



# FEDERAL POLICY PROJECT

## Federal Policy Project Staff

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### FPP Partners

California Housing Authority Association (CHAA)

California Coalition for Rural Housing (CCRH)

Housing Authority Association of Southern California (HAASC)

Los Angeles Coalition to End Hunger and Homelessness

NAHRO Northern and Southern California Chapters

NonProfit Housing Association of Northern California (NPH)

Northern California Nevada Executive Directors' Association

Southern California Association of Nonprofit Housing (SCANPH)

The San Diego Housing Federation

## House to Vote on Economic Recovery Bill By End of January, Affordable Housing Proposals Gain Ground

On January 8 and 9, CHPC staff met with senior staff from Congressional leadership offices in a series of meetings to press for inclusion of substantial investments in affordable housing production as economic stimulus. Prominent in these discussions was the data we collected showing more than 32,000 shovel-ready affordable rental developments in California that could begin construction in 2009 leading to the creation of an estimated 27,000 jobs.

Here is a summary of what we heard in these meetings:

1. Public Housing Capital Funds are likely to be included at \$5 billion. Details of how these funds will be allocated (by formula, application, or combination) are not yet resolved.
2. Privately owned federally assisted housing developments (think HUD & USDA) will likely get access to at least \$2 billion for greening and repairing. To avoid delays in allocating the funds they will likely be made available to applicants meeting minimum criteria. The allocating agency has not been determined.
3. Stalled LIHTC developments will likely be given help directly from the Treasury via a program that will provide state Tax Credit Allocating Agencies with \$5 billion in gap funding and a complimentary program giving the agencies the ability to forgo up to 40% of their annual 9% Tax Credit allocations in lieu of receiving cash at a discounted rate of \$0.85 to insure the exchange is revenue neutral (actually positive, particularly when forgone tax losses are factored in). The two programs would be in lieu of the \$10 billion in HOME funds our coalition proposed.
4. The Neighborhood Stabilization Program is likely to receive an additional \$4-5 billion along with various improvements designed to make it easier to use and changes to the allocation formula that may make it easier for hard hit communities in California to access.
5. The National Housing Trust Fund may receive several billion in seed funding to enable it to begin operating as soon as federal regulations have been written and states are prepared to receive and allocate funds later in 2009.
6. Local governments are likely to receive \$6 billion in CDBG funds to help with a range of stimulus related community development needs including housing.
7. A 90-day moratorium on foreclosures is likely to be included (we asked for 180 days).
8. Provisions for an additional 200,000 Section 8 vouchers for 2009-10 and additional funding for lower income households are uncertain at this time.

**Timing:** Speaker Pelosi went on record that she wants the House to approve the bill by the end of January so that the Senate can begin work in early February giving Congress the chance to pass a reconciled bill by mid-February. This means that the bill could be introduced and marked up by House committees as early as January 16.

**Take action:** Your continued outreach to Members of Congress is imperative. We must ensure that the inclusion of funding for affordable homes in the economic recovery package is at the forefront of their agendas. Tools to support you in sending letters and making calls to their local and Washington, D.C. offices may be found on CHPC's website: <http://www.chpc.net/policy/fpp.html> - **ACTION**

## HOW DO I GET INVOLVED?

The Federal Policy Project is a coalition of California housing authorities, nonprofit housing developers and housing advocates working to increase understanding for the need for increased federal funding and legislation for affordable housing.

To learn more, please contact our Housing Policy Manager, Marilyn Wacks at [mwacks@chpc.net](mailto:mwacks@chpc.net) or 415-433-6804x13.