



# CHAPA Housing Briefs

## November 16, 2017

## Federal Updates

### U.S. House and Senate Release Tax Reform Proposal with Significant Impacts on Affordable Housing and Community Development

Earlier this month, the U.S. House of Representatives and Senate released their separate tax reform proposals. Unfortunately, both tax reform plans either eliminate or seriously impact federal programs for affordable housing, community development, and economic development activities in Massachusetts.

The **House proposal** would have a devastating impact on affordable housing and community development. The plan ends the tax exemption for private activity bonds, which would eliminate the 4% Low Income Housing Tax Credit (LIHTC). While the proposal retains the 9% LIHTC, the bill does not strengthen or expand the program to offset the impact on its value from a lowering of the corporate tax rate. The House plan also eliminates the New Markets Tax Credit and Historic Tax Credit. Finally, the House plan changes the Mortgage Interest Deduction without investing any savings from these reforms back into affordable housing programs.

The **Senate proposal** maintains the tax exemption for private activity bonds, which preserves the 4% housing credit. The plan also keeps the New Markets Tax Credit and Historic Tax Credit and proposes no changes to the Mortgage Interest Deduction. Unfortunately, like the House plan, the Senate proposes no changes to LIHTC to strengthen the program.

Congress plans to reconcile the differences between the House and Senate tax reform proposals in December and send a final bill to the President for his signature by the end of the year.

### National Housing Advocates Ask EPA to Hold Hearing on Proposed Repeal of Clean Power Act

On October 31, the **National Housing Conference's** Housing, Health and Energy Working group, a coalition of national housing organizations, asked Congress to hold a hearing on the Trump Administration's proposed repeal of the 2010 Clean Power Act, which set carbon emission reduction targets for every state. Five other national groups also called on Congress to promote energy efficiency in housing.

### HUD Issues Guidance on PHAs Inspection Practices that Speed Lease-Up by Voucher Holders

On October 27, HUD's Office of Public and Indian Housing issued a notice (**PIH 2017-20**) providing guidance to public housing agencies (PHAs) on two policies they can choose to adopt to expedite the lease-up of units by tenant- and project-based voucher holders. One policy allows lease-up and the start of payments on a unit that fails initial inspection for defects that are not life-threatening. The owner must correct defects within 30 days. The second policy approves a tenancy prior to inspection by the PHA if the unit passed inspection under certain other programs within the prior 24 months.

## UPCOMING EVENTS

**November 20**

CHAPA's Homelessness Committee Meeting

**November 28**

CHAPA Public Housing & Rental Assistance Committee Meeting

**November 29**

Young Professionals' Brown Bag Lunch Series: Planning for Great Neighborhoods

**December 7, 2017**

Hospitals and Housing Investments: National and Massachusetts-Based Approaches

To view all CHAPA events please visit [www.chapa.org/events](http://www.chapa.org/events).



### CHAPA'S 50<sup>TH</sup> ANNIVERSARY DINNER

Thank you to everyone who celebrated with us at our 50th Anniversary Dinner on October 26! **Click here** for photos from the event. **Click here** for our commemorative video!

## Congress Approves Budget Resolution

On October 26, the House approved the Senate version of the FY2018 budget resolution, setting the framework for consideration of tax reform legislation by allowing tax cuts that would increase the deficit by \$1.5 trillion. While the resolution also set spending limits for FY2018, the National Low Income Housing Coalition **reports** those limits carry little weight as the budget resolution is non-binding. The Continuing Resolution under which the government is operating expires on December 8.

## HUD Seeks Recommendations for Updating the Federal Strategy to Reduce Childhood Lead Exposure

On October 24, HUD published a **request** for comments in the Federal Register as it updates the 2000 federal strategy to reduce childhood lead exposure and impacts. HUD seeks input on several specific questions, including the types of lead risks that deserve priority (e.g. housing, air, water, soil, food, etc.) in the update and recommended actions to address these risks. Comments are due by November 24.

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# State Updates

## DHCD Announces 2018 Winter Affordable Housing Rental Competition

The Department of Housing and Community Development (DHCD) **announced** the start of the winter 2018 affordable housing competition for rental projects. The deadline for submitting applications will be February 15, 2018, with pre-applications due by November 30, 2017.

## Massachusetts Legislature Overrides FY2018 Budget Vetoes

The Massachusetts Legislature continued to **override** Governor Baker's vetoes to affordable housing and homelessness prevention programs in the FY2018 state budget. The House and Senate restored funding for the Alternative Housing Voucher Program, Residential Assistance for Families in Transition, Public Housing, and Housing Consumer Education Centers. Unfortunately, vetoes remain for two of CHAPA's budget priorities – the Tenancy Preservation Program and New Lease for Homeless Families.

## Boston Announces Pilot Program to Encourage Landlords to Rent to Homeless

On October 11, the City of Boston's Office of Housing Stability launched the **Landlord Guarantee Pilot Program** to encourage owners to rent apartments to families and individuals who have been homeless but have rental assistance vouchers and case managers. Owners can receive up to \$10,000 during the first two years of a tenancy to reimburse losses due to unpaid rent, damage repairs, and court costs. Owners will have a dedicated contact in the Office of Housing Stability. As **reported** by the *Boston Globe*, the pilot is expected to serve 30 families and 30 individuals over two years. Similar programs in several other cities including Seattle, Portland, and Denver report that less than 5% of owners have requested loss reimbursements.

## Housing Bond Bill Moves Forward in the Legislature



CHAPA Testifying before House Bonding Committee

On September 21, the Joint Committee on Housing reported the Housing Bond Bill out favorably as H.3925. The **revised Housing Bond Bill** retained the \$1.7 billion authorization for affordable housing programs in the capital budget over the next five years and the reauthorization and expansion of the Massachusetts LIHTC. The Housing Committee also added several tax credit programs to the bond bill, including the Community Investment Tax Credit, the Brownfields Tax Credit, and the Housing Development Incentive Program.

The bill moved to the House Committee on Bonding, Capital Expenditures and State Assets. The Committee is expected to report the bill out soon before moving to House Ways and Means and then to a vote before the full House of Representatives. The bill will then be sent to the Senate to go through a similar process.

## CHAPA Regional Meetings

Each year, CHAPA travels across Massachusetts to meet with housing professionals, advocates, community members, and other stakeholders to discuss efforts to expand access to safe, healthy, and affordable housing. This fall, CHAPA conducted regional meetings in Boston, Springfield, Northampton, and Pittsfield. Thanks to all our hosts and for all those who came out to our Regional Meetings. For a copy of the presentation from the meetings, please **click here**.



Springfield Regional Meeting





CHAPA's 50th Anniversary Dinner  
Photos by Leise Jones Photography

## Recent Research & Reports

### MAPC Study Finds No Link Between Housing Production and School Enrollment

A new **study** by the Metropolitan Area Planning Council (MAPC), *The Waning Influence of Housing Production on Public School Enrollment*, looked at housing production (using permit data) and school enrollment in 234 municipalities in Massachusetts and found no meaningful correlation between housing production rates and enrollment growth over a six-year period (2010-2016). It found declining enrollment in 159 of 234 local school districts, surges in enrollment in a small number of communities (most with little housing production), and growth in urban districts.

### Study Finds Housing Policy Gaps Contribute to Environmental and Health Hazards in Low-Income Communities

A recent article in the Harvard Law and Policy Review, **There's No Place Like Home: Reshaping Community Interventions and Policies to Eliminate Environmental Hazards and Improve Population Health for Low Income and Minority Communities**, provides a comprehensive review of housing characteristics, including location, that contribute to poor population health and the ways in which federal policies fail to address these hazards. It recommends collaboration among federal agencies.

### HUD Study Finds Almost One-Half of Voucher Users are Rent-Burdened

A **study** for HUD, released October 11, *Rent Burden in the Housing Choice Voucher Program*, found that 46% of program participants in the Housing Choice Voucher (HCV) program in 2015 paid more than 30% of their income towards housing, including 8% who paid more than half their income towards housing. In 2003, 32% paid more than 30% of income towards housing, while 5% were severely burdened. Burdens were highest for households who experienced a loss of income (perhaps due to lags in recertification) or lived in metropolitan areas with tight rental markets.

### Enterprise Community Partners Releases Data Tool to Measure Neighborhood Opportunity

On September 26, Enterprise Community Partners launched a data tool called **Opportunity 360** that allows users to enter an address and obtain census tract level data on a wide range of indicators (housing, economic, health, social, and environmental). Users can download the results into a report that also shows comparative regional, state, and national data. It includes multiple housing indicators, such as the share of renters using vouchers and housing stability.

### Study Provides Preliminary Look at Prevalence of Inclusionary Housing Policies in the United States

A recent **working paper** from the Lincoln Institute, *Inclusionary Housing in the United States: Prevalence, Impact, and Practices*, provides a preliminary look at the prevalence of inclusionary housing policies, defined broadly, throughout the U.S. It found 886 jurisdictions with inclusionary housing programs located in 25 states and the District of Columbia at the end of 2016. Almost 90% of the jurisdictions with inclusionary housing are located in New Jersey (45 percent), Massachusetts (27 percent), and California (17 percent).

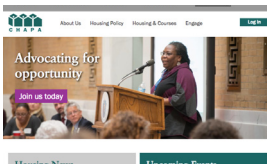


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**[www.chapa.org](http://www.chapa.org)**

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