

NAHMAanalysis

NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION

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National League of Cities Reports on Affordable Housing: Approaches at the State, Local, and City Levels

Background

Earlier this year, the National League of Cities (NLC) released two affordable housing reports: [Local Tools to Address Housing Affordability: A State-by-State Analysis](#) and [Homeward Bound: The Road to Affordable Housing](#). The Local Tools to Address Housing Affordability report was developed by NLC and state municipal leagues. This report provides an examination of the interplay of state policies and local housing markets.

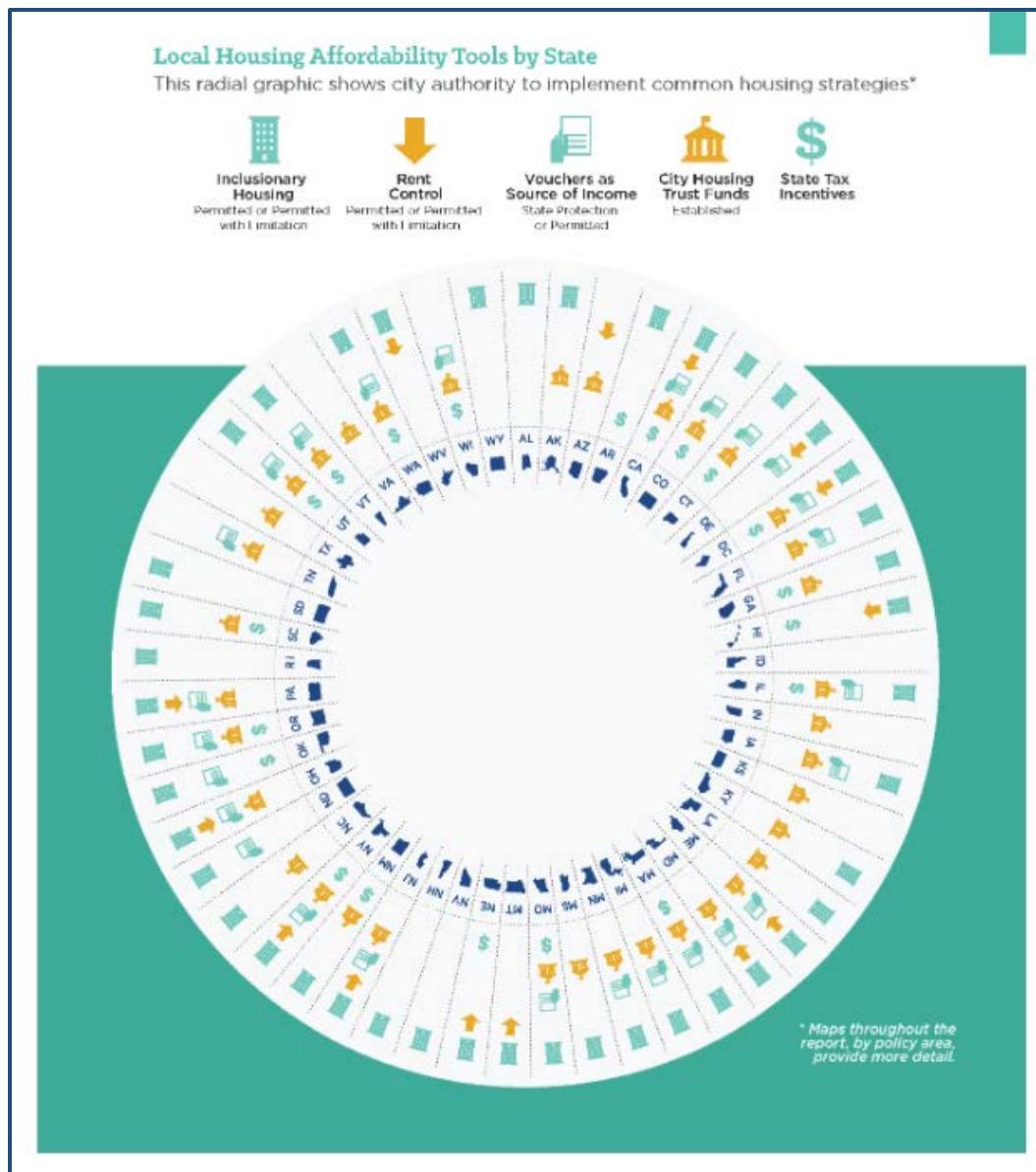
The Homeward Bound report focuses on solutions cities are using to address the nation's growing affordable housing crisis. NLC's housing task force, comprised of 20 bipartisan leaders, developed this report. During a press conference to rollout the report, Washington, D.C. Mayor Muriel Bowser, Chair of the National League of Cities Taskforce on Housing, stated, "All levels of government – local, state, and federal – need to face the nation's growing affordable housing crisis....The time is now for local leaders and the federal government to make bold investments that will ensure our residents have access to a safe and stable home. Our Taskforce's report is a roadmap for how we can work together to confront this crisis with innovative strategies before it is too late."

This NAHMAAnalysis highlights NCL's findings from both the State-by-State Analysis and the Homeward Bound report's proposed policy recommendations to address the affordable housing crisis. Members are encouraged to review both reports, which also provide a number of substantive case studies from cities implementing innovative solutions.

Findings from NLC's State-by-State Analysis of Local Tools

NLC reports that states and their local government partners strive to maintain and implement solutions to meet the housing needs of residents. Solutions, like inclusionary housing, rent control, fair housing, tax incentives, and housing trust funds are all used to expand local housing affordability and access; the State-by-State report examines the interaction between these policy solutions.

In the analysis, NLC compiled and analyzed state-level data for each housing policy – including source of income protection and state tax incentives – in all 50 states and the District of Columbia to give a comprehensive picture of local approaches to the housing crisis.



NLC provided the following summary of its findings:

- Cities in 20 states and the District of Columbia are expressly permitted or face no legal barriers to inclusionary housing;
- Cities in 13 states and the District of Columbia are permitted, have some barriers, or have limited control to implement rent control;
- Cities in 25 states and the District of Columbia have either state law protections or local protections for those using housing vouchers as a source of income; and

- Cities in 35 states and the District of Columbia have established housing trust funds.

Policy Recommendations from NLC's "Homeward Bound" Report

Based on the findings of its analysis, NLC outlined five national housing policy recommendations and five local recommendations to address the affordable housing crisis. The national recommendations included stabilizing affordable housing, funding increases to key affordable housing programs, innovating and modernizing local land-use and zoning practices, fixing inequities in the housing finance system, and scaling innovation.

Similarly, the local recommendations included: establishing local programs by combining funding and financing streams; modernizing local land-use policies to rebalance housing supply and demand; broadening local engagement with stakeholders to plan for housing opportunities; providing support for the homeless, seniors, and persons with conviction histories; and prioritizing equitable outcomes in housing decisions.

NLC made the following five national recommendations:

- 1. Immediately stabilize and stem the loss of public and affordable housing.** Given the unmet need for affordable housing, NLC recommends Congress approve \$30 billion in emergency funding to address the nation's highest priority housing needs. This includes \$15 billion for the public housing capital fund, \$5 billion for the Community Development Block

Homeward Bound: The Road to Affordable Housing

The task force settled on a set of five national housing policy recommendations:

-  **1.** Immediately stabilize and stem the loss of public and affordable housing.
-  **2.** Follow emergency intervention with passage of a long-term, stand-alone federal housing bill that authorizes ten years of new funding for pilot programs that advance housing for all.
-  **3.** Support innovation and modernization of land-use and planning at the local and regional level.
-  **4.** Fix inequities in housing development and the housing finance system.
-  **5.** Support scalable innovation and financing for cities, towns and villages.

They also settled on five local recommendations:

-  **1.** Establish local programs by combining funding and financing streams to support housing goals.
-  **2.** Modernize local land use policies, including zoning and permitting, to rebalance housing supply and demand.
-  **3.** Identify and engage broadly with local stakeholders; and coordinate across municipal boundaries, to develop a plan to provide housing opportunities for all.
-  **4.** Support the needs of distinct sub-populations including the homeless, seniors and persons with conviction histories.
-  **5.** Prioritize equitable outcomes in housing decision as it is an essential component for success.

Grant (CDBG), \$5 billion for the HOME program, and \$5 billion for the National Housing Trust Fund.

- 2. Authorize ten years of new programs and funding to provide housing opportunities for all.** This includes reauthorizing and restoring funding levels of the HOME and CDBG programs to construct small and medium multifamily units. NLC recommends increasing funding for the National Housing Trust Fund and creating a pilot allocation to regional councils of government, similar to the Highway Trust Fund. NLC also recommends a new vision for public housing and public housing agencies to be “the nation’s stewards of permanently affordable housing.” Finally, NLC recommends protecting and improving access to affordable homeownership in the private market.
- 3. Support innovation and modernization of land-use and planning practices at the local and regional level.** NLC recommends providing federal grants for local housing, planning, land use, and community engagement. NLC proses a renter tax credit to expand rental assistance for lower-income and rent-burdened households. Another recommendation is to increase overall funding for the Housing Choice Voucher program, including landlord incentives and mobility enhancements. Finally, NLC recommends fixing the market for small-dollar mortgage lending and entry-level homeownership.
- 4. Fix inequities in housing development and the housing finance system.** NLC recommends reforming the Community Reinvestment Act (CRA) “to increase public accountability of banks to serve every community”; providing eviction prevention and mitigation grants; expanding Fair Housing to include sexual orientation, gender identity, marital status, and source of income; targeting investments and access to credit for neighborhoods and residents impacted by redlining and reverse-redlining; and aligning fair housing and anti-displacement policies in federally-designated opportunity zones.
- 5. Support scalable innovation and financing for cities, towns, and villages.** NLC recommends increasing funding for USDA rural rental assistance programs and improving alignment with HUD rental-assistance programs, increasing coordination between public housing agencies regionally, and targeting federal assistance to rural homebuyers

In addition to the national recommendations, NLC recommended the following five local recommendations:

- 1. Establish local programs by combining funding and financing streams to support housing goals.** NLC notes that cities have tax incentives, grants, housing trust funds, and first-time home buyer programs, which can be combined in support of affordable housing.
- 2. Modernize local land-use policies, including zoning and permitting, to rebalance housing supply and demand.** NLC recommends focusing on data management to set development priorities; increased density allowances and accessory dwelling units; and streamlined development permitting, transparent fees and time-limited review procedures.
- 3. Identify and engage broadly with local stakeholders and coordinate across municipal boundaries to develop a plan to provide housing opportunities for all.** NLC recommends analyzing data to understand the local housing market conditions; building partnerships with private- and non-profit sector actors; and developing a comprehensive housing strategy based on a set of community-wide values.

- 4. Support the needs of distinct sub-populations, including the homeless, seniors, and persons with conviction histories.** NLC recommends cities build on the success stories of fighting chronic homelessness by prioritizing specific sub-population and targeted wrap-around support services, as well as reducing or eliminating restrictions on access to public housing that go beyond federal mandates for those with conviction histories.
- 5. Prioritize equitable outcomes in housing decisions as an essential component for success.** NLC recommends ensuring enforcement of Fair Housing laws, putting decision-making about public investments in the hands of communities most at risk for displacement, and rebuilding trust between local government and communities of color.

Conclusion

Addressing the affordable housing crisis requires an “all hands on deck” response from governments at every level. NAHMA believes that it is important for cities, who are on the front lines, to provide their solutions in addressing the crisis. The reports were insightful and offer a different perspective from traditional national analyses. NAHMA recommends members reach out to local governments, municipal leagues, and other local stakeholders to find advocacy partners, share recommendations, and help create or preserve more affordable housing.