



Memo TO Members

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Take Action

Today is Last Day to Join CHN letter Opposing Budget Cuts in FY18

NLIHC has joined the Coalition on Human Needs (CHN) to urge Congress to pass a clean budget that promotes opportunity for all, safeguards and advances basic living standards, and protects the environment. All organizations that care about budget integrity and oppose harmful policy riders and cuts to essential programs are encouraged to sign the CHN letter. **The deadline to sign onto the [letter](#) is today, June 19.**

The CHN letter states, “Rather than budget cuts, we urge you to support a budget that is an engine for economic progress. It must provide enough funding for jobs and infrastructure programs, with targeted help for low-income communities and struggling individuals, including immigrants seeking a better life. All Americans deserve the security of being able to sustain basic living standards. Our national security depends on adequate funding to reduce the threats of hunger or homelessness and to increase access to health care. Our security also depends on making sure that seniors can afford to retire without fear of inadequate food, health care, or heat for their homes. We are more secure when all our people can contribute to and benefit from our economy, including people with disabilities, and no matter our race, ethnicity, gender, or immigrant status.”

Read and sign onto the Coalition for Human Needs letter at: <http://bit.ly/2qAPTHQ>

Join More than 1,000 Organizations in Protecting and Expanding the National Housing Trust Fund

More than 1,000 national, state, and local organizations have signed onto NLIHC’s letter urging Congress to protect and expand the national Housing Trust Fund (HTF), which President Trump proposed to eliminate in his [FY18 budget](#). While a copy of the letter has been delivered to all members of Congress, there is still time for organizations concerned about homelessness and the lack of affordable homes [to sign onto the national HTF letter](#) before an updated version is sent to Capitol Hill later in the budget process..

The HTF is the first new housing resource in a generation exclusively targeted to help build and preserve housing affordable to people with the lowest incomes, including those who are homeless. Congress must protect the HTF from the administration’s attack and instead significantly increase its funding to address the critical affordable housing needs of the lowest income renters in every community in the U.S.

Sign the [letter](#) urging Congress to protect and expand the HTF and share it with your networks.

Contact your Congressional delegation directly at: <http://bit.ly/2IBR7eM>

Urge Members of Congress to Fully Fund Rural Housing Investments

During a hearing held by the Senate Appropriations Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies on June 13, Senators from both parties voiced concern about the Trump Administration’s Fiscal Year (FY) 2018 budget request for the agency and its proposal to eliminate the under secretary for rural development position. Subcommittee Ranking Member Jeff Merkley (D-OR) stated that “the budget comes across less as a ‘Make American Agriculture Great’ budget, and more as a ‘Rural America and Farmers Last’ budget.”

The president’s budget proposes significant reductions to U.S. Department of Agriculture’s rural housing budget, including a \$60 million cut to Section 521 Rural Rental Assistance, the elimination of the Multifamily Preservation and Revitalization program, and the elimination of key homeownership programs, including Section 502 Direct Homeownership Loans and Section 523 Mutual Self-Help Housing.

NLIHC and nearly 600 organizations from across the country have signed onto a letter circulated by the National Rural Housing Coalition in opposition to the proposed cuts. The letter criticized the Administration's response to the problems facing rural America as what "can only be described as a wholesale retreat."

NLIHC encourages advocates to call their members of Congress to urge them to oppose the president's proposed budget and U.S. Department of Agriculture reorganization plan and to fully fund rural housing investments.

Contact your Congressional delegation directly at: <http://bit.ly/2rr1AkV>

Read NRHC's press release about rural advocates' letter to Congress at: <http://prn.to/2tmTGWB>

Review NLIHC's analysis of the Trump Administration's proposed budget, including funding for USDA Rural Housing programs, at: <http://nlihc.org/sites/default/files/Trump-Budget.pdf>

Read USDA Secretary Sonny Perdue's full testimony at: <http://bit.ly/2rgSiUI>

Watch a recording of the hearing at: <http://bit.ly/2rIW5wN>

United for Homes

Representative Ellison Cites NLIHC Report in Urging Congress to Enact The Common Sense Housing Investment Act

Representative Keith Ellison (D-MN) sent a letter to his colleagues in Congress on June 13, highlighting NLIHC's new [*Out of Reach*](#) report and inviting them to cosponsor the "Common Sense Housing Investment Act of 2017" (H.R. 948) as a policy solution to the growing affordable housing crisis.

The *Out of Reach* report found that there is no community in America where a person working full-time at minimum wage can afford to rent a two-bedroom apartment, and only 12 counties where they could afford to rent a one-bedroom apartment.

Mr. Ellison cited the report and called for rebalancing the federal government's approach to housing policy. H.R. 948 would convert the mortgage interest deduction (MID) into a 15% tax credit and reduce the size of a mortgage eligible for the MID from \$1 million to the first \$500,000. This allows tax benefits to reach more low and moderate income homeowners and frees funds for reinvestment into more targeted rental housing programs, such as the national Housing Trust Fund, a renters' tax credit, and other solutions.

Mr. Ellison also quoted NLIHC President and CEO Diane Yentel's opinion piece in *The Hill*: The MID "favor[s] families who don't need federal assistance to have a stable home."

NLIHC urges advocates to ask their representatives to cosponsor H.R. 948. To date, the bill is cosponsored by Representatives Butterfield, Clarke, Conyers, DeSaulnier, Evans, Lee, and Scott.

Read the NLIHC's *Out of Reach* report at: <http://bit.ly/2sY6q5R>

Read more on the "Common Sense Housing Investment Act of 2017" at: <http://bit.ly/2saLj0C>

Read more from Diane Yentel on the mortgage interest deduction at: <http://bit.ly/2kK32KX>

The Rare Occurrence of Mortgages Over \$500,000

NLIHC's *A Rare Occurrence: The Geography and Race of Mortgages Over \$500,000* report was published in November 2015 but it remains relevant today. The report reveals that only 5% of the mortgages obtained between 2013 to 2015 in the U.S. were larger than \$500,000 and that lowering the mortgage interest deduction (MID) cap to \$500,000 would have no impact on most homeowners nationwide given the rarity of mortgages over that amount.

The report is located on the [Resources](#) page of the United for Homes (UFH) website. It provides clear evidence to support one part of the UFH proposal – lowering the cap on the amount of mortgage debt for which interest can be deducted from \$1 million to the first \$500,000.

The key findings from the analysis are:

- Of the nearly 20 million mortgages originated from 2012 to the end of 2015, just 5% were larger than \$500,000. In 39 states, the percent of mortgages over \$500,000 was less than 3%; in 19 states, it was less than 1%.
- Mortgages larger than \$500,000 were geographically concentrated. The ten states with the greatest number of mortgages larger than \$500,000, in order, are California, New York, Virginia, New Jersey, Texas, Massachusetts, Illinois, Maryland, Washington, and Florida. These ten states accounted for 81.0% of the national total. California alone accounted for 45.7% of the national total.
- The share of mortgages larger than \$500,000 was greater than 10% in just 48 counties (1.5% of all U.S. counties). These forty-eight counties accounted for 67.4% of the national total of mortgages larger than \$500,000. Fourteen of these counties were in California and accounted for nearly 43.8% of the national total.

Additionally, the report provided evidence that the MID also disproportionately benefits white households, who are more likely to be homeowners and have higher incomes than black and Hispanic households. White borrowers overwhelmingly hold the most mortgages over \$500,000 while Asian borrowers have the highest percentage of mortgages over \$500,000. White borrowers accounted for 64.3% of the mortgages larger than \$500,000 and Asian borrowers accounted for 14%, for a total of 78.3% of all such mortgages. This issue was discussed on the June 14, UFH endorser webinar, "[Housing, Racial Equity, and United for Homes](#)." During the webinar, experts shared data and their perspectives on the importance of the UFH proposals for racial equity.

A Rare Occurrence: The Geography and Race of Mortgages over \$500,000 report is at:

<http://nlihc.org/research/rare-occurrence>

Housing, Racial Equity, and United for Homes webinar is at: <http://bit.ly/2sxOCIV>

Visit the United for Homes website at: <http://www.unitedforhomes.org/>

Congress

Senator Kaine Introduces Bill to Protect LGBT People from Housing Discrimination

Senator Tim Kaine (D-VA) introduced the Fair and Equal Housing Act of 2017 on June 8 to extend the Fair Housing Act's protections to those at risk of discrimination because of their sexual orientation and gender identity. The landmark Fair Housing Act protects individuals from housing discrimination based on race, color, religion, national origin, sex, familial status, or disability. While 22 states, the District of Columbia, and more than 200 local jurisdictions protect LGBT people from housing discrimination, the Fair Housing Act does not

yet ensure these protections. National surveys, including a study commissioned by the Department of Housing and Urban Development (HUD), show that this form of housing discrimination remains prevalent in our nation.

In a statement, NLIHC President and CEO Diane Yentel said, “Access to safe and stable housing is a basic right, regardless of an individual’s sexual orientation or gender identity. Yet housing discrimination based on sexual orientation and gender identity remains a challenge for those looking for a safe and stable home. Denying individuals and families access to housing because of their sexual orientation or gender identity contributes to homelessness and limits economic opportunity. This bill is a vital step toward ensuring that all people have affordable and decent homes. NLIHC commends Senator Kaine for his ongoing commitment to this issue, and is proud to support the ‘Fair and Equal Housing Act of 2017.’”

The bill’s 14 original cosponsors include Senators Chris Van Hollen (D-MD), Tammy Baldwin (D-WI), Elizabeth Warren (D-MA), Margaret Wood Hassan (D-NH), Patrick Leahy (D-VT), Kirsten Gillibrand (D-NY), Ron Wyden (D-OR), Edward Markey (D-MA), Al Franken (D-MN), Jeff Merkley (D-OR), Cory Booker (D-NJ), Richard Blumenthal (D-CT), Catherine Cortez Masto (D-NV), and Sherrod Brown (D-OH).

Read NLIHC’s statement on Senator Kaine’s introduction of the “Fair and Equal Housing Act of 2017” at: <http://bit.ly/2rkBwUH>

Read more about fair housing and other housing equity issues on NLIHC’s website at: <http://nlihc.org/issues/equity>

Review HUD’s study on housing discrimination against same-sex couples at: <http://bit.ly/2rvgkiM>

Senators Blunt and Reed Introduce the Bipartisan Family Self Sufficiency Act

On June 13, Senators Roy Blunt (R-MO) and Jack Reed (D-RI), along with original cosponsors Senator Tim Scott (R-SC) and Senator Bob Menendez (D-NJ), introduced the Family Self Sufficiency Act (FSS Act) to improve HUD’s Family Self Sufficient Program (FSS Program), which is designed to help families receiving housing assistance achieve economic stability and mobility.

Since its establishment, the FSS Program has enabled families living in public housing or using Housing Choice Vouchers to access workforce training and other resources to pursue higher paying employment opportunities. Families enrolled in the FSS Program receive an interest-bearing escrow account, empowering them to save and apply that savings to work-related purchases.

The FSS Act seeks to improve the program by adding important supportive services regarding educational attainment and financial literacy, extending eligibility requirements, and streamlining administration of the program.

Read more about the “Family Self Sufficiency Act” at: <http://bit.ly/2rhPwyz>

Read Senators Blunt and Reed’s statements on the “Family Self Sufficiency Act” at: <http://bit.ly/2sDwZ3z>

Advocates Hold Congressional Briefings on NLIHC’s *Out of Reach* Findings and Policy Solutions

Today, June 19, NLIHC will host a Senate briefing on the 2017 *Out of Reach* report and federal policy solutions to the growing affordable rental housing crisis. NLIHC encourages advocates to invite their Senators to attend today’s briefing to learn more about what Congress can do to increase the availability of affordable rental homes for people with the lowest incomes. A similar briefing was held last week to a packed room of nearly 50 House staffers.

NLIHC's newest report, *Out of Reach 2017: The High Cost of Housing*, documents the gap between wages and the price of housing in every county and state in America. The report shows how wage stagnation – particularly among lower wage workers – combined with a significant increase in the number of renters and an inadequate supply of affordable homes has led to rising rents in every state and congressional district.

NLIHC's President and CEO Diane Yentel and Vice President of Research Andrew Aurand will speak at the briefing, along with Christopher Ptomey, Senior Director of Government Affairs at Habitat for Humanity International, and Shauna Sorrells, Director of Legislative and Public Affairs at the Housing Opportunities Commission of Montgomery County. They will discuss findings from the new report and outline key policy proposals, related to budget and appropriations, tax reform, housing finance reform and other legislative avenues.

See the invitation to NLIHC's briefing on June 19 at: <http://bit.ly/2r33yTP>

Read NLIHC's 2017 *Out of Reach* report at: www.nlihc.org/oor

Budget and Appropriations

Treasury Secretary Mnuchin Testifies Before Senate Budget Committee

The Senate Budget Committee held a hearing to consider President Trump's FY18 Budget and Revenue proposals on June 14. Treasury Secretary Steven Mnuchin appeared before the Committee to provide testimony and to answer questions.

Chair Mike Enzi (R-WY) asked when the debt ceiling needs to be addressed, given reports from the Treasury that tax receipts were coming in slower than anticipated. The debt ceiling is the total amount of money the Treasury is authorized to borrow to meet its existing obligations. Mr. Mnuchin responded that his strong preference is for the House and Senate to raise the debt ceiling as soon as possible before the August recess.

Several Committee Democrats stressed their disappointment with the president's budget, highlighting the severity of proposed cuts to critical programs, such as affordable housing, that aid low and moderate income Americans. Ranking Member Bernie Sanders (I-VT) asked Mr. Mnuchin "why [he thinks] it's a good idea to make massive cuts when people all over the country are paying over 50% of their income on housing... and give tax breaks to the wealthiest families in America."

Republican committee members expressed their optimism about the prospect of comprehensive tax reform. Mr. Mnuchin indicated that his staff are hard at work on a proposal, and that they are looking for ways to simplify the tax code by reforming exemptions, exclusions, deductions and credits. "Everything is on the table," said Mr. Mnuchin.

NLIHC supports modifying the mortgage interest deduction through tax reform to rebalance federal housing resources towards people with the greatest needs.

Review NLIHC's analysis of President Trump's budget request at: <http://bit.ly/2rwM9ae>

NLIHC's summary budget chart is available at: <http://bit.ly/1SowzjU>

Read NLIHC's statement on President Trump's budget request at: <http://bit.ly/2mGyHuP>

Read Diane Yentel's Point of View about the proposed budget at: <http://bit.ly/2o0viqX>

Read about tax reform on NLIHC's website at: <http://bit.ly/2rApVQN>

Watch a recording of the Budget Committee hearing at: <http://bit.ly/2sjVAKH>

Banking Committee Advances HUD Deputy Secretary Nomination to the Senate

On June 14, the Senate Committee on Banking voted to recommend the nomination of Pam Patenaude to serve as HUD deputy secretary. Her nomination was supported by all members in attendance except for Senator Elizabeth Warren (D-MA), who asked that her vote be recorded as a “no.”

Ms. Patenaude previously appeared before the Banking Committee for her nomination hearing, where she faced critical questions from Committee Democrats about the Trump Administration’s fiscal year (FY) 2018 budget proposal. The budget proposal would cut more than \$7 billion – 15 percent – from HUD’s budget, slashing affordable housing and other essential programs. Ms. Patenaude stated her support for the president’s proposed budget during her confirmation hearing, though she had no role in crafting it.

With the Banking Committee’s approval, Ms. Patenaude’s nomination will now go to the Senate for a final confirmation vote.

Review NLIHC’s analysis of President Trump’s budget request at: <http://bit.ly/2rwM9ae>.

NLIHC’s summary budget chart is available at: <http://bit.ly/1SowzjU>.

Read NLIHC’s memo article about Ms. Patenaude’s nomination hearing at: <http://bit.ly/2t6LhqR>.

HUD

NLIHC Responds to HUD Notice Seeking to Reduce Regulatory Burdens

NLIHC submitted a letter responding to a HUD request in a *Federal Register* notice dated May 15, 2017 seeking suggestions for regulations “that may be outdated, ineffective, or exceedingly burdensome, and therefore warranting repeal, replacement, or modification.” NLIHC reiterated our fundamental objection to the underlying premises that are the source of the request for regulatory reform suggestions – Executive Order (EO) 13771 (see *Memo*, [2/6](#) and [2/13](#)). NLIHC has grave concerns about the impact EO 13771 will have on the low income people served by HUD programs. By arbitrarily requiring two sets of regulations be repealed for each new, necessary regulation, EO 13771 will prevent HUD from carrying out its duty as authorized by Congress to operate housing and community development programs in a manner that serves and protects low income people.

HUD’s request responds to a directive in another Executive Order, EO 13777, requiring federal agencies to establish a Regulatory Reform Task Force to evaluate regulations and make recommendations regarding which to repeal, replace, or modify (see *Memo*, [3/6](#)).

NLIHC’s letter proceeds to discuss current regulations that, as HUD requested, are not as effective as they could be and therefore warrant modification, identifying shortcomings and offering recommendations that would make them more effective. The regulations that could be made more effective by modification include those pertaining to: the national Housing Trust Fund, Section 3 Employment Opportunities, Public Housing Demolition and Disposition, Housing Choice Voucher Portability, Enhanced Vouchers, the PHA Plan, and Lead-Based Paint Poisoning Prevention. NLIHC also suggested modifications to the Project-Based Voucher provisions in the January 18, 2017 *Federal Register* notice implementing some of the streamlining elements of the “Housing Opportunity Through Modernization Act of 2016” (HOTMA).

NLIHC also expressed proactive support for several essential fair housing regulations: Affirmatively Furthering Fair Housing, Discriminatory Effects, Equal Access Regardless of Sexual Orientation or Gender Identity, Equal Access in Accordance with an Individual’s Gender Identity in CPD Programs, Quid Pro Quo and Hostile

Environment Harassment, and Violence Against Women Reauthorization Act of 2013 Implementation in HUD Housing Programs.

NLIHC's response letter is at: <http://bit.ly/2rhImKA>

NLIHC Submits Comments on MTW Operations Notice

NLIHC submitted comments regarding HUD's draft Operations Notice for Expansion of the Moving to Work (MTW) Demonstration Program (see *Memo*, [5/8](#)). NLIHC conveyed strong opposition to the inclusion of work requirements, time limits, and major changes to rent policies among possible conditional waivers in the draft Operations Notice. NLIHC also offered several suggestions for improving resident participation in the decision to apply for MTW status. While NLIHC supported HUD's proposal to determine an MTW expansion agency's voucher renewal funding based on 90% of its housing assistance payment (HAP) expenditures from the previous year, a welcome shift away from the block grant approach, NLIHC urged HUD to narrow the range of HAP funds that might be used for local, non-traditional programs.

The "Consolidated Appropriations Act of 2016" authorized HUD to expand the MTW demonstration to an additional 100 high performing public housing agencies (PHAs) over a seven-year period (see *Memo*, [12/21/15](#)). PHAs will be added to the MTW demonstration in annual groups (cohorts), each of which will be overseen by a research advisory committee to ensure the demonstrations are evaluated with rigorous research protocols, quantitative analysis, and comparisons to control groups. Each year's cohort of MTW sites will be directed by HUD to test one specific policy change.

The draft Operations Notice proposed three categories of statutory and regulatory waivers that MTW agencies could pursue:

1. General waivers available without review by HUD to all MTW expansion agencies.
2. Conditional waivers available if approved by HUD. Conditional waivers are expected to have a greater and more direct impact on households.
3. Cohort-specific waivers available only to MTW agencies implementing a specific cohort policy change.

NLIHC's letter conveyed strong opposition to the inclusion of work requirements, time limits, and major changes to rent policies among possible conditional waivers. Because such policies have the potential to cause substantial harm to residents in the form of severe cost burden, housing instability, and perhaps homelessness, those policies should only be allowed as cohort-specific waivers subject to the most rigorous evaluation required by the MTW expansion statute.

In addition, several of the proposed conditional waiver parameters pertaining to rent policies, such as allowing an MTW PHA to charge a minimum rent of 50% of adjusted income or allowing a resident to suffer a rent burden up to 40% of gross income, were far too liberal. PHA representatives have complained that these and other parameters were too restrictive.

NLIHC also offered several suggestions for improving resident participation in the decision to apply for MTW status. The Operations Notice should clearly and explicitly declare that an intent to apply for MTW status constitutes a Significant Amendment to the PHA Plan. A Significant Amendment triggers Resident Advisory Board engagement as well as outreach that encourages resident and public engagement by reviewing and commenting on the proposal, especially at a required public hearing regarding the PHA's intent to apply for MTW status.

In addition, the final Operations Notice should have the same resident participation information contained in Notice PIH-2017-01, which was withdrawn prior to formal publication. Among other provisions, Notice PIH-2017-01 called for PHAs to notify public housing and voucher residents of an intention to apply for MTW

status, and to hold at least two public meetings for them before conducting a separate public hearing about the MTW application. The Notice also called for PHAs to describe actions they took to proactively engage residents before and during the creation of an MTW application, as well as explain how they plan to continue to engage residents in the implementation of their MTW program.

A May 4 proposed revision to the Operations Notice would allow MTW agencies to mandate Family Self-Sufficiency participation as a condition for housing assistance. NLIHC opposed allowing an FSS mandate because it could lead to termination of assistance and thus housing instability.

The draft Operations Notice would require an expansion MTW agency to spend at least 90% of its annual voucher budget authority on eligible HAP expenses each year. It would also determine an MTW expansion agency's voucher renewal funding based on 90% of its HAP expenditures from the previous year. NLIHC welcomed this shift away from the block grant approach, but urged HUD to narrow the range of HAP funds that might be used for local, non-traditional programs. NLIHC supported a suggestion offered by the Center on Budget and Policy Priorities that proposed basing HAP renewal funds on 98% of the previous year's HAP expenditures, but allowing HUD to approve a percentage less than 98% (but no less than 90%) to test non-HAP uses associated with policies subject to rigorous cohort evaluation.

NLIHC's comment letter is at: <http://bit.ly/2sZ4b2F>

CPD Notice Encourages Grantees to Plan for Disasters

HUD's Office of Community Planning and Development (CPD) issued Notice CPD-17-6 encouraging CPD formula grantees to undertake comprehensive pre-disaster planning to be prepared to use CPD funds for immediate disaster response and long-term recovery. The Notice provides guidance to grantees regarding use of CPD formula grant programs to carry out disaster-related activities.

The CPD formula programs are: the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), and national Housing Trust Fund (HTF) programs.

The Notice warns against duplicating assistance provided by the two primary sources of federal disaster assistance, the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA). The Notice states that FEMA and SBA assistance is intended to meet short-term recovery needs, while the most appropriate use of CPD funds is to address longer-term needs. Before making CPD assistance available, a grantee must verify that a proposed CPD activity will not be funded by FEMA or SBA and that advance payments from these or other sources will not duplicate CPD assistance.

The Notice also warns of duplicating assistance that insurance might provide. Although CPD resources might be used to provide up-front temporary assistance, grantees must structure such assistance so that it can be recovered when a beneficiary receives insurance proceeds.

Notice CPD-17-6 explains how CDBG, HOME, ESG, and HOPWA funds may be used to address post-disaster needs. It also describes which CPD program regulations were most frequently waived during previous disasters. Grantees are encouraged to prepare for future disasters by reviewing and updating their Consolidated Plan, Annual Action Plans, and attendant citizen participation plans.

Notice CPD-17-6 is at: <http://bit.ly/2rXYgN3>

Amy Cantu Thompson Nominated as HUD Assistant Secretary for Public Affairs

President Donald Trump announced his intent to nominate Amy Cantu Thompson as HUD assistant secretary for public affairs. Ms. Thompson currently serves as the deputy assistant secretary for public affairs. She was HUD's deputy press secretary during the George W. Bush Administration. While serving as director of communications for the Community Financial Services Association, she led a variety of communications initiatives affecting state and federal consumer lending policies. Prior to that position, Ms. Thompson managed public relations campaigns and executive speechwriting for the Target Corporation in Minneapolis. At Levick Strategic Communications, Ms. Thompson specialized in government regulation and corporate reputation for Fortune 500 Companies.

The June 9 White House announcement is at: <http://bit.ly/2stUUSM>

National Housing Trust Fund

HUD Announces 2017 HTF Allocations, \$219.1 million Available Nationwide

The National Low Income Housing Coalition (NLIHC) applauds the release of Fiscal Year (FY) 2017 allocations of state-by-state funding levels for the national Housing Trust Fund (HTF) from the Department of Housing and Urban Development (HUD). The funding, approved on Wednesday, June 14, is an important step towards alleviating the severe shortage of homes affordable to the lowest income people across the country.

The HTF is exclusively targeted to help build, preserve, and rehabilitate housing for people with the lowest incomes. In 2016, the first \$174 million in HTF funding were allocated to states. This year, HUD will allocate over \$219 million to states for producing, preserving, and rehabilitating rental housing for extremely low income (ELI) households, those with incomes at or below 30% of area median income, or less than the federal poverty guideline.

The 2017 HTF allocations, along with allocations for other CPD formula programs are at <http://bit.ly/2rs5MkB>

The national Housing Trust Fund is funded through a 0.042% assessment on the new business of Fannie Mae and Freddie Mac.

NLIHC's statement on the release of the 2017 HTF allocations is at: <http://nlihc.org/press/releases/7950>

More information about the HTF is on NLIHC's website at: <http://nlihc.org/issues/nhtf>

HUD Issues IDIS User Manual for HTF

HUD's Office of Community Planning and Development (CPD) issued the *HTF IDIS User Manual for Grantees* to show national Housing Trust Fund (HTF) state grantees how to set up, fund, draw funds for, and complete HTF activities in the Integrated Disbursement and Information System (IDIS). Although the manual is very technical and intended for state staff tasked with entering information into IDIS, advocates deeply engaged with their state's HTF program might benefit from a quick look at some features in the manual.

IDIS is the online system grantees of CPD program funds, such as the HOME Investment Partnerships Program, use to track and draw CPD funds as well as to record the results of their CPD-funded activities.

IDIS requires a set of completion pages for each HTF-assisted activity (property). In addition to an assisted property's address and activity type (e.g., new construction, rehabilitation, acquisition and rehabilitation, etc.), IDIS Completion Page 1 (see pages 6-7 through 6-11) asks states to indicate the total number of completed

units, HTF-assisted units, Section 504 accessible units, and Energy Star certified units. States are also asked to indicate how many of the units are designated (but not necessarily occupied by):

- disabled individuals and families who do not have mobility impairments;
- homeless individuals;
- chronically homeless individuals;
- homeless veteran individuals;
- homeless families;
- chronically homeless families;
- homeless veteran families;
- persons with HIV/AIDS;
- victims of domestic violence;
- homeless youth; and
- youth aging out of foster care.

Also, indicated here is how many years HTF-assisted units are to remain affordable, if a state imposes an affordability period greater than 30 years.

Completion Page 2 consists of three screens. The “costs” screen (see pages 6-14 through 6-16) shows the form of HTF assistance, such as amortized loan, deferred payment loan, grant, or other form of assistance. The amount of other public resources in the property are to be listed, such as the Low Income Housing Tax Credit proceeds, tax-exempt bond proceeds, HOME funds, and state housing trust fund dollars. There are lines to indicate whether a property is receiving private loans and owner cash contributions.

The beneficiaries screen of Completion Page 2 (see pages 6-17 through 6-20) should show unit-specific information, such as:

- Number of bedrooms in an HTF-assisted unit;
- Number of people occupying the unit;
- Head of household’s race or ethnicity;
- Type of household living in the unit (single, non-elderly, elderly, single parent, two parents, other);
- Whether the household’s income at the time of initial occupancy is less than 30% of the area median income (AMI) or greater than 30% AMI but less than the federal poverty guideline;
- Total initial monthly rent (tenant contribution plus any subsidy); and
- Whether the household is receiving other housing assistance, such as a tenant-based or project-based voucher, HOME tenant-based rental assistance, other federal, state, or local tenant-based or project-based assistance, or no assistance.

The manual does not cover the set of HTF performance reports that seem to be set up in IDIS. It is too soon for these reports to be populated by states. However, in the future advocates will want to study PR100 HTF Activity Status Report, PR103 HTF Beneficiary Report, PR104 HTF High Priority Performance Goals Report, and PR105 Status of HTF Activities Report.

The *HTF IDIS User Manual for Grantees* is at: <http://bit.ly/2rf6a1C>

The content of HTF IDIS Performance Reports are hinted at in the *IDIS Online Reports Users Guide* at: <http://bit.ly/2syg1n4>

Criminal Justice Reform

Representative Sensenbrenner Introduces Second Chance Reauthorization Act of 2017

Representative Jim Sensenbrenner (R-WI) introduced bipartisan legislation to reauthorize the “Second Chance Act of 2007” on June 13. If passed, this legislation would continue targeted funding for 5 years for reentry programs at the state and local level, including those that improve access to jobs, housing, drug treatment, mental health treatment, and medical care. These programs have been proven to reduce recidivism, lead to better outcomes for those released from prison, and save costs.

The proposed legislation would provide non-profit faith and community-based organizations with mentoring grants to develop support programs such as housing, drug treatment, job training, medical care, and education.

The United States incarcerates its citizens at a shockingly high rate and nearly one in three Americans has a criminal record. As formerly incarcerated individuals return to their communities, there is concern about how they will fare upon reentry. Resources, especially for affordable housing, are already scarce in the low income communities where formerly incarcerated persons typically return. Because of their criminal records, justice-involved individuals face additional barriers in accessing affordable housing, putting them at risk of homelessness and subsequent recidivism.

The reauthorization bill’s 14 original cosponsors include Representatives Bob Goodlatte (R-VA), Danny Davis (D-IL), John Conyers (D-MI), Sheila Jackson Lee (D-TX), Rodney Davis (R-IL), Doug Collins (R-GA), Mark Walker (R-NC), Tom Marino (R-PA), Bobby Scott (D-VA), Bill Johnson (R-OH), Mia Love (R-UT), Scott Taylor (R-VA), Barbara Comstock (R-VA), and Hakeem Jeffries (D-NY).

Learn more about the “Second Chance Reauthorization Act of 2017” at: <http://bit.ly/2rklRER>

Learn about housing and criminal justice reform on NLIHC’s website at: <http://nlihc.org/issues/criminal-justice>

Research

African Americans Disproportionately Live in States with Weaker Welfare Assistance

A report from the Urban Institute, *Why Does Cash Welfare Depend on Where You Live? How and Why State TANF Programs Vary* explores state variation in Temporary Assistance to Needy Families (TANF)—a federally-funded block grant that provides cash assistance to low income families with children. The report indicates that, compared to whites, a larger share of African Americans live in states with less generous assistance, more restrictive requirements, and shorter time limits.

As a block grant, TANF gives states flexibility in the design of their cash assistance programs for low income families. The number of families in poverty who receive TANF ranges from 4 per every 100 families in poverty in Louisiana to 78 per 100 in Vermont; the maximum monthly benefit for a family of three ranges from \$170 in Mississippi to \$932 in Alaska; and the maximum length of time a family can receive benefits ranges from 21 months in Connecticut to no lifetime limit in New York and Massachusetts. Eligibility requirements for receiving cash benefits, such as work requirements and which educational activities are treated as work-related, also vary by state.

Fifty-six percent of African Americans live in the 25 states that serve the fewest families relative to need. These states serve no more than 19 out of every 100 families living in poverty. Forty-six percent of non-Hispanic whites live in such states. Sixty-three percent of African Americans live in the 25 states with maximum monthly benefits of less than \$428, compared to fifty-two percent of non-Hispanic whites. Fifty-nine percent of African

Americans and fifty-three percent of non-Hispanic whites live in states with short time limits. Further analysis by the authors indicates that an African American share of the population 5 percentage points higher than the national average is associated with lower maximum monthly benefits by more than \$25, or more than \$325 per year. A higher share of African Americans is also associated with harsher sanctions for failure to meet program rules, such as work requirements.

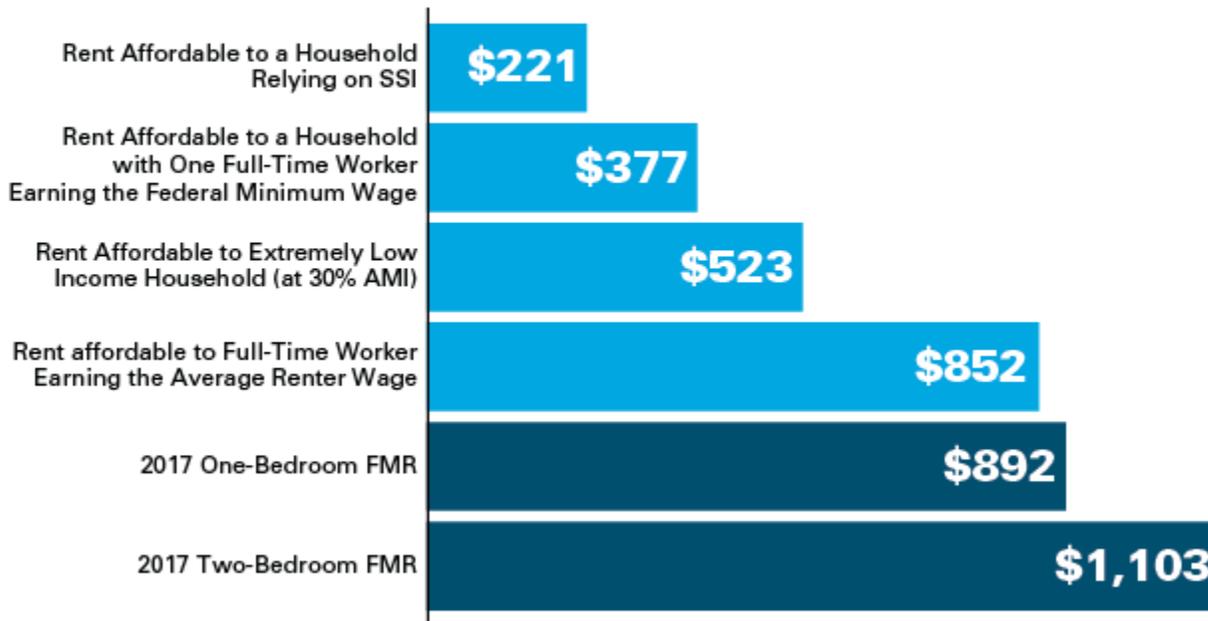
Why Does Cash Welfare Depend on Where You Live? How and Why State TANF Programs Vary is available at <http://urbn.is/2r0vyYQ>

Fact of The Week

Rents Are Out of Reach for Many



RENTS ARE OUT OF REACH FOR MANY RENTERS



Source: NLIHC calculation of a national weighted-average Fair Market Rent; NLIHC calculation of affordable rent for average renter wage based on Bureau of Labor Statistics (BLS) QCEW, 2015 adjusted to 2017 dollars; and Social Security Administration, 2017.



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Source: NLIHC calculation of a national weighted-average Fair Market Rent; NLIHC calculation of affordable rent for average renter wage based on Bureau of Labor Statistics (BLS) QCEW, 2015 adjusted to 2017 dollars; and Social Security Administration, 2017.

From the Field

Minnesota Advocates Win Expansions in Housing Funding

After a tense state legislative session, a \$46 billion budget has passed in Minnesota with \$77 million in bond funding for housing and more than \$5 million in expanded support for homeless programs. The state legislature and Governor Mark Dayton (D) approved funds to support Housing Infrastructure Bonds (HIBs), General

Obligation (GO) Bonds, the Centering Learning Around Student Stability (CLASS) Act, and the Catholic Charities Dorothy Day Center. The expanded funding is largely the result of ongoing advocacy by the Homes for All coalition, a network of Minnesota groups working to end homelessness and the affordable housing shortage. Prominent participants of the Homes for All campaign include Minnesota Housing Partnership and the Minnesota Coalition for the Homeless, both NLIHC state coalition partners.

Despite a budget surplus of more than \$1 billion, the Republican-controlled House and Senate proposed extensive budget cuts and tax reductions. This approach resulted in a special session because of the vast difference between the budget as passed and what Mr. Dayton was willing to sign. The contentious tone of the session makes the significant success of housing advocates more hard-earned and surprising than in previous years.

The 2018 state budget allocates an additional \$55 million for HIBs, bonds used for construction and preservation of affordable housing. They can be used to build and rehabilitate supportive housing for those at risk of homelessness and to preserve affordability of federally subsidized housing. HIBs can also be used to buy land for community land trusts and for foreclosure prevention. Minnesota's budget included an additional \$10 million for GO bonds which are used to improve health, safety, and energy conditions in existing public housing. In 2016, \$80 million in state bonds leveraged \$300 million in private and local funding. Finally, the budget included \$12 million for the [Catholic Charities Dorothy Day Center](#) located in St. Paul, which provides essential emergency assistance services such as shelter, job search guidance, meals, and access to basic medical care.

Beyond victories in housing bonds, various Department of Human Services programs see expanded support in the new budget. Housing with Support for Adults with Serious Mental Illness increases by \$2.15 million, Long-Term Homeless Support Services Funds increase by \$750,000, transitional housing programs increase by \$400,000 and emergency services programs increase by \$200,000. CLASS Act, one of Governor Dayton's priority initiatives, received \$2 million. The CLASS Act [provides](#) secure, stable housing for highly mobile school children and their families in order to promote academic success. The program provides rental assistance in Saint Paul, Minneapolis, and Moorhead to keep students and their families in the same school and neighborhood.

The final budget also includes important language enabling local communities to establish local housing trust funds, a priority for MHP. Unfortunately, the local housing trust fund language did not establish a dedicated funding mechanism and did not provide for a state funding match to incentivize the creation of trust funds. The enabling legislation does, however, provide MHP with momentum leading to introduction of legislation next year to secure funding sources.

While Mr. Dayton signed all nine budget bills, he removed \$130 million in state funding by line-item vetoing the funding for the Minnesota House and Senate operations. He did this because he opposed many provisions in the tax bill, such as tobacco tax breaks, estate tax exclusion increases, property tax freezes, and other allocations. The legislature had added a provision to one of the budget bills which would have cut funding to the Department of Revenue if Mr. Dayton had vetoed the tax bill. Essentially, this left Mr. Dayton with no department to collect taxes if he did not go along with the legislature's tax cut priorities, leaving him with little choice but to sign the tax bill. By vetoing the funding to operate the House and Senate, Mr. Dayton is hoping to bring the Republicans back into negotiations. Republican lawmakers are now suing the governor with a court date likely in the upcoming week.

The \$77 million in bonds falls short of the \$100 million goal for the [Homes for All](#) campaign. Advocates are developing strategies to further expand housing investment in future budget sessions. "This was a difficult budget session, but we are proud to see a modest expansion of resources for affordable housing," said Chip Halbach, Executive Director at Minnesota Housing Partnership. "This was only a partial victory, but we will be

able to avoid a drop off in housing activity at a time when low-income people are being displaced through upscaling occurring in the private unsubsidized market.”

For more information about housing priorities in the recent Minnesota legislative session, contact Jeremy Schroeder, Policy Director at Minnesota Housing Partnership at jeremy.schroeder@mhponline.org

Read more about the “Homes for All” campaign at: <http://www.homesforallmn.org>

Resource

Best Practices for Affordable Housing Development on Publicly Owned Parcels

In a new report by Enterprise Community Partners, *Public Benefit from Publicly Owned Parcels: Effective Practices in Affordable Housing Development*, Michael Spotts, Ahmad Abu-Khalaf, and Genevieve Hale-Case describe best practices for public entities seeking to use publicly owned land for affordable housing development. The authors focus on ways to improve the efficiency of the solicitation process—the process in which public entities seek proposals from the private sector to develop publicly-owned land. According to the report, efficiency is the key to achieving the goals of both the public agency and developer. The report provides best practices for public agencies, taking into consideration a variety of agency goals, agency capacities, and property types.

Public Benefit from Publicly Owned Parcels: Effective Practices in Affordable Housing Development is available at: <http://bit.ly/2scsRI4>

Event

NeighborWorks Brings a Training Institute to Philadelphia, August 14-18

The next NeighborWorks Training Institute (NTI) will take place in Philadelphia the week of August 14-18. The NTI offers more than 100 course in affordable housing development and financing; housing asset management; community engagement; community revitalization; community economic development; housing construction and rehabilitation; financial capability and homeownership education, coaching, and counseling; nonprofit management and leadership; and single-family and small business lending. In addition to taking training courses throughout the week, participants can attend a mid-week symposium, “[Creating Opportunities for Financial Inclusion and Economic Empowerment](#)” on August 16.

More information about the NTI is at: <http://bit.ly/2rgCylb>

Register for the NTI at: <http://bit.ly/1ATs8Ia>

Other NLIHC News

NLIHC Welcomes Aubrey Kearney as Policy Intern

NLIHC is pleased to welcome Aubrey Kearney as one of our summer policy interns. Aubrey is currently a graduate student at the School of Public and Environmental Affairs at Indiana University-Bloomington. During and immediately following her undergraduate career, Aubrey worked to address homelessness and housing issues through both sociological research and local nonprofit services. That work informs and drives her current academic and career pursuits. Aubrey is thrilled to contribute to NLIHC’s work. According to Aubrey, NLIHC’s commitment to policies informed by research and evidence-based solutions is what sparked her

passion for this field. Upon graduation, Aubrey hopes to continue working towards policies that improve and expand housing for vulnerable populations.

Join us in welcoming Aubrey to the NLIHC team!

NLIHC Seeks Interns for Fall Semester 2017

NLIHC is accepting applications for internship positions for the fall 2017 semester. 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.

The available positions are:

- **Field Intern.** Assists the NLIHC 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.
- **Research Intern.** Assists in ongoing quantitative and qualitative research projects, writes weekly articles on current research for NLIHC's weekly *Memo to Members* newsletter, attends briefings, and responds to research inquiries. Quantitative skills and experience with SPSS a plus.
- **Communications/Media/Graphic Design Intern.** Prepares and distributes press materials, assists with media research and outreach for publication releases, works on social media projects, maintains a media database, and tracks press hits. Also assists with sending out e-communications; designing collateral print material such as brochures, flyers, and factsheets; and updating content on the NLIHC website. Graphic design and Adobe Creative Cloud (Illustrator, InDesign, and/or Photoshop) experience needed. Please provide 3 design samples and/or link to online portfolio in addition to a writing sample.

Fall interns are expected to work 25 hours a week beginning in August or September and finishing up in December. 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 fall 2017 internship.

Interested students should send their materials to: Paul Kealey, chief operating officer, National Low Income Housing Coalition, 1000 Vermont Avenue, NW, Washington, DC 20005 via email to pkealey@nlihc.org.

Where to Find Us the Week of June 18

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

- Housing Association of Nonprofit Developers (HAND)'s [Annual Meeting and Housing Expo](#) in Washington, DC on June 20
- [Council for Affordable and Rural Housing Annual Meeting](#) in Arlington, VA on June 20
- [The Right To The City Alliance 10th Anniversary Event](#) in New York, NY on June 23
- 2017 City Wide Stand Up for Affordable Housing in Detroit, MI on June 23

Also coming up:

- National Affordable Housing Trust Conference plenary luncheon in Washington, DC on June 25
- National Alliance to End Homelessness [conference](#) in Washington, DC, July 17-19

- [A Home for Everyone: Making Housing a Priority Conference](#) in La Crosse, WI, July 19-20
- The Monarch Housing and New Jersey Housing and Community Development Network [2017 New Jersey Congressional Reception](#) in Washington, DC on July 26
- The United Native American Housing Association [Summer Meeting](#) in Polson, Montana, the week of August 21
- The [Hudson Valley Pattern for Progress Event](#) in Newburgh, NY on September 14
- The Housing Washington 2017: [24th Annual Affordable Housing Conference](#) in Spokane, WA, October 2-4
- [ReFrame Association Conference](#), Home, Health, & Hope in Kingsport, Tennessee on November 9

NLIHC in the News

NLIHC in the News for the Week of June 11

The following are some of the news stories that NLIHC contributed to during the week of June 11:

- “The Hourly Income You Need To Afford Rent Around The U.S.,” *The Huffington Post*, June 15 at: <http://bit.ly/2sC2oUe>
- “The hourly wage needed to rent a two-bedroom home in every state,” *Yahoo! Finance*, June 13 at: <https://yhoo.it/2sHY0CU>
- “No full-time minimum wage worker can afford a 2-bedroom apartment in any US state,” *CNBC*, June 12 at: <http://cnb.cx/2sfsTvO>
- “This Map Shows How Much You Need To Earn To Rent An Apartment In The U.S.,” *Fast Company*, June 12 at: <http://bit.ly/2skqan0>
- For more new stories featuring *Out of Reach 2017*, go to: <http://bit.ly/2rA8Gns>

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 Sarah Jemison, Housing Advocacy Organizer, x244
 Paul Kealey, Chief Operating Officer, x232
 Aubrey Kearney, Policy Intern, x252
 Miriam Keller, Policy Intern, x241
 Joseph Lindstrom, Manager, Field Organizing, x222
 Lisa Marlow, Communications Specialist, x239
 Sarah Mickelson, Director of Public Policy, x228
 Ben Miller, Field Intern, x249
 Khara Norris, Director of Administration, x242
 Lindsey Otto, Communications/Graphic Design Intern, x250
 Katherine Randall, Research Intern, x249
 James Saucedo, Housing Advocacy Organizer, x233
 Christina Sin, Development Coordinator, x234

Elayne Weiss, Senior Housing Policy Analyst, x243
Renee Willis, Vice President for Field and Communications, x247
Diane Yentel, President and CEO, x228