

# 2010-2011 TEXAS ASSOCIATION OF COMMUNITY DEVELOPMENT CORPORATIONS POLICY PRIORITIES

## **Housing Trust Fund**

Improve administration of and secure a dedicated source of revenue through the Housing Trust Fund.\*

- Analyze potential funding sources and amounts for a dedicated stream of revenue for the Housing Trust Fund. Analysis should include economic benefits of increase in spending on affordable housing, including indirect and induced economic benefits
- Provide clear recommendations to the Texas Legislature and the governing board of The Texas Department of Housing And Community Affairs on how to administer and operate funds from the Housing Trust Fund

## **Property Tax Exemption**

- Protect and improve affordable housing tax exemption
- Protect current levels of tax exemption for affordable housing, including tax credit properties
- Provide technical assistance to CDC's and taxing jurisdictions to ensure appropriate use of exemption
- Clarify appraisal method for multi-family rental properties
- Investigate possibilities for increasing multi-family rental exemption in limited situations, such as single room occupancy developments \*
- Maintain exemption for single family developments at 100 percent \*

## **State Program Administration**

Encourage efficiency and streamlining of community development programs (TDHCA, TDRA, economic development and tourism)

- Monitor agencies to ensure funds are distributed efficiently and equitably with particular attention to the HOME and HTF programs
- Increase administration funds percentage for housing programs\*
- Monitor state needs assessment and encourage greater participation in needs survey
- Protect 0-30 percent AMFI for all housing programs\*
- Work with other stakeholders to monitor housing programs for compliance with ADA and fair housing laws and to promote universal design policies for accessibility
- Develop policies to ensure non-profit set aside in housing tax credit program is used by true non-profit organizations\*
- Encourage additional green building and energy efficiency in all housing programs
- Modify programs to use the greater of statewide AMFI or local AMFI in determining income targeting levels\*

- Promote fair resource allocation and best practices in provision of rural affordable housing through TDHCA's HOME And LIHTC programs

### **Homeownership and Asset Sustainability**

Promote homeownership policies and programs that provide opportunities for low-income families to build assets and that reduce the asset gap in Texas

- Work with CDCs and state officials to create policies to encourage homestead preservation across the state\*
- Promote a statewide individual development account matching fund\*
- Promote IDA and EITC work among CDCs
- Promote low income housing tax credit program as a means to eventual homeownership

### **CDFIs**

Increase funding for community development financial institutions \*

- Fund the Capital Access Program and make the program independent from the Economic Development Bank\*
- Promote new markets tax credits as funding for CDFIs and commercial development
- Create a state CDFI fund with an initial allocation of Fund with an initial \$15 million for the biennial period following the Legislative Session\*

### **Predatory Lending and Financial Literacy**

Protect against predatory lending and promote financial literacy

- Support alternative mortgage/lending programs to reduce occurrences of predatory lending in low-income areas\*
- Train advocates and CDC to educate low-income borrowers to the dangers of predatory lending
- Develop policies and programs to encourage access to financial education for lower income borrowers
- Expand anti-predatory lending reform to include non-mortgage lending products such as payday lenders and home refinance products that are predatory\*

### **Capacity Building**

Increase Resources for CDC Capacity Building

- Educate CDCs on accessing new market tax credits/commercial/mixed developments
- Reinstate predevelopment loan fund as part of Housing Trust Fund\*
- Encourage practices within TDHCA to effectively utilize HOME CHDO set aside

### **Supportive Housing**

Develop resources and policies to promote permanent supportive housing for homeless individuals

- Establish scoring preferences in the low income housing tax credit program for single room occupancy developments
- Alter real estate analysis statute and rules to better accommodate developments targeted to the homeless
- Promote new resources for use by homeless service providers and SrO developers

### **Foreclosure Prevention**

Create policies and programs to protect low income borrowers from foreclosure and loss of assets

- Work with Texas Foreclosure Prevention Task Force to create policies to lessen the impact of foreclosure in Texas\*
- Ensure Texans have access to federal foreclosure prevention resources
- Promote best practices among CDCs efforts to protect neighborhoods from loss of property value related to increases in foreclosed and abandoned properties

### **Land Use for Community Development**

Promote appropriate land use tools to provide affordable housing the development of nonproductive land

- Protect land bank statutes for policies beneficial to CDCs\*
- Promote the right of first refusal for non-profits in these programs\*
- Develop policies to ensure land banks are used for low-income families\*
- Promote best practices in transfer of tax delinquent land to private use
- Promote land banking in unincorporated parts of counties if appropriate and consider using rural land bank land for job creation efforts\*
- Protect low income families from eminent domain by developing alternatives cities can use to redevelop blighted property
- Repeal Ban on inclusionary zoning

### **Promote Environmentally Sustainable Design in Affordable Housing**

Develop policies to encourage affordable housing providers to adopt environmentally sustainable designs and green building technologies in housing production

- Promote statewide energy standards across programs that do not increase administrative costs
- Develop statewide affordable housing policies that reflect a commitment to both energy efficient design and “green” construction materials
- Create forums for CDCs to share information and resources on green designed projects
- Expand and create policies and new financial tools to encourage the CDC field to become more environmentally sustainable

### **Rural Housing**

Encourage the development of affordable housing in rural areas

- Modify programs to use the greater statewide AMFI or local AMFI in determining income targeting levels\*

- Promote capacity building and CDC start ups in rural areas
- Promote fair resource allocation and best practices in provision of rural affordable housing through TDHCA's HOME And LIHTC Programs
- Promote awareness of rural housing programs that promote homeownership

### **Support Broader Community Development Efforts**

Monitor and promote community development goals on related topics

- Monitor education finance for impacts on housing
- Follow homeowners insurance debates and impact on low-income families
- Oppose homeowners insurance rates tied to credit scoring \*
- Support colonia development initiatives
- Promote policies that encourage mixed-use developments

An asterisk \* after the item denotes an issue or policy that requires legislative action