

Anne Cook

From: Anne Cook <annecook@coquilleiha.org>
Sent: Wednesday, December 4, 2019 8:08 AM
To: 'Brenda Meade'
Subject: RE: Sen. Merkley's proposed housing bill - please comment

Hi Brenda,

Here are my thoughts on the draft legislative proposal:

- 1) Imposition of a national rent stabilization cap could have the unintended consequence of reducing the number of rentals available.
- 2) I don't recommend a "permanent" affordability requirement on USDA-assisted properties unless the program also provides for an accompanying "permanent" operating subsidy that is adjusted annually for inflation. Based on our experience with stagnant IHBG funding, I strongly recommend an annual adjustment for inflation be written into the statute.
- 3) Ditto for the manufactured home parks. If they're locked into long term "affordable" leases, they're going to need operating subsidy, too. Because there are additional community facilities and infrastructure to maintain, I would suggest a higher operating subsidy for manufactured home parks than is normally provided for multi-family properties. Also, since manufactured homes don't seem to hold up that well, I'd recommend making repair/rehabilitation/replacement grant and low-interest loan funds available to manufactured home owners.
- 4) I would urge use of the higher of national or area median income limits for all federally-funded affordable housing programs, and that the income limits for home buyers be higher than for renters.
- 5) I would also encourage greater flexibility for public housing authorities and non-profits to design housing types and programs appropriate to the community and demographic they serve. Solutions that work well in urban areas don't necessarily work that well in rural areas.

In response to Amy's bullet points:

- I appreciate Senator Merkley's support of the NAHASDA reauthorization bill. If his office ever wants input on a future reauthorization bill, I have a few notes.
- Making Section 8 funding available to Tribes would be very helpful. I would encourage that tribes be allowed to operate their Section 8 programs under NAHASDA requirements rather than the 1937 Housing Act requirements applicable to public housing authorities. Expanding the scope of the National Housing Trust Fund to assist low-income and moderate income households (based on the higher of national or area median) would be helpful as well. It would relieve pressure on existing housing that would otherwise be available to extremely low-income and very low-income families. As for tribal utilization of USDA loan programs, again, if income eligibility were expanded, they'd probably get more use.
- If I were to identify one priority issue for the Senator's support to address tribal homelessness and affordable housing, it would be increased NAHASDA appropriations. For many tribes, Indian Housing Block Grant (IHBG) funds are becoming insufficient to operate existing housing stock, much less create or support new housing. The IHBG Competitive Grant is a step in the right direction, but IHBG CG funds can't be used for

operations. At present, the biggest hurdles to new low-income development are infrastructure and sustainability. Because affordable housing rents are income-indexed, they are not an adequate or reliable source of income for loan repayment or maintenance. Operating costs are expected to come out of the IHBG. However, adding new units to a tribe's low income housing stock has no effect on its IHBG allocation. The IHBG program provides no subsidy allowance for units developed after the enactment of NAHASDA. So in addition to adjusting for inflation, to enable the development of new affordable housing, Congress might consider increasing the availability of grant funds to develop the infrastructure necessary to support new units and adjust tribes' IHBG allocations to include operating subsidy for all of the affordable housing units they operate, not just those developed under the 1937 Housing Act.

Thank you for the opportunity to comment.

Anne

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From: Brenda Meade <brendameade@coquilletribe.org>
Sent: Monday, December 2, 2019 9:50 PM
To: Anne Cook <annecook@coquilleiha.org>
Subject: FW: Sen. Merkley's proposed housing bill - please comment

Jala Anne!

Could you review this and let me know your thoughts on a response to Amy?

I appreciate your time and input.

Brenda Meade
Chairman
Coquille Indian Tribe

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: "Amrhein, Amy (Merkley)" <Amy_Amrhein@merkley.senate.gov>
Date: 12/2/19 12:31 PM (GMT-08:00)
To: Brenda Meade <brendameade@coquilletribe.org>
Cc: Mark Johnston <MarkJohnston@coquilletribe.org>
Subject: Sen. Merkley's proposed housing bill - please comment

Brenda,

Senator Merkley has been working on a comprehensive housing bill to be introduced later this month and has asked me to reach out to you for feedback. This bill will not impact the advancement of the NAHASDA, but is intended to address housing needs of the general population, including Indians off reservation.

We don't have a draft to share yet, but some questions the Senator is seeking input on are:

- The Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) reorganized the previous system of housing assistance for Native Americans and replaced it with a single block grant program, the Native American Housing Block Grant (NAHBG). The law focused on self-determination for tribes, giving tribes broad authority to choose how to use the affordable housing funds they receive under NAHASDA. In general we're not looking for ideas to change NAHASDA because there is already a good reauthorization bill ready to go whenever Republican Senators will allow a vote.
- Another part of the agreement categorically excluded tribes from many HUD rental assistance programs, including Section 8 vouchers on the theory that NAHASDA would replace those programs. This compromise has lost credibility in recent years as funding for NAHASDA has not kept pace with inflation. In response, Sen. Warren recently proposed reopening Section 8 vouchers to tribes. After meeting with national tribal housing leaders, Ben and Matt feel that setting aside funds from existing HUD programs like the National Housing Trust Fund is the kind of policy ideas we're looking to include. Tribes are NOT excluded from any of the USDA housing programs, including direct single-family loans and multi-family loans, but participation rates have been very low. Facilitating more USDA housing assistance is a very promising area to explore.
- What does homelessness and housing affordability look and feel like for tribal members compared to non-tribal members in Oregon? How is it different? If you could identify one priority issue where you would most like to have the Senator's support in order to address housing and homelessness struggles in tribal communities, what would it be?

Thank you.

Amy

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Homelessness and Affordable Housing: A Legislative Proposal

Senator Merkley's draft legislative proposal provides relief to millions of American families struggling to find a decent, safe, and affordable place to live. Rent and home prices have risen faster than wages over the last three decades, which has exacerbated the affordable housing shortage, increased homelessness, strained public agencies and priced many families out of owning a home entirely. Transformative housing policy must include substantial new federal investments, scaled up to dramatically expand our nation's affordable housing infrastructure.

Reducing Chronic Homelessness

This legislation funds permanent supportive housing and integrated services to address long term trauma, deferred or undiagnosed medical conditions, employment counseling, and case management. Funding would also go towards a new Navigation Center Pilot Program providing targeted shelter and intensive case-managed support to people who could be successfully housed within 90 days. Another policy change requires states and local jurisdictions to broaden the scope of housing options included in their Consolidated Plan to include manufactured housing, Single Room Occupancy (SRO) units, and units under 400 feet, sometimes called "tiny homes."

Lowering the Cost of Housing

This legislation charts a path to eliminate the Section 8 housing voucher waitlist by requiring the number of vouchers increase by 20% each year until the Secretary of Housing and Urban Development (HUD) certifies that all waitlists have been effectively eliminated. Discrimination against voucher holders remains a persistent problem that must be dealt with by banning source of income discrimination, as many states, including Oregon, have already done. To help public housing authorities struggling to serve low-income families, this bill requires HUD to fully fund Section 8 administrative fees. This proposal eases several key barriers to homeownership, including down payment assistance, low credit scores, and restitution for mortgage fraud and predatory loan victims. The government backed mortgage corporations – Fannie Mae and Freddie Mac—will be required to consider positive information from rental payment history to help families recovering from job loss or foreclosure. Funds from housing and mortgage fraud lawsuits will be reserved for efforts to restore stable housing for displaced families. The Merkley plan also establishes a 15% tax credit on mortgage interest available exclusively to people who do not itemize their taxes to help lower a family's monthly housing expense. The dramatic rise in housing prices has also led to long-term residents and communities of people being priced out of their homes. The act proposes rent stabilization that would cap the amount rent could be increased to 7 percent per year.

Housing Infrastructure

In addition to lowering the cost the housing, this proposal dramatically scales up funding to build and preserve affordable housing. Direct investment programs, especially the National Housing Trust Fund, are the most cost-effective strategies to quickly construct and rehabilitate large numbers of affordable housing units. To address the rural affordable housing shortage, this legislation proposes new funding for construction and preservation of the USDA Rural Housing portfolio. Rural housing funding targets developers, nonprofits and housing authorities that commit to keep properties permanently affordable. Because manufactured housing has long been overlooked segment of the broader affordable housing supply, this legislation provides funds for nonprofits and housing authorities to acquire parks and offer residents long term affordable leases. Taken together, these initiatives will dramatically increase the supply of permanently affordable housing.