

# MEMO OF MEMBERS

The Weekly Newsletter of the National Low Income Housing Coalition

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## National Housing Trust Fund

### Discharge Petition Filed!

Representatives Barbara Lee (D-CA), Bernie Sanders (I-VT) and Michael Capuano (D-MA) on Thursday, July 22, filed a “discharge petition” in order to bring H.R. 1102, the National Affordable Housing Trust Fund Act of 2003, directly to the floor of the House for debate and an up-or-down vote. The discharge petition, a parliamentary tool, is used to bypass the committee with jurisdiction over a bill. Despite 214 bi-partisan cosponsors of H.R. 1102, the House Financial Services Committee, which considers housing legislation, has declined to take up the bill.

Supporters agreed that the filing of the petition represents an incredible opportunity for the Campaign. “This is a very proud day for all those people across the country in need of quality, affordable housing,” Ms. Lee said. “The Lee-Capuano-Sanders discharge petition will set in motion the long-awaited process of starting a national affordable housing construction program.”

The petition must be signed by Members in person, while Congress is in session. And the petition cannot be signed until seven legislative days after it has been introduced. Together, these items mean that while the petition was introduced on July 22, Members will not be able to sign it until Congress comes back from its summer recess in early September. The first date that it can be signed is now projected to be September 14 or 15.

(See *NHTF on p. 2*)

## Public Opinion

### NLIHC Poll: Strong Support For Low Income Housing

In the most recent NLIHC poll of likely voters, 65% of respondents say they saw, read or heard news about the housing problems of low income people in the past month. Further, more than one quarter (27%) of respondents report having had trouble meeting their own housing expenses in the past year, a number that has grown slightly since November 2003. Thus it may not be surprising that when asked whether they agree or disagree with a series of statements about the role of government in addressing affordable housing problems, in all cases more than 65% of likely voters agree that government needs to invest in low income housing.

The most support is for low income housing that is described as an “investment in the future;” 73% of likely voters said they support government investment in housing that allows low income parents to provide decent homes for their children.

(See *Public Opinion on p. 2*)

## Capitol Hill

### Approps Process Results in Cut to Most HUD Programs

The FY05 HUD appropriations bill was marked up in both the VA-HUD appropriations subcommittee and the full House appropriations committee the week of July 19. In both the subcommittee and full committee, all HUD programs with the exception of housing vouchers received substantial cuts from FY04 levels. Further, neither the subcommittee nor the committee took any steps to reverse the effects of the Administration’s April changes to the funding of the voucher program in FY04.

(See *Capitol Hill on p. 3*)

## POINT OF VIEW

by Sheila Crowley, President

After months of anticipation, rumor, and angst, Congress gave its first official response to the Bush Administration’s “flexible voucher” proposal this week. Fortunately, the House Appropriations Committee rejected this ill-advised, half-baked idea. This idea was so bad that it will be a long time before anyone can use the word “flexible” in reference to housing programs without evoking a visceral distrust among housing advocates.

However, the VA-HUD-IA Appropriations Subcommittee was left with the mathematically impossible task of funding the programs within its jurisdiction without enough money to do so. They added absolutely necessary increased funding to the Section 8 program, heeding the calls from housing advocates to at least preserve the number of vouchers currently in use. But they did so by cutting every other HUD program, including McKinney-Vento Homeless Assistance, HOPWA, Sections 211 and 811, and public housing, all of which serve the very lowest income people. Unless and until we can restore these programs to at least their current funding level while protecting the funds for Section 8, we cannot claim success this year.

It will be a tragedy if the unified campaign by housing advocates that made the case so effectively for protecting the voucher program unravels as proponents of particular programs scramble to get their piece of the funding pie re-

(See *Point of View on p. 10*)



NATIONAL LOW INCOME  
HOUSING COALITION

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

At that time, the petition will need 218 signatures to be able to be considered. Then a vote is taken on whether or not to schedule the bill for action. Because five of H.R. 1102's cosponsors are non-voting Members, the Campaign will need nine Members in addition to all cosponsors to sign the petition. Advocates will use the time afforded by the Congressional recess to get commitments to sign the petition from their Members of Congress.

On behalf of the National Housing Trust Fund Campaign, NLIHC sent a letter to all Members of Congress urging them to sign the petition in September. "Two hundred and fourteen of your colleagues have already co-sponsored H.R. 1102; many more have indicated they would vote for it if given the opportunity," NLIHC President Sheila Crowley wrote. "Now is the time for the U.S. House of Representatives to take up this important and popular legislation."

The discharge petition for H.R. 1102 is only the 11<sup>th</sup> to be introduced in this session of Congress. The most recent example of legislation successfully kick-started by a discharge petition is the McCain-Feingold campaign finance reform.

Details are at [www.nhtf.org](http://www.nhtf.org).

In other Campaign news, Representative Stephanie Herseth (D-SD) this week became the 214<sup>th</sup> cosponsor of H.R. 1102. In the Senate, James Jeffords (I-VT) became the 22<sup>nd</sup> cosponsor of S. 1411. Thanks to the advocates who worked to get these Members of Congress on board. In addition, the number of National Housing Trust Fund Campaign endorsers this week passed 5,100.

**Congressional Recess**

Both the House and Senate have adjourned for the August recess and will return September 7. Advocates will use the time that Members of Congress are in their home districts to raise key housing issues with them.

**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. Information is available at [www.nlihc.org](http://www.nlihc.org).

**Public Opinion** *(cont'd from p. 1)*

Statements about the economic value of investing in low income housing also have wide appeal. The statement that more affordable housing is needed for a "balanced economy" receives support from 70% of likely voters. Similarly, 69% feel the government should make certain that even low wage workers are able to rent a decent apartment. Government housing policy designed to stem the decline of the middle class had the support of 65% of respondents.

When investments in housing were described as part of efforts to provide people with the opportunity to achieve the American dream, 67% of likely voters voiced support. The notion that housing policy has been skewed toward the rich, and that government should do better at making housing affordable to all is supported by 66%.

The statement that "it is time for those who are the most well-off to pay a fair share of taxes so that the government can invest sufficient resources into affordable housing for the lowest income Americans," received support from 68% of likely voters. This is the statement that received the strongest support, with half of all likely voters being in strong agreement.

By far the least support was voiced for government disinvestment. Only 21% of likely voters expressed strong support for the notion that government should not be involved in solving housing problems. Only 8% say they strongly agree with the notion that affordable housing "must take a backseat" to national defense and the war on terrorism. Strong opposition to this last message exceeds strong support by 41 points.

This support translates to opposition to the Administration's current voucher proposals. Two out of three likely voters continue to oppose the Administration's proposed cuts to the Housing Choice Voucher program, three months after the proposal was introduced and NLIHC first asked likely voters about their support. Today, nearly 40% of likely voters say they strongly opposed the cuts.

There is also a message for advocates in this poll: Though an overwhelming majority of voters perceive a housing affordability crisis and oppose cuts to the voucher program, more than 70% of those who remember news on low income housing problems oppose the voucher cuts, compared to 57% of those who said they do not remember any such news.

The national survey of 800 likely voters was conducted July 18-20. The margin of error is +/- 3.46 percent. Similar polls were conducted by NLIHC on April 18-24, 2004; November 2-4, 2003; May 27-29, 2003; and August 19-21, 2002. More information is at [www.nlihc.org/research](http://www.nlihc.org/research).

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

Responding to overwhelming grassroots advocacy on the voucher program, the July 20 subcommittee action did provide funding for Section 8 vouchers and project-based housing above what the President asked for in his FY05 budget. While the Administration proposed cutting voucher funds by \$1.6 billion, the committee allocated an amount that advocates believe might be sufficient to renew current vouchers in FY05. However, Section 8 funding came at the expense of all other HUD programs, which generally received 4.3% cuts. Outraged housing advocates flooded House offices with calls between the two markups, but funding levels for all HUD programs remained the same in the full Committee on July 22.

House Appropriations Committee Ranking Member David Obey (D-WI) spoke about the importance of HUD programs at the onset of the markup, as did Representative Marcy Kaptur (D-OH). Only a handful of public witnesses were allowed into the mark up, however, so advocates were not able to hear Members' remarks firsthand.

Included in the House Appropriations Committee's cuts are:

- More than \$276 million cut to public housing and HOPE VI.
- More than \$209 million cut to community development programs.
- More than \$79 million cut to HOME.
- More than \$53 million cut to homeless assistance programs.
- More than \$32 million cut to Section 202 Housing for the Elderly.
- More than \$11 million cut to Section 811 Housing for Persons with Disabilities.
- More than \$28 million cut to Native American housing block grants.
- More than \$12 million cut to Housing for Persons with AIDS.
- More than \$1.5 million cut to fair housing activities.
- More than \$850,000 cut to HUD's rural housing and economic development program.
- Almost \$7 million cut to lead hazard reduction.

Advocates took some solace in the fact the full committee rejected two efforts to further cut HUD funds during its mark up. Ignoring the severity of the cuts in the subcommittee, efforts surfaced in the full committee markup 48 hours later to divert HUD funding to other programs. These efforts, by Representatives Virgil Goode (R-VA) and Dave Weldon (R-FL) were

voted down and withdrawn, respectively. Mr. Goode's amendment would have shifted \$1.5 million from Section 8, HOPE VI and the Corporation for National Service to veterans' health care. The amendment failed on voice vote.

The amendment offered by Mr. Weldon would have authorized the implementation of the Administration's Flexible Voucher Proposal and funneled its purported savings to NASA, and was offered as the Committee came under much pressure from House Majority Leader Tom DeLay (R-TX) to increase spending for NASA programs. This amendment was withdrawn. The Committee's report accompanying the VA-HUD bill explains that the Flexible Voucher Program proposal was not included because "such changes fall outside the Committee's jurisdiction. However, the Committee strongly urges the authorization committees to take the actions necessary to reform the program."

For the Section 8 tenant-based voucher program, the committee's report "reiterates that the Section 8 voucher program is funded as a discretionary program, not a mandatory program. Consequently, the Department and the public housing authorities must manage the program within a budget." The FY05 voucher program is continued, as it was in FY04, as a budget-based (not unit-based) program. This means that funds are based on the amount appropriated and not the number of units leased by a housing authority. The bill cuts housing authority reserves to just one week (from one month in FY04) and does not fund a separate central reserve. Again, the committee prohibits housing authorities from over-leasing, and directs HUD to provide a report to the committee by November 15, 2004, of all housing authorities that have over-leased and the sanctions HUD has levied against such authorities. The bill cuts funding for Family Self-Sufficiency service coordinators by \$2 million.

For the first time, the bill divides the Section 8 account into two distinct accounts, one for tenant-based (discussed above) and one for project-based. For project-based housing, the bill increases overall project-based spending by a total of \$204 million above the FY04 level. Section 8 project-based contracts receive an increase of \$321 million while funds for mod/rehab contracts are decreased by \$46 million, and Single Room Occupancy contracts are decreased by \$3 million compared to FY04.

The bill cuts the public housing capital fund by \$116 million. Included in this account are the Resident Opportunity and Self-Sufficiency program, which sustained a cut of \$1.5 million, and funds for emergency

*(See Capitol Hill on p. 4)*

## Capitol Hill *(cont'd from p. 3)*

capital repairs, which received a decrease of \$2 million. The Committee's bill does not include language to implement the Administration's Freedom to House demonstration program, which NLIHC opposed. However, the bill's report language states that the Committee "strongly encourages the authorization committee of jurisdiction to consider this proposal." The bill cuts the public housing operating fund by \$154 million.

The Community Development Block Grant program was cut by more than \$51 million. Funding was also cut for the Self-Help Homeownership Opportunity Program (\$1 million cut), Youthbuild (\$3 million cut) and Neighborhood Initiatives (\$24 million cut). The HOME program was cut by \$79.8 million, including a \$2.5 million cut to downpayment assistance, the President's American Dream Downpayment Act.

Homeless assistance grants were cut by \$53.5 million. The bill notes that the FY04 funding will cover the renewal of all expiring Shelter Plus Care contracts. Language is continued requiring that not less than 30% of funds (excluding Shelter Plus Care renewal funds) go to permanent housing, plus a 25% match for social service activities.

The bill does not provide funding requested by the President for a new Prisoner Reentry initiative, or for his Samaritan Housing Initiative.

The bill cuts Section 811 housing for people with disabilities by more than \$11 million. The report notes the committee's frustration with HUD over miscalculating anticipated costs associated with tenant-based assistance contracts and the late notice the committee received for needed but unexpected amendments to prior-year voucher contracts for people with disabilities. Section 202 elderly persons housing is cut by more than \$32 million.

The committee's \$92.9 billion bill identifies 1,229 specific projects in member districts. Most of these associated with the HUD portion of the bill will be funded by the \$135.5 million in economic development grants appropriated for FY05.

The Senate has not taken any action on its FY05 HUD spending bill. On July 24, President Bush threatened to veto the VA-HUD appropriations bill if the cuts made to NASA remain in the bill upon enactment.

### HUD CFO Nomination Moves

On July 20, the Senate committee on Housing, Banking and Urban Development unanimously voted on the nomination of Carin M. Barth for the position of Chief Financial Officer of HUD. Barth's nomination

will be voted upon in the Senate after it returns from summer recess in September.

## Military Construction Bill Leaves Out Housing

The House on Thursday passed a \$10 billion military construction spending bill that did not include \$500 million in funding for a program that privatizes and renovates military housing. A later vote allowed lawmakers to support the program, but the final bill did not contain the necessary funding to keep the program from hitting its spending cap this November. The privatization program turns over the responsibility for building, renovating and managing the properties to private firms. The firms put up most of the initial investment, speeding the provision of housing, and they are later repaid with rents paid by the Department of Defense.

The Congressional Budget Office (CBO) recently found that although the up-front costs of the privatization program are lower, the overall program costs are greater than traditional contracting. CBO concluded that raising the current spending cap by \$500 million had a FY05 cost of \$1.2 billion. This finding put the military construction bill over the spending allocation imposed on it by the House leadership and in turn led Budget Committee Chairman Jim Nussle (R-Iowa) to use budget rules to strip the housing provision from the bill. This led supporters, particularly Democrats, to say that Mr. Nussle was putting budget rules before the needs of military families.

Although the measure may be funded as a stand-alone measure, the housing program had a far better chance of becoming law as part of the must-pass military construction bill. The funding may also find its way back into the bill in conference committee.

## House Holds Hearing on Preservation; Senate Bill Introduced

NLIHC testified on July 20 before the Housing and Community Opportunity Subcommittee of the Financial Service Committee on the January 2004 GAO Report, "Multifamily Housing: More Accessible HUD Data Could Help Efforts to Preserve Housing for Low Income Tenants." The GAO report and this week's hearing were requested by Subcommittee Chair Mike Oxley (R-OH) and Ranking Member Barney Frank (D-MA) to determine the number and status of HUD-subsidized multifamily mortgages that will mature before 2013.

Gené Moreno of the Chicago Rehab Network, who testified on behalf of NLIHC, began her testimony by

*(See Capitol Hill on p. 5)*

## Capitol Hill *(cont'd from p. 4)*

saying, "I am here to discuss the 101,000 families who will be left without any protections from rising rents, unlike their counterparts in properties with Section 8 rental assistance." Other panelists echoed this concern. Charlotte Delgado, representing the National Alliance of HUD Tenants/West testified that Congress must take action or families will be displaced and units lost if owners convert non-Section 8 units to unrestricted market rents upon mortgage maturation.

The Section 8 voucher program and the role it plays in keeping families in subsidized rental housing came up on several occasions. Members of the committee expressed concern, as they had in the July 13 hearing on the Samaritan Initiative (see *Memo*, July 19), that the Administration's attack on the Section 8 program could lead to displacement because of lack of funds and program changes. Assistant Secretary for Housing and FHA Commissioner John Weicher testified for HUD. Mr. Frank attempted to gain Mr. Weicher's support for using enhanced voucher in conjunction with maturing mortgages, but Mr. Weicher did not agree.

In response to the GAO Report, Mr. Frank introduced H. R. 4679, designed to provide assistance in preserving privately owned, HUD-subsidized low and moderate income housing. This legislation was strongly supported by NLIHC and others witnesses, including Michael Bodaken, President of the National Housing Trust. Mr. Bodaken stated that the bill artfully balances the interest of owners and the public in maintaining this housing resource.

NLIHC and others testified on several other proposals that could be used to promote preservation. These include clarifying the role that language from the Low Income Housing Preservation and Resident Homeownership Act plays in state and local preservation laws, offering tax incentives for owners to keep the properties affordable for low income tenants, and removing a prohibition in the tax code relating to mod/rehab and the low income housing tax credit. Such suggestions led Representative Mark Green (R-WI), who chaired the latter half of the hearing, to say that he believed that there is a need for a comprehensive approach to developing a federal preservation strategy.

While there will be no legislative action in this Congress, the hearing, GAO Report, and H.R. 4679 set the stage for a serious effort to preserve affordable housing next session.

**Senator Jeffords Introduces Bill.** Also in preservation news this week, Senator Jim Jeffords (I-VT) introduced the Affordable Housing Preservation Act of 2004 in the Senate. S. 2692 takes a different approach to

preservation, authorizing HUD to make grants for the acquisition and rehabilitation of affordable housing.

Senator Jefford's bill sets up a matching grant program for states and localities to ensure that affordable housing is preserved. Some of the factors to be considered when awarding funds under this program include the number of affordable housing units at risk in a particular area as well as the difficulty residents would face in finding adequate, available, and decent housing if displaced.

No action is expected on this legislation this year, but Senator Jeffords plans to continue his efforts in the next Congress. The bill is similar to one Mr. Jeffords had introduced in an earlier session of Congress.

## Bill to Increase FHA Credit Subsidy Passes House and Senate

Legislation introduced July 21 to provide sufficient credit subsidy for FHA loans passed both the Senate and the House July 22. Senate Housing and Transportation Subcommittee Ranking Member Jack Reed (D-RI) introduced S.2712 to authorize \$4 billion in additional FY04 credit subsidy. Without additional credit subsidy to the general insurance and special risk insurance program, HUD maintains that applicants for FHA loan guarantees will not be able to proceed with planned developments.

The bill was cosponsored by Senate VA-HUD Appropriations Subcommittee Chair Kit Bond (R-MO) and Ranking Member Barbara Mikulski (D-MD), and Senate Banking Housing and Urban Affairs Chair Richard Shelby (R-AL) and Ranking Member Paul Sarbanes (D-MD). At a July 20 hearing, FHA Commissioner John Weicher told House Housing and Community Opportunity Subcommittee Chair Bob Ney (R-OH) that the bill was filed because HUD's analysis is that the fund is currently 75% subscribed for FY04 and HUD does not want this program to be closed down. The bill is expected to be signed by the President.

## Bill Addresses Section 8 Loophole

Senator Tom Harkin (D-IA) introduced legislation, S. 2690, this week that would close a loophole in Section 8 eligibility laws disclosed by the *Des Moines Register* (see *Memo* July 9). The *Register* found students with full scholarships (some that included more than \$400 a month in housing assistance) and students with wealthy parents living in Section 8 housing.

In an effort to remove barriers to education, HUD's Section 8 rules were changed in 1995 to exclude student financial assistance from a person's income for the purpose of establishing housing assistance eligi-

*(See Capitol Hill on p. 6)*

## SPECIAL REPORT

### FY04 VOUCHER FUNDING CRISIS – WEEK 14

#### HUD Responds to Congress

While HUD has still not announced an all-encompassing solution to the FY04 crisis, it did respond the week of July 19 to a letter that had been sent from the New York Congressional Delegation to HUD on the FY04 problem (see *Memo*, May 28).

The HUD response, addressed to Representative Nydia Velazquez (D-NY), said that HUD has taken two significant actions that should provide funding to close housing authorities' gaps in most cases. HUD notes that it has calculated the effective program reserve balance of each PHA nationwide as of December 31, 2003, and provided sufficient funds to bring the reserve of each PHA to the level of one-half month's housing assistance expenditures. Second, HUD reports that it has decided to apply the full FY04 annual adjustment factor to each PHA's reported per-unit cost in August 2003 in order to determine the per-unit renewal funding amount in FY04, rather than use a prorated portion based on the point in time of the renewal. Based on continuing reports from housing authorities, it does not appear that these actions have resolved the funding shortfall.

The HUD letter went on to say that Congress directed the Secretary to use his authority to control the cost of the voucher program and the new renewal formula was HUD's response.

**Elgin Evictions Postponed.** The Elgin, IL, housing authority reported that, after meeting with HUD and House Speaker Denis Hastert's (R-IL) office, HUD has directed the Elgin Housing Authority to send all the 60 tenants who received a termination notice for the end of July (see *Memo*, July 16) another letter saying that any possible termination will be delayed until the end of August. It appears that the housing authority may have miscalculated information relevant to its funding, and HUD has agreed to work with the housing authority in the interim to work out a solution.

**Tax Credit Coalition Voices Concern.** HUD Secretary Alphonso Jackson continues to receive letters expressing concern about HUD's changes to the voucher renewal formula for FY04. The private sector weighed in on July 20 with a letter from The Affordable Housing Tax Credit Coalition, a non-profit group made up of housing development organizations, financing providers and others involved in providing affordable rental housing using the Housing Credit.

*(Continued next column)*

#### Capitol Hill *(cont'd from p. 5)*

bility. Senator Harkin's bill prohibits Section 8 assistance to single students under 24 years old who are not veterans *and* who do not have dependent children *and* who are otherwise not eligible for Section 8 (or whose parents are not eligible for Section 8). The bill would also count financial assistance, in excess of amounts for tuition, as income for purposes of eligibility. The bill was referred to the Senate Banking, Housing and Urban Affairs Committee.

#### SELHA Introduced

The Services for Ending Long-Term Homelessness Act (SELHA) was introduced by Representative Richard Burr (R-NC) and nine co-sponsors on July 20. The bill establishes a grant program run by the Substance Abuse and Mental Health Services Administration for services to end chronic homelessness. States, cities, public and nonprofit agencies can apply for the grants. Services provided by the grant awardees may include mental health services, substance abuse treatment, referrals for primary health care and dental services, health education, money management and parental skills training. The bill was referred to the House Energy and Commerce Subcommittee on Health, of which Mr. Burr is a member.

#### New Legislation

On July 20, S. 2689 was introduced and referred to the Senate Committee on Finance. The bill, introduced by Senator Blanche Lincoln (D-AR), would amend the IRS tax code of 1986 to replace the recapture bond provisions of the low income housing tax credit with a reporting system. The bill is similar to H.R. 3610, which was introduced last year by Representative Amo Houghton (R-NY).

#### 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/>.

*(Continued from previous column)*

The letter notes that HUD's changes will be devastating to some voucher holders, and points out that the new formula departs from the longstanding practice of providing PHAs funds for vouchers according to their actual costs. The letter emphasizes that this underfunding could jeopardize private sector participation in the voucher program. "As a market driven program, the success of the voucher program is dependent on owners' beliefs that HUD will provide PHAs with the funds necessary to uphold their commitments," the Coalition wrote.

## Housing in the Elections Housing Groups Register More Than 1,000 People This Week

Affordable housing and homeless organizations in 16 states and the District of Columbia held 48 voter registration events on Thursday, July 22, marking the first National Low Income and Homeless Voter Registration Day. Organizers estimate that more than 1,000 new low income and homeless voters were registered as part of this week's efforts.

The day was organized by NLIHC and the National Coalition for the Homeless (NCH). Local groups held registration events to encourage participation by a group of individuals that in the past has voted in significantly lower numbers compared to people in higher income brackets. "There is a general perception that homeless and low income people don't vote and aren't interested in political issues," said Michael Stoops, Project Director of NCH's 'You Don't Need A Home To Vote' campaign. "But homeless and low income people are impacted directly by governmental policies and programs or the lack thereof. They are very much interested in this year's election."

Events varied from in-house registrations conducted at 11 corporate offices and multifamily communities throughout Florida to trainings of service providers on how to engage low income people in the voting process in King County, WA. In Boston, the Pine Street Inn's event even had celebrity appeal, with Tom Magliozzi, co-host of the NPR show "Car Talk," and Boston Mayor Tom Menino (D) participating. But each event carried the same message: Low income and homeless voters must participate in the democratic process if candidates and elected officials are to address the issues that are important to them.

"Our job here is to get people back to self-sufficiency, not just house them," said Robert Brown, CEO and President of the Coalition for the Homeless of Central Florida, which participated in Thursday's events. "Part of being self-sufficient, of being part of the process in this country, is voting."

At several of the sites, new and infrequent voters were surveyed to find out whether they intend to vote this November as well as what issues are most important to them. "Housing and education seem to be the most important issue for individuals in our area," said Anthony Colon of the Central Massachusetts Housing Alliance. The group focused its efforts on visiting shelters in the city of Worcester throughout the evening, and registered more than 100 people.

Several media outlets covered the events, including the *Washington Post*, Minnesota Public Radio, the *Quad City Times* in Iowa, the *Orlando Sentinel* and

the *Los Angeles Times*. "I never cared much about voting one way or another until I ended up in this situation," Cheri McCulley, a homeless mother of three from Boston, told the *Washington Post*. "I'll support anyone with a program to help people get out of shelters and back into the real world."

Organizations hope to keep momentum from Thursday's events going through the November elections and beyond. Specifically, September 26 through October 3 has been named National Low Income and Homeless Voter Registration Week. Started in 1992 by NCH, this week will be used both to continue voter registration efforts and to further educate and mobilize new and infrequent voters through forums and meetup sessions with local and national candidates.

For more information on voter registration projects or this week's events, contact Katie Fisher at 202-662-1530 x222 or [Katie@nlihc.org](mailto:Katie@nlihc.org).

### Housing Tour Scheduled for Convention

On Wednesday, July 28, at the Democratic National Convention, Boston Mayor Tom Menino (D) and Representative Michael Capuano (D-MA) will host an invitation-only affordable housing bus tour for convention delegates and elected officials. The tour will give participants the opportunity to see successful affordable housing and community development in the South End, Roxbury, and Jamaica Plain neighborhoods. A similar event is planned for the Republican National Convention in New York in September.

The tour is designed to raise awareness of how affordable housing can improve the community and the city as a whole, in addition to the lives of its low income residents. "Boston is really the perfect opportunity to showcase affordable housing," said Elizabeth Genolio of The Campaign For Affordable Housing, a cosponsor of the tour. "It shows how the involvement of the mayor and the legislators helped to support the efforts and it shows how successful affordable housing can be when there is political will behind it."

The tour has tripled in size since planning began. "You can really tell how many people are interested in this and think it's an important issue," Ms. Genolio said.

A brochure explaining the history of each housing complex will be distributed as part of the tour. Participants will also learn the history of Boston's political and private involvement in the development of housing. In 2000, Mayor Menino asked the housing agencies to work with the housing advisory panel to develop a new housing strategy. Four years and \$2 billion later, the city boasts more than 2,200 affordable housing units, 5,500 preserved units of at-risk rental housing, and more than 1,000 units for people experi-

(See **Housing...Elections** on p. 8)

## Update from the Field CT Advocates Work with State Public Housing Residents

Connecticut's state public housing stock, known as State Moderate Rental Housing, is deteriorating, especially family units concentrated in urban areas. As the cities in which that stock is located embark on various strategies to address the deterioration, the Connecticut Housing Coalition and its Public Housing Resident Network (PHRN) are working with residents to ensure that they have a say in the future of their homes and neighborhoods.

Connecticut is one of only three states with public housing stock developed by the state. In Connecticut, there are 18,000 units of federal public housing and 13,000 units of state public housing, making state public housing a significant portion of the low income housing stock in the state. The housing is administered locally by the same public housing agencies (PHAs) that administer the federal public housing program. Of the 13,000 units, 5,500 serve families and 7,500 serve seniors and people with disabilities.

When it was constructed in the 1950s, the state public housing stock was intended to serve households with incomes that would cover the operating costs of the properties. While federally subsidized public housing receives capital and operating funds, the state public housing does not receive any additional funding from the state to supplement the rents collected from tenants. Over the past 10 or 15 years, lower income residents have begun to occupy this housing in greater numbers because of the lack of other affordable housing options. As a result, since tenants pay either 30% of their incomes in rent or a modest base rent, PHAs may receive less money for operating their properties if the tenants' incomes are lower.

Given the age of the state public housing and the incomes of its residents, its deterioration is not surprising. As the quality of the housing has deteriorated, so have the residents' quality of life and the public's perception of this housing. Exacerbating the situation, the state oversight of these developments was recently transferred from the Department of Economic and Community Development to the quasi-public Connecticut Housing Finance Authority (CHFA). This transfer has thrown these troubled public housing properties into a political limbo, causing PHAs and residents to question the ultimate fate of this housing.

In some cases, PHAs are putting together redevelopment plans for the state public housing, which tend to be sited on large tracts of land with substantial open space. These plans may be similar to HOPE VI redevelopment for federal public housing properties, but the

PHAs must apply for funds from a variety of sources. In the case of redevelopment, the residents of the state public housing are at great risk, because there are minimal requirements for resident participation and the redevelopment projects may lead to mixed-income, mixed-use properties that may have fewer units available to the original residents. In addition, unlike the HOPE VI program, residents of state public housing undergoing redevelopment are not entitled to Section 8 housing vouchers to help them move elsewhere if there are insufficient units to serve them after the redevelopment.

The Coalition is working with residents in cities in which state public housing is concentrated and at risk of disappearing through redevelopment. In Hartford, for example, nearly 800 units of state public housing are at risk because of possible demolition and reconfiguration of two communities. In New Britain, the local PHA gave nearly 900 units of housing in five properties over to CHFA for operation, and CHFA is determining what it should do with these communities. In both cities, the Coalition's PHRN works with residents to develop strategies to preserve affordable housing and protect residents' rights, to guarantee resident involvement in planning for the future of their housing developments, and to facilitate the maintenance or creation of viable public housing resident organizations.

Connecticut leads the nation with a net loss of 20% of its public housing through programs such as HOPE VI. In the case of state public housing, given the limited options and protections for residents, the Coalition and PHRN are focused on the preservation of units affordable to the lowest income people so that residents will not be displaced. To that end, the Coalition is focused on the involvement of residents in any discussions of rehabilitation and redevelopment. "PHRN wants to ensure that residents have a seat at the table so that they can have meaningful input into the process," said the Coalition's Lynne Ide.

For more information: Lynne Ide, Connecticut Housing Coalition, 860-563-2943, [lynne@ct-housing.org](mailto:lynne@ct-housing.org).

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### Housing...Elections *(cont'd from p. 7)*

encing homelessness. The city has also reclaimed almost all vacant public housing units.

In addition to TCAH, the tour is cosponsored by the Citizen's Housing and Planning Association, the National Community Development Initiative, Local Initiatives Support Corporation, the Massachusetts Association of Community Development Corporations, and the Community Builders.

For more information: The Campaign for Affordable Housing, [www.tcah.org](http://www.tcah.org).

## Resources

### Paycheck to Paycheck

Low and middle income workers, including janitors, teachers, and sales clerks, cannot afford to buy or rent a home in many of the nation's largest metropolitan areas and counties, according to two studies by the Center for Housing Policy, the research arm of the National Housing Conference. One key finding from the Center's study of metropolitan areas is that many Southern cities face affordability gaps as severe as those in the Northeastern and Western cities with reputations for high housing costs. The county-level study also found affordability problems in unexpected areas, such as Flagler County, FL; Fulton County, GA; and Buncombe County, NC.

The lack of affordable housing for working families is a serious problem in most counties, according to *Paycheck to Paycheck: Wages and the Cost of Housing in Counties*. Released in conjunction with the National Association of Counties, the report surveys officials from many of the nation's largest and fastest-growing counties. Seven out of ten officials surveyed called the affordable housing shortage a "very big" or "fairly big" issue of concern for their community. Eighty-five percent of respondents also indicated that most new construction in their counties is geared towards upper- and middle-income families. In 40% of counties, affordable housing shortages make it hard for employers to attract and retain workers, and have caused more working families to apply for housing assistance. An additional quarter of counties reported that the lack of housing has increased crowding and "doubling up" among working families.

In addition to the survey, the report compares the wages for six occupations – police officers, firefighters, elementary school teachers, retail salespersons, janitors, and construction laborers – in each county to its median home prices and rental costs. In 22 out of 30 counties in the study, a retail salesperson or janitor could not afford even a 1-bedroom apartment, while in 21 of the 30 counties a police officer, firefighter, or teacher does not earn enough to buy a median-priced home. For rental cost data, the study uses the 2004 Fair Market Rents from HUD; for home prices, it uses data from the 2000 Census, adjusted for inflation to 2004 levels. The data on prevailing wages for each occupation was provided by county officials in the survey, and checked against data from the Bureau of Labor Statistics.

*Paycheck to Paycheck: Wages and the Cost of Housing in America*, released in an interactive online format, includes information on the cost of housing for renters and homeowners in 136 metropolitan areas, compared to the average wages for 64 different low or moderate income jobs in each area. In the majority of these cities, retail salespersons and janitors cannot afford a one- or two-bedroom apartment. While police officers, teachers, and nurses nationally fared better in the rental market, none of them could afford to buy a home in many Southern cities with reputations for low prices, such as Atlanta, Baton Rouge, Birmingham, Charleston, Greensboro, or Jackson. The cost of owning a home is based on monthly mortgage payments on a median-priced home with a 10-percent down payment; the data come from the National Association of Realtors' 2003 report on existing home sales. For rental costs, the report uses the 2003 Fair Market Rents from HUD. Information on wages for different occupations comes from the May 2003 Occupational Earnings Survey from the Bureau of Labor Statistics.

*Paycheck to Paycheck: Wages and the Cost of Housing in Counties* is available at [www.nhc.org/nhcimages/Paycheck\\_Counties2004.pdf](http://www.nhc.org/nhcimages/Paycheck_Counties2004.pdf). The database for *Paycheck to Paycheck: Wages and the Cost of Housing in America* is online at [www.centerforhousingpolicy.org/p2p](http://www.centerforhousingpolicy.org/p2p).

## Fact of the Week

### NIMBYism, Lack of Public Funds Thwart Affordable Housing Creation

Percent of county officials who reported the following causes as barriers to creating more affordable housing for working families in their counties:

	Is a barrier	Most important barrier
Lack of land	42.9%	15.6%
Zoning restrictions	34.7%	5.2%
Not in My Back Yard (NIMBYism)	74.5%	22.1%
Lack of private sector interest	59.2%	24.7%
Lack of public funding	73.5%	29.9%
Regulations/housing codes	27.6%	2.6%
Impact fees	19.4%	0.0%

Source: *Paycheck to Paycheck: Wages and the Cost of Housing in the Counties*, 2004, Center for Housing Policy and National Association of Counties.

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

stored. A cynic might say that this is what some in Congress intended, a divide and conquer strategy to get us to get them out of the mess they have made for themselves. It is a strategy that we should resist getting sucked into.

The federal budget and appropriations process is in disarray. How Congress is going to work its way out of the fiscal chaos it has created is anybody's guess. But it is not our job to figure that out for them. Our job is to make sure they know the human and political consequences of what they have done and what they still might do.

### NLIHC Staff

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 Linda Couch, Deputy Director, x228  
 Sheila Crowley, President, x224  
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## NLIHC News

### NLIHC Seeks Policy Analyst

NLIHC seeks staff member to track, analyze, and advocate on federal legislative and regulatory issues related to NLIHC mission. Reports to Deputy Director. Qualifications include highly developed communication and policy analysis skills, knowledge of federal housing policy, and commitment to housing justice. Direct experience with the legislative process a plus. Masters' preferred. Send cover letter and resume to Deputy Director, NLIHC, 1012 14<sup>th</sup> St. NW, Suite 610, Washington, DC 20005. Applications accepted until position is filled. EE0/AA.

### NLIHC Seeks Interns

NLIHC is seeking legislative, outreach and research interns for the fall semester who are passionate about social justice issues and who have excellent writing and interpersonal skills. Send a resume and cover letter to:

Internship Coordinator, NLIHC  
 1012 14th Street NW, Suite 610, Washington DC 20005  
 or to [info@nlihc.org](mailto:info@nlihc.org). Questions? Call 202-662-1530 x228.

### Save the Date! NLIHC Annual Conference

NLIHC's 2005 Annual Housing Policy Conference and Lobby Day will be held Monday and Tuesday, May 2 and 3, at the Capital Hilton in Washington, DC. The Leadership Reception will be held the evening of May 3. Mark your calendar and plan to join us!

### Remember NLIHC During the Combined Federal Campaign

Please keep NLIHC in mind during the 2004 Combined Federal Campaign, which will begin soon. Our CFC number is 0828.



National Low Income Housing Coalition  
 Memo to Members  
 July 23, 2004  
 Vol. 9, No. 29

**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.