

# MOUNTAIN PLAINS NAHRO

# 2017 LEGISLATIVE AGENDA



Mountain Plains NAHRO (National Association of Housing and Redevelopment Officials) is one of eight regional councils of NAHRO representing over 200 housing authorities and community development agencies working to provide quality, affordable housing and communities to all Americans. It represents HUD Region 8 and includes the states of Colorado, Montana, North Dakota, South Dakota, Utah and Wyoming. The following represents our policy and program recommendations for 2017.



**Mountain Plains**  
*Regional Council*

NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS

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Public housing authorities (PHAs) and community development agencies (CDAs) are subject to a staggering amount of regulation. While we understand, and appreciate, the need for federal regulation, the amount of regulation doesn't decrease when funding is decreased. PHAs and CDAs are currently required to maintain the same regulatory burden with 82% of baseline funding. For the nearly 200 small and medium PHAs in the Mountain Plains region the amount of regulatory oversight is out of proportion to the risk that these agencies pose. Most of our small PHAs operate less than 100 units and yet they manage to the same standards as the New York City Housing Authority. Program integrity can still be achieved with less burdensome regulatory requirements.

## DEREGULATION & STREAMLINING

### Regulatory Oversight is Out of Proportion

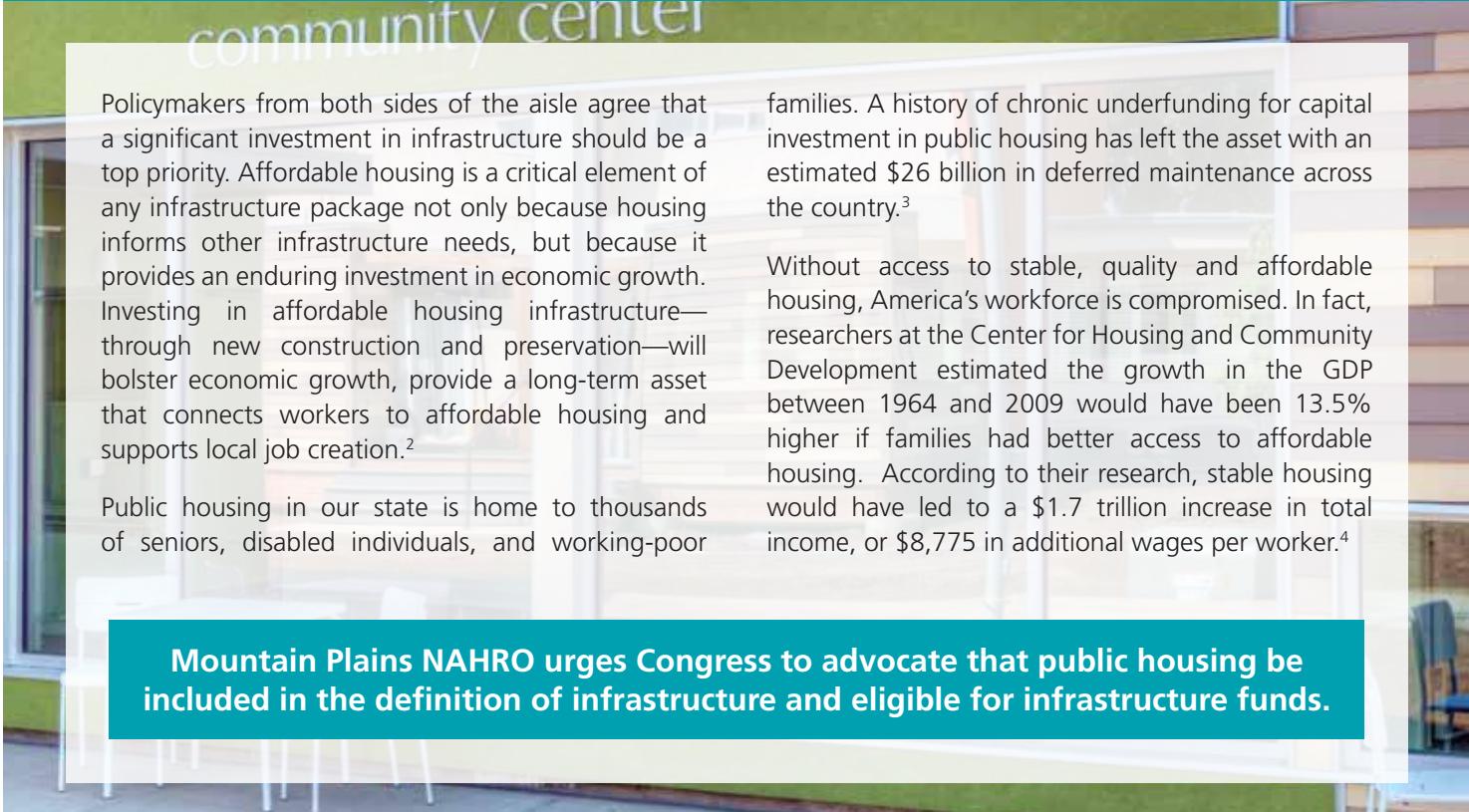
If the President and Congress are unable to provide adequate funding for housing programs then they must provide PHAs the freedom and flexibility to allow them to sustain their operations and inventory. Program requirements must fairly match funding levels.

Specifically, we<sup>1</sup> request the following:

- Full implementation of the Housing Opportunity Through Modernization Act of 2016 (HOTMA)- HR 3700
- Passage and implementation of the Small Housing Authority Opportunities Act formerly known as Small Agency Authority Reform Proposal (SHARP)- HR 4816/ S 2292
- Expansion of the Moving to Work (MTW) program
- Threshold increase for Davis-Bacon requirements
- Delayed implementation of the Affirmatively Furthering Fair Housing Rule
- Retention of local control of the Housing Choice Voucher program

## INFRASTRUCTURE

### Include Public Housing in the Definition of Infrastructure



Policymakers from both sides of the aisle agree that a significant investment in infrastructure should be a top priority. Affordable housing is a critical element of any infrastructure package not only because housing informs other infrastructure needs, but because it provides an enduring investment in economic growth. Investing in affordable housing infrastructure—through new construction and preservation—will bolster economic growth, provide a long-term asset that connects workers to affordable housing and supports local job creation.<sup>2</sup>

Public housing in our state is home to thousands of seniors, disabled individuals, and working-poor

families. A history of chronic underfunding for capital investment in public housing has left the asset with an estimated \$26 billion in deferred maintenance across the country.<sup>3</sup>

Without access to stable, quality and affordable housing, America's workforce is compromised. In fact, researchers at the Center for Housing and Community Development estimated the growth in the GDP between 1964 and 2009 would have been 13.5% higher if families had better access to affordable housing. According to their research, stable housing would have led to a \$1.7 trillion increase in total income, or \$8,775 in additional wages per worker.<sup>4</sup>

**Mountain Plains NAHRO urges Congress to advocate that public housing be included in the definition of infrastructure and eligible for infrastructure funds.**

# TAX REFORM

## Make the Low-Income Housing Tax Credit Work for American Families

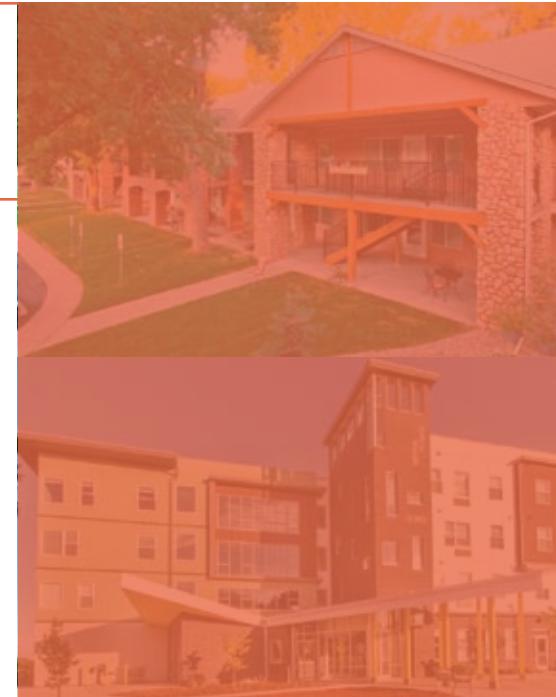
Since it was signed into law by President Reagan as part of the Tax Reform Act of 1986, the Low-Income Housing Tax Credit (Housing Credit) has become our nation's most successful tool for building and preserving affordable rental housing. By providing an incentive for private sector investment, the Housing Credit has financed nearly 3 million apartments for low-income families, seniors, veterans, and those with special needs. It creates opportunities for the millions of families and individuals in our country today who otherwise would pay an excessive portion of their income for housing, live in substandard and overcrowded conditions, or face homelessness.

The affordable housing provided by the Housing Credit has an immeasurable impact on the lives of those who live in it, and arguably results in numerous indirect cost savings for federal, state, and local governments. That's because housing stability leads to better health outcomes, improves children's school performance, helps people gain employment, and promotes economic mobility.<sup>5</sup>

The viability of the Housing Credit is currently at some risk with pending changes to the Internal Revenue Code. Quick action is required to make the Housing Credit work in an environment of lower corporate taxes.

**Therefore, Mountain Plains NAHRO advocates that Congress support the Cantwell-Hatch bill (S 548) that will:**

- **Make permanent the 4% tax credit rate**
- **Structure changes to retain the value of tax credits in a reduced tax rate environment by:**
  - » **Accelerating depreciation**
  - » **Shortening the tax credit delivery time frames from the current 10-years**
  - » **Adding a 50% basis boost for units occupied by households with income at or below 30% AMI (Cantwell: March 2016)**
- **Create a 50% expansion of tax credit allocations**
- **Allow the use of income-averaging to allow a mix of up to 80% AMI households**



Research done by Econsult, Inc. and published by the Public Housing Authority Research Center describes the economic impact of public housing:<sup>6</sup>

- Direct spending by public housing authorities on capital improvements, maintenance and operations is approximately \$8.1 billion a year
- This spending generates another \$8.2 billion in indirect and induced economic activity in the PHAs' regional economies
- The Housing Choice Voucher and public housing rent subsidies help low-income workers obtain jobs and stay in otherwise unaffordable markets, thereby providing an indirect subsidy to local employers



# EDUCATION AND POVERTY

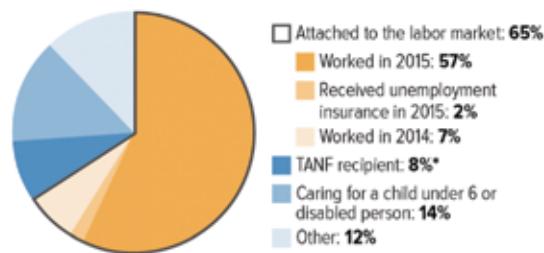
## Support Education Programs for Low-Income Youth

The Ryan Tax Reform Blueprint, *A Better Way*, features work as the primary plank in ending poverty. We agree. A strong economy with full employment has always been our nation's most effective anti-poverty program.<sup>7</sup>

However, recent research done by the Center on Budget and Policy Priorities tells us that a large majority of people who live in assisted housing that are not elderly and not disabled, are already working. A simplistic policy that relies on more work will not solve all the problems that *A Better Way* hopes for.

### Large Majority of Households With Federal Rental Assistance That Can Work, Do Work

Among non-disabled, non-elderly households assisted in 2015

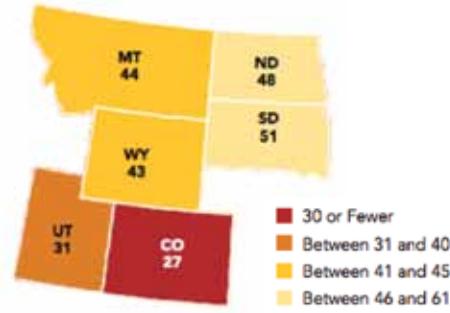


\*Most recipients of Temporary Assistance for Needy Families are subject to work requirements  
Source: CBPP analysis of 2014 and 2015 Housing and Urban Development administrative data

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At the same time, substantial research shows that education plays a key role in ending poverty. Housing authorities, through the provision of stable and affordable housing, are enabling low income children the best possible head start towards an advanced degree. We know that, today, with only a high school diploma, nearly 50% of the children born poor in America today will remain poor as adults. And even more will remain under the average. With a college degree, however, those numbers plummet to 1 in 6.

The consequences of education are even starker for African American males: among those who don't complete high school, 68 percent will be imprisoned by age 34. With a high school diploma, that rate falls to 21 percent; with a college degree, to 6 percent.<sup>9</sup>



Units affordable and available per 100 extremely low income renter households in the Mountain Plains region

**Mountain Plains NAHRO requests your support of S 1754 the "Higher Education Access and Success for Homeless and Foster Youth Act" and help to re-introduce the "Affordable Housing for Educational Achievement Demonstration Act" (AHEAD Act).**

### NOTES

1 Fifteen states and territories and three regional NAHRO Councils join in this recommendation: Alaska, Washington, Oregon, Idaho, California, Colorado, Nevada, Arizona, Northern Mariana Islands, Guam, Hawaii, Montana, Wyoming, Utah, North Dakota and South Dakota.

2 The Campaign for Housing and Community Development Funding, "Affordable Housing as Infrastructure"

3 Center for Budget and Policy Priorities: <http://www.cbpp.org/research/house-bills-deep-cuts-in-public-housing-would-raise-future-federal-costs-and-harm>

4 The Campaign for Housing and Community Development Funding, "Affordable Housing as Infrastructure"

5 National Council of State Housing Agencies, 2016

6 Econsult Corp., Assessing the Economic Benefits of Public Housing, 2007

7 Edelman, Peter: So Rich, So Poor

8 National Low Income Housing Coalition - The Gap: A Shortage of Affordable Housing, March, 2017

9 May 28, 2015. Kati Haycock. Higher Ed's Pivotal Role in Breaking the Cycle of Poverty

