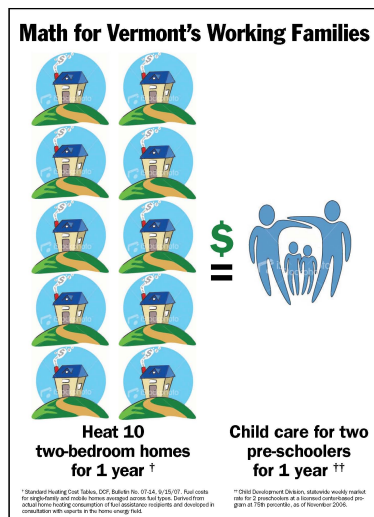


Virginia Governor's Housing Conference

When the Facts Don't Fit the Frame: Using Data Effectively to help make the case for affordable housing.

Speaker: Tiffany Manuel, PHD, VP of Knowledge, Impact and Strategy with Enterprise Community Partners

- I. Why does Data Backfire? Research shows that the first fact spoken is the one that is most remembered and used to make decisions – starting with the “facts” or data of affordable housing means the listener will remember the problem, not the solution. Start with the solution or desired outcome as the first “fact”. Search “anchoring” for more information
- II. Stop raising awareness – everyone knows there is a shortage of affordable housing. Awareness is not the problem – continuing to harp on the problem depresses peoples’ engagement and backfires – provide the way they can help
- III. Don't use the word “crisis” or use crisis language – it makes people disengage.
- IV. Focus on productive value, “American Pragmatism”. Collective efficacy and agency (together we can ...), highlight the universal benefits, share a future orientation that is optimistic, data redirection – include all income levels in data presentation so that you can put “regular” people in the story and “make the story about the hearer”.
- V. Use “social math” – put your data into everyday things with a visual and transform the data into a solution Ex:



- VI. If you don't address the “operative narratives”, the data actually backfires. In the last round of tax reform, the narrative was that housing is a “consumer good” – renters “don't have to live here”, they can just

move to a cheaper, closer, better, etc... Data needs to address this “operative narrative”

- VII. Enterprise Community Partners has a web based platform: Opportunity 360 with lots of available data at the neighborhood level
https://www.enterprisecommunity.org/opportunity360?utm_source=opportunity360.org_url&utm_medium=domainlink&utm_campaign=opportunity360



Housing Mobility: Confronting Inequality for Housing Choice Vouchers

Speakers: Brenda Hicks and Brian Koziol, HOME

Lakeeshia Fox, Poverty and Race Research Action Committee

- I. Data: VA Vouchers = 51,834 vouchers housing 113,336 individuals. Average Household Income of Voucher Holders \$14,177. Average life expectancy in poverty areas is 10-20 years less than in more affluent areas. Nationwide, more than 5 million people in 2.2 million families use vouchers.
- II. HUD 2016 enacted the ASFMR rule (stopped by current executive branch but localities can still opt in voluntarily) and it would have:
 - A. been mandatory in 23 metro areas
 - B. based subsidies on rents in zip codes rather than city wide
 - C. equalized voucher payments by paying owners of inner city, lower rent area apartments less, freeing up money to pay apartment owners in high opportunity areas more, creating a zero \$ net effect. Some areas the \$ net effect is not zero
- III. Reforms suggested by speakers include:
 - A. Section 8 Management Assessment – don't emphasize speed, focus on placing families well
 - B. Incentivize PHAs to place voucher holders in high opportunity areas
 - C. Reform the administrative fee system
 - D. Streamline portability
 - E. Federal Source of Income Protection
 - F. Exception rents – PHA raises voucher value in certain high opportunity

- areas
- G. Extend search times
- IV. HOME Move to Opportunity Program
 - A. Focusing on the Richmond Area
 - B. Outreach to apartment owners in high opportunity areas
 - C. One on one counseling workshop for voucher holders in the program – budgets, renter and owner responsibilities, community tours, post move counseling and support
 - D. Credit report and analysis, assistance with reasonable accommodation requests
 - E. Needs assessment
 - F. NOTE: BHC has stipulated that if a person has bad credit but participates in this HOME program, an exception can be made
- V. Barriers to Move to Opportunity
 - A. Bad Credit
 - B. Lack of funds for security deposits
 - C. Limited apartment communities that accept vouchers
 - D. Limited affordable housing in high opportunity areas
 - E. Limited housing search time – only 60 days to search and move
- VI. NOTE: It was mentioned that there can be tax credits for accepting vouchers
- VII. PHAs can bypass inspections if they so choose
- VIII. Was mentioned that the first voucher payment covers the vacancy loss from inspection process delays

LIHTC = Understanding LIHTC

Speaker, Mark Gipner, CAHEC

- I. 1986 first year for LIHTC
- II. Currently \$2.35/capita in tax credit funds
- III. Annually, 13 billion institutional investor capital in the program
- IV. Nearly 2/3 of 43.6 Million renting households are eligible for LIHTC housing
- V. 3 million units have been built since 1986
- VI. Requirements to qualify for LIHTC
 - A. Rented to individuals at or below 60% of area median income
 - B. Rents and expenses may not exceed 30% of maximum income of the imputed household size of a unit (1.5 persons/bedroom)
- VII. Compliance – 15 year minimum, violations lead to loss or recapture of credits (note: only 0.025% annual recapture average), tenant income can rise above max levels after initial qualification
- VIII. Data: typical financing = 30% equity and 70% debt – LIHTC financing = 30% debt and 70% equity
- IX. Concern of construction slowing due to reduction in corporate tax rate to 20% making LIHTC have less savings than current
- X. Credit v Deduction - \$1 of credit reduces \$1 of taxes owed by \$1 – versus - \$1 of deduction reduces \$1 of taxes owed by the applicable tax rate (i.e.

35%)

Example of Credit Versus Deduction

	LIHTC	Conventional Deduction
Gross Income	\$1,000,000	\$1,000,000
Less Deduction	--	(\$100,000)
Adjusted Income	\$1,000,000	\$900,000
Taxes @ 35%	\$350,000	\$315,000
Housing Credits	(\$100,000)	--
Taxes Owed	\$250,000	\$315,000

Afternoon General Session: several speakers – took notes on Maurice Jones, CEO
Local Initiative Support Corp – former secretary of ? for Governor?

- I. Housing is only one of the factors that catalyzes opportunity
- II. If you ONLY do housing, we will not get the outcomes we want for residents.
- III. LISK – the NFL is its largest funder (50M to build or rehab 50 football fields) -look for private entity partnerships to help
- IV. Houses need to partner with youth programs (recreation and education)
- V. Literacy programs – poor youth are 4 grade levels behind in reading and typical reading level is 5th grade level
- VI. 45-50% of jobs in VA will not need a college degree
- VII. LISK has “financial competency centers” that offer 3 services, 1 on 1 financial coaching, help to access benefits and help to prepare for training (increase literacy and test taking skills prior to entering a vocational training program)
- VIII. Safety is a critical issue of disparity, 20-50% reduction in crime when community and police work together to solve it
- IX. Food Desserts are a problem
- X. Rural VA has all the same issues at cities
- XI. Hospitals could be your next investors – hospitals have researched and found that providing post hospital housing that is safe and well housing cuts down drastically on return visits to the ER which will eventually save the hospital money as safe housing is cheaper than return visits to ER

Closing General Session – the Housing Policy Advisory Council Report is out – it can be accessed at www.vchr.vt.edu/VirginiaHousingEconomicLinkages/