Legislative Session Comes to a Close

By Joshua Okrent

On July 10, 2015, after a record 176 day session, the Washington state legislative session came to a close. Well into their third overtime session, Washington lawmakers finally adjourned having passed surprisingly few new laws, but securing new state dollars for affordable homes and passing several bills that will create new funding sources for housing, services, and mental health facilities. The final state operating budget also includes funding for several essential housing programs including Housing & Essential Needs, and Aged Blind & Disabled programs, and increasing the amount allocated for Temporary Assistance for Needy Families (TANF).

At nearly midnight on July 14, Washington lawmakers passed a capital budget that provides $75 million for the creation of new affordable housing, primarily targeted toward creating homes for seniors, homeless families, people with developmental disabilities and mental illness, veterans, and homeless youth. It is estimated that the budget will create 2,000 new homes for these underserved populations, plus 500 new beds for farmworkers.

The capital budget also includes $15 million for weatherization of homes owned by low-income homeowners.

Other bills of interest to the housing community include:

• HB 2263 which provides local communities the option of asking their voters to support a new tax for affordable housing and mental health facilities. Those funds could also be used for operations and maintenance needs as well as homeless services. A similar local taxing authority for mental health services brought in nearly $100 million across the state in 2014 alone.

• SB 5987, a transportation package which helps to increase affordable housing and services by requiring that at least $20 million be provided for affordable housing near transit. It also establishes that 80% of the surplus properties in light rail stations must be made available for affordable housing.

• HB 1223 authorizes King County to issue up to $45 million in bonds to fund affordable housing near transit stations beginning this fall, six years ahead of when the local hotel tax to fund such bonds would have been applied to workforce housing. HB 1223 was sponsored by Rep. Larry Springer, D-Kirkland. “There are not enough affordable homes in the Puget Sound area,” said Springer.
Supreme Court Upholds Broad Housing Discrimination Claims

By Lawrence Hurley

In late June, a divided U.S. Supreme Court embraced a broad interpretation of discrimination claims allowed under the landmark Fair Housing Act, a blow to lenders and insurers that face such lawsuits and had urged the court to curb them. In a 5-4 decision in a major civil rights case out of Texas, the court preserved a legal tool that has been used for decades to bring bias lawsuits over actions that have a discriminatory effect even with no evidence of discriminatory intent.

The unexpected ruling was a triumph for civil rights activists, who had feared the justices would rein in these lawsuits, and the administration of President Barack Obama, which had asked the justices to allow such claims to continue. Justice Anthony Kennedy, a conservative who often casts the deciding vote in close cases, joined the court’s four liberals in the majority.

The case involved Inclusive Communities Project Inc, a nonprofit group that claimed Texas violated the law by disproportionately awarding low-income housing tax credits to developers owning properties in poor, minority-dominated neighborhoods. The group works to place low-income tenants in the more wealthy, majority white suburbs of Dallas.

The U.S. Supreme Court preserved a legal tool that has been used for decades to bring bias lawsuits over actions that have a discriminatory effect even with no evidence of discriminatory intent.

The Texas case was closely watched by lenders and insurance companies, which say they are unfairly targeted. Industry groups say companies use neutral criteria when assessing risk. Based on how the law has been interpreted for decades, lawsuits could be filed over legitimate business practices, they argue.

Although a broad win for civil rights advocates on the legal theory, Kennedy, writing for the court, indicated in the ruling that the Texas plaintiffs ultimately could lose when the case returns to lower courts. The court was considering whether the 1968 law allows for “disparate impact” claims in which plaintiffs need to show only the discriminatory effect of a particular practice and not evidence of discriminatory intent. There was no dispute over the law’s prohibition on openly discriminatory acts in the sale and rental of housing.

For decades, disparate impact claims have been a way for lawyers representing blacks and other minorities to target policies that do not directly discriminate yet have the effect of putting certain groups at a disadvantage. Kennedy wrote that Congress indicated in 1988 when it amended the law that it intended disparate impact claims to be available.” It permits plaintiffs to counteract unconscious prejudices and disguised animus that escape easy classification,” Kennedy added.

Kennedy also made clear there are limits to the types of claims allowed, saying “statistical disparity” alone is not enough. Plaintiffs must “point to a defendant’s policy or policies causing that disparity.”

The disparate impact theory is opposed by business interests because it allows for a broad range of business decisions related to housing to be subject to civil rights litigation. “Discrimination has no place in the
Federal Government Releases 2016 Budget

By Joshua Okrent

On February 2, the White House released its FY16 budget request. Overall, the request seeks $49.3 billion for HUD, the largest amount this Administration has ever requested for the agency and $4 billion above HUD’s enacted FY15 level.

The House and Senate Budget Committees held hearings in February to hear from Office of Management and Budget Director Shaun Donovan on the Administration’s overall budget request. Both the House and Senate released their respective FY16 budget resolutions in late March, which set discretionary spending caps. The caps set by the House and Senate budget resolutions are lower than those set by the 2011 Budget Control Act for non-defense discretionary programs.

The Senate and House Committees on the Budget are currently working to produce a single joint budget resolution.

Highlights of the FY16 proposed HUD budget include:

Housing Choice Vouchers

In its request, HUD asks Congress for funds to renew existing vouchers and to restore 67,000 vouchers lost because of the Budget Control Act’s sequestration cuts of 2013. HUD would target 30,000 of these vouchers to special populations: 22,500 for homeless families, veterans, tribal families, and survivors of domestic or dating violence; 5,000 to implement the Violence Against Women Act’s emergency housing transfer provision; and 2,500 for the Family Unification Program. Another 37,000 requested vouchers would not be specifically targeted beyond allocating them “based on relative need.”

Project-Based Rental Assistance

All eyes have been focused on Project-Based Rental Assistance (PBRA) funding. In FY15, HUD convinced Congress to switch PBRA funding to a calendar-year cycle, providing significant one-year savings for the program in FY15. The one-year savings maneuver in FY15 also meant a large increase would be needed for FY16. HUD’s request seeks $10.76 billion in FY16, almost $1 billion more than FY15. HUD says this amount is “complete year” funding, sufficient for 12 months of PBRA contract renewals and amendments. The request would also set aside up to $3 million for the Tenant Resource Network to provide preservation-related tenant advocacy and capacity building technical assistance. These funds would fund tenant groups, nonprofit groups, and public entities to support their efforts to preserve affordability and improve tenant services.

Public Housing

The Administration’s request would increase funding for the public housing operating fund from $4.44 billion in FY15 to $4.6 billion in FY16. The request seeks $1.975 billion for the public housing capital fund, a $100 million increase over FY15. The request also seeks to establish a Capital Fund Replacement Reserve to be held by the Treasury in a line of credit control system.

Moving to Work

The FY16 HUD request would expand the Moving to Work demonstration program, now capped at 39 Public Housing Authorities, to another 15 Public Housing Authorities with a total of 150,000 public housing and voucher units over the next three years.

Homeless Assistance Grants

HUD requests $2.48 billion for homeless assistance grants through the Emergency Solutions Grant and Continuum of Care programs, well above FY15’s $2.135 billion level. The request also seeks to continue annual appropriations language allowing nonprofits to administer rental assistance.

HOME and CDBG

The White House request would increase funding for HOME, from FY15’s $900 million level, to $1.06 billion in FY16. The request seeks less funding for Community Development Block Grants (CDBG) in FY16 ($2.8 billion) than was provided in FY15 ($3 billion). For CDBG, the Administration describes a set of legislative proposals, packaged as “Moving CDBG Forward,” that will “focus on reforms that … help grantees target funding resources to areas of greatest need; enhance program accountability; synchronize critical program cycles with the consolidated plan cycle; reduce the number of small grantees; and provide more options for regional coordination, administration, and planning.”

The request also notes that CDBG and HOME are part of a broader “Upward Mobility Project,” a White House initiative to allow 10 states or localities the ability to merge CDBG and HOME funds with two Department of Health and Human Services block grants, the Social Services Block Grant and the Community Services Block Grant, in order to promote opportunity and reduce poverty.

For more detailed analysis of the President’s proposed budget please visit http://nlihc.org.
Criminal Records and Housing: Disproportionate Effects and New Approaches

By Mercedes Elizalde

This year at the Conference on Ending Homelessness the Downtown Emergency Service Center (DESC) presented information from an assessment study they conducted of housing success and its relationships to criminal backgrounds.

The criminal justice system itself has been shown to apply the law unequally for different citizens. People of color, especially black men and people in poverty, are more likely to interact with the criminal justice system. Although most research shows that people of color and people in a lower economic status are not more likely to offend, they are more likely to be convicted of crimes.

The rates of incarceration have been steadily increasing over the years, currently there are close to 2 million people in the custody of state and federal prisons. This increase has touched all populations, but black men without high school diplomas are the most impacted. In a 2009 study Pew Research found that 1 in 3 black men without high school diplomas had spent time behind bars. Locally, King County data suggests that people of color in general are arrested more often. Looking at data from the WA Association of Sheriffs and Police Chiefs’ “Crime in Washington 2012” there were 2,656 arrests of Black/African Americans in 2012 vs. 500

for Whites/Caucasians for the same time period. Incarceration rates across Washington state follow the same pattern. It is clear that African Americans, especially men, are being convicted at much higher rates.

Once a conviction is on someone’s record there are several compounding or “collateral” effects. This means that even after someone has served their time and is considered rehabilitated, they will continue to be incarcerated by the limitation of the law and their past. For example,

- In many states people with felonies lose their right to vote;
- Employers screen for criminal histories and people are denied or passed over for jobs and may be completely ineligible for certain licenses or credentials;
- People can permanently lose custody of their children;
- People many have to pay legal financial obligations back to the courts long after their release date;
- They can be denied housing, leaving them with very few options for stability.

Housing providers screen potential tenants for a number of reasons. Property owners need to ensure that people can pay rent and their other housing bills on time and consistently, and that the property, residents and staff will be safe. Often there are specific requirements that potential tenants need to meet in order to qualify for housing that has been set aside and paid for with state or federal dollars.

When it comes to criminal records, not all housing providers have the same policies. Some will have blanket bans which disallow all applicants with felonies, others will specify types of crimes that result in someone being excluded, some will look the length of time since the last offense, and others consider every applicant on a case-by-case basis to evaluate individual circumstance. Making matters even more complicated is that housing providers are all using different databases or background check

continued on next page
companies to get the information needed to assess someone’s application. The companies that provide the background checks also use several different databases to compile reports. This can lead to inaccurate or misleading information. Information can be attributed to the wrong person, dates can be listed differently on different sources leading to a single crime being reported multiple times, and important information about what a charge means and what the person actually did is often omitted.

These companies are not well regulated and can leave housing providers making decisions based on faulty information. Coupled with the fact that housing providers are being bombarded with higher and higher levels of need for their limited supply means there isn’t always time or the will to dig deeper. With hundreds of people on a waitlist, and a limited amount of time to fill a vacancy, it is not unreasonable to accept an application that meets all the requirements at face-value without complication. It also seems reasonable if you believe the long standing narrative that people with criminal histories pose a threat to buildings or compromise the safety of other residents. This is where DESC shared some compelling evaluative research they had conducted over the last few years.

DESC sampled 347 residents, 51% of whom had criminal histories, and they evaluated their success in housing. Housing success was defined as being stably housed at DESC or successfully finding new housing outside of DESC after 2 years, being current on rent payments, and not facing disciplinary action for noncompliance of lease agreements. They followed the same individuals from 2000-2004 and found that criminal histories were not a predictor of housing success or failure. Of the sample group, 70% of those with criminal backgrounds showed housing success while 74% of those without criminal records showed housing success. Many of those profiled also had a compounding factor like mental health or substance abuse problem. However, the failure rate when looking at criminal histories alone showed almost no difference between those with criminal records and those without. The conclusion of this evaluative study suggests that policies and practices that keep homeless people with criminal records out of housing may be unnecessarily restrictive.

Mercedes Elizalde is Volunteer Program Coordinator at the Low Income Housing Institute. She is completing her masters in Nonprofit Leadership at Seattle University. More information about DESC’s study can be found at http://desc.org/research.html.

“The failure rate when looking at criminal histories alone showed almost no difference between those with criminal records and those without. The conclusion of this evaluative study suggests that policies and practices that keep homeless people with criminal records out of housing may be unnecessarily restrictive.”
Seattle City Council Clears Way for New Homeless Camps

By Joshua Okrent

In late March the Seattle City Council approved an ordinance authorizing and regulating up to three new homeless encampments for as many as 100 people each. The tent cities will be on private land or city property, excluding parks, and will — for now — be restricted to nonresidential zones. Each site will be managed by an experienced shelter provider vetted by city officials and will be held to health and safety standards.

When Mayor Ed Murray proposed the legislation in January, he took care to describe tent cities as a stopgap measure and not a permanent solution to homelessness. He pointed to an increase in unauthorized camping in Seattle parks, alongside highways and under bridges. City staff identified 80 such sites in 2012, 131 in 2013, 351 in 2014 and 49 in roughly the first month of 2015, according to the city’s Human Services Department (HSD), which attributes the uptick to more homelessness and better reportage options for campsite passers-by.

“This legislation will help provide a minimum level of safety and stability for hundreds of people currently without a home,” Murray said in a statement.

The ordinance’s approval represents a significant shift in how the rapidly growing city will address one of its most visible and intractable problems.

Though the City Council passed legislation in 2011 allowing religious institutions to host camps anywhere and for any length of time, two years later it narrowly rejected an ordinance almost identical to the one approved in March. At that time, several members said they were reluctant to have the city sanction anything other than permanent housing.

The political landscape began to change when Councilmember Kshama Sawant, a strong believer in tent cities, unseated then-Councilmember Richard Conlin, who had voted against the measure, which was sponsored by Councilmember Nick Licata. The change in policy was also aided by Mayor Murray who enjoys a closer working relationship with the City Council than previous Mayor Mike McGinn. The mayor’s legislation, slightly amended, ultimately won support from all nine council members, including the four remaining members who voted “no” in 2013.

Murray tweaked the earlier bill by proposing the number of new camps be capped and that shelter providers work with the city to move people into real housing. He sought to head off criticism by pitching the legislation as a response to a crisis. Murray cited the annual One Night Count, which found 2,813 people sleeping outside the city on January 24 this year, up from 2,303 in 2014 and 1,989 in 2013.

The United States Interagency Council on Homelessness advises that encampments don’t end homelessness and can distract communities from connecting people with permanent housing, as affirmed by interim director Matthew Doherty. But Eric Tars, senior attorney at the National Law Center on Homelessness, said authorized encampments are a better choice than “criminalizing homelessness.” Tars is currently working with the Federal Government on guidance for communities with encampments. Seattle is the largest municipality in the country to set up official camps, he said.

The response at City Hall was thunderous applause. Lisa Sawyer, 28, was one of several current and former tent-city residents who cheered. “I’m happy the city recognizes how bad the homeless situation is,” Sawyer said. “I’ve been in tent cities and I’ve been on the street and I know the difference. I’ve been shot at and I’ve had my stuff stolen. Encampments are just safer.”

The only point of contention was an amendment, sponsored by Councilmember Sawant, directing city staff to study the impact of allowing the new encampments in residential zones.

Leading up to the vote, a number of homeless people slammed the zoning restriction in Murray’s proposal as discriminatory. Some even described it as “redlining.” The council split over the issue, with the mayor and his allies making the argument that nonresidential zones offer better access to services and transit.

In the end, the amendment passed 6-3. Council President Tim Burgess and Councilmembers Sally Clark and Jean Godden opposed it. “We are all residents, whether we have a roof over our head or not,” Sawant said.

“This is not a permanent solution to homelessness, but it is a humane approach that offers people currently sleeping on the streets a safe place to be along with access to services to help them get back on their feet,” said Councilmember Mike O’Brien.

House Appropriations Bill Would Raid National Housing Trust Fund

By Joshua Okrent

The House Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development (THUD) has approved an FY16 appropriations bill that would direct all 2016 National Housing Trust Fund (NHTF) resources into the HOME program. The bill also would also prohibit any funds from any source going to the NHTF.

The House bill cuts HOME appropriations from $900 million in FY15 to $767 million in FY16. Republican Appropriations Committee leaders assert that they keep HOME funding level at $900 million. Committee staff report that they are counting an estimated $133 million that would be diverted from the NHTF to make up for the cut in HOME appropriations.

Funding for the NHTF comes from dedicated revenue on the mandatory side of the federal budget and is not subject to annual appropriations. Funding is based on an annual assessment on the volume of business of Fannie Mae and Freddie Mac. The NHTF is a block grant to states administered by HUD. The first funds from the NHTF are scheduled to go to the states in calendar year 2016.

During the Subcommittee markup, Rep. Nita Lowey (D-NY) raised objections to using the NHTF to fund the HOME program. “While the Chairman has provided sufficient funding for HOME, I am concerned about how it is paid for. On the surface, HOME and the Housing Trust Fund appear to both be affordable housing programs, but the Housing Trust Fund targets the lowest of the low income while HOME focuses on low to moderate incomes. We have a lack of supply of affordable housing at all income levels, but I am concerned that by taking money dedicated for the Housing Trust Fund, we will perpetuate another gap in the spectrum of affordable housing,” she said.

Rep. Maxine Waters (D-CA) issued a statement condemning the emptying of the NHTF. “While this bill contains many harmful provisions, most egregious among them is the decision to rescind funding to the Housing Trust Fund. Ending this funding source will negatively impact the lives of millions of extremely low income Americans,” she said.

Rep. Ed Royce (R-CA), a longtime opponent of the NHTF, whose bill, H.R. 574, would prohibit Fannie Mae and Freddie Mac from funding the NHTF as long as the companies are in conservatorship, said that he would rather see these funds go toward reducing the federal deficit than to the HOME program. “While I’m supportive of keeping money siphoned away from the Government Sponsored Enterprises out of the hands of ideological housing groups, I’m concerned about the precedent set by redirecting money from the Trust Fund to other housing programs.”

The National Housing Trust Fund Campaign issued a “Call to Action” after the subcommittee vote on April 29, urging constituents of all the Members of the full House Appropriations Committee to voice their opposition to the raiding of the NHTF. The NHTF Campaign is calling for the removal of any reference to the NHTF in the THUD Appropriations bill. The “Call to Action” makes the following points:

1. The NHTF is the only federal program that provides new money specifically to expand the supply of rental housing that is affordable for extremely low income households. The shortage of rental housing that extremely low income households can afford is the reason so many people are homeless in the United States.

2. The funding for the NHTF is a dedicated source of revenue on the mandatory side of the federal budget, and as such, is not subject to annual appropriations. Funding for the NHTF is based on an assessment of the annual volume of business of Fannie Mae and Freddie Mac. This is a reliable, predictable stream of funding, separate from HUD appropriations. It is not subject to sequestration.

As an appropriated program, HOME has suffered deep cuts in recent years, including cuts dictated by sequestration. Its FY15 appropriation of $900 million is less than half of the FY10 appropriation. The Appropriations Committee should not be managing the sequester...

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Tiny Houses: A Permanent Supportive Housing Model

By Ginger Segel

Thousands of tent cities have sprung up around the country to offer safety and community to groups of homeless people. Many are on church property, many are sanctioned by local governments, and many are supported by non-homeless people. Building small dwellings is a logical next step and several communities have made this leap.

Tiny homes are a progressive approach to delivering housing that is safe, clean and healthy. Tiny home communities are new and increasingly popular model for subsidized permanent supportive housing, and should be a more widely used response to homelessness.

Chronically Homeless Adults and Housing Options

HUD defines a chronically homeless individual as a person who has been homeless for a year or longer, or who has experienced at least four episodes of homelessness in the last three years and has a disability. Many chronically homeless individuals struggle with mental illness and/or substance abuse challenges and many have physical disabilities. In the past many people in this demographic were housed in single room occupancy apartments, essentially bedrooms with shared kitchens and bathrooms, or rooming houses. As these forms of housing have largely disappeared from American cities and towns, this group, which has limited earning potential and high rates of disabilities, has few housing options.

Struggling to respond to modern homelessness since the late 1980’s, communities around the country have explored different housing and shelter strategies. Transitional housing, using an ‘up and out’ of poverty model was popular, offering supports for people to overcome personal challenges and increase their earning potential. However, this approach was unsuccessful for some who cycled through shelters, transitional housing, and back onto the streets.

The current nationally accepted best practice is permanent supportive housing (PSH). This model provides non-time-limited housing with supportive services tailored to individual needs. Some residents use this housing as a stepping stone to other housing options. Others remain, needing community support and services to succeed over time. Physically, most PSH is comprised of apartment buildings with full units, including kitchens and baths, and community and social service space. Often the owner will provide meals, case management, mental health counseling and other services on-site. The capital costs of these buildings can be quite high because they combine extensive non-housing space with full apartments. In some areas it is not uncommon for these projects to cost $250,000 per unit or more to build.

In Washington, state subsidized new construction projects with one-bedroom, studios or SRO’s built since 2009 have averaged $239,396 per unit to develop.

A New Model for Permanent Supportive Housing

It is common for tiny house advocates to cite a very low price tag as a primary benefit of the model. A small dwelling that is not on a permanent foundation and is not conditioned may cost under $5,000 to build.

However, to be more than a temporary solution, a tiny house must have the following characteristics that drive up cost. A tiny house must:

- be large enough for a standard size bed, chair, table, and some storage;
- be conditioned, meaning heated and insulated;
- have electricity;
- have standard ceiling height;
- have full bathrooms and cooking facilities nearby;
- be sustainably built for long term use whether the tenant stays for a short or long time.

A key component of most tiny house models is a community building. Having shared kitchen and/or bathing facilities reduces capital costs, but...
that the optimal size is 15 – 60 people. Communities that are too large are hard to manage. To know your neighbors is important for all thriving communities.

**Development**

Homeless villages tend to evolve organically as homeless people band together for safety, to pool resources, and develop a support structure. Many are sponsored by churches, nonprofits, social service alliances, public agencies, etc. As they become more “permanent” some sort of governance structure, often self-governance emerges. To make the transition to a subsidized village, where public funders require a certain level of accountability and many forms of compliance, a stable and experienced owner/management structure must be present that can demonstrate expertise, systems and capacity to bring the village to fruition and manage it over the long term. Support services must be integrated in a formal and dependable way.

In a typical affordable housing development scenario the sponsor/owner oversees the myriad of tasks from site acquisition, design, securing financing, managing the construction process, securing operating funds, to setting the project up for appropriate operations and any funder compliance practices. In a homeless encampment situation, it is probably rare to have all of this expertise, so it is essential to engage an experienced non-profit affordable housing developer early in the project before too many decisions have been made. That developer can then help to navigate the many regulatory and other requirements and considerations that must be dealt with to have a successful project.

Although SRO and rooming houses were once common, many local building codes no longer allow for this type of development and often tiny houses cannot meet the codes created for apartment buildings or shared houses. The local jurisdiction may have to adopt a code that allows for shared bathrooms and kitchens that are not in the same physical structure as the housing unit and/or allows for smaller minimum dwellings. Projects may need variances or building code changes to address parking, sprinkler, and other requirements.

**Financing: Finding the money to build and operate tiny house villages**

Since residents of tiny home communities are extremely low income and many will likely have no income at all, generally the capital funding must be in the form of grants, not loans, because the project will not generate enough rental income to support debt service. Many public funders are increasingly structuring their subsidy contributions, including HUD HOME and CDBG, as repayable loans, which then remove the optimal sources unless policies are changed.

A project funded by private philanthropic donations without the use of public funds may be constructed more inexpensively and could perhaps use volunteer labor extensively. Volunteers can be more difficult to use in a subsidized housing development. Likewise, an orchestrated mass produced model that is factory built could lower labor costs.

Tiny houses are a viable model for subsidized permanent supportive housing for homeless adults. Tiny house villages are a logical extension of the tent cities that have sprung up across the country, where resourcefulness and ingenuity have come together to create safe communities. The funding is available and land use and building codes can be adapted. Homeless encampments, faith-based and other community organizations, non-profit housing providers, and local jurisdictions can work together to provide a better option than tents and temporary structures.

Ginger Segel has 25 years’ experience in affordable housing. She has worked throughout the state, from very rural to very urban areas, developing senior housing, homeless shelters, transitional housing, permanent supportive housing, housing for people with disabilities, workforce housing and community service centers for many Washington communities.

Community Frameworks is a charitable nonprofit based in Washington State with a mission to support and develop affordable housing and vital communities.

The full Tiny Houses white paper is at http://communityframeworks.org/ws-main/ids-aboutus.php
HUD Report Documents High Levels of “Worst Case Housing”

By Joshua Okrent

According to a report by the U.S. Department of Housing and Urban Development (HUD) released in February, the number of very poor families living in substandard housing and struggling to pay their monthly rent declined between 2011 and 2013, but still persists at high levels. HUD reported in 2013 that 7.7 million very low-income unassisted families in the United States paid more than half their monthly income for rent, lived in severely substandard housing, or both.

HUD’s report finds that housing needs cut across all regions of the country and included all racial and ethnic groups, regardless of whether they lived in cities, suburbs or rural areas. In addition, HUD concluded that large numbers of worst case needs were also found across various household types including families with children, senior citizens, and persons with disabilities.

HUD’s Worst Case Housing Needs: 2015 Report to Congress is part of a long-term series of reports measuring the scale of critical housing problems facing very low-income un-assisted renters with income below 50% of area median income. Based on data from HUD’s most recent housing survey conducted by the U.S. Census Bureau, the number of these “Worst Case Housing Needs” declined from the previous record high in 2011 (8.5 million households) yet remain nearly 50 percent higher than in 2003. HUD’s report found:

- Worst case needs affect very low-income renters across racial and ethnic groups. The prevalence of worst case needs among such renters during 2013 was 44 percent for non-Hispanic Whites and Hispanics, 35 percent for non-Hispanic Blacks, and 42 percent for others. The rate decreased between 2011 and 2013 for non-Hispanic Whites, non-Hispanic Blacks, and Hispanics, but not for others.

- Worst case needs also affect all types of households. In 2013, 2.8 million families with children, 1.5 million elderly households without children, 2.7 million other “nonfamily” households (unrelated people sharing housing), and 0.7 million “other family” households experienced worst case needs.

- The vast majority (97 percent) of Worst Case Housing Needs are caused by a severe rent burden—paying more than half of a household’s income for rent. Inadequate housing caused only three percent of worst case needs.

Government housing assistance programs significantly reduce worst case needs and homelessness but are not available for all those who need assistance. Nationwide, approximately one in four very low-income households receive some form of rental assistance.

“This report demonstrates the profound difficulties felt by millions of households struggling to pay their monthly rent declined between 2011 and 2013, but still persists at high levels. Photo courtesy of YAYA, Yakima WA.

The number of very poor families living in substandard housing and struggling to pay their monthly rent declined between 2011 and 2013, but still persists at high levels. Photo courtesy of YAYA, Yakima WA.

Read the entire report at www.huduser.org/portal/publications.
At the end of April, REACH CDC announced the completion of the preservation of Towne Square Apartments located in Washougal, WA. Towne Square is comprised of 40 affordable homes for low-income families and strengthens REACH’s mission of providing safe, decent and affordable homes in Washington and Oregon.

Originally built in 1977 with funding from USDA Rural Development, Towne Square was nearing the end of its rental subsidy contract, which would have resulted in the loss of critically needed units of affordable housing in Clark County. In order to preserve and maintain much-needed affordable homes for senior and disabled citizens, REACH purchased the project in September 2014 and began substantial renovations.

Designed by Carleton Hart Architecture, renovations included ADA accessibility upgrades; improvements to the siding, windows, and energy efficiency enhancements to the heating and ventilation systems; addition of community space and play area; and upgrades to individual units. The development team included REACH CDC, LMC, Inc., Carleton Hart Architecture, and the Housing Development Center.

The $7 million dollar acquisition and renovation project was financed with 4% Low Income Housing Tax Credits from the Washington State Housing Finance Commission (WSHFC), equity from Raymond James Tax Credit Funds, Inc., State of Washington Department of Commerce Housing Trust Fund, Clark County HOME Investment Partnership, Wells Fargo, NeighborWorks® America, NIKE. Permanent financing is being provided by North Cascades Bank through the Washington Community Reinvestment Association (WCRA). Congresswoman Jaime Herrera Beutler provided assistance on obtaining final approvals needed from the office of USDA Rural Development.

“We are very pleased that we could be part of such an important housing project for Washougal and Clark County,” said Karen Miller, WSHFC chair. The Commission issued a bond for $3.55 million and allocated federal housing tax credits worth $1.76 million to help REACH fund the renovation project. “By not only keeping these homes affordable but also bringing them up to date, REACH has made a major contribution to the local community.”

“Preserving Towne Square was a mission-critical project for us,” says CEO Dan Valliere. “We’re pleased to have the ability to preserve homes in Washington for low-income families, many of whom would’ve been displaced with nowhere else to go. Keeping this project affordable is essential in today’s tight rental markets.”

For 33 years, REACH has built innovative and affordable housing for low-income families and individuals in the Portland metropolitan region. In 2013, REACH acquired Washington’s Affordable Community Environments as a subsidiary corporation. REACH develops and manages affordable housing and provides supportive services to residents, as well as free home repairs to senior homeowners. Today, REACH’s portfolio includes 1,892 units including single family homes, apartment buildings, and mixed-use developments located in Oregon and Washington. REACH has won numerous state and national awards for its creative approach to building healthy communities and its innovative housing projects.

Learn more about REACH at http://reachcdc.org
Seven Affordable Housing Projects Awarded Tax Credits

By Margret Graham

Developers and nonprofit organizations will create or renovate seven projects with a total of 457 affordable homes across the state, thanks to almost $67 million in tax credits approved in May by the Washington State Housing Finance Commission (WSHFC).

“Welcome to be part of creating and renovating these affordable homes, which will not only help individual households but also create jobs and enhance communities across the state,” said WSHFC chair Karen Miller.

Five of the projects will add affordable apartments along the I-5 corridor of Western Washington and another will renovate 141 apartments for seniors in Yakima. Also, the Suquamish Tribe will build 12 new single-family homes on the Port Madison Indian Reservation in Kitsap County, which will later transfer to homeownership.

Olympia Mayor Stephen Buxbaum attended the Commission meeting to speak in support of Olympia Commons, a proposed affordable apartment building in downtown Olympia.

Thanks to a compromise between the city and the developer, the nonprofit Low Income Housing Institute (LIHI), the 43-unit building will be located several blocks away from its original planned site. The building will provide housing for homeless veterans, young adults and disabled persons.

“Our staff have worked very collaboratively with LIHI to maximize the public benefit of this project,” said Mayor Buxbaum. “The change of location is not only good for the residents of the new building, but it also fits very well with our long-term strategic plan for downtown.” The Commission approved a waiver to allow the site change, as required by policy.

All seven projects below were funded after successfully competing for Low-Income Housing Tax Credit allocations in the 2015 round. The Low-Income Housing Tax Credit helps affordable-housing developers raise capital for new buildings and renovations by selling the credits to investors. (The dollar amount is the estimated tax credit equity over ten years.)

- Kitsap County: Totten Housing Development, NE Totten Rd. & NE Ditto Lane (Suquamish Tribe; $1.6 million estimated tax-credit equity). The Suquamish Tribe’s first tax-credit project, these 12 new single-family homes on the Port Madison Indian Reservation will transfer to traditional homeownership after the 15-year financing period ends. The development is close to the tribe’s new early-learning, fitness and youth center.

- Seattle: Seventh & Cherry Supportive Housing, 710 Cherry Street (Plymouth Housing Group; $11 million estimated tax-credit equity). These 79 apartments for the chronically homeless are augmented by 24-hour staffing and services for residents, near medical clinics, social services, and transportation.

- Shoreline: Compass at Ronald Commons, 17839 Aurora Ave. N. (Compass Housing Alliance; $11.8 million estimated tax-credit equity). The Ronald United Methodist Church is partnering with Compass Housing Alliance and Hopelink to create a new facility 59 new apartments on the church’s property in the Richland Highlands. Hopelink will relocate its Shoreline Service Center and food bank to the new building as well.

- Tacoma: Bay Terrace Phase II, 2550 South G St. (Tacoma Housing Authority; $14.4 million

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By Aaron Long

In the ongoing effort to end veteran homelessness, the U.S. Departments of Housing and Urban Development (HUD) and Veterans Affairs (VA) have announced nearly $65 million to help more than 9,300 homeless veterans find a permanent place to call home. The rental assistance, announced April 20 in Seattle by visiting HUD Secretary Julian Castro, is provided through the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program which combines rental assistance from HUD with case management and clinical services provided by VA.

On April 20th, while speaking at Compass Housing Alliance’s new Compass on Dexter apartments, Secretary Castro announced $297,333 for 44 new VASH vouchers awarded to Seattle Housing Authority and $609,888 for 80 vouchers for King County Housing Authority. Republican Rep. Dave Reichert and Democrat Rep. Denny Heck joined Castro in announcing the grants.

“Our nation has a sacred responsibility to support the brave men and women who served with honor, courage and distinction,” said Secretary Castro. “These vouchers will help thousands of veterans start a new chapter in their lives and build for the future. We look forward to partnering with communities to ensure that every veteran can secure this opportunity and have a place to call home.”

The money comes from the HUD-VA supportive housing program. It has provided rental assistance to more than 88,000 homeless veterans since 2008.

The President’s 2016 proposed budget (see article page 3) includes an allocation of special vouchers for homeless vets who were not honorably discharged. “This is a welcomed budget addition for homeless vets and housing providers,” stated Sharon Lee, LIHI executive director, “as many vets have been screened out from receiving housing assistance. The special vouchers will cover gay and lesbian soldiers who were caught under the old military’s policy of ‘don’t ask, don’t tell,’ as well as the many who were discharged for violations, health reasons or drug possession.”

Since 2008, more than 69,000 vouchers have been awarded and over 88,000 homeless veterans have been served through the HUD-VASH program. Rental assistance and supportive services provided through HUD-VASH are a critical resource for local communities in ending homelessness among our nation’s veterans.

The National Alliance to End Homelessness reports a 10.3% decrease in veteran homelessness from 2013 to 2014, and a 33% decline since 2010, including a 40% drop in the number sleeping on the street.

“The Department of Veterans Affairs, Housing and Urban Development and our federal and local partners should be proud of the gains made reducing veteran homelessness,” said VA Secretary Bob McDonald, “but so long as there remains a veteran living on our streets, we have more work to do. The vouchers made available today are a vital tool to making sure veterans across the country have a home.”

In the HUD-VASH program, VA medical centers assess veterans experiencing homelessness before referring them to local housing agencies for these vouchers. Decisions are based on a variety of factors, most importantly the duration of homelessness and the need for longer term, more intensive support in obtaining and maintaining permanent housing. The HUD-VASH program includes both the rental assistance the voucher provides and the comprehensive case management that VA medical centers offer.

Veterans participating in the HUD-VASH program generally contribute no more than 30 percent of their income toward rent. VA offers eligible homeless veterans clinical and supportive services through its medical centers across the U.S.
Mayor Murray Announces Goal of 20,000 Affordable Housing Units

On July 13 The Housing Affordability and Livability Agenda (HALA) committee’s released a plan which contains more than 60 recommendations that will allow the building and preservation of 50,000 housing units over the next 10 years within the city limits, 20,000 of which must be income-restricted affordable units for individuals and families making 80 percent of the area median income (AMI) and below. At the centerpiece of the plan is a compromise between developers and affordability advocates that includes mandatory inclusionary zoning. It also includes a scaled-back linkage fee that will be levied on new commercial development and used to fund affordable housing development. Seattle Mayor Ed Murray asked the committee to develop specific proposals to meet his new goal for both income-restricted affordable and market-rate units to be created over the coming decade.

“Seattle is facing a serious lack of affordable housing options that displace families and people in this city,” said Murray. “Seattle’s minimum wage workers have gotten a raise as a part of our broader affordability agenda. We need to make sure that those who work in Seattle can afford to live here.”

HALA was formed by Mayor Murray in the fall of 2014 to develop policy recommendations for the city. The committee is made up of 28 housing experts, activists and community leaders.

The full HALA Committee plan can be found at http://murray.seattle.gov/housing/

Homelessness Declines Nationally, but Lack of Affordable Housing Threatens Progress

During a period of economic growth for the nation when unemployment decreased in nearly every state, the rate of homelessness fell by just 2.3 percent, and the number of people at risk of homelessness has yet to return to pre-recession levels according to “The State of Homelessness in America 2015” report from the Homelessness Research Institute.

Though national data show that targeted funding for homeless programs is reducing homelessness, the number of low-income people living in doubled-up situations with family and friends is growing, and the number of poor renter households who must pay more than 50 percent of their income toward housing remains at a historic high, demonstrating that the affordable housing crisis is threatening progress.

“Communities have worked hard to take advantage of the improvement in the economy, and we have reduced the number of people who experience homelessness,” said Nan Roman, president and CEO of the National Alliance to End Homelessness. “This is good news, but the increase in rents is outpacing what low income people earn, leaving a growing number of people at risk of homelessness in the future.”

The report examines national and state trends in homelessness, risk of homelessness, and the assistance that is available for people experiencing homelessness.

Overall homelessness declined 2.3 percent from 2013, during the economic recovery, with 37 states, including Washington, DC, and territories, showing declines, but homelessness increased in 23 states.

The risk of homelessness is not declining despite the recovery from the recession. 7.7 million people were living with family and friends in 2013, an increase of 67 percent since 2007. There were 6.4 million poor households paying most of their income on housing in 2013, an increase of 25 percent since 2007.

The nation is in the midst of a shift toward Housing First interventions like permanent supportive housing and rapid re-housing, with rapid re-housing capacity nearly doubling from 2012 to 2013 – from about 20,000 to 38,000 beds.

On a given night, about 154,000 more people were experiencing homelessness than there were beds available to assist them.


Housing Development Center Completes Washington State Affordable Housing Portfolio

The Housing Development Center’s Asset Management Services worked
with the Washington State Department of Commerce and Washington State Housing Finance Commission (WSHFC) to plan for the future capital needs of Washington’s affordable housing portfolio. HDC completed a study of the portfolio’s capital needs, and funding strategies available to meet those needs, and presented those findings to WSHFC on March 26.

HDC partnered with Walsh Construction Co. to develop and implement a model for estimating the capital needs of Washington’s affordable housing portfolio. This process involved reviewing more than 100 Capital Needs Assessment studies, collecting surveys from borrowers and using cost estimates from Walsh Construction. With this information HDC estimated the physical condition of 650 properties that were in service for more than 10 years and were funded with Low Income Housing Tax Credits and with the Washington State Housing Trust Fund. HDC estimated the ability of projects to self-fund needed repairs over the next five years, as well as new dollars needed to sustain the properties, which provide affordable homes for roughly 38,000 low-income families and individuals across the state of Washington.

In brief, HDC’s study found that Washington will need about $201 million in gap dollars to sustain its affordable housing portfolio over the next five years, with only 4% of the properties in the study universe having adequate replacement reserves to cover costs. Not surprisingly, age of property was the strongest correlation to capital needs, and for each additional bedroom, the average capital needs per unit increased 34%. In addition to estimating the capital needs of the properties studied and the financial capacity of owners to meet those needs, the report addresses strategies for funding the estimated resource gap and preserving the state’s investments in affordable housing.

Download PDFs of the report at www.housingdevelopmentcenter.org.

Supreme Court Discrimination Case
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United States, and the government should be equipped to hold accountable those who practice it. However, disparate impact is ineffective and unfair, and will ultimately harm those it is intended to protect,” said David Hirschmann, president of the U.S. Chamber of Commerce’s Center for Capital Markets Competitiveness.

Hirschmann welcomed what he called “severe limitations” imposed by the court on what kind of claims can be made. Justice Samuel Alito wrote in a dissenting opinion that the ruling will “have unfortunate consequences for local government, private enterprise, and those living in poverty.”

Alito cited an earlier case in which he classes a city’s good faith attempt to fix “deplorable housing conditions” for renters was subjected to a legal challenge under the theory.

National civil rights groups had tried to keep the issue away from the conservative-leaning high court. In the past three years, two other cases that raised the same question about the scope of fair-housing law were taken up by the high court but settled with the help of the rights groups before the justices could rule. Under Chief Justice John Roberts’ leadership, a five-justice conservative majority previously had curtailed remedies for race discrimination in a series of cases involving federal voting rights, promotion tests for firefighters and integration plans designed to balance out whites and blacks throughout a school district and offset segregated housing. “The way to stop discrimination on the basis of race is to stop discriminating on the basis of race,” Roberts wrote in 2007.

The case is Texas Department of Housing and Community Affairs v. Inclusive Communities Project, U.S. Supreme Court, No. 13-1371.

House Appropriations Bill
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cuts to HUD programs by raiding mandatory funds that have a dedicated purpose.

3. Neither the NHTF nor HOME are funded anywhere near what is required to address the unmet housing need.

National Low Income Housing Coalition President and CEO Sheila Crowley released a statement on the Subcommittee’s diversion of all of the NHTF funds on April 28, the day the House released its draft THUD bill. “The House THUD bill released today expresses a callous disregard for the plight of millions of Americans who labor in the low wage workforce and still cannot find modest housing they can afford to rent,” Ms. Crowley said.

The NHTF Call to Action is at http://nlihc.org/article/take-action-bill-zeroes-out-nhtf-funds.
Eight in Ten Extremely Low Income Working Households Face Severe Housing Cost Burden

By Joshua Okrent

In March, the Center for Housing Policy at the National Housing Conference released: Housing Landscape 2015: An Annual Look at the Housing Affordability Challenges of America’s Working Households. Working households are defined as those with members working an average of 20 hours per week with income of no more than 120% of the area median income (AMI). In 2013, 21% of working households spent more than half of their income on housing costs, making them severely cost burdened. While the share of working households with a severe housing cost burden fell from 24% in 2010 to 21% in 2013, many of the lowest income households still faced unaffordable housing costs.

While economic conditions have been improving nationally, many American workers are still struggling to make ends meet. Even as wages begin to rise, a significant number of households struggle to find homes they can afford. For millions of individuals and families, housing costs account for more than half of their monthly gross income, meaning they are severely housing cost burdened. Spending a disproportionate share of income on housing can leave too little for other necessities like food, health care, transportation and child care. Households burdened by high housing costs also spend less on non-essential goods and services in their communities, which can curb economic growth both locally and nationally.

Among working renter households, the share facing a severe housing cost burden fell from 25.6% in 2010 to 25% in 2013. This slight reduction is attributed to incomes rising faster than housing costs for this group between 2010 and 2013. Over this three-year period, median incomes for working renters grew by 6.7% while median housing costs rose by 4.9%. The percentage of working homeowners with severe housing cost burden fell from 22% to 17% between 2010 and 2013 due to median housing costs decreasing by 7.2% while median incomes grew by 6.1%.

In 2013, more than one out of every five working households spent more than half of their income on housing costs. However, the nation’s lowest income working households face the most severe challenges. These households include many workers who serve local communities in minimum wage or part-time jobs, including service, agriculture or low-wage manufacturing positions. In 2013, 62 percent of workers earning minimum wage or less were women, half were age 25 or older, and 64 percent were part-time employees.

Non-white working households were more likely to face a severe housing cost burden than white working households. Among white working households, 18.4% were severely cost burdened, compared to 24.7% of black, 25.2% of Hispanic, and 28.1% of Asian or Pacific Islander households. For black and Hispanic households, the authors conclude that lower household incomes contributed to higher rates of severe cost burden. On the other hand, Asian and Pacific Islander households had higher median incomes than white households, but tended to live in areas with high housing costs, contributing to their high rates of being severely cost burdened.

The percentage of severely cost-burdened households varied by income as well as by race and ethnicity. Only 11.6% of low-income working households, households with incomes between 51% and 80% of AMI, were severely cost burdened. In comparison, nearly eight out of ten (78.9%) extremely low income (ELI) working households were severely cost burdened. ELI households have incomes of no more than 30% of AMI.

In Washington state, the share of households spending 50 percent or more of their income on housing was 19.9% in 2013, a decrease of 1.8% from 2010.

Affordable Housing for Spokane’s Poor
Woefully Scarce

By Shawn Vestal

For every 100 of Spokane County’s poorest residents – those who earn 30 percent or less of the median family income – there are 12 affordable apartments for rent.

But take heart. Things are getting better.

By 2019, that number is expected to climb to 13.

These are the conclusions of a new state report that illustrates the gap between need and availability when it comes to affordable housing in Washington. The report, prepared by the Department of Commerce, concludes that 36 percent of all Washingtonians are “cost-burdened” – paying more than 30 percent of their income on housing. Fifteen percent spend more than half their income on housing.

The gap in Spokane County is larger than the statewide average. A separate report focusing on the city of Spokane, prepared by a Gonzaga law student, concludes that around 6,000 households that could qualify for housing vouchers or subsidized housing aren’t receiving them, in part because of significant program cuts in recent years. Countywide, this figure is 16,000.

The author of the report on the city, Matthew Cardinale, concluded that Spokane has “a significant and growing affordable housing crisis, especially for low-income households making $15,000 per year and below.”

His report proposes several policy changes, including adjusting the property tax exemption to encourage more low-income rentals.

Cardinale started the report while working as City Councilwoman Candace Mumm’s assistant, and the project was supervised by a city attorney and law school professor. It is now being discussed by policymakers and officials at City Hall.

“Where we need more of is income-based housing for people who can’t afford market rate rentals,” he said. “They don’t need a case manager. They just need a place that is affordable, that is safe and up to minimal standards.”

It’s not clear what proportion of Spokane’s “extremely low income” population is homeless and in need of more extensive services, and how many primarily need just housing. But the need for the latter was highlighted in February 2014, when the Spokane Housing Authority opened up its waiting list for housing vouchers. More than 4,000 people applied for 2,000 spots on the waiting list.

Cardinale’s report tracks the gap between the number of needy Spokane residents and the programs available to help them. According to 2012 Census Bureau figures, there are 14,820 families in the city earning $15,000 or less. That includes 8,331 households whose annual income was below $10,000.

But there are just 6,364 subsidized housing units in the city, and 2,391 federal vouchers. That leaves more than 6,000 households that could be “cost-burdened,” homeless or living in substandard housing, Cardinal concludes.

Cindy Algeo of the Spokane Low Income Housing Consortium said that countywide around 28,000 families earned $15,000 or less in 2012, and about 12,000 of them received subsidy or voucher help. “What about the other 16,000?” she said. “We don’t know about the other 16,000.”

Some are homeless. Some are paying hefty proportions of their incomes for rent. What’s certain, advocates say, is that there is a big gap between the need and the help.

Cardinale’s report is intended to encourage the City Council to...
Seattle Attempts to Keep Addicts Out Of Jail

From the Associated Press. Edited by Joshua Okrent

Gailen Lopton was in a downtown alley two weeks ago, having a buddy jab him in the neck with a heroin-filled syringe, when he suddenly found himself in the company of Seattle’s finest.

The police officers weren’t looking to lock him up, though. Instead, they offered him a chance to enroll in a first-of-its-kind program called Law Enforcement Assisted Diversion, aimed at keeping addicts and prostitutes out of jail and in housing, counseling, job training or even yoga — whatever services they need.

Organizers have had good feelings about the project since it launched in 2011, and a University of Washington study released in April backed up their work. The study found “statistically significant reductions in arrests and felony charges” for LEAD participants compared with a control group. Participants were up to 60 percent less likely to be arrested than a control group, the evaluation found. The results are so encouraging that advocates say it should prompt reconsideration of President Barack Obama’s call for an expansion of drug court programs and a hard look at replicating Seattle’s effort nationwide, as some cities are doing.

LEAD’s approach recognizes that law-enforcement policies have to better reflect real-world circumstances, said Lisa Daugaard, policy director of Seattle’s nonprofit Public Defender Association, who was among those who set up the program. LEAD is attracting attention, she added, because it is at the intersection of people looking for better drug policies and better police-community relations. “This is a big deal — bigger reductions than are seen in almost any criminal justice interventions,” said Daugaard. “This makes the case for ‘system as usual’ processing, even with drug courts, very weak.”

Unlike with many drug courts or other programs, participants aren’t threatened with jail time or with being kicked out if they relapse.

For years, communities have been seeking alternatives to the revolving-door justice of the drug war. Santa Fe, New Mexico, launched a program modeled on Seattle’s a year ago, and Albany, New York, plans to start its version next year. Dozens of other cities, including San Francisco, Atlanta, Houston and Portland, Maine, have expressed interest. George Soros’ Open Society Foundation announced in April that it would give five jurisdictions up to $200,000 each to help them copy it.

In Seattle, which led the way in providing housing where chronic alcoholics can drink, saving millions on emergency response and hospital costs, police, prosecutors, defense attorneys, city officials and community groups came together to launch the program.

Open Society, the Ford Foundation and others provided a budget of $800,000 a year for four years. The city matched the annual contributions over the past two years and is trying to figure out how to pay to expand it. A cost-benefit analysis is due later this spring.

“Now that we know it works, I think the interest in this is going to just explode,” said Gabriel Sayegh, managing director of policy and campaigns at the New York-based Drug Policy Alliance, which is affiliated with Soros.

Between October 2011 and July 2014, Seattle police helped 203 people enroll, the study said. Most had just been arrested; others were suspected of recent drug or prostitution activity. Instead of being booked, they were referred to a case manager. Many were provided motel rooms, groceries, clothing, drug treatment and job training.

Some were placed in yoga classes or given art supplies — “any service that could clear whatever roadblocks are in the way for somebody to make behavioral changes,” Daugaard said.

Police determined eligibility: no serious violent crimes in the past, no exploiting minors in a drug-dealing enterprise, no drug dealing for profit above a subsistence level, among other criteria.

In a May statement on initiatives for improving policing in the U.S., the White House praised Seattle’s program as “an innovative arrest diversion program” that helps reduce crime and “improve the relationship between the police and the people they encounter on the streets.”

The White House has signaled overhauling criminal justice will be on President Barack Obama’s agenda in his remaining time in office. Among other things, in mid-July Mr. Obama
committed the sentences of 46 lower-level drug offenders and became the first sitting president to visit a federal prison.

In July, the White House hosted a gathering to discuss the LEAD program with about 200 participants, including mayors, police chiefs and others from cities from San Francisco to Albany, N.Y. The conference was called to discuss applying “the principles of LEAD to drug addiction and mass incarceration problems” in local communities, said Cecilia Muñoz, an assistant to the president, in an opening statement.

Learn more about the LEAD program at http://leadkingcounty.org/

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**Seven Projects Awarded Tax Credits**

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estimated tax-credit equity). These 74 new apartments make up the second phase of Tacoma Housing Authority’s investment to replace deteriorated, substandard housing in the Hilltop neighborhood. The new development is working closely with the local school district to tie the housing to educational achievement.

- **Olympia:** Olympia Commons, 318 State Ave. NE (Low-Income Housing Institute, $8.3 million estimated tax-credit equity). The City of Olympia agreed to sell city-owned land for $100,000 to LIHI for homeless and special-needs households.
- **Marysville:** Twin Lakes Landing, 164th Street NE (Housing Hope; $7.4 million estimated tax-credit equity). This new complex of 50 apartments for families in Smokey Point is unique for its use of modular construction elements to save costs without compromising quality. It will also include large meeting spaces for employment services, life-skills classes and other services to help residents escape poverty.
- **Yakima:** Sun Tower, 6 North 6th St. (Carmel Senior Housing Inc.; $12.5 million estimated tax-credit equity.) These 141 apartments for seniors will be both renovated and preserved as affordable housing for several more decades thanks to this financing. Sun Tower is one of very few affordable housing projects in the state that offer both independent and assisted-living apartments in the same building.

The Washington State Housing Finance Commission is a publicly accountable, self-supporting team that brings private investment dollars to benefit families and achieve public goals throughout Washington.


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**Affordable Housing in Spokane**

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consider policy changes, including changing the property tax exemption for multifamily developments.

Right now, those exemptions can go to developments that set aside 20 percent of their rental units for people making 50 percent of the region’s median income. Property taxes are waived for 12 years for developments that qualify. The City Council lowered those levels a couple of years back, but Cardinale believes they’re still too high, and would like to see specific requirements for inclusion of units for people earning 30 percent of the median.

His report mistakenly concludes that the city is subsidizing rentals that are above market rate, based on a misreading of a very easily misunderstood city statute. But the error does not change his view that the city needs to refocus the tax breaks.

“We need to target 30 percent,” he said. “That’s where the need is.”

Also among his proposals: requiring affordable housing impact statements to be prepared for legislation that affects housing; and adopting inclusionary zoning rules requiring affordable units in developments of 25 units or more.

However far his proposals go, Cardinale’s 116-page report is a valuable record of the state of housing costs for the thousands and thousands of Spokane families who live far below the region’s median standard of living. He did the work in part as a requirement for a scholarship, but said it wound up taking him months to complete.

“It was kind of like having a child,” he said. “I didn’t really anticipate how much work it was going to be until it was already too late.”

Information for this article came from The Spokesman-Review. Reporter Shawn Vestal can be reached at shawnv@spokesman.com.
2016 NLIHC Policy Forum in Washington, DC

The Annual NLIHC Policy Forum takes place April 3-5, 2016 at the Washington Court Hotel in Washington, DC. The 2016 theme is “Overcoming Housing Poverty, Achieving Housing Justice.”

For more information and registration visit www.nlihc.org/events/forum

Housing Washington in Spokane, WA

The 22nd Annual Housing Washington Conference takes place October 5-7 at the Spokane Convention Center. Housing Washington is a nationally recognized annual conference on affordable housing—a dynamic forum for learning, discussion, networking and collaboration. This event features a lively sponsor showcase, top-notch speakers and program including Friend of Housing awards and exciting special events.

For more information and registration visit http://www.wshfc.org/conf/

NHC Releases Report on Veterans Housing

The National Housing Conference (NHC) has released a new report that examines the housing options and supportive services currently available to veterans. The report offers policy recommendations to better serve three distinct veteran populations: older adult veterans, female veterans and post-9/11 veterans. The report finds that the needs of these three veteran populations vary, and that traditional affordable housing programs alone are not always sufficient for each population.

Download the report at: www.nhc.org/VeteransHousingReport_final.pdf