

MINNESOTA CHAPTER OF
OPPORTUNITY
STARTS AT HOME

# OPPORTUNITY STARTS AT HOME

## Federal Housing Advocacy 101

# OPPORTUNITY STARTS AT HOME

- Opportunity Starts at Home is a long-term, multi-sector campaign to meet the rental housing needs of people with low incomes
- Advocacy organizations in Minnesota have come together to join the Opportunity Starts at Home
- Founding members include the Minnesota Housing Partnership, NAMI Minnesota, NAACP Minnesota, Guild Incorporated, HomeLine, Mental Health Resources, Catholic Charities, MN Association of Community Health Centers, and other partners

# ADVOCACY 101

- History of Housing Advocacy at Federal Level
- Federal Budget Process
- Opportunity Starts at Home Legislative Agenda
- What you can do to engage your Congressional representatives and make sure everyone has a decent and affordable place to live

# HOUSING PROGRAMS GET THEIR START

- Great Depression Displaces Thousands of Americans
- First Federal Housing Agency Created in early 1930s
- Creation of Federal Housing Administration in 1934
  - Mortgage Insurance Programs
- Department of Agriculture works to meet housing needs of Farmers and Rural Communities with the Resettlement Administration
- U.S. Housing Act Passed in 1937 to address the needs of low-income Americans through public housing
- These programs rarely provided benefits to people of color, locking them out of a key opportunities to own a home and build generational wealth

# SIXTIES BRING MORE PROGRESS

- Housing Elevated to Cabinet Level Agency with Creation of Housing and Urban Development (HUD) in 1965
- Costs of operating public housing programs exceed property revenue, leading to creation of HUD subsidies for local affordable housing agencies
- Brooke Amendment: Sets the ceiling on public housing rental payments at 25% of tenant income, later increased to 30% we have today
- Civil Rights Act prohibits discrimination against protected classes in both private and public housing

# 1980: HOMELESSNESS BECOMES A CRISIS

- Dramatic increase in number of people experiencing homelessness
  - Economic downturn, particularly for working class people
  - De-institutionalization
  - Decline in housing and other supports for people with low-incomes
- McKinney Vento Act creates new HUD programs targeting homelessness
- Creation of Low-Income Housing Tax credits to help develop affordable housing

# NATIONAL HOUSING TRUST FUND

- Signed into law in 2008, with first dollars going to states in 2016
- Funding to build, preserve, rehabilitate, and operate affordable housing projects for people with low incomes
- Outside of the National Housing Trust Fund, there has been no significant new investments in Housing in the last 30 years

# INCOME TARGETING AND EXPENDITURES FOR MAJOR HOUSING PROGRAMS

| Housing Program | Income Targetting Requirements | National Annual Funding |
|---|---|---|
| Public Housing | At least 40% of units are for households with income less than 30% of area median income (AMI), with the remainder for households earning up to 80% of AMI . | $7 .4 billion (Fiscal year 2020; FY20 HUD appropriation) |
| Housing Choice Vouchers | At least 75% of vouchers are for households with income less than 30% of AMI, with the remainder for households earning up to 80% of AMI . | $23 .9 billion (FY20 HUD appropriation) |
| Project- Based Rental Assistance | At least 40% of units are for households with income less than 30% of AMI, with the remainder for households earning up to 80% of AMI . | $12 .6 billion (FY20 HUD appropriation) |

| Housing Program | Income Targetting Requirements | National Annual Funding |
| --- | --- | --- |
| HOME<br>Investment Partnerships Program | If used for rental, at least 90% of units assisted by the jurisdiction must be for households with income less than 60% AMI, with the remainder for households with income up to 80% AMI . If more than five HOME-assisted units are in a building, then 20% of the HOME-assisted units must be for households with income less than 50% AMI . Assisted homeowners must have income less than 80% of AMI . | $1 .35 billion<br>(FY20 HUD appropriation) |
| Community Development Block Grant | At least 70% of households served must have income less than 80% of AMI . Remaining funds can serve households of any income group . | $3 .4 billion<br>(FY20 HUD appropriation) |

| Housing Program | Income Targeting Requirements | National Annual Funding |
|---|---|---|
| McKinney- Vento Homeless Assistance Grants | All assistance is for participants who meet HUD's definition of homelessness (those who lack a fixed, regular, and adequate nighttime residence) . | $2 .78 billion (FY20 HUD appropriation) |
| Housing Opportunities for Persons with AIDS | All housing is for households with income less than 80% of AMI . | $410 million (FY20 HUD appropriation) |
| Low-Income Housing Tax Credit | All units are for households with income less than 50% or 60% of AMI (dependent upon developer's choice of 20% of units at 50% of AMI or 40% of units at 60% of AMI) . | $9 billion (FY20 estimated tax expenditure) |
| Federal Home Loan Banks' Affordable Housing Program | All units are for households with income less than 80% of AMI . For rental projects, 20% of units are for households earning less than 50% of AMI . | $404 million (2018 FHLB assessment) |

| Housing Program | Income Targeting Requirements | National Annual Funding |
| --- | --- | --- |
| Section 515 Rural Rental Housing | All units are for households with income less than the U .S . Department of Agriculture (USDA) definition of moderate income; 80% of AMI plus $5,500 . Households in substandard housing are given first priority . | $40 million<br>(FY20 USDA appropriation) |
| Section 521 Rural Rental Assistance | In new projects, 95% of units are for households with income less than 50% of AMI . In existing projects, 75% of units are for households with income less than 50% of AMI . | $1 .375 billion<br>(FY20 USDA appropriation) |
| National Housing Trust Fund | At least 90% of funds must be for rental housing and at least 75% of rental housing funds must benefit households with income less than 30% of AMI or poverty level, whichever is greater .<br>Remaining funds can assist households with income less than 50% of AMI . Up to 10% may be for homeowner activities benefitting households with income less than 50% of AMI. | $247 .7 million in 2019 |

# FEDERAL BUDGET PROCESS



# BUDGET BACKGROUND

- Federal fiscal year runs from October 1 through September 30
- Two Types of Federal Spending
  - Mandatory Spending: Federal funding for entitlement programs such as Social Security and Medicaid. The amount in a given year is determined by a formula
  - Discretionary Spending: The government expenditures that Congress and the President review on an annual basis.
- While the Government can propose changes to mandatory spending through what is called budget reconciliation, most of the decisions involve discretionary spending

# STEPS TO PASSING A BUDGET

- President submits their budget request on the first Monday in February
- The House and Senate Committees on Budget prepare a budget resolution, that sets overall spending levels for the fiscal year.
  - Top-line spending levels that the Committees on Appropriations set as the maximum spending in each area of government
- Appropriation Committees are responsible for setting the spending details

# APPROPRIATIONS PROCESS

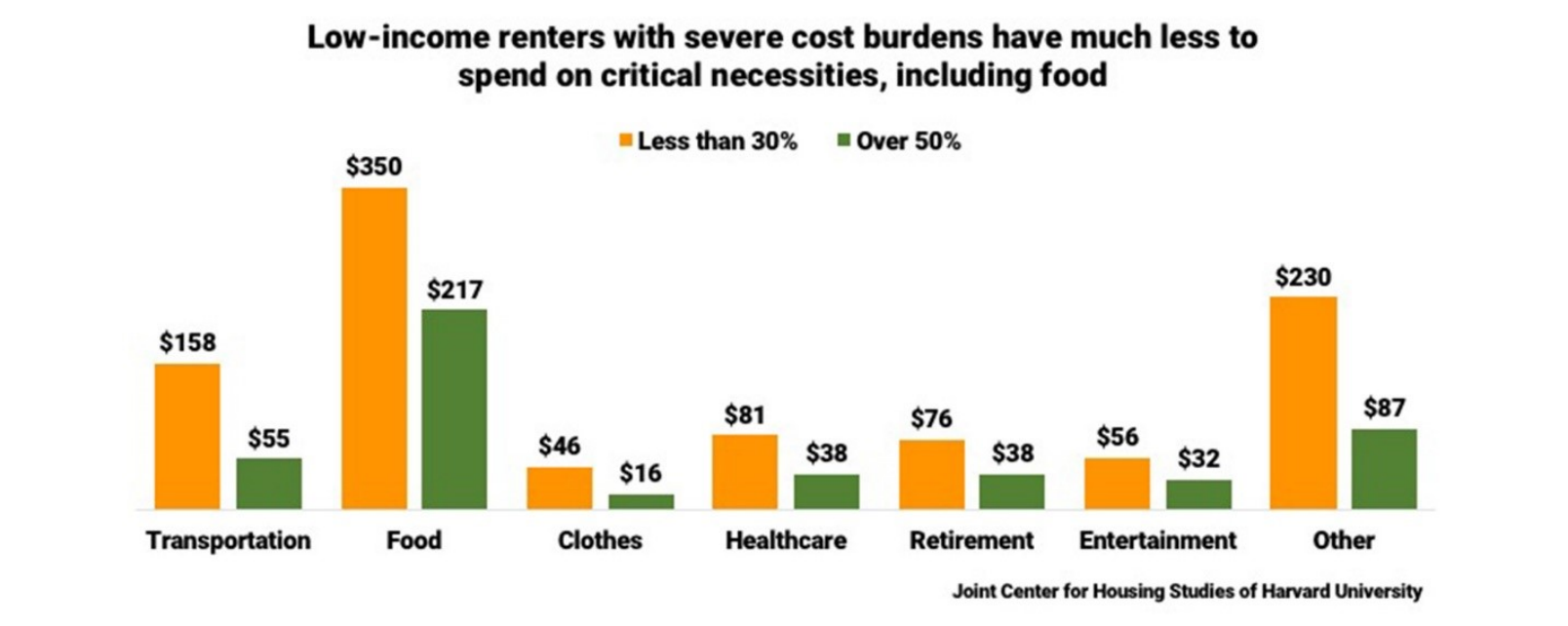
- After Congress passes a budget resolution, House and Senate Appropriation Committees divide spending levels among 12 appropriations subcommittees.
  - The most important committees for housing are Transportation, Housing, and Urban Development (THUD) and Agriculture, Rural Development, Food, and Drug Administration
- Hold Hearings, accept public testimony, and craft the final appropriations bill
- House and Senate must negotiate between each other and reach a compromise
- Goes to the President for a signature

# URGENT NEED FOR ACTION



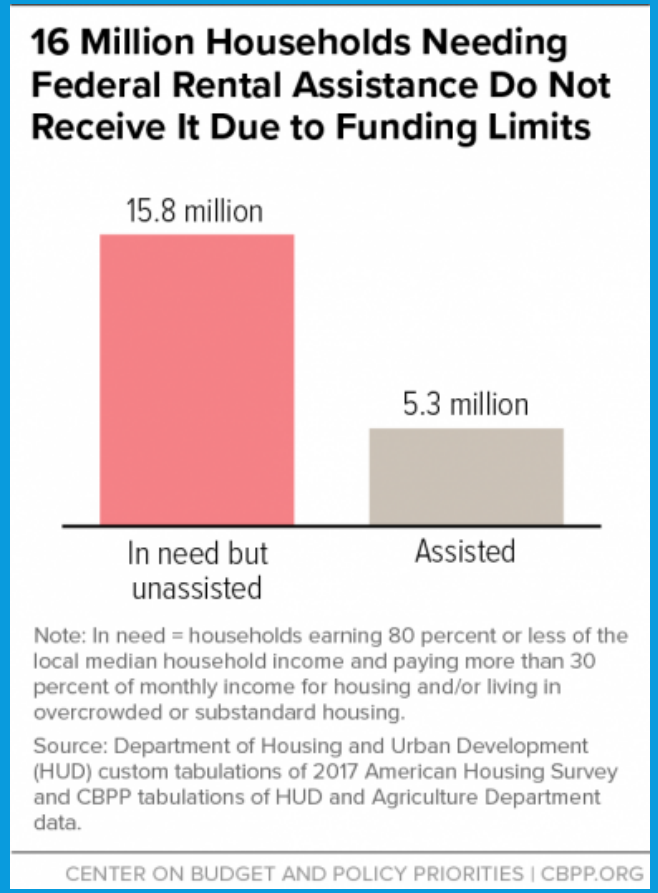
# HOUSING CRISIS

- In Minnesota, a household must earn $42,705 annually in order to afford the fair market rent for a two bedroom apartment without spending more than 30% of their income on housing
  - This would require someone to work 82 hours a week on minimum wage.



# FEDERAL GOVERNMENT IS NOT BRIDGING THE GAP

- Funding for Affordable Housing has been in decline. Adjusted for inflation, the federal budget authority for Housing Assistance Programs was three times higher in the 1970s.
- Rental Assistance not only helps people keep their housing, it also lets them focus on other important priorities like food, healthcare, and education



# RACIAL DISPARITIES IN HOUSING INSTABILITY

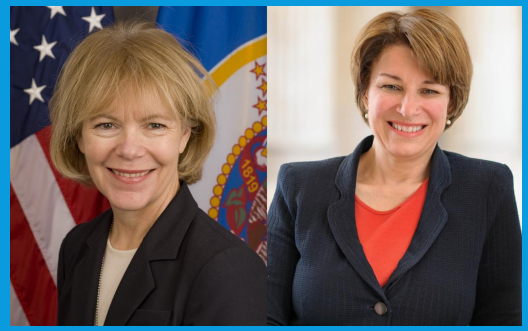
- According to 2018 Wilder Homeless Count, people who identify as African American or American Indian are overrepresented in the homelessness population
- African Americans are also much more likely to be considered extremely low-income renters.
  - According to the National Low-Income Housing Coalition, Black households account for 12% of all households, yet they account for 26% of all extremely low-income renters

# OPPORTUNITY STARTS AT HOME POLICY AGENDA

- Dramatically expanding rental assistance, such as housing vouchers or renters' tax credits, to bridge the growing gap between rent and income;
- Dramatically expanding the supply of housing affordable to the lowest-income renters, which requires larger investments in production programs like the national Housing Trust Fund; and
- Creating a new national program that provides temporary financial assistance to help cover rent for households experiencing unexpected economic shocks (e.g., loss of work hours, unreimbursed medical bill, broken car). Coupled with stability services, such as counselors and legal aid, this program would extend an emergency cushion to families in crisis, helping them avert the downward spiral of housing instability and homelessness.

# GET INVOLVED!

- Your voice can make the difference
- Learn who your Congressional Representatives are
- Senator Tina Smith and Senator Amy Klobuchar
- House of Representatives
  - CD1: Jim Hagedorn
  - CD2: Angie Craig
  - CD3: Dean Phillips
  - CD4: Betty McCollum
  - CD5 Ilhan Omar
  - CD6: Tom Emmer
  - CD 7: Collin Peterson
  - CD8: Pete Stauber





# LEADERS IN CONGRESS NEED TO HEAR FROM YOU

- How to contact your legislator
  - **Email:** Congressional offices receive thousands of emails, so it is important to clearly identify housing as your top issue and reference a specific bill if possible
  - **Phone call:** Ask to speak with the staffer who focuses on housing issues
  - **Written letters:** due to security concerns, it can take weeks for your letter to be processed. Do not write a letter if you have a pressing concern.
- The most important thing is to let them know you are a constituent and a Housing advocate

# TELLING YOUR STORY

- You don’t need to be an expert to be an advocate, you just need to tell your story effectively
- Real stories change minds—use yours to illustrate the need for mental health services
- Your story is always right
- You don’t have to have all the answers—just a clear “ask”

# IN DISTRICT MEETINGS

- It may be possible to schedule an in-district meeting
  - It's exciting to meet with someone from Congress, but meeting with staffers is also a great opportunity that you should take seriously
- Have a reason for the meeting. Your more likely to get something scheduled if you have a specific and timely ask.
- It's not your job to be the expert. Your story is always right and it's important for leaders to hear from you
- Plan Ahead because you will not have much time
  - Decide who will say what. One person can introduce the group, another can share their story, and someone else can make the ask

# DO'S AND DON'T'S

- Be positive and friendly
- Be concise and limit the number of issues
- Give reliable information
- Be firm
- Thank them for their time
- Wait until you're in the car to complain
- Write a thank you letter when you get home

- Be confrontational, berate or yell
- Get off the subject, ramble on, talk about the weather
- Guess or make up data
- Say they're a jerk
- Say "this was a waste of my time"
- Talk about how bad they are while at the capitol
- Write a letter to the editor saying how awful they are

# JOIN OUR MOVEMENT

- Opportunity Starts at Home is Coming to Minnesota
- Be on the lookout for advocacy opportunities and in-district meetings
- Share your story!
- Engage your friends and family to contact their members of Congress
  - Find five friends who can take five minutes to write an email or make a phone call.
- Together we can build a future where everyone has a safe and affordable home

# QUESTIONS?

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