

Executive Director's Notes

July 25, 2007

Given the tight timeframe with the NC General Assembly trying to finish its work in the next two weeks, we are using the Update to issue more of a **Call to Action** than usual.

While there are still a number of bills we are working on in hopes of passage before the legislature leaves town, the most critical issue we need your support on is increasing the appropriation to the NC Housing Trust Fund.

Right now the Trust Fund stands to get less than last year's appropriation mainly due to a cut in the support for the Housing 400 Initiative. We know there is a significant amount of discretionary spending that happens outside of the Committee structure, especially in the final days of the budget negotiations.

Lawmakers in the leadership of both the House and Senate can press their priorities and easily secure more funding for budget items. **We believe that an additional \$10 million is possible for the Trust Fund if you can help us generate enough pressure on those negotiating the budget.**

Campaign for Housing Carolina

Click on the Alerts below to send an email message to the leadership of the House and Senate, asking them to find more money for the Housing Trust Fund as they finalize the state budget.

Alert: Tell the House Leadership to Support the NC Housing Trust Fund. [Take Action.](#)

Alert: Tell the Senate Leadership to Support the NC Housing Trust Fund. [Take Action.](#)

Now is the time to call or email the General Assembly in support of affordable housing!

NC Housing Preservation Project – Friday, July 27th at 1:00

We spend a lot of time here focused on increasing resources for the increased production of new quality affordable housing in our state. Another very important issue is the preservation of the affordable housing stock already in place.

If you are interested in this issue, I invite you to join in a conversation with us on July 27th from 1:00-3:00 at the NC Housing Finance Agency. The **NC Housing Preservation Project** is a collaborative effort of the **NC Housing Coalition**, the **NC Housing Finance Agency**, **Socialserve.com**, and the **National Low Income Housing Coalition**. The goal of this effort is to create a catalog of the existing affordable housing stock in NC and to create a "monitoring" network that will keep us informed when stock is vulnerable for loss or conversion (with the hoped for goal of convening partners to preserve its long-term affordability). For those of you who cannot make it to Raleigh, there is a call-in number. Please see the **Announcements** section for more details.

National Housing News

Striking Racial Disparities in High-Cost Lending

The National Community Reinvestment Coalition (NCRC) released a report this month examining racial disparities in high-cost lending and found that the differences in the number of high-cost loans received by minorities and whites are substantial and persist across all income levels. The authors note that being middle income does not inoculate minority borrowers from receiving high-cost loans; to the contrary, differences widen as income levels increase.

The NCRC finds that in 2005, low-income African Americans were at least twice as likely to receive high-cost loans as whites in 70 metropolitan statistical areas (MSAs).

To address these disparities, the report suggests strengthening the Community Reinvestment Act (CRA) to encourage more prime and market-rate lending to minorities, and increasing federal and state enforcement of anti-predatory and fair lending regulations. The full report can be found [here](#).

NC Housing Coalition is also in the process of developing a blog. For the latest news in housing and the Coalition, click [here](#).

Thanks for being a member of the NC Housing Coalition,

Chris Estes
Executive Director

We thank our
Investors' Council
members:

- [Wachovia](#)
- [SunTrust](#)
- [NC Housing Finance Agency](#)
- [Federal Home Loan Bank of Atlanta](#)
- [RBC Centura](#)
- [Reznick Group](#)
- [BB&T](#)
- [Bank of America](#)
- [Carolina First Bank](#)

[Announcements/Jobs](#)

[Member Spotlight](#)

[This Week's Articles:](#)

Study Shows Racial Disparities in Mortgage Loans

NAACP sues over lending practices

Groups say Knightdale housing practices unfair

House Passes Low-Income Housing Bill

HUD Says 16% More In 2004-05 Faced Housing That Was Substandard Or Cost More Than 50% Of Income

Lawmakers give final approval to migrant housing standards bill

2-year wait for public housing

Tribe takes new tack on housing

The Future is Here

Council OKs \$25M for renewal

ANNOUNCEMENTS

Affordable Housing Primer Now Available

North Carolina Housing Coalition is pleased to announce that the ***Affordable Housing Primer*** is now available. This ***Affordable Housing Primer*** is designed to provide important basic information and resources that individuals, particularly persons with disabilities, their advocates, families, and service providers, can use to increase understanding of the housing system and help meet their needs. For more information or to download a copy, please click [here](#).

NC Housing Search: Free Marketing Service for Owners / Managers

Property owners and managers can reach thousands of potential renters through [NCHousingSearch.org](#), a statewide marketing service for affordable rental housing. [NCHousingSearch.org](#) is cosponsored by the **N.C. Housing Finance Agency** and powered by **Socialserve**, a nonprofit that has worked in the Asheville, Charlotte and Greensboro areas for several years.

This free service allows you to highlight the amenities and features of your property, provide photos and list eligibility requirements. Landlords can also take advantage of several built-in property management tools. The site is currently recruiting landlords to list properties. We strongly encourage property owners and managers in our programs to list with [NCHousingSearch.org](#).

Through [NCHousingSearch.org](#), renters can search your up-to-date property vacancies, get maps and directions, see pictures and contact information. Individuals without Internet access can request information to be mailed or faxed to them at by calling a toll-free number, 877-428-8844. This bilingual call center is available to assist both landlords and tenants with listing and locating properties.

For more information, go to [NCHousingSearch.org](#).

This is My Home Now Available

Housing of choice or housing of last resort? Manufactured housing is both. Importantly, it is home for millions of Americans. Through photos and interviews of residents in land-lease communities, **Adam Rust's *This Is My Home*** shows the stories of people who live in manufactured housing. This book acknowledges that problems confront manufactured housing, and suggests that hope lies in the examples made by the work of innovative nonprofits across the country. It will leave a reader with a new sense for how manufactured housing can be an asset in combating our nation's affordable housing crisis.

There will be a reading for the book on Wednesday, July 25th at the Internationalist Book Store in Chapel Hill -- 405 W. Franklin -- from 7 to 8:30. It will be a good time to talk about housing issues for low income families.

The book can be ordered from either [Amazon](#), [Barnes and Noble](#), or [directly from the publisher](#) (online ordering discount available).

North Carolina Affordable Housing Preservation Meeting

A proposed collaborative project of the **National Low Income Housing Coalition**, the **North Carolina Housing Coalition**, the **North Carolina Housing Finance Agency**, and **Socialserve.com**.

Date: Friday, **July 27th**; 1:00 – 3:00 PM

Location: North Carolina Housing Finance Agency; 3508 Bush Street; Raleigh, NC 27609

Off-Site Participation: Those who cannot attend in person may participate via conference call. Dial-in Number (866) 878-4191. Conference Code 2289317.

Efforts to create a comprehensive database of North Carolina's subsidized housing are well underway. Join us as we unveil this database – or Preservation Catalog – and take advantage of the opportunity to actively contribute to the project's next phase: Identifying local "project monitors" who could serve as the eyes and ears of affordable housing in their community. By establishing a network of project monitors, we can increase data accuracy and simultaneously contribute to preservation efforts by identifying properties at-risk of losing the subsidy or subsidies that make them affordable.

Click [here](#) to download the full invitation in .PDF format.

2007 Housing North Carolina Awards

Private developers, nonprofit organizations and local governments that produce affordable homes and apartments in North Carolina are eligible to enter the 2007 Housing North Carolina Awards. You can enter in one of the following categories: Homeownership Developments, Rental Housing Production, and Supportive Housing for Special Needs Populations. Properties must have received first Certificate of Occupancy since Jan. 1, 2003. Apply by **July 30, 2007**. Winners will receive plaques at a luncheon held in the Raleigh area on November 15. The application process is easier than ever. Please review the entry guidelines for the criteria for eligibility and judging. For Entry guidelines and applications, click [here](#). If you have any questions, contact Kimberly Savage at 919-877-5608 or kasavage@nchfa.com.

KnowledgePlex Chat: *Using DataPlace To Make Your Case*

Tuesday, **July 31** at 2:00 p.m. (1 p.m. CT/noon MT/11 a.m. PT)

How can you show funders and stakeholders where the greatest need for your services is in your community? How can you demonstrate where you've had the most impact over time? GIS data mapping is one of the best ways to answer these questions.

[DataPlace](#) offers a free set of online GIS tools tied to reliable data sources, such as the U.S. Census Bureau and a variety of others. This month's DataPlace demonstration will combine an overview of the Web site's rich functionality with "real world" examples of how agencies can

make the most productive use of it. Join Bill Talcott, Associate Director of Research and Programs for KnowledgePlex for this encore discussion.

Information on joining this chat will be posted in the next few weeks. Please check back [here](#).

4th annual Asheville Affordable Housing Fair

The Affordable Housing Coalition and the City of Asheville will present the 4th annual Affordable Housing Fair on Saturday, **August 11**. This free event is open to the public.

[Please click here to download a printable version of the poster.](#)

Assisting NC Homeowners Facing Foreclosure: A Training for Attorneys and Housing Counselors Serving Western North Carolina

Friday, **August 24, 2007**, 9:00 am to 12:30 pm
Owen Conference Center, Room 302, UNCAshville Campus

[Please click here to download a .PDF brochure with more details and registration information.](#)

"One People, One Nation? Housing and Social Justice: The Intersection of Race, Place, and Opportunity" - October 12, 2007, 9 a.m. to 3 p.m.

Segregation by race and class, escalating housing prices, and exclusionary land uses obstruct social justice. Housing problems present insurmountable barriers to preventing public school resegregation, closing racial wealth gaps, attracting good employment, and creating environmentally healthy stable urban spaces. There is a critical need to discover effective strategies for solving intractable social injustices and inextricably connected housing problems.

This conference aims to invigorate a new dialogue among advocates, explore new approaches to housing solutions, identify structural dynamics that keep people spatially isolated by economics and race, increase public awareness of how housing problems impede numerous social justice goals, and discover avenues for actors, advocates, and academics to work together to advance the promises of "one people, one nation."

Co-Conveners:

UNC Center for Civil Rights
National Housing Law Project
National Economic Development and Law Center
Poverty and Race Research Action Council
North Carolina Housing Coalition
North Carolina Justice Center

Support the **NC Housing Coalition** by using www.goodsearch.com when you search the web. Just enter in NC Housing Coalition as your charity of choice, and money from Goodsearch's advertisers will be donated to us without you spending a dime

[TOP OF PAGE](#)

JOB OPENINGS

Program Director

At **Urban Ministries of Durham**, we seek an exceptional Program Director to lead and manage our major programs that address homelessness, hunger, substance abuse, and poverty.

The job will not be easy. You will be responsible for providing shelter to ~100 people, and ~500 meals a day. You will also oversee our substance abuse recovery program that opens the door to great successes, but with many challenges and risks. And you will help strengthen our food pantry and clothing closet which serve nearly 400 people every month. Fortunately, you will be working with a team of nearly 20 paid staff and hundreds of volunteers, and you will be well-supported by an experienced executive director.

What are we looking for in our next Program Director? Here are the essentials:

- Compassion
- Leadership
- Organization
- Vision
- Strength

Professional Qualifications

Successful experience in human services program delivery and management is the primary qualification, including successful supervision and development of front-line and supervisory staff.

Proficiency with MS Office tools (Word, Excel) and experience working with large datasets (via MS Access or other database tools) is essential. A bachelor's degree is required and a relevant master's degree is preferred. Fluency or facility in Spanish is a plus.

Compensation

At UMD, we treasure the spiritual reward of our careers but also recognize the need for other compensations. The salary will be \$40-\$45k, depending on qualifications and experience. Paid vacations, holidays, and health insurance are standard for all fulltime staff, and we also contribute to a 403(b) retirement plan on behalf of employees after one year of fulltime work.

To Respond

Please respond with resume and letter of interest no later than **August 21** to Phil Marsosudiro at umd.search@gmail.com. We look forward to hearing from you.

Closing Coordinator

Provides advanced administrative support for complex real estate and tax credit investment transactions. Primarily responsible for the receipt, distribution, filing, status tracking and scheduling for these transactions as well as recommending and implementing procedures to improve these processes.

Education and Experience: Prefer two or four year college degree.

Extensive experience or specialized training can substitute for degree requirements. Requires two years related administrative experience in the processing of complex real estate transactions, mortgage loans or investment partnerships. For additional information, visit our website at www.cahec.com .

Please submit resume and cover letter to: **CAHEC**, Attn: Susan Mitchell, 7700 Falls of Neuse Road, Suite 200, Raleigh, NC, 27615 or email smitchell@cahec.com. CAHEC is an EEO/M/F/D/V Employer

Community Development Analyst

The **City of Asheville** is looking for a skilled housing and community development professional to join our CD team. Asheville is a medium-sized city (population 70,000), consistently rated one of the best places in America to live.

The Community Development Analyst manages our local Housing Trust Fund and assists in managing our federal CDBG and HOME programs. You will evaluate funding applications, prepare grant and loan documents, monitor the progress of projects, manage a loan portfolio, prepare reports, and work on program and policy development. This work needs a high level of motivation, attention to detail, good math skills, oral and written communication skills, a combination of tact, courtesy and firmness in dealing with our customers, and the ability to work without close supervision.

The ideal candidate will have a bachelor's degree, preferably in business administration, public administration, urban planning, or a related field, and direct experience in mortgage lending and underwriting. You should have a thorough knowledge of loan processing and be proficient in word processing, spreadsheet, and database software applications. A valid driver's license is required. The successful applicant must pass a pre-employment drug screen and criminal record check.

Starting salary: \$35,376 - \$42,883, DOQ. The City offers excellent benefits, including medical and dental insurance, life and disability insurance, retirement plan, medical and childcare flex accounts, on-site health clinic, 11 paid holidays a year plus annual and sick leave, and a 5% 401(k) contribution.

The application deadline is July 25, 2007.

Obtain application from: Human Resources Dept, City Hall, Room 601, Asheville NC 28802; Tel: (828) 259-5690, or on-line at: www.ashevollenc.gov/departments/human_resources.

Multifamily Housing Development Officer

Community Housing Partners Corporation, a leading non-profit affordable housing developer is seeking a Multifamily Housing Development Officer for immediate full time employment in our Richmond, VA office. Requirements: 5 years progressively responsible experience in housing, finance, real estate development, planning, or a closely related field; ability to work independently and collaboratively; proven track record of guiding projects from funding through stabilized operations; knowledge and proficiency working with MS Office applications; Masters degree in a related field desirable. CHP is an Equal Opportunity Employer, offering a diverse work environment with competitive salaries and excellent benefits. Visit our website www.communityhousingpartners.org for more information. Please send resume and cover letter to: jpritchett@chpc2.org

Housing Support Coordinator

Extensive experience in supervising and managing housing and service programs, including performance outcome measurement; knowledge of mental health and substance abuse issues; experience in assisting consumers to access housing; knowledge of housing resources and application processes; experience in working with private sector landlords; knowledge of/experience in linking individuals with community support services; experience with the target population; familiarity with HMIS; experience in financial management and program evaluation; Bachelors degree in human services required, Masters degree preferred. Resumes to Becky Hunt, **Family Service of the Piedmont** HR Director, 902 Bonner Drive, Jamestown NC 27282 becky.hunt@familyservice-piedmont.org

Please email [John Niffenegger](mailto:John.Niffenegger) any announcements or local news articles you would like to include in our bi-monthly Housing Updates.

[TOP OF PAGE](#)

MEMBER SPOTLIGHT



Affordable housing projects, especially single family homes, have extremely limited budgets and often good design is either overlooked or thought of as an expensive amenity. At **TightLines Designs**, an architecture firm committed to the affordable single family home, we believe that affordable housing and good design can, and should, coexist. Our mission is to provide quality house designs that fit a more modest budget.

The TightLines collection of homes provides design that goes beyond conventional affordable housing. TightLines houses deliver curb appeal, environmental sensitivity and livability in an efficient and affordable footprint. Several core principals guide the development of the TightLines collection:

- TightLines homes are built around the basic necessities for comfortable living. Our streamlined designs offer just what families need, with no wasted space. TightLines homes are efficient to build and affordable to maintain.
- We understand how families spend their time at home. TightLines houses are built around open and comfortable shared spaces that facilitate the flow of family life. Our homes do the work, so people can live.
- TightLines homes are designed to accommodate the furnishings and amenities that today's families desire. We've thought it out, and maximized efficient design with real life in mind.

The award-winning TightLines plans are in-stock and ready-to-build; from individual houses to full neighborhoods with well designed streetscapes. And since these plans have already been developed, they are available immediately and at a fraction of the cost to develop custom new plans. Of course, custom changes and new designs are also available, as well as neighborhood planning. Our clients have included many non-profits, municipalities, community development organizations, and for-profit developers across the state of North Carolina.

Why we're involved with **North Carolina Housing Coalition**:

North Carolina Housing Coalition provides a vital link between all the partners concerned about and sharing a passion for affordable housing. Through the Coalition, we have been able to bring to the table our expertise while at the same time learning about the vast complexities of the issues involved. It is with great pleasure to be involved with NCHC, and share our commitment to quality affordable housing with so many other similarly committed individuals, agencies, and companies.

For more information, please visit: www.tightlinesdesigns.com.

If you are interested in becoming a **Member Spotlight** or know of such an organization, please email [John Niffenegger](mailto:John.Niffenegger).

WELCOME NEW OR RENEWING MEMBERS

Bonetta Rogers
Sandhills Center for MH, DD &SAS

[TOP OF PAGE](#)

THIS WEEK'S ARTICLES

Study Shows Racial Disparities in Mortgage Loans

Borrowing While Black Follow-Up

ABC WTVD-11

Steve Daniels

July 10, 2007

Raleigh-- A new national study is revealing lending discrimination here in the Triangle.

A national organization says Raleigh and Durham are among the top five worst places in the country where African Americans are getting high cost home loans.

This finding comes eight-months after our Eyewitness News investigation called "Borrowing While Black."

In November, Eyewitness News exposed what many consider discrimination in mortgage lending. Now a national study is exposing more problems in the Triangle.

The National Community Reinvestment Coalition analyzed federal data and determined nationwide - African Americans are almost four times more likely to get a high cost mortgage loan than whites.

That means they're paying an interest rate higher than competitive rates.

John Taylor is the president of the NCRC. He says when you factor in income, unequal lending is the worst in the country -- right in our backyard. "Durham has the distinction of being the number one worst disparate ratio and Raleigh has the distinction of being the number two worst.. in the nation!" Taylor explained.

When we sent our undercover investigative team into banks around the Triangle last fall to see if blacks and whites would get different mortgage rates, the results were startling.

Our black tester, Melvin Watson, was surprised to get a different rate than the white tester. "I don't see (laughs) why there was a difference," Melvin said. "I mean the only difference was the color of our skin."

Stella Adams helped us organize the test which showed an 1/8 of a point difference between the interest rates.

STEVE: "You've seen this before?"

STELLA: "I've seen it before."

STEVE: "Across the country?"

STELLA: "Across the country."

STEVE: "What do you call it?"

STELLA: "I call it the Black Tax."

STEVE: "The black tax, the tax on the African Americans?"

STELLA: "It's the tax, it's the extra cost of being an African American in American society."

John Taylor says most Americans don't know these things are happening. "Even though most people want to believe we should be color blind there shouldn't be discrimination and so on, I don't think most people realize that it really continues at the level that it does.," Taylor said.

The new study also says high cost loans often include adjustable rates mortgages with low teaser rates. That may lead to foreclosure as the rate increases over time.

[TOP OF PAGE](#)

NAACP sues over lending practices

Raleigh News and Observer
July 12, 2007

LOS ANGELES - The NAACP sued a dozen mortgage lenders on Wednesday, claiming the companies discriminated against blacks by steering them into higher-interest, subprime loans while giving more favorable loan terms to white borrowers.

The lawsuit, which seeks class-action status, demands a court order barring the lenders from discriminating against blacks and compelling them to comply with fair housing and credit laws.

Among the defendants named in the lawsuit are Ameriquest Mortgage, Citigroup, HSBC Finance and Washington Mutual.

Ameriquest, Citigroup and HSBC defended their lending practices as fair. Washington Mutual declined to comment, saying it needed to review the lawsuit.

Subprime loans are often aimed at borrowers considered by lenders to be a higher risk because of spotty credit histories. Borrowers who obtain such loans can end up paying much more interest.

Many people who took out adjustable mortgages or home equity loans at subprime interest rates in recent years have been unable to keep up with increasing payments.

That has contributed to a spike in defaults and foreclosures in recent months, with dozens of mortgage lenders going out of business or filing for bankruptcy protection.

In the lawsuit, the NAACP contends the lenders have engaged in "institutionalized, systematic racism" and that black homeowners who received subprime loans from the lenders in 2004 were 30 percent more likely to get higher interest rates than white borrowers with the same financial qualifications.

The civil rights group cited studies and public statements attributed to government agencies and other groups that assert blacks have been more likely to receive higher-interest loans than other borrowers.

The complaint did not include specific examples.

One of the studies was issued last year by the Durham-based Center for Responsible Lending. It found that blacks were 31 percent to 34 percent more likely to be sold subprime loans than whites with the same income and credit risk profile, the lawsuit states.

[TOP OF PAGE](#)

Groups say Knightdale housing practices unfair

Eastern Wake News
Denise Sherman
July 12, 2007

Knightdale — The N.C. NAACP and Evergreen Construction have filed complaints with the U.S. Department of Housing and Urban Development over the town's affordable housing policy.

Town attorney Clyde Holt confirmed the two complaints had been filed against Knightdale.

In a letter to town manager Gary McConkey, N.C. NAACP housing chairperson Stella Adams said the policy violated the Fair Housing Act, TITLE VI of the Civil Rights Act of 1964 and Title 1 of the Housing and Community Development Act of 1974.

Adams is attending the NAACP national convention and was unavailable for comment Tuesday. Lyle Gardner and Tim Morgan, principals with Evergreen Construction, are vacationing and also unavailable for comment.

The policy in question concerns the limits the town set on the number of affordable and low-income houses and apartments that can be built if annexed into Knightdale.

The town also established requirements that new houses be worth at least \$196,000 and new apartment units be worth at least \$65,000 before land that is to be developed can be annexed into the town limits.

Town manager Gary McConkey has stated the town must guard its limited water and sewer reserve from Raleigh and assure that future development pays for services.

The council agreed and unanimously passed the policies.

In her letter, Adams states violations of law occur from "eligibility criteria that screen out or tend to screen out qualified persons (or classes) from services programs or activities. and deny "opportunity that is different because of race."

The town denied any discriminatory action or violation of law. The town's response said the town had not used the policy to deny any "pending or proposed plan for development."

Holt said that HUD matters are adjudicated after an investigator meets with both parties to understand the complaint and response.

He said mediation follows and if the parties cannot come to an agreement, the investigator rules whether a law has been broken. Holt said if the party is found guilty by the HUD investigator, the courts will decide the matter.

[TOP OF PAGE](#)

House Passes Low-Income Housing Bill

WRAL

Jim Abrams

July 12, 2007

Washington — The House voted Thursday to overhaul the housing voucher program, the federal government's largest effort to help low-income families find affordable housing.

The legislation, passed 333-83, seeks to make housing vouchers available to more families, makes it easier for people to use vouchers for first-time home purchases and creates incentives for employment and higher education.

The bill, said House Financial Services Committee Chairman Barney Frank, D-Massachusetts, makes "significant improvements in one of the most important social programs in the federal government."

It next goes to the Senate and must also overcome opposition from the Bush administration, which has objected to formula changes that affect how funds are allocated among local public housing authorities.

What is known as the Section 8 Voucher Program currently provides housing assistance for some 2 million low-income families. It costs about \$16 billion a year, more than 60 percent of the budget of the Department of Housing and Urban Development.

Under the program, eligible tenants, which includes the elderly and disabled, pay 30 percent of their income for rent, with the federal government making up the difference.

The voucher program was initiated in 1983 as an alternative to project-based rental assistance, which was criticized for concentrating recipients in poverty-stricken areas.

The bill simplifies the rules used to establish rents and subsidies and adds incentives for voucher recipients to obtain work, increase income and pursue higher education. It increases voucher availability for lower income families in rural areas.

It adds 20,000 vouchers a year over five years to the program, at a cost of about \$2 billion.

The main area of dispute was over a proposed new formula that allocates voucher funds each year based on the leasing and cost data for each public housing authority from the previous calendar year. Supporters of the change say the current formula, backed by the administration, has resulted in the loss of 150,000 vouchers and a buildup of some \$1.4 billion in unused funds.

The changes will "provide public housing authorities with an incentive to house more families," said Rep. Maxine Waters, D-California, chair of the Financial Services housing subcommittee.

The White House said the current system was instituted to halt rapidly escalating costs in the program and that the new formula would encourage public housing authorities to increase costs unnecessarily in order to claim a larger share of the subsequent year's funds.

Illinois Rep. Judy Biggert, a leading Republican sponsor of the bill, acknowledged the administration's opposition but said the bill was a good compromise. "Absent this bill no reform is possible."

The bill is H.R. 1851

Hud Says 16% More In 2004-05 Faced Housing That Was Substandard Or Cost More Than 50% Of Income

Housing squeeze getting tighter; Advocates: Poor feel pinch as stagnant aid, wages meet rising rents

The Charlotte Observer
Tony Pugh
July 13, 2007

Washington --Growing numbers of the nation's poorest households are using more than half their earnings for rent while waiting years for federal housing assistance that might never come.

The phenomenon is largely playing out in urban and suburban locales, but has exploded recently in rural areas as coveted rental assistance becomes harder to get due to high demand and scant funding from Congress.

The lack of affordable homes for poor families is the nation's No. 1 housing problem and undermines the stability and security of families and communities nationwide.

A new report by the Department of Housing and Urban Development describes the startling growth of the problem since 2003. It found that 6 million impoverished households used most of their monthly earnings for housing or lived in substandard conditions in 2005. That's an increase of 16 percent, or 817,000 families, since 2003.

The number of rural families facing this dilemma grew by 51 percent to nearly 1 million households over the same two-year span.

At the same time, these struggling households saw their average monthly incomes decline while their average rent payments increased.

In North Carolina, more than 750,000 households spent more than the recommended one-third of their income on housing or were living in substandard housing, according to the N.C. Housing Coalition, and the advocacy organization says the number is increasing.

"Minimum wage just finally went from \$5.15 to \$6.15 an hour and most people make between \$6 and \$10 an hour," said **Chris Estes**, executive director of the **N.C. Housing Coalition**. "There's just no housing out there unless it's substandard for people who make that kind of money. It keeps costs down in other areas of our economy, but it creates housing problems."

Despite the growing need for help, the 6 million families cited in the national report received no federal rent assistance from HUD. In fact, federal housing assistance reaches only about one in four income-eligible households.

There's simply not enough to go around, in part because for many years the Bush administration and Congress have diverted money from housing and other domestic programs to pay for tax cuts and the war in Iraq and Afghanistan.

"There definitely has been a diminution of federal support for low-income housing in recent years," said Nicolas Retsinas, director of the Joint Center for Housing Studies at Harvard University. "Clearly, it says there are other priorities, and this is not on the short list."

The lack of assistance, soaring rents, slow wage growth and a shrinking inventory of affordable apartments have made it nearly impossible for millions of low-income renters to adequately house their families.

"If you're not one of the lucky 25 percent to receive assistance, you're very likely to have a very high rent burden or live in substandard conditions," said Sunia Zaterman, executive director of the Council of Large Public Housing Authorities. "The demand for assistance goes significantly unmet."

In fact, a family with only one full-time minimum-wage earner can't afford a standard two-bedroom apartment anywhere in the country, the study found.

In the Charlotte region, the hourly wage needed to afford a two-bedroom apartment is \$13.60, according to the N.C. Housing Coalition. That's about \$2 more than North Carolina's average.

Rosalinda Santana, 23, a single mother of two in East Hartford, Conn., lost her hotel housekeeping job after taking two weeks off to care for her sick son because she couldn't afford a baby-sitter.

While she looks for work, she's putting the bulk of her \$563 monthly unemployment insurance check toward her \$750 rent. Santana applied for a slot in the "Section 8" Housing Choice Voucher program, the nation's primary rent assistance program for low-income families. But she faces a two- to three-year wait because program funding hasn't kept pace with demand.

Santana's landlord has been patient about her unpaid rent, but she and her children could end up back with relatives in New York City if she doesn't find work soon.

While some view housing assistance as welfare, the nation's largest housing subsidy by far is the federal mortgage interest tax deduction. It's projected to provide U.S. homeowners an estimated \$75.6 billion in tax breaks this year. Most of that relief will go to higher-income families.

Voucher recipients, most of whom are elderly or disabled, pay 30 percent of their earnings for housing and utilities -- an average of \$280 per month -- while the government subsidizes the balance of housing costs up to a specified amount.

But despite a growing need, Congress hasn't funded an expansion of voucher recipients since 2002. And lawmakers underfunded the program by \$570 million in 2005, leaving vouchers used by roughly 80,000 families without funding.

"The federal government has been squeezing housing authorities," said the N.C. Housing Coalition's Estes. "If rents go up, you have to spend more on the voucher programs, just to keep the same number of people housed. ... A lot more money needs to be made available for voucher assistance. "

The shortfalls and funding changes enacted since 2004 have resulted in 150,000 fewer families being in the program, experts say.

Utilization rates for vouchers have been declining in recent years, as public housing agencies hold rather than issue unused vouchers because of funding uncertainties.

Making matters worse, Retsinas of Harvard's Joint Center for Housing Studies estimates that the number of affordable apartments -- in which tenants pay less than 30 percent of their income for housing and utilities -- decreases by 200,000 each year in the U.S.

For every new affordable housing unit constructed, two are demolished, abandoned or become condominiums or expensive rentals, according to the John D. and Catherine T. MacArthur Foundation.

Nearly 375,000 U.S. apartments have been converted to condominiums since 2002, according to Real Capital Analytics, a New York real estate consulting firm.

Housing Data in North Carolina:

\$11.60

Hourly wage in North Carolina needed to afford an average two-bedroom home

\$13.60

Hourly wage in Charlotte needed to afford an average two-bedroom home

41

Percentage of N.C. renters who don't earn enough to afford a two-bedroom unit

\$740

Fair-market rent for a two-bedroom home in Charlotte, according to HUD

Source: N.C. Housing Coalition, HUD

[TOP OF PAGE](#)

Lawmakers give final approval to migrant housing standards bill

Hickory Daily Record
Associated Press
July 19, 2007

Raleigh, N.C. - North Carolina's migrant farm workers would be guaranteed mattresses at labor camps and inspectors would more closely review conditions at camps with reported problems under a bill given final approval Thursday at the state Legislature.

The Senate unanimously agreed to changes the House made to the bill, which would allow fewer inspections at the state's 1,300 registered labor camps that consistently exceed standards. The legislation now goes to Gov. Mike Easley.

Current standards enable some camps to allow 15 farmworkers to share a toilet or an outhouse, while some isolated labor camps have no transportation. Some camps offer only cardboard for mattresses.

"At the end of the day, they will have a mattress with a cover to sleep on," Sen. Charlie Albertson, D-Duplin, told senators on the chamber floor. "It's a great step for common decency."

The bill would require farms that host migrant workers to register with the Department of Labor at least 45 days before the labor camp is expected to be occupied. Department officials would inspect camps to "ensure safe and healthy migrant housing conditions" and issue a certificate for their use.

If a farm was not 100 percent compliant during the preoccupancy inspection, or if credible allegations about substandard conditions are received, inspectors also would visit the camp after migrant workers leave.

Broader changes were considered in 2005, but the legislation didn't pass after opponents said it upgrades that would be too expensive for farmers.

[TOP OF PAGE](#)

2-year wait for public housing

Authority officials work to reduce backlog in city

Wilmington Star-News
Chris Mazzolini
July 20, 2007

More than 1,700 people are waiting for public housing in the Wilmington area, and the Wilmington Housing Authority averages only six vacancies each month.

That has stretched the wait time to more than two years. This week, the housing authority stopped accepting new applications until that number is whittled down.

Housing officials say the problem points to the great need for more affordable housing in the Wilmington area, an issue many government and nonprofit groups are trying to address.

"There just is no place in town for low-income people to go to live," said Laura Hines, the housing authority's director of operations.

Hines said the authority stopped accepting applications as of Sunday, the first time it has happened during her 12 years at the authority. She even remembers a time when the list was only 50 deep.

The large backlog of applicants has multiple causes, Hines said. She said the authority is strict on its criminal background checks, which makes the housing projects safer and encourages long-term residency. Also, while Section 8 housing vouchers have helped many people find housing in the private sector, others are forced back to public housing by unaffordable utility bills, she said.

The housing authority also has commitments to its current residents, many of whom are being relocated from old housing projects. For example, the authority must still relocate 96 people living in Nesbitt Court, which dates to the 1930s, before the end of the year. And the pending sale of Solomon Towers will force the authority to relocate those residents to new projects at the site of the old Taylor Homes and a future housing development being planned off Princess Place Drive.

Existing residents receive priority, Hines said, so that exacerbates the wait. The housing authority currently operates 1,234 units.

Rental rates are another cause. Hines pointed to one resident who earns \$30,000 per year and pays a fixed rent of \$675. That resident would be paying much more for an apartment in the private sector, she said.

Despite the long list, Hines said she has not received many complaints. She said many on the list end up moving to other counties or live with family members.

The Pender County Housing Authority, which has far fewer units to offer, also has a wait. One public housing complex with 40 units has a waiting list of 94 people, while a smaller eight-unit project has a waiting list of 15 people, said director Angela Keith.

Waiting list information for the Brunswick County Housing Agency was not available Tuesday because director Vonnie Fullwood was out of the office and no one else could provide the information.

Search for solutions

The long waiting list is one manifestation of the affordable housing crunch, according to housing officials. While the problem is complex, the reason is simple: high land prices.

"Either the land that was affordable was taken up by developers or the land still available is not affordable anymore," said Barbara Birkenheuer, executive director of Cape Fear Habitat for Humanity.

Solutions aren't easy to come by, and many groups, from governments to nonprofits, are looking into ways to ease the burden on area families.

The city of Wilmington is currently studying strategies to increase the amount of affordable housing, which officials are starting to call "work force housing" because housing is too expensive for many vital workers such as police officers, firefighters and teachers, not to mention the service and retail workers who make up the bulk of the city's economy.

Lillie Gray, the city's community development manager, said the city is exploring ways to subsidize more housing with grant money and offer incentives to developers. For example, developers could avoid paying development fees or have their project fast-tracked through the approval process if they agree to build a certain number of affordable units.

But those strategies still need to be worked through, Gray said.

"We've identified the need. Now we are trying to figure out what we can do," she said.

Habitat for Humanity, which builds eight to 14 affordable homes each year in New Hanover, Pender and Brunswick counties, is developing a 32-home subdivision off Princess Place Drive where the homes will go to their clients for about \$80,000.

Affordable housing is a challenging problem, officials admit. Birkenheuer said Habitat currently has a waiting list about 200 deep, which means people can wait 12 to 18 months before their applications are processed. And Hines said the housing authority's ability to expand has been hurt by federal budget cuts as more money is diverted toward other priorities such as the Iraq war.

"That's not something we have any control over," Hines said.

[TOP OF PAGE](#)

Tribe takes new tack on housing

Asheville Citizen-Times
Jon Ostendorff
July 20, 2007

CHEROKEE — Construction of townhomes for members of the Eastern Band of Cherokee Indians is almost finished under a new program using casino profits to improve housing on the Qualla Boundary.

The Heritage at Soco Valley development will have 40 two- and three-bedroom units when it is finished. The first stage is set to open next month. Crews this week are finishing siding and interior trim work.

The development is a departure from decades of government-built housing on the Cherokee Indian Reservation that focused on low-cost homes on scattered, one-acre sites.

"It is really exciting," said Paulette Cox, divisional administrator for the tribe's Housing and Community Development Division. "There is such a need for housing."

Trust land

Part of the need for new housing in Cherokee comes from the way the government set up the reservation, also called the Qualla Boundary.

Land in Cherokee is held in trust by the federal government.

In Cherokee, people do not own land. Instead, they have what's called a "possessory interest." Tribe members are entitled to build on their land. But they couldn't historically borrow money against their holdings to help with the costs as their neighbors might do in Swain or Jackson counties.

This meant tribe members who wanted to live on the boundary had to take small, low-interest government mortgages. The homes were built by the Qualla Housing Authority, a federally funded public housing program run by the tribe.

Aging homes have many tribe members in poor living conditions. Health workers suspect indoor air pollution in some of the homes has caused the Eastern Band to have a higher rate of asthma than its neighbors. The casino, which brought in an estimated \$240 million for tribal government last year, has provided more options.

Tribe members get twice-annual payouts, which allow them to afford better housing. Total payouts for 2006 came to about \$8,000 for each member.

The tribe's new program for housing means members can use their possessory interest in the land as collateral on private mortgages guaranteed by the tribal government.

The government is able to set aside 3.5 percent of the casino money — about \$4.2 million a year — to build homes. The homes, like those at Heritage at Soco, will be sold to tribe members or rented to nonmembers who work in Cherokee.

A new concept

Principal Chief Michell Hicks made housing a top priority when he took office four years ago. He is running for re-election and has said better housing is still a top goal.

To help guide the tribe's new approach to housing, he tapped Warren C. Smith, former director of housing for Virginia's Department of Housing and Community Development.

Once the casino had fixed some of the money problems, the next hurdle was a lack of choices in housing types.

Smith and his staff found not everyone wanted the traditional one-acre lot and home. The market was begging for housing that required no yard work and was located close to town.

From that need, the Heritage at Soco was born.

"It's brand-new," Smith said. "I think it's a very positive thing. The way that we are looking to create these opportunities and serving these needs is a brand-new concept."

The new townhomes start at about \$150,000. A two-bedroom unit is 1,174 square feet. The homes feature stainless steel appliances, hardwood floors, ceramic tile, garages and community amenities such as a pool, fitness spa and a homeowners association.

Two other developments are planned that offer more of the traditional homes-on-lots setup. But the townhomes, so far, have been the most popular. The waiting list has about 20 families.

Smith said the tribe also is looking ahead to a time when it will need housing options for nonmembers who come to work in Cherokee.

The Eastern Band plans to double the size of the casino by 2010 and add 1,000 jobs. The casino is already one of the largest employers west of Asheville.

Hammers and nails

Loretta Brockington already has her application in to buy one of the townhomes.

She grew up in Cherokee but moved to Missouri 10 years ago.

At 67, she's ready to come home. With the year-round employment generated by the casino and with the new housing choices, the decision was an easy one to make.

"It is just perfect for me at my age," she said. "I am an artist. I'd rather do landscape portraits than work in the yard."

Paul Smith, no relation to Warren Smith, is the housing production manager for the division. It's his job to supervise the company — Meadows Homes of Knoxville — that is building the townhomes. Tribal government workers and construction companies owned by tribe members also are involved in the project.

The townhomes are modular. Once the foundations were installed, the company brought them in on trucks and put the pieces together. Construction started in March.

The first part of the development — 22 units — is rising up on one side of U.S. 19 in the Wolfetown community east of the casino. The second part, which will be 19 rentals, will be on the other side of the street.

Smith plans to have the first phase ready next month. The back of the first phase borders Soco Creek and will have a walking trail.

The town homes are designed to fit a variety of lifestyles. They are handicapped accessible and offer options for up or downstairs bedrooms.

"I like being an innovator," Smith said. "It gives a diversification of housing — not just scattered sites but a community-type development. I am real proud to be associated with it.

[TOP OF PAGE](#)

The Future is Here

The Chapel Hill News
D.G. Martin
July 11, 2007

About 4 million people.

That is the answer. Now, here is the question: How many people lived in North Carolina when my family moved here about 1950?

Here is another question that has the same answer: How much did North Carolina's population grow between 1950 and 2000?

Still another: How much will it grow between 2000 and 2030?

To summarize, North Carolina's population, actual or projected by year:

1950 -- 4,061,929
2000 -- 8,049,313
2030 -- 12,227,739

Putting it another way, North Carolina has twice as many people living here than it did when I moved here. And in 2030, it will have three times as many.

Now for a harder question, one that I bet you will not be able to answer with a simple yes or no: Is all this growth a good thing for North Carolina and the people who live here now?

So what is your answer?

Maybe you say "Yes," thinking about the economic benefits that have come with increasing population. More and better-paying job opportunities for us and our children. More people to share the costs of government. A wider variety of activities to enrich our lives. Or maybe you start with "No," citing crowded roads and schools, along with overtaxed public facilities and the strain on water supply and waste-water treatment capability.

Whether you think growth is good or not, we are in the middle of it. And we ought to make the best of it. We ought to do the things now to minimize growing pains and maximize the advantages that growth can bring.

What should our state do to get ready for the new 4 million people of 2030?

Maybe our first step should be to admit that we are already behind.

For example:

There are more than 100 communities across this state that are under some type of water and sewer moratorium. Those communities will have a harder time getting their fair share of new business investment.

We have hundreds of thousands of our children in trailers and not classrooms. In a world where education is critical to progress, we still lag far behind other states in the investment we are making in our K-12 schools.

Funding has not matched skyrocketing road-construction costs, pushing back transportation projects, causing delivery delays, commuter crunches and endangering lives.

Land for forests, farms and natural areas that are so important to our quality of life and economy disappear to the tune of 100,000 acres annually. To cope with rapid growth, several communities have passed moratoria or increased impact fees.

We have 2 million people living in sub-standard housing or housing they can't afford. So, what's to be done?

The N.C. General Assembly has the opportunity to take a giant step -- a proposal to create an infrastructure fund to pay for a package of "Bonds for Progress" that includes \$2 billion for schools; \$1 billion for land and water conservation; \$1 billion for water and sewer; \$1 billion for roads and \$250 million for the Housing Trust Fund.

Borrowing to prepare for growth is often the most prudent way to address this challenge. And bond financing would allow those new North Carolinians who will be joining us between now and 2030 to help the rest of us shoulder the expense of getting ready for them.

Let's hope our legislators will give careful consideration to the "Bonds for Progress" proposal, and adopt it, unless they can come up with a better way for us to get ready for....

Remember that answer!

... Four Million people.

[TOP OF PAGE](#)

Council OKs \$25M for renewal

Project along Statesville Avenue to emphasize affordable housing

The Charlotte Observer
Victoria Cherrie
July 24, 2007

The Charlotte City Council on Monday night unanimously approved a request to spend \$25 million to help redevelop Double Oaks, a dilapidated community off Statesville Avenue.

The Charlotte-Mecklenburg Housing Partnership, a private, nonprofit organization, has worked with the city for years to revitalize the Statesville Avenue corridor into several new mixed-income neighborhoods.

The \$120 million plan to redevelop Double Oaks requires tearing down 576 one-story buildings and relocating about 330 residents. The goal is to replace the existing complex with 940 apartments, condos and townhomes. About 300 apartments could be rented by low-income people or families, a major goal of the city, which is about 17,000 affordable housing units short of its needs.

The project also includes more than 100,000 square feet of commercial and office space.

Councilman Michael Barnes, who represents part of Double Oaks, supported the project that will be built over 10 years. But he was concerned the city will spend about \$6 million on improvements to roads and add sidewalks when the neighborhood already has both, he said.

There are other neighborhoods who are on waiting lists for both, he said.

Double Oaks is the largest project undertaken by the Housing Partnership, which depends on local, state and federal money.

The organization's next step will be talking to Mecklenburg County about how to turn a 15-acre dump next to the Double Oaks property into an amenity, such as a park or golf course, said David Howard, an agency spokesman.

The dump that was once used as a park with playground equipment and a basketball court used to be owned by the city. But it became the county's responsibility when the agencies merged their parks and recreation departments, Howard said.

He was unsure how much cleaning up the area would cost.

Meanwhile, the partnership plans to close on the 98-acre property before the end of August, Howard said.

[TOP OF PAGE](#)
