



State Updates

Massachusetts Housing of Representatives Passes Housing Bond Bill

On January 24, the Massachusetts House of Representatives passed a \$1.7 billion Housing Bond Bill, H.4134, to recapitalize affordable housing programs through the capital budget. The bond bill, which also extends the Massachusetts Low Income Housing Tax Credit, the Community Investment Tax Credit, the Brownfields Tax Credit, and the Housing Development Incentive Program, is the largest housing bond bill in the state's history. The bill passed the House with a nearly unanimous vote of 150-1 and now moves to be considered by the State Senate.

Governor Releases FY2019 State Budget Proposal

On January 24, Governor Baker released his FY2019 state budget proposal. The Governor proposed funding increases for the Massachusetts Rental Voucher Program and Unaccompanied Homeless Youth. Decreases were proposed for the Alternative Housing Voucher Program, Housing Consumer Education Centers, and Foreclosure and Housing Counseling. Most other affordable housing and homelessness prevention programs were level funded. The state budget process now turns to the Legislature, where the Joint Committee on Ways and Means will hold a series of hearings on the FY2019 state budget. The House of Representatives will then release its budget proposal in April.

UPCOMING EVENTS

February 13, 2018

CHAPA Breakfast Forum: Doing Business in Times of Uncertainty, Part II

February 15, 2018

Young Professionals Brown Bag: Changing Patterns

December 4, 2018

Save the date for CHAPA's 51st Annual Dinner!

To view all CHAPA events please visit www.chapa.org/events.

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On January 17, the CHAPA Young Professionals Group heard from the Boston Indicators on the history and continued impact of residential segregation in the city of Boston. This was the first Brown Bag Lunch in The Still Segregated City Series.

Federal Updates

HUD FY2019 Budget Request Reported to Include Rent Increases and Allow Work Requirements

Multiple sources report that a draft of HUD's FY2019 budget request will propose raising rents for all residents in HUD-subsidized housing, including persons with vouchers, threatening the housing stability of millions of households. As drafted, it would raise rents to the higher of (1) 35% of gross income or (2) the amount earned by working 15 hours a week at the federal minimum wage (\$152.25/month at present). The proposal makes no exceptions for seniors or persons with disabilities, and its use of gross rather than adjusted income would hit families with child care expenses or high medical costs particularly hard. Reportedly, the draft budget will also allow states and/or public housing authorities to set minimum work requirements of up to 32 hours a week for non-elderly, non-disabled adults, despite a lack of evidence that work requirements help residents get ahead and the inherent cost of administering work requirements and providing support services.

FY2018 HUD Budget Outlook Remains Uncertain

With the current Continuing Resolution (CR) expiring February 8, and key issues unresolved, housing advocates believe Congress is likely to pass yet another short-term CR, possibly running through March 22. Among the items Congress must resolve is the extent to which it will raise budget caps above the current FY2018 levels in the Budget Control Act.

National Housing Trust Fund at Risk Due to Unintended Consequence of Tax Reform

The National Low Income Housing Coalition reported on January 22 that the contributions from Fannie Mae and Freddie Mac to the National Housing Trust Fund may be at risk due to the reduced corporate tax rate under Tax Reform. The tax cut has reduced the value of the tax-deferred assets held by the two entities and will likely to force them to request an advance from the U.S. Treasury, which in turn might trigger suspension of the required contributions.

Recent Research & Reports

Guidance/Webinar on Housing Activities Hospitals Can Count as a Community Benefit

On January 31, Enterprise released a guide for tax-exempt hospitals looking to understand the types of housing-related activities they can report as a community benefit to the IRS. Housing and Community Benefit: What Counts? provides a helpful summary for housing advocates as well. The tool was developed in partnership with the Catholic Health Association. There is a webinar on the topic on February 8 from 1 to 2 p.m. EST.

HUD Study Finds Income Does Not Predict Length of Housing Assistance

A new study for HUD by Kirk McClure, <u>Length of Stay in Assisted Housing</u>, looks at average and median lengths of stay for households assisted under six HUD programs who had exited assistance. It finds that demographics and housing market conditions, not income, drive average length of stay (ALOS). Elderly households had the longest ALOS (9.1 years), while families with children had the shortest (4.2 years). The incomes of those who exited were roughly the same as the incomes of those who stayed (\$13,000-14,000 a year), and persons with income from wages typically stayed longer than those with income from other sources. ALOS was longer in higher cost metro areas and shorter in higher poverty neighborhoods. Overall, ALOS has lengthened due to the growing gap between rents and renter incomes.

POAH/Compass Working Capital Report Describes Promising Early Results from Multifamily FSS Program

A new report by Compass Working Capital and Preservation of Affordable Housing (POAH), Promoting Economic Mobility in Multifamily Housing: Initial Outcomes in Family Self-Sufficiency Programs, describes early results from a promising model for implementing HUD's Family Self-Sufficiency (FSS) program in private, multifamily, HUD-assisted housing. POAH funds the program operating costs primarily through its corporate resources. While the program is young, POAH reports higher enrollment rates than a traditional FSS program and positive participant progress to date. It recommends agencies offering financial counseling consider similar partnerships with housing owners and housing authorities.





On January 30, CHAPA, Metro Housing | Boston, and Jewish Community Housing for the Elderly testified in support of affordable housing production at the Housing Choice Initiative hearing.



Check out CHAPA's 2017 Annual Report: Celebrating 50 Years Building a Strong Future!

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Urban Institute Finds Evidence Lacking on the Impact of Work Requirements on HUD Tenants

A new study from the Urban Institute, Work Requirements in Public Housing Authorities: Experiences to Date and Knowledge Gaps, reviews the work requirements instituted by nine public housing authorities using the latitude granted under the Moving to Work program. It found it impossible to determine whether or how work requirements affected residents based on the agencies' annual reports (2015) to HUD. They estimate that perhaps less than 10% of housing assistance recipients would be subject to work requirements (e.g., they are already working or exempt due to age, disability, etc.), and some may already have requirements due to receipt of SNAP or TANF benefits. The authors conclude with a list of information policymakers need in order to develop a work requirement that will support long-term economic mobility for residents.



