

MEMO OF MEMBERS

The Weekly Newsletter of the National Low Income Housing Coalition

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Capitol Hill

Appropriations Process Still Not Complete

The Senate finally passed S. 1584, the VA-HUD appropriations bill, on November 18. Although the Senate passed the bill independently, the bill is now scheduled to be wrapped into a five-bill omnibus for conferencing, as Members of Congress want to have all appropriations bills finished by Monday, November 24, and individual consideration of the remaining bills would take too long. In the House, at least, Members are determined to adjourn by Thanksgiving and want to have all appropriations business complete before they go back to their districts.

Congressional aides have been conferencing appropriation bills all week. It has been reported that the VA-HUD section of the omnibus is complete, but the results of the conference are not yet available. Advocates were in particular urging conferees to take Senate language that would commit to fully funding all housing vouchers currently in use.

The bill that passed the Senate this week is similar to the bill that passed the Senate Banking, Housing, and Urban Affairs Committee in September (see September 5 *Memo*). As reported in last week's *Memo*, Senator Paul Sarbanes' (D-MD) Sense of the Senate amendment, which expresses support for the voucher program, was accepted and included in this week's bill. Other amendments offered last week and accepted this week include those offered by Senator Kit Bond (R-MO), Chair of the VA-HUD appropriations subcommittee. One amendment directs HUD to reconvene the Public Housing Operating Fund Negotiated Rulemaking Committee. Another increases by \$7.5 million the allocation to HUD's Office of Federal Housing Enterprise Oversight (OFHEO), which regulates the government-sponsored enterprises (GSEs) (see November 14 *Memo*).

New to the bill this week is an amendment offered by Senator Maria Cantwell (D-WA) that extends the Moving to Work Voucher Program by three years for public
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National Housing Trust Fund

Reps. Leach, Ruppertsberger Join Bill; Endorser Contest Announced

Two members of Congress joined National Housing Trust Fund legislation this week, bringing the total number of cosponsors of H.R. 1102 to 210. Representative Jim Leach (R-IA), a member of the House Financial Services Committee, and Representative C.A. 'Dutch' Ruppertsberger (D-MD) are the newest cosponsors.

The new cosponsors joined amid activities carried out as part of the National Hunger and Homelessness Awareness Week. Trust Fund supporters sent postcards, letters and emails to their Members of Congress, and several visited their legislators on Capitol Hill.

Monday, November 17, was an active day at the University of Maryland in Baltimore, where a group of students orchestrated on-campus events to educate
(See *NHTF* on p. 2)

POINT OF VIEW

by Sheila Crowley, President

I was in Worcester, MA, this week. There are 50 homeless families living in hotels and motels. Last year at this time, there were five. The shelters are full and no one is leaving shelter for permanent housing. There are some apartments for rent and landlords are looking for tenants. But the housing wage in Worcester County is \$15.90 an hour, and the housing available for rent is out of reach for the families who need it. There are no subsidies to fill the gap. Social service agencies have far fewer funds for temporary rent assistance and eviction prevention than they did last year. The federal housing voucher program here is frozen. Any voucher that becomes available cannot be reissued because they have already exceeded their funding allocation. Because of state budget problems, the rent was raised in state funded public housing, and some residents have already lost their homes. And it is not even cold yet.

Congress is stuck in Washington arguing over how much to enrich the energy and pharmaceutical fatcats and has yet to pass a housing budget for the fiscal year that started October 1. And the best housing budget they can possibly pass this year will be the worst housing budget in a long time, given the high risk that the housing voucher program will lose funding this year for the first time in its 30-year history.

One would think that Members of Congress who support this HUD budget might be a little sheepish about going home and facing their constituents at Thanksgiving, the time of year when more attention is called to the plight of the poor. But now

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Capitol Hill *(cont'd from p. 1)*

housing authorities whose Moving to Work Voucher contracts were set to expire by December 2004. It also includes language directing GAO to study the effectiveness of the program.

Because the Continuing Resolution (CR) passed earlier this month expires Friday, November 21, the House this week passed another CR that will expire on November 24. If Congress does not finish its appropriations work by Monday, there is a possibility the CR could be amended to extend to December 5. Republican leadership in the House has also threatened to pass a CR through January, allowing House members to return to their districts even if the Senate has not finished its work.

New Legislation

Representative Brad Sherman (D-CA) introduced H.R. 3507 on November 18. The bill would expand homeownership opportunities in states having high housing costs by conforming loan limits to meet these higher costs. The bill was referred to the Committee on Financial Services.

Bills at a Glance

Current information on legislation being tracked by NLIHC is available through NLIHC's legislative action center, at <http://capwiz.com/nlihc/issues/bills/>.

NHTF *(cont'd from p.1)*

students about the movement. As part of the day, students from the School of Social Work made presentations in classes and distributed letters for students to send to their representatives. In addition, Health Care for the Homeless in Baltimore led a discussion session on the trust fund. Students report gathering about 200 signed letters to Representatives Wayne Gilchrest (R), Roscoe Bartlett (R), and Ruppenger, and say they hope to do something similar next semester.

As part of the goal of reaching 5,000 endorsers by the end of the year, the Campaign is seeking 300 new endorsers in the next five weeks. As an incentive to help us find new endorsers, NLIHC will offer \$500 to cover registration costs and travel expenses to the Coalition's April 2004 Housing Policy Conference to the organization that submits the most new organizational or local elected official endorsements between November 20 and December 20, 2003. For more information, visit www.nhtf.org.

In Washington

Federal Reserve Governor Cites Affordable Housing Shortage

Housing is a bright spot in the economy, but the supply of affordable rental housing for lower income Americans is coming under pressure, according to Federal Reserve Governor Edward Gramlich, who spoke in Washington, D.C. recently at the *Window of Opportunity: Preserving Affordable Rental Housing* Conference, sponsored by the John D. and Catherine T. MacArthur Foundation.

While we are a nation of homeowners, Mr. Gramlich said, high and low income people alike need and utilize rental housing. He noted that there is a lot of pressure on the available rental housing supply and that new multifamily units have become substantially more expensive. The escalating cost of development is caused by a number of factors, including conversions of previously subsidized properties and Not In My Back Yard (NIMBY) views.

Mr. Gramlich said that high housing costs place an enormous burden on low income families that lead to "quite serious" social implications. When families spend more than half of their income for shelter, there is little left for food, child-care, education and health care, he noted.

He went on to say that incentives on the spending side for low income families are needed, but with tight government budgets, he questioned where the money would come from. A possible solution would be to cut taxes on low income households and raise them on wealthy households, Mr. Gramlich said, but conceded it is hard to imagine that type of policy change in our current climate. With a dismal fiscal picture, Mr. Gramlich said he did not foresee an easy solution.

Tell Your Friends...

NLIHC membership is the best way to stay informed about affordable housing issues, keep in touch with advocates around the country, and support NLIHC's work. Membership information is available at www.nlihc.org. E-mail membership@nlihc.org or call 202-662-1530 to join or request membership materials to distribute at meetings and conferences.

HUD Update on Exception Payment Standards Controversy

HUD's recent recession memo on exception payment standards, which rescinded the authority of HUD field offices to approve such exceptions in the Housing Choice Voucher program, was issued in order to allow the agency to evaluate the reasons for the significant increases in exception payment requests as well as the need for such requests, HUD asserts in a letter sent to NLIHC on November 17.

The letter from Deputy Assistant Secretary for Public Housing and Voucher Programs William O. Russell III was in response to a letter sent by NLIHC and other housing and civil rights advocates to HUD Secretary Mel Martinez expressing concern about the September 13 memo of Assistant Secretary Michael Liu rescinding HUD field office directors' authority to approve the exceptions, which allow local housing authorities to set their payment standards for the Housing Choice Voucher program outside the range of 90% to 110% of the area's fair market rent (FMR) (See October 17 *Memo*).

The reply did not address the points in the advocates' letter that emphasized the value of the exception payment standards in addressing challenges in the voucher program. These challenges include families' lack of success in using vouchers and the over-concentration of voucher holders in certain neighborhoods within metropolitan areas.

Instead, HUD's response centers around FMRs. "It appears that exception payment standards are being approved by the HUD field offices in instances where it may be more appropriate for HUD to correct and publish revised FMRs," Mr. Russell wrote. He added that as part of this evaluation period, HUD may need to develop a system that is more appropriate and responsive in meeting the changing conditions in local markets.

The Council of Large Public Housing Authorities (CLPHA) had also written to Mr. Martinez on this issue. HUD's response to CLPHA also suggested that perhaps exception payment standards are not necessary and that it might be more appropriate for HUD to correct and publish revised FMRs. The letter directs PHAs to continue to submit their requests for approval of exception payments standards to HUD field offices, but says these requests should be supported with strong, supportive documentation justifying why an exception payment standards is absolutely necessary.

The advocates' letter was intended to get HUD to clarify the considerable uncertainty that the memorandum of September 13 has generated, but HUD's re-

sponse does not adequately address the advocates' questions. NLIHC, along with other advocates, will continue to attempt to work with HUD to broaden the understanding of the exception payment standards with the hope of resolving any difficulty that may have arisen in approving requests for higher payment standards.

Native Americans Face Discrimination

HUD released *Discrimination in Metropolitan Housing Markets: Phase III — Native Americans* on November 17, showing that more than one in four Native American renters faces discrimination. The report presents the results from the third phase of the latest Housing Discrimination Study (HDS2000), sponsored by HUD and conducted by the Urban Institute. The report measured the incidence of discrimination in metropolitan housing markets of three states where substantial numbers of American Indians live in metropolitan areas—Minnesota, Montana, and New Mexico.

According to the report, the level of consistent adverse treatment and systematic discrimination experienced by Native Americans in the metropolitan rental markets of the three states is greater than the national levels shown for members of other racial and ethnic minority groups. Native Americans were found to face discrimination 29% of the time they try to rent housing not on tribal lands. In comparison, African Americans face discrimination 22% of the time, Hispanics 26% and Asians 21% of the time. Discrimination towards Native Americans was highest on measures of unit availability: Whites were told the advertised unit was available, told about similar units, and told about more units than similarly qualified Native American testers.

When seeking to purchase a home, Native Americans faced discrimination 16.6% of the time. Because of low rates of homeownership among Native Americans, that aspect of the study was carried out only in New Mexico.

HDS2000 is the most ambitious effort to date to measure the extent of housing discrimination by race or ethnicity. Phase I presented national estimates of adverse treatment against blacks and Hispanics and reported on changes in the incidence of differential treatment since 1989. Phase II produced the first national estimates of discrimination against Asians and Pacific Islanders. Phase IV will look at housing discrimination against people with disabilities.

"In addition to using the research to document the nation's progress in reducing housing discrimination, we will use the data to better target HUD's education and enforcement resources," said Carolyn Peoples, HUD Assistant Secretary for Fair Housing and Equal Opportunity.

The report is available at www.urban.org.

Update from the Field

SC Coalition Honors a Housing Hero

Charles Gardner will step down as President of the Affordable Housing Coalition of South Carolina (AHC of SC) at the Coalition's annual membership meeting on November 21. AHC of SC will use the occasion to recognize Mr. Gardner for his longstanding service to AHC of SC and his passionate commitment to affordable housing and community development. Earlier this year, AHC of SC's board of directors established a new office on the board, "Immediate Past President," a post that Mr. Gardner will assume when he steps down.

Mr. Gardner has held the presidency of AHC of SC since 2000, but this was not his first tour of duty leading the organization. When the organization was formed in late 1988, Mr. Gardner became its first chair, a post he held until 1991. At the time, Mr. Gardner was Director of Community Development for the City of Greenville. He retired from that position in 1992, having held it for eight years. Prior to directing the city's Community Development program, Mr. Gardner served as its Director of Community Relations.

"Mr. Gardner has led the Coalition from stagnancy to a respected resource of affordable housing advocacy," said AHC of SC Director Gloria Bowden. "He has taught me so many things about housing for the low income. I am pleased to call him my friend and confidant."

Over the course of his career, Mr. Gardner has participated in housing policymaking at the local, state and federal levels. As Greenville's Director of Community Relations in 1975, Mr. Gardner was involved in the initial roll out of the Community Development Block Grant (CDBG). He took part in the first national conferences that were held to explain CDBG to recipients, and he established a citizens' advisory committee in Greenville to ensure that the implementation of the CDBG program and the use of CDBG funding in that city was driven by citizens' priorities.

Mr. Gardner also served as a member of the National Commission on Severely Distressed Public Housing, which submitted a report to Congress in 1992 that led to the establishment of the HOPE VI program. Learning about the problematic conditions in some of the nation's public housing was eye opening for him, Mr. Gardner said.

This week's board meeting is not the first time Mr. Gardner is being honored recently. Under his leadership, the AHC of SC won the 2002 Housing Achievement Award from the SC State Finance and Development Authority, presented for work educating residents on the dangers of predatory lending. In May,

Mr. Gardner won the prestigious Hettie Rickett Leadership Award from the SC Community Development Association.

NLIHC has been lucky to have Mr. Gardner's services as a board member—twice. He served on NLIHC's board in the mid-1980s and then joined the board again last year. In reflecting on efforts to increase public and political will to address the housing crisis, Mr. Gardner urges advocates to tell the story of people affected by the housing crisis. "Put real pictures and real faces on publications and promotional items, so policymakers will see it as a human problem, not a problem of numbers and statistics alone," he said.

Mr. Gardner said he is particularly proud that AHC of SC has been in the forefront of the push for an anti-predatory lending bill in the state that will take effect on January 1. In the coming year, AHC of SC will work to protect the state's housing trust fund from being raided again. In 2003, more than \$6 million was taken from the trust fund. AHC of SC also plans to focus particular attention on the housing issues of the Hispanic/Latino community in the state.

For more information: Gloria Bowden, AHC of SC Executive Director, (803) 808-2980, AHCofSC@aol.com.

USDA

Nomination of USDA's Rural Development Secretary Rejected

The Senate rejected the nomination of Thomas C. Dorr as Under Secretary of Agriculture for Rural Development this week. One of the Under Secretary's responsibilities is administering the Section 515 Rural Rental Housing program.

Mr. Dorr has been serving in the position as a recess appointee since August of 2002. Thus, there were no formal hearings on Mr. Dorr's appointment. While rural advocates say Mr. Dorr was engaged in preserving the Section 515 stock and promoting homeownership during his tenure, his nomination has been surrounded with controversy. Critics have asserted that he has a spotty record on issues related to low income rural Americans and small farmers, as well as diversity issues in general.

Minority Senate Leader Tom Daschle (D-SD), Ranking Member of the Senate Agriculture, Nutrition, and Forestry Committee Tom Harkin (D-IA), and members of the Congressional Black Caucus and the Congressional Hispanic Caucus opposed Mr. Dorr's nomination, as did several groups representing minority and small farmers.

A successor to Mr. Dorr has not yet been named.

Resources

Providing Housing for Ex-Prisoners

AIDS Housing of Washington has released a report looking at issues surrounding post-release housing and related services for individuals transitioning out of a prison setting back into wider society. The report, "From Locked Up to Locked Out: Creating and Implementing Post-Release Housing for Ex-Prisoners," is intended as a resource for training community organizations and looks at issues community groups face in providing for adequate housing and services for ex-prisoners.

Serving as a background for this publication is the rapidly rising prison population – four times what it was in the early 1970s – and the commensurate increase in the number of prisoners being released at any given time. An estimated 600,000 prisoners will be released in 2003 alone, working out to about 1,600 per day. Additionally, many released prisoners concentrate in a few neighborhoods with inadequate social services, and they must also deal with local opposition and fear related to their reentry into society.

The report has six sections. The first three sections examine the current situation for prisoners, the criminal justice system, disorders and illnesses often afflicting ex-prisoners, and other implications of housing ex-prisoners. The fourth looks at options for working with prisoners before they are released, various types of post-release housing, how community groups can find funding, and how to deal with neighborhood opposition and other concerns. The fifth section looks at how housing staff can best assist ex-prisoners and also analyzes some of the most effective social services for helping them. The final section contains ideas about how to create systems that allow reentering ex-prisoners to be adequately housed.

Each section contains major points to remember as well as sets of questions for facilitators to use in encouraging discussion on the topics covered. There are also examples of model programs serving the housing and service needs of ex-prisoners and references for those interested in further reading on specific topics.

While the report focuses on those directly planning on working to provide ex-prisoners with housing and services, it also provides an extensive overview of the barriers and opportunities that exist in regards to providing housing for ex-prisoners and is a useful resource for those interested in looking at those issues in more depth. "From Locked Up to Locked Out" can be downloaded at www.aidshousing.org.

Fact of the Week

Households Receiving Assistance with Food Costs

In the Past 12 Months

Total:	107,366,878	100%
Receiving public assistance or non-cash benefits:	18,918,553	17.6%
Receiving food stamps:	6,780,566	6.3%
Total with Children under 18:	38,180,132	100%
Participating in free or reduced school meal programs:	8,900,380	23.3%

Source: 2002 American Community Survey, www.census.gov/acs/www/index.html.

News & Events

National Housing Conference's Annual NY Awards Luncheon

Senator Hillary Rodham Clinton (D-NY) will be the keynote speaker at the National Housing Conference's Annual New York Awards Luncheon on Tuesday, December 9. NYHC is also celebrating its 30th anniversary of advocacy and leadership in the affordable housing field. For ticket information, contact Thea Beckering at 202-466-2121 x221. For information, visit www.nhc.org/ny2003.htm.

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Point of View *(cont'd from p. 1)*

they needn't worry. An op-ed in the *Washington Times* ("Housing policy in need," November 18, 2003) this week gave them plenty of ideological cover to neglect the social safety net. Doug Bandow from the libertarian Cato Institute, writing about Howard Husock's recently assembled essays in book form, turns housing policy on its head. In the world according to Mr. Husock, it is housing advocates who push for housing subsidies and minimum housing standards who are responsible for the shortage of housing for that low income people can afford. All this market interference is the problem. If left to its own devices, the market would provide enough housing for everyone, however squalid it might be. But squalor is just another market force to motivate people to work harder, improve their lot in life, and move to better housing. And getting rid of housing programs that help low income people is for their own good.

Mr. Husock helps the social Darwinists in Congress justify their actions, and maybe they will sleep better over the Thanksgiving holiday. But he offers no comfort to the families stranded in the shelter system with nowhere to turn.

NLIHC Interns

NLIHC is seeking legislative, outreach and research interns for the spring semester who are passionate about social justice issues and who have excellent writing and interpersonal skills.

Details are available at www.nlihc.org. Send a resume and cover letter to:

Internship Coordinator, NLIHC

1012 14th Street NW, Suite 610, Washington DC 20005
or to info@nlihc.org. Questions? 202-662-1530 x228.

Vote for NLIHC in Working Assets Donations Pool Today

Each year customers of the Working Assets phone company vote on how a share of the company's profits should be distributed. This year, NLIHC is one of 50 groups in the running for a share of the funds. There are three easy ways to vote for NLIHC: fill out the ballot that Working Assets includes in your phone bill; vote at www.workingassets.com/voting; or call the voter hotline at 1800-920-VOTE. Voting ends December 31. Thanks for participating!



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About NLIHC: Established in 1974, the National Low Income Housing Coalition is dedicated solely to ending America's affordable housing crisis. NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone. NLIHC provides up-to-date information, formulates policy, and educates the public on housing needs and the strategies for solutions.