Memo To Members & Partners

A weekly newsletter from the National Low Income Housing Coalition

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Budget

THUD Bill Stalled in Final Negotiations

The House and Senate continue to negotiate a final deal on a four-bill spending package ("minibus") that includes the FY19 Transportation-HUD (THUD) and Agriculture spending bills. However, lawmakers have been unable to reach an agreement because of controversial policy riders included in several of the bills. Congress only has a few days left to negotiate a deal on the minibus before federal funding expires for programs on September 30, the last day of the current fiscal year. Without an agreement, Congress is likely to fund HUD and USDA affordable housing programs through a stopgap funding measure running through December 7. Lawmakers plan to attach the stopgap funding bill to another spending package that has already been negotiated.

National Housing Trust Fund

NLIHC Releases Interim Report Summarizing Inaugural HTF Projects

NLIHC published *Getting Started: First Homes Being Built with 2016 National Housing Trust Fund Awards* on Wednesday, September 12. This interim report profiles how 42 states, so far, have awarded their inaugural 2016 national Housing Trust Fund (HTF) allocations. Eight states and the District of Columbia anticipate making their awards by December 2018.

States are using most of their HTF resource for projects that will serve people experiencing homelessness, people with disabilities, elderly people, and other special needs populations. At the time of publication, 129 projects have been awarded 2016 HTF money, with about 1,500 HTF-assisted units anticipated to be constructed or rehabilitated.

The HTF, a block grant to states, is the first federal resource since 1974 for building, rehabilitating, or preserving homes targeted to extremely low income (ELI) households, those with income at or less than 30% of the area median income or less than the federal poverty line. The HTF is funded through a dedicated source, a small assessment on the volume of new business for Fannie Mae and Freddie Mac.

Beginning in 2000, NLIHC led a national campaign to create and fund the HTF. In 2016, the first $174 million in HTF funding was allocated to states. It was followed by more than $219 million allocated for 2017 and nearly $267 million for 2018. NLIHC works to ensure that the funding is used effectively to create decent and affordable homes for the more than 11 million ELI renter households that need this assistance the most.

The full report is at: http://nlihc.org/issues/nhtf

Disaster Housing Recovery

Hurricane Florence Hits the Southeast Region of the U.S.

NLIHC is in close communication with our members and partners in the Carolinas, Georgia, and Virginia, as well as their congressional delegations and the administration. NLIHC is monitoring Hurricane Florence's impact on people in low income communities.

To help ensure an equitable and complete disaster housing recovery, NLIHC formed the Disaster Housing Recovery Coalition (DHRC) in response to last year's disasters. The DHRC now includes over 720 local, state and national organizations and impacted people, many with extensive experience with disaster housing relief, recovery, and rebuilding efforts going back to Hurricanes Andrew, Katrina, and most major disasters since.

To better coordinate advocacy efforts for low income survivors and communities impacted by Hurricane Florence, NLIHC will resume weekly national conference calls of the DHRC. In addition, we will provide more frequent disaster housing policy email updates, as needed. NLIHC maintains a Disaster Recovery site on its webpage containing a variety of resources including a compendium of federal disaster resources, policy recommendations to Congress, FEMA, and HUD, as well as a running record of disaster updates.

The DHRC stands ready to work with low income survivors and communities impacted by Hurricane Florence and we invite you to join our efforts. To learn more, go to: http://nlihc.org/disaster-housing-coalition

FEMA

North Carolina

A Major Disaster Declaration (DR-4393) was declared by President Trump on September 14, for eight counties in North Carolina in the aftermath of Hurricane Florence: Beaufort, Brunswick, Carteret, Craven, New Hanover, Onslow, Pamlico, and Pender.

Individual Assistance can include grants for temporary housing and home repairs, low-cost loans to cover uninsured property losses, and other programs to help individuals and business owners recover from the effects of the disaster. (For explanations of Individual Assistance (IA) programs, see FEMA HQ-18-127-FactSheet.)

Public Assistance is also available to the state, tribal, and eligible local governments as well as certain nonprofits on a cost-sharing basis for emergency work in the eight counties. This assistance can be in the form of debris removal (Category A) and emergency protective measures (Category B), as well as direct federal assistance. (For explanations of Public Assistance (IA) programs, see FEMA HQ-18-127-FactSheet.)

In addition, federal funding is available statewide for hazard mitigation measures on a cost-sharing basis. The Hazard Mitigation Grant Program provides assistance to state and local governments and certain nonprofits to prevent or reduce long-term risk to life and property from natural disasters.

Damage assessments are continuing in other areas of the state, and more counties and additional forms of assistance may be designated after the assessments are fully completed.

FEMA Administrator Brock Long named Albert Lewis as the Federal Coordinating Officer for federal recovery operations in the affected areas.

Survivors may register with FEMA after filing an insurance claim. If internet access is available, the best way to register is:

- Online at DisasterAssistance.gov, or
- On the FEMA Mobile App.

Survivors can call 800-621-3362 (FEMA). Applicants who use 711 or Video Relay Service may also call 800-621-3362. People who are deaf, hard of hearing or have a speech disability and use a TTY may call 800-462-7585.

The toll-free numbers are open from 7 a.m. to 10 p.m. ET, seven days a week. Multilingual operators are available. Press 2 for Spanish and press 3 for other languages.

The Presidential Major Disaster Declaration is at: https://bit.ly/2NRkYlA

The FEMA page for North Carolina is at https://www.fema.gov/disaster/4393

The State of North Carolina's Department of Public Safety has an Emergency Management has a webpage devoted to Hurricane Florence at: https://www.ncdps.gov/florence It shows which counties have evacuation orders, disaster declarations, the locations of shelters, and other basic state information.

South Carolina

A Major Disaster Declaration was declared by President Trump on September 16, for eight counties in South Carolina in the aftermath of Hurricane Florence: Berkeley, Charleston, Dorchester, Georgetown, Horry, Marion, Orangeburg, and Williamsburg.

As of *Memo* publication time, FEMA has not posted the declaration. The White House version of the declaration does not mention eligibility for individual assistance. It only indicates that Public Assistance is available to state, tribal, and eligible local governments as well as certain nonprofits on a cost-sharing basis for emergency protective measures in those counties. In addition, federal funding is available statewide for hazard mitigation measures on a cost-sharing basis. The Hazard Mitigation Grant Program provides assistance to state and local governments and certain nonprofits to prevent or reduce long-term risk to life and property from natural disasters.

Damage assessments are continuing in other areas of the state, and more counties and additional forms of assistance may be designated after the assessments are fully completed.

FEMA Administrator Brock Long named Elizabeth Turner as the Federal Coordinating Officer for federal recovery operations in the affected areas.

The Presidential Major Disaster Declaration is at: https://bit.ly/2NfMEkC

Virginia

A Major Disaster Declaration has not been made for Virginia. An Emergency Declaration (EM-3403) was declared on September 11 in anticipation of Hurricane Florence. This has the possibility of providing Public Assistance to any county in the state to help the state, local, and tribal governments and certain nonprofits for emergency work and the repair or replacement of disaster-damaged facilities.

The Virginia EM-3403 FEMA page is at: https://www.fema.gov//disaster/3403

HUD

Multifamily Office Prepares for Hurricane Florence

HUD's Office of Multifamily Housing Programs held a stakeholder conference call on September 13 in anticipation of damage to HUD-assisted homes due to Hurricane Florence. HUD estimates that there are 2,465 HUD-assisted properties in the path of the storm in North Carolina, South Carolina, and Virginia. These properties have a total of 189,497 units, 86,993 of which are assisted units. The properties include those that are HUD-insured, non-HUD-insured with Project-Based Section 8 contracts, Use-Agreement-only properties, HUD-held mortgages, and Direct Loan/Grant properties.

In a blog, NLIHC estimated that as of the hurricane's path Wednesday afternoon, there were nearly 455,000 affordable rental homes for very low income households in the potentially impacted areas of the hurricane and subsequent flooding. At the time of the estimate, there were nearly 87,000 federally assisted units in the potentially impacted area. NLIHC based its estimate on HUD data in the National Housing Preservation Database. Since the time HUD and NLIHC made their estimates, Hurricane Florence has taken a different path; we will revise and release new estimates this week.

During the stakeholder call, HUD encouraged owners on the call to have a plan for communicating with residents who evacuate, plan to contend with power outages, register with FEMA, and conduct property damage assessments as soon as possible.

HUD is urging Multifamily property owners with vacancies in Florida, Georgia, Kentucky, New Jersey, New York, and Tennessee to notify HUD. In addition, if they do have vacancies, HUD would like to know whether their properties have preferences for households displaced by a disaster.

Read NLIHC's blog about the estimated number of low income families threatened by Hurricane Florence at: https://bit.ly/2NehNVT

The National Housing Preservation Database is at: https://bit.ly/2uzX5UW

Other Hurricane Florence Updates

- While many areas along the coast of the Carolinas have mandatory evacuations in place in response to Hurricane Florence, low income individuals and families might not have been able to afford evacuation. According to estimates made by NLIHC Wednesday afternoon before the hurricane's path shifted, about 155,000 people in the storm's path do not even have a car and many others may not have funds to cover expenses such as hotel rooms, gas, or emergency food.
- Portlight Strategies and the Partnership for Inclusive Disaster Strategies issued a statement in preparation for Hurricane Florence, reminding members of the additional risks faced by "disaster impacted children and adults with disabilities, older adults and others with access and functional needs." The announcement reiterated the organization's commitment to supporting FEMA and all emergency managers, including its provision of a Disability Hotline 800-626-4959 to offer emergency assistance for people with disabilities.

FEMA Fails to Notify Hurricane Maria Survivors Denied Assistance about New Sworn Statement for Proof of Ownership

The 720 organizations of the NLIHC-led Disaster Housing Recovery Coalition sent a letter on September 14 to FEMA Administrator Brock Long, calling on the Agency to send out a form letter to all Hurricane Maria survivors previously denied Individuals and Households Program (IHP) assistance for land title issues—whether they appealed or not. DHRC requested that FEMA use the letter to advise those denied assistance to reapply with the new form attached and that the 30-day appeal period not apply to them or prevent them from acting now.

Ayuda Legal Huracán María, Fundación Fondo de Acceso a la Justicia, and Servicios Legales de Puerto Rico—all members of the Disaster Housing Recovery Coalition—worked with FEMA's Office of Chief Counsel to develop an alternative, proof-of-ownership Sworn Statement for those applying for disaster assistance but without formal title documents. The new document more accurately reflects probate estate laws on the island, does not require notarization, and was approved by FEMA on August 17.

Although FEMA agreed to reassess denials of appeals from Hurricane Maria survivors and issued a press release about the alternative document, it is not conducting an automatic review of denials for title questions, will not directly notify denied applicants, and will not conduct outreach on the new form—stating it will leave that up to legal aid and nonprofit organizations.

Applicants previously denied must file a formal appeal. Advocates in Puerto Rico report inconsistent recognition or acceptance of the FEMA-approved Sworn Statement by Disaster Recovery Center staff. Some—even with the Sworn Statement in hand—are being turned away when there is a prior *final* denial.

In a letter dated September 5, 2018, Congressman Sean Patrick Maloney (NY-18) also admonished Administrator Long for applying an inconsistent system of approval and notification of homeowners to changes in its application process. Representative Maloney stated, "I have recently learned that more than 335,000 applications for disaster assistance funding to rebuild homes have been denied and that more than 43,000 of these cases have been appealed. It is my understanding that the primary reason that these applications have been denied is the lack of proof of homeownership."

DHRC letter to FEMA Administrator: https://bit.ly/2NlV8qr

Sworn Statement: https://bit.ly/2p8UQor.

FEMA press release on Sworn Statement: https://bit.ly/2NfPhTL.

Letter from Congressman Patrick Maloney to FEMA Administrator: https://bit.ly/2CZzt2x.

New Data Reveals Disaster Preparedness Disparities between Renters and Homeowners

HUD, the Census Bureau, and FEMA released on September 6, new American Housing Survey (AHS) data that reveals disaster preparedness disparities between renters and homeowners. According to a media release from HUD, the new survey data show that "renters are three times more likely [than homeowners] to need financial assistance to evacuate during a major disaster." Approximately 39% of AHS renter respondents indicated that they would not be able to cover the cost of evacuation expenses in a disaster – an estimated cost of $2,000. In contrast, 88% of homeowner households would have access to $2,000 in an emergency.

The AHS is a biennial survey of 121.2 million occupied housing units, providing information on the nation's housing stock. The survey captures information on a range of issues related to housing including, "inventory, vacancies, fuel usage, physical condition of housing units, characteristics of occupants, equipment breakdowns, home improvements, mortgages and other housing costs, people eligible for and beneficiaries of subsidized housing, home values, and characteristics of recent movers," according to the Census Bureau.

In 2013, the AHS began collecting data on emergency and disaster preparedness. With the release of 2017 survey data, for the first-time policy analysts and researchers can track changes in disaster preparedness over time and identify relationships between disaster preparedness and housing status. In addition to data on disaster preparedness, the 2017 AHS survey data also include information on housing quality, housing costs, owner home improvements, and neighborhood characteristics.

Summary tables and data files with 2017 data are available for download.

HUD's media release is at: https://bit.ly/2p93dAf

HUD Notice Offers Rule Waivers for PHAs in 2018 Disaster Areas

HUD's Office of Public and Indian Housing (PIH) published a *Federal Register* notice on September 12, informing public housing agencies (PHAs) about waivers of HUD requirements they may request in the aftermath of a presidentially-declared Major Disaster Declaration (MDD) during calendar year 2018. PIH has issued similar waiver opportunities following Hurricanes Katrina, Rita, Wilma, Harvey, Irma, and Maria, as well as Superstorm Sandy. In order to obtain a waiver, a PHA in an MDD county must submit a request to HUD no later than four months after the disaster is declared.

The notice lists 21 potential waivers and invites PHAs to request waivers not included in the notice. Examples of waivers explicitly mentioned in the notice include:

- Tenant Selection. A PHA's public housing tenant selection policies or its Section 8 administrative plan for Housing Choice Vouchers may be temporarily revised without formal approval by its Board of Commissioners, provided the PHA documents Board support and it is not a significant amendment to the PHA Plan. The temporary tenant selection process may be in effect for no more than 12 months.
- Opening the Waiting List. HUD will consider a request to waive the requirement that a PHA publish a notice in a newspaper of general circulation in order to open its voucher waiting list. A PHA may instead notify the public by posting a notice at any of its offices and/or placing a notice on its website and as a voice-mail message for up to 12 months from the date HUD approves such a waiver request. HUD reminds PHAs to consider the impact on people with disabilities who might have difficulty visiting a PHA office, and on people with hearing impairments or limited English proficiency regarding voice-mail messages.
- Exception Payment Standard. HUD will consider a PHA request to use a voucher exception payment standard up to 150% of the Fair Market Rent in the absence of supporting data.
- Occupancy Standard. For households displaced by a disaster, HUD will consider waiving the voucher rule limiting occupancy at an assisted unit to two persons per bedroom, provided the household consents in writing. If granted, the waiver will be in effect only for Housing Assistance Payment contracts entered into during the 12-month period following HUD approval. The waiver will be in effect for the household's initial lease term.
- Physical Inspections. A PHA may request a waiver of a physical inspection for the Public Housing Assessment System (PHAS) if its fiscal year end date is within four months before and ten months after the disaster.
- Operating Subsidy. For the purpose of calculating a PHA's operating subsidy, a PHA may request public housing units vacant due to a disaster be considered "approved vacancies" for up to 12 months after HUD approval.
- The notice states that HUD cannot grant waivers of unit Housing Quality Standard (HQS) inspections or income verification requirements. However, if sources of income are difficult to find, a PHA may use measures indicated in Notice PIH 2017-12, and HUD can consider variations to acceptability criteria to HQS.

The *Federal Register* notice is at: https://bit.ly/2MtMSPO

Notice PIH 2017-12 is at: https://bit.ly/2oZALRq

Additional Disaster Housing Recovery Updates — September 17

The following is a review of additional housing recovery developments related to Hurricanes Florence, Harvey, Irma, and Maria, and the 2017 California wildfires since last week's *Memo to Members and Partners* (for the article in last week's *Memo*, see 9/10). NLIHC also posts this information at our On the Home Front blog.

Federal Response to 2017 Disasters

Congress

- Twenty-four members of Congress, Democrats and Republicans, sent a letter to House Leadership on September 6 opposing H.R. 4557, the "Reforming Disaster Recovery Act." They raised concerns about the appropriateness of the Community Development Block Grant Disaster Recovery (CDBG-DR) program because it is "fraught with bureaucratic and compliance delays and exorbitant overhead and administrative costs." The letter commits to working through these issues through a full discussion in committees of jurisdiction. NLIHC and the DHRC support H.R. 4557.
- Democratic congressional staff published a report on September 6 for the House Committee on Oversight and Government Reform titled, *A Failure of Oversight: How Republicans Blocked a Credible Investigation of the Trump Administration's Response to the 2017 Hurricanes.* The report compares the Trump administration's response to Hurricane Maria to the Bush administration's response to Hurricane Katrina. An article about the report is available on Vox.com
- The Full House Committee on Oversight and Government Reform will hold a hearing titled, *Evaluating Federal Disaster Response and Recovery Efforts*. The GAO report on the federal government's response to the 2017 hurricanes and wildfires will be discussed at the hearing, which has been postponed from September 13 to a later date due to Hurricane Florence.
- The *Hurricane Maria Conference: Reflecting on Catastrophe and Preparing for the Future* will take place on September 20, 2018 from 9:30 am – 2:00 pm at the Capitol Visitor Center, Room 215, in Washington, DC. The conference is hosted by Representatives Bennie G. Thompson (D-MS), Nydia Velázquez (D-NY), and Raúl Grijalva (D-AZ). The conference will feature panelists from a variety of organizations, including NLIHC, the Partnership for Inclusive Disaster Strategies, the Center for American Progress, the Kaiser Family Foundation, and AirBnB. Diane Yentel, NLIHC President and CEO, will speak at the conference. To RSVP for the event, email CHS.RSVP@mail.house.gov.

FEMA

- FEMA officially ended assistance through the Transitional Sheltering Assistance (TSA) program for survivors of Hurricane Maria on Friday, September 14, leaving hundreds of families without shelter. Some state agencies have stepped up with housing resources for the displaced families, but the federal government has yet to act.
- FEMA outlined in a Fact Sheet the more than $1.4 billion it has obligated for the Individual Assistance (IA) program for more than 463,000 families to help with repair, rebuilding, personal property loss and other non-insured losses from Hurricane Maria.

State Action

- The Texas General Land Office (GLO) opened a public comment period for residents of Harris County and the City of Houston for an amendment to its State Action Plan for the distribution of $2.3 billion of the more than $5 billion in CDBG-DR funding. The announcement is available here, and the HUD CDBG-DR requirements are available in the *Federal Register*. NLIHC prepared a summary of the CDBG-DR, in English and with a Spanish translation provide by the Coalición de Coaliciones de Puerto Rico.

Local Perspectives

- A story in *AL DÍA*, titled *One year after Hurricane Maria: The Long Road to Recovery,* features stories of survivors of Hurricane Maria who were displaced by the disaster and relocated to the Philadelphia region.
- Senator Bernie Sanders (I-VT) posted a short video about FEMA's poor response to residents of Puerto Rico. The video features two local attorneys describing FEMA's failures.

- *NBC News* interviewed several advocates and survivors of Hurricane Maria, including Diane Yentel, NLIHC President and CEO and other members of the Disaster Housing Recovery Coalition, to share their concerns with the end of the TSA program and recovery efforts one-year after the hurricane.

Resources

- A webinar, *Employment Law Before and After a Disaster* is scheduled for Thursday September 20 at 11:00 am ET. The webinar is designed for Equal Justice Works Disaster Recovery Legal Corps fellows. It is open to all advocates and attorneys interested in learning more about employment issues in the context of disaster cleanup, recovery, and disruption of survivors' livelihoods.
- The *Urban Wire* blog, a project of the Urban Institute, featured a post titled, *Improving the disaster aid application process will ensure victims aren't left behind.* According to the authors, the complex processes for applying for and determining eligibility for disaster-related aid from federal agencies such as FEMA, the Small Business Administration (SBA), and HUD tend to leave behind individuals with disabilities and/or limited-English proficiency – groups that are already vulnerable and would benefit most from lower barriers. The post includes recommendations for how disaster relief agencies can improve the application process.

Membership Month

NLIHC's Members Open the Door to Quality Data, Tools, and Reports

This is the third week of NLIHC membership month; the theme is **Members Open the Door to Quality Data, Tools, and Reports.**

Members are a critical part of NLIHC's research and communications work. Members participate by collecting and compiling data, sharing reports with their networks, and creating connections between data and people who experience housing insecurity on a day-to-day basis. Many members value these efforts, using NLIHC data and reports to support their own grant requests, local advocacy, and media engagement. None of these reports and tools would possible without the financial support and other contributions of NLIHC members.

NLIHC produces a wide range of publications and data tools such as *Out of Reach*, *The Gap*, *Tenant Talk*, State Housing Profiles, the National Housing Preservation Database, and *Our Homes, Our Votes* trainings. Just last week, NLIHC released *Getting Started: First Homes Being Built with Housing Trust Fund Awards*, a report on the positive outcomes of the inaugural national Housing Trust Fund (HTF) awards.

Housing Finance Agencies like the Pennsylvania Housing Finance Agency, an NLIHC member, provided details about homes built with their national HTF allocation for *Getting Started*. This report makes the strong case that the HTF is working, and expanded resources will go a long way toward ending the shortage of available homes affordable to extremely low income renters.

NLIHC will soon publish the next edition of *Tenant Talk*, a twice-annual publication for residents and resident-leaders. The Oklahoma Coalition for Affordable Housing is contributing to this edition by describing their events celebrating the 50th year Anniversary of the Fair Housing Act. In a time when the Affirmatively Furthering Fair Housing regulation is being attacked, it is important to show that communities across the nation value the positive outcomes that meaningful implementation of this federal anti-discrimination tool can achieve.

Stories from residents about the impacts of programs highlighted in NLIHC's publications is a way to connect the data to the people benefitting from these programs. Ted Hicks, a resident in one of the Arlington Partnership for Affordable Housing's programs, spoke on NLIHC's press call for the launch of *Out of Reach* about the impact a permanently affordable home has made on his life. The fact that nowhere in the United States can a minimum wage earner afford a two-bedroom apartment at the fair market rent is far more compelling when told in the voice of a person earning the minimum wage who struggles to rent an affordable home.

Want to support our publications and data? Join NLIHC today or help grow the network. Share how you are involved in NLIHC's reports and data collection this week or let us know you joined. Please tweet @NLIHC and use #MembersAreTheKey, #JoinNLIHC, and/or #NLIHCMember. For more ideas on how to spread the word during Membership Month, visit: http://nlihc.org/membership-month

Have questions about Membership Month or want to check the status of your membership? Please contact NLIHC's Field Team at: outreach@nlihc.org.

Congress

Republicans' Tax Reform 2.0 Fails to Address Affordable Housing

House Republicans introduced on September 10 three bills as part of a Tax Reform 2.0 package. The bills do not contain provisions that affect the Low Income Housing Tax Credit or other affordable housing or community development programs. The proposals provide tax breaks for business startups, attempt to boost retirement and other savings accounts, and lock-in individual and small business tax cuts that were included in the tax bill passed last winter. Representative Rodney Davis (R-IL) introduced H.R. 6760, Representative Mike Kelly (R-PA) introduced H.R. 6757, and Representative Vern Buchanan (R-FL) introduced H.R. 6756.

H.R. 6760 is at: https://bit.ly/2N9Ag5y

H.R. 6757 is at: https://bit.ly/2x4jdYT

H.R. 6756 is at: https://bit.ly/2x7jmK1

Opportunity Starts at Home

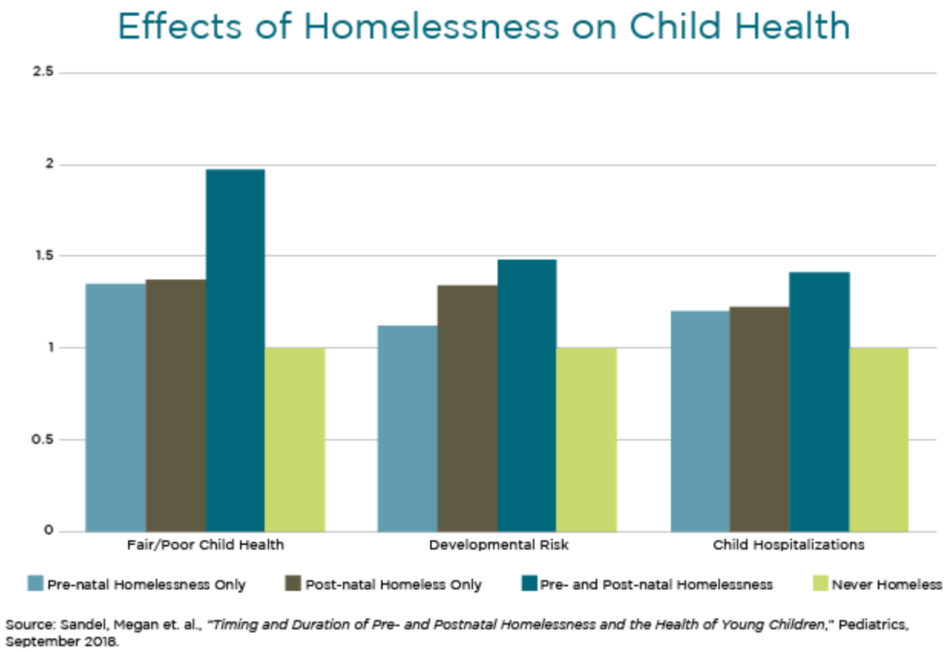
There is No Safe Time for a Child to be Homeless, Even in the Womb

According to a study released online on September 3, children who were in the womb when their mothers experienced homelessness are significantly more likely to have been hospitalized since birth compared to children whose mothers never experienced homelessness. They were also more likely to be in fair or poor health.

The study, "Timing and Duration of Pre- and Postnatal Homelessness and the Health of Young Children," will be published in the October 2018 edition of *Pediatrics,* the official journal of the American Academy of Pediatrics. Researchers interviewed more than 20,000 caregivers in five cities – Baltimore, Boston, Little Rock, Minneapolis, and Philadelphia. Some caregivers were homeless prenatally (before birth), others were homeless postnatally (after birth), and some were homeless both prenatally and postnatally.

Researchers found an array of adverse effects, both for children in the prenatal homeless group and in the postnatal homeless group. The earlier homelessness occurs and the longer it lasts, the more harmful it was to a child's health and development. These negative effects can persist into adulthood.

“We believe this paper has important clinical and public policy implications,” said Dr. Megan Sandel, one of the study’s authors and principal investigator with Children’s HealthWatch. “Clinically, we think it’s very important to develop interventions to prevent family homelessness before it occurs. There are ways in which clinicians could be screening for housing instability to be able to identify at-risk populations. We also believe that this has important policy implications in terms of increasing our ability to argue towards affordable housing.”



Please follow the *Opportunities Starts at Home* campaign on all social media platforms: Twitter, Instagram, Facebook and LinkedIn

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Our Homes, Our Votes

Webinars Provide Snapshots of Voter Engagement Resources

Our Homes, Our Votes conducted a series of six webinars to provide clear information to assist organizations and leaders hoping to engage low income renters in the upcoming 2018 elections. Showing elected officials that housing is an important election issue will be essential to advancing policies at the federal, state, and local levels. NLIHC partnered with experts in the field of voter engagement to provide the following webinars:

- *Our Homes, Our Votes*: An Introduction, and an Exploration of Legal Considerations
- Building the Base: Voter Registration of Low Income Renters and Their Allies
- The Importance of Voter Lists! A Key Tool for Successful Mobilization
- An Informed Debate: Effectively Engaging Candidates while Remaining Non-Partisan
- I Vote for More Affordable Homes! Educating Voters Before Election Day
- Voter Mobilization: Getting Out the Vote!

These are tools for you to help build your voter engagement strategy. All of the webinars were recorded and are available at: https://www.ourhomes-ourvotes.org/webinars

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Research

Housing Subsidies Lift 2.9 Million Out of Poverty

The U.S. Census Bureau released two annual reports on income and poverty on September 12. *Income and Poverty in the United State: 2017* shows that median household income was $61,400, a 1.8% increase from 2016. The poverty rate was 12.3% in 2017, down from 12.7% in 2016. The *Supplemental Poverty Measure: 2017* shows that housing subsidies lifted 2.9 million people out of poverty.

Although household incomes at the 50th, 90th, and 95th percentiles increased by 1.8%, 2.8%, and 3% respectively, there was not a statistically significant change in income for the lowest income households at the 10th percentile. Income gains also varied by race and ethnicity. The real median incomes of non-Hispanic White and Hispanic-origin households increased 2.6% and 3.7% respectively, while the real median incomes of Black and Asian households were not statistically different from 2016.

While the poverty rate decreased between 2016 and 2017, significant racial and ethnic disparities persisted. In 2017, the poverty rate was 8.3% for non-Hispanic whites, 18.3% for Hispanics, 10.0% for Asians, and 21.2% for Blacks. In addition, 5.7% of the population was in extreme poverty, with income below 50% of the poverty threshold.

The Census Bureau's Supplemental Poverty Measure (SPM) addresses the shortcomings of the official poverty measure, which excludes non-cash government benefits from household income. The SPM takes into account non-cash benefits for low income households such as housing subsidies, the Supplemental Nutrition Assistance Program (SNAP), the National School Lunch Program, the Supplementary Nutrition Program for Women, Infants, and Children (WIC), and the Low Income Home Energy Assistance Program (LIHEAP). The SPM also subtracts necessary expenses from household income, such as child care, medical, and work-related expenses. The supplemental poverty rate of 13.9% in 2017 was not statistically different from the 2016 rate, indicating no apparent change in poverty when using a more nuanced measure.

The SPM also shows that housing subsidies lifted 2.9 million people out of poverty. Housing subsidies reduced the supplemental poverty rate by 1.2 percentage points for children under 18, 0.7 percentage points for adults 18-64, and 1.3 percentage points for seniors 65 and older.

Income and Poverty in the United States: 2017 is available at: https://bit.ly/2CNq5im

The Supplemental Poverty Measure:2017 is available at: https://bit.ly/2COfSCp

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Report Analyzes Development Costs for LIHTC Projects

A report by Abt Associates analyzed data from more than 2,500 Low Income Housing Tax Credit (LIHTC) projects developed and placed into service between 2011 and 2016. The intent of the analysis was to discern the factors affecting development costs. Overall, the report found that location, project and unit size, and project type were all strongly correlated with development costs. LIHTC development costs grew by about 8.4% from 2011 to 2016, like the average growth of all construction costs nationally.

The researchers measured costs using per-unit total development cost (TDC), which is the total development cost for a project including land divided by the number of units. Overall, they found that the median per-unit TDC for LIHTC properties was $164,757. One of the major findings was the effect of location on per-unit TDC. Units produced in the Middle Atlantic, New England, and Pacific regions of the country had, on average, higher per-unit TDCs. When land costs were removed, these regions still had the highest per-unit TDCs. While land cost may not directly affect construction cost, it is likely to be indirectly related because higher land costs may require denser development with higher-cost construction features. The researchers also found that construction wages contributed significantly to development costs, though differences in wages did not appear to fully explain variation in TDC across locations.

The study found a strong positive relationship between per-unit TDC and being located in a principal city in a metropolitan area. Projects located in Difficult to Develop Areas (DDAs) and Qualified Census Tracts (QCTs) had higher costs than projects in other areas. As identified by HUD, QCTs are census tracts with high concentrations of low income households, while DDAs are areas that have high development costs. Project size was another factor correlated with per-unit TDC. Projects with more units were less expensive, likely due to the fact that fixed costs can be spread over a greater number of units. An increase of 10 units was associated with a $3,000 decrease in per-unit TDC. For projects with an average bedroom size of more than two, per-unit TDC increases as the number of bedrooms increases.

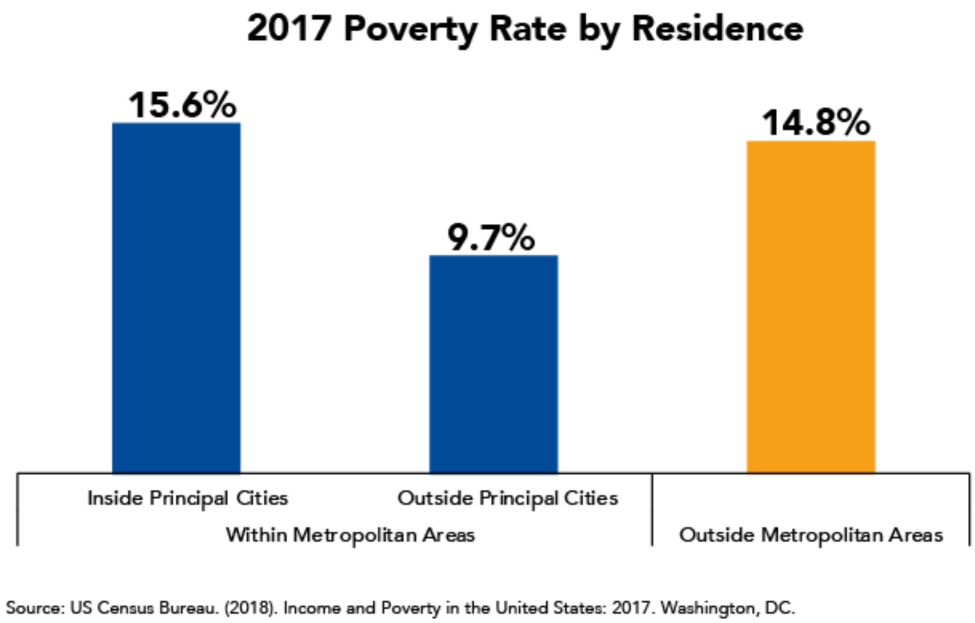
A number of other factors were also significant when analyzing per-unit TDC. Developing new projects was more expensive than rehabilitating existing buildings, and projects developed with 9% LIHTC credits had higher per-unit costs than projects developed with 4% LIHTC credits. In addition, most projects financed by nonprofit developers had higher costs than ones financed by for-profit developers, likely due to the fact that nonprofits often provide more support services and are willing to take on projects with higher land costs. Per-unit TDC was also highest for units in projects targeting people with special needs and the homeless, and lowest in projects for the elderly.

Variation in Development Costs for LIHTC Projects is available at: https://bit.ly/2O59wQp

Information about the LIHTC program is on page 5-30 of NLIHC’s *2018 Advocates’ Guide*

Fact of the Week

Poverty Highest in Rural Areas and Major Metro Areas



Source: US Census Bureau. (2018). Income and Poverty in the United States: 2017. Washington, DC.

Courts

Appeals Court Upholds Enhanced Voucher Right to Remain

The U.S. Court of Appeals for the Third District voted 11-1 confirming that the statute that created enhanced vouchers (EVs) provides assisted tenants the right to remain after an owner of private, HUD-assisted housing decides not to renew a Section 8 project-based assistance contract. In *Hayes v. Harvey*, the District Court, a lower court, agreed with the owner, Philip Harvey, that the statute's right to remain did not apply at the end of Theodore Hayes' lease term. The Appeals Court had upheld the District Court decision two to one. However, in response to the dissenting judge, the Appeals Court granted a rehearing (see *Memo*, 5/7). The Appeals Court reversed the District Court on August 31, based on the statute's plain language and history that make it evident that EV households may not be evicted without good cause, even at the end of a lease term.

Enhanced Vouchers are provided to tenants living in properties with private, project-based assistance when a "conversion action" takes place, such as when a project-based Section 8 contract expires and the owner decides to "opt out" and not renew the contract. Prepayment of certain unrestricted HUD-insured mortgages (generally Section 236 and Section 221(d)(3) projects) is another type of conversion action.

Enhanced Vouchers have two special features that make them "enhanced" for residents:

1. A household receiving an EV has the right to remain in their previously assisted home, and the owner must accept the EV as long as the home continues to be used as rental property. Instead of accepting an EV, a household may move right away with a regular voucher. If a household accepting an EV chooses to move later, its EV converts to a regular voucher.

2. An EV pays the difference between a tenant's required contribution toward rent (generally 30% of adjusted income) and the new market-based rent charged by the owner after the housing conversion action, even if that new rent is greater than the public housing agency's (PHA's) basic voucher payment standard. A PHA's regular voucher payment standard is between 90% and 110% of the Fair Market Rent (FMR). EV payment standards must be adjusted in response to future rent increases.

In 1982, Florence Hayes and her son Theodore rented a project-based Section 8 unit at Washington Square East in Philadelphia. A few years later they were joined by Aqeela Fogle, Florence's granddaughter. In early 2008, the owners of Washington Square East decided not to renew the project-based Section 8 contract, and the Hayes family, which now included Aqueela Fogle's three children, began receiving EVs. In 2010 the property was sold to Philip Harvey who signed a Housing Assistance Payment contract. The parties renewed the lease in 2011 and 2013 for two years. In February 2015 Florence Hayes died, and the Philadelphia Housing Authority transferred the head of household status to Theodore. But, two weeks later, Mr. Harvey notified Mr. Hayes that he did not intend to renew the lease for three reasons: the death of Florence Hayes, Harvey's desire to renovate the unit, and his intent to move his daughter into the renovated apartment.

The District Court ruled in favor of Harvey in 2016, reasoning that the EV statute did not require property owners to renew the leases of EV households. The District Court wrote that the EV statute merely required HUD to provide additional rental assistance (above the PHA payment standard) to a tenant who remains. The Appeals Court disagreed, stating that the plain language of the first clause of the statutory provision [§ 1437f(t)(1)(B)], read in context, does, in fact, provide EV households with a right that is enforceable against landlords, and that tenants may be evicted only for cause, even at the end of a lease term.

The Appeals Court notes that as originally passed in 1999, the EV statute only provided for the augmented payment standard intended to protect a tenant from having to pay market rent. The Appeals Court continues, highlighting Congress' modification of the EV statute text one year later in 2000. Congress added what is now the first clause, "the assisted family may *elect to remain* in the same project in which the family was residing on the date of the eligibility event for the project, and if, during any period the family makes such an election and continues to reside, the rent…" (emphasis added)

The Appeals Court writes that that first clause is written from the tenant's perspective, focusing on the verbs "elect" and "remain," commenting that the assisted family's right to remain would be meaningless if it was not enforceable at the end of the lease term. The Appeals Court continues, "Thus if the enhanced voucher holders' right to 'elect to remain' limited property owners' rights during only the lease term, the first clause of the provision would have no independent meaning; it would describe what is already true. It is, however, a well-established canon of statutory interpretation that 'statutes should be read to avoid making any provisions superfluous or insignificant.'"

The Appeals Court also cites Congressional intent as reflected in the Conference Report. Congress modified the statute in 2000 in order to "clarify…that assisted families continue to have the right to elect to remain in the same unit of their project if that project is eligible to receive enhanced vouchers." The Appeals Court also cited various HUD guidance documents going back to 2001 that require landlords to renew leases of EV households, such as the *Section 8 Renewal Policy: Guidance for the Renewal of Project-Based Section 8 Contracts.* Finally, the Appeals Court cited other court decisions, particularly the Ninth Circuit's *Park Village Apartment Tenants Association v. Mortimer Howard Trust.*

The Appeals Court, however, remanded to the District Court the issue of "good cause," to decide whether Harvey has a "good cause" for not renewing the lease. Harvey stated that he wanted to move his daughter into the Hayes unit. The EV statute does not define "good cause." The Appeals Court notes that the tenant-based voucher regulations define "good cause" to include an owner's desire to use a unit for personal or family use.

The project-based voucher regulations do not include an owner's desire to use a unit for individual or family use.

In addition to HUD filing an amicus brief (see *Memo*, 5/7) amici were submitted by the City of Philadelphia, the Philadelphia Housing Authority, and various local and national nonprofit and legal services organizations.

The opinion is at: https://bit.ly/2MrwNu3

More information about Enhanced Vouchers is on page 4-52 of NLIHC's *2018 Advocates' Guide*

From the Field

Iowa Housing Advocates Launch the Iowa Housing Partnership

Developers, homeless service providers, advocates, and policymakers throughout Iowa recently launched the Iowa Housing Partnership. Their first event as a new organization was an affordable housing forum held on September 4. The forum featured a discussion of advocacy goals and remarks from Lieutenant Governor Adam Gregg (R) and business executive Fred Hubbell, the Democratic Party candidate for governor. The new organization is distinctly focused on advocacy, with a mission to inform and influence policy at the state, local, and federal levels. The Iowa Housing Partnership is now working to build its membership and craft a specific policy agenda.

Much of the discussion at the forum focused on the success neighboring states have had due to similar advocacy partnerships. Dan Garrett, a founding board member of the Iowa Housing Partnership and a vice president for WNC & Associates, noted the recent passage of housing bond legislation in Minnesota and the establishment of a 4% low income housing tax credit in Wisconsin as the types of outcomes possible through sustained advocacy. Melissa O'Neil, Central Iowa Shelter Services CEO, also spoke on the opening panel, emphasizing the need for more investment in homeless interventions and services. She emphasized that many people served through their organization are working and earning income, but there is no affordable rental housing for them to live in.

Nearly 200 advocates and housing professionals from across Iowa gather for a housing forum and to kickoff the new Iowa Housing Partnership.

The two 2018 gubernatorial candidates addressed the assembly, indicating that there is real opportunity to do more in Iowa. Lt. Governor Gregg and Mr. Hubbell focused on the importance of affordable housing supply as a component of economic development. Lt. Governor Gregg noted that small towns in rural Iowa especially find that their businesses cannot expand due to a lack of affordable housing for potential employees. Mr. Hubbell discussed ways that the Iowa state budget could be managed better in order to support more affordable housing. He also acknowledged the crucial role of supportive services for many low income households and asserted that these services must be a part of any solution.

"We are so excited that there is so much energy throughout Iowa to support this new partnership," said Eric Burmeister, a founding board member of the Iowa Housing Partnership and executive director of the Polk County Housing Trust Fund. "It will be great to go into the next state legislative session with a unified strategy and an amplified message."

For more information about the Iowa Housing Partnership, contact Eric Burmeister at eburmeister@pchtf.org

IOWA HOUSING PARTNERSHIP

NLIHC in the News

NLIHC in the News for the Week of September 9

The following are some of the news stories that NLIHC contributed to during the week of September 9.

- "FEMA cutting housing funds for Puerto Rico families," *The Hill*, September 14 at: https://bit.ly/2xkvnfg
- "Jeff Bezos Homeless Pledge Follows Amazon Fight Against Housing Tax," *Yahoo! Finance*, September 13 at: https://yhoo.it/2xkw4We
- "FEMA cuts off housing funds for 987 Puerto Rican families who fled Hurricane Maria," *NBCNEWS.com*, September 13 at: https://nbcnews.to/2QsGBqX
- "Evacuees without cars face storm of expenses," *Marketplace*, September 12 at: https://bit.ly/2CV0UKQ
- "Sen. Todd Young: It's time to solve housing affordability crisis," *IndyStar*, September 9 at: https://indy.st/2NKvomX

NLIHC News

Where to Find Us – September 17

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

- Interagency CRA & Disaster Recovery Listening Session, Houston, TX, on September 20
- *Hurricane Maria Conference: Reflecting on Catastrophe and Preparing for the Future*, Washington, DC, September 20

- Non-Profit Housing Association of Northern California's Building Momentum conference, San Francisco, CA, on September 21
- NACCED Annual Conference, Minneapolis, MN, on September 24
- Foundation for a Healthy St. Petersburg (FHSP) Housing Meeting, St. Petersburg, FL, on September 27
- Southern California Association of Non-Profit Housing Annual Conference 2018, Los Angeles, CA, on September 28
- 11th Annual Tenant and Tenant Association Summit, Washington, DC, on September 29
- Federal Reserve Bank of Philadelphia, Reinventing Our Communities: Investing in Opportunity, Baltimore, MD, on October 1
- The Atlantic's Roundtable Breakfast, Washington DC, on October 3
- 2018 Governor's Conference on Housing and Economic Development, Atlantic City, NJ, on October 3
- Georgia ACT Affordable Housing Conference, Atlanta, GA, on October 10
- Utah's 14th Annual Homelessness Summit, Salt Lake City, UT, on October 25
- Maine Affordable Housing Coalition Conference, Portland, ME, on November 14
- HousingWorks Austin, Annual Summit, Austin, TX, on March 1, 2019
- Rural Housing Summit, San Jose, CA, on November 7, 2019

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