

SLIHC Report

August 12, 2011

A Publication of the Spokane Low Income Housing Consortium

Working together to promote the long-term availability and maximum use of safe, affordable housing in greater Spokane.

A community of people create a home

By Madelyn Bafus, Director of Family Promise of Spokane

In January of 2010, a refugee family from Burundi Africa, Jean and Rose and their six children, entered the shelter program of Family Promise of Spokane, (formerly Interfaith Hospitality of Spokane), a member of SLIHC.

Renee at Family Promise found the family to be hardworking, dependable, focused, and ready to move forward. Within four months, the family received a housing voucher, which enabled them to find a home large enough for eight in the East Central neighborhood. To ensure that the home met housing standards and Family Promise expectations, a crew of Family Promise supporters made necessary repairs. Then, 40 volunteers from Family Promise churches and the community spent a Saturday in April sprucing up the house and grounds to make the house a home. As time passed Jean secured a full time job.

Shortly after moving in, the house they were renting went into foreclosure. In order for the family to be able to maintain their housing and continue to move forward, a mentoring committee of seven individuals from three different Family Promise churches was formed to help with this process. One of these individuals was a realtor who negotiated an agreement with Spokane Teachers Credit Union for the family to continue living in the home, as well as an option to buy the home at a significantly reduced purchase price from STCU.

Four individuals from one of the host churches provided the down payment of \$10,000 that STCU required for the loan. The loan is to be paid back over a 10 year period. STCU loaned Jean and Rose the balance at a low interest rate, enabling them to purchase their home on July 29, 2011. Their monthly mortgage payment and repayment of the loan is under \$500 including taxes and insurance—an amount much lower than what they had been paying for rent.

The four investors intend to make this money, as it is paid back, available to other families within the Family Promise program. It would not necessarily have to be used to buy another home, but could be used for short-term rental assistance or to fix a car. The investors will be in conversation with the director of Family Promise in the next few months to design a plan for the future.



This family went from homelessness to home ownership in less than two years because of the commitment of the staff, churches and individuals of Family Promise of Spokane. Family Promise of Spokane strives to make a difference in the lives of the families they serve by providing shelter, support and the means to sustain their independence.

***Housing Washington 2011
Livelihood: Housing = Jobs
September 26-28, 2011
Spokane Convention Center***

For more details and to register, contact conf@wshfc.org, phone 800-767-4663, ext. 773, or 360-357-8044.

Member News

SLIHC members partner to offer new renter's insurance program

SLIHC supportive member Holly Chilinski of Farmers Insurance recently made a presentation to SLIHC members, offering an innovative renter's insurance program that benefits both renters and landlords. This program is being piloted at Spokane Housing Ventures' (SHV) Clare Housing—a housing community for seniors.

Holly estimates that only about 1% of low income renters have renter's insurance, even though it can cost as little as \$10-\$20 per month. Renter's insurance is important because it protects tenants from losses due to theft, vandalism, water damage, and fire, etc. It also compensates for loss of use of the dwelling, providing peace of mind for tenants, and potentially preventing tenants from becoming homeless. It benefits landlords by providing protection against tenant negligence and providing a reduction in the property owner's insurance premium.

Holly and Farmers have crafted a renter's insurance program in which the landlord/property manager purchases a 12-month insurance policy for the tenant in exchange for a year-long lease. The intent is to increase tenant stability and decrease tenant turnover. Transfer of coverage is possible, as well as a pro rata policy premium for the landlord. To reduce the prevalence of month-to-month leases and tenant turnover at SHV's Clare House, SHV is offering residents a year-long insurance policy (\$175 value) in exchange for a 12 month lease. To access this new program, contact Holly at 481-3536.

SLIHC members are awarded state Building Communities grants

The State recently awarded two SLIHC members 2011-2013 Biennium Building Communities grants. The Arc of Spokane was granted \$862,000 to support the construction of its new home at 320 E. Second, which offers all of The Arc's services in a single location. Transitions was awarded a \$109,000 grant for renovation of space for the New Leaf Bakery Café job training program. Transitions celebrates that there were funds allocated to help them provide opportunities for women to remove barriers to employment.

SHA has job opening

The Spokane Housing Authority has a full-time Housing Quality Standards Specialist position open. The complete job description and application are

available at www.spokanehousing.org, or at the SHA office, 55 W. Mission, Spokane. The opening closes on August 29, 2011. SHA is an EEJO/AEE employer.

The Salvation Army offers annual Backpacks For Kids drive

The Salvation Army expects to distribute basic school supplies and backpacks to more than 2,500 Spokane area low-income children through its annual *Backpacks For Kids* drive. This year's distribution is scheduled for August 24 and 25, 1 to 7 p.m., at The Salvation Army Community Center, 222 E. Indiana, and is on a first come, first served basis. An ID and proof of address are required. The Spokane Regional Health District will be offering immunizations during distribution, at a cost of \$0 to \$10.

TSA is gladly accepting donations of school supplies and backpacks! Donors can call The Salvation Army at 509-329-2732 or may drop off donations at its facility or at one of the 30 bins located at local retailers: Walgreens, Fred Meyer, Rite Aid, Shopko, WA State Employees Credit Union, PrimeSource Credit Union, and the Spokane Public Safety Building. **Let's fill those bins!**



Here's a past happy recipient of Backpacks for Kids.

Tour Spokane!

SLIHC will offer affordable housing tours, on Monday, September 26, 1:30 to 3:30 p.m., just prior to the start of the Housing Washington conference. You can participate in a walking tour of housing communities located in downtown Spokane, or be transported to remote tour sites.

To register, contact Cindy at 509-325-3235, cindy@slihc.org.

City convenes discussion on State's Housing & Essential Needs program

The City of Spokane Human Services Dept. recently invited local agencies to provide input and feedback on a new state "Housing and Essential Needs" (HEN) program. Funding comes from a General Fund State appropriation to the Dept. of Commerce for the 2011-13 biennium. The HEN program is one of one of three new programs created in the 2011 Legislative Session that will replace the [Disability Lifeline Program](#) (formerly the General Assistance Unemployable—GAU program) on November 1, 2011. The other two programs include "Aged, Blind, or Disabled Assistance" for persons likely to eventually qualify for Supplemental Security Income, and the "Pregnant Women Assistance" program for pregnant women who meet TANF income and resource standards, but who are still ineligible for TANF. Recipients in each of these two programs will receive a \$197/month cash grant.

Approximately \$5.5 million is allocated over the next two years for a Spokane county-wide HEN program, which will be administered by the City. The City must submit a plan for our regional HEN program to Commerce by August 22.

Housing and Essential Needs funds are to be used to assist clients with Medical Care Services eligibility status—persons incapacitated from gainful employment for a minimum of 90 days—as defined in the DSHS Benefits Verification System (BVS). Grant activities are limited to providing rental and utility assistance, as well as essential needs: bus passes, personal hygiene products, and cleaning supplies. The *Housing Status* of clients applying for assistance must be determined: who is homeless and who is at substantial risk of becoming homeless. It must also be determined that clients do not have other support to help with their housing and that there are no other housing options. At least one additional risk factor must also be verified. HEN participants will receive no cash grants.

The Dept. of Social and Health Services (DSHS) is working with Commerce to ensure that potentially eligible HEN clients are notified of this program and aware of how to access it. Housing and Essential Needs, however, is not an entitlement program, as it is expected that there are not enough funds to serve all eligible persons.

The City plans to issue an August 15 request for proposals, seeking partners to assist to implement and operate this program, and proposals will be due within a few weeks after that.

Spokane County issues RFP for re-entry program

Spokane County Community Services, Housing, and Community Development Department (CSHCD) is seeking proposals to manage Spokane County's Re-Entry Initiative and Homeless Prevention Response Program. CSHCD intends to obtain the services of a single contractor for an annual, renewable contract that will build upon the success of two county programs. The successful applicant will act as a program manager for a pre-developed **Re-Entry Initiative Program** and a **Homeless Prevention Response Program (HPRP)**.

An estimated \$1,600,000 in Spokane County Homeless Housing Assistance Act (HHAA) funding will be available for the first year of the program.

The Re-Entry Initiative Program and HPRP guidelines and application are available on the County's web site at

www.spokanecounty.org/communitysvcs/HCD (department documents), via e-mail request at tlandsiedel@spokanecounty.org, or in the CSHCD Dept.'s office at 312 W. 8th, 4th Floor. Completed applications must be submitted on Wednesday, August 24, 2011 by 5:00 p.m. to the CSHCD Dept., 312 West 8th Avenue, Spokane, WA 99204, 4th Floor. Faxed applications will not be accepted. Questions? Contact the CSHCD at 477-2588.

Northwest Fair Housing presents

Free Fair Housing

Training for Landlords

Thursday, October 6, 2011, 4 to 6 p.m.

Northeast Community Center

4000 N. Cook, Spokane WA

Space is limited, so RSVP to 209-2667.

Over \$11.2 billion is still available for guaranteed loans

For FY 2011, the Single Family Housing Guaranteed Loan Program has obligated \$12.8 billion nationwide, providing loans for 100,075 homes. \$11.2 billion remains available for rural homebuyers until 9-30-11! Go to www.usda.gov.

The SLIHC Report is published by the Spokane Low Income Housing Consortium, 315 W. Mission, Suite 25B, Spokane WA 99201, www.slihc.org, www.onestophousing.org. Address your comments to Cindy Algeo at cindy@slihc.org, 509-325-3235.

INWCF offers grant opportunity

Inland Northwest Community Foundation (INWCF) currently is accepting applications for the Community Strategies Grant Program (CSGP). The application period ends on August 30 at 5 p.m. Applications must be submitted online at www.inwcf.org.

The Community Strategies Grant Program supports projects and programs related to human services, community/economic development, education, environmental preservation, and arts and culture. Grant amounts typically are between \$10,000 and \$30,000 and are awarded to organizations and programs that help fulfill INWCF's mission of fostering vibrant communities.

The Community Strategies Grant Program is open to all eligible nonprofit organizations in the 20-county region the Foundation serves. This is the first round of CSGP grant applications in INWCF's 2012 fiscal year. A second round will open in the spring. Nonprofits are eligible to apply to the Community Strategies grant program one time per year.

For more information about funding limitations and other important details about eligibility, please go to the Receive section of INWCF's new Web site, www.inwcf.org.

Foreclosure Fairness Act takes effect

Homeowners facing foreclosure may request neutral, third-party mediation via counselors, attorneys

The Washington State Foreclosure Fairness Act Mediation Program began on July 22. The program makes Washington the third non-judicial foreclosure process state in the country with a program designed to help homeowners find a resolution to foreclosure proceedings with their lender or servicer. "This program offers homeowners hope in the form of housing counselors and a mediation session at which lenders are required to provide a representative authorized to make decisions and a neutral, third-party mediator to make sure everyone is acting in good faith," says State Rep. Tina Orwall, the primary sponsor of the Foreclosure Fairness Act.

The Foreclosure Fairness Act requires lenders and servicers conducting more than 250 foreclosures in Washington State in the previous year to pay \$250 for each Notice of Default issued. The fee provides funding for free homeownership counseling, attorneys to prosecute violations of the

Washington Consumer Protection Act and foreclosure prevention outreach

Homeowners facing foreclosure who have received a Notice of Trustee's Sale but whose house has not been sold as of July 22 and those who have received a Notice of Default but have not yet received a Notice of Trustee's sale may now request mediation with their lender or servicer through a housing counselor or attorney

Homeowners and lenders will be provided a list of required documents to bring to the mediation. A neutral, third-party mediator will work with the homeowner and lender to reach a fair, voluntary and negotiated agreement. If a homeowner is found to be not acting in good faith, the foreclosure proceedings may proceed. If a lender or servicer is found to be not acting in good faith, the homeowner may attempt to stop the foreclosure by going to court, or may report that finding to the Washington Attorney General's Office for possible violation of the Washington Consumer Protection Act. Said Bruce Neas, Columbia Legal Services attorney who helped author the original bill, "It's our hope that this program will provide homeowners the leverage they've needed to encourage lenders to communicate with them and reach resolutions other than foreclosure."

The Department of Commerce is coordinating and overseeing the Foreclosure Fairness Act Mediation Program. The Washington State Housing Finance Commission is overseeing Washington counseling agencies participating in the program.

New Multifamily Housing Preservation Website Launched

(from Enterprise's Capitol Express, 8-10-11)

A newly launched HUD webpage provides owners of affordable multifamily housing with tools for the preservation of [Section 202](#) properties and Federal Housing Administration ([FHA](#))-insured properties with maturing mortgages. Lenders can find key resources for FHA mortgage insurance, including recent guidance that provides flexibility for transactions that use [Low-Income Housing Tax Credits](#). The site also provides instructions for Section 8 property owners to renew Housing Assistance Payment (HAP) contracts and preserve affordability through the [Mark-to-Market Program](#). For more information, visit the [Preserving Multifamily Properties webpage](#).

GSE support for the national housing trust fund not likely

(From *Affordable Housing Finance*, July/August 2011)

House Republicans have begun working on legislation to shape the postconservatorship world for Fannie Mae and Freddie Mac or their successors, and it seems clear that the days of the government-sponsored enterprises (GSEs) dominating the mortgage market will be over. One bill approved by the House Financial Services Committee's capital markets and GSE subcommittee (H.R. 1226) would eliminate the affordable housing goals for Fannie Mae and Freddie Mac mortgage purchases, a provision that is likely to be included in any GSE reform legislation Congress passes. A far more controversial measure drafted by Rep. Ed Royce (D-Calif.) would abolish the national affordable housing trust fund, which was supposed to be financed through contributions from Fannie Mae and Freddie Mac. The Obama administration has proposed to fund the trust fund with \$1 billion in fiscal 2012, but it lacks a dedicated funding source to replace the GSEs.

At a capital markets and GSE subcommittee hearing, Sheila Crowley, president of the National Low Income Housing Coalition, pressed for the continuation of the trust fund. She pointed out that the Housing and Economic Recovery Act of 2008, which created the trust fund, also provided for the possibility of other sources of funding, and she urged Congress to retain the statutory authority for the fund. Crowley told the panel that the national housing trust fund campaign—a coalition of more than 6,000 national, state and local groups—will continue to work for a dedicated source of funding to replace the contributions from Fannie Mae and Freddie Mac. One option, according to Crowley, is the revenue generated from any cutback in the mortgage interest deduction that may be included in tax reform legislation.

Debt deal stipulates appropriations next steps

(from 8-5-11 NLIHC Memo to Members)

The recently-approved Budget Control Act of 2011 raised the US debt ceiling to avoid defaults, and established requirements for massive spending cuts to discretionary programs—including HUD and USDA low income housing programs—to reduce the federal deficit by \$917 billion over the next decade. This

translates into reductions of \$21 billion for FY 12, \$42 billion for FY 2013, and deeper reductions each year after that.

The bill also requires that a new committee on debt reduction, composed of 12 Members of Congress equally divided between majority and minority parties in each chamber, be created by August 16. All 12 members have been named, among them Washington State's U.S. Senator Patty Murray.

The committee is charged with reducing the federal deficit by an additional \$1.5 trillion over the next 10 years, and must vote on its deficit reduction recommendations by November 23. The committee is to consider all ways to reduce the deficit, including raising revenues and cutting entitlement programs, as well as recommending additional discretionary spending limits. The debt deal establishes protocol for House and Senate consideration of the committee's recommendations, to which no amendments can be made. Both the House and Senate must vote on the joint committee's recommendations by December 23.

If the joint committee's recommendations are enacted or if Congress sends a constitutional balanced budget amendment to the states, the President could then seek an additional \$1.5 trillion increase in the debt ceiling.

If the joint committee fails to achieve at least \$1.2 trillion in deficit reduction over the next ten years, or does not send a balanced budget amendment to the states by January 15, a sequestration process—across-the-board spending cuts—must be implemented for FY13 to FY22.

These across-the-board cuts would have to be equally divided among non-security and security programs, including discretionary and entitlement spending. The act's sequestration protocols would protect certain programs from across-the-board cuts, including Social Security, Medicaid, Children's Health Insurance Program, SNAP (food stamps), child nutrition programs, Supplemental Security Income, refundable tax credits such as the Earned Income Tax Credit, veterans' benefits, and Temporary Assistance for Needy Families.

An August 4 paper from the Center on Budget and Policy Priorities estimates that a non-defense sequestration of \$55 billion, which the bill would require between FY13 and FY21, would result in cuts of approximately 9% in non-exempt entitlement and discretionary programs. The August 4 CBPP paper can be accessed at <http://www.cbpp.org/files/8-4-11bud.pdf>.