



Housing Assistance Council
HAC News

HUD changes course on 2015 fair housing regulation.

In January, HUD suspended implementation of a 2015 regulation that required local jurisdictions to prepare Assessments of Fair Housing (AFHs) to help meet their obligations to affirmatively further fair housing. On May 8, civil rights groups sued HUD for suspending the rule. HUD has now canceled January’s suspension, and instead has withdrawn the Assessment Tool that local governments were using to develop their AFHs. Like the January notice, this one means local governments will keep using the older Analysis of Impediments rather than the AFH. HUD says it is planning a series of national listening sessions regarding the Assessment Tool. Comments on the Assessment Tool are due July 23. For more information, contact Krista Mills, HUD, 202-402-6577. HUD also announced recently that it plans to request public comment on whether its 2013 regulation on the use of disparate impact to identify housing discrimination is consistent with the 2015 Supreme Court ruling on the subject.

Senate committee approves 2019 USDA funding bill.

On May 24 the Senate Appropriations Committee passed its FY19 funding bill for USDA. Most of its rural housing funding amounts are the same as the FY18 levels, with slight increases for MPR and vouchers. The Senate bill provides slightly lower levels than the House bill – which passed the House Appropriations Committee on May 16 – for Section 514 and 516 farm labor housing, Section 533, MPR, and vouchers.

USDA Rural Dev. Prog. (dollars in millions)	<u>FY17 Approp.</u>	<u>FY18 Approp.</u>	<u>FY19 Admin. Budget</u>	<u>FY19 House Bill</u>	<u>FY19 Senate Bill (S. 2976)</u>
502 Single Fam. Direct Self-Help setaside ^a	\$1,000 5	\$1,100 5	0 0	\$1,000 5	\$1,100 5
502 Single Family Guar.	24,000	24,000	24,000	24,000	24,000
504 VLI Repair Loans	26.3	28	0	28	28
504 VLI Repair Grants	28.7	30	0	30	30
515 Rental Hsg. Direct Lns.	35	40	0	40	40
514 Farm Labor Hsg. Lns.	23.9	23	0	27.5	23.9
516 Farm Labor Hsg. Grts.	8.3	8.4	0	10	8.3
521 Rental Assistance	1,405	1,345	1,331.4	1,331.4	1,331.4
523 Self-Help TA	30	30	0	30	30
533 Hsg. Prsrv. Grants	5	10	0	15	10
538 Rental Hsg. Guar.	230	230	250	230	230
Rental Prsrv. Demo. (MPR)	22	22	0	25	24
542 Rural Hsg. Vouchers	19.4	25	20	28	26
Rural Cmnty. Dev’t Init.	4	4	0	4	6

a. Figures shown represent budget authority, not program levels.

House begins work on 2019 HUD funding.

On May 23 the House Appropriations Committee passed its FY19 funding bill for HUD. The bill would provide more funding than the Administration’s budget, but some reductions from FY18 levels. It introduces a new mobility demonstration that would allow families with children to move to areas with greater opportunity. The Senate will begin considering HUD appropriations the first week of June.

HUD Program (dollars in millions)	<u>FY17 Approp.</u>	<u>FY18 Final Approp.</u>	<u>FY19 Admin. Budget</u>	<u>FY19 House Bill</u>
CDBG	\$3,000	\$3,300	0	\$3,300
HOME	950	1,362	0	1,200
Self-Help Homeownshp. (SHOP)	10	10	0	10
Veterans Home Rehab	4	4	0	0

HUD Program (dollars in millions)	FY17 Approp.	FY18 Final Approp.	FY19 Admin. Budget	FY19 House Bill
Tenant-Based Rental Assstnce.	20,292	22,015	20,550*	22,476
VASH setaside	40	40	0	40
Tribal VASH	7	5	4	5
Project-Based Rental Assstnce.	10,816	11,515	10,952	11,347
Public Hsg. Capital Fund	1,942	2,750	0	2,750
Public Hsg. Operating Fund	4,400	4,550	3,279*	4,550
Choice Neighbrhd. Initiative	137.5	150	0	150
Native Amer. Hsg. Block Grt.	654	655	600	655
Homeless Assistance Grants	2,383	2,513	2,383	2,546
Hsg. Opps. for Persons w/ AIDS	356	375	330	393
202 Hsg. for Elderly	502.4	678	563	678
811 Hsg. for Disabled	146.2	230	132	154
Fair Housing	65.3	65	62.3	65.3
Healthy Homes & Lead Haz. Cntl.	145	230	145	230
Housing Counseling	55	55	45	55

* Includes amounts added by an Administration addendum to its budget request.

Dodd-Frank provisions rolled back for banks, manufactured homes.

On May 24 President Trump signed into law S. 2155, which passed the House on May 22 and the Senate in March. The measure does not affect the Consumer Financial Protection Bureau, but it removes some oversight for smaller banks, exempts 85% of lenders from some HMDA reporting, allows manufactured home retailers to make financing recommendations, and expands the ability of smaller lenders to make “Qualified Mortgages.” It also provides permanent authorization for HUD’s Family Self-Sufficiency Program.

GAO makes recommendations to USDA and Congress on preserving rural rentals.

The Government Accountability Office reviewed RHS’s efforts to address the possible loss of affordable rural rental housing due to maturing mortgages and made six recommendations. *Rural Housing Service: Better Data Controls, Planning, and Additional Options Could Help Preserve Affordable Rental Units* suggests that Congress consider authorizing Section 521 Rental Assistance and vouchers for tenants in properties whose mortgages have matured. Its recommendations for RHS include improving data accuracy, updating online preservation information regularly, and setting, monitoring, and reporting on preservation goals.

Revised bills propose changes to preserve rural rental housing.

Rep. Annie Kuster (D-NH) and Sen. Jeanne Shaheen (D-NH) have introduced new versions of the Rural Housing Preservation Act, introduced in 2016 in the previous Congress but not acted upon then. This year’s H.R. 5352 and S. 2574 would authorize vouchers for tenants in maturing mortgage properties, decouple Rental Assistance from Section 515 and 514 mortgages so it could be available for tenants in maturing mortgage properties, require uniform standards for transfers of Section 515 properties with LIHTCs, and permanently authorize USDA’s Multifamily Preservation and Revitalization Program. Committee action has not been scheduled for either bill.

Advocate’s guide to rural housing preservation published.

The National Housing Law Project has released *An Advocate’s Guide to Rural Housing Preservation: Prepayments, Mortgage Maturities, and Foreclosures*. Intended for advocates and legal services attorneys, the guide provides information, strategies, references, and sample pleadings and case materials. For more information, contact Jessica Cassella, NHLP.

Choice Neighborhoods Implementation Grants offered.

Local and tribal governments, PHAs and IHAs, and owners of HUD-assisted housing may apply by

September 17 for [grants to implement Transformation Plans](#) that address distressed housing, improved household outcomes, and reinvestment in neighborhoods. For more information, contact [HUD staff](#).

USDA seeks partnerships in the Section 502 direct loan program.

USDA RD wants to increase participation with intermediaries, qualified nonprofit packagers, and self-help grantees across the U.S. to raise their packaging of Section 502 loans from the current 18% to 25% in FY19. In May RD will begin publishing a quarterly newsletter for loan packagers and self-help grantees. For more information, contact [Tammy Repine](#), USDA, 360-999-0251.

More Opportunity Zones announced.

As of May 18, the Treasury Department had [designated Opportunity Zones](#) in 46 states, as well as in DC and five U.S. territories. Designations for Florida, Nevada, Pennsylvania, and Utah are [pending](#).

[Farm Bill fails in House.](#)

On May 18 the House voted on [H.R. 2](#), the [2018 Farm Bill](#), but it did not pass. The Senate is expected to release its draft Farm Bill in June.

Tribal VASH notices updated.

A new [HUD notice](#) consolidates previous *Federal Register* notices from October 21, 2015 and December 6, 2016 on the Tribal HUD-VASH program and adds procedures for issuing renewal funding. For more information, contact Heidi J. Frechette, HUD, 202-402-7914.

Inclusionary zoning map shows local and state programs.

The Grounded Solutions Network has developed an [interactive map](#) that shows the characteristics of inclusionary housing programs as well as state laws regarding adoption of such local programs. It also offers an interactive [Inclusionary Housing Calculator](#), designed to explore the relationship between local incentives and the development of mixed income housing.

African Americans and Hispanics still far from equal with whites, National Urban League reports.

The annual [State of Black America](#) report shows the 2018 “Equality Index” is 72.5% for African Americans and 79.3% for Hispanics. Full equality with whites would be 100%.

Nominate local and national leaders for HAC awards.

HAC is now accepting nominations for its 2018 Cochran/Collings National Service and Skip Jason Community Service Leadership Awards. Nominations are due Friday July 13. The awards will be presented at the [2018 HAC Rural Housing Conference](#) in December. Past awardees are listed on [HAC’s site](#). Complete the [online nomination form](#). For more information, contact [Lilla Sutton](#), HAC, 202-842-8600.

Need capital for your affordable housing project?

HAC’s [loan funds](#) provide low interest rate loans to support single- and multifamily affordable housing projects for low-income rural residents throughout the U.S. and territories. Capital is available for all types of affordable and mixed-income housing projects, including preservation, farmworker, senior, and veteran housing. HAC loan funds can be used for pre-development, site acquisition, site development, and construction/rehabilitation. Contact HAC’s loan fund staff at haclloanfund@ruralhome.org, 202-842-8600.

Please note: HAC is not able to offer loans to individuals or families. Borrowers must be nonprofit or for-profit organizations or government entities (including tribes).