



Memo TO Members

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POINT OF VIEW: VIGILANCE

By Diane Yentel, NLIHC President and CEO

"The arc of the moral universe may bend towards justice, but it doesn't bend on its own. To secure the gains this country has made requires constant vigilance, not complacency."

President Barack Obama, reflecting on the legacy of Martin Luther King, Jr.

It goes without saying that these are extraordinary times. Every day, it seems, we experience another unprecedented moment in American political history. It feels at times like we are veering towards a dark precipice.

President-elect Trump's campaign incited islamophobia, racism, homophobia and more, creating real and valid fear in people throughout the country. As a candidate for president, Dr. Ben Carson, nominee for secretary of HUD, sometimes added to the rancor. He denied the existence of institutional racism, suggested that equal rights for LGBTQ people are unnecessary "extra rights", claimed that government programs are "hand-outs" that foster dependency, and stated resolutely that the federal government has no role to play in alleviating poverty.

The campaign is over. On Friday, Donald Trump will be sworn in as the next president of the United States. He has given us no reason to think that he will govern any differently than he campaigned. Republicans, some very conservative, are the majority party in the House and Senate. Now, **our challenge is to determine how and when to engage with the incoming Administration and with Congress to continue moving our work of social justice forward.**

From what we know about the Republican agenda, we have multiple struggles ahead to protect and preserve the entire safety net for low income people - including affordable housing programs. Republicans are working to repeal the Affordable Care Act as soon as possible with no clear plan for a replacement, putting the health care of millions of low income people at risk. They will seek an increased defense budget, paid for through cuts to non-defense spending programs. They will work to dismantle the gains made in recent years to make housing fair. Comprehensive tax reform threatens the Low Income Housing Tax Credit program, both directly and indirectly. **We will need to mobilize throughout the year to protect all of these critical programs.**

At the same time, we cannot lose sight of opportunities to continue advancing our mission of affordable homes for the lowest income people. Four years of "holding the line" with level funding, of maintaining the status quo simply will not do: not for the nearly eight million extremely low income households struggling to pay the rent each month; for the hundreds of thousands of families, elderly people, kids and veterans living in shelters or on the streets; or for the over 5 million households receiving HUD subsidized assistance and wanting access to better and healthier units, better paying jobs, better schools for their kids and ways to save some of their limited income for something more.

So, when it comes to the budget fights ahead, **we will fight to retain parity** and maintain at least level funding for all HUD and USDA housing programs. **We will simultaneously seek opportunities in Congress to significantly expand funding for programs that serve the lowest income people.** Through the **United for Homes** campaign, we will push for modest reforms to the mortgage interest deduction to provide a new tax break for millions of low income homeowners and to reinvest tens of billions in savings towards housing solutions for the lowest income people. If an infrastructure package is proposed, we will make the case that **housing is infrastructure** and urge that an expansion of the national Housing Trust Fund and funding for capital improvements to public housing be included.

We will forcefully oppose any attempts by Congress or the Administration to create punitive time limits and work requirements in HUD subsidized programs. Welfare reform failed and pushed more children deeper into poverty. We can't allow that to happen to low income families in HUD programs.

At the same time, **we will welcome opportunities to work with the incoming HUD secretary and his leadership team to achieve much-needed improvements to HUD programs.** In his confirmation hearing, Dr. Carson reversed his previous position, stating strongly his belief that the federal government has an important role to play in supporting poor households. He called rental assistance “essential,” while also touting the importance of other HUD programs.

Several improvements to HUD programs long sought by practitioners, advocates and residents of public housing fit within Dr. Carson's frame of "self-sufficiency." This could be the moment when public housing residents can realize one of their top policy priorities: **a final Section 3 rule** improving upon opportunities for residents of HUD subsidized programs to gain economic opportunities while working to improve their own communities. We can work together to further improve and expand the **Family Self Sufficiency program**, giving more families an opportunity to build their savings.

We can work with Dr. Carson and Republican leadership in Congress to **consolidate public housing authority administration**, saving the federal government money and simplifying applications and mobility opportunities for section 8 voucher holders. We can work to **better target Community Development Block Grants** to ensure funding reaches the lowest income communities to revitalize high poverty neighborhoods. Dr. Carson recognizes and wants to address the hazards of lead poisoning - let's take the opportunity to work together to **expand lead abatement and other healthy housing programs**. There may even be opportunities to increase funding for **voucher mobility programs**.

We can work to achieve all this, while also **holding Dr. Carson to the commitments he made in his confirmation hearing to uphold all existing laws**, including and especially as they relate to the rights of LGBTQ people and to fair housing.

We will **stand strong against any attempts, whether from the Administration or Congress, to roll back the progress we've made on advancing and beginning to realize truly fair housing.** That work starts now - just last week Senators Lee (R-UT) and Vitter (R-LA) and Representative Gosar (R-AZ) introduced legislation to strip HUD of its ability to implement and monitor its Affirmatively Furthering Fair Housing (AFFH) rule. And we know from Dr. Carson's own writings that he has opposed AFFH in the past.

But I believe that Dr. Carson's understanding of the importance of AFFH has evolved and may continue to. I know that he is spending time with and learning from some trusted leaders on the issue. I've spoken to Dr. Carson and expect to have a longer meeting with him soon, to continue sharing with him our views on this and other important topics. This is an important opportunity to help inform his thinking; it would be a mistake to miss it out of fear of all the uncertainty around us.

To move our work forward in this time of fear and uncertainty, I believe we must remain open to, and be ready for, possibility. We must welcome every opportunity to form new and sometimes unexpected partnerships towards shared goals.

My commitment to you is to do just that. Throughout these uncertain times, NLIHC will work tirelessly to protect and improve existing programs, as well as seize opportunities to expand them. **We will seek areas of commonality while never compromising our core values and always keeping our eyes on the prize - ending homelessness and housing poverty, once and for all.**

Vigilance. This moment demands it. Vigilance both to fight back and resist when necessary *and* to consistently seek and seize opportunities to move forward. Millions of the lowest income people are counting on us to figure out the way to do both. I am certain that, together, we can.

Thank you for all your good work and partnership,

Diane

TAKE ACTION

Ask Your Representative to Sign Rep. Ellison's Dear Colleague Letter to Reinvest in Affordable Rental Housing

Representative Keith Ellison (D-MN) circulated a Dear Colleague letter last week urging the House Ways and Means Committee to use tax reform as an opportunity to end homelessness and housing poverty by keeping housing-related tax savings within housing.

Mr. Ellison's Legislative Director Carol Wayman announced the Dear Colleague letter at the relaunch of the NLIHC-led United for Homes campaign, which calls for making modest reforms to the mortgage interest deduction (MID) to provide a tax break to millions of additional low and moderate income homeowners and to reinvest the significant savings into affordable rental housing programs that serve households with the greatest needs.

NLIHC and the United for Homes campaign, which is endorsed by more than 2,300 national, state, and local organizations and local government officials, supports the Dear Colleague letter. We urge all Representatives to sign on by the **January 27** deadline.

The letter does not ask the Committee to make changes to housing benefits in the tax code, but rather calls on the Committee to reinvest any housing-related tax savings back into key affordable housing programs if they move forward with such changes. NLIHC has heard from a number of Congressional offices that the Committee is seriously considering modifying housing tax benefits like the MID. If they do, any savings must be reinvested in affordable rental housing programs that address homelessness and housing poverty.

Mr. Ellison's letter states in part: "Comprehensive tax reform provides one of the best opportunities to end homelessness and housing poverty once and for all. As your Committee drafts comprehensive tax reform legislation, we urge you to seize this opportunity by redirecting any savings derived from changes to tax benefits for housing be dedicated to providing affordable rental housing to low income families. This would include tax benefits that benefit some homeowners, such as the mortgage interest deduction, property tax deduction, capital gains exclusion, etc. —whether through direct changes or by increasing the standard tax deduction. Revenue derived from these sources should be dedicated to expanding highly effective affordable rental housing programs that serve families with the greatest needs, like the national Housing Trust Fund, the Low Income Housing Tax Credit with changes to ensure deeper income targeting and other rental assistance and housing production programs."

A copy of the Ellison Dear Colleague Letter is at: <http://bit.ly/2j2j8MM>

A copy of NLIHC's Call to Action is at: <http://bit.ly/2jozn6N>

NLIHC President and CEO Diane Yentel's statement supporting Rep. Ellison's effort is at: <http://nlihc.org/press/releases/7413>

Join the United for Homes campaign at: <http://nlihc.org/unitedforhomes/support>

Urge Congress to Lift Spending Caps, Adequately Fund Affordable Housing and Transportation Programs

Groups concerned about transportation, housing, community development, and homelessness are working together to circulate a letter urging Congress to lift the austere caps on federal spending and to ensure affordable

housing, community development, and transportation programs receive the highest allocation of discretionary funds possible for FY18.

Background

When the “Budget Control Act of 2011” was signed into law, it set in motion very low spending caps, limiting federal funding for discretionary programs. Since then, Congress and the White House have reached short-term agreements to provide limited budgetary relief equally for defense and nondefense programs.

Congress reached an agreement last year to increase the spending caps for FY17. But very low spending caps will return for the FY18 budget, which could lead to devastating cuts to key affordable housing, homelessness, and transportation programs.

Why this is important

With more families struggling to make ends meet and our nation's affordable housing and transportation infrastructure deteriorating, federal investments are more critical than ever to sustain our communities and ensure families thrive. While we must work to reduce our nation's deficit over the long-term, balancing our budget should not be done on the backs of our nation's low income families.

Federal funding provided to the Department of Transportation and HUD provides essential capital and program resources that enable public and private partners to help more than 5 million seniors, people with disabilities, and other families afford stable and safe housing, promote lasting community and family economic success, build critical transportation infrastructure, and spur economic development in communities. Through these investments, Congress reduces homelessness and housing instability, supports small-business job creation, expands our nation's infrastructure capacity, and encourages economic recovery and growth.

How you can take action

Members of Congress need to hear from you! Join housing, community development, and transportation advocates around the country by signing a letter urging Congress to lift the harmful spending caps and to ensure affordable housing, community development, and transportation programs receive the highest allocation of discretionary funds possible for FY18.

Please share the letter and encourage organizations in your network to sign. National, state, and local organizations, as well as state, local, and tribal governments, are welcomed to sign on. The deadline to sign the letter is **March 3**.

View the letter at: <http://bit.ly/2ioVsDU>

Sign onto the letter at: <http://bit.ly/2jnY5Ee>

Submit Your Nomination for the 2017 NLIHC Organizing Award by February 1

Nominations for the 2017 NLIHC Annual Organizing Award are due **5 pm ET, Wednesday, February 1!** The Organizing Award recognizes outstanding achievement during 2016 in state, local and/or resident organizing activity that furthers NLIHC's mission of achieving socially just public policy to ensure people with the lowest incomes in the U.S. have affordable and decent homes. Special consideration will be given to nominations that incorporate tenant- or resident-centered organizing. The award will be presented at the NLIHC 2017 Housing Policy Forum, held April 2-4, 2017 at the Washington Court Hotel in Washington, DC.

An Organizing Award Committee composed of NLIHC board members and previous award winners will determine this year's honoree. Two representatives of the honored organization will receive complimentary Forum registrations, hotel accommodations, and transportation to Washington, DC to accept the award.

To be eligible, nominated organizations must be current NLIHC members. Organizations may self-nominate. NLIHC board members and Award Committee members may not nominate an organization with which they are employed or affiliated.

Nominations should contain the following information:

- Name and contact information of the organization being nominated;
- Name and contact information of the individual or organization submitting the nomination (if different from above);
- Description of the organization's achievement in the area of state, local and/or resident organizing in 2016, and how that achievement has contributed to furthering NLIHC's mission (800-word maximum); and
- Supporting materials that describe the activity or impact, such as press clips or campaign materials (optional).

Please submit your nomination online using the form at <http://www.nlihcforum.org/awards> or send your nomination by email to jsaucedo@nlihc.org.

Contact James Saucedo at jsaucedo@nlihc.org with questions.

NLIHC NEWS

NLIHC 2017 Housing Policy Forum, April 2-4, to Address What's Ahead in 115th Congress

NLIHC's 2017 Housing Policy Forum: Advancing Solutions in a Changing Landscape will feature of panel of Capitol Hill insiders to discuss "What's Ahead in the 115th Congress" in the wake of the 2016 elections. These and other thought-leaders, policy experts, researchers, affordable housing advocates and practitioners, and low income residents will discuss what Congress will be prioritizing in the year ahead and the best strategies to ensure Congressional leaders address the housing needs of the lowest income households in America. The forum will take place in Washington, DC, April 2-4. Register today at: <http://bit.ly/2dnJpnS>

In keeping with NLIHC's long tradition of hosting HUD secretaries of both political parties to speak and engage with affordable housing advocates and providers at its annual housing policy forum, NLIHC has invited HUD Secretary Nominee **Dr. Ben Carson** to share his thoughts about America's affordable housing challenges, HUD's role in addressing them and his priorities for the future, and to hear directly from low income residents, advocates and practitioners on their questions and concerns

The Forum will also explore the lessons learned from the first-year of implementation of the national Housing Trust Fund; the intersections between housing and health, education, criminal justice reform, and other areas; ideas for addressing the needs in public housing; considerations related to housing assistance and the potential for a new renters' tax credit; and ways to rebalance U.S. federal housing investments to end homelessness and housing poverty. The third day of the forum will provide an opportunity for participants to visit their congressional delegations on Capitol Hill.

Confirmed speakers and panelists include:

- **Susan Popkin**, senior fellow and director of the Neighborhoods and Youth Development Initiative, Metropolitan Housing and Communities Policy Center, Urban Institute and author of the book *No Simple Solutions: Transforming Public Housing in Chicago*
- **Mark Calabria**, director of financial regulation studies, Cato Institute
- **Marybeth Shinn**, professor of human and organizational development, Vanderbilt University
- **Nan Roman**, president and CEO, National Alliance to End Homelessness
- **Dushaw Hockett**, executive director, Safe Places for the Advancement of Community and Equity
- **Shauna Sorrells**, director of legislative and public affairs, Housing Opportunities Commission of Montgomery County, MD
- **Virginia Sardone**, director, Office of Affordable Housing Programs, HUD
- **Ali Solis**, CEO, Make Room
- **Aaron Gornstein**, president and CEO, Preservation of Affordable Housing
- **Shola Oyatoye**, chair and CEO, New York City Housing Authority
- **Jim Yates**, senior associate, Technical Assistance Collaborative
- **Michael Anderson**, housing trust fund project director, Center for Community Change
- **Martha Weatherspoon**, president, Lincoln Home Resident Council
- **Daisy Franklin**, vice president, Connecticut *Publicly-Assisted Housing Resident Network*
- **Barbara Sard**, vice president for housing policy, Center on Budget and Policy Priorities
- **Greg Payne**, director, Maine Affordable Housing Coalition

A special session for low income residents will be held on Sunday, April 2 from 9 am – 1 pm. Residents attending this session should plan on arriving on Saturday evening.

The 2017 Housing Leadership Award recipients will be honored on the evening of April 4. **J. Ronald Terwilliger**, chairman emeritus and former CEO of the Trammel Crow Residential Company, will receive the 2017 Edward W. Brooke Housing Leadership Award for his outstanding contributions to the cause of rebalancing federal affordable housing policy. The Brooke Award is named for the late Senator Edward W. Brooke (R-MA), who championed low income and fair housing while in Congress and later served as the chair of NLIHC’s Board of Directors. The award is presented to individuals who advocate for affordable housing on the national level. Retired Preservation of Affordable Housing President and Founder **Amy Anthony** will be the recipient of the 2017 Cushing N. Dolbeare Lifetime Service Award. The Dolbeare Award is named after NLIHC’s founder, considered the godmother of the affordable housing movement. NLIHC presents the Dolbeare Award to individuals for their lifetime of service to affordable housing.

The NLIHC 2017 Housing Policy Forum and Leadership Reception will take place at the Washington Court Hotel in Washington, DC. Up to three individuals from the same NLIHC member organization may attend the Forum. Register at: <http://bit.ly/2dnJpnS>

A limited number of shared-lodging hotel scholarships will be awarded on a first-come-first-served basis to low income residents who are current NLIHC members and who pay their own Forum registration fee (“self-pay participants”). To ensure a broad geographic distribution, no more than two scholarships will be awarded to participants from any one state (with the exception of New York, where a donor has provided funding for six). The scholarships provide residents attending the Forum up to three nights of shared hotel lodging on April 1, 2, and 3. Scholarship recipients must commit to attending all Forum sessions, including a special resident session on Sunday, April 2 and Lobby Day on Tuesday, April 4. To apply for a scholarship, contact James Saucedo at jsaucedo@nlihc.org. Questions? Call 202-662-1530 or email jsaucedo@nlihc.org.

NLIHC Welcomes New Communications & Graphics Design Intern Hannah Keith

NLIHC is pleased to welcome Hannah Keith as our communication and graphic design intern for the spring. Hannah recently graduated from High Point University, where she earned a degree in Communications (with a Media emphasis) and a minor in Graphic Design. Through her coursework and broad range of industry-related internships, she has developed a strong familiarity with design, production, and social media. Her graphic design coursework and experiences have showed her the ways that graphic design and communication are intricately intertwined, and how each make the other possible. Join us in welcoming Hannah to the NLIHC team!

UNITED FOR HOMES

United for Homes Campaign Relunched on January 11, Media Training Coming Soon

NLIHC relaunched of the United for Homes (UFH) campaign with a webinar attended by some of the more than 2300 current organizational UHF endorsers on January 11. The campaign calls on Congress to make modest reforms to the mortgage interest deduction (MID) to provide tax relief to more low and moderate income homeowners and to reinvest the savings into rental housing solutions to end homelessness and housing poverty. NLIHC will host another session for UFH endorsers on media tools, templates and best practices on February 8 at 2 pm ET.

The relaunch webinar included previews of a new UFH website that will go live in February and a host of new advocacy tools to help UFH endorsers spread the message about reinvesting savings from tax reform into affordable housing programs that serve families with the greatest need. The call also featured Carol Wayman of Representative Keith Ellison's (D-MN) office, announcing Rep. Ellison's Dear Colleague letter urging his House colleagues to join him in sharing the UFH campaign's core message with the Ways and Means Committee: that any changes to the MID, whether direct or indirect, must ensure that those housing dollars are redirected to housing solutions for the lowest income people (see previous article in *Memo*)

With comprehensive tax reform a top priority for the new administration and Congress, and with reforms to the MID being actively considered by key policymakers, we have a tremendous opportunity to increase rental housing resources for the lowest income households while also benefitting lower income homeowners—without any additional cost to the federal government.

The federal government spends approximately \$200 billion each year to help Americans buy and rent their homes. Three-quarters of those resources goes to subsidize higher income homeowners—most of whom would be stably housed without the government's help—through the MID and other homeownership tax breaks. Just one quarter is left to assist the poorest families with the greatest needs. Each year, we spend more to subsidize the homes of 7 million households with incomes over \$200,000 than we do to help the more than 55 million households with incomes of \$50,000 or less, those far more likely to struggle to afford housing.

The MID is our nation's largest housing subsidy, but it is poorly targeted, primarily benefitting America's highest income households. According to the Congressional Budget Office, the nation's top 20% wealthiest households receive 75% of the benefits of the MID and the top 1% get 15% of the benefits. Four out of every 10 dollars spent on the MID benefit families earning more than \$200,000 a year, and 8 out of every 10 dollars goes to families making more than \$100,000. Three-fourths of all taxpayers - households who rent and approximately half of all homeowners, those who take the standard deduction on their taxes - do not benefit from the MID. Moreover, economists agree that the MID does little to promote homeownership: those who benefit from the MID would choose to buy a home with or without the tax benefit.

The UFH campaign calls for lowering the portion of a mortgage eligible for tax relief from \$1 million to \$500,000 and converting the deduction to a nonrefundable credit. These two changes would a) give tax relief to 15 million lower income homeowners who do not currently benefit from the MID and b) generate approximately \$241 billion in savings over ten years to invest in affordable housing programs serving the lowest income families with the greatest needs.

With tax reform on the near horizon, those involved in the UFH campaign will work to ensure that any savings from MID reform be kept in the housing sector to benefit lower income households.

We urge UFH endorsers to register for the February 8 webinar on UFH media tools and strategies at: <http://bit.ly/2irHS2E>

If you are not already a UFH endorser, please join the campaign at: <http://nlihc.org/unitedforhomes/support>

If you are not sure if you are a UFH endorser, check the list of current endorsers at: <http://bit.ly/2hXD7O1>

CONGRESS

Senate Committee Holds Confirmation Hearing on Dr. Ben Carson

The Senate Banking, Housing, and Urban Affairs Committee held a confirmation hearing on Dr. Ben Carson, President-elect Donald Trump's nominee for secretary of the HUD on Thursday, January 12.

Dr. Carson cited his experience living in poverty in Detroit and Boston, and he spoke about the need to invest in all Americans in order to allow our country to compete globally. He focused his testimony on the connection between health and housing, the regulatory barriers to affordable housing, and the role of the federal government in promoting economic mobility. "Everyone should have a decent roof over their heads, and get treatment, job training or whatever they need to help them achieve self-sufficiency. This strengthens our nation and lightens the load for all." Throughout the hearing, Dr. Carson highlighted the critical role of federal housing programs but stressed the need to look for greater efficiencies and a more holistic approach to addressing poverty.

Dr. Carson announced that, if confirmed, he plans to organize a listening tour to hear from advocates and practitioners and put together a "world class" plan to address the nation's affordable housing crisis.

In response to a question from Chairman Mike Crapo (R-ID), Dr. Carson spoke about his experience working in low-income communities, such as in East Baltimore surrounding Johns Hopkins Hospital. He told the Committee that while serving at Johns Hopkins, he came to better understand the intersection between health and housing, citing examples of patients who had been exposed to lead paint or who had developed asthma as a result of their housing conditions. "My goal is to get everyone into a decent [housing] situation, 100% of them."

Ranking Member Sherrod Brown (D-OH) and Senator Catherine Cortez Masto (D-NV) pressed Dr. Carson on his public statements on fair housing, including a 2015 op-ed in which Carson called the Fair Housing Act's requirement that communities affirmatively further fair housing "social engineering." In response, Dr. Carson committed to enforcing anti-discrimination laws, stating, "If confirmed, I would enforce all of the laws of the land" and "the Fair Housing Act was one of the best pieces of legislation."

Dr. Carson spoke about the need for compassion. "America has a history of being compassionate. Of course, I feel strongly that we should do everything we can, not only because we're compassionate, but because we recognize that every person that we do not develop is one person whose talent is not contributing to our nation."

Dr. Carson reiterated his support, however, for President-elect Trump's "Penny Plan" that would cut non-defense discretionary spending, including funding for affordable housing programs, by 1% each year for 10 years. Given the inflationary costs of providing housing assistance, which responds to rising costs in the private market, such a cut in funding would have devastating impacts on those who receive housing assistance and those in need of such assistance.

Read Dr. Carson's written testimony at: <http://bit.ly/2jHBVQH>

Read NLIHC President and CEO Diane Yentel's statement about the hearing at: <http://nlihc.org/press/releases/7415>

Senator Warren Sends Letter to HUD Nominee Carson Asking about His Priorities

Prior to the Senate Banking Committee's hearing on Dr. Ben Carson's nomination to serve as HUD secretary, Senator Elizabeth Warren (D-MA) sent Dr. Carson a letter asking about his priorities for the department if confirmed. The letter included an extensive list of detailed questions regarding existing federal housing policies and challenges, enforcement of the Fair Housing Act, HUD's response to natural disasters and climate change, and how Dr. Carson plans to manage and make changes at the department.

In the letter Ms. Warren writes, "HUD helps provide housing and other critically important services to millions of families across the country, including tens of thousands of families in Massachusetts. For many Americans – including children, seniors, and veterans – HUD programs are the difference between life in a safe, stable home and life on the street. Leading this agency is an incredible opportunity – and an awesome responsibility. Although you have many accomplishments in the medical field, there is relatively little in the public record that reveals how you would further HUD's mission to 'create strong, sustainable, inclusive communities and quality affordable homes for all.'"

Read Senator Warren's letter at: <http://bit.ly/2idgTV9>

Bills Introduced to Nullify Fair Housing Regulation

Representative Paul Gosar (R-AZ) introduced H.R. 482 and Senator Mike Lee (R-UT) introduced a companion bill, S. 103, on January 12. Both bills are titled the "Local Zoning Decisions Protection Act of 2017." Based on the version of H.R. 482 on Mr. Gosar's website, the bills would nullify the new Affirmatively Furthering Fair Housing (AFFH) regulation and the Assessment Tools associated with the rule (see [related article](#) in this *Memo to Members*). The bills would also prohibit federal funds from being used for the HUD database containing geospatial information regarding community racial disparities and disparities in access to affordable housing.

The bills would also require the HUD secretary to jointly consult with state, local government, and public housing agency officials to develop recommendations to further the purposes of the "Fair Housing Act of 1968" by means other than through regulations. The HUD secretary would be required to draft a report based on the consultation, and the recommendations in the report could only be those reached by consensus.

The Fair Housing Act prohibits housing discrimination on the basis of race, color, religion, sex, familial status, national origin, or disability – the "protected classes" of people. The act also requires "all executive departments and agencies to administer their programs and activities related to housing and urban development in a manner affirmatively to further the purposes" of the act.

H.R. 482 has 20 cosponsors: Representatives Brian Babin (R-TX), Marsha Blackburn (R-TN), Rod Blum (R-IA), Dave Brat (R-VA), Ken Buck (R-CO), Michael Burgess (R-TX), Scott DesJarlais (R-TN), Jeff Duncan (R-SC), John Duncan (R-TN), Trent Franks (R-AZ), Glen Grothman (R-WI), Steve King (R-IA), Thomas Massie (R-KY), Tom McClintock (R-CA), Ted Poe (R-TX), Dana Rohrabacher (R-CA), Pete Sessions (R-TX), Jason

Smith (R-MO), Daniel Webster (R-FL), and Ted Yoho (R-FL). S. 103 has one cosponsor, Senator Marco Rubio (R-FL).

Mr. Gosar introduced a similar bill in 2015 (see *Memo*, [4/27/15](#)). In the 113th Congress, Mr. Gosar also introduced an amendment to the House Appropriations bill (H.R. 4745) that would have prohibited any FY15 funds from being used to implement, administer, or enforce what was then the proposed AFFH rule. That amendment passed by a vote of 219 to 207 but was not included in the final FY15 spending bill.

In May of 2016, Senators Mike Lee (R-UT), Tom Cotton (R-AR), Richard Shelby (R-AL), and David Vitter (R-LA) filed an amendment to prohibit HUD from implementing the AFFH rule and its Assessment Tools. Senators Lee and Cotton offered a similar amendment to the previous year's Transportation-HUD spending bill and also introduced a standalone bill (see *Memo*, [5/16/16](#)).

The text of these bills is not yet posted at Congress.gov. However the text of H.R. 482 is on Mr. Gosar's website at: <http://bit.ly/2ilFzjd>

NLIHC's statement opposing these bills is at: <http://bit.ly/2jk8gKu>

Mr. Gosar's media release is at: <http://bit.ly/2jNBZOZ> and Senator Lee's media release is at <http://bit.ly/2jsFcQz>

Congress.gov links to H.R. 482 are at: <http://bit.ly/2jFz0Ee> and to S. 103 are at: <http://bit.ly/2itqXww>

Basic information about AFFH is on page 7-4 of NLIHC's *2016 Advocates' Guide* at: <http://bit.ly/1WiozGd>

BUDGET

Senate Passes Budget Resolution Moving Closer to Repealing ACA; Anti-AFFH Amendment Introduced

The Senate adopted a fiscal year 2017 budget resolution that includes reconciliation instructions for repealing the Affordable Care Act (ACA), the landmark 2010 health care law. The 51-48 vote was mostly along party lines, with Senator Rand Paul (R-KY) the only Republican to vote against the measure. The vote came hours after a marathon debate on various amendments, mostly related to health care. One amendment was introduced to undermine HUD's Affirmatively Furthering Fair Housing (AFFH) rule, but was not voted on.

Under budget reconciliation, congressional committees are given instructions to develop legislation to achieve particular budgetary results through changes to mandatory spending, tax revenue, or the debt ceiling. Republicans seek to repeal the ACA's provisions that affect spending and taxes. When these reconciliation bills reach the Senate floor, only a simple majority of senators will have to vote for the bills to gain passage. For other bills, a 60-vote majority is often needed to end debate and move to a final vote. Senate Republicans have a thin 52-48 majority over their Democratic colleagues.

The ACA, with its expansion of the Medicaid program, has become a vital tool in helping address homelessness in America. Often suffering from serious physical and mental health issues, chronically homeless individuals are heavy users of expensive emergency health, hospital, and even criminal justice systems and services. Advocates argue that Medicaid expansion and supportive housing can work together to reduce chronic homelessness in a deficit neutral way by combining affordable and permanent housing with case management, primary and mental health care, substance abuse treatment, employment, and other services that help people achieve stability and independence rather than being forced to rely on more expensive, less effective interventions.

Senator Mike Lee (R-UT) offered the amendment to undermine HUD's AFFH rule, but the Senate did not vote on it. Mr. Lee offered a similar amendment last year during Senate consideration of the FY17 Transportation- HUD spending bill.

HUD

HUD Publishes Final Lead-Based Paint Rule

HUD's Office of Lead Hazard Control and Healthy Homes issued a final rule amending the lead-based paint regulations by reducing the blood lead level in a child under the age of six that triggers an environmental intervention if the child lives in federally-owned or federally-assisted housing constructed before 1978. HUD adopted the revised definition of "elevated blood lead levels" established by the Centers for Disease Control (CDC). The final rule also establishes more comprehensive testing and evaluation procedures for housing where children live. A proposed rule was published on September 1, 2016 (see *Memo*, [9/6/16](#)).

The final rule is at: <http://bit.ly/2jh1e1E>

HUD Publishes Final Rule Amending Freedom of Information Act Procedures

HUD published a final rule amending its Freedom of Information Act (FOIA) regulations to implement the "FOIA Improvement Act of 2016" passed on June 30, 2016. HUD did not issue a proposed rule because the final rule follows the statutory language of the Act. Several provisions may be of interest to advocates.

When an agency such as HUD determines whether to comply with a FOIA request, the 2016 Act requires the agency to immediately notify the requester of the agency's decision and its reasoning. The 2016 Act also requires the agency to notify the requester that there is a right to seek assistance from the agency's FOIA public liaison. For adverse determinations, the 2016 Act requires agencies to give the requester at least 90 days from the date of the adverse determination to file an appeal. In addition, the 2016 Act requires agencies to notify the requester that there is a right to seek dispute resolution services from the FOIA public liaison or from the Office of Government Information Services (OGIS).

The existing regulation requires HUD to respond to a FOIA request within 20 working days. However, when a FOIA request involves "unusual circumstances," agencies have long been required to provide a written notice to requesters for an extension. Unusual circumstances include a request for a large volume of records or the need to search for records in another physical location or from another agency. If an extension of greater than ten working days is needed due to unusual circumstances, agencies have been required to provide the requester with an opportunity to limit the scope of the request so that the request can be processed more quickly or to arrange an alternative time to respond. The 2016 Act adds that when unusual circumstances exist and an agency needs to extend the time limits by more than ten additional working days, the written notice to the requester must notify the requester of the right to seek dispute resolution services from the OGIS.

The 2016 Act requires agencies to make records available for public inspection in an electronic format that, because of the subject matter, the agency determines have become or are likely to become the subject of subsequent requests for substantially the same records, or that have been requested three or more times.

There are some changes in the section pertaining to fees. Advocates may seek a fee exemption under the existing regulations which allow agencies to waive fees for searching or copying. To request a fee waiver, advocates need to explain their organization's mission and its nonprofit status to demonstrate that the organization does not have a commercial interest in requesting the information. Advocates should explain how the information will:

- Be of interest to more than a small number of people and how the organization can distribute the information to many people, and
- Lead to a level of public understanding of a HUD (or other agency) activity that is far greater than currently exists.

The final rule as at: <http://bit.ly/2jA228h>

More information about FOIA is on page 2-31 of NLIHC's 2016 *Advocates' Guide*, at: <http://bit.ly/2iGG57p>

HUD Issues Third Revision of RAD Notice

HUD released Revision 3 of the Notice implementing the Rental Assistance Demonstration (RAD). Notice PIH 2012-32/H 2017-03 REV-3 provides instructions for implementing the RAD program. In a RADblast email, HUD lists 16 major changes to RAD's first component that pertains to public housing.

RAD is intended to preserve and improve low income housing by enabling public housing agencies (PHAs) to leverage Section 8 rental assistance contracts to raise private debt and equity for public housing capital improvements. RAD has two components. The first allows up to 185,000 public housing units to be converted from their existing public housing assistance to project-based vouchers (PBVs) or to Section 8 project-based rental assistance (PBRA) by September 30, 2018. The second component allows private properties assisted through the Rent Supplement (Rent Supp), Rental Assistance Program (RAP), Moderate Rehabilitation (Mod Rehab), and Mod Rehab Single Room Occupancy (SRO) programs to convert an unlimited number of Tenant Protection Vouchers (TPVs) to PBRA, or as of the FY15 Appropriations Act, to PBVs.

Several of the major changes listed by HUD that pertain to residents include:

1. Eliminating the cap on the number of PBV units at a project (the current cap is 50%).
2. Improving the quality of information that PHAs must provide to residents of properties undergoing conversion and requiring PHAs to submit responses to resident comments in connection with meetings held following the issuance of a Commitment to enter into a Housing Assistance Payments (CHAP) contract.
3. Extending the prohibition on tenant re-screening of current public housing households who will live in non-RAD PBV or non-RAD PBRA units placed in a project that contains RAD PBV or RAD PBRA units in order to facilitate tenants' right to return to the assisted property.
4. Correcting the phase-in of rents for residents who may experience a rent increase as a result of conversion to ensure a more even distribution across years.
5. Providing greater detail on the acceptable forms by which a public or nonprofit entity can demonstrate ownership or control of a RAD-converted property.
6. Providing guidance on owners' responsibilities to treat lead-based paint hazards in the context of a RAD conversion.

The RADblast also indicates that the Notice encourages PHAs and their partners to grant current workers whose employment positions may be eliminated during conversion the right of first refusal for new employment openings for which they are qualified.

NLIHC will carefully review and assess all of the changes and, if warranted, provide more detail in a future *Memo to Members*.

PIH 2012-32/H 2017-03 REV-3 is at: <http://bit.ly/2ipEF3v>, and a redline version showing the changes in the Notice is at: <http://bit.ly/2ilCquQ>

More information about RAD is on page 4-13 of NLIHC's *2016 Advocates' Guide* at: <http://bit.ly/22QZiEm> and on the National Housing Law Project's website at: www.rad-watch.org

HUD Publishes Final Revised AFFH Assessment Tools for Local Governments and PHAs

HUD issued revised Assessment of Fair Housing (AFH) Assessment Tools for local governments and public housing agencies (PHAs) on January 13, 2017. Assessment Tools are to be used to conduct and submit an AFH as required by the new Affirmatively Furthering Fair Housing (AFFH) regulation. Assessment Tools issued in 2015 had to be renewed under the Paperwork Reduction Act (PRA). In May, 2016 HUD issued proposed revised Assessment Tools for a 60-day comment period, with an additional 30-day comment period in the fall of 2016. A revised final Assessment Tool to be used by states has not been issued.

A *Federal Register* notice regarding the local government Assessment Tool highlights six key changes from the 2015 Assessment Tool.

- HUD emphasizes that it is not seeking an inventory of local laws, policies, or practices when the 2016 Assessment Tool solicits information on whether there are any demographic trends, policies, or practices that could lead to higher segregation in the jurisdiction or region.
- In the Disparities in Access to Opportunity section of the 2016 Assessment Tool, HUD identifies where it provides data for each of the opportunity areas to be assessed, and the instructions clarify which protected-class groups are included. HUD also clarifies which questions in the Disparities in Access to Opportunity section require a jurisdictional and regional analysis.
- In the Publicly Supported Housing analysis, HUD changed the list of contributing factors that should be considered that may affect the jurisdiction and region.
- In the Disability and Access analysis, HUD clarifies that the analysis should cover both the jurisdiction and the region.
- HUD includes two inserts designed to facilitate collaboration between different types of program participants that choose to conduct a joint or regional AFH with a local government as the lead entity by reducing the burden for smaller program participants that choose to enter into joint or regional collaborations. One insert is for local governments that receive a Community Development Block Grant of \$500,000 or less. The other insert is for a PHA with a combined unit total of 1,250 or fewer public housing units and Section 8 vouchers.

A separate *Federal Register* notice regarding the PHA Assessment Tool also highlighted changes from the 2015 Assessment Tool. For example:

- Regarding goal setting, the new Assessment Tool provides instructions clarifying how PHAs should identify fair housing contributing factors and clarifying that PHAs should create fair housing goals that are within their own capacity to address.
- There are instructions related to the regional analysis that various-size PHAs must conduct when completing an AFH.
- Regarding disparities in access to opportunity, the regional analysis is not required for PHAs that do not administer the Housing Choice Voucher (HCV) program. However, if PHAs receive information during community participation about regional disparities in access to opportunities relevant to the PHA's service area, such information must be considered.
- Regarding local data and local knowledge, HUD clarified the instructions indicating when local data and local knowledge is particularly useful because HUD data is not provided or is limited.
- Regarding segregation, the Assessment Tool notes that PHAs should take care to ensure they are focusing on all protected characteristics, not just minority populations. HUD also includes instructions related to

analyzing segregation in so-called “majority-minority” communities and where there are concentrations of particular national origin, ethnic, or religious groups in their jurisdictions and regions.

- The proposed Assessment Tool had an insert for Qualified PHAs (those with 550 or fewer combined total of public housing units and vouchers) that collaborate with non-qualified PHAs. The final Assessment Tool changes the threshold for the insert to PHAs with 1,250 or fewer combined public housing units and vouchers to use when collaborating with a PHA that has a combined unit total greater than 1,250.

The PHA notice does not trigger the obligation of PHAs to conduct and submit an AFH because HUD has not yet provided PHAs with the data they need. As HUD makes data available for certain PHAs, HUD will publish a notice in the *Federal Register* announcing the availability of data, triggering their obligation to conduct and submit an AFH.

NLIHC will carefully review and assess all of the changes in the tools, and provide more detail in a future *Memo to Members*, if warranted.

For local governments, the notice is at: <http://bit.ly/2jfTpDc> and the final Assessment Tool and redline versions showing changes are at: <http://bit.ly/2iowuRP>

For PHAs, the notice is at: <http://bit.ly/2ilgyEP> and the final Assessment Tool and redline versions showing changes are at: <http://bit.ly/2jN7AAo>

Basic information about AFFH is on page 7-4 of NLIHC’s *2016 Advocates’ Guide* at: <http://bit.ly/1WiozGd>

HUD to Conduct “Building HOME” Webinars

HUD’s Office of Affordable Housing Programs will present the training series, “Building HOME,” through four weekly two-hour webinars on Wednesdays from 1:00-3:00 pm ET. Each will be followed by a one-hour office hour session on Thursdays to review homework and answer questions related to that week’s materials. “Building HOME” is an introduction to the HOME Investment Partnerships program for Community Housing Development Organizations (CHDOs) and Participating Jurisdictions. Participants are expected to attend all four sessions. This course is a prerequisite for all of HUD’s other HOME topical courses. The dates of the four webinars are January 18 and 25, and February 1 and 8. Sessions will be recorded and posted for those who might have a scheduling conflict for a session.

Register at: <http://bit.ly/2iHptwt>

RESEARCH

Location Efficiency in the Low Income Housing Tax Credit Program

A study published in *Housing Policy Debate* titled “How Location Efficient is LIHTC? Measuring and Explaining State-Level Achievement” by Arlie Adkins, Andrew Sanderford, and Gary Pivo finds that recently built rental housing funded by the Low Income Housing Tax Credit (LIHTC) is more likely to be in “location-efficient” neighborhoods than the overall housing stock. The study finds that state policies, specifically state qualified allocation plans (QAPs), and an active non-profit sector are key factors in the location efficiency of the LIHTC rental stock.

Location efficiency describes the accessibility of a given location to daily destinations, such as employment. Higher location efficiency is thought to lower transportation costs, which are often residents' largest expense after housing. Higher location efficiency has also been shown to be associated with improved public health and

environmental outcomes, as location-efficient neighborhoods tend to be more walkable, possibly increasing physical activity and reducing vehicle emissions.

The authors examined the neighborhood location efficiency of LIHTC housing built between 2007 and 2011. Neighborhood location efficiency was represented by seven criteria: residential density of at least 7 housing units per acre, sufficient street density, sufficient neighborhood retail services, high regional accessibility by car, transit use by at least 5% of the neighborhood’s working population, a fixed rail station within ½ mile, and transportation costs of 20% or less of household income for a single-parent household earning 50% of median income. The neighborhoods were represented by census block groups.

The LIHTC stock appears to be more location efficient than either the rental or overall housing stock. Thirty-five percent of LIHTC units were located in neighborhoods that met at least three of the criteria for location efficiency, compared to only 28% of rental units and 16% of the overall housing stock.

Location Efficiency Criteria	% of Housing Stock Located in Neighborhood that Meets Location Efficiency Criterion	
	<i>LIHTC Stock</i>	<i>Overall Housing Stock</i>
Sufficient Residential Density	30%	14%
Sufficient Street Density	28%	17%
Sufficient Neighborhood Retail Services	52%	39%
High Regional Accessibility by Car	32%	17%
Sufficient Transit Ridership	43%	24%
Rail Station within ½ mile	24%	10%
Sufficiently Low Transportation Costs	24%	9%

The authors found significant state variation in the location efficiency of LIHTC housing. The state’s underlying built environment had a significant impact. States with a greater share of LIHTC units with non-profit sponsors and a qualified allocation plan (QAP) that incentivized projects in proximity to necessary services also had an impact on location efficiency. The authors suggest that state affordable housing policy makers and nonprofit developers can play a significant role in creating greater location efficiency in the LIHTC stock.

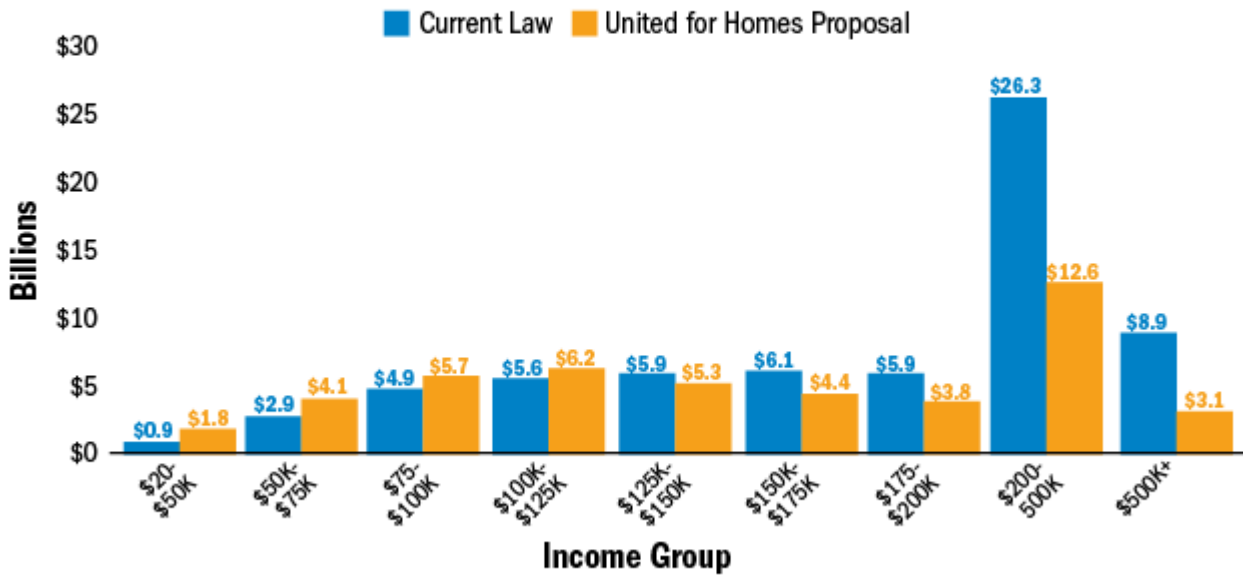
How Location Efficient is LIHTC? Measuring and Explaining State-Level Achievement is available at: <http://bit.ly/2jDYEcq>

FACT OF THE WEEK

United for Homes MID Reforms Give More Tax Breaks to Lower Income Homeowners, Less to Wealthy



Total Expenditure on Mortgage Interest Tax Break



Source: Tax Policy Center, 2016

Source: Tax Policy Center, 2016

FROM THE FIELD

Illinois Expands Resources for Development of Permanent Supportive Housing

The Illinois Housing Development Authority (IHDA) announced some good news to end 2016 by declaring an expanded commitment to the development of permanent supportive housing (PSH). Up to \$22.3 million will be available in 2017 to develop PSH housing, involving, among other sources of funding, the state’s first-ever national Housing Trust Fund (HTF) allocation. This use of HTF dollars, and the specific focus on people exiting institutional care such as nursing homes, came in large part from the advocacy and input provided to IHDA by advocates for the homeless, including CSH and Housing Action Illinois, an NLIHC state partner.

IHDA will distribute the new funding to develop PSH through the Permanent Supportive Housing Development Program. Potential recipients of the funds must use them for developments of 25 units or fewer and must set aside at least 10% of units to be occupied by residents referred through the Statewide Referral Network (SRN). SRN units are targeted for extremely low income (ELI) households earning at or below 30% of the area median income who are homeless or at risk of homelessness or whose head of household has a disability or illness, including, but not limited to, a physical, developmental or mental limitation, substance abuse disorder, or HIV/AIDS.

The primary source of funding for the expansion of PSH will be up to \$12 million from the Illinois Affordable Housing Trust Fund (IAHTF). Dedicated resources for the IAHTF are generated through the state’s real estate transfer tax. Additionally, IHDA is committing up to \$5.8 million from the two different Build Illinois Bond Fund resources.

IHDA also announced a new funding round for the Long Term Operating Support (LTOS) program, which provides rental subsidies over a period of 15 years to landlords who serve ELI households through the Statewide Referral Network. The LTOS program is committed to supporting mixed income housing, requiring

that up to 33% of units in a given building participate in the program. LTOS is a component of the Rental Housing Support Program, a state rental subsidy program for ELI households that receives dedicated funding from a state fee on the recordation of real estate documents.

“We are excited to see that new funding, including Illinois’ first national Housing Trust Fund allocation, is being used to expand permanent supportive housing for our most vulnerable populations,” said Bob Palmer, policy director at Housing Action Illinois.

For more information about advocates’ work to expand Illinois’ investment in permanent supportive housing, contact Housing Action Illinois Policy Director Bob Palmer at: bob@housingactionil.org

The IHDA announcement of new and expanded funding is at: <http://bit.ly/2jgJm0u>

EVENTS

Seattle Hosts NeighborWorks Training Institute, February 20-24

Seattle will be home to the next NeighborWorks Training Institute (NTI) taking place the week of February 20-24. The NTI offers more than 100 courses in affordable housing development and financing, housing asset management, community engagement, community revitalization, housing counseling, nonprofit management and leadership, and many other areas. The Wednesday symposium at the NTI, “Reframing the Narrative around Race, Equity, and Inclusion,” will explore the role of community development in creating racially equitable and inclusive communities through housing and equitable development, local structures and capacity, and leadership and civic engagement.

More information about the NTI and symposium are at: <http://bit.ly/2hW4auD>

NLIHC IN THE NEWS

In Case You Missed Them

The following are some news stories NLIHC contributed to in the last week:

- “HUD Secretary-nominee Ben Carson faces the Senate,” *Scotsman Guide*, January 13 at: <http://bit.ly/2jFZuoW>
- “Young and old share homes to afford North Jersey,” *NorthJersey.com*, January 13 at: <http://bit.ly/2jsMBzi>
- “Trump confirmations: What to watch on Day 3,” *The Hill*, January 12 at: <http://bit.ly/2iKWckw>
- “Appointment Tracker: Here's Who Donald Trump Has Named to His Cabinet So Far,” *Yahoo! News*, January 10 at: <https://yhoo.it/2jsUYv1>
- “The Housing Deficit,” *Architect Magazine*, January 10 at: <http://bit.ly/2jNLGgt>

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