

The Housing News

June 20, 2002



Housing News is a publication of the Housing Development Consortium of Seattle - King County
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"The Voice for Low Income Housing in King County"

Let the Campaign Begin!

On June 10th the Seattle City Council placed a \$86 million low income housing levy on the September 17 primary ballot. (For details on the proposed levy package, see attachments.) Now the real work of getting the levy passed by the voters begins. The campaign's June 24 kickoff will be attended by the Mayor, city councilmembers, church and labor leaders, and housing advocates.

Carla Okigwe is chairing the campaign steering committee, and Jay Reich is the treasurer. Chris Gregorich is campaign manager, Colby Underwood is in charge of fundraising, and Christian Sinderman (Northwest Passage) will guide the political strategy.

The campaign now has an office--215 North Sixth, just off Denny Way--and is seeking furnishings--desks, office chairs, folding tables, computers, printers, office supplies.

To make donations or to volunteer for Yes for Homes, contact Chris Gregorich at 206/ 956-9238 or email YesforHomes@yahoo.com.

Answers to Questions on the National Housing Trust Fund

On June 20th Rep. Bernie Sanders (I-VT) offered the National Housing Trust Fund as an amendment to H.R. 2349 (the Omnibus Housing Bill). The amendment offered by Rep. Sanders will differ from the H.R. 2349 in several ways: the Davis-Bacon Act would apply to properties developed with the funds; funds would be available to local governments as well as states, with a split of 60% of funds to localities and 40% to states; rehabilitation that is not substantial will also qualify for funding; and cooperatives will be explicitly eligible for funding.

The following are some questions you might be asked about the NHTF and what you might say in response:

Why does the federal government need to get into the housing business? It is important to understand that the federal government is not acting as a developer but as a funder. The need for a federal level involvement in this issue is well documented. The Millennium Commission has found that housing needs are critical and need to be dealt with on a nationwide level. (See article in this newsletter.)

If the federal government is funding housing why do we need to fund it at the state or local level? The federal funding will not replace local and state sources of funding. The federal funds will match funds from sources like the Washington State HTF. It will allow sources like the state HTF to fund more projects and leverage more money. It will make the money the state kicks in go further.

What about local priorities? Won't a National Housing Trust Fund override what's needed in my community? As Rep. Sanders will present the bill the funds from the NHTF will be split between states (40%) and localities (60%). In Washington state the funds would be administered through the state Office of Community Development. This means that local needs will still be addressed.

Why should we fund housing production instead of housing vouchers? There are many good reasons to support production. It has been shown that in many housing markets vouchers are difficult to utilize. The way to end homelessness is to provide an adequate supply for affordable housing. (For more information visit the National Alliance to End Homelessness website at www.naeh.org.) It has been shown that housing which is truly affordable to the very poor is in short supply. By building more of that housing we can keep people from ever becoming homeless, we can also provide opportunities for people to move out of the shelter/homeless cycle. With housing production, as one family or individual moves up the economic ladder and is no longer in

need of housing that unit becomes available to someone who is in need. Producing housing also has positive impacts on the economy. According to a report by the Center of Community Change a \$5 billion investment in housing production would initially create more than 180,000 jobs. When leveraged, this investment could result in up to 1.8 million jobs and \$50 billion in wages.

Why should we put this money in a National Housing Trust Fund and not to HOME or other already existing programs? Congress has shown that it does not have the political will to increase HOME funds. Additionally, HOME funds are not as deeply targeted as the NHTF.

Is passing a National Housing Trust Fund a realistic goal? YES! The campaign for the NHTF has gained great support. The Millennium Commission report, while not endorsing the NHTF calls for a very similar production program. The US Conference of Mayors, The League of Women's Voters, the National Lawyers Guild, and Catholic Charities, USA have all endorsed the NHTF. More than 2699 organizations, municipalities, elected officials and newspaper editorials across the country have endorsed the establishment of a NHTF. This is an achievable goal!

The National Housing Trust Fund is an idea whose time has come. HDC encourages its member organizations to endorse the NHTF, to add your endorsement visit www.nhtf.org. We also encourage you to ask your legislature to endorse the fund.

The Millennium Housing Commission Issue Report

On May 30th, the Millennium Housing Commission, a bipartisan group chartered by Congress in 2000, issued its final report. Entitled "Meeting our Nation's Housing Challenges" the report was supported by all but one of the 22 commissioners. The report has two major findings: 1) good and affordable housing is fundamental to personal, family, community, and national well-being and 2) America has a serious housing affordability problem, experienced most acutely by the lowest income people.

The report explicitly does not contain recommendations on funding levels or numerical goals. Rather, the commissioners express their vision as follows: "To produce and preserve more sustainable, affordable housing in healthy communities to help American families progress up the ladder of economic opportunity." The Commission offers 13 primary recommendations and 15 supporting recommendations. The recommendations are grounded in four policy principles: strengthening communities, devolving

decision-making, involving the private sector, and ensuring sustainability. The 13 major recommendations are conceptually grouped as new tools, major reforms, and streamlining existing programs.

A proposed capital subsidy for the production, preservation, and rehabilitation of rental housing for extremely low income households closely resembles the national housing trust fund proposal in purpose, scope, and activities, while not specifying the funding mechanism. Despite offering no quantitative goals, the report states that the scale of production of affordable housing for extremely low-income housing required to close the gap is 250,000 units for 20 years. Where this recommendation programmatically diverges from the national housing trust fund is the waiving of rent levels that assure affordability at 30% of income.

For a full copy of the report visit the commission's website www.mhc.gov.

Supreme Court Housing Decisions

On June 10th the Supreme Court ruled 9-0 in favor of the plaintiffs in the Franconia Associates, et. al. vs. United States. The case is concerned with the rights of private Section 515 owners to prepay their HUD mortgages. Section 515 was designed to create rental housing in rural areas through private development and ownership. At the beginning of the program owners were giving the option to prepay their government mortgages at some point and convert their units to market-rate housing. In 1998 Congress enacted the Emergency Low Income Housing Preservation Act. The legislation prevents owners of these projects from prepaying without agency approval. The Rural House Services must make reasonable efforts to get the owner to extend their participation. If the owner rejects incentives to stay in the program they usually offer to sell the apartments complex to a public or non-profit agency who is willing to stay in the program. If no one steps forward the owner can then prepay the mortgage and terminate all the restrictions.

The lawsuit, which was brought by Franconia Associates, who argued that the owner should have the right to reclaim lost income from the date they decided to prepay their government mortgages and were denied the opportunity to do so – not from the effective date (1998) of the Emergency Low Income Housing Preservation Act. The narrow issue before the Supreme Court was whether or not the statute of time limitations barred the owner's breach of contract and taking claims because they had not filed their lawsuits within six years of the enactment of the legislation. The lower courts held that these claims were time-barred and never got to the merits of the case or damages. The Supreme Court disagreed and held that the statute of limitations did not begin running until the owner

actually sought permission to prepay. The Supreme Court DID NOT strike down the Preservation Act. It does however open the Federal government to monetary liability for breach of contract and taking claims. It is unclear how large this liability might be and whether owners will ever get far enough to actually recover damages. The real danger of the ruling is that Congress might repeal the act like was done with the HUD legislation because of fear over its liability. Advocates would oppose any move by Congress to repeal the legislation.

HDC – DCLU Permitting Process Workshop

On June 14th HDC and DCLU co-hosted a workshop on the permitting process. As non-profit developers HDC members have strict deadlines for when projects must be completed. Sometimes these deadlines can come into conflict with the complicated permitting process. This workshop was the first step toward making the process run smoother. The workshop was well attended by HDC non-profit and associate members, and staff from DCLU, SDOT, SCL and SPU. HDC members reviewed examples of projects on which the permitting process seemed to have broken down. Two of the major issues that emerged were communication about the timing of the permitting process and coordination between the various city departments. After some lengthy discussion of the issues the groups came up with some next steps:

- Encourage City staff to learn about non-profit financing. HDC will be hosting a Low Income Housing Financing Seminar for this purpose on July 16th, 10-11:30am, Plymouth Church.
- Develop a check list of items which if presented at intake, staff will be able to give projections of timing with some certainty.
- Figure out ways to overcome departmental isolation/segmentation and sequential meetings and processing. Combine some of the front-end meetings. Involve all departments.
- Examine the relationship between the required community meetings for low-income housing and the later design review process? What is a design issue and what is a use issue?
- Infrastructure issues. This is a bigger policy questions than this group can handle, but it is important to low-income housing.

If you are interested in getting involved in any of these issue please contact HDC at 206/682-9541.

Federal Legislative Update

Source: National Low Income Housing Coalition Memo to Members. 6/7/02 & 6/14/02.

H.R. 4775 - House Supplemental Budget- On June 7th, after a week of debate the Senate approved this bill. The spending bill passed by a vote of 71 to 22. The House version of the bill included the rescission of \$600 million from HUD's FY02 funds. As it emerged from committee and passed the floor, the Senate bill would not rescind the IRP finds, thought it would use the \$300 million in unobligated Section 8 balances and would rescind \$50 million from the Administration's downpayment assistance initiative in the HOME Program. Whether the IRP funds are rescinded in the final version of the supplemental bill will be determined in conference. One of the effects of the recession is to "rob" the FY03 appropriation of new Section 8 vouchers as Congress in past years had added recaptured funds to the amount of new appropriations for Section 8. Both the House and Senate have rejected the Administration's proposal to rescind 80% of the 25 million Rural Housing and Economic Development Program.

S. 292 – On May 5 Senator Mary Landreu (D-LA) introduced this bill, which would provide affordable housing opportunities for families that are headed by grandparents and other non-parent relatives of children. The bill was referred to the Senate Committee on Banking, Housing, and Urban Affairs.

H.R. 4898 – This bill would amend the Low Income Home Energy Assistance Act of 1981 to address the needs of low income households instates with high needs for cooling assistance. It was introduced by Rep. Ronnie Shows (D-MS) and was referred to the Committees on Energy and Commerce and on Education and the Workforce.

Affordable Housing Month

September is Affordable Housing Month. All over the state housing organizations will look for ways to promote affordable housing and to reminded legislatures of the important role affordable housing plays in the community.

Here are some of the activities HDC is planning:

- HDC in partnership with the Master Builders will run a series of TV adds featuring vignettes showing the positive impact of affordable housing.
- Affordable Housing Night at the Mariners. On September 18, over 250 HDC members will attend the Mariners game. Joyce may even make us all wear housing hats.
- HDC Awards Event. In September, HDC will hold it's second award event to honor our

members and others in the community who are dedicated to the affordable housing cause.

What does your organization have planned?

Workshops, Seminars & Conferences

National Alliance to End Homelessness Annual Conference and Training Institutes, July 17-20, 2002. Save the Date!

Housing Washington 2002, October 30-November 1, 2002, Hilton Seattle Airport Hotel and Conference Center. A three day affordable housing conference. Save the Date! For more information visit www.wshfc.org/conf.

*****EMPLOYMENT OPPORTUNITIES*****

See www.HDC-KingCounty.org
for up-to-date job announcements!

Business Manager, The Wintonia, Archdiocesan Housing Authority. This position is responsible for facility operations, tenant management, bookkeeping, coordinating with SHA, monitoring contracts, collectibles and payables. Qualifications include: program /financial management experience, excellent bookkeeping/accounting skills, access to car and available to be on-call some weekends, background in subsidized housing programs. Salary: \$25,391-\$28,032 (DOE). To apply send cover letter and resume to : AHA, HR-WIN, 1902 Second Ave, Seattle, WA 98107. **OPEN UNTIL FILLED.**

Facilities/Asset Manager, Low Income Housing Institute. Supervise maintenance dept, capital improvements, property management agents & other asset management functions. Salary DOE. See www.lihi.org for more details or fax resume and cover letter to 206/ 443-9851.

Housing Assistant, Low Income Housing Institute. This position is responsible for providing program and technical support to the Housing Management Department. Duties include: assisting staff with administrative and program work related to the preparation of permanent and transitional housing and social service projects; troubleshooting applicant and resident concerns, as well as coordinating the housing application process within the main office. Qualifications: four years of progressively responsible related work experience, excellent organizational skills. Salary: \$11.87-\$14.26/hour DOE, + benefits. To apply send a cover

letter and resume to: LIHI, Attn: Human Resources, 2407 1st Ave, Suite 200, Seattle, WA 98121. **OPEN UNTIL FILLED.**

Housing Developer, Seattle Housing Authority. This position will assist in the acquisition, financing, development and construction of non-traditional public housing and other affordable housing development projects, as well as site selection, feasibility analysis, budget/pro forma development, funding applications, loan closing, and the design and construction processes. Qualifications include: four years experience in housing development, financing, budgets and project management, plus a BA in a related field. To apply contact the Seattle Housing Authority at 206/615-3535.

Housing Finance Specialist, Seattle Office of Housing. This position will review loan applications from homeowners, nonprofit and private developers, and banks for downpayment assistance and home repairs; determine eligibility for a variety of City, State, and federal funds; order and analyze credit , title and other financial information; prepare loan documents; coordinate loan closings activities; and process draw requests. Qualifications: BA in business administration, real estate, finance, or related field and one year in real estate, bank loan processing or relevant project management. Experience in publicly funded homebuyer, homeowner repair of affordable housing programs a plus. Salary starts at \$21.45 per hour + excellent benefits package. To apply send cover letter and resume referencing job #06-02 to D. Hayes, City of Seattle Personnel, Dexter Horton building Suite 1206, Seattle, WA 98104-17993. **CLOSES JUNE 25**

Lobbyist, Children's Alliance. The Lobbyist is a full time, permanent staff position at the Children's Alliance. The position combines government relations, public policy, coalition building and community mobilization work. This position is based in the Seattle office. A full time presence in Olympia is expected during state legislative sessions. Ability to travel and work a flexible schedule is required. Health, dental, and retirement benefits included. Salary \$40,000. People of color and women encouraged to apply. Please submit letter of interest and resume to: Jon Gould, Deputy Director, Children's Alliance, 2017 E. Spruce St., Seattle, WA 98122 or fax to 206.325.6291.

Resident Programs Coordinator, Low Income Housing Institute. This is a VISTA position. This position will conduct a thorough evaluation of current resident programs; develop five new programs for residents of LIHI properties; establish community partnerships, and create a

"How-To" guide for LIHI Program Staff about developing resident programs. Salary: \$850/month stipend plus \$4,725 education award or \$1,200 cash award upon completion. To apply contact the Fremont Public Association's recruitment line at 206/ 675-3200 or apply on-line at www.fremontpublic.org/vols/mlk_vista.html.

Senior Housing Developer, Housing Resources Group. HRG seeks a Senior Housing Developer to identify, originate, and coordinate all aspects of affordable housing development projects including feasibility, design, community outreach and fundraising. This person will provide team leadership, collaborate with other housing developers and development partners. HRG currently has \$92 million in construction and pre-development, \$145 million in existing real estate assets, a \$2.8 million operating budget, 1,550 units in property management and 78 employees. Please see HRG website (www.hrg.org) for further duties, desired qualifications, and information on how to apply. **OPEN UNTIL FILLED.**

Supportive Housing Program Coordinator, Low Income Housing Institute. This is a VISTA position. The VISTA Volunteer will play a key role in developing and implementing the operations of the IDA program at LIHI properties. The VISTA will coordinate efforts to link residents with financial education, utilizing LIHI's computer centers, in-home access and outside training and resources, and develop new programs to increase banking, budgeting and information sharing among residents. Salary: \$850/month stipend plus \$4,725 education award or \$1,200 cash award upon completion. To apply contact the Fremont Public Association's recruitment line at 206/ 675-3200 or apply on-line at www.fremontpublic.org/vols/mlk_vista.html

Technology Program Coordinator, Low Income Housing Institute. This is a VISTA position. This position will be responsible for designing and implementing programs to provide tools for low-income families and individuals to access technology. The VISTA will help to establish computer labs and programming in several LIHI housing developments, and will coordinate community partners and residents in expanding a program to place computers directly in the homes of residents. Salary: \$850/month stipend plus \$4,725 education award or \$1,200 cash award upon completion. To apply contact the Fremont Public Association's recruitment line at 206/ 675-3200 or apply on-line at www.fremontpublic.org/vols/mlk_vista.html

**DEADLINE FOR NEWS ITEMS
IS THE 12th OF EVERY MONTH.**