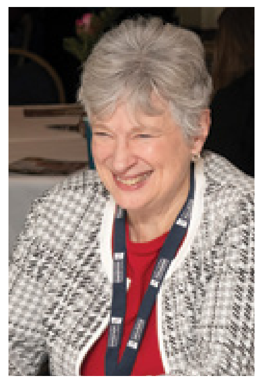
SOLUTIONS for AFFORDABLE HOUSING

2019 CONVENING DECEMBER 3 – 4, 2019 WASHINGTON, DC NATIONAL PRESS CLUB

Overview: In December, the **National Housing Conference** convened nearly 200 housing stakeholders across policy, finance, advocacy, community development, real estate and home building for our **Solutions for Affordable Housing convening** to discuss forward-thinking solutions to barriers to affordable, sustainable housing for all American households.

Please note: Content is meant to reflect the latest housing policy updates from 2019.



From overcoming homelessness and homeownership inequality to applying policy and legislative solutions, like rent control and housing choice vouchers, housing leaders shared their strategies for defining and addressing the challenges unique to today's housing market. The two-day conference explored emerging issues, discussing a vision for housing finance reform, legislation to stimulate development in blighted neighborhoods, and climate readiness to preserve and grow the nation's housing stock for generations to come.

The conference featured six panels to explore specific housing issues in-depth.

- **Rent Control and the Housing Supply Crisis**
- **Thinking Bold: Policy Solutions to End Homelessness**
- **Closing the Black Homeownership Gap**
- **Shaping the Future of Housing Finance Reform**
- **Passing the Neighborhood Homes Investment Act**
- **Addressing Housing and Climate Impact**

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The Role of Rent Control in the Housing Supply Crisis

As the lawmakers, policymakers and industry advocates survey the landscape of strategies to address the housing supply and affordability crisis, rent control regulations and other policy measures can be part of a larger comprehensive approach to improve access to quality housing across all markets, demographics and incomes.

Rent Control in the Larger Context of Declining Affordability

The housing affordability and supply crisis has been mounting for years and the need for effective solutions is as urgent as ever, Abigail Suarez explained. Both renters and homeowners face declining affordability and are increasingly cost burdened. According to the Department of Housing and Urban Development (HUD), roughly 12 million renters and homeowners spend more than 50% of their income on housing, far exceeding the 30% threshold for cost-burdened households.

In areas with high housing demand, an insufficient production of new units and an erosion of the existing affordable housing stock are driving the imbalance between supply and demand. To correct this imbalance, many communities and housing advocates have looked to rent control regulations. Mark Willis explained, however, that tenants and developers often have divergent perspectives on the policy mechanism.

Academic, policy and industry leaders explored the benefits, challenges and tradeoffs associated with rent control during a panel discussion. Panelists examined case studies in new developments and discussed recent affordable housing policy initiatives.

Participants included:

- **Abigail Suarez,** Program Officer for Community Development, JPMorgan Chase;
- **Mark Willis,** Senior Policy Fellow, New York University (NYU) Furman Center for Real Estate and Urban Policy;
- **Michael Spotts,** President, Neighborhood Fundamentals; and
- **Pamela Hughes Patenaude,** former Department of Housing and Urban Development (HUD) Deputy Secretary and Senior Community Liaison, IEM.

Examining the Tradeoffs of Rent Control

With roughly one-third of renters cost-burdened and rent continuing to rise, tenants, as well as legislators, often view rent control as a budget neutral way to alleviate affordability challenges and improve resident stability. However, owners and developers actively investing in improving existing housing stock or building rental units may be inclined to oppose rent regulation, said Willis, arguing that it can interfere with market factors and can limit the private sector's ability to sustain quality housing.

A modulated approach allows communities to balance the competing points of view and tradeoffs, such as preserving affordable rent, tenant stability,

An insufficient production of new units and an erosion of the existing housing stock are driving the imbalance between **supply** and **demand.**

maintaining housing quality, and growing the housing stock to meet demand, said Willis. Legislators should consider what mechanism, whether rate-setting, caps, annual increases or catch-ups, make sense for their community and focus on solutions that allow them to ensure rent regulation benefits the intended recipients.

One way to offset some of the tradeoffs that come with rent control is to implement complementary policies to support strategic supply growth. Michael Spotts explained how better land use, planning and zoning can allow communities to ensure new production is delivering the home types and targeting the locations most supported by market demand. Exempting newly built housing from rent regulation, at least for some period of time, can mitigate the impact of rent regulation on the rate of housing production.

Construction costs are also contributing to sluggish new home production, creating drag on supply and affordability. As development costs, including goods and labor, increase, Spotts implored states and localities to evaluate local regulations and fees to identify and remove barriers that increase the cost of new homes and deter new home construction.

Even New Developments Face Challenges with Successful Execution

Pamela Patenaude discussed the build out of Tysons Corner, Virginia, as a case study for the challenges communities face in trying to achieve affordable and sustainable housing growth.

For nearly a decade the Washington, D.C., suburb has seen rapid development. At the onset of the development, local officials implemented a

workforce affordable housing designation, providing density bonuses to developers, Patenaude explained, in hopes that the new housing units would be available to households across the income spectrum. That has not been the case, however, and new elected officials are acknowledging some of the lessons learned and revisiting how they can open up additional units to households with a more diverse range of incomes.

Looking Ahead

The panel concluded with a discussion of the White House Council on Eliminating Regulatory Barriers to Affordable Housing, created last year, and HUD Request for Information (RFI) on federal, state and local regulations that may be worsening the affordability and supply crisis.

As policymakers and lawmakers outline a roadmap to address the housing supply and affordability crisis, Willis reminded that “no one tool alone is going to solve everything,” and encouraged federal, state and local leaders to think more comprehensively about the challenges that lie ahead.

Policy Solutions to End Homelessness

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Homelessness remains a persistent problem throughout the country, particularly in densely populated, high demand cities. While federal programs continue to support individuals and families in crisis, more targeted policy solutions are needed, including a systemic approach to the problem, including increased rental assistance, greater access to voucher programs and a better supply of housing options for low-income households. While a wide range of policy tools exist, more funding and political action is needed.

HUD Continues to Play a Leading Role in Reducing Homelessness

HUD competitively awards more than $2 billion to Continuum of Care (CoC) programs across the country. These programs support the availability of permanent housing, transitional housing and other eligible activities, such as supportive services and homelessness prevention, Jemine Bryon explained.

In order to receive funding, HUD requires CoCs to demonstrate their effectiveness, which includes an evidenced reduction in homelessness, the use of system performance measures, collaboration with stakeholders and the implementation of best practices.

Bryon discussed HUD programs that target vulnerable segments of the homeless population, including the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program for homeless veterans. In 2018, HUD provided $33 million towards targeted homeless youth programs to support the 360,000 youth experiencing homelessness.

Several panelists highlighted the success of the HUD-VASH program in reducing homelessness among the nation's veteran population. Since the implementation of the program in 2008, veteran homelessness has fallen by 50%.

Panelists representing regulators and homeless advocacy organizations discussed progress towards ending homelessness, looking at the scope of the problem, successful programs and at-risk segments of the homeless population.

Participants included:

- **Kathryn Monet,** CEO, National Coalition for Homeless Veterans;
- **Steve Berg,** Vice President for Programs and Policy, National Alliance to End Homelessness;
- **Jemine Bryon,** Deputy Assistant Secretary, Office of Special Needs, Department of Housing and Urban Development (HUD); and
- **Doug Rice,** Senior Policy Analyst, Center on Budget and Policy Priorities.

Building Off What is Working

Doug Rice expanded on the enormous role federal rental assistance plays in providing affordable housing; federal programs account for over 50% of affordable housing available to extremely low-income households. However, inadequate funding also limits federal programs' reach, and over 8 million households still pay more than half their income on housing or have experienced homelessness.

Three programs: housing vouchers, public housing and Section 8 project-based rental assistance deliver the vast majority of federal rental assistance. Voucher programs, which represent 40% of assistance, have proven particularly effective in addressing homelessness and reducing families' housing instability. One study found that housing vouchers reduced homelessness and housing instability by 75% among TANF-eligible families with children. Housing choice vouchers offer deep subsidies, targeted assistance, flexibility, and may be paired with supportive services.

As communities hope to make more progress in reducing homelessness, Rice said the absence of sufficient rental assistance was the "major limiting factor." He said, "we know what steps are working," and suggested that political action could be stronger. The problem of homelessness overlaps with other political priorities, such as affordable housing and infrastructure, said Rice.

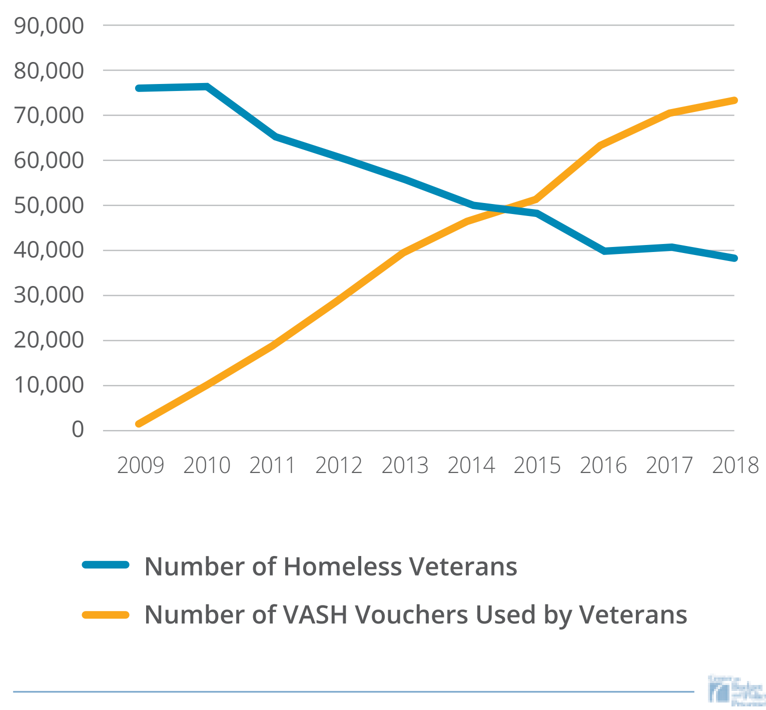
A Housing First Approach

To end homelessness, Steve Berg said progress on low-income housing in general is needed, as well as a crisis response system to find homeless individuals, keep them safe, and quickly return them back to housing.

With about half a million people sleeping in shelters or on the streets every night, Berg urged policymakers and advocates to embrace the housing first strategy — a systemic approach that houses people as rapidly as possible using whatever resources available and addressing secondary needs once individuals are housed. While there is some disagreement over the role of secondary and follow-up services, programs that have adopted this strategy, such as HUD-VASH, have seen results.

Kathyrn Monet asked the panelists what is needed to advance and accelerate the fight against homelessness. Every panelist pointed to the need for additional resources, better funding and more universally available programs.

Veterans' Homelessness Fell 50%
as Congress Expanded Housing Vouchers



Closing the Black Homeownership Gap

The housing market continues to recover from the financial crisis, with the national homeownership rate at 64.8%. When homeownership is broken out by race, however, it's clear the recovery has not affected all demographics equally. The homeownership rate for White Americans sits at 73%, but the homeownership for Black Americans is only 42%. When homeownership rates are level set in 1994, as in the chart below, the differential changes in homeownership can be seen more clearly. To bridge this gap, financial institutions, advocacy groups and community organizations are turning to research and analytics to better understand and address barriers to Black homeownership and working to foster community partnerships to connect minority households with homeownership information and opportunities.

Using Data to Expand Minority Homeownership

Black households are now 30% less likely than White households to own a home, a statistic that has worsened in recent years. In response, several financial institutions have launched minority homeownership initiatives, such as Wells Fargo's NeighborhoodLIFT, said Brigitte Killings. These kinds of programs coupled with community partnerships are key to closing the Black homeownership gap.

With organizations like Freddie Mac deploying research and analytics to understand the breakdown in homeownership, the industry is gaining greater insight into the barriers and commensurate solutions to expand access to the housing market. A recent study using anonymized credit bureau data, "shed light" on racial patterns in transition for consumers acquiring mortgages, Cindy Waldron said. The research found that only 6.3% of Black households transitioned into mortgages from 2012 to 2018, compared to 12% across the entire overall population.

According to the data, some of the biggest positive drivers of transitions to homeownership were being non-Hispanic White and married, as well as having higher income growth and credit scores. Conversely, higher unemployment, greater student loan debt-to-income (DTI) ratios and thinner credit files negatively affected an individual's ability to transition from renting to homeownership. While creditworthiness was one of the strongest explanatory metrics, other attributes, such as geography, explained virtually none of the discrepancy in homeownership transitions.

Industry advocates who lead minority homeownership initiatives discussed how to boost Black homeownership by bridging the information, trust and market gaps.

Participants included:

- **Brigitte Morrow Killings,** Vice President, Divisional Diverse Segments Manager, Wells Fargo Home Mortgage;
- **Cindy Waldron,** Vice President, Research and Analytics, Freddie Mac;
- **Steve O'Connor,** Senior Vice President, Affordable Housing Initiatives, Mortgage Bankers Association; and
- **Antoine Thompson,** National Executive Director, National Association of Real Estate Brokers.

Determining what makes someone "mortgage ready" is the first step to expanding homeownership to all eligible borrowers, said Waldron. Research defines "mortgage ready" as individuals with FICOs above 620, DTIs below 25, no foreclosure or bankruptcies in the past seven years and no severe delinquencies in the past year. About 3 million Black households, or 19% of the Black population, meet these metrics.

A Community-Driven Approach

After completing a nationwide listening tour as part of the Mortgage Bankers Association's (MBA) affordable housing initiative, Steve O'Connor said three general challenges in minority homeownership emerged: the information gap, the trust gap and market gaps.

There is an information gap in the common misperceptions that borrowers need "perfect credit" or a 20% down payment to obtain a mortgage, said O'Connor. In the aftermath of the 2008 financial crisis there is also a trust gap between Black households and financial institutions. To overcome this distrust, O'Connor said financial institutions need to partner with faith-based groups, housing counselors, nonprofits and community groups. Supply challenges and resource issues contribute to market gaps — another barrier to Black homeownership.

MBA has taken a community-driven approach to these challenges, focusing on targeted localities where they can be most impactful, including Memphis, Tennessee, and Columbus, Ohio. From these initial pilot programs, the organization hopes to apply lessons learned toward a roadmap for future initiatives.

Getting Insights and Information to the Black Community

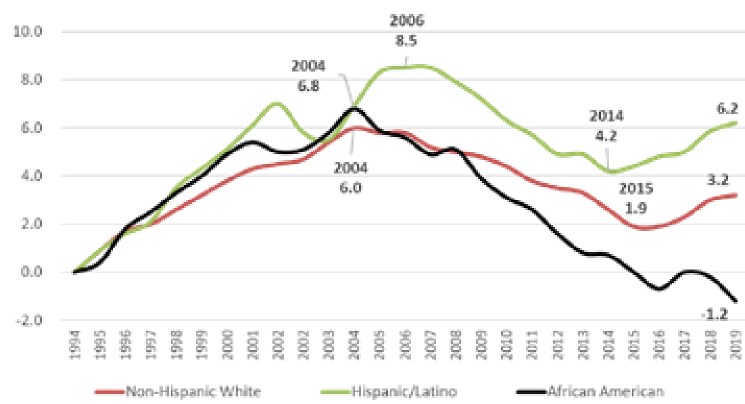
The National Association of Real Estate Brokers (NAREB) is working to bring homeownership insights and financial information to Black communities, said Antoine Thompson. Understanding that increased Black homeownership often leads to job creation, fewer food deserts, improved educational outcomes and better health, the organization is using data to quickly define and reach target audiences. Housing and homeownership have long been the gatekeepers to stopping Black economic progress, from segregated or underserved schools to housing segregation and redlining. Homeownership is the number one way to close the racial wealth gap and strengthen families and neighborhoods.

For example, Thompson said, research shows that car loans are often a bigger barrier to homeownership than student loans. Accordingly, NAREB has launched a "House Then the Car" campaign to educate community leaders and empower Black consumers with this insight.

Looking beyond community engagement, Thompson emphasized stronger business partnerships and more diversity among housing stakeholders, including lenders, builders and policymakers, are essential.

Change in Homeownership

1994 – 2019 Q1



US Census, National Housing Conference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Shaping the Future of Housing Finance Reform

The Treasury Department published its plan in 2019 to reform the housing finance system and bring the government-sponsored enterprises (GSEs) out of conservatorship. As housing stakeholders unpack the legislative and administrative proposals, questions remain on how to shape the housing finance system to continue to provide liquidity to future generations of homeowners.

Housing Finance is Stuck in a Holding Pattern

The current system has been hardwired into the nation's housing market for decades, Anne McCulloch explained. With the GSEs going on 12 years in conservatorship, it appears the industry and regulators are stuck in a "holding pattern," she said. As the Treasury Department and Federal Housing Finance Agency (FHFA) prepare to slowly execute on proposals introduced last year, McCulloch challenged the industry to ask itself whether the current model is working or if it is time for some changes.

The Administrative Roadmap

The Treasury Department's housing finance reform plan, released in September 2019, put forth a "clear roadmap" to bring the GSEs out of conservatorship, said Craig Phillips. While the plan reiterates the Trump administration's preference for legislative solutions, it also outlines steps for administrative action to keep the process moving forward in the absence of congressional leadership.

Policy, industry and advocacy leaders touched on the merits of various housing finance reform proposals and envisioned the future of Fannie Mae and Freddie Mac, as well as the unique role of the Federal Home Loan Banks (FHLBanks). Panelists examined the prospect of new competitive guarantors, the appropriate level of government support, and the need for capital requirements and resolution planning.

Participants included:

- **Anne McCulloch,** President and CEO, Housing Partnership Equity Trust;
- **Craig Phillips,** Former Counselor to the Secretary, Treasury Department;
- **Steve Thomas,** Senior Managing Director, Federal Home Loan Bank of Chicago; and
- **Mike Calhoun,** President, Center for Responsible Lending.

Of the proposals being considered, Phillips focused on the importance of the discussion around an explicit or implicit government guaranty, FHFA's ability to charter new GSEs, and finalized capital standards. Although Phillips acknowledged it's unlikely to happen, he supported the option allowing FHFA to charter new GSEs that would compete with Fannie Mae and Freddie Mac. Phillips said the need to strengthen and clarify capital requirements was particularly urgent. He also called on FHFA to solidify a post-conservatorship resolution scheme, especially considering the GSEs are excluded from orderly liquidation authority.

Get to Know Another GSE

Although often overlooked in the housing finance reform discussion, Steve Thomas said, FHLBanks play an important role in providing mortgage credit to the housing market. Thomas noted that the FHLBanks are the oldest GSE with the largest customer base with over 6,000 members.

Through the Mortgage Partnership Finance (MPF) program, FHLBanks facilitate the origination of a diverse range of mortgage products, including conventional, government and jumbo loans. Unlike Fannie Mae and Freddie Mac's predominantly nonbank lender population, FHLBanks serve financial institutions exclusively through a distinct coop structure. This structure informs FHLBanks' risk sharing approach to mortgage lending and continues to contribute to the organization's strong performance history.

Steve Thomas encouraged housing stakeholders to remember that there are alternative ways to build conventional, conforming loan capital structures and mortgage products that work outside of the "hardwired" Fannie Mae and Freddie Mac model.

The High Stakes of Housing Finance Reform

Much of the debate around housing finance reform has been centered around the "plumbing," said Mike Calhoun, referring to the organization, governance and oversight of the GSEs. Getting the structure right is essential, he said,

as it's certain to have long-term effects on the future of affordable housing and the mortgage market.

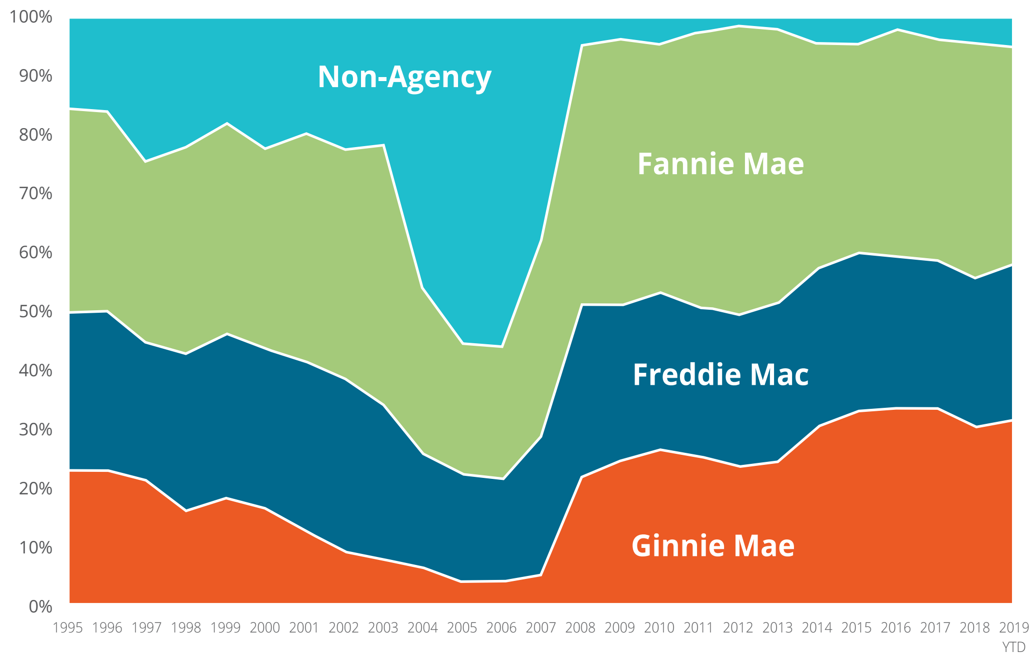
Reiterating Philips point, Calhoun said determining suitable capital requirements with a capital rule was a critical next step in the overall housing finance reform process. He reminded, however, that the GSEs should not be treated as typical financial institutions, as they operate differently with the primary function of guaranteeing credit risk on mortgages. With respect to defining a new structure, Calhoun preferred a regulated utility model over a coop structure, underscoring the public purpose that motivated the creation of the GSEs in the first place.

What, If Anything, Should Remain the Same?

McCulloch asked panelists what attributes of the current housing finance system they would like to protect as regulators and lawmakers go back to the drawing board. In general, panelists agreed on maintaining a central role in facilitating liquidity in the housing market. Phillips said he hoped the GSEs' affordable mission would be preserved, particularly in light of the current housing environment. Calhoun supported the continuation of GSEs accountability to the public interest. "The GSEs have done a great job building a national mortgage market," said Thomas, "and we can't disrupt that."

Single Family Market Share

1995–2019 YTD



Source: Inside Mortgage Finance, Urban Institute and NHC

Solving the Value Gap with The Neighborhood Homes Investment Act

Communities across the country are combatting the effects of the “value gap” that occurs when the cost of rehabilitating or building a home is greater than the post-construction value of the home. The Neighborhood Homes Investment Act (NHIA) is a legislative proposal aimed at solving this problem with the creation of a new federal tax credit to generate equity investment for the renovation and development of owner-occupied housing in distressed neighborhoods.

A Legislative Solution to Bridge the Value Gap

Kris Siglin discussed the challenges associated with the value gap in blighted urban, suburban and rural neighborhoods across the country. An aging housing stock, where 40% of inventory is at least 50 years old, and persistent vacancies help explain why in many neighborhoods the costs to renovate a home exceed the potential sales price.

To overcome this challenge, organizations including those participating on the panel, as well as Habitat for Humanity, MBA, the National Association of REALTORS®, and the National Housing Conference, among others, have joined together to put forward NHIA.

NHIA outlines a new federal tax credit, aimed at attracting capital to build and rehabilitate 500,000 owner-occupied homes in distressed neighborhoods over the next decade, said Buzz Roberts. The legislation would complement, but not duplicate, tax-exempt mortgage bonds, the Low Income Housing Tax Credit (LIHTC), the New Markets Tax Credit and Opportunity Zones.

Under the legislative proposal, state housing finance authorities (HFAs) would be given NHIA credits based on a formula of $3 per capita annually, with a minimum of $4 million for smaller states, for a nationwide total of roughly $3 billion per year.

Once enacted, states would write allocation plans, make allocations to NHIA managers, which would use that allocation to raise equity capital from investors to build or rehabilitate homes. Investors would be able to claim credits once a home was completed and occupied by an eligible homeowner.

Supporters of the legislation participated in a panel discussion of the scope of the value gap problem and the details of the proposed legislative remedy.

Participants included:

- **Kris Siglin,** Vice President, Policy and Partnerships, National Community Stabilization Trust;
- **Buzz Roberts,** President and CEO, National Association of Affordable Housing Lenders;
- **Chrissi Johnson,** Vice President, Federal Policy and External Affairs, Quicken Loans; and
- **Matt Josephs,** Senior Vice President, Policy, Local Initiative Support Corporation.

NHIA Financing Example: **Rehabilitation**

Land/Building Acquisition	$35,000
Rehabilitation	**$85,000**
Total Development Cost	$130,000
Less: Sales Price	**($100,000)**
Gap	$30,000
Maximum NHIA Tax Credit (35% of $130,000)	$45,000
NHIA Tax Credit Allowed	**$30,000**

Assistance would be targeted to specific census tracts, including those where the poverty rate is at least 130% of the area poverty rate, the median family income is less than 80% of area median income and median home value is less than 100% of the area's median home value. Additional tracts in high-poverty cities would also be eligible.

For home sales, the tax credit would cover the difference between the sales price and the total qualified development costs. For rehabilitations for current homeowners, the tax credit would cover the difference between the total qualified development costs and the amount received by the project sponsor as payment for rehabilitation.

By limiting census tract eligibility, NHIA would protect against gentrification while generating $100 billion of total development activity. The legislation would contribute to an estimated 500,000 homes built or renovated, $100 billion in total development activity, more than 785,000 jobs, $442 billion in wages and salaries and $29 billion in federal, state and local tax revenue and fees.

The Revitalization of Detroit

Chrissi Johnson described Quicken's work in a city plagued by the value gap problem. The mortgage lender partnered with Home Depot and the Detroit Land Bank Authority and provided a $5 million grant for rehabilitation and funding for financing in Detroit, Michigan. Johnson pointed to the experience as an example of a public-private partnership working well to achieve positive outcomes. The initiative has led to the renovation of more than 100 homes across several neighborhoods. NHIA would provide a federal vehicle to scale these kinds of local initiatives.

Getting NHIA on the Legislative Agenda

Matt Josephs detailed the legislative progress of NHIA. In June 2019, the bipartisan legislation, H.R. 3316, was introduced by Rep. Brian Higgins (D-N.Y.) and Mike Kelly (R-Pa.). Josephs said the coalition supporting NHIA remains optimistic the legislation will pass in 2020.

NHIA would **protect against** gentrification while generating $100 billion of total **development activity.**

The Growing Influence of Climate and Natural Disasters on Housing

From lawmakers to community leaders, developers and investors, housing stakeholders across the spectrum are becoming increasingly aware of the impact the climate and natural disasters have on the housing market. Now is the time to adopt a more climate conscious approach and develop the programs and tools to support energy efficient building, disaster preparedness and recovery solutions that address the needs of all households, including low-income homeowners and renters.

A panel representing nonprofits, a Community Development Financial Institution and a green bank weighed in on the changing role of climate factors in the housing market and discuss how to prepare lawmakers, developers, families and businesses for long-term sustainability.

Participants included:

- **Ralph Perrey,** Executive Director, Tennessee Housing Development Agency;
- **Jared Lang,** Assistant Vice President, Sustainability, National Housing Trust;
- **Christina Travers,** Vice President, Low Income Investment Fund;
- **Gladys Cook,** Disaster Resiliency and Recovery Director, Florida Housing Coalition; and
- **Rosemarie Sabatino,** Director of Business Operations, Montgomery County Green Bank.

An Expanding List of Climate Impact Programs

"Regardless of where we live, weather and climate are on everyone's mind," Ralph Perrey opened. "People are paying more attention to this issue."

There are two approaches to responding to climate impact, Jared Lang explained: reducing impact through carbon reduction, either by improving energy efficiency or renewable energy generation; and resilience and preparation planning. The National Housing Trust is increasingly focused on energy sustainability. Lang said the organization is pursuing a wide range of opportunities to reduce impact and carbon emissions to improve housing sustainability for low-income households, from its Better Building Challenge, a partnership with HUD, to a new tool in development to help households assess their property's sustainability and resiliency.

The Low Income Investment Fund has similarly built out programs aimed at retooling the country's existing housing infrastructure to better manage climate impact. Christina Travers discussed the organization's Strong, Prosperous and Resilient Communities Challenge (SPRACC) — an initiative to expand the capacity of communities to shape their built environments, allowing people of all races and incomes to thrive. The organization's Early Care and Education program uses capital, capacity building and public advocacy to build sustainable community-based systems to support childcare facility financing and development, including care during disaster response and recovery.

Energy efficiency initiatives, including LEED certifications, energy retrofitting and transit oriented development, have environmental, wellness and financial benefits for the communities that deploy them, said Travers. She also highlighted the recent success of the organization's $100 million sustainability bond issued in the summer of 2019.

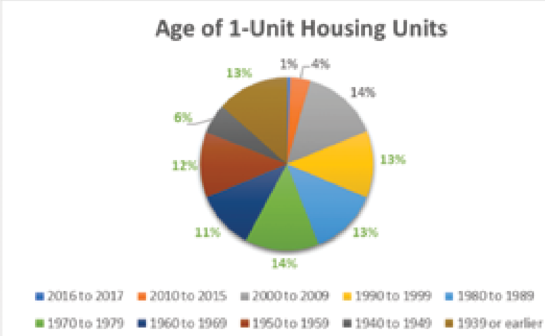
The Role of Green Banks in Financing Climate Readiness

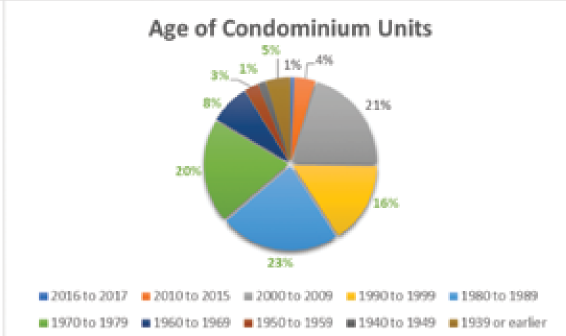
A growing number of states around the country, including Colorado, Connecticut, Florida, Hawaii, Maryland, Michigan, Nevada and New York, now have green banks — nonprofit financial enterprises aimed at accelerating investment in energy efficiency and renewable energy. Rosemarie Sabatino discussed the need for climate impact solutions in the single-family housing market. Roughly one in three U.S. households today have challenges meeting their energy needs; these figures are partially explained by the fact that 81% of single-family dwellings were constructed at least 20 years ago.

Green banks can help homeowners by educating them on utility programs, directing them to local resources and connecting them with specialized housing professionals, such as home performance contractors and utility consumer advocates. Green banks also help form community partnerships, develop affordable financing products for energy retrofitting and energy efficient development, and support homeowner energy efficiency education.

SF Housing Stock Needs Attention and Different Strategies

- 81% of all 1-unit attached and detached housing units were built at least 20 years ago
- 76% of all condominium units are in buildings built at least 20 years ago





- Residential metering
- Home Performance with Energy Star Programs

- Commercial metering – utilities often all paid by condo association
- Commercial and Industrial Programs

Systemic Changes Needed for Natural Disaster Preparedness and Response

The programs and partnerships offered by green banks and organizations such as the National Housing Trust and the Low Income Investment Fund couldn't come soon enough for areas like Florida that have been hit by severe natural disasters in the past four years. Gladys Cook shared the devastating effects of recent hurricanes on the state, including Hurricanes Matthew, Irma, Maria, Michael and Dorian. Hurricane Irma, for example, prompted the evacuation of 600,000 residents and Hurricane Maria led to 350,000 passenger arrivals from Puerto Rico.

Low income populations are especially vulnerable during natural disasters, Cook explained. These households may face more tradeoffs when deciding whether to evacuate. Their homes may be in worse condition and they may face additional challenges as it relates to delays in information, access to transportation, and financial resources for hotels and gas.

Cook said "systemic changes" are needed to prepare today's households and housing market for tomorrow's disasters. She recommended communities not rely exclusively on state housing trust funds for disaster recovery and instead explore the use of rainy day funds and HUD reimbursement funds, and establish statewide disaster housing recovery agencies or community land trusts.

> **"Systemic changes"** are needed to prepare today's households and **housing market** for **tomorrow's** disasters.
>
> **— GLADYS COOK**
> Disaster Resiliency and Recovery Director, Florida Housing Coalition

As housing stakeholders continue to wrestle with fundamental questions around how the market can better serve more households, a growing list of strategies, policies, programs and partnerships have emerged to overcome the issues unique to today's housing environment, including affordability, homeownership inequality, supply, homelessness, housing finance, value gaps in blighted neighborhoods and climate impact. While these solutions may fall anywhere from the brainstorming to the implementation and refining phase, it's clear that policy, industry and advocacy leaders possess the insights and tools necessary to tackle challenges head on and continue to expand access to affordable, sustainable housing. **As an industry, we are stronger when we collaborate to tackle housing's most pressing issues.**

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