NLIHC Launches Effort to Fund National Housing Trust Fund

By Joshua Okrent

Sheila Crowley, CEO and president of the National Low Income Housing Coalition (NLIHC), claims that changing the way homeowners receive tax benefits from the federal government could help boost revenue in the long run and reduce the number of Americans who are homeless.

In March of this year the NLIHC launched a new effort to address the nation’s housing shortage that is disproportionately affecting low-income families across the country. According to Crowley, the “United for Homes” campaign proposes to fund the National Housing Trust Fund through modifications to the current mortgage interest deduction. The changes would reduce the size of a mortgage eligible for a tax break to $500,000, and convert the deduction to a 15% nonrefundable tax credit.

The mortgage interest tax deduction is a part of the tax code that allows some homeowners to deduct a portion of the interest they pay on their mortgage from their taxable income. Under current law, homeowners who itemize on their tax returns can deduct the interest paid on mortgages on first and second homes up to a total of $1 million, and the interest on up to an additional $100,000 in home equity loans.

A change that targets mortgage interest tax breaks more toward middle-class and lower-income homeowners will provide a benefit where it is needed most and create revenue that can help end homelessness, Crowley said. She added that the changes would produce a fairer tax policy, would raise revenue, and address our most important housing problems by funding the National Housing Trust Fund. A measure introduced in Congress, HR1213 — the Common Sense Housing Investment Act of 2013 — would enact the changes to the mortgage interest deduction and would capitalize the trust fund, she said. Rep. Keith Ellison (D-MN) is the prime sponsor of the bill. Rep. Jim McDermott (D-WA) has signed on as a co-sponsor.

The National Housing Trust Fund was signed into law in 2008 by President Bush with bipartisan support, but has never been funded. The Trust Fund was intended to

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Senator Murray Announces Funding to Help House Veterans Across State

By Joshua Okrent

At the end of May, Washington Senator Patty Murray, Chairman of the Senate Housing Appropriations Subcommittee and senior member of the Senate Veterans’ Affairs Committee, announced that 260 housing vouchers will be allocated to eight different state Housing Authorities in order to help get Washington homeless veterans into housing. The Department of Housing and Urban Development and Department of Veterans Affairs Supportive Housing (HUD-VASH) Program vouchers are part of $75 million Senator Murray included in the 2013 Transportation, Housing and Urban Development Appropriations bill to support the housing needs of homeless veterans across the country.

“This is another critical boost for efforts to get homeless veterans in Washington state off the streets and into stable housing,” said Senator Murray. “Each one of these vouchers represents a year’s rent for someone who has sacrificed for our nation but is now struggling to find housing. For too long homeless veterans have been forgotten heroes. This announcement marks significant progress towards our goal of ending veterans homelessness by 2015 by providing all veterans with housing and the dignity that comes with it.”

Local public housing authorities provide rental assistance to homeless veterans while nearby VA Medical Centers offer supportive services and case management. Since 2008, a total of 48,385 vouchers have been awarded and 42,557 formerly homeless veterans are currently in homes because of HUD-VASH.

Breakdown of Washington state recipients and VA partner with number of vouchers and funding amount:

- **Seattle Housing Authority/VA Puget Sound, Seattle Campus:** 35 vouchers, $252,294.
- **Housing Authority City of Tacoma/VA Puget Sound, American Lake Campus:** 15 vouchers, $89,950
- **Housing Authority City of Vancouver/VA Medical Center, Vancouver Campus:** 30 vouchers, $155,347
- **Housing Authority of Snohomish County/VA Puget Sound VA Medical Center, Everett Community-Based Outreach Clinic:** 15 vouchers, $118,359
- **Housing Authority of Pierce County/VA Puget Sound VA Medical Center, American Lake Campus:** 15 vouchers, $103,198
- **Housing Authority City of Spokane, VA Medical Center:** 75 vouchers, $332,397
- **Housing Authority City of Walla Walla/VA Medical Center, Richland Community-Based Outreach Clinic:** 35 vouchers, $140,763

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Baucus/Hatch Tax Plan Would Eliminate Housing Credit

By Joshua Okrent

On June 27th Senate Finance Committee Chairman Max Baucus and Ranking Member Orrin Hatch announced their plan to “wipe the slate clean,” eliminating almost every tax credit, deduction, and exemption from the tax code and forcing their Senate colleagues to defend anything they want to reinstate.

In a “Dear Colleague” letter, Senators Baucus, a Montana Democrat, and Hatch, a Utah Republican, called on their Senate colleagues to submit legislative language or detailed proposals by July 26 stating which tax expenditures and other provisions should be added back to a reformed tax code.

Ways and Means Committee Chairman Dave Camp immediately issued a statement calling the announcement a significant step forward that underscores that the Senate and House are on the same page as they work on tax reform in a bicameral, bipartisan manner.

In the letter, Senators Baucus and Hatch write that they “both believe that some existing tax expenditures should be preserved in some form.” But they also said that tax expenditures and other provisions should be added back only if they help grow the economy, make the tax code fairer, or effectively promote other important policy objectives.

This plan means that the Senate Finance Committee will approach tax reform with all tax credits, including the low-income housing tax credit, new markets tax credit, historic tax credit and renewable energy tax credits eliminated from the tax code. Each tax credit would only be added back in if enough Senators make a compelling case for it. In other words, if lawmakers want to keep specific breaks, then they would need to justify them.

Off the Hill, the reaction was swift. Popular tax expenditures encourage people to buy homes, invest in beneficial programs or donate money to charity. Companies receive tax breaks if they offer health insurance to their employees, or invest in or create green-energy products. Once Congress and the administration approve a tax expenditure, they are notoriously hard to eliminate—hence, the tax writers’ new blank-slate attitude toward them.

In order to be considered during the drafting of a bill, senators must submit their proposals by July 26. Sens. Baucus and Hatch say they will give special attention to proposals that are bipartisan. Based on this timeline, we could expect a markup of an initial bill to be held after the August recess but still this year.

For the tax credit community, this means there’s no time to spare. Supporters of tax credits for affordable housing, community development, historic preservation and renewable energy have only a few short weeks to contact their senators and communicate the benefits these programs provide in their home states.

Every supporter of tax-credit programs needs to contact their Senators before July 26th, and must insist that their Senators to go on record to support the various tax credit provisions.

Baucus and Hatch set no deadline for committee action other than declaring their effort in the “home stretch” and saying they wanted a tax law by the end of this Congress, which is Jan. 3, 2015.

In order to find and contact your U.S. Senator please visit www.senate.gov/reference/common/faq/How_to_contact_senators.htm

We Must Preserve the Low Income Housing Tax Credit

The Low Income Housing Tax Credit program is the most successful affordable housing program in our nation’s history, producing and preserving over 100,000 affordable rental homes annually through public-private partnerships.

As the fundamental housing resource used to transform communities, the program creates quality affordable housing for working families and people with special needs (such as the elderly, the disabled, veterans and the homeless) in urban, suburban, and rural communities throughout the country.

Since its creation as a provision in the Tax Reform Act of 1986, more than $75 billion of private equity capital has been leveraged in order to help finance more than 2.5 million affordable rental homes throughout the nation.

In Washington, the Housing Credit has provided critical financing for the development of

• 53,076 affordable apartments;
• Created 61,568 jobs
• Generated $4.6 billion in local income
• $456.5 million in state and local revenue
• $41.3 billion in federal revenue.

We thank Senator Maria Cantwell of Washington for being a strong advocate for Housing Credits and serving as prime sponsor for S. 1989. (Bold): To save the Housing Credits and New Market Tax Credit programs from being eliminated please contact Senators Murray and Cantwell immediately to let Senate Finance Committee Chair Max Baucus know that these important programs should be saved under tax reform.

Please visit www.rentalhousingaction.org for more information.
Micro-Apartments Grow in Seattle and Across Country

By Joshua Okrent

Tiny apartments are cropping up in Seattle and in other cities around the country to meet the demand of people who are short on cash but determined to live in areas with otherwise pricey rents.

These micro-apartments, also known as “hostel-style” apartments or “apodments” can offer less than 200 square feet of living space — including private bathrooms, and they typically come furnished, sometimes with built-in beds and other amenities to save space.

Most feature a group kitchen that may be shared among eight units, though some are equipped with microwave ovens and small refrigerators. They also include Internet connections and utilities in the price of the rent. There are often no elevators.

What micro-apartments lack in space they often make up for in proximity to prime locations. In Seattle, the most popular location for micro-apartments is near Capitol Hill’s lively Pike-Pine Corridor, an area near several colleges, rich in restaurants, bars and shops.

In Seattle, rents for micro-apartments range from about $500 to $1,000, while a one-bedroom apartment rental in Seattle averaged $1,223 this spring, according to Dupre + Scott Apartment Advisors Inc.

Not everyone is in favor of the trend. Residents of some conventional homes and apartments near the Capitol Hill neighborhood worry that the sprawl of micro units could overwhelm their neighborhood infrastructure, adding to traffic congestion and making already scarce parking even harder to find. “These are like boarding houses on steroids,” said Carl Winter, founder of the group Reasonable Density Seattle and a resident of the neighborhood. “I’m living the nightmare.”

Micro developments have drawn criticism for not facing the same level of design and environmental review that a newly constructed conventional apartment undergoes because a single-dwelling is defined as a unit that includes its own kitchen.

“We did a calculation and there are 19 micro-apartments going in on 12 sites well within one square mile” in his neighborhood, Winter said. “Our big issue is they are not being subjected to the same regulatory process as everyone else.”

Seattle Mayor Mike McGinn is on record in support of micro-apartments, as is City Council member Richard Conlin.

“The private market is building affordable housing for people who want it,” Conlin said. “Fundamentally, this is a good thing.”

Young people starting out, service workers, and retirees on limited incomes all need affordable housing, Conlin and other supporters said.

Forty-one micro housing projects have come through the Seattle Department of Planning and Development since 2006, spokeswoman Cyndi Wilder said. Of those, 28 received permits and 13 are under examination. The planning department is aware of the debate over the review process for micro

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Housing discrimination remains problematic, according to a government report released in June that found that although blatant acts of racial prejudice in the selling, buying and renting of homes have been declining in the United States, more subtle forms of housing bias “stubbornly persist.”

“Fewer minorities today may be getting the door slammed in their faces, but we continue to see evidence of housing discrimination that can limit a family’s housing, economic and educational opportunities,” said Shaun Donovan, secretary of Housing and Urban Development.

The nationwide HUD survey of 28 metropolitan areas showed that real estate agents and rental housing providers recommend and show fewer available homes and apartments to minority families, not only restricting their options but also increasing their costs to rent or buy.

In particular, African American renters who contact agents about recently advertised housing units are told about 11% fewer available units and are shown roughly 4% fewer units than white renters. Similarly, Asian renters are told about 10% fewer available units and are shown nearly 7% fewer units; Hispanic renters learn about 12% fewer units and are shown 7% fewer units than are whites.

Discrimination is more evident in the buying market, the report found. In particular, Black home buyers who contact real estate agents about recently advertised homes for sale are informed about 17% fewer available units and are shown roughly 4% fewer units than white renters. Similarly, Asian renters are told about 10% fewer available units and are shown nearly 7% fewer units; Hispanic renters learn about 12% fewer units and are shown 7% fewer units than are whites.

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In the Washington, DC area, Blacks pay $262 more than whites for rental move-in costs, according to the report. Average yearly incentives are lower by $168 for Black renters, while the average first-year net cost is $402 higher for Blacks compared with the cost for white renters.

About 11.6% of white renters in the region were told that rent was negotiable, compared with 7.2% of Black renters, the report found.

As housing bias becomes more subtle, “the forms of discrimination documented by this study are very difficult for victims to detect,” said Margery Turner of the Urban Institute. However, this has also raised questions about the need for such surveys, which are done every 10 years. The latest report cost about $9 million.

Donovan defended the survey, but acknowledged that HUD needs to focus on more proactive efforts to identify and address housing discrimination, especially in the sales market.

Read the full report from HUD at www.huduser.org/portal/Publications

“FEWER MINORITIES TODAY MAY BE GETTING THE DOOR SLAMMED IN THEIR FACES, BUT WE CONTINUE TO SEE EVIDENCE OF HOUSING DISCRIMINATION THAT CAN LIMIT A FAMILY’S HOUSING, ECONOMIC AND EDUCATIONAL OPPORTUNITIES.”

– SHAUN DONOVAN, SECRETARY OF HOUSING AND URBAN DEVELOPMENT.
25th Anniversary of WLIHA

By Joaquin Uy

On the evening of June 11, almost 350 attendees crowded into Seattle Center’s Fisher Pavilion to celebrate the Washington Low Income Housing Alliance’s 25th anniversary celebration. Dubbed “Bringing Washington Home,” this yearly advocacy awards dinner celebrates and recognizes an individual, an organization, and a lawmaker for their work in advocating for affordable homes and ending homelessness. This was also the first year presenting an award for board advocacy. The awardees are as follows:

Individual Advocate of the Year: Greg Winter

Greg Winter was a key leader in the successful Bellingham Home Fund campaign, which made Bellingham the second city in Washington to establish a voter passed local housing levy. The fund will generate $21 million over seven years for affordable housing in Bellingham. Greg calls it, “the most important and strategic homeless prevention initiative our community has conceived.”

Advocacy Organization of the Year: Community Action of Skagit County

Housing Alliance Executive Director Rachael Myers talked about how Community Action of Skagit County has shown the kind of advocacy leadership that helps lawmakers truly understand the connection between their decisions and lives of people in their communities. The team at Community Action of Skagit County have gathered stories, testified in Olympia, and engaged their board of directors in advocacy to protect services that low-income people in their community count on.

Legislator of the Year: Senator Steve Hobbs (44th-Lake Stevens)

Senator Steve Hobbs championed the Fair Tenant Screening Act. Signed into law on April 24, the bill eliminates barriers to housing for survivors of domestic violence, sexual assault, or stalking. It will soon be illegal for tenant screening companies to report on a housing applicant’s status as a survivor, thereby closing a gaping loophole that was allowing some landlords to continue discriminatory practices. The Housing Alliance referred to Senator Hobbs as a “masterful steward for this bill, seeing it successfully through an extremely challenging legislative session.”

Leadership in Board Advocacy: Imagine Housing

Imagine Housing created a board advocacy committee to ensure that the community leaders who serve on their board know when and how to raise their voices. And Imagine Housing board members remain continually consistent in their advocacy to elected officials. The Housing Alliance thanked them for their leadership and commitment to building advocacy into every level of their organization.

From their beginnings as the Washington Low Income Housing Congress to today as the statewide champion for affordable homes, they commemorated several milestones and accomplishments. This includes playing a pivotal role in founding one of the nation’s first state housing trust funds, organizing the largest Housing and Homelessness Advocacy Day ever this February with 650 people convening on the steps of the capitol, and their impressive list of over 90 legislative wins.

“Looking back at what housing and homelessness advocates have accomplished by working together is inspiring,” said executive director...
Ernestine Anderson Place Wins Edson Award

By Aaron Long

The Affordable Housing Tax Credit Coalition (AHTCC) awarded the Charles L. Edson Tax Credit Excellence Award, Honorable Mention for Senior Housing, to Ernestine Anderson Place. Presented to the most outstanding Low Income Housing Tax Credit properties, this national awards program celebrates the best in affordable rental housing. Senator Maria Cantwell (D-WA), a champion of the Housing Credit program, presented the award on May 22 at the Capitol Hill luncheon to Pearl Leung of the LIHI Board. Enterprise Community Investment is the tax credit investor. Senator Cantwell is the prime sponsor of S. 1989. This bill will add stability to the Housing Credit program by establishing minimum rates and thereby boost housing production and job creation.

Ernestine Anderson Place, which opened in February, is named in honor of jazz singer Ernestine Anderson, an international star from Seattle’s Central Area and a graduate of the neighborhood’s Garfield High School. In a career spanning more than five decades, she has recorded over 30 albums and has been nominated four times for a Grammy Award. Ms. Anderson has sung at Carnegie Hall, the Kennedy Center, the Monterey Jazz Festival, as well as at jazz festivals all over the world.

At the building’s grand opening, Seattle Mayor Mike McGinn, officially proclaimed that date to be Ernestine Anderson Day: “Whereas Ernestine Anderson is regarded as one of the finest jazz vocalists ever, a Seattle treasure whose enduring legacy speaks to her dedication and talent, THEREFORE, I, Michael McGinn, Mayor of Seattle, do hereby proclaim February 8, 2013 to be Ernestine Anderson Day.”

Also at the opening a letter from record producer Quincy Jones was read that in part said: “Thank you to the Low Income Housing Institute for naming housing for low-income seniors after you. This reflects your compassion, your humanity, and your ability to lift up the lives of African-Americans and others all across the country. Your originality, your creative, soulful and spirited songs of love, passion, pain and struggle, are a significant part of America’s music heritage.”

Ernestine Anderson Place was built to serve the needs of homeless and low-income seniors age 55 and over. The building, which features 60 studio and 1-bedroom units, plus a manager’s unit, provides permanent housing linked with supportive services for 45 homeless seniors, including 8 veterans, as well as housing for 15 low-income seniors. Sound Mental Health provides on-site supportive services. The ground floor includes community space for residents, an exercise room, a library with internet-enabled computers, a classroom, counseling offices and an outside patio garden.

Ernestine Anderson Place is built green and designed with long term durability as a priority. The building features energy efficient insulation and fan systems, and tested very well for air barrier efficiency. Washington State Evergreen Standards were followed. The project uses low VOC materials, Energy-Star appliances, and dual-flush toilets throughout. Ernestine Anderson Place is a non-smoking facility, which will help ensure good indoor air quality for the residents.

According to Sharon Lee, the Executive Director of LIHI, “There are an estimated 1,000 seniors who are homeless in King County. Ernestine Anderson Place provides a wonderful and dignified home for many seniors who are otherwise vulnerable living on the streets, in shelters or in their cars.”

Ernestine Anderson Place is financed with funds from: City of Seattle Housing Levy; King County Veterans and Human Services Levy; Tax Credit Equity through Enterprise and the Washington State Housing Finance Commission; US Bank; HUD; Federal Home Loan Bank of San Francisco; Seattle Housing Authority; Home Depot Foundation and United Way of King County.

For more information about Ernestine Anderson Place please visit www.lihi.org. Also see profile in June issue of Affordable Housing Finance www.housingfinance.com/homeless-housing/04092013-ernestine-anderson-place-opens-in-seattle.aspx
Out of Reach Report Shows Disparity Between Housing Costs and Wages

Every year for more than 20 years, the National Low Income Housing Coalition (NLIHC) has released the “Out of Reach,” their report on the “Housing Wage” – the wage one must earn in order to afford a modest rental home while spending no more than 30% of income on housing costs. Nationwide, the 2013 Housing Wage is $18.79, exceeding the $14.32 hourly wage earned by the average renter by almost $4.50 an hour, and greatly exceeding wages earned by low income renter households.

Advocates throughout the United State use this information to show Members of Congress, state legislators, and local elected officials the great need for affordable housing and its impact on the daily lives of their constituents.

According to the report released in May more than half of all renter households today pay more than 30% of their income for housing. The rate is double the rate in 1960, when one in four renters were considered cost-burdened. Nearly 8 million extremely low-income households in the US pay more than 50% of their income for housing costs, leaving little left over for food and other necessities. The total number of such cost burdened households has increased by about 600,000 since 2010.

The rental housing market is booming. Households across the country are delaying homeownership, an effect of the recession’s lasting impact on household financial confidence. With demand for rental apartments accelerating, the national rental vacancy rate fell from 8% directly after the financial crisis to 4.5% by the third quarter of 2012. Falling vacancy rates are but the poorest households are the most likely to be locked out of the market entirely. Only a sliver of the rental market remains affordable and available to the lowest income households. There is not a single state in the US where a minimum wage worker, who works 40 hours a week, can afford even a one-bedroom rental apartment. The report states, “The number of full-time jobs that a household must work today at the prevailing state minimum wage to afford the average two-bedroom FMR ranges from 1.4 jobs (Puerto Rico) to 4.4 jobs (Hawaii).”

While extremely-low income renter households may qualify for federal and local subsidy programs, housing assistance programs are oversubscribed and many eligible households go unassisted. Low income households desperately in need of housing find themselves on years-long waiting lists, or find that waiting lists for affordable housing in their area are closed entirely. Households on waiting lists for housing assistance have a median wait time of two years. For households trapped on waiting lists, many experience unstable housing situations, living “doubled up” with family or friends or in the worst cases suffering bouts of homelessness as they bounce from one untenable housing situation to another.

In Washington state, the fair market rate (FMR) for a two-bedroom apartment is $966. In order to afford this level of rent and utilities – without paying more than 30% of income on housing – a household must earn $3,221 monthly or $38,652 annually. Assuming full time work, this level of income translates into a Housing Wage of $18.58. In Washington, a minimum wage worker earns an hourly wage of $9.19. Thus in order to afford the FMR for a two-bedroom apartment, a minimum wage earner must work 81 hours per week, 52 weeks per year. Or a household must include 2.0 full time minimum wage earners in order to make the two-bedroom FMR affordable. The estimated average wage for a renter in Washington is $14.91. In order to afford the FMR for a two-bedroom apartment at this wage, a renter must work 50 hours

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per week, 52 weeks per year.

In Washington’s metropolitan areas, both rents and wages are higher. Rents are the highest in the state in Seattle-Bellevue and a minimum wage worker would need to work 2.3 fulltime jobs to afford the FMR for a two-bedroom apartment. The average wage for a renter in Seattle-Bellevue is $18.52, thus requiring 1.1 full time jobs to afford the FMR for a two-bedroom apartment ($1,104). In other metropolitan areas, the gap for average wage earners are higher than the overall state average. In Olympia for example, an average earner would need to work 1.6 full time jobs to afford a FMR two-bedroom apartment, and in Bremerton he or she would need to work 1.7 jobs, the highest in the state.

The lack of decent housing affordable to low income households remains a pervasive national issue, affecting every single community across the United States. Today, federal housing programs serve approximately five million low-income households, but the needs of many more households go unmet. Low income, unassisted households often face housing instability, threats of eviction, poor housing conditions and homelessness.

Ensuring that all families have a safe and stable place to call home should be a public policy priority. It is also an achievable goal, if a serious commitment is made to investing in affordable housing. As the country continues its recovery from the recession, the time to focus on expanding the supply of affordable housing is now.

To read the full Out of Reach report, please visit National Low Income Housing Coalition at http://nlihc.org/oor/2013.

Rachael Myers. “Even though things are hard right now, it gives me hope for our movement and for what we can accomplish together in the future.”

The event’s keynote speaker was antipoverty advocate Peter Edelman, author of the book, “So Rich, So Poor: Why It’s So Hard to End Poverty in America.” He is a professor of law at Georgetown University where he teaches constitutional and poverty law. Edelman made news in 1996 when he resigned from the Clinton administration in protest of the president signing the Personal Responsibility and Work Opportunity Act. According to Edelman, the 1996 welfare reform law destroyed the safety net.

Dr. Edelman gave a presentation that connected the dots between poverty, affordable housing, homelessness, and public policy. While he did present a dire picture of growing poverty and homelessness during this continuing economic crisis, he also talked of glimmers of hope. For example, he mentioned a couple of groundbreaking programs that he considered innovative “civic, neighborhood and community-based groups that are making a difference.”

One was Community Action Project of Tulsa County in Oklahoma. This nonprofit, the largest anti-poverty organization in Oklahoma, focuses on a two-generation approach that not only prepares young children for academic success, but also their parents through programs designed to increase parenting skills, employability, and earning potential.

To read the full Out of Reach report, please visit National Low Income Housing Coalition at http://nlihc.org/oor/2013.

Senator Steve Hobbs of Lake Stevens was named Legislator of the Year for his work on the Fair Tenant Screening Act which eliminates barriers to housing for survivors of domestic violence, sexual assault, or stalking. Photo courtesy of WLIHA.
Ending Youth Homelessness

By Judy Lightfoot

We’ve all seen them. They sprawl in groups of three or four on the sidewalks outside Seattle’s downtown businesses, maybe with a big dog curled beside them. Their multiple piercings, tattoos and shaven heads make them look savage, and layers of shapeless clothing make them appear bigger than they really are. Smoking, grunting at each other, refusing to meet our eyes (most of us look away anyhow), homeless youth seem determined to hold us at a sardonic distance even as their scrawled cardboard signs beg us for help.

When a young relative of mine was homeless for a year, I realized how much of this is a masquerade. In some ways it’s similar to the grownup facades assumed by American adolescents anywhere, except there’s more at stake on the streets. A homeless youngster looks tough to ward off exploitation and assault.

Understandably, building effective programs for these youth is very different from working with homeless adults and families. Besides shelter, teens and twentysomethings left on their own need programs that will patiently break through their fear and cynicism while drawing on their natural vigor and hunger for independence, and that will provide the tools necessary for achieving healthy self-sufficiency. “The great thing about these kids,” says Melinda Giovengo, YouthCare executive director, “is if you build it, they will come.”

The recent National Alliance to End Homelessness conference in Seattle featured dozens of successful programs across the U.S. The best give homeless youth a meaningful role in program planning. They build on the innate tendency of adolescents to bond with small groups that feel like surrogate families, and teach group members to encourage each other in behaviors that will lead to a better life. Successful programs also ensure that LGBT kids — who represent 20 to 40 percent of homeless youngsters, but just 4 to 10 percent of youth in general — feel welcome.

Ensuring education and employment opportunities are crucial ways to connect homeless youth with the academic and job skills needed for future self-sufficiency. Photo by James Eugene Frank, courtesy of Creative Commons

Estimating the number of unaccompanied youth (12-17) and young adults (18-25) is difficult because they often hide their plight from adults who may be predatory or punitive. In King County, 4,000 to 5,000 young people are homeless at one time or another each year. The January 24, 2013, count of unaccompanied youngsters in the county who lacked shelter or were staying in emergency shelters, or who were about to lose their temporary lodgings, totaled 776. The Seattle Police Department has estimated that there are 500 to 2,000 homeless youth in Seattle on any given night.

How do we best deal with these kinds of numbers? Here are five ideas from the conference that seemed especially interesting, as well as thrifty.

1. Preventing youth homelessness and reuniting families: Kids are less likely to leave home in the first place if they get along with their parents. Cocoon House teaches parenting skills to adults wanting better relationships with their children ages 13 to 17. Coaching is done through confidential phone consultations, support groups and in-home family counseling. Outreach staff reconnect runaway children with their parents when it looks as if strategic help can improve family dynamics. Speedy staff footwork on the streets is critical because, as one conference-goer said, “Pimps and drug dealers do amazing outreach.”

Prevention and reconnection have the added benefit of reducing demands on more costly services. Of course, returning youth to abusive homes is never desirable, and reunions with families are almost never feasible for those who have aged out of foster care at 18. The latter group represents more

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than 10 percent of the homeless youth population and typically spends two to four years on the streets.

2. Ensuring education and employment opportunities: YouthCare connects homeless kids with adults who teach them the academic and job skills needed for future self-sufficiency. Many youngsters in the program secure internships in real-world fields such as construction, food service and computer technology. All participating youth are paid for their time. Program costs are kept low through volunteer support and partnerships with businesses, private foundations, other nonprofits and faith communities.

3. Mobilizing philanthropists: Funders Together is a national network of philanthropies committed to ending homelessness through strategic collaboration and grant-making. Using a team approach, these funders support the development of homeless service systems that combine public, private and nonprofit resources efficiently and effectively. Archibald, Campion, Casey, Gates, Medina, Norcliffe, Raikes, and other foundations based in Washington state have joined in this unique initiative.

4. Turning social-service “silos” into systems: Funders, agencies, and elected officials in King County have formed a Youth and Young Adult Homelessness Task Force to develop a systems model that will coordinate separate sectors and programs in order to end homelessness among the county’s young people.

5. Sending strong messages: The general public and elected officials must see the value of taking smart steps, now, to end youth homelessness. Conference participants learned from Fostering Media Connections and others how agencies can frame compelling messages aimed at different audiences. Delivery strategies included ways of engaging traditional media and of using new social media. Messages heard throughout the conference ranged from cold, practical self-interest to resonant ethical expostulation:

• “If these youngsters never enter the work force, who’ll pay for our Social Security and Medicare?”
• “An investment that helps homeless kids now will save more than 20 times the cost to society when they’re adults in the homeless or corrections systems.”
• “The number of homeless young people is still low enough to make it possible for all to be housed and helped toward productive adult autonomy: We can do this!”
• “When we see kids left out in the cold, how can we feel pride in our community? What kind of future are we building for ourselves and others?”
• “These are our children.”

Money in public and private budgets that could be earmarked for ending youth homelessness may be in short supply. But there’s no shortage of arguments for using every dollar we can to do it.

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Rapid Rehousing the Most Effective Strategy in Combating Homelessness

By Aaron Long

The National Alliance to End Homelessness (NAEH) held their annual conference in Seattle in February. The three-day event, titled The Conference on Ending Family and Youth Homelessness, attracted hundreds of participants and featured leaders from dozens of successful organizations and programs from across the U.S. During the opening plenary session, HUD Deputy Assistant Secretary Mark Johnston and NAEH President and CEO Nan Roman both emphasized that Rapid Re-Housing has been proven the most effective use of resources in the fight to end homelessness. This important idea was to become a central theme for the entire conference.

Rapid Re-Housing is a strategy that has been successfully used by many communities to reduce homelessness. Today, most households become homeless as a result of a financial crisis that prevents them from paying the rent, or a domestic conflict that results in one member being ejected or leaving with no resources or plan for housing. Most households who become homeless have already lived in independent permanent housing, and they can generally return and remain stably housed with limited assistance. Homelessness itself is associated with a host of negative outcomes that can be minimized by limiting the period of time people experience it. By helping homeless households return to permanent housing as soon as possible, communities have been able to reduce the length of time people remain in homeless shelters. This opens beds for others who need them, and reduces the public and personal costs of homelessness.

Rapid Re-Housing addresses the two primary obstacles homeless households face in trying to leave shelter: obtaining new rental housing is expensive, and landlords often deny rental applications from extremely low-income households.

Secretary Johnston began his remarks by urging organizations who are working to end homelessness to make smart policy decisions regarding the use of their own budgets. He noted that HUD had been flat-funded for the past three years and that once sequestration began, funding would necessarily decline. He noted that best projections predicted that sequestration would result in no fewer than 125,000 Section 8 families losing their housing. He warned that organizations may need to reallocate funding: to exit expensive projects and start new, cost effective ones.

HUD studies repeatedly demonstrate that Rapid Re-Housing works. Of all families who receive Rapid Re-Housing assistance, 90% remain in housing a year after being housed with an upfront cost of only $1,200 per person. 80% of those families move on to permanent housing, as opposed to only 50% who participate in transitional housing programs, which tend to have higher barriers for participation.

NAEH President Roman echoed and expanded on many of Johnston’s points. She began by pointing out that point-in-time counts of homelessness are essentially unchanged over the past five years, though she did note that this could be considered a victory given the recession.

“We seem to be stalled — what can we do to decrease homelessness?” she asked. She saw three possible approaches:

1. The allocation of new funds. Roman noted that while there are some opportunities for new funds at the Federal level for homeless veteran housing, most advocates are battling merely to maintain present funding levels.

2. Solve the affordable housing crisis. The U.S. has 6 million units too few for housing people with their current wages. Despite the passage of the National Housing Trust Fund, without the political will to fund it, it does little to help the situation.

Roman said that the Bipartisan Policy

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Center, on which she serves, released a report that includes recommendations on new revenue capture mechanisms on housing transactions, including those conducted by Fannie Mae and Freddie Mac.

3. Increase efficiency.

After making a joke about double-sided copies, Roman said that there were probably not many gains left to be garnered from internal organization efficiencies. However, efficiency in directing housing funds could still make significant gains.

Roman provided some relevant data on Rapid Rehousing:

- 32% of families in shelters move into permanent housing within a year, have recidivism rate of 11%, and the cost is $10,000 per family per year. 55% of families in transitional housing move into permanent housing within a year, have recidivism rate of 9%, and the cost is $22,000 per year. 85% of families who are rapidly rehoused move into permanent housing within a year, have a recidivism rate of 4%, and the cost is much less at $4,000 per year.

While she recognized that one solution would not work for every family, the lower cost and greater success of Rapid Re-Housing clearly showed that a switch to more rapid rehousing was a change that communities can and should make. Communities should also make sure that their shelter system was focused on moving users to housing.

Roman concluded that to prevent people from getting stuck, “The front door and the back door of the homeless system must be created at the same time.”

Learn much more about Rapid Rehousing, including a full report by the NAEH, at endhomelessness.org/pages/rapidrehousing

NLIHC Funding Efforts

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provide communities with funds to build, preserve, rehabilitate and maintain rental homes that are affordable for extremely and very low income households. Trust Fund dollars would go to states providing grants to qualified housing organizations to provide affordable homes for the people who need the most help.

If passed, this proposal will raise $197 billion in new revenue over ten years, and it will make mortgage tax benefits available to 16 million more Americans. Under H.R. 1213, the $197 billion in new revenue will be dedicated to the following program and distributed among the states:

- $109 billion to the National Housing Trust Fund
- 54 billion in additional funding to Section 8 Rental Assistance
- $18 billion to the Public Housing Capital Fund
- $14 billion to Low Income Housing Tax Credits

In describing the advantage of the proposed changes, Crowley explained that tax deductions are subtracted from a taxpayer’s total income in order to calculate taxable income, while tax credits would be subtracted directly from a taxpayer’s tax bill. Tax credits result in a dollar-for-dollar reduction in the amount of tax a taxpayer owes, she said, and can be more beneficial to taxpayers than tax deductions — especially to those who do not itemize on tax returns.

Crowley said 24% of all taxpayers claim the mortgage interest deduction. By converting to a credit, all homeowners with mortgages would get a tax break, not just those who have enough income to file itemized tax returns. Through the proposed housing tax reform, the number of homeowners with mortgages who would get a tax break would increase from 39 million to 55 million. “You’re helping a larger number of homeowners,” she said.

While some critics might argue that the proposal would have a negative impact on a significant number of homeowners nationwide, Crowley said the benefits would far outweigh the drawbacks. “This is a tax reform in which people at the high end would pay more in taxes,” she admitted. There is no public policy benefit for subsidizing million dollar homes, she said. “If we’re going to be subsidizing homes, it should be in a more modest range.”

Crowley said getting support for the measure in Congress would likely be very challenging, but she is hopeful that the campaign will gain momentum in the next year or two so that a version of the proposal would go before Congress by 2015.

Learn more about the United for Homes proposal at http://nlihc.org/unitedforhomes/proposal and consider supporting the United for Homes Campaign.

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Learn more about the United for Homes proposal at http://nlihc.org/unitedforhomes/proposal and consider supporting the United for Homes Campaign.
Tacoma Program Uses Housing to Promote Self-sufficiency

By Rob Carson

Mike and Shawna Allen were crammed into a Tacoma homeless shelter with three small children, no money and no prospect of jobs when they first heard about the McCarver Program of the Tacoma Housing Authority. The Tacoma Housing Authority (THA) would give them and 49 other homeless families practically free homes for a year — their rent would be $25 a month. Each year during the five-year program, the families’ contributions to their housing costs would increase by 20%, until they’d be paying the full price in the sixth year.

During that time, they have access to job training, parenting classes, child care, counselors to help them work through lingering drug and mental health issues, plus an array of other social and health services. All the Allens and the other families had to do in return was enroll their kids at McCarver Elementary School, in Tacoma’s Hilltop neighborhood, and keep them there through fifth grade.

Parents would need to be active in their children’s education, attending all activities and meetings. While their kids were in school, they’d need to do everything they could to find jobs that would make them self-sufficient within five years. “It was a godsend,” said Mike Allen, 35, now close to completing training for a career as a machinist. “It was exactly what our little family needed.”

The unusual social experiment, which essentially uses public housing as leverage to force good parenting and self-sufficiency, is getting attention across the country as a possible prototype for fixing inner city schools and for getting families out of public housing and on their own.

Michael Mirra, the head of THA and one of the originators of the McCarver concept, initially approached the Tacoma Public School District in 2010, with the bare bones of an idea that would link public housing and education. “I knew we were positioned to be influential, but I didn’t know exactly how,” Mirra remembered. “I basically said, ‘We’re a housing authority. How can we help you?’”

Despite the many benefits the program offers, its costs are modest, Mirra said. “There are a lot of eyes on McCarver,” Mirra said. “They all want to know, How do you turn a school like this around and what can the role of a housing authority be?”

Last summer, the McCarver Program drew a visit from Maurice Jones, deputy secretary of the U.S. Department of Housing and Urban Development. Jones credited the program with “cutting-edge innovations in the way our housing and community developments are put to work.”

In April, the program won the VISION 2040 Award from the Puget Sound Regional Council of Governments, and public housing officials from Boston, Oakland, Fresno, Atlanta, Akron, Portland, Seattle,
Lutheran and St. Leo churches, and the Sequoia Foundation.

Among the assets available to families in the program are two full-time social caseworkers on loan from the housing authority. Their full-time job is guiding families in the program through various bureaucracies, solving problems, and generally keeping parents and children on track.

In some cases, substance abuse, mental health issues, or outstanding criminal justice matters made things worse. Many times parents gradually became overwhelmed by relatively small problems that grew to paralyzing proportions. Something as simple as unpaid traffic tickets, for example, led to suspended driver’s licenses, which kept parents from working or driving to job interviews.

Case workers have been able to use their knowledge of the system to lead parents out of the maze, working off tickets, getting help for mental health and substance abuse issues, arranging for GEDs and job training, and coming up with options for child care.

The experiment is showing clear signs of improvement in the lives of students and parents, according to ongoing evaluations by Geo Education & Research, a firm hired by the housing authority.

“This year there have been fewer suspensions, children are coming to school more, parent engagement has increased significantly and children are starting to show academic and behavioral progress,” said a year-end report issued in 2012. Reading scores for the kids in the program increased 22%, the evaluator found.

Parents’ situations are improving, too. At the beginning of the program seven of 61 parents were employed and average household income was $436 a month. A year later, 20 of 56 parents held jobs and monthly incomes averaged $765.

Shawna Allen, 30, admits she originally had some doubts about sending her children to McCarver, even with all the benefits in the program.

She grew up in Tacoma and remembers the Hilltop as the center of gang fights, crack cocaine, and racial violence. The story of a boy who had his ear cut off in a Hilltop attack planted an image in her mind that won’t go away, she said. Allen’s grandmother, who raised her while her mother was in prison or on drugs, was horrified at the thought of her grandchildren going to school on the Hilltop, Allen said.

Now, though, she says, things are different — at McCarver and elsewhere on the Hilltop. “I believe in McCarver and I believe in this program,” she said. “They really want us to succeed.”

Allen not only joined the PTA at McCarver — as all parents in the program were required to do — but she also served as secretary of the association’s board of directors. She volunteers at the school and enjoys it, she said. Because of a previous felony conviction, she said, she was not allowed to be part of the PTA at other schools.

“I love being allowed to volunteer there, to walk through the halls without a badge,” she said. “They know my history, but they say, ‘She changed her life. She’s a good mother. Yes, she can watch my kids.’”

Rob Carson is a Staff Writer at the Tacoma News Tribune. This story is edited from a story Carson wrote for the News Tribune in May, 2013. Learn more about the McCarver program at www.tacomahousing.net.

comprehensive case management that VAMC staff provides.

In July 2012, Senator Murray helped broker a deal in Congress that paved the way for major veterans’ omnibus legislation to unanimously pass the Senate and move forward to be signed into law. Among other things, the Honoring America’s Veterans and Caring for Camp Lejune Families Act of 2012 reauthorized a number of VA programs to help homeless veterans and expanded eligibility for VA’s emergency shelter services to include homeless veterans who are not seriously mentally ill. In addition, the bill enhanced grant programs for homeless veterans with special needs by including dependents of veterans and male veterans with dependent children. The bill also improved the Grant and Per Diem Program, which serves upward of 30,000 homeless veterans annually, by requiring VA to report on how to improve the per diem payment process for grantees. Finally, the bill strengthened efforts by eligible entities to assist in case management services provided to the nearly 40,000 homeless veterans participating in the HUD-VASH program.

The list of Washington state housing authorities and corresponding VA facilities that will receive HUD-VASH vouchers include Seattle Housing Authority, Housing Authority of King Count, Housing Authority City of Tacoma, Housing Authority of Vancouver, Housing Authority of Snohomish County, Housing Authority of Pierce County, Housing Authority City of Spokane, and the Housing Authority City of Walla Walla.

For more information on Veterans Affairs Supportive Housing please visit http://portal.hud.gov.
Support United for Homes

United for Homes is the campaign to fund the National Housing Trust Fund with revenue raised from modifications to the mortgage interest deduction (MID).

We all need a decent, affordable home. Yet today, in communities across America, millions are without this basic necessity. For every 100 extremely low-income renter households in the United States, there are only 30 affordable and available units.

The United for Homes campaign proposes to modify the current mortgage interest deduction by reducing the size of a mortgage eligible for a tax break to $500,000, and converting the deduction to a 15% non-refundable tax credit. The revenue from this change would be invested in the National Housing Trust Fund and states could use these funds to end homelessness.

Once funded, the National Housing Trust Fund will expand, preserve, rehabilitate and maintain the supply of rental housing affordable to America’s poorest families. Learn more about the National Housing Trust Fund at www.nhtf.org.

Here are three easy steps for how you can take action and join the movement today!

• **Step 1**: Join over 1,000 national, state and local organizations in endorsing United for Homes!

• **Step 2**: Tell your member of congress about United for Homes! When contacting your Representatives in the House, ask them specifically to co-sponsor H.R. 1213, the Common Sense Housing Investment Act of 2013.

• **Step 3**: Become an informed and active advocate for the United for Homes campaign! Educate yourself and encourage those in your network to join the movement to fund the National Housing Trust Fund through housing tax reform!

Endorse National Low Income Housing Coalition’s United for Homes campaign at www.unitedforhomes.org/support.

Learn more and access resources to strengthen your advocacy work at www.unitedforhomes.org. Questions? Email outreach@nlihc.org or call 202-662-1530.