

HOUSING

FEDERAL ROLE IN HOUSING

The Partnership recognizes and respects the essential federal role in housing and community development and encourages elected officials to protect and adequately fund essential programs that make housing affordable for all Greater Des Moines (DSM) households.

Therefore, The Partnership also supports:

- Continued funding for and flexible use of the Community Development Block Grant Program (CDBG), the U.S. Department of Housing and Urban Development's (HUD) main economic revitalization offering.
- Homeownership incentives in the recently revised tax code, specifically the deductions for mortgage interest and local property taxes.
- Tax credits and other provisions that when leveraged with other resources can be used to reduce the cost of construction and rehabilitation of housing and require a period of guaranteed affordability for low income owners and tenants.
- Resources and programming to address the nearly 5,000 people who experienced homelessness in Polk County in 2017. Local programs include permanent supportive housing, which often collaborates with private landlords and a variety of supportive, health and mental health organizations. McKinney-Vento funds are especially designed to implement federal policy articulated in the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act.
 - Increases in funding for the programs administered by the local Public Housing Authority, deregulation of federal regulations, allowing the Public Housing Authority to create more local policies to support the needs of the community and the expansion of partnership programs with local service providers.
 - Expansion of the Moving to Work Program.
 - Funding for the Family Self-Sufficiency program to link HUD assisted households with job training, child care, transportation, financial literacy and other supportive services, and help build assets through interest-bearing escrow accounts.
 - Expanding funding and criteria for Healthy Homes to allow remediation of health hazards independent of lead remediation.

2018 FEDERAL POLICY AGENDA

LOW INCOME HOUSING TAX CREDIT PROGRAM

Over 9,200 extremely low-income households in Greater Des Moines (DSM) spend more than half of monthly income on rent. With that cost burden, there is little left for the other necessities of life, such as food, health care, education and transportation to employment. The implications of this on the lives of low-income renters are staggering and extend well beyond housing.

The Low-Income Housing Tax Credit (Housing Credit) Program is the nation's most successful tool for encouraging private investment in the production and preservation of affordable rental housing. Since its creation in 1986, the Housing Credit has financed nearly 3 million affordable rental units, providing homes to roughly 6.5 million low-income households while transferring risk from the government to the private sector.

The Partnership is grateful that Congress preserved the Housing Credit in the Tax Cuts and Jobs Act of 2017 and the enhancement to the Credit in the Consolidated Appropriations Act of 2018. The Partnership encourages additional action to further expand the Credit to completely offset the loss incurred by the reduction of the corporate tax rate. This important legislation will help address Iowa's affordable and workforce housing needs.

NATIONAL HOUSING TRUST FUND

The National Housing Trust Fund (NHTF) currently provides Iowa with a minimum \$3 million to be used almost exclusively for providing rental housing for Extremely Low-Income households. These funds complement the \$6 million State Housing Trust Fund allocation from the Iowa Legislature. These funds are critical to helping house a growing service workforce that is currently underserved and cost burdened.

The Partnership supports funding of the NHTF from a percentage of the profits of Fannie Mae and Freddie Mac and also supports substituting a similar funding stream in the event housing finance reform replaces these government-sponsored organizations.

HOME INVESTMENT PARTNERSHIP PROGRAM

The HOME Investment Partnership Program (HOME) serves as the only federal block grant program for state and local governments designed exclusively to produce affordable housing for low-income families. Since 1992, the HOME program has created more than 1.2 million affordable homes and helped provide direct rental assistance to over 270,000 low-income families. HOME is also cost effective — according to HUD data, each HOME dollar leverages more than four dollars in additional public and private resources. The need for affordable housing has never been greater, but despite this need, funding for HOME has fallen dramatically. Over the last several years, HOME funding has been cut nearly in half, from \$1.8 billion in 2010 to \$950 million in 2016. The Partnership supports restoring funding for the HOME program to pre-2010 levels.



HOUSING ASSISTANCE PAYMENTS

The funding for Housing Assistance Payments (HAP), also known as Housing Choice Vouchers, does not currently meet the increasing needs in DSM. HAP funding increases are only based on utilization from the prior year and an inflation factor set by HUD. The result is not having the funding to support increasing the number of Voucher participants. Program waiting remains long and costly to manage and maintain. Therefore, The Partnership supports increased in HAP funding.

HOUSING CHOICE VOUCHER PROGRAM ADMINISTRATIVE COSTS

The Des Moines Municipal Housing Agency has not been adequately funded over the past several years and reserve funds have been depleted. With the addition of new regulations combined with a lower than sufficient proration of funds, administrative budgets have been significantly reduced with Numerous staffing reductions, restructuring of divisions and streamlining internal procedures. Therefore, The Partnership supports increased administrative fees.

CROSS SECTOR COLLABORATION

Success for low-to-moderate-income households depends on many federal, state and local resources. In order to improve outcomes for these individuals and families The Partnership supports efforts that link housing resources to those resources that promote health, education and workforce readiness.

AFFIRMATIVELY FURTHERING FAIR HOUSING

HUD's Affirmatively Furthering Fair Housing Rule helps communities better understand and meet their fair housing obligations and promotes housing choice. By expanding housing choice, households find options to live in areas, usually closer to jobs, that allow for everyone to enjoy the opportunities of a high quality of life in DSM. This has the effect of improving the sustainability of economic growth in our region through improved educational and health outcomes for our residents.

The Partnership supports HUD's enforcement of AFFH Rule including codifying the Administrative Rule if necessary to ensure enforcement.