



United for Homes

www.unitedforhomes.org



On Today's Webinar:



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Our Mission

The National Low Income Housing Coalition is dedicated solely to achieving socially just public policy that ensures people with the lowest incomes in the United States have affordable and decent homes.



Agenda

- The need for homes that are affordable
- Current US housing policy priorities
- United for Homes proposal
- Opportunities for action
- Questions?



The Need for Housing

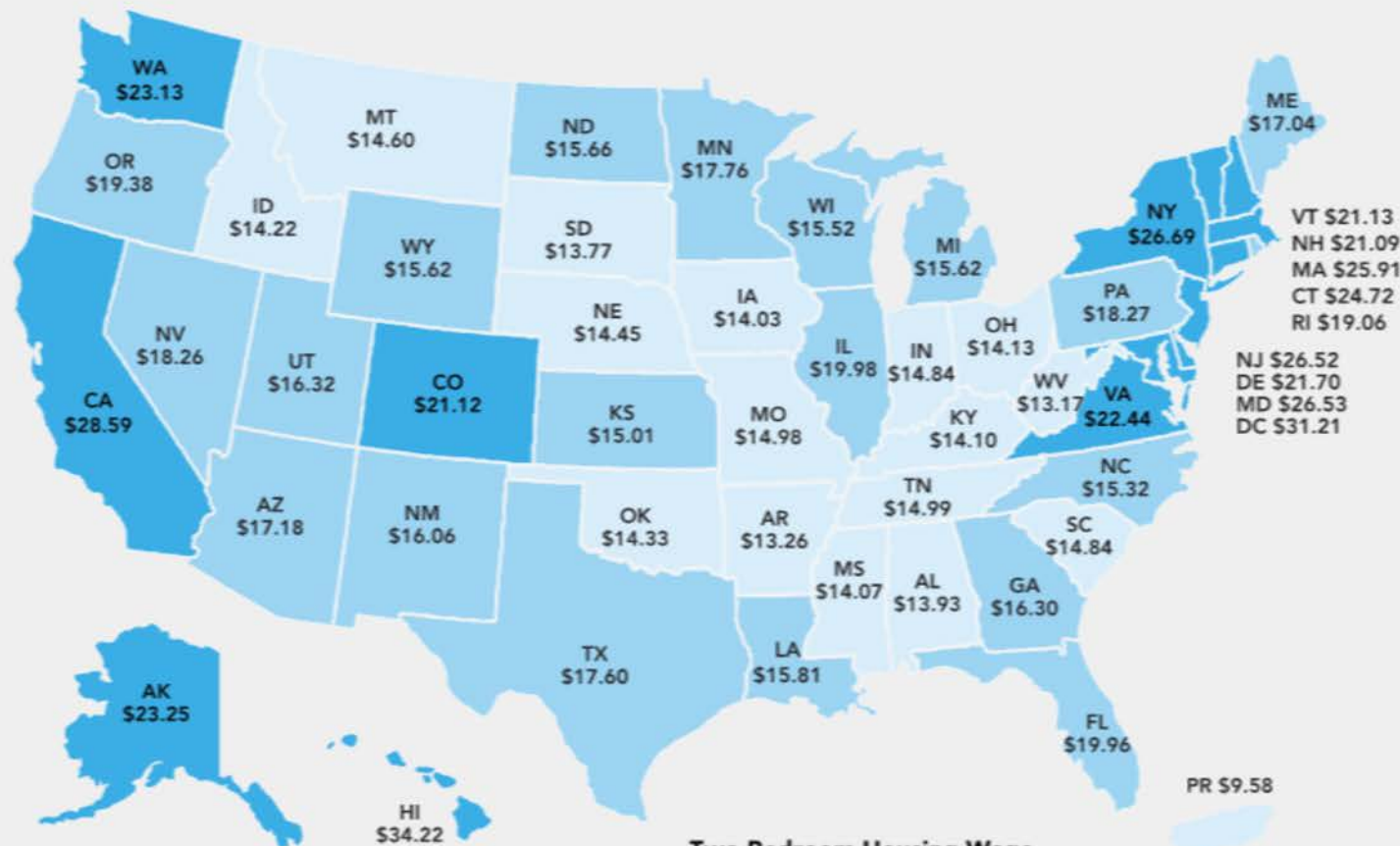
- There are **10.4 million extremely low income (ELI) renters** across the country. **1 in 4** that qualify for rental assistance benefit from it.
- There are only **3.2 million homes** that are affordable and available for these ELI renters. **This is a shortage of 7.4 million homes.**
- This housing shortage is why across the nation, **600,000 people are homeless** on any given night.

OUT OF REACH 2016

2016 TWO-BEDROOM RENTAL UNIT HOUSING WAGE



Represents the hourly wage that a household must earn (working 40 hours a week, 52 weeks a year) in order to afford the Fair Market Rent for a two-bedroom rental unit, without paying more than 30% of their income.



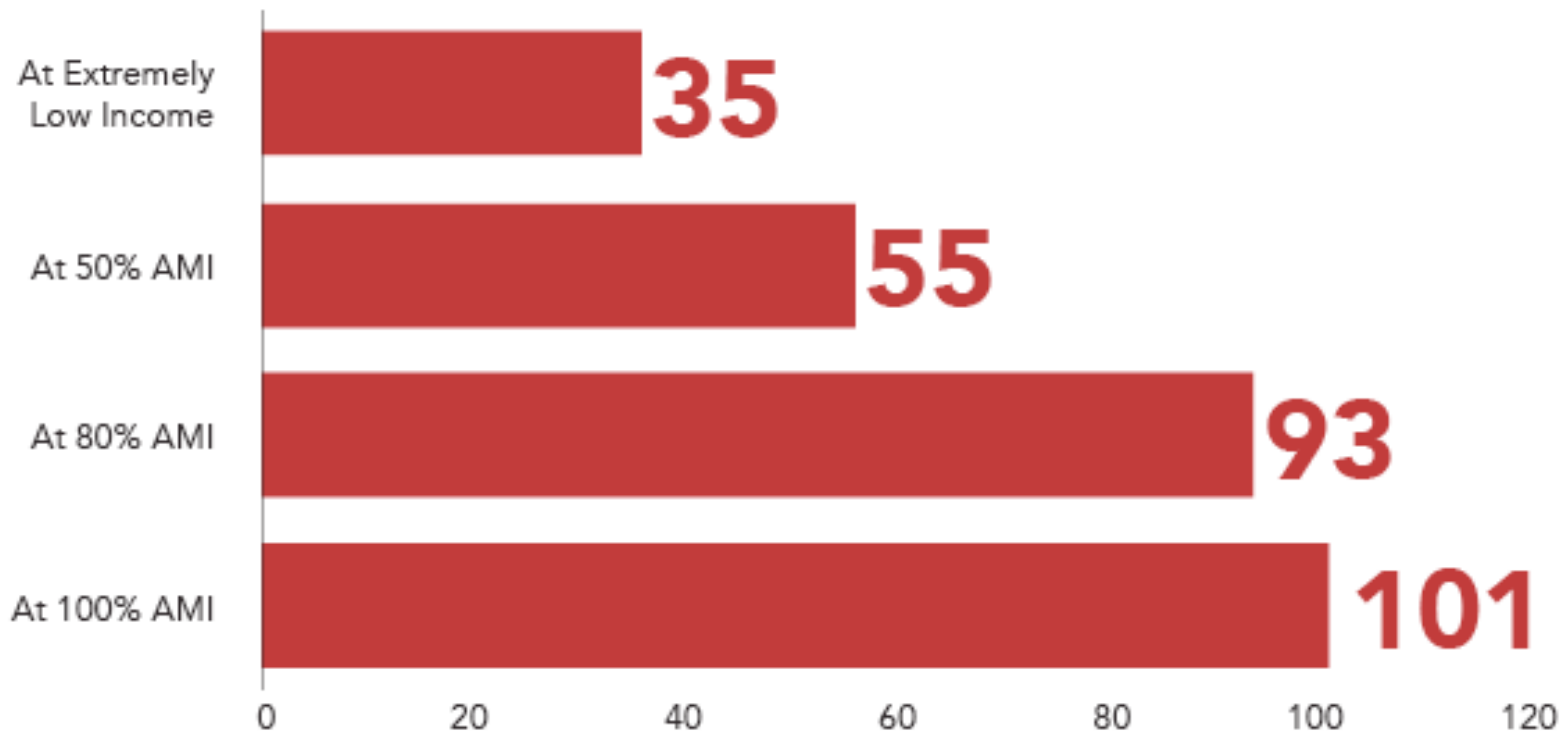
Two-Bedroom Housing Wage

- Less than \$15.00
- \$15.00 to less than \$20.00
- \$20.00 or More



Housing Shortage

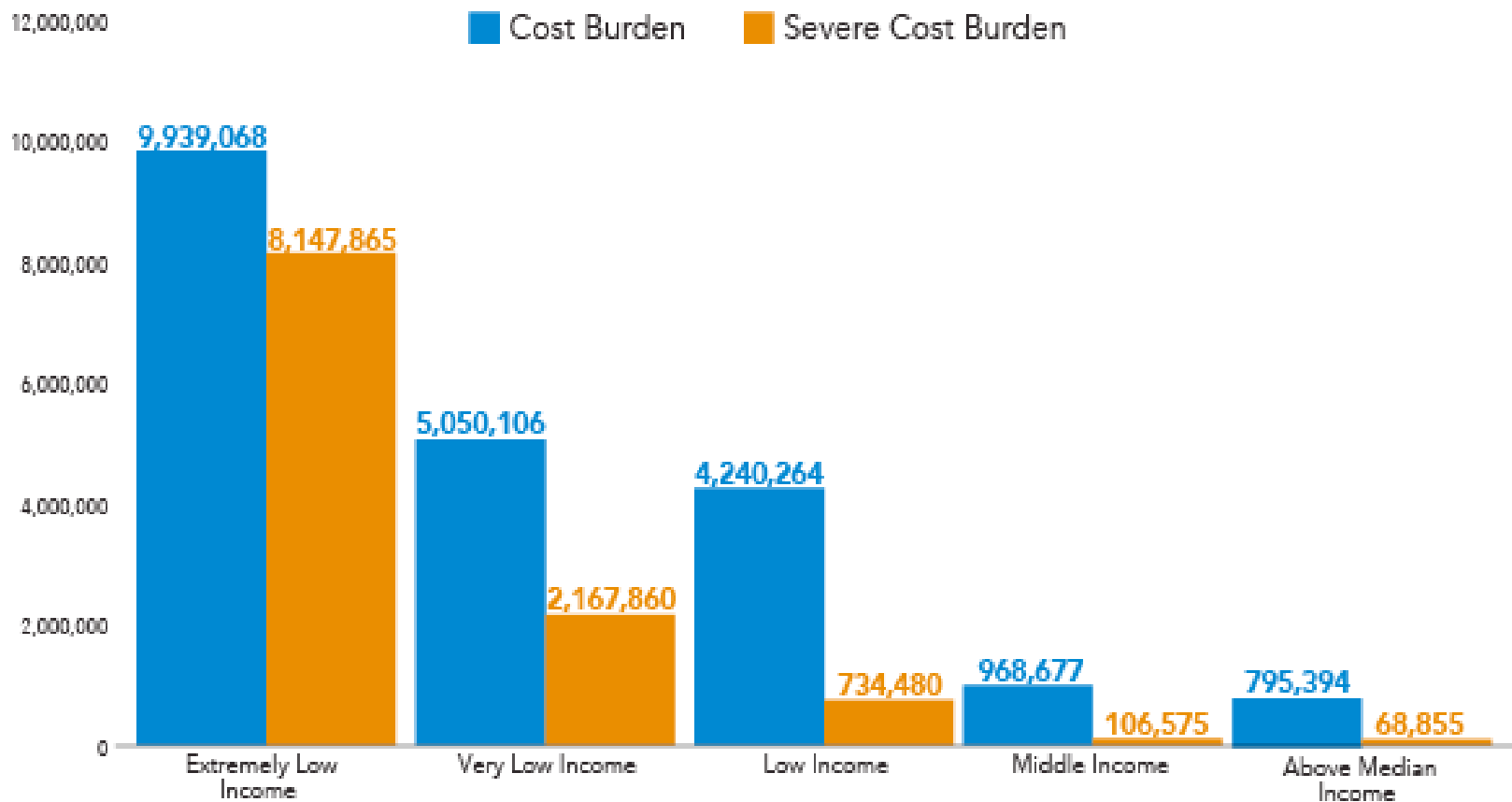
FIGURE 2. AFFORDABLE AND AVAILABLE RENTAL HOMES PER 100 RENTER HOUSEHOLDS, 2015





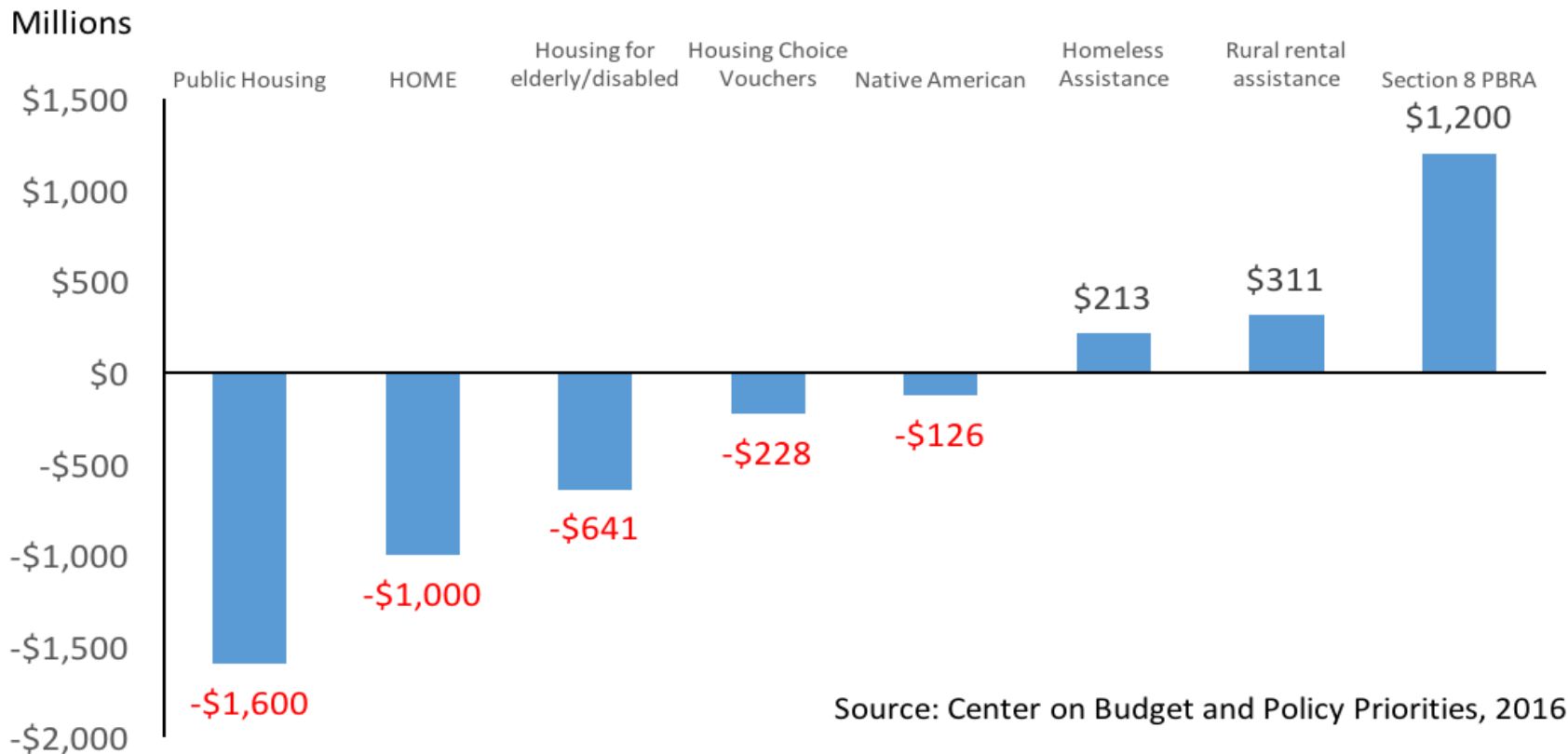
Cost Burden Falls on the Most Vulnerable

FIGURE 3: RENTER HOUSEHOLDS WITH COST BURDEN BY INCOME GROUP, 2015





Declining Resources



Source: Center on Budget and Policy Priorities (2016). *Chart Book: Cuts in Federal Assistance Have Exacerbated Families' Struggle to Afford Housing*. Washington, DC: Center on Budget and Policy Priorities. Retrieved from <http://bit.ly/1VqPbph>.

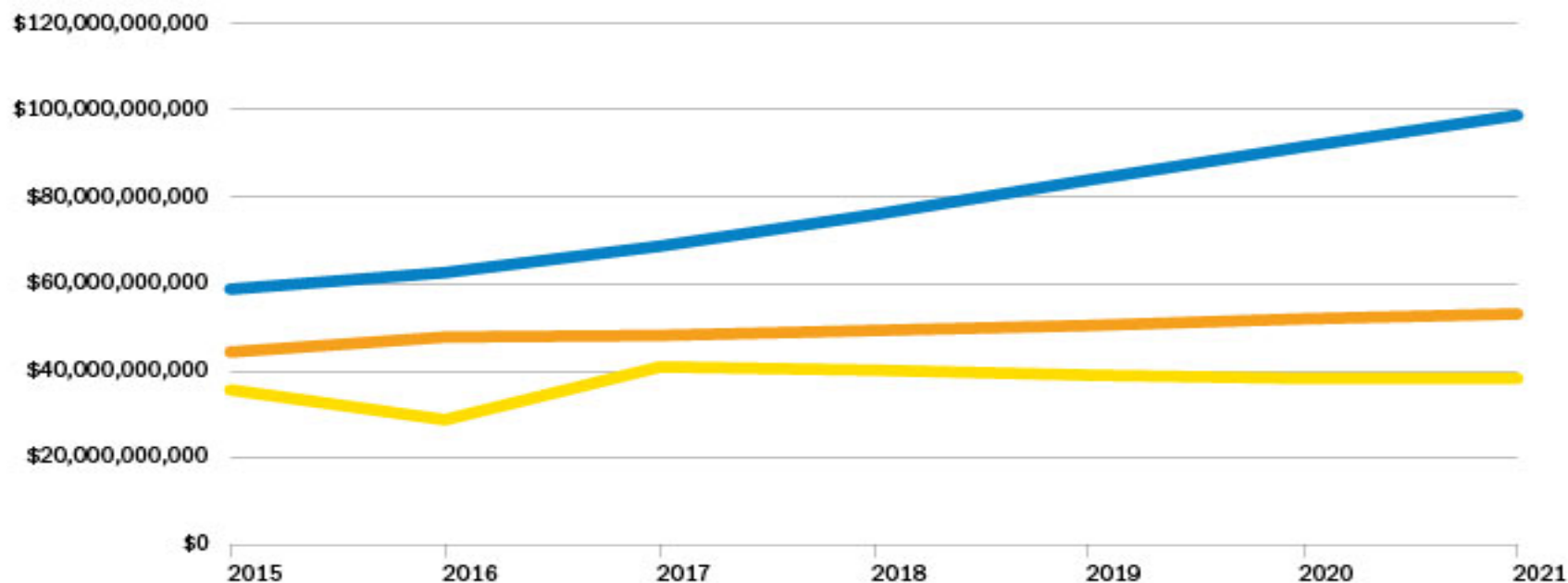


Overview



Projected Mortgage Interest Deduction (MID) Tax Expenditure and HUD Budget (2015-2021)

■ Total MID Expenditure ■ HUD Budget Authority ■ HUD Budget Outlays



Note: Not in constant dollars.

Sources: MID projections from Table 14-2B of OMB's Analytical Perspectives (2015). HUD budget authority and budget outlay data from OMB FY17 historical tables 5.2 and 4.1, respectively.



United for Homes

A national effort to **rebalance federal housing policy** by making modest changes to the mortgage interest deduction (MID) to provide tax relief to more low and moderate income homeowners and invest the significant savings into programs that ensure the lowest income people in the U.S., including those who are homeless can have decent, affordable homes.

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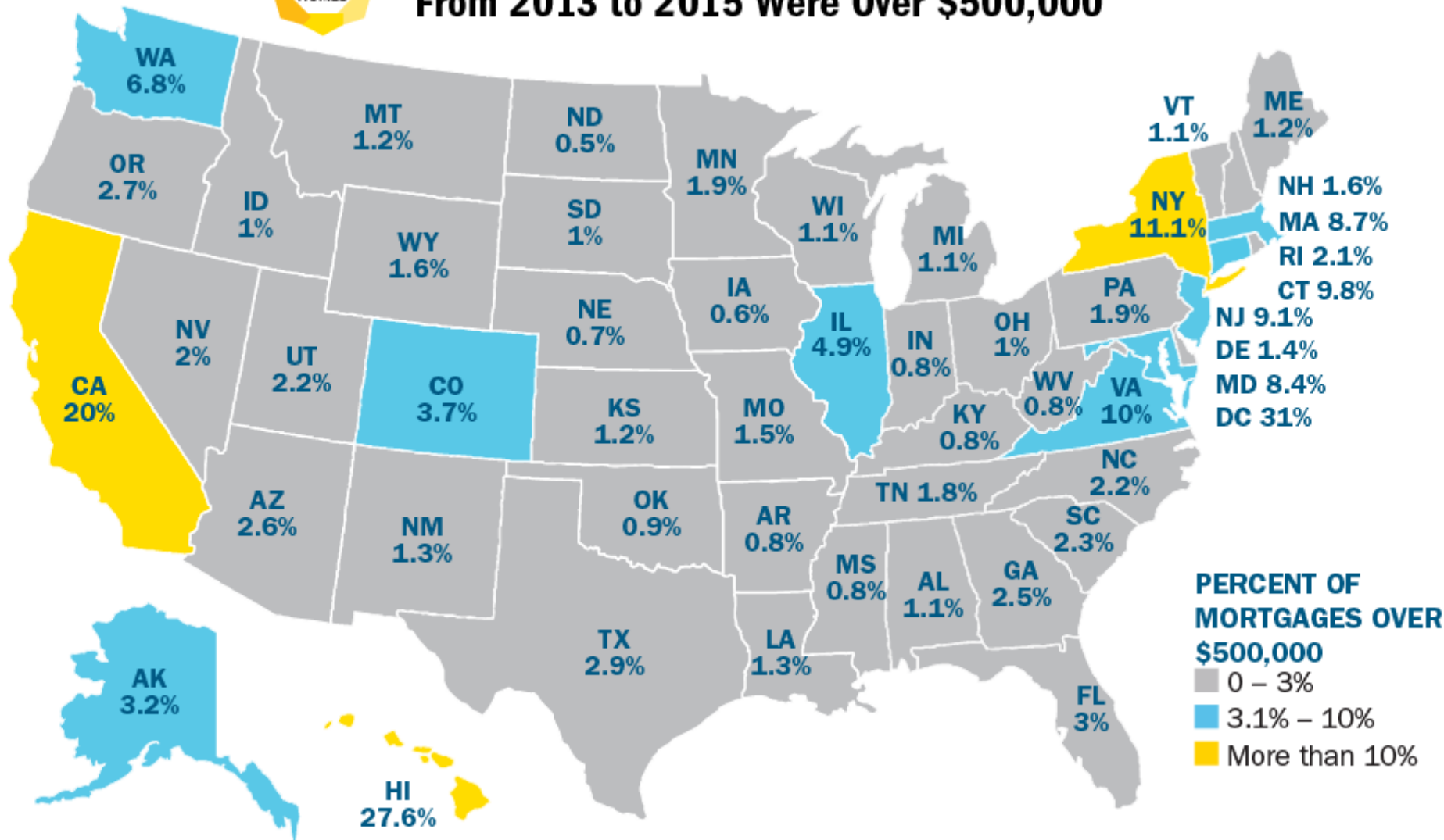
The Solution

Here's How:

- **Lower Mortgage Cap:** Reduce the amount of a mortgage eligible for tax write-off from \$1 million to \$500,000;
- **Convert to Tax Credit:** Turn the MID into a non-refundable tax credit to benefit millions of lower and middle income homeowners who currently do not benefit from the MID;
- **Reinvest in Affordable Rental Housing:** Reinvest the savings generated—more than \$241 billion over 10 years—in housing that serves families with the greatest needs.



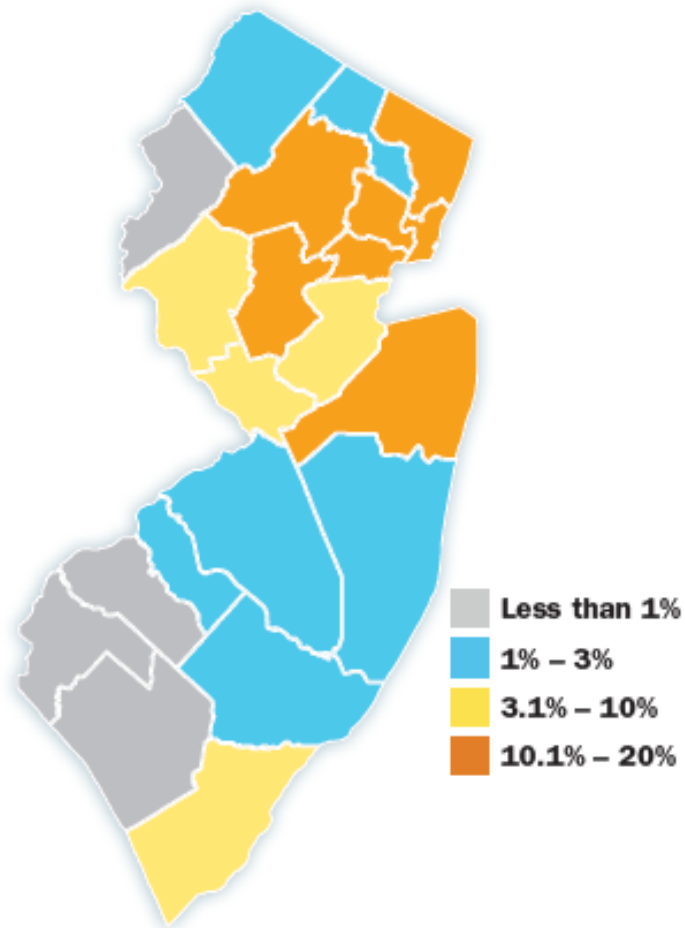
Just 6.0% of Mortgages in the United States From 2013 to 2015 Were Over \$500,000



Source: NLIHC analysis of Home Mortgage Disclosure Act (HMDA) data.



Mortgages in New Jersey



Source: NLIHC analysis of Home Mortgage Disclosure Act (HMDA) data. Includes HMDA-reported mortgages originated during 2013, 2014, and 2015 for home purchase or refinancing. The analysis was restricted to owner-occupied properties with a first lien and single-family homes, two-to-four family structures, and manufactured housing.



Homeowner Benefit

- Nationally, **15 million homeowners** don't receive a benefit from the MID because they don't itemize their taxes
- With UFH, these homeowners, who are predominately lower and middle income, would receive a tax break for their mortgage interest
- In New Jersey, **an additional 565,015 homeowners** would benefit from the tax credit



Reinvested Savings

- Over 10 years, this proposal would generate **\$241 billion** to build, rehabilitate, preserve, and operate homes that are affordable for those living at the poverty guideline
- Reinvested, the savings would generate **\$9 billion for New Jersey**
 - This could provide **100,510 new vouchers** or **build 93,894 new homes** through the national Housing Trust Fund



Legislation: HR 948

Representative Keith Ellison (D-MN), a leader of the Progressive Caucus, has introduced the bill as

HR 948: The Common Sense Housing Investment Act



Opportunities: Tax Reform

Tax reform is happening and reforms to the MID are on the table

Comprehensive tax reform provides a major opportunity to enact modest changes to the mortgage interest deduction and expand investments in affordable housing.

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Opportunities for Advocacy

- Endorse the Campaign:
www.unitedforhomes.org/join-the-movement
- Share: on social media and with your organizational network
- Write Letters to the Editor



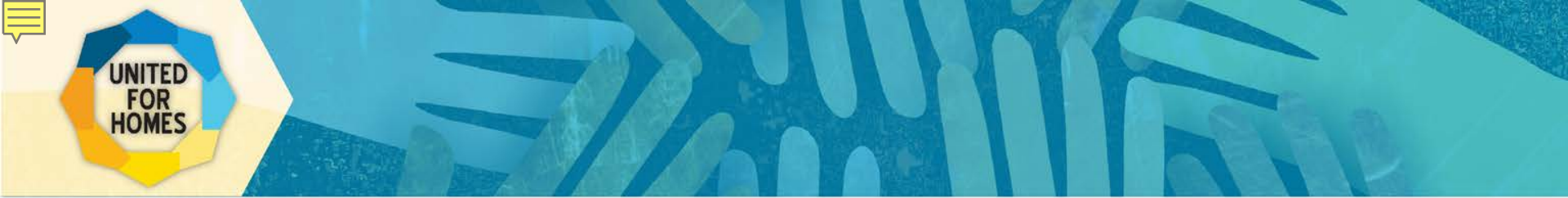
Opportunities for Advocacy

- Contact your members of Congress about co-sponsoring HR 948:
 - Norcross (NJ-1)
 - Pallone (NJ-6)
 - Payne (NJ-10)
 - Watson-Coleman (NJ-12)



Budget Update

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Questions?

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Stay in Touch!

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It's never been easy.

Our commitment is unwavering.

**Join us and amplify the voices of
the poorest families in need.**

**OUR MEMBERS
ARE OUR STRENGTH.**



NATIONAL LOW INCOME
HOUSING COALITION

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