



# MEMO MEMBERS

*The Weekly Newsletter of the National Low Income Housing Coalition*

## Register Now for NLIHC's Housing Policy Conference April 11-14

Plan now to attend NLIHC's 2010 Annual Housing Policy Conference and Lobby Day, to be held April 11-14 at the L'Enfant Plaza Hotel in Washington, DC. Registration and hotel details are at [www.nlihc.org/conference](http://www.nlihc.org/conference)

Adrian Nicole LeBlanc, a visiting scholar at New York University's School of Journalism and author of the remarkable *Random Family: Love, Drugs, Trouble and Coming of Age in the Bronx*, will address a plenary assembly on exploring poverty through a journalist's eyes.

HUD Secretary Shaun Donovan is confirmed as the keynote speaker at the conference. The conference will also feature many additional opportunities to engage with senior HUD officials. In addition, more than 30 plenary sessions and workshops are designed to bring you up-to-date on federal housing policy issues.

The 28th NLIHC Annual Housing Leadership Awards Reception will be held on Tuesday, April 13, from 6 pm to 8 pm at the Washington Court Hotel in Washington, DC. 2010 honorees are Senator John Kerry (D-MA) and Representative Keith Ellison (D-MN), who will receive the Edward W. Brooke III Housing Leadership Award, and Gordon Cavanaugh, the first recipient of the Cushing Niles Dolbeare Lifetime Service Award. This event is ticketed separately.

Please note that there are special rates available for residents of public and assisted housing, for members of resident groups, and for other people with low incomes. Please email [outreach@nlihc.org](mailto:outreach@nlihc.org) for more information.

Register today and invite your friends!

## NATIONAL HOUSING TRUST FUND

### President Obama Calls for \$1 Billion for NHTF Again

As the President did in his FY10 request, the Administration's FY11 budget includes \$1 billion to capitalize the National Housing Trust Fund. The NHTF was included as part of the

mandatory funding request in FY10. In the FY11 request, the NHTF is subject to PAYGO, which means that in order to secure funding, an offset must be indentified elsewhere in the federal budget.

The budget proposal does not state what the offset should or could be.

## THE ADMINISTRATION

### President's Budget Brings Mixed Funding Results, Bold Initiatives to HUD Programs

President Obama sent his FY11 budget request to Congress on Monday, February 1, revealing a mixed picture for HUD funding following the Administration's announcement of a three-year freeze for many discretionary funding programs. The President's requested HUD budget would increase funding for vouchers and public housing operating expenses, decrease funding for some capital programs, and introduce several new program initiatives.

At a budget briefing on February 1, HUD Secretary Shaun Donovan described the decisions to increase and decrease funding as both promising and difficult steps in "the process of long-term rebuilding" for HUD programs, a reference to the cuts sustained by many programs during the previous Administration. "Having stabilized HUD's programs after years of slow starvation, the time has come to begin transforming them--to make HUD's housing and community development programs more streamlined, efficient, and accountable," Secretary Donovan said in a press release.

The President's budget proposes what HUD refers to as three "new and cross-cutting" initiatives: a Transforming Rental Assistance initiative, a Housing and Services for Homeless Persons Demonstration program, and a Catalytic Investment Competition. The first initiative, Transforming Rental Assistance, would begin to combine the more than 13 funding sources of rental assistance currently administered by the department into a single, more efficient rental subsidy while providing tenants with greater mobility options (see article elsewhere in Memo).

Housing and Services for Homeless Persons Demonstration, the second initiative, would provide \$85 million to public housing agencies to house families and individuals who are homeless or at-risk of homelessness, and to partner with other agencies

to provide services. Services would be administered by the Department of Health and Human Services; the Department of Education; and state agencies distributing Temporary Assistance for Needy Families (TANF), Medicaid, and behavioral health services (see article elsewhere in Memo).

The third new initiative, the Catalytic Investment Competition Grants, would provide \$150 million in economic development gap funding for projects targeting the hardest-hit neighborhoods, in combination with other HUD-funded programs (see the Community Development Fund section of this article).

The President's total net budget authority for HUD would be \$41.59 billion, a \$2.261 billion decrease from the net authority from FY10. However, Secretary Donovan said that an increase in receipts from Ginnie Mae and the Federal Housing Administration will allow HUD to provide a higher level of funding while reducing the total budget authority request.

Specific components of the Administration's proposed FY11 budget for HUD are as follows.

**Rental Assistance Programs.** Secretary Donovan emphasized at HUD's budget briefing the Administration's commitment to maintaining full assistance for the tenant-based and project-based programs in order to preserve existing vouchers and contracts.

The Tenant-based Rental Assistance Program would receive \$19.55 billion in the request, an increase of \$1.4 billion over FY10, and would fund three new rental assistance initiatives in addition to the Housing Choice Voucher program.

The budget would continue to fund tenant protection vouchers at \$125 million, a \$5 million increase over FY10. These vouchers are provided to tenants of public or assisted housing when their units are demolished or sold. Family self-sufficiency coordinators would be level-funded at \$60 million.

HUD anticipates that this funding level will allow renewal of all vouchers leased by December 2009 and will provide assistance to at least 100,000 more households than in FY10. The department anticipates serving a total of 2.2 million households, "the largest number of families ever assisted by this program," by the end of FY11. The Administration expects its FY11 budget to renew all vouchers in use, renew all new vouchers funded in FY10, and provide \$85 million for about 10,000 new vouchers for homeless individuals and families.

NLIHC is pleased that the Administration has increased funding for the voucher program, but does not believe the increase is sufficient to meet the needs of extremely low income households, especially in the time of a steep economic downturn. NLIHC is advocating for at least 250,000 new vouchers in FY11 to meet the existing and growing need for housing affordable to extremely low income households.

Several proposals to shift management of existing rental assistance programs and create new programs reflect HUD's intent to streamline its multiple rental assistance funds under the new TRA initiative.

Along with changes to the capital portion of the Section 811 program (see section on Capital Programs below), HUD's budget request proposes shifting the tenant-based rental assistance funds from the Section 811 program line item to the Tenant-based Rental Assistance Program. The Housing for Disabled Persons Mainstream vouchers currently in the Section 811 account would be fully renewed within this new account at \$114 million.

The budget would provide \$66 million for a new Disaster Housing Assistance Program (DHAP) for households assisted under the DHAP for Hurricanes Ike and Gustav. The budget does not include new funding for Disaster Displacement Assistance, which was funded at \$80 million in FY09 and \$3 million in FY10 (see related article elsewhere in Memo).

Two rental assistance programs funded in FY10 are not included in the FY11 request: the Veterans Affairs Supportive Housing (VASH) vouchers and Family Unification Program (FUP) vouchers. Non-elderly Disabled Vouchers were not funded in FY10 and do not appear in the President's FY11 budget. Vouchers issued under these three programs are included in the general tenant-based contract renewal line item instead.

HUD also proposes several administrative changes to the Tenant-based Rental Assistance program that would strengthen oversight and evaluation, improve the technological management systems, continue studying a administrative fee allocation formula, study Housing Quality Standards, and eliminate the cap on the number of households a public housing agency can serve. This last administrative change is critical to the Transforming Rental Assistance initiative.

The President's budget requests an increase of \$830 million for the Project-based Rental Assistance account, bringing the total to \$9.382 billion. This proposed increase is smaller than the one the program received between FY09 and FY10. However, according to HUD, the increase would be sufficient to fully fund the program's approximately 18,000 contracts with private owners. The budget request also includes HUD's potential use of its authority, provided in the 1998 Multifamily Assisted Housing Reform and Affordability Act, to make up to \$10 million of project-based rental assistance funds available for financial assistance to tenant groups, nonprofit organizations, and others for use in preserving this housing stock and providing tenant services.

**Public Housing.** HUD's request would fully fund the public housing operating fund at \$4.83 billion, an increase of \$54 million over FY10.

The Public Housing Capital Fund, however, would be cut under the President's proposal from \$2.5 billion in FY10 to \$2.04 billion in FY11. The capital fund provides critical resources to improve the condition of the public housing stock. The Administration says that the impact of decrease will be lessened because of \$4 billion in one-time funding for this account that was distributed through the American Recovery and Reinvestment Act of 2009 (ARRA). HUD says these funds will "reduce the backlog of capital needs" for public housing while allowing HUD funds to be used in other programs in FY11. While the Transformation of Rental Assistance (TRA) proposal could address a portion of the capital fund's unmet need, it is NLIHC's position that a cut to the capital fund will only serve to delay housing agencies' ability to address the \$20 billion to \$30 billion capital needs backlog.

The budget request does not include funds for HUD's Resident Opportunity and Self-Sufficiency grant program. This program has been funded at \$40 million for the last several years.

For the second year in a row, the President's budget would eliminate funding for the HOPE VI program and fund instead the new Choice Neighborhoods Initiative (CNI) at \$250 million. For FY10, Congress ultimately provided \$135 million to the HOPE VI program and funded CNI as a smaller demonstration program at \$65 million.

**Community Development Fund.** Although the Community Development Fund (CDF) would decrease under the President's budget from \$4.45 billion to \$4.38 billion, the largest component of the fund, the Community Development Block Grant formula grants, is level-funded at \$3.99 billion.

Economic Development Initiative Grants and the Rural Innovation Fund would be discontinued in FY11. The Sustainable Communities Initiative, companion funding to HUD's new Office of Sustainable Housing and Communities, would continue with level-funding at \$150 million. In FY10, the President requested but did not receive funds for the University Community Fund, and this request appears again at \$25 million.

The third of HUD's three new and cross-cutting initiatives, the Catalytic Investment Grants, is included in the CDF account at \$150 million. While few details about the program are known at this time, the program would target funding to communities with the greatest economic development need and provide funding for reclaiming vacant land, removing property related obstacles to economic recovery, and supporting economic activity in combination with transit-oriented development. In a briefing, Assistant Secretary Mercedes Márquez emphasized HUD's intention to coordinate between departments and funding programs, and noted that HUD envisions the Catalytic Investment Grants being paired with other HUD funding sources, such as the Neighborhood Stabilization Program (NSP)

or CNI, to leverage further resources and extend the impact of HUD's funds.

**Capital Programs.** While voucher, project-based Section 8, and some public housing funds are strengthened in the President's budget request, capital programs, including the HOME, Section 202, and Section 811 programs, are reduced.

The HOME program would be funded at \$1.65 million in FY11, a \$175 million decrease from FY10.

The budget proposes a dramatic decrease of funding for the capital portions of the Section 202 program for housing for the elderly and the Section 811 program for housing people with disabilities. The Section 811 program, which was funded at \$300 million in FY10, would be funded at \$90 million in FY11. This would fully fund contract renewals, contract amendments, construction amendments, and awards. An additional \$114 million in rental assistance funds would continue to support the program but would be shifted to the Tenant Based Rental Assistance Program. In total, the Section 811 program would experience a \$96 million decrease between FY10 and FY11. The Section 811 program is a small but effective program in preventing highly vulnerable people from becoming homeless by providing permanent supportive housing. NLIHC supports the House and Senate legislation to reform this program and allow it to more successfully serve this population. "The Administration continues to seek reforms to make this program more efficient and effective," HUD's budget documents say.

The Section 202 program would be funded at \$274 million in FY11, a \$551 million dollar decrease from FY10 funding. Of this proposed funding, \$184 million would fully fund rental assistance renewals and contract amendments, and \$90 million would be available for service coordinators and services in congregate housing. New construction and new project-based rental assistance would not be funded.

The budget request states HUD's intention to redesign the Section 202 program to allow project sponsors to build larger projects with greater economies of scale, reduce regulatory barriers to allow sponsors to leverage other sources of funding, improve service provisions by building partnerships with the Department of Health and Human Services, and change application requirements to provide more preferences for the extremely frail elderly, "who are in the greatest need of supportive housing." Past studies of the Section 202 program, HUD's budget request says, have highlighted construction delays, cost overruns, and lengthy development times. Advocates, however, are concerned about cutting back production of affordable elderly housing units when the need for such units is great.

Secretary Donovan described the changes to the Section 811 and 202 programs as "the hardest decisions in the budget." He

said that these programs need to be reformed and aligned better with programs such as the Low Income Housing Tax Credit, which he said produce “ten times more housing” for the elderly. Citing problems with targeting projects to the areas with elderly housing need, high vacancy rates and difficulty in combining with other financing, Secretary Donovan said that both the 202 and 811 programs need reforming to become more efficient and effective programs.

**Homeless Resources.** Homeless Assistance Grants would receive a significant increase of \$190 million dollars in FY11, to bring funding levels to \$2.06 billion. Along with the new Housing and Services demonstration program, this increase serves to illustrate the Administration’s stated commitment to addressing the homelessness crisis. While pleased that the Administration is dedicating housing resources to support its commitment in these ways, NLIHC remains concerned that other budget requests, such as the elimination of any new Section 811 units, could well contribute to homelessness among vulnerable populations.

**Fair Housing.** Despite proposing an \$11 million reduction in Fair Housing funding for FY11, the Administration spoke strongly of its support for HUD’s fair housing work during its February 1 briefing. HUD’s fair housing activities would be funded at \$61 million, lower than the FY10 funding level but still at a level that is \$7 million to \$17 million above the programs’ funding levels from FY02-FY09. Secretary Donovan and Assistant Secretary for Fair Housing and Equal Opportunity John Trasviña spoke to the accomplishments the fair housing division has achieved in the last year and of their the plans to continue to strengthen HUD’s fair housing work.

**Policy and Research.** HUD’s Office of Policy Development and Research (PD&R) account would increase by \$39 million, to \$87 million, under the President’s FY11 budget. This increase would allow HUD to dedicate \$55 million to “restore and enhance” housing surveys that provide HUD with critical data on housing need. Seven million dollars would be dedicated to evaluating the Choice Neighborhoods program, the Family Self-Sufficiency program, and Rent Reform options. NLIHC supports improving and expanding the data collection and program evaluation at HUD.

**Additional Programs.** Two programs serving special populations, the Native American Housing Block Grants and the Native Hawaiian Housing Block Grants, would be cut under the President’s proposal. The Native American grants would be funded at \$580 million, a \$120 million decrease from FY10. The Native Hawaiian grants would decrease by \$3 million and be funded at \$10 million for FY11.

The Housing Opportunity for Persons with AIDS (HOPWA) program would be funded at \$340 million, a \$5 million increase over FY10. This funding level would continue the trend of

increasing resources for the HOPWA program.

The President’s proposal increases the Housing Counseling program slightly to \$88 million. While only a \$500,000 increase, this boost would mark the fourth year of improved funding for the program.

The Healthy Homes and Lead Hazard Control program would be level-funded for the third year at \$140 million dollars. Prior to receiving level funding, this program had seen declines in funding for several years.

**Low Income Housing Tax Credit.** Finally, outside the HUD budget, the President also proposed extending the Low Income Housing Tax Credit (LIHTC) exchange program, created in the American Recovery and Reinvestment Act of 2009. Under this program, states’ LIHTC allocating agencies can exchange a portion of their 9% tax credit allocation for cash that can be used as equity in LIHTC-eligible projects. The President’s proposal would extend the program through 2010.

While the extension of the 9% exchange program is one of the changes needed to revitalize the LIHTC, advocates have also been seeking other changes, including extending the exchange program to the 4% LIHTC program, expanding the investor base by extending the ability of investors to use credits against past income, and amending the tax laws to encourage investment in LIHTCs by smaller corporations and limited partnerships.

NLIHC issued a statement and an updated budget chart upon the release of the President’s request. View the statement at: [http://www.nlihc.org/detail/article.cfm?article\\_id=6736&id=48](http://www.nlihc.org/detail/article.cfm?article_id=6736&id=48) and the budget chart at: <http://www.nlihc.org/doc/FY11-Budget-Chart-HUD-Programs.pdf>

The Administration’s complete FY11 budget proposal is available at: <http://www.whitehouse.gov/omb/budget/Appendix/>

## Administration Proposes New Rental Assistance Program for HUD

As part of its FY11 budget request released on February 1, the Administration has proposed a new, multi-phase program that would begin to streamline HUD’s 13 rental assistance programs into a single form of subsidy.

The new initiative, called Transforming Rental Assistance (TRA), would begin in FY11 with a first phase in which \$350 million would be committed to allow public housing agencies (PHAs) and private owners of federally subsidized stock to voluntarily convert their current federal housing subsidy streams into a new Rental Assistance for Preservation and Transformation (RAPT). The new federal subsidy stream would be something akin to the project-based voucher program, HUD staff said in a

briefing on February 2.

HUD staff said TRA would aim to preserve existing public and assisted housing while putting the converted units on a path to have sufficient ongoing subsidies through a new RAPT funding stream. TRA would have three broad goals: streamlining the funding and regulation of HUD's rental assistance programs, helping to infuse properties with federal subsidies that can help attract private capital, and providing residents of these units with additional mobility options, which these programs currently do not provide. HUD Assistant Secretary for Public and Indian Housing Sandra Henriquez, at HUD's February 2 briefing, said that the new program would maintain income-based rents, allow owners to be in a position to address immediate and long-term needs of their properties, and maintain essential resident protections.

HUD staff reported at its February 2 briefing that the agency hopes to provide Congress with a legislative proposal for TRA by March 1. HUD staff also noted that, absent new authorizing language enacted this year, the language included in HUD's budget documents, if adopted within the FY11 HUD appropriations bill, would provide HUD sufficient authority to move forward with RAPT. Staff noted that the agency plans to continue to consult with stakeholders during the development of the RAPT program.

Of the \$350 million requested for the initial phase of the program, \$290 million would supplement existing operating subsidies for approximately 300,000 units. The funding would be to improve these units and also to provide some administrative funds to convert these units to the new RAPT subsidy. The proposal assumes \$20,000 to \$25,000 in rehabilitation needs per unit, according to Barbara Sard, Senior Advisor for Rental Assistance. HUD notes that bringing greater subsidy into each of the units will also enable owners to leverage private financing, which will allow owners to better address properties' capital needs. HUD estimates that the \$350 million in TRA's first phase could leverage \$7.5 billion in private capital for these 300,000 units.

Another \$50 million of the \$350 million requested would be used to meet the mobility goals of TRA. These funds would be used to encourage voluntary regional partnerships among PHAs to enlarge their service areas and mobility assistance to tenants, both of which would allow voucher holders access to areas of opportunity while maintaining the RAPT project-based subsidy for the owner.

In units converted under TRA, residents would have the right to move out of their homes and maintain rental assistance with a housing choice voucher. The property would also continue to maintain its RAPT assistance. HUD is not seeking new vouchers that could be provided to residents who use their mobility

rights. While a new pot of vouchers to provide mobility options for TRA residents would be ideal, the federal government's budget constraints do not allow HUD to request such a pool of new vouchers at this time, HUD staff said.

HUD is working to determine how many people in the converted units might utilize their mobility rights and how housing choice vouchers will be accessed for this purpose. Currently, when a project-based voucher holder seeks to take advantage of mobility options available to them, they typically go to the top of the waiting list and receive the next voucher. If a PHA were to convert a significant number of units to RAPT, it is conceivable that people currently on the housing choice voucher waiting list would continue to languish while RAPT households are served.

Ms. Henriquez said HUD would continue to consult with stakeholders on what resident protections will operate under TRA. HUD has had several stakeholder meetings to discuss the development of its TRA proposal, including one with more than 30 residents of public housing. The National Housing Law Project coordinated this meeting with HUD, which included representatives from NLIHC's Board of Directors, membership and staff.

It is NLIHC's assessment that the TRA initiative demonstrates HUD's commitment to the preservation of public and assisted housing and will be a model for housing assistance that can enhance funding, streamline programs for tenants and administrators, and eventually help add to the stock of housing affordable to extremely low income people. While many details remain to be worked out, NLIHC looks forward to participating in discussions with HUD and Congress to ensure that residents' rights are protected, mobility remains a key feature of RAPT, and that the public investment in public and assisted housing is preserved.

## HUD Budget Targets Homelessness

The President's HUD budget for FY11 to Congress reflects the Administration's ongoing interest in addressing the country's homelessness crisis, and would both increase funding for homeless assistance to support implementation of the HEARTH Act and create a new homelessness demonstration program. In a press release, HUD Secretary Donovan said the agency will "more than double the annual rate at which HUD assistance creates new permanent supported housing for the homeless."

The HEARTH Act was enacted in 2009 and, once implemented, will streamline HUD's homeless assistance program while also placing more emphasis on the prevention of homelessness. Funding for HUD's homeless assistance programs would increase to \$2.06 billion, a boost of \$190 million, the largest increase in the program's history, Assistant Secretary for

Community Planning and Development Mercedes Márquez said in a briefing. Ms. Márquez said that HUD is midway through the process of developing regulations to implement the HEARTH Act, and will time completion of these regulations to be in line with the start of the FY11 budget.

A new proposal made in the budget request, the Housing and Services for Homeless Persons Demonstration, funded at \$85 million, would provide public housing agencies with grants to house families and individuals who are homeless or at-risk of homelessness and partner with other federal and state agencies to provide services to households.

This demonstration would be funded within HUD's tenant-based assistance account (see related budget article elsewhere in Memo). Services would be administered by the Department of Health and Human Services (HHS); the Department of Education (DOE); and state agencies distributing Temporary Assistance for Needy Families (TANF), Medicaid, and behavioral health services. President Obama has urged federal agencies to collaborate on critical policy issues.

The demonstration would create two programs, one serving individuals who are chronically homeless and the other serving families that are homeless or at-risk of homelessness. The program for chronically homeless individuals would provide 4,000 vouchers for single, childless adults with income up to 100% of the federal poverty level who are already enrolled in Medicaid. Services would include Medicaid case management, substance abuse treatment and mental health services. Organizational applicants would be required to partner with state Medicaid and behavioral health agencies to provide services. HHS says funds from the Substance Abuse and Mental Health Services Administration (SAMHSA) will be available as part of this competitive initiative. An evaluation of the program, focusing on long term stability of tenants will be performed by HHS as part of its collaboration with HUD.

The program for families would serve households with children who are either experiencing homelessness or at risk of homelessness with 6,000 vouchers. HUD and DOE will target vouchers to areas with concentrations of homeless households. DOE reports that 60% of the 1 million homeless children reported are enrolled in just 1,000 school districts. HUD will seek applicants with a holistic approach to services for families. Grantees will be expected to partner with the district homeless liaison as well as the state or local agency administering TANF. While there is additional funding for vouchers proposed in HUD's budget, the DOE's homeless children and youth budget, which funds the homeless liaisons, is level-funded.

Both programs would allocate vouchers competitively based upon a housing authority's demonstration of partnership with state and local health and service agencies and collaboratively established goals for an effective program. Award criteria will

be developed jointly by HUD, HHS, DOE, and the Interagency Council on Homelessness.

In the briefing, Ms. Márquez and Assistant Secretary for Public and Indian Housing Sandra Henriquez both acknowledged that the 10,000 new vouchers and 9,500 units of rental assistance for supported housing are not sufficient to fully address the nation's homelessness crisis. Secretary Donovan tasked HUD staff with going through each program to identify impact on homelessness and ways that programs could combine resources and collaborate on housing people who are homeless.

To identify ways HUD programs can better serve homeless persons, the agency also held a series of focus groups of federal agency and community partners. NLIHC participated in one of these focus groups around the best ways that HUD can serve people who are homeless and people with special needs.

## VA Makes Homeless Priority in Budget

While the bulk of funding to address issues of housing and homelessness is included in the HUD budget, significant components of the budget for the Department of Veterans Affairs (VA) are also dedicated to issues of homelessness. By establishing "eliminating veteran homelessness" as one of three goals for the VA for FY11, the President's budget request continues the Administration's overall commitment to addressing the growing number of homeless households in the country.

The VA budget proposal includes an increase of \$294 million to address veteran homelessness, to bring the total dollars in the VA budget dedicated to the issue to \$799 million. Unlike HUD's discretionary funding programs, the VA's discretionary programs are not subject to the broad three-year budget freeze proposed by the President.

The VA has an ambitious goal of reducing the number of homeless veterans from the current level of 131,000 to 59,000 persons by June of 2012. To house an additional 62,000 veterans in this period of time, the VA will invest additional funds and partner with HUD, the Department of Justice, the Department of Labor, state and local agencies, and nonprofits.

The VA says "homelessness is primarily a health care issue," and to this end the agency will provide \$3.4 billion in health care services for homeless veterans in addition to the \$799 million in homeless-specific funds, for a total of \$4.2 billion dedicated to the care of homeless veterans. The VA anticipates that costs associated with homeless veterans will decrease after the agency shifts its focus to education, jobs, treatment programs, and homeless prevention resources.

The Administration's budget proposal includes two initiatives for homelessness: the Combat Homelessness Pilot Program, which would be funded at \$26 million, and the Zero Homelessness Initiative, which would be funded at just under \$294 million.

The Combat Homelessness Pilot would aim to prevent veteran families from becoming homeless by partnering with nonprofits, consumer co-ops, and other agencies to identify at-risk households and to provide services to help households maintain housing stability.

The Zero Homelessness Initiative would help to house currently homeless veteran households by expanding the capacity of the HUD-VASH (Veterans Affairs Supportive Housing) voucher program, the grant and per diem program, and two health care programs. HUD did not request additional VASH funding in FY11, but VASH vouchers from FY09 and FY10 are still in the lease-up process.

The VA also plans to intensify outreach efforts, create a call center to link homeless and at-risk veterans to services, offer additional substance abuse clinicians, and provide resources to veterans involved with law enforcement agencies. The department plans to fund 100 community sober living houses as well.

## President's Budget Includes Limits to Tax Deductions, Including Mortgage Interest

In another non-HUD component of the President's recently released FY11 budget that has implications for advocates of low income housing, the budget seeks to limit the value of tax deductions for high-income households, including deductions for mortgage interest.

As his FY10 budget request did, the President's FY11 budget proposes capping at 28% the rate at which high income households, those earning \$200,000 or more a year for individuals and \$250,000 or more for couples, can itemize their deductions.

The value of itemized deductions for households is the total amount of their deductions multiplied by their top income bracket. This rate for these upper-income households is currently 33% or 36%. Capping the rate at 28% means that for every dollar deducted by these households, the U.S. Treasury will capture 5 to 8 cents of tax it would not otherwise. The White House estimates that capping the rate on deductions could raise \$291 billion over 10 years, which would be applied to deficit reduction.

This proposal is of note because housing advocates have long criticized the mortgage interest deduction, which tends to

reward better-off households that hold a mortgage on an expensive house. The mortgage interest deduction provides little benefit to lower and middle income households, who are less likely to own. Even when they do own, they have smaller homes and mortgages, less taxable income, and lower tax rates, and therefore receive less benefit.

A recent publication from the Joint Committee on Taxation reported that in 2008 there were just more than 5 million itemized individual returns with adjusted gross incomes of over \$200,000, and 90 million with incomes below \$50,000. The vast majority of the upper income households, just over 4 million, claimed the mortgage interest deduction, at a cost of \$27.4 billion to the federal treasury. Roughly 4 million of the lower income households also claimed the mortgage interest deduction. Not only was this just 5% of these households, but the benefit of the deduction to these households was only a little over \$3 billion.

This tax provision proposal did not gain any traction last year due to industry opposition and concerns about its impact on charitable giving, which can also be deducted. Its prospects this year are also highly uncertain.

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## CAPITOL HILL

### House and Senate Budget Hearings Bring Criticism of Budget

The House and Senate Budget Committees each held hearings on the President's FY11 budget proposal this week. At each hearing, committee members were generally supportive of the budget in the short-term, but criticized the Administration for not proposing a long-term plan to address budget deficits.

The hearings are the House and Senate Budget Committees' first steps in working on an FY11 budget resolution. The budget resolution establishes a framework for spending on federal programs and sets the maximum amount of funding allowed for discretionary and mandatory programs.

Office of Management and Budget Director Peter Orszag testified at a House Committee on the Budget's "Fiscal 2011 Budget" hearing and a Senate Committee on the Budget's "President's Fiscal 2011 Budget Proposal" hearing, both held on February 2. At each, Mr. Orszag described the short-term plan for continuing to spur the nation's economic recovery and proposed that additional long-term steps be developed collaboratively with a bi-partisan fiscal commission.

This commission, described in the President's budget message, would identify policies that will balance the budget by 2015. The

President's proposal to create a fiscal commission to "identify additional policies to put our country on a sustainable path" came under fire from minority members in both the House and Senate.

Many members of both the House and Senate committees supported the short-term plan established in the President's budget proposal, including introducing a tax credit for employers to incentivize increasing payrolls and providing a range of supports to small businesses. Many of the proposals are in line with those provided in the testimony of Douglas Elmedorf of the Congressional Budget Office at the "Budget and Economic Outlook" budget hearings (see Memo, 1/29).

The Senate Budget Committee held a second hearing on February 4, titled, "President's Fiscal 2011 Budget and Revenue Proposal." At that hearing, Treasury Secretary Timothy Geithner testified about the strengths of the budget request, including its creation of an employment tax credit, extension of tax credits for small businesses, and the elimination of small business capital gains taxes. As in the other Senate Budget Committee hearing and the House Budget Committee hearing, members spoke in support of the short-term budget plan but said the plan needed to provide a long-term solution as well.

Secretary Geithner's responses were similar to Mr. Orszag's; he urged the creation of a bi-partisan commission to propose a long term sustainable fiscal policy that addresses the debt. Secretary Geithner added that the nation needed to address education and health care reform as part of a long term fiscal policy.

As the next step in the FY11 appropriations process, the Appropriations subcommittees responsible for portions of the budget will hold hearings on department specific budgets. The House Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies is planning a hearing on the President's budget with HUD Secretary Shaun Donovan testifying on February 10 at 2 pm in room 2359 of the Rayburn House office building.

## House to Hold Hearing on Future of Housing Finance

The House Committee on Financial Services will hold a March 2 hearing to begin the process of determining the future of housing finance and the federal government's role in responsible homeownership and the supply of affordable rental housing.

This first hearing will focus on entities that support the mortgage market, including the Federal Housing Administration, Ginnie Mae, Fannie Mae, Freddie Mac, the Federal Home Loan Banks, and private lenders and securitizers. Treasury Secretary Timothy Geithner and HUD Secretary Shaun Donovan will testify at the

hearing and other witnesses from the advocacy community, academia, and industry may be added. The location and time for the hearing will be made available at a later date.

## Veterans' Housing Bill Introduced

Representative Joe Sestak (D-PA) on February 2 introduced H.R. 4569, the "Expanded Housing for America's Veterans Act." The bill would lower rents for veterans receiving VASH (Veterans Affairs Supportive Housing) vouchers by amending the U.S. Housing Act of 1937 to change the percentage of a tenant's income that is paid towards rent from 30% to 25%. This change would reduce the rent burden of households currently paying 30% of their income towards rent.

The HUD-VASH program combines rental assistance administered by HUD with services provided by the Department of Veterans' Affairs. There are no additional funds for this program requested in the President's FY11 budget proposal. The bill was referred to the House Committee on Financial Services.

## LIHEAP Bill Introduced

Representative Edward Markey (D-MA) introduced H.R. 4554 on February 2, a bill to reauthorize the Low Income Home Energy Assistance Program (LIHEAP) for FY11 through FY14.

The bill, the Energy Assistance for American Families Act, would increase funding levels for LIHEAP to \$7.6 billion per year, while extending assistance to households whose income does not exceed 75% of the state median income.

"Our economy may finally be heating up, but the effects of a recession, periods of cold weather and rising energy prices are still having a chilling effect on thousands of Bay State families." Mr. Markey said in a February 2 press release describing the importance of the bill.

Advocates supportive of LIHEAP are disappointed with the release of President Obama's FY11 Budget, which would reduce LIHEAP funding to \$3.3 billion, from the prior FY10 level of \$4.5 billion. However, the FY11 budget proposes the creation of a new mandatory mechanism, or trigger, which would respond to increases in both energy prices and the number of households in poverty by providing additional LIHEAP funding when certain trigger thresholds were met.

The bill has 25 cosponsors. It was referred to the House Committees on Energy and Commerce, and on Education and Labor.

## 2010 CENSUS

### Census Would Receive Boost in President's FY 2011 Budget

The Census Bureau would receive \$1.3 billion under the President's proposed FY11 budget, an amount met with support by advocates. While the FY11 budget is a drop from the \$7.3 billion the agency received in FY10, the current year includes the massive costs of conducting the decennial census this April.

The budget includes funds for the Census Bureau to tabulate the 2010 U.S. Census and provide population counts to the states for the purpose of political redistricting. The agency will also begin releasing data products to the general public and begin assessing the quality and coverage of its 2010 effort.

Beyond these initiatives related to the 2010 Census, the budget request includes a number of initiatives of interest to low income housing advocates.

Population data that are usually released a year or two after the decennial census will instead be released this year as part of the American Community Survey (ACS). The ACS is an annual survey of 2.9 million households. The Census Bureau has been conducting the survey since 2000, and this year it will use 5 years of data (2005 to 2009) to provide information on local population and housing characteristics down to the block level. New data for each subsequent five year period will continue to be made available every year after 2010.

In its FY11 budget, the Administration is requesting an increase of \$44 million for the ACS to increase the sample size from its current 2.9 million housing units to 3.5 million housing units. This will not only provide more accurate data for smaller communities in future years, it will also allow 100% follow-up with unresponsive households in remote areas of Alaska and American Indian, Alaska Native, and Native Hawaiian Homeland areas. Households in these areas are currently greatly underrepresented in the ACS.

The President is also proposing \$26 million initiative to continuously update the Master Address File, which the Census Bureau uses to find households for its surveys. Continuously updating the file will allow the Census to keep better track of changes in the location of housing and population both in existing and newly constructed communities, again providing more accurate information on the population and its housing.

While these data improvements should be useful for advocacy, they should also improve program administration. A number of federal housing programs such as the National Housing Trust Fund, Section 8, and Community Development Block Grant program depend on ACS data for their distribution and administration.

Another item in the Administration's request is \$5 million for an initiative to supplement the official poverty measures with annual, alternative measures of poverty. These are measures that seek to take better account of the significant variation in the costs households face but also in the benefits, such as housing assistance, households receive in calculating who is in poverty, in order to provide a more accurate picture of poverty in America.

### Website Offers Census Toolkit for Nonprofits

As the 2010 U.S. Census, set for April, approaches, advocates and service providers are urged to get the word out about how important a complete Census count is while reminding participants that the Census is completely confidential.

The Nonprofit Voter Engagement Network (NVEN) has a number of online resources that nonprofits can use to encourage people to get counted in the 2010 Census, including an online toolkit that contains, in English and Spanish, a one-page explanation of the Census, fact sheets, sample forms, and maps to help identify local Census offices. Other materials include posters that organizations can display to foster greater participation in the Census.

Census data are used to help measure housing need, and are used in part to determine how much money jurisdictions receive from some key federal programs, including Community Development Block Grants, public transportation funds, Head Start, and Women, Infants, and Children (WIC) food grants.

Find NVEN's online toolkit and additional resources at [www.nonprofitscount.org](http://www.nonprofitscount.org)

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## FORECLOSURE

### CT Attorney General Announces Steps to Enforce PTFA

Connecticut's Attorney General, Richard Blumenthal, announced on February 1 steps his office is taking to enforce the Protecting Tenants at Foreclosure Act (PTFA). Under the PTFA, enacted in May 2009, most tenants in foreclosed properties can remain in their homes for the remainder of their lease or 90 days, whichever is longer.

In his announcement, Mr. Blumenthal said his office has received complaints from tenants evicted from their homes in violation of the PTFA and, in response, has sent roughly 30 cease-and-desist letters to companies that have violated the

PTFA. The letters notify the companies of their legal obligations under the PTFA and request that they follow the law.

“Tenants in foreclosed properties—victims of their landlord’s financial failures—deserve to be treated fairly and lawfully when forced to find a new home. Law firms, realtors and lenders have moral and legal obligations to provide fair notice and time for tenants to find alternative housing after foreclosures. We are alerting law firms, lenders and real estate companies that they must follow this law or face legal action,” Mr. Blumenthal said.

Mr. Blumenthal’s actions were backed by a December 2009 report titled *Violation of the Protecting Tenants at Foreclosure Act: A Report on Noncompliance in Connecticut by Foreclosing Lenders, Real Estate Agents, and Law Firms*. This report, which was written and compiled by the five legal services programs in Connecticut (New Haven Legal Assistance Association, Greater Hartford legal Aid, Connecticut Legal Services, Legal Assistance Resource Center of Connecticut, and Statewide Legal Services), evaluates statewide compliance with the PTFA.

After conducting surveys, interviewing evicted tenants, and reviewing court filings, the report finds “widespread non-compliance with the requirements of PTFA that constitute unfair and deceptive trade practices by foreclosing banks, their real estate agents and their attorneys.” The abuses identified by in the report include real estate agencies, banks, and law firms giving oral or written notices that require tenants to leave immediately without telling the tenants about their rights under the PTFA or providing unintelligible or misleading statements about the tenant’s rights under the PTFA.

The report urges the Attorney General to ensure that financial institutions and their agents comply with the law by requiring them to stop deceptive practices. In addition, the report asks the Attorney General to make sure that these institutions have procedures for identifying tenants in a foreclosed properties and ensuring that their rights under the PTFA are recognized and protected.

The Attorney General’s announcement can be found at <http://www.ct.gov/ag/cwp/view.asp?A=2341&Q=455062>

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## DISASTER HOUSING

### Disaster Recovery Provisions in Administration’s FY11 Budget Proposal

The Administration’s FY11 budget proposal includes several provisions directly affecting disaster housing recovery from the 2005 and 2008 hurricanes, as well as one provision allowing FEMA to better partner with HUD to encourage activities that

reduce damage resulting from a future disaster.

The only specific disaster recovery funding request in HUD’s budget proposal is \$66 million to convert eligible recipients of Disaster Housing Assistance Program for Hurricanes Ike and Gustav (DHAP-Ike) to the Housing Choice Voucher program. Creating such a conversion program recognizes advocates’ concern that the slow pace of housing recovery in Ike- and Gustav-affected areas could ultimately result in homelessness for thousands currently receiving disaster rental assistance. DHAP-Ike was set to expire in March, but was recently extended (see article elsewhere in Memo).

Through a set-aside to provide additional voucher renewal funding to certain public housing agencies (PHAs), HUD’s proposal would allow the Housing Authority of New Orleans (HANO) a one-time adjustment in order to ensure adequate funding of all its vouchers. Immediately after hurricanes Katrina and Rita, PHAs in affected areas were granted authority to combine their public housing and voucher funding in order to provide assistance to displaced residents in a manner most appropriate considering the housing stock available. Based on continued approval for such combining of funds, HANO may need additional money to fully fund its current voucher commitment.

PHAs still providing rental assistance through the Disaster Voucher Program (DVP) would be eligible for an adjustment in voucher renewal funding from the same set-aside. However, HUD expects to successfully transition the final DVP recipients to permanent vouchers by the recently extended program end date, September 30 (see Memo, 1/8), so additional funding authorization is simply a precaution.

HUD’s budget proposal also recognizes that disaster recovery efforts bring with them extra staffing needs and expenses. Any PHA administering disaster vouchers would be eligible for additional administrative funds.

The budget proposal for DHS includes \$100 million for the National Predisaster Mitigation Fund at FEMA. The Administration promises to strengthen inter-agency coordination to “incentivize state and local government to plan for and implement pre-disaster mitigation strategies.” Through FEMA predisaster mitigation funds and HUD’s Sustainable Communities Initiative, the aim is to make sure community development efforts always include elements that mitigate the risk of damage from future disasters.

The full HUD and DHS budget proposals are available at <http://www.whitehouse.gov/omb/budget/Appendix/>

## HUD & FEMA Complete Initial DHAP-Ike Extension

HUD and FEMA issued on February 4 an extension of the Disaster Housing Assistance Program for Hurricanes Ike and Gustav (DHAP-Ike) through May, giving recipients in Texas and Louisiana additional time to find placement in more permanent housing. Though this initial action offers only a few additional months past the prior March expiration, advocates expect further extension of the program soon.

This extension means the approximately 11,000 families still participating in DHAP-Ike can continue to receive rental assistance through May 27, which the official press release cites as “the latest date allowed by the program’s current grant authority.” However, HUD officials indicate they will continue to work with FEMA to obtain additional grant authority in order to extend the program further. It is unlikely that all DHAP-Ike recipients will find permanent housing solutions before the end of this initial extension period.

The Administration’s FY11 budget proposal contains a request for \$66 million to convert eligible DHAP-Ike recipients to the Housing Choice Voucher program (see article elsewhere in Memo). But should that provision end up in the final FY11 appropriations bill, it would take effect no earlier than October, the beginning of the FY11 year. HUD and FEMA would need to extend DHAP-Ike well past October in order to allow sufficient time for the conversion.

HUD began DHAP-Ike in November 2008 under a funding agreement with FEMA (see Memo, 10/17/08), unlike DHAP for hurricanes Katrina and Rita, which was initially a FEMA program and transitioned to a HUD-run and FEMA-funded model later. In May 2009, DHAP-Ike recipients began paying \$50 per month toward rent, an amount that increased by \$50 each month thereafter. During the extension, recipient share of rent will continue to increase on schedule. Hardship waivers were available to those unable to pay those amounts.

The press release from HUD and FEMA is available at: <http://www.fema.gov/news/newsrelease.fema?id=50365>

## US Mayors Call for Stafford Act Reform

During its January 20-22 gathering in Washington, DC, the U.S. Conference of Mayors unanimously voted to approve a report proposing to reform the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act). The recommendations to improve the use of disaster recovery funds in the period immediately following a disaster stem from the work of a task force chaired by New Orleans Mayor Ray Nagin, and include specific suggestions on disaster housing assistance.

Among its recommendation, the report addresses the need to promptly finish the National Disaster Housing Strategy (NDHS) process, which began in 2006. FEMA, in the final days of the Bush Administration, released the long-overdue NDHS, but passed much responsibility for finalizing and implementing a housing plan to a National Disaster Housing Joint Task Force (see Memo, 1/23/09). The mayors call for the final plan to rely less on travel trailers and vouchers for temporary housing needs and ask that the Stafford Act allow for increased use of funds to repair existing housing for that purpose. According to the report, FEMA must “fully engage [HUD] as a partner” in order to use disaster housing funds most effectively.

The creation of a national disaster case management system is another priority outlined in the report, to ensure that all affected individuals, especially those with special needs, receive adequate post-disaster assistance. Currently, FEMA and the Administration for Children and Families have an initial agreement for a model disaster case management program, but must still develop final guidelines and regulations (see Memo, 12/11/09).

Additional recommendations for changes to Stafford Act language that would affect housing include: ensuring households with legitimate reasons to separate after a disaster, such as situations of domestic violence or return of one person to the affected area for work, are not prevented from receiving needed assistance; providing disaster housing assistance to recovery workers; and allowing temporary mortgage or rental payments when the disaster directly causes financial hardship.

Among broad concerns for effective disaster recovery discussed in the report is the official creation of a “catastrophic disaster” distinction that would bring with it the ability to waive Stafford Act provisions and allow the federal government to cover the full cost of any eligible activity. This would include hazard mitigation work, something for which the report requests increased funding no matter the extent of the disaster.

“One of my goals throughout our recovery from Hurricane Katrina has been to share what we have learned to help ensure that no other city will experience what we did in New Orleans,” Mr. Nagin said.

The report, provided to both Congress and the Obama Administration as well as to the Administration’s Long Term Disaster Recovery Working Groups, distinguishes between recommendations requiring legislation or regulatory changes. The federal Long Term Disaster Recovery Working Groups, led by HUD and FEMA, is currently generating recommendations on effective disaster recovery strategies to present to the President in April (see Memo, 10/30/09). Advocates expect such recommendations to ultimately result in legislation, including reform of the Stafford Act.

The report is available at: [http://www.cityofno.com/Portals/PublicAdvocacy/Resources/Stafford\\_Act\\_Reform\\_Task\\_Force\\_Report.pdf](http://www.cityofno.com/Portals/PublicAdvocacy/Resources/Stafford_Act_Reform_Task_Force_Report.pdf).

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## FROM THE FIELD

### OH Advocates Push for Counseling Funds in State Foreclosure Legislation

As federal funds for foreclosure counseling dwindle and the number of foreclosures in the state continues to rise, Ohio advocates are calling on the state's Senate to include much-needed funds for foreclosure counseling in upcoming foreclosure legislation. The Foreclosure in Ohio Cost Us (FOCUS) Coalition, a broad coalition of 130 advocates that includes the Coalition on Homelessness and Housing in Ohio (COHHIO), an NLIHC state partner, hosted a press event on January 20 that sent the message to legislators that counseling dollars are vital to decreasing the state's rising foreclosure rate.

The FOCUS press event, "Counseling is the Key," focused on the role that housing counselors play in foreclosure prevention by helping homeowners steer through the difficult system of mortgage servicing. "Certified counselors are vital to helping homeowners navigate the system," said Ohio Attorney General Richard Cordray, who spoke at the event. "Unfortunately, given the high volume of foreclosures, housing counseling agencies' budgets are tight and resources are short."

Counseling funds were included in the State House Foreclosure Prevention bill (H.B. 3), which passed the House in May 2009. It is not yet clear, however, whether which of several Senate foreclosure bills, if any, will include these funds. State Senator John Carey (R), Chair of the Senate Finance Committee, agreed to take testimony on all foreclosure prevention ideas. On February 2, Bill Faith, executive director of COHHIO and an NLIHC board member, testified before the committee to offer support for foreclosure counseling funds in upcoming foreclosure legislation.

In addition to providing testimony on this issue, the coalition will continue to meet with legislators and build grassroots support for possible legislative avenues.

Rising foreclosures rates have been a concern for the state for several years, and recent tabulations have revealed a deepening crisis. According to the Mortgage Bankers Association, of the 1.5 million mortgage loans serviced in Ohio, 15% were in foreclosure or past due in their payments in the third quarter of 2009, which is up from 13% in the first quarter and 14% in the second quarter. State officials expect total foreclosure filing numbers for 2009 to be greater than the 85,773 filings reported

for 2008.

FOCUS expects the state housing crisis to continue to worsen as federal dollars for foreclosure counseling dwindle. The National Foreclosure Mitigation Counseling Program (NFMC), the federal program that distributes foreclosure counseling grants to the states, has been appropriated \$63 million for 2010, down from its previous level of \$180 million. It is estimated that by the end of the first quarter of 2010, program funding will be completely spent. Ohio counseling programs receiving NFMC dollars have reported up to an 83% success rate for homeowners that complete the counseling process. Because counseling services will be cut without adequate funding, advocates are calling on state legislators to fill the funding gap.

"Ohio's foreclosure numbers continue to break records while federal counseling dollars to states are being cut by 70% in 2010," Mr. Faith said. "As the [state] senate begins hearings on multiple foreclosure bills, funding for counseling must be a priority. It's a proven strategy that makes all other foreclosure prevention and mitigation efforts more effective."

At the press event, homeowners offered testimonials in support of foreclosure counseling. One Cleveland homeowner who fell behind on payments due to health problems tried to resolve the issue with the bank who serviced his mortgage but was not offered a feasible solution for staying in his home. However, his hope was restored when he met with foreclosure counselors who were able to resolve the situation with his lenders, allowing him to stay in his home.

For more information: Cathy Johnston, COHHIO, [cathyjohnston@cohhio.org](mailto:cathyjohnston@cohhio.org)

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## RESOURCES

### National Data on Subsidized Housing Released

HUD released on February 4 the highly anticipated 2008 edition of A Picture of Subsidized Housing (Picture). This dataset describes the characteristics of HUD-assisted and Low Income Housing Tax Credit housing units as well as the households living in them. The previous edition of this report included data from 2000.

According to this dataset, the number of hard units of HUD-assisted housing has decreased by about 200,000 since 2000, which includes a loss of a little more than 125,000 public housing units. At the same time, the number of Housing Choice Vouchers has increased by almost 400,000. The LIHTC program saw a great deal of growth over this time period, with an addition of

more than 700,000 units, bringing the total number of LIHTC units up to almost 1.7 million. Overall, there are currently 6.7 million HUD-assisted and LIHTC units (including vouchers) available in the country.

Data in Picture are summarized at various geographic levels, including national, state, Core-Based Statistical Area, county, city, census tract, and public housing agency. It is also possible to see information at the project-level by program and state. The type of variables that can be found in this dataset include total assisted units, occupancy rates, average rents, average household incomes, age, race and disability status of households, number of bedrooms in unit, and many more.

This release of the data allows advocates to create custom queries by choosing the geographic level of interest, the program of interest, and the variables of interest. Currently, the summary files for the 2008 data are not yet available for download. Once available, these summary files will allow advocates to download and import the entire national dataset at different geographic and programmatic levels for further analysis.

HUD previously posted a 2004 edition of this dataset, but pulled it off of HUD User due to some inconsistencies in the data. NLIHC will continue to work with HUD to ensure that these datasets are accurate and informative.

For more information about this dataset, including the data dictionary and to create your own custom queries, go to: <http://www.huduser.org/portal/picture2008/index.html>

To see previous editions of this dataset go to: <http://www.huduser.org/portal/datasets/assthsg.html>

## Survey: Increase in Renters and Rental Units, No Decline in Vacancies

The housing market did not begin to work off its inventory of vacant for-rent and for-sale homes in the last quarter of 2009, according the most recent data from the Housing Vacancy Survey, released by the U.S. Census Bureau on February 2.

Overall, 85.5% of all housing units in the country were occupied in both the fourth quarter of 2008 and the fourth quarter of 2009. The gross vacancy rate was 14.5%. The rental vacancy rate (10.7%) remained higher than a year ago (10.1%) and statistically unchanged from the previous quarter (11.1%). The rate for for-sale one- to four-unit buildings was 2.7%, statistically unchanged from the fourth quarter 2008 and from the third quarter of 2009 (2.6%). The remaining vacant units were either seasonal or otherwise not for-rent or for-sale.

The Census estimates the country added 334,000 owner households in the last quarter of the year and 709,000 renters.

Despite the growth in the number of renters, the rental vacancy rate has yet to decline because the number of rental units, vacant and occupied, continues to expand with demand. In the past year, the number of vacant for-rent units increased by 379,000, while the number of for-sale units declined by 119,000 units. Much of the rented and for-rent stock was previously for sale.

Another sign of the growing supply of rental properties is that the median asking rent for a vacant rental (\$680) was down from the previous quarter a year before, though this measure tends to jump around and a longer term trend in rents has yet to establish itself in the data.

At 67.2%, the homeownership rate is statistically lower than it was in the third quarter of 2009 but unchanged from a year prior. Eighty-one percent of the households with family incomes above the national median and 50.2% of those with incomes below own a home. Both groups saw their homeownership rate decline. Black householders saw a significant decline in homeownership in the past year. Forty-six percent of black householders owned a home in the fourth quarter.

The most recent press release from the Housing Vacancy Survey, as well as detailed and historical tables and other supporting materials can be found at <http://www.census.gov/hhes/www/housing/hvs/hvs.html>

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## NLIHC NEWS

### NLIHC Welcomes New Members

Welcome to these new members who joined in January 2010:

Alliance of Cambridge Tenants, Cambridge, MA

Marian Battise, Columbus, OH

Danna Fischer, Arlington, VA

Hilary Lovelace, Boone, NC

Lawrence Martin, Minneapolis, MN

Denise Mathis, Waynesville, NC

Barbara Samuels, Baltimore, MD

Katie Webb, Atlantic Beach, FL

### Legislative Intern Joins NLIHC

Samantha Pedreiro is excited to join the NLIHC team as this spring's legislative intern. She is a sophomore at Cornell University majoring in government, and this semester is participating in the Cornell in Washington program. Sam is passionate about social justice and equality of opportunity

and has been dedicated to the issue of homelessness and the provision of affordable low income housing for many years. Sam hails from East Brunswick, NJ, and enjoys traveling, reading, and going to the theater.

## NLIHC Is Hiring: Vice President for Operations

The National Low Income Housing Coalition is seeking applicants for the position of Vice President for Operations (COO) to oversee the financial, development, human resources, operations, and other administrative functions of NLIHC in support of the mission, goals, objectives, and policies established by the Board of Directors. The Vice President for Operations reports to the President/CEO and is a member of the senior management team. This person supervises development and administrative staff.

Qualified applicants must have a minimum of five years of non-profit management experience; demonstrated skills in financial management, fund development, human resources, and management of information technology; highly developed written and oral communications skills; advanced degree in related field; and commitment to social justice. Experience with low income housing and/or non-profit advocacy work is a plus.

This is a new position and is based in Washington, DC. Applications will be accepted until the position is filled.

Send cover letter with salary requirement, resume, and two writing samples to President, National Low Income Housing Coalition, 727 15th Street, NW, 6th Floor, Washington, DC 20005.

NLIHC offers a competitive compensation package. NLIHC is an equal opportunity, affirmative action employer.

## NLIHC Seeks Spring 2010 Interns

Resumes are being accepted for the following positions for Spring 2010 interns:

**Outreach Intern.** Works with the outreach team. The intern will primarily assist membership recruitment and retention efforts, which entails internal database upkeep and follow up calls. Among other tasks, the intern will also help with phone calls to members as part of legislative campaigns.

All interns will contribute articles to our weekly newsletter, Memo to Members, participate in the planning and production of our annual policy conference in Washington, DC, and be responsible for other duties as assigned.

The National Low Income Housing Coalition is the foremost national advocacy organization for low income housing. Interns are highly valued and fully integrated into the staff work of the Coalition. We seek students passionate about social justice issues, with excellent writing and interpersonal skills. A small stipend may be available. In your cover letter, please specify which position/s you would prefer and that you are interested in a Spring 2010 internship.

Interested students should send a resume and cover letter to:

Internship Coordinator

National Low Income Housing Coalition

727 15th Street NW, 6th Floor

Washington DC 20005

or via email to [linda@nlihc.org](mailto:linda@nlihc.org), via fax at 202/393-1973.

Please call 202-662-1530 x228 with any questions.

## 2009 Advocates' Guides Available

NLIHC is making available remaining individual copies of the 2009 Advocates' Guide to Housing & Community Development Policy for just the cost of shipping. Copies are available for organizations who would like to distribute Guides to staff or board members, conference attendees, resident leaders, or local officials.

A valuable resource anyone who advocates on housing issues, implements federal housing dollars, or is affected by these programs on the ground, the 2009 Guide provides comprehensive and up-to-date descriptions of more than 60 federal housing and housing-related programs, from the Community Development Block Grant program to Housing Choice Vouchers to Public Housing to the Weatherization Assistance Program.

Interested? Contact Khara Norris at 202-662-1530 x242 or [knorris@nlihc.org](mailto:knorris@nlihc.org) with the number of copies you'd like and to discuss logistics.

## FACT OF THE WEEK

### For-Rent and For-Sale Vacancy Rates Vary by Region

Vacancy rates in percent for the fourth quarter of 2009, by Census region.

	For Rent	For Sale
Northeast	7.2	1.9
Midwest	11.2	2.8
South	13.7	3.1
West	8.9	2.8

Source: U.S. Census Bureau (2010, February 2) Census Bureau reports on residential vacancies and homeownership. Washington, D.C.: Author. Retrieved February 2, 2010 from <http://www.census.gov/hhes/www/housing/hvs/qtr409/files/q409press.pdf>

### NLIHC STAFF

**Sarah Brundage** Communications/Outreach Intern  
**Elizabeth Buck** Katrina Monitoring Intern  
**Angela Chen** Administrative Assistant, x224  
**Linda Couch** Vice President for Policy, x228  
**Sheila Crowley** President, x224  
**Megan DeCrappeo** Research Analyst, x245  
**Barbra Drake** Communications Intern  
**Danna Fischer** Legislative Director / Counsel, x243  
**Ed Gramlich** Regulatory Director/State Partner Liaison, x314  
**Elisha Harig-Blaine** Outreach Associate, x316  
**Jake Kirsch** Outreach Associate, x 244  
**Rebekah Mason** Katrina Housing Fellow, x233  
**Taylor Materio** Communications Associate, x223  
**Brandi Mercurio** Development Coordinator, x234  
**Khara Norris**, Director of Administration, x242  
**Samantha Pedreiro** Policy Intern  
**Danilo Pelletiere** Research Director, x237  
**Melissa Quirk** Policy Analyst, x230  
**Allison Rohde** Outreach Intern  
**Kim Schaffer** Director of Communications & Outreach, x222  
**La'Teashia Sykes** Outreach Associate, x247  
**Elisabeth Teater** Research Intern

### ABOUT NLIHC

The National Low Income Housing Coalition is dedicated solely to achieving equitable federal policy that assures affordable, accessible, and healthy homes for the people with the lowest incomes in the United States.

Established in 1974 by Cushing N. Dolbeare, NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone.

### 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.

NLIHC membership information is available at [www.nlihc.org/join](http://www.nlihc.org/join). You can also e-mail us at [outreach@nlihc.org](mailto:outreach@nlihc.org) or call 202-662-1530 to request membership materials to distribute at meetings and conferences.