <u>Homeowner Reimbursement Program</u> – which reimburses homeowners for out-of-pocket repairs – opened on February 28. The Texas General Land Office (GLO) allocated \$100 million in CDBG-DR funds for this program.

The initial <u>report</u> from the Hurricane Harvey Registry, a first-of-its-kind registry of storm survivors, examines the various health impacts from the storm.

During a recent National Governors Association meeting, several governors <u>called on</u> FEMA to re-think disaster recovery efforts and provide additional funding and assistance to states for mitigation and vulnerability planning. Deputy Administrator Pete Gaynor stated the agency is currently "under some stress" due to the frequency and magnitude of recent disasters and encouraged states to develop plans on their own.

Internal Revenue Service

Final Rule Amends LIHTC Physical Inspection and Maximum Income and Rent Compliance Monitoring

The Internal Revenue Service (IRS) published a <u>final rule</u> on February 26 amending the Low Income Housing Tax Credit (LIHTC) compliance monitoring regulation. The regulation pertains to two provisions of the Internal Revenue Code. One is the obligation of housing finance agencies (HFAs) to conduct physical inspections of LIHTC properties. The other is the obligation of HFAs to review a property's certification that occupants of LIHTC-assisted units have incomes at or less than 60% or 50% of the area median (AMI), and that those residents pay rents no greater than 30% of 60% of AMI or 30% of 50% AMI – depending on the designation selected by the owner.

Key provisions of the final rule include:

- HFAs administering their state's LIHTC program must now randomly inspect no fewer LIHTC-assisted units than the number specified for projects of the various sizes in the LIHTC <u>Minimum Unit Sample</u> <u>Size Reference Chart</u>, which has been in use by HUD's Real Estate Assessment Center (REAC).
- Prior to the final rule, temporary regulations and Internal Revenue Bulletin, Rev. Proc. 2016-15 required a minimum sample size of the lesser of 20% of the total number of LIHTC-assisted units or the minimum sample size in the Chart. IRS made the switch because the previous 20% option may have

been unnecessarily burdensome for large projects and may have failed to adequately assess the habitability of smaller projects.

- The final regulation reduces from 30 days to 15 days, the advance notice an HFA may provide an owner that a project will be physically inspected or be reviewed to ensure compliance with the maximum resident income and rent requirements. The reduced notice provision is intended to prevent owners from preparing units for inspection. The final rule also clarifies that an HFA may identify to an owner the specific units that have been randomly selected only on the day of inspection.
- The final rule continues the temporary rule requirement that an HFA must inspect all buildings in a project and review a project's maximum resident income and rent certifications at least once every three years.
- The final rule retains the "all-buildings" rule. If the randomly selected minimum number of LIHTC units to be inspected does not include at least one unit in one or more buildings in a project, the "all-buildings" rule requires an HFA to inspect "some aspect" of each omitted building. "Some aspects" could include a building exterior, common area, HVAC, etc.
- In general, an HFA may not select the same LIHTC units for physical inspection and for the review of maximum resident income and rent certifications, unless they are done on the same day. An HFA may choose to conduct the physical inspection and the maximum income and rent certification review at different times.
- An HFA may choose to use the REAC protocol to meet its physical inspection obligation if the inspection is conducted by HUD or a HUD-certified REAC inspector. The HFA must still review a project's compliance with the LIHTC maximum income and rent requirements.

Rev. Proc. 2016-15 is now obsolete.

The final rule is at: <u>https://bit.ly/2IGpFxs</u>

More information about the LIHTC program is on page 5-30 of NLIHC's 2018 Advocates' Guide

Research

Job Insecurity, Lack of Car Ownership, and Presence of Children Identified as Risk Factors for Housing Instability

An article by Seungbeom Kang in *Housing Policy Debate,* "<u>Why Low-Income Households Become Unstably</u> <u>Housed: Evidence From the Panel Study of Income Dynamics,</u>" identified income and job insecurity, lack of car ownership, and the presence of children in a household as household-level factors correlated with housing instability. These factors, when combined with an increasing housing cost burden, leave households more vulnerable to housing instability.

Housing instability is broadly defined as housing circumstances in which households do not have sufficient control over their residential environment and can include experiences of involuntary residential moves, exposure to precarious housing conditions, severe housing cost burdens, and living in overcrowded or doubled-up housing. Housing instability can negatively impact educational and job performance, physical and mental health, social relationships, and subjective well-being.

For the study, housing instability was operationally defined one of two ways: 1) residential churning in which households move as a response to housing-related problems, gain little by moving due to a lack of stable housing options, and have housing-related problems after moving, or 2) nonprogressive residential mobility in

which a household moves for one of three reasons: becoming homeless, responding to outside events (demolition, eviction, health problems, divorce, or other involuntary events), or seeking lower rents or space.

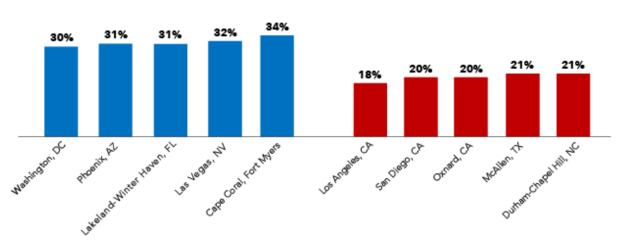
Using a nationally representative sample of 2,363 individuals from low-income households in the Panel Study of Income Dynamics to estimate the effect of household-level predictors on housing instability over time, Mr. Kang found that a growing housing cost burden significantly increased the likelihood of housing instability, especially among women. Moreover, households with increasing cost burdens were more likely to experience housing instability when they also experienced an absence of an income source or lacked secure employment. Living with additional adult family members appeared to help households avoid housing instability only in the short term, while living with additional adult nonfamily members appeared to increase the risk of housing instability if the arrangement persisted over a longer period of time. Households with children were more likely to experience housing instability. Finally, households were less likely to experience housing instability if they owned a car.

While housing cost burdens were a significant factor in increasing the likelihood of housing instability, the absence of secure employment, lack of car ownership, and presence of children put households at an even higher risk of housing instability. Identifying these risk factors is essential in order to develop specific interventions for preventing housing instability.

"Why Low-Income Households Become Unstably Housed: Evidence From the Panel Study of Income Dynamics" is available at: <u>https://bit.ly/2Sy2SmT</u>

Fact of the Week

Three California Metro Areas Have Lowest Percentages of Renters who Can Afford to Purchase a Home



Percentage of Metropolitan Renter Households that Can Afford to Purchase a Home: Top Five vs. Bottom Five Metropolitan Areas

Source: Urban Institute. (2019). Housing Affordability for Renters Index: Local Perspective and Migration. Washington, DC: Author. Retrieved from https://www.urban.org/research/publication/housing-affordability-renters-index-local-perspective-and-migration/view/full_report.

Source: Urban Institute. (2019). Housing Affordability for Renters Index: Local Perspective and Migration.

From the Field

Oregon Passes Nation's First Statewide Rent Control Law

Oregon is the first state to implement a statewide rent stabilization law. Governor Kate Brown (D) signed Senate Bill 608 (SB 608) on February 28, protecting Oregon renters from the frequent and large rent increases that have been prevalent in recent years. SB 608 establishes a maximum annual rent increase of 7% plus the consumer price index (CPI) measure of inflation for rental housing more than 15 years old. The new law also establishes a for-cause eviction standard for renters after 12 months of occupancy. The bill is designated as "emergency legislation," meaning it takes effect immediately. The organizations dedicated to passing SB 608 came together as the Stable Homes for Oregon Families campaign, coordinated by several statewide organizations, including the Oregon Housing Alliance, an NLIHC state partner, and the Community Alliance of Tenants, an NLIHC member.



Governor Kate Brown signs Oregon's historic rent regulation law on February 28, 2019

Oregon's new rent-regulation law is unique because it applies to the entire state, rather than just providing a framework within which municipalities can choose to participate. The state law will not apply to rent increases on vacant apartments if the prior tenant vacated by choice or by for-cause eviction. Subsidized properties are exempted from the law's rent-regulation provisions because their rents are already established by state or federal program guidelines.

The rent-regulation guidelines are bolstered by the new limits on "no-cause evictions" – when a renter is ordered to leave a property not because of any violation of the lease, but because their fixed-term or month-to-month lease is at an end. No-cause eviction is essentially ended with this act for all month-to-month leases after their initial 12 months. Landlords can still evict renters for common lease violations such as non-payment of rent or damage to property. The bill also creates new reasons for landlord-based for-cause evictions such as: when a property owner sells the property to a new owner who intends to move in; when the landlord wants to move in themselves or move in a family member; or when there are repairs and renovations substantial enough

to require a renter to vacate. When landlords use one of the new kinds of for-cause eviction, they must provide a 90-day notice and relocation expenses in the amount of one month's rent. Landlords of small properties who own four or fewer rental units are exempt from having to pay relocation expenses. Landlords who live on the same property as their tenants and who own two rental units or fewer may use no-cause evictions at any time.

An important element to the ultimate passage of SB 608 was the multi-sector support for the campaign. Stable Homes for Oregon Families was officially endorsed by labor groups such as SEIU Locals 503 and 49, the Oregon AFL-CIO and Oregon AFSCME Council 75; women's organizations such as Oregon National Organization for Women (NOW) and the Oregon Alliance to End Violence Against Women; racial justice organizations such as the Coalition of Communities of Color and the Latino Network; and education advocates such as the American Federation of Teachers (AFT) Oregon and the Oregon Student Association. The bill also had the official support of several major municipal and county governments, including the cities of Portland and Eugene, and Washington, Multnomah, and Clackamas counties. These allies mobilized an impressive groundswell of support for SB 608; more than 80 supporters provided eight hours of testimony before the legislature.

"We are so thrilled that people all across Oregon who rent their homes will have basic protections against nocause evictions and extreme rent increases. For years, the use of no-cause evictions and unlimited rent increases have been wreaking havoc in our communities," said Alison McIntosh, policy and communications director for Neighborhood Partnerships, the convener of the Oregon Housing Alliance. "This victory is several years in the making and is built on the outstanding advocacy of impacted renters who told their stories persuasively and persistently until law makers saw the best path forward was sensible state policy to produce stable, affordable communities for renters."

For more information about SB 608, contact Alison McIntosh at amcintosh@neighborhoodpartnerships.org

Events

CBPP to Host Webinar on HUD's FY19 Budget

The Center on Budget and Policy Priorities (CBPP) is holding a <u>webinar</u> on March 5 at 2:00 p.m. ET to discuss the final FY19 HUD budget and what it means for low-income communities. The webinar will review funding levels for key programs, the implications of policy changes included in the spending package, and next steps for FY20. You can register for this free webinar at: <u>https://bit.ly/2GQVdyT</u>

Local Solutions Go National at People & Places 2019 Conference

NLIHC is a co-host of the <u>People & Places 2019</u> conference being held April 15–17 in Arlington, VA, minutes from Washington, DC. Eighteen national nonprofits have joined forces to present this national community development event focused on raising up local solutions that advance prosperity in low-income neighborhoods and communities of color. <u>Register</u> by March 15 to save \$100.



Learn what's working to promote equitable development, strengthen the flow of capital, remediate blight, make places healthier, and more. NLIHC's *Opportunity Starts at Home* campaign staff will lead a session on *Building Multi-Sector Coalitions to Advance Policy Goals*. Attendees will have the opportunity go to Congress to speak up on behalf low-income people and disinvested places.

Explore the agenda and speakers for this dynamic, peer-learning event.

Register for the event at: <u>https://bit.ly/2SzTL5t</u>

Resource

Urban Institute Releases New Chartbook on the Affordability of Homeownership for Renters

The Urban Institute released a new <u>Housing Affordability for Renters Index: Local Perspective and Migration</u> chartbook. The chartbook draws on data from the "housing affordability for renters index" (HARI) to examine homeownership affordability for current renters in 100 metropolitan areas. HARI measures the percent of renters who have enough income to purchase a home.

Data come from the 2017 American Community Survey and 2017 Home Mortgage Disclosure Act. Homeownership affordability is measured for each metropolitan area by a local index, which is the share of local renters who can afford to buy a home within that metropolitan area, and by a migration index, which is the share of renters nationwide who can afford to purchase a home in that metropolitan area.

In terms of homeownership affordability for local renters, Washington-Arlington-Alexandria, DC-VA-MD-WV (30%), Phoenix-Mesa-Scottsdale, AZ (31%), Lakeland-Winter Haven, FL (31%), Las Vegas-Henderson-Paradise, NV (32%), and Cape Coral-Fort Myers, FL (34%) were the most affordable metropolitan areas. Los Angeles-Long Beach-Anaheim, CA (18%), San Diego-Carlsbad, CA (20%), Oxnard-Thousand Oaks-Ventura, CA (20%), McAllen-Edinburg-Mission, TX (21%), and Durham-Chapel Hill, NC (21%) were the least affordable metropolitan areas.

Housing Affordability for Renters Index: Local Perspective and Migration is available at: https://urbn.is/2VtdyFB

NLIHC in the News

NLIHC in the News for the Week of February 24

The following are some of the news stories that NLIHC contributed to during the week of February 24.

- "Public housing: Once desired, now a decades-long decline in CT," *Laredo Morning Times*, February 28 at: <u>https://bit.ly/2Epd5gu</u>
- "Orlando lawmakers push for local rent controls to combat Florida's affordable housing crisis," *Orlando Weekly*, February 27 at: <u>https://bit.ly/2NAFGng</u>
- "Democrats Revive Bill to Let Colorado Cities Set Their Own Minimum Wage," Westword, February 26 at: <u>https://bit.ly/2EEBqjZ</u>
- "Oregon House passes rent control bill, sends to governor," KTVZ.com, February 26 at: <u>https://bit.ly/2H95khU</u>

NLIHC News

Internship: NLIHC 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 at: jlindstrom@nlihc.org

Where to Find Us – March 4

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

- <u>Tennessee Housing Conference</u>, Nashville, TN, March 6 and 7
- NCSHA Legislative Conference, Washington, DC, March 11
- NCRC 2019 Just Economy Conference, Washington, DC, March 12
- NHLP Housing Justice Network National Meeting, New Orleans, LA, March 18-20
- National League of Cities Mayor's Conference, Detroit, MI, April 2 4
- Housing California Annual Conference, Sacramento, CA, April 16
- <u>People & Places 2019</u> Conference, Arlington, VA, April 16
- Arkansas Fair Housing Commission 2019 Annual Fair Housing/Fair Lending Conference, Little Rock, AR, April 18
- <u>Denver Housing Forum</u>, Denver, CO, April 19
- <u>Building Michigan Communities Conference</u>, Lansing, MI, April 30
- Colorado NAHRO Conference, Vail, CO, May 15

- National Association of Local Housing Finance Agencies Conference, Denver, CO, May 16
- Supportive Housing Network of New York Conference, New York, NY, June 13
- Wisconsin Partnership for Housing Development Home for Everyone Conference, Eau Claire, WI, July 18-19
- Housing Colorado Conference, Keystone, CO, October 9
- <u>Housing & Community Development Network of NJ</u> Annual Conference, New Jersey (location TBD), October 18
- Rural Housing Summit, San Jose, CA, 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 Coordinator, 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 Elavne 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