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WHAT'S INSIDE:

Federal Update	2
\$1 Billion Bond Measure	4
Workshops-Seminars	4
Job Opportunities	5

HDC Board Meetings

• **Wednesday, November 2**
9:00 am - 10:30 am
AHW, 2014 E. Madison

• **Wednesday, December 7**
9:00 am - 10:30 am
AHW, 2014 E. Madison

HDC Monthly Meetings

• **Friday, October 14**
Noon - 1:30 pm
28th Floor Board Room
WSHFC, 1000 2nd Avenue

• **No regular November meeting**
due to retreat.

• **ANNUAL MEETING**
Friday, December 16
Noon - 1:30 pm
28th Floor Board Room
WSHFC, 1000 2nd Avenue

For more information, contact
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**Prosperity Partnership
Sets Priorities**

Last year the Puget Sound Regional Council rounded up key business, government and nonprofit leaders in the region and kicked off a new effort—the Prosperity Partnership—to position Puget Sound in the world economy. Various committees have worked since then to develop a work program for implementation by the partners. HDC joined as a partner, and has participated in creating the activities for the nonprofit sector.

The Partnership's first year product—A Regional Economic Strategy for the Central Puget Sound Region—is now available on the website: www.prosperitypartnership.org. See the summary of the 18 action items for the coming year, attached to our newsletter. Action Initiative 9 is: "Pursue the resources and regulatory changes necessary to provide **adequate, affordable housing** close to jobs for workers at all wage levels."

At the Partnership's November 7 luncheon attended by 800 business, nonprofit, and governmental representatives, PSRC's executive director Bob Drewel announced three major efforts for the 2007 state legislative session:

1. Developing a consensus higher education reform proposal to increase high quality bachelor degree production across the state, possibly with more campuses and with more focus on engineering, science and mathematics programs.
2. Developing a consensus tax reform proposal, starting with the Gates commission recommendations.
3. Working for further transportation funding in the Puget Sound region—above the previous increment in the gas tax (even if Initiative 912 passes, eliminating that increment).

Gov. Gregoire eloquently elaborated on these priorities, along with speakers from Microsoft, Boeing, and Pres. Emmert from the University of Washington.

State Legislature

What to look for in the 2006 session

2005 was a banner year for housing. Working with our partners in the **Washington Low Income Housing Alliance** and the **Washington State Coalition for the Homeless**, HDC saw victories on many legislative priorities. The Housing Trust Fund reached \$100 million and a new funding source was created using document recording fees, just to name a few successes. What can we expect from the 2006 session?

The Lay of the Land: The State Legislature

2006 will have a "short session." Having established its biennial budget in the 2005 session, the legislature will meet for less time, and will only re-open select portions of the budget for supplemental funding changes. Because the state expects a budget surplus, there are funding opportunities to be had. However, there will be many voices clamoring for a piece of that surplus, and those that win additional funding will most likely be those that can most clearly and broadly demonstrate their need and their capacity.

Continued on page 3



On 11/04/2005, HDC members gathered at Salty's on Alki for the first in a series of "Future of The Field" Retreats. Please watch for a detailed discussion of HDC's next steps in the December issue of HOUSINGnews as we move forward in our development of a shared vision of the future for affordable housing.

Federal Update

GSE Bill Passes House, Not Without Problem

Source: NLIHC Memo to Members 10/28/2005

On October 26, the House of Representatives passed H.R. 1461, the Federal Housing Finance Reform Act by a vote of 331-90. The bill passed in spite of stark opposition to a provision left in the bill disqualifying nonprofit organizations from participating in the new Affordable Housing Fund if the groups have engaged in voter registration, get-out-the-vote, or other nonpartisan voter participation activities. The provision would disqualify any organization that has engaged in voter registration, voter identification or get-out-the-vote activity in the previous year; organizations that have engaged in certain forms of lobbying or grassroots lobbying during the same period; and any organization that is "affiliated," a term defined very broadly, with any organization that engages in prohibited voter participation or lobbying activities.

While the bill includes the Affordable Housing Fund to provide grants to support work of nonprofit organizations that provide the bulk of housing services for low income families, the opposed provision prohibits grantees from using even their own funds to encourage citizens to exercise their right to vote – and would retroactively penalize organizations that have done so in the past 12 months, even if they no longer do when applying for grants.

Many voices spoke out against the inclusion of this language in the final bill. The National Low Income Housing Coalition sent a letter, signed by 690 organizations from around the country, to the House of Representatives in opposition of the provision. The GSE bill now awaits consideration by the Senate Banking, Housing, and Urban Affairs Committee.

Budget Impacts from Hurricane Katrina

Sources: NLIHC Memo to Members 10/28/2005 and 11/04/2005

The House of Representatives is expected to take up the fiscal 2006 Commerce-Justice-Science appropriations bill this week after conferees reached agreement 11/4/2005. The bill will not include funding for emergency vouchers. On September 8, Senator Paul Sarbanes (D-MD) successfully attached an amendment to the CJS appropriations bill to appropriate \$3.5 billion for emergency assistance housing vouchers and for assistance to current Section 8 housing voucher recipients displaced by Hurricane Katrina. According to NLIHC, this amount would have funded vouchers for approximately 360,000 displaced households. House conferees were successful in keeping the provision out of the final bill. House appropriators opposed those funds in the C-J-S measure because most of the money would go to programs administered by the Department of Housing and Urban Development, which is not funded under the bill.

On October 28, the White House sent two requests to the House of Representatives concerning funding for hurricane recovery. The first request is to reallocate \$17.1 billion of the \$62.3 billion already appropriated by Congress for FEMA Katrina disaster relief. \$2.2 billion of the \$17.1 billion is to go to HUD for the following purposes:

- \$1.5 billion for CDBG to assist states in providing housing, infrastructure, and other needs related to rebuilding communities.
- \$50 million for SHOP for land acquisition and other activities to provide 2,000 housing units for low income families and to facilitate the new urban homesteading program.
- \$70 million for HOME for construction and rehab of 4,000-4,500 housing units, with considerable waivers.
- \$390 million for vouchers for 65,000 HUD assisted households and previously homeless people for six months (KDHP).

- \$200 million for Urban Homesteading program utilizing HUD foreclosed properties.

The request also provides for flexibility for use of funds under the control of PHAs. The reallocation request also directs \$105 million to USDA rural housing programs and \$500 million to the Social Services Block Grant at HHS to provide social services to displaced people.

The second request was to rescind unobligated, previously appropriated funds from 55 "lower-priority" federal programs for a total of \$2.3 billion to be dedicated to Katrina relief. \$130 million would be rescinded from HUD programs: \$100 million from Section 811, \$24 million from CDBG, and \$6 million from Section 108.

Senate Increases HUD Funding for 2006

Source: CQ Daily 11/2/05

The U.S. Senate passed the Transportation Treasury HUD (TTHUD) Fiscal Year 2006 appropriations bill (H.R. 3058), by a vote of 93 to 1 on October 20, as well as named its conferees on the bill, including **WA Senator Patty Murray**. The Senate-passed measure gives \$38.9 billion to the Department of Housing and Urban Development (HUD) for FY06, compared with \$37.7 billion in the House version. This is a \$2.9 billion increase in HUD funding over the fiscal year 2005 level.

The bill includes \$15.6 billion for Section 8 tenant assistance, \$1.9 billion for the HOME program, and \$3.55 billion for the public housing operating fund. The Senate rejected the Administration's proposals to eliminate the Community Development Block Grant Program, instead appropriating \$3.8 billion for CDBG. However, an amendment asking for \$3.1 billion more for the Low Income Home Energy Assistance Program introduced by Senator Patrick Leahy was rejected 53-46. The amendment to boost the funds failed when lawmakers could not waive the Budget Act, which requires 60 votes.

The House and Senate conference committee for the TTHUD appropriations bill is scheduled to meet on November 10. The House has not appointed conferees as of yet, but will need to do so soon in order to work out the differences in the two bills prior to the November 18 expiration of the continuing resolution.

Tax Reform Recommendations— Eliminate Low Income Housing Tax Credit and Mortgage Interest Deduction

Source: <http://www.nalhfa.org/>

On November 1st, the President's Advisory Panel on Tax Reform released its report on changes to the tax code. The report was presented to Treasury Secretary John Snow who said that he will make recommendations to the President by the end of the year. The

Continued on page 5

HOUSINGnews!

A publication of the Housing Development Consortium
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The Housing Committee, in the House of Representatives, will continue to be a focal point of our attention. Chaired by Rep. Mark Miloscia (D-Federal Way), this committee has been a center of activity since it began in 2005. Over the last 6 months, Rep. Miloscia has held multiple "stakeholder meetings" asking for input from both the affordable housing community and representatives of the private sector, in order to build a better understanding of what the challenges are and what role the state can play in addressing those needs. The meetings have covered a wide range of topics, but have settled on a few themes. First, the need for reliable, empirical data to demonstrate need and target resources. Second, the need for leadership to bring all the players together in order to build a solution that has enough support to stand a chance of succeeding.

HDC has been present at nearly all of these hearings and will continue to play a role in the future.

The Lay of the Land: The Alliance

The Washington Low Income Housing Alliance has gone through a period of intense change over the past 3 years. The merger of the Housing Congress and the Housing Network has forced two similar but divergent cultures to come together, all while the membership as a whole has grown quickly, bringing new blood and new ideas into the mix.

After the Alliance successfully achieved its long-time legislative agenda items in the 2005 session, the Alliance found itself with a "clean slate" for building the 2006 legislative agenda. At the same time the chair of the State Legislative Committee, LaVon Holden of the Vancouver Housing Authority, stepped down. **HDC's Advocacy Director, Ben Gitenstein**, has stepped into that role. The combination of an open playing field and new leadership at the top has pushed the Alliance to find a new process for building a legislative agenda that can be embraced by the entire membership.

The Alliance approached this challenge by frontloading their work on the legislative agenda. Beginning in June of 2005, the Alliance actively sought as many opportunities as possible for members to offer ideas on the legislative agenda. Holding meetings around the state the Alliance built a laundry list of possible legislation. Workgroups met via conference call and in small meetings in order to find which items on the list had enough support to move forward, and finally the membership met at its annual meeting October 27th in order to boil those possibilities down to an agenda. At the meeting champions of legislative ideas pitched their concepts to the group as a whole, the group discussed the issue at hand, and then made a decision as to whether consensus had been reached. If it had, the issue made it onto the agenda. If it hadn't the issue was tabled until it was ready.

The Alliance agenda is divided into two parts: lead items and support items. "Lead Items" are just that, items which the Alliance will spend its resources pushing forward, where the Alliance will carry the responsibility of moving the issue through the legislative process. "Support Items" are those legislative proposals which the Alliance supports, but which another group, or a legislator, is likely to move forward on their own. Some items on the support agenda are meant merely as placeholders in order to authorize the State Legislative Committee to seize opportunities or react to threats as they emerge in the session, while still representing the priorities of the members.

Next Steps: The State Legislative Committee

The State Legislative Committee will work with Alliance staff and the Alliance lobbyist, Nick Federici, to construct a strategy for successfully guiding the agenda through the legislature. This will include educating legislators, building coalitions and using data to demonstrate need.

The coming session looks to have significant opportunities for affordable housing and for the low income families that we serve. Our task is to capitalize on those opportunities in a way that brings short term benefits as well as lasting change.

2006 Legislative Agenda

Washington Low Income Housing Alliance

LEAD ITEMS

- A one time infusion to the Housing Trust Fund.** Seeing that the Housing Trust Fund is oversubscribed and that projects are waiting longer and longer to receive critical funding, the Alliance will seek a new, sizeable appropriation into the fund in order to "clear the pipeline" and to meet emerging needs.
- Inclusionary zoning.** The Alliance will work to clarify state law so that cities and counties have the ability to move forward zoning law changes that will effectively capture some portion of private sector development and redirect it towards affordable housing.
- End abusive one-way leases.** The Alliance will work to level the playing field between tenants and landlords, ensuring that lease agreements grant the same protections and tenure to tenants that they guarantee to landlords.
- Enforce the Mobile Home Landlord Tenant Act.** The Alliance will work to complete the success of last year and implement the recommendations of the state based on a study of violations by mobile home landlords.
- Ongoing support for Weatherization and Energy Matchmaker programs.** The Alliance will work to ensure that the state fully funds these programs in order to capitalize on available private dollars.
- Clarify deed restrictions for limited price homes (community land trust projects).** The Alliance will work to enact changes into the Washington Administrative Code in order to allow county auditors to uniformly set property tax rates for deed restricted properties. This item will not be placed on our official agenda as it does not require legislative action.

SUPPORT ITEMS

- CTED Funding for increased portfolio management and technical assistance.**
- Life Skills Training.**
- Increase the Debt Limit for the Housing Finance Commission.**
- Fully fund the Washington Families Fund.**
- Find new, prudent revenue sources for affordable housing development.**
- Preserve funding for housing and human services.**
- Preserve rights guaranteed by the Landlord Tenant Act.**

Housing Advocacy Day February 2, 2006

Los Angeles—\$1 Billion Bond Measure for Housing

Would Maintain City Housing Trust Fund at \$100 million per year

Source: KnowledgePlex Week in Review 11/2/05

Los Angeles Mayor Antonio Villaraigosa announced plans 10/26 to double the amount of money in the city's affordable housing trust fund and ask voters to approve a \$1 billion bond to provide the fund with permanent income, reported the *Los Angeles Times* and *Copley News Service*. Initially, \$50 million would be culled from other areas of the city budget to bring trust fund reserves to approximately \$101 million, reported the *Times*. According to city officials, the new money could leverage an additional \$250 million from other sources. The funds will be used to develop service-enriched housing for the chronically homeless, which officials hope will cut the costs of providing emergency services or incarcerating the homeless. The announcement comes amid rising concern that gentrification downtown could displace poor people living in single-room-occupancy hotels. The new investment will help address the problem but must be part of a larger program to combat homelessness, said a spokesman for a downtown shelter.

According to a city councilman, the \$1 billion bond measure backed by Villaraigosa would maintain the trust fund at \$100 million annually, reported *Copley News Service*.

Business leaders originally proposed a \$500 million bond measure, funded by increased property taxes, as part of a broader effort to block inclusionary zoning, the article said. But lawmakers and developers attending a recent city housing conference doubled the sum. Although housing advocates lauded the proposal, a taxpayer advocacy group said it would burden homeowners who are already paying a variety of additional taxes. The measure will likely appear on the ballot during statewide elections in June or November 2006. A poll showing strong voter concern about housing suggests the measure could pass, the councilman said.

Workshop-Seminars-Conferences

See www.housingconsortium.org for detailed listings

NOVEMBER 8-9, WASHINGTON, D.C.

Leading America's Investment in Communities, The Enterprise Social Investment Corporation

At ESIC forum industry experts will provide an in-depth look at the forces and trends that are Leading America's Investment in Communities. Featured speakers are James Carville and Mary Matalin. You will be able to network with some of the nations leading developers, community groups and investors. For more information on this forum visit www.enterpriseconferences.org.

NOVEMBER 12, SEATTLE, WA

Third Annual Aging in Place Resource Fair, City of Seattle/Human Services Department

This fair will be held at the Seattle Science Center. There will be vendors and workshops through out the event. For more information please visit: www.seattle.gov/humanservices/aging/ or e-mail: margaret.casey@seattle.gov

NOVEMBER 16, SEATTLE, WA

Panel Discussion: Is Affordable Housing an Oxymoron?

The Northwest Center for Livable Communities is holding a lunch time panel discussion for academics, policy-makers, lenders and designers at the University of Washington. For more information call 206-543-4770.

NOVEMBER 17 SEATTLE, WA and DECEMBER 1, TACOMA, WA
Landlord - Tenant Law in Washington

This seminar covers the essential legal and practical aspects of landlord-tenant law. Presenters are experts in the application of this information in the management of rental property. For more information please call 715-855-0498 or visit www.sterlingeducation.com.

NOVEMBER 29-30 SEATTLE, WA

2005 Not-for-Profit Conference

This conference will cover a broad range of topics in over 10 sessions including internal controls, board training, and regulatory compliance. For more information www.wscpa.org.

DECEMBER 7 SEATTLE, WA

Housing Partnership Workshop

Join the Housing Partnership for the State Power and Local Control: Land Use and Housing in the 2006 Session and Beyond. This workshop will discuss what state government can and might do to promote housing availability and affordability at the local level. For more information contact Michael Luis 425-453-5123 or email mluis@seanet.com.

DECEMBER 15 SEATAC, WA

Housing Partnership Workshop—Filling in the Spaces: Opportunities in Urban Infill Housing

The Housing Partnership is holding a workshop covering the relationship between the GMA and infill housing and the need to promote infill housing to meet fundamental growth management goals. Contact Michael Luis at 425-453-5123 for more information.

FEBRUARY 27-28 WASHINGTON, DC

2006 Annual Housing Policy Conference and Lobby Day

The National Low Income Housing Coalition annual conference and Lobby Day in the Nation's Capital. Registration information will be available December 1 at www.nlihc.org.

Employment Listings from Housing Organizations

See www.housingconsortium.org for more current listings.

Deadline for newsletter posting is 25th of the month.
All prior postings are erased unless the posting organization renews its posting.

Asset Management Program Manager, Housing Development Center

Housing Development Center is seeking a Asset Management Program Manager to provide technical assistance & training to nonprofits to promote the health of their affordable housing portfolios. Facilitate industry network and analyze financials. Please see: www.hdc1.org for full application info.

Project Manager-Finance, Housing Development Center

Experienced Project Manager needed for nonprofit affordable housing development consultant group. Advanced real estate finance skills and development experience required. Please see www.hdc1.org for full application info. Cover letter and resume due Nov. 15.

Assistant Energy Management Analyst, Seattle City Light

Seattle City Light Community Conservation Section is looking for an Assistant Energy Management Analyst for its Built Smart Affordable Housing Program. This position works with nonprofit low income housing developers, architects and designers to inform them of the benefits of energy conservation. Visit www.seattle.gov/jobs for more information and detail on applying.

Tax Reform Recommendations, continued from page 2

panel recommends two plans: a Simplified Income Tax Plan and a Growth and Investment Tax Plan. Both plans call for eliminating the individual and corporate Alternative Minimum Tax, the home mortgage interest deduction and the deduction for state and local taxes. It also would eliminate most tax credits, including the Low-Income Housing Tax Credit, and by eliminating the tax on corporate interest could diminish the corporate sector's interest in tax exempt bonds. Replacing the home mortgage deduction with a 15% tax credit could discourage homeownership and threaten Mortgage Revenue Bonds that are outstanding.

It would appear from press reports and other organizations with whom we interact that this plan will be a difficult sell on Capitol Hill. In the affordable housing sector were already seeing legislation that would call for additional tax exempt housing bond authority and additional Low-Income Housing Tax Credit authority as part of the recovery plan for Hurricane Katrina.