



FEDERAL POLICY PROJECT

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FPP Partners

California Housing Authority Association (CHAA)

California Coalition for Rural Housing (CCRH)

Housing Authority Association of Southern California (HAASC)

Housing California

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

2010 Federal Legislative Priorities

With the outcome of the Massachusetts Senate election still being debated and the November mid-term elections looming, it is hard to tell what housing legislation, if any, Congress will have the will to pass this year. Nonetheless, it is important for Californians to continue to weigh in with our elected officials on our priorities. The following is a list of topics we suggest you keep at the top of your lists. Note that we will discuss the Administration's HUD budget proposals in a separate update.

A. JOBS LEGISLATION PRIORITIES (1st Quarter 2010 Priorities)

Each of the following proposals will be effective at producing jobs quickly and efficiently while helping extremely low-income and very low income households with their housing needs. The best chance for passage of important affordable housing legislation in the first quarter of 2010 is to include our requests in bills related to creating and saving jobs and stimulating the economy. While it is unclear how many bills Congress will generate and which ones will succeed, we see "jobs" legislation as our best opportunity for Federal legislative advocacy in the next few months.

1. National Housing Trust Fund and Project-Based Vouchers

Seed the National Housing Trust Fund with at least \$1 billion plus \$65 million for project-based vouchers to stimulate the production and preservation of housing serving extremely low income (ELI) renters. The House of Representatives included \$1 billion in the Jobs for Main Street Act of 2010 ([H.R. 2847](#)), along with \$65 million in project-based vouchers set aside to support housing for ELI households. Senator Reed has sponsored a congressional sign on letter that got the support of 25 Senators including Senator Boxer from California. A copy of the letter is posted at: <http://www.nlihc.org/doc/NHTF-Letter-Senate-Jobs-Bill-by-Sen-Reed1-20-2010.pdf>.

2. Low Income Housing Tax Credit

Provide temporary assistance to the Low Income Housing Tax Credit program and the many jobs it represents by including the package of three measures proposed by [Rental Housing Action](#). Our focus will remain on working with Congress to expand the extension of the 9% LIHTC Exchange Program (Section 1602 of ARRA) to include the exchange of 4% Tax. This measure has a low cost, is easily implementable, and will help create the most low-income housing production and preservation jobs in California. This could be accomplished in the Senate version of the Tax Extenders bill (H.R. 4213), now merged into the upcoming Senate [Hiring Incentives to Restore Employment \(HIRE\) Act](#), or in a separate House bill. We are working with Congresswoman Linda Sanchez's (House Ways and Means Committee member) office on a possible introduction of a House bill to reinforce the importance of the 4% exchange.

3. Energy Retrofit and Green Jobs Program (Cash for Caulkers)

Prior to the Massachusetts Senate election, there was a lot of talk that a Cash for Caulkers program might be funded at \$9 to \$20 billion. While it's unclear if this proposal is still alive, low income housing advocates should continue making the point that what has been missing from the discussion is any mention of investing a portion of the funds in low income rental housing. Given that housing accounts for 20% of greenhouse gas emissions, that low-income housing consumes 27% more energy because of its older age and that retrofits of professionally run rental housing can be done quickly on a large scale, we advocate creating a minimum set-aside of 20% to retrofit privately and publicly owned low income housing. It is time to build on the success of the ARRA green retrofit programs with a larger commitment to create green jobs while benefiting low income people who have been hit hardest by the recession.

B. OTHER LEGISLATIVE PRIORITIES (2nd-4th Quarter 2010 Priorities)

1. Section 8 Voucher Reform Act (SEVRA)

Section 8 Housing Choice Vouchers are the leading form of rental housing assistance in California, serving more than 300,000 low-income families with children, seniors, and the disabled. SEVRA proposes a number of important changes to the voucher program that will benefit not only extremely low-income Californians, but also our housing authorities and developers of affordable rental homes. SEVRA increases the percentage of each housing authority's budget that can be used to project-base vouchers from a base level of 20% to 25% and would grant a further 5% increase for supportive housing developments. The project-based voucher program has proven itself one of California's most powerful financial tools for the creation and preservation of affordable homes serving extremely low income households.

2. Housing Preservation and Tenant Protection Act

House Financial Services Committee Chairman Barney Frank has drafted this comprehensive affordable housing preservation legislation and promises to introduce it soon. The core provisions of the draft bill are:

- Provides tenants with protections from displacement when an owner opts out or prepays.
- Permits owners to convert expiring Rent Supp/RAP contracts to project-based Section 8.
- Allows owners/purchasers who agree to extend affordability provisions the option to convert tenant protection vouchers to project-based assistance, subject to the approval of the local housing authority.
- Authorizes financial assistance to owners and preservation purchasers for rehabilitation, acquisition, or rent subsidies in exchange for extending the term of affordability restrictions.
- Permanently extends HUD authority to approve the transfer of project-based Section 8 contracts, as a preservation tool.
- Improves the effectiveness of the Mark to Market program by extending from 3 to 5 years the period for not-for-profit purchase incentives and prohibits HUD from requiring repayment of subordinate M2M debt in deals involving state or locally allocated housing resources, lifts from 5% to 9% of the restructure portfolio the cap on HUD's ability to approve exception rents, and extending the eligibility to otherwise eligible properties with rents at or below market and properties in presidentially declared disaster areas.

HOW DO I GET INVOLVED?

The Federal Policy Project is a coalition of California housing authorities, nonprofit housing developers, local government housing agencies and tenant advocates working to increase understanding for the need for increased federal investment in the creation and preservation of affordable homes for lower income households.

To learn more, please contact our Housing Policy Manager, Marilyn Wacks at mwacks@chpc.net or 415-433-6804x313.