



NATIONAL LOW INCOME
HOUSING COALITION

*Dedicated solely to ending America's
affordable housing crisis*

***National Housing Voucher Summit 2005
Final Statement, Recommendations, and Options
August 2005***

Introduction

The National Housing Voucher Summit was convened by the National Low Income Housing Coalition for the purpose of developing a consensus agenda on legislative and regulatory changes to the Housing Choice Voucher Program. Sixty-six people participated in the summit that was held in two sessions: February 22-24, 2005 in Seattle, WA at the Cedarbrook Leadership Center of Washington Mutual and April 4, 2005 in Washington, DC at the National Association of Home Builders. Extensive working group participation occurred between the Seattle and Washington, D.C. sessions. A list of summit participants is attached.

The statement, recommendations, and options that follow reflect a general consensus of the broad range of stakeholders who participated in the summit. Individual participants, or the organizations they represent, who support this document do not necessarily endorse all details of every recommendation. The nature of the support of this document provided by each participant is attached.

The intent of the following statement, recommendations and options is to provide a framework of goals, principles and policy options that summit participants and other Housing Choice Voucher Program stakeholders can use to assess policy proposals and to draft legislation or regulations. The statement, recommendations, and options provide a shared point of reference in participants' ongoing dialogue, advocacy and policy work.

Participants who have expressed support, including support with reservations, for these recommendations have agreed to make a good faith effort to advance the summit's recommendations, expressing reservations as appropriate, as they engage with other Housing Choice Voucher Program stakeholders on legislative, regulatory and administrative issues in the current calendar year.

General Assessment of the Housing Choice Voucher Program

The Housing Choice Voucher Program helps satisfy the affordable housing needs of approximately 2.1 million of the nation's lowest income households. The program is a critical element of implementing the nation's housing policy objective of safe, decent and affordable

housing for all Americans. A sound and adequately funded Housing Choice Voucher Program is required for other federal, state, and local housing programs to work well and as intended.

The major barrier to the continued success of the Housing Choice Voucher Program is the instability created by changing funding formulas adopted in 2004 and 2005. This instability leaves current voucher holders vulnerable, has forced households off the program, increased rent burdens for other households, and subjected many to damaging stress and uncertainty. Eligible and needy families on waiting lists or seeking housing are facing increased wait times and closed lists, decreasing their access to affordable housing.

The instability in program funding minimizes the ability of PHAs to utilize all vouchers authorized by Congress, alienates landlords, reduces housing choice for voucher holders, inhibits new construction and rehabilitation of additional low income units, and acts as a deterrent to private sector investment in affordable housing development.

While some changes may improve the program's operation, the most urgent concern is to restore credibility, stability and predictability to the manner of funding the program.

Goals

The goal of the Housing Choice Voucher Program is to increase the ability of the poorest families and individuals to secure their right to decent and affordable housing, by bridging the gap between what modest, safe, decent housing costs and what extremely low-income families and individuals can afford. The Housing Choice Voucher Program should ensure housing flexibility and choice for families, including their opportunities to move to neighborhoods or jurisdictions that better meet their needs. These opportunities should also include the option to move outside of higher poverty neighborhoods.

Additional goals of the Housing Choice Voucher Program can include poverty deconcentration, assistance in obtaining social services, facilitating household progress toward self-sufficiency, and stimulating new production.

Recommended Improvements

The following policy and program improvements are recommended.

Income Targeting. The Housing Choice Voucher Program should serve primarily the poorest families and individuals.

- The current income targeting requirements, which are that 75% percent of each agency's new admissions each year must have incomes at or below 30% of the area median income, should be maintained.
- One modification is recommended, however, to make vouchers more useful in rural areas where median income is quite low. Seventy-five percent of vouchers should go to

families with incomes at or below 30% of the area median or the federal poverty level, adjusted for family size, whichever is higher.

Funding. The following guidance is offered as the basis for policy decisions on funding for the Housing Choice Voucher Program funding:

- Congress and all other Program stakeholders need to know accurately what it would cost to fully fund the program on an annual basis. Full funding means funding for all authorized vouchers at a level that provides affordability, that is, the difference between the cost of modest decent housing in the market and an affordable percentage of household income to all households currently authorized, and for all other current commitments, such as tenant protection vouchers or project-based vouchers.
- All stakeholders need to be confident that the program is operating cost effectively, and they need agreed upon metrics, notably rent reasonableness, for measuring cost effectiveness.
- All stakeholders need to know how funding appropriated will be distributed from HUD to PHAs. They also need to know how the amount and distribution of funding will affect voucher holders and what the effect will be on the number of households that will be assisted.
- PHAs need a system of reserves in order to deal with unforeseeable changes in market conditions, family incomes, appropriations and administration, and to allow leasing of additional authorized vouchers by individual PHAs. Eliminating reserves at the PHA level could result in payment interruption, which is the worst possible outcome for the PHA, landlord, and most especially the tenant.

Inspections. The following are specific recommendations:

- Maintain the current Federal Housing Quality Standards (HQS). Current HQS are acceptable and effective, and current law allows PHAs to use state or local standards if more stringent.
- Improve the initial and annual inspections process. More flexibility and efficiency are needed in the inspection process.
 - Options for streamlining the initial inspection process include a) accepting inspections made by qualified agencies within the previous 90 days using standards equivalent to or more stringent than federal HQS; b) accepting recent inspections by qualified entities of a sample of units in the building in which the unit is to be leased; and c) allowing units that fail initial HQS for reasons that are not life-threatening and do not significantly impair tenants' quality of life to be contracted as of the inspection date, with the requirement that the landlord repair the violation within 30 days or face a change in effective date or termination of the subsidy contract, with an option for the tenant to terminate the lease.
 - Options for streamlining the annual inspection process include a) reducing the frequency of inspections for units or properties that have a good track record on

inspections; b) allowing PHAs to inspect not less than 25% of their voucher units a year; and c) allowing PHAs to accept inspections made in the previous 90 days by an approved government entity (tax credit agency, city building department, REAC inspector) that uses standards equivalent to or more stringent than federal HQS.

Portability. The current system of portability under the 2005 funding policy has inequitable financial effects on some PHAs. A mechanism is needed to avoid these adverse consequences while maintaining families' right to move to new areas with their vouchers.

- Additional data on the number of ported vouchers, where they are ported from and to, and what they cost is needed in order to develop the right mechanism. HUD should collect and make available these data as soon as possible.
- A central reserve fund should be established at HUD for the purpose of providing funding for originating PHAs to cover costs associated with ported vouchers that exceed the originating PHA's average cost of vouchers.

Rent simplification. The current system for calculating tenant rents is too complex, and time and labor intensive for PHAs and tenants. Options for rent simplification create potential trade-offs between incentivizing tenants to earn more and maintaining equivalent rent proportions as a percentage of income for families at different levels of income, if rent policy changes are to be revenue neutral. The extent of these trade-offs depends on the nature of the incentives and the effect of any change in deductions or exclusions from income.

- Additional analysis is needed to assess the possible effects and trade-offs of different rent simplification proposals, and their impacts on tenant groups and program costs. HUD should conduct these analyses and make the findings available as soon as possible.
- The following principles are recommended to guide decision making about changes to rent policy.
 - A simpler method for calculating rents is needed.
 - Rent calculations should be more transparent.
 - The potential for errors in rent calculation should be minimized.
 - Affordability should be safeguarded.
 - Changes to current rent policy should minimize harm to current tenants, that is, changes should not result in higher rents in the aggregate for tenants as a whole, the poorest families, elderly people, people with disabilities, or large families.
 - Changes to current rent policy should not result in lower income families paying a disproportionately higher percent of their income for rent than higher income families.
 - Rent policy should encourage increased earned income.
 - Changes to rent policy should not have a significant impact on subsidy cost.

- Rent policy should remain largely the same across HUD programs, including the Housing Choice Voucher Program, public housing, and project-based Section 8.

Options to consider in rent simplification in the area of income certification, verification, and calculation are suggested below, without explicit recommendation of any option.

- The certification periods for people whose income is largely from Social Security and/or SSI could be extended to three years. In the years when recertifications are not required, tenant incomes could be adjusted based on the cost-of-living adjustment in any income maintenance program in which the household participates.
- If actual or deemed income from an asset is less than (a relatively small amount), the stated income could be accepted without third party verification.
- Housing agencies could be permitted to rely on verifications of components of tenant income conducted by other federal programs, including Food Stamps, Medicaid, and TANF, without conducting additional verifications themselves.
- Housing agencies could calculate rents as a percentage of income in the previous year rather than based on anticipated income, as is current policy. Then residents could choose to submit income tax returns to verify their incomes.

Additional options that deserve further investigation to see whether they could be carried out in a manner that is consistent with the principles outlined above are suggested below. Further investigation includes analysis needed to determine the cost of these items and their impact on tenants. HUD should conduct and make available such analysis as soon as possible.

- Interim recertifications for small income changes (determined either as a dollar amount or as a percentage of income) could be limited or eliminated.
- The existing earned-income and child care deductions could be replaced with a deduction of a percentage of earned income for all families, that is, households should pay a lower percentage of earned income in rent than they pay of other income.
- The itemized deduction of medical costs for households headed by the elderly and people with disabilities could be replaced with either an expansion of the \$400 standard deduction for those households or by a simplified medical deduction.
- The deduction for dependents has not been increased since 1983 and could be considered for an increase in the broader context of achieving affordable housing for larger families and how this is or is not being accomplished.

Project-Basing Vouchers. Disincentives to project-basing of Housing Choice Vouchers need to be removed in order to increase PHAs' ability to initiate and respond to project proposals and to increase PHAs' ability to make timely decisions on utilizing vouchers for specific projects.

The following are recommended as changes to project-basing policy.

- The current penalties for “over-utilization” and “under-utilization” related to reasonable use of project-based vouchers should be eliminated. Funding allocations should not penalize those PHAs that commit project-based vouchers that have been held in reserve until such time as a project is ready for lease-up. Nor should PHAs be penalized in renewal funding for holding back vouchers in anticipation of issuing them later as project-based vouchers for specific projects.
- PHAs should not be required to set aside vouchers for project-basing at the time of the award.
- PHAs should have increased authority to select projects within general program guidelines, without the requirement of HUD approval. HUD, PHAs and other stakeholders should work together to simplify the project selection guidelines, while still maintaining appropriate boundaries on PHA discretion to ensure that project-based developments are consistent with the goals of deconcentrating poverty and expanding housing and economic opportunities.

Preservation. Current policy on Enhanced Vouchers should be maintained. Enhanced Vouchers are essential for reconciling the reality of an owner's right to terminate affordability with the prevention of displacement. This safety net only works if Enhanced Vouchers and the right to remain are authorized to continue as long as the tenant stays in an affected property.

Improving administrative efficiency. There are some regulatory disincentives, such as multiple reporting requirements, for PHAs to form voluntary consortia to administer voucher programs. HUD and other stakeholders should work together to remove those regulatory disincentives.

Reducing administrative costs to PHAs and landlords. The following recommendations are offered to make the Housing Choice Voucher Program less costly to operate.

- Because late payments to landlords are a significant disincentive to landlord participation, HUD and PHAs should assure the timely flow of funds from HUD to PHAs and from PHAs to landlords.
- The process for a landlord to rent to a voucher holder should be as transparent as renting to a non-voucher holder. To expedite moving a voucher-holding tenant into a unit, the PHA should 1) provide tenants with a checklist of information they will need to provide to the landlords, and 2) provide landlords with a timeline that explains when each stage of the process should be completed.
- HUD should provide PHAs and owners with the materials they will need to meet Federal requirements including Limited English Proficiency (LEP) and Lead Paint Hazard Elimination. HUD should provide translation and oral interpretation services directly to the LEP populations. Any standard regulatory or certification document that can reasonably be anticipated to be needed should be provided in alternative languages.

National Low Income Housing Coalition National Housing Voucher Summit 2005

Participants

Craig Adelman, Vice President, Community Development Banking, Bank of America, San Francisco, CA

Ophelia Basgal, Executive Director, Housing Authority of Alameda County, Hayward, CA

Matthew Bausch, San Luis Obispo, CA

Cathy Bishop, Staff Attorney, National Housing Law Project, Oakland, CA

Lisa Blackwell, Vice President for Housing Policy, National Multi-Housing Council, Washington, DC

Mark Calabria, Senior Professional Staff Member, Committee on Banking, Housing and Urban Affairs, United States Senate, Washington, DC

Cindy Chetti, Senior Professional Staff Member, Committee on Financial Services, United States House of Representatives, Washington, DC

Joy Conway, Director of Policy and Public Affairs, Living Cities, New York, NY

Kris Cook, Executive Director, National Affordable Housing Management Association, Alexandria, VA

Sheila Crowley, President and CEO, National Low Income Housing Coalition, Washington, DC

Mary Cunningham, Research Associate, Urban Institute, Washington, DC

Birgitta Damon, Director of Leased Housing, Metropolitan Boston Housing Partnership, Boston, MA

Shaun Donovan, Commissioner, New York City Department of Housing Preservation and Development, New York, NY

Telissa Dowling, President, New Jersey Department of Community Affairs Resident Advisory Board, Guttenberg, NJ

Carol Driscoll, President, Board of Directors, National Alliance of HUD Tenants, Brighton, MA

Conrad Egan, President and CEO, National Housing Conference, Washington, DC

John Cheney Egan, Housing Program Specialist, Illinois Department of Children and Families, Chicago, IL

Bob Erlenbusch, Executive Director, Los Angeles Coalition to End Hunger and Homelessness, Los Angeles, CA

Michele Evermore, Legislative Assistant, Office of Senator Tom Harkin, United States Senate, Washington, DC

Peter Freeman, Legislative Assistant, Office of Representative Deborah Pryce, United States House of Representatives, Washington, DC

Tim Funk, Housing Project Director, Crossroads Urban Center, Salt Lake City, UT

Gary Goldberg, Legislative Director, Office of Representative Maxine Waters, United States House of Representatives, Washington, DC

Jim Hunt, Vice President, National League of Cities and Member, City Council, Clarksburg, WV

Carla Javits, President, Corporation for Supportive Housing, Oakland, CA

Tallman Johnson, Professional Staff Member, Committee on Financial Services, United States House of Representatives, Washington, DC

Clinton Jones, Senior Counsel, Committee on Financial Services, United States House of Representatives, Washington, DC

Elizabeth Julian, Consultant, Inclusive Communities Project, Dallas, TX

Tim Kaiser, Executive Director, Public Housing Authorities Directors Association, Washington, DC

Michael Kane, Executive Director, National Alliance of HUD Tenants, Boston, MA

Scott Keller, Deputy Chief of Staff, Office of the Secretary, United States Department of Housing and Urban Development, Washington, DC

Marvin Kelly, Executive Director, Del Norte Neighborhood Development Corporation, Denver, CO

Judy Kennedy, President and CEO, National Association of Affordable Housing Lenders, Washington, DC

Jill Khadduri, Principal Associate, Abt Associates, Bethesda, MD

G. Allan Kingston, President and CEO, Century Housing Corporation, Culver City, CA

MA Leonard, Vice President, National Equity Fund, Seattle, WA

Michael Liu, Assistant Secretary for Public and Indian Housing, United States Department of Housing and Urban Development, Washington, DC

Timothy Marx, Commissioner, Minnesota Housing Finance Agency, St. Paul, MN

Jonathan Miller, Professional Staff Member, Committee on Banking, Housing and Urban Affairs, United States Senate, Washington, DC

Michael Mirra, Executive Director, Tacoma Housing Authority, Tacoma, WA

Neil Molloy, Executive Director, Housing Authority of St. Louis County, St. Louis, MO

Denise Muha, Executive Director, National Leased Housing Association, Washington, DC

Sister Lillian Murphy, President and CEO, Mercy Housing, Denver, CO

Stephen Norman, Executive Director, King County Housing Authority, Seattle, WA

Ann Norton, Attorney, Housing Preservation Project, Los Alamos, NM

Ann O'Hara, Associate Director, Technical Assistance Collaborative, Boston, MA

Julie Okoniewski, Legislative Assistant, Office of Representative Nydia Velazquez, United States House of Representatives, Washington, DC

Scott Olson, Professional Staff Member, Committee on Financial Services, United States House of Representatives, Washington, DC

David Oxner, Professional Staff Member, Committee on Financial Services Committee, United States House of Representatives, Washington, DC

Emily Paddison, Tenant Organizer, Tenants' Union of Washington, Seattle, WA

Peggy Pearson, Seattle, WA

Art Porter, Senior Vice President, Washington Mutual Bank, FA, Irvine, CA

Saul Ramirez, President and CEO, National Association of Housing and Redevelopment Officials, Washington, DC

F. Stevens Redburn, Chief, Housing Section, Office of Management and Budget, Executive Office of the President, Washington, DC

Doug Rice, Director of Housing and Community Development Policy, Catholic Charities USA, Alexandria, VA

Gene Rizor, Vice President, Quadel Consulting Corporation, Washington, DC

Nan Roman, President, National Alliance to End Homelessness, Washington, DC

Bill Rumpf, Deputy Director, Seattle Office of Housing, Seattle, WA

Barbara Sard, Director, Housing Policy, Center on Budget and Policy Priorities, Brookline, MA

David Smith, President and CEO, Recap Advisors, Boston, MA

Ali Solis, Director of Public Policy, Enterprise Foundation, Washington, DC

Rod Solomon, Counsel, Hawkins, Delafield and Wood, Washington, DC

Andrew Sperling, Director of Legislative Affairs, National Association for the Mentally Ill, Arlington, VA

Janice Stewart, Senior Vice President, Housing Choice Programs, Atlanta Housing Authority, Atlanta, GA

Phil Tegeler, Executive Director, Poverty and Race Research Action Council, Washington, DC

Barbara Thompson, Executive Director, National Council of State Housing Agencies, Washington, DC

Sunia Zaterman, Executive Director, Council of Large Public Housing Authorities, Washington, DC

Positions of Voucher Summit Participants on Statement, Recommendations, and Options

SUPPORT

Bausch, Matthew
Catholic Charities USA
Center on Budget and Policy Priorities
City of Seattle, Housing Office
Crossroads Urban Center
Corporation for Supportive Housing
Child Welfare League of America, Committee on Housing and Homelessness
Del Norte Neighborhood Development Corporation, National AIDS Housing Coalition
Dowling, Telissa
Driscoll, Carol
Enterprise Foundation
Housing Authority of St. Louis County
Housing Preservation Project
Julian, Betsy
Khadduri, Jill
King County Housing Authority
Los Angeles Coalition To End Homelessness and Hunger
Local Initiatives Support Corporation
Mercy Housing
Metro Boston Housing Partnership
Minnesota Housing Finance Agency
National Alliance to End Homelessness
National Association of HUD Tenants
National Alliance for the Mentally Ill
National Council of State Housing Agencies
National Housing Law Project
National Low Income Housing Coalition
New York City Department of Housing Preservation and Development
Pearson, Peggy
Porter, Arthur (WAMU)
Poverty and Race Research Action Council
Rizor, Gene (Quadel)
Technical Assistance Collaborative
Tacoma Housing Authority
Tenants' Union of Washington

SUPPORT WITH RESERVATIONS (attached)

Basgal, Ophelia (Housing Authority of Alameda County)
National League of Cities
Solomon, Rod

SUPPORT ALTERNATIVE STATEMENT (attached)

Century Housing Corporation
Council of Large Public Housing Agencies
Living Cities: The National Community Development Initiative
National Affordable Housing Management Association
National Association of Affordable Housing Lenders
National Housing Conference
National Leased Housing Association
National Multi-Housing Council
RECAP Advisors

ABSTAIN

National Association of Housing and Redevelopment Officials (letter attached)
Public Housing Agencies Directors' Association

OTHER

Adelson, Craig (Bank of America) left BOA before summit completion
Atlanta Housing Authority did not respond
Cunningham, Mary (Urban Institute) Organization policy does not permit statement of position

ADMINISTRATION AND CONGRESSIONAL STAFF (cannot take a position)

Calabria, Mark (Senate Banking, Housing, and Urban Affairs Committee)
Chetti, Cindy (House Financial Services Committee)
Evermore, Michele (Office of Senator Tom Harkin)
Freeman, Peter (Office of Representative Deborah Pryce)
Goldberg, Gary (Office of Representative Maxine Waters)
Johnson, Tallman (House Financial Services Committee)
Jones, Clinton (House Financial Services Committee)
Keller, Scott (HUD)
Liu, Michael (HUD)
Miller, Jonathan (Senate Banking, Housing, and Urban Affairs Committee)
Okoniewski, Julie (Office of Representative Nydia Velasquez)
Olson, Scott (House Financial Services Committee)
Oxner, Dave (House Financial Services Committee)
Redburn, F. Stevens (OMB)

Statement of Reservations: OPHELIA BASGAL (Housing Authority of Alameda County)

General Assessment of the Housing Choice Voucher Program. The section states that “households have been forced off the program” implying that this has occurred in significant numbers and those on the waiting list are facing “increased waiting times” without any quantification. Without data quantifying such statements, I am uncomfortable in supporting statements that imply that these are significant problems which may or may not be true and which may or may not be attributable to the current funding system.

The most urgent Section 8 program concern is stated as the need to restore credibility, stability and predictability to the funding system. While that is true, I believe that it is also critical to restore funding sufficiency both in terms of housing assistance and administrative fees.

Rent Simplification. I believe that the principles listed under the Rent Simplification section have internal conflicts. The list of tenants described in bullet point five who should not have higher rents in the aggregate seems to exclude everyone but working families and yet bullet point seven states that rent simplification should encourage increased earned income.

- Income certification, verification and calculation options. I disagree with bullet point two which states that if an asset is “relatively small amount” third party verification is not needed. An asset of \$20,000 generates an inconsequential amount of monthly rent (less than \$10) at a passbook interest rate of 2%. Third party verification should not be required in this circumstance and therefore a higher asset threshold should be allowed rather than the stated “relatively small amount.”
- Other rent simplification options for further analysis. I disagree with the proposal to look at a possible increase in the deduction for dependents without corresponding reform for the entire rent setting policy. It is hard to argue that limited housing assistance should be spent increasing deductions for families that are fortunate enough to receive housing assistance given that only 25% of eligible families receive housing assistance.

Reducing administrative costs to PHAs and landlords. I am unaware of delays in HUD funding to PHAs, which would cause the late payments referenced in paragraph one of this section. I believe the discussion that led to this statement was referencing late HUD payments to multi-family owners.

Statement of Reservations: NATIONAL LEAGUE OF CITIES

The National League of Cities (NLC) broadly supports the principles behind the National Housing Voucher Program Summit, but we cannot support the specifics indicated in the Summit’s Statement and Recommendations. NLC can only support the summit’s statement and recommendations with reservations because they have not undergone our comprehensive policy process. Currently, NLC Policy indicates that NLC supports increasing, maintaining and fully renewing the number of Section 8 vouchers. Congress must provide full funding and more flexibility for Section 8 “tenant-based” vouchers so that local communities with tight housing markets can use the program more effectively. Congress must also continue to support the

Section 8 “project-based” program to help local communities with critical housing shortages to maintain their current level of affordable units. The summit’s statement and recommendations are more specific than our current NLC policy, and NLC can only support the areas of the statement and recommendations that are consistent with NLC policy. As NLC continues to partner with its housing industry colleagues, the NLC Community & Economic Development Committee will take the Summit’s work into consideration as it reviews the Section 8 voucher program this year to develop more specific policy.

Statement of Reservations: ROD SOLOMON

I strongly support the direction of the consensus statement, and I support many but not all of its specifics. My “reservations” noted here are more in the nature of suggestions.

The consensus statement could more directly stress the need for full funding and not just funding stability. “Full funding” would support the cost of all authorized vouchers reasonably likely to be used in a given year, including for commitments such as project-based and enhanced vouchers. In addition, the consensus statement rightly acknowledges the importance of rent simplification and lists key principles, but insufficiently notes inconsistencies inherent in the principles’ implementation. Those inconsistencies will force basic trade-offs.

Alternative Statement

**CENTURY HOUSING CORPORATION
COUNCIL OF LARGE PUBLIC HOUSING AGENCIES
LIVING CITIES: THE NATIONAL COMMUNITY DEVELOPMENT INITIATIVE
NATIONAL AFFORDABLE HOUSING MANAGEMENT ASSOCIATION
NATIONAL ASSOCIATION OF AFFORDABLE HOUSING LENDERS
NATIONAL HOUSING CONFERENCE
NATIONAL LEASED HOUSING ASSOCIATION
NATIONAL MULTI HOUSING COUNCIL
RECAP ADVISORS**

Statement on the Effectiveness of the Section 8 Housing Choice Voucher Program

The current Housing Choice Voucher Program is successful in providing housing opportunities for eligible families. The major barrier to its continued success is the instability created by changing funding formulas enacted in recent years. This instability leaves current voucher holders vulnerable; minimizes the ability of PHAs to utilize the vouchers authorized by Congress; alienates landlords; exacerbates concerns that it is not prudent to lend or invest private capital in affordable housing; reduces housing choice for voucher holders; and inhibits new construction and rehabilitation of additional low income units. We agree that while some program changes may improve the program, including more effective use of the inspection process, simplifying the calculation of tenant rents and additional administrative efficiencies the most urgent concern is to restore stability and predictability to the amount and manner of funding the program.

As noted above, recent and current uncertainty and instability in program funding is a critical problem, seriously undermining the program's ability to achieve its goal. We acknowledge that there are trade-offs between predictability in a) the total amount of program funding and b) the number of households served and the amount of subsidy individual households receive. We recommend that the following principles and policy directions should guide further discussion and decision making on Program funding:

- Congress and all other Program stakeholders need to know accurately what it would cost to fully fund the program on an annual basis. Full funding means funding sufficient to provide affordability at current levels to all households currently assisted, and to fund all other current commitments, such as tenant protection vouchers and project-based vouchers.
- All stakeholders need to know how funding appropriated will be distributed from HUD to PHAs, and from PHAs to landlords. They also need to know how the amount and distribution of funding will affect voucher holders, that is, the effect on the number of households that will be supported).
- All stakeholders need a system of reserves in order to deal with unforeseeable changes in market conditions, family incomes, appropriations and administration, and to allow leasing of additional authorized vouchers by individual PHAs.

Letter From NAHRO

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NAHRO
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April 14, 2005

Mr. David Fairman
Consensus Building Institute
238 Main Street
Suite 400
Cambridge, Massachusetts 02142

Re: National Housing Voucher Program Summit - Draft Consensus Statement

Dear Mr. Fairman:

You have requested written comments from summit participants on the April 6, 2005 draft Consensus Statement and Recommendations relating to the recent National Voucher Program Summit held in Seattle and Washington, D.C. We appreciate the change in the format of the statement, which now allows summit participants the options to support the statement with reservations or to abstain from support.

As you know, NAHRO has been concerned that the summit discussions did not allow enough time for the kind of comprehensive study and deliberation that the complexity of the voucher program demands. Also, as indicated in our previous correspondence with Sheila Crowley, we took issue with substantive positions taken in the previous draft of the consensus statement.

I and other members of the NAHRO staff have considered the April 6 draft statement carefully and have discussed it with NAHRO's leadership at a teleconference this week. While this draft does represent an improvement over the previous one, its rhetoric and substance varies so significantly and often from policy positions previously taken by NAHRO's Board of Governors that we cannot endorse the statement. We have reservations, in some fashion, about most sections of the statement and very significant differences relating particularly to the sections on goals, funding, and rent simplification. Under these circumstances, we feel that an endorsement would entail an unacceptable risk of misrepresenting NAHRO's positions to readers of the statement, notwithstanding that our reservations might be expressed in an appendix. In addition, we are concerned that, as NAHRO takes proactive positions in the ongoing national voucher program debate, confusion may result where future positions articulated by NAHRO may not be consistent with the substance of the summit consensus statement.

Therefore, we must ask that NAHRO be listed as a participant abstaining from support for the

James M. Indus, President; Donald J. Cameron, SP-HM, Senior Vice President; Sandra Edmonds Crewe, PhD., PMM, Vice President-Professional Development; Joseph E. Gray, Jr., Vice President-Community Revitalization & Development; David J. MacAuley, SPHM, Vice President-Membership Services; Elizabeth C. Morris, Vice President-Housing; Marjorie L. Murphy, Vice President-Commissioners; Raymond P. Murphy, Jr., PHM, Vice President-International; Saul N. Rodriguez, Jr., Executive Director

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Apr-14-2005 01:37pm From-NAHRO 2022694661

CBI

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Mr. David Fairman
April 13, 2005
Page two

statement and recommendations. We also request that this letter be attached to the final statement when it is issued.

Thank you again for your good work in facilitating the summit process.

Sincerely,


Saul N. Ramirez, Jr.
Executive Director

Cc: Jim Ingles
Don Cameron

Established in 1974 by Cushing N. Dolbeare, the National Low Income Housing Coalition is a membership organization dedicated solely to ending America's affordable housing crisis. NLIHC educates, organizes, and advocates to ensure decent, affordable housing within healthy neighborhoods for everyone. For more information, contact NLIHC, 727 15th St. NW, 6th Fl., Washington, DC 20005, 202-662-1530, www.nlihc.org.