



People First Housing Platform

Part I: Solving the Rental Affordability Crisis and Ending Homelessness

Released Monday, June 17, 2019

Housing is a human right. Housing is also a platform to opportunity, something I know through personal experience, through data, and through the stories of the many people I have met in my 11 years of public service. As Secretary of Housing and Urban Development in the Obama administration, I led a team of 8,000 employees and managed a \$48 billion annual budget to create a stronger platform that would lift people out of poverty and into the middle class.

At HUD, we worked to end homelessness, we made homeownership more available and affordable for all families, we worked to make sure all HUD homes were healthy homes, we made more housing opportunities available for returning citizens, we expanded fair housing, we required federally-funded homeless shelters to open their doors to transgender individuals seeking shelter that conforms to their identity, and we worked to connect families in public housing to low-cost, high-speed internet.

In my People First Housing platform, I'm offering new ideas to address the emerging and persistent housing challenges that our nation faces today.

Over the next several days, I'll unveil my complete People First Housing platform, which will offer the following detailed plans:

- Part I: Solve the rental affordability crisis and end homelessness — Monday, June 17th
- Part II: Provide safe, fair, and equal housing opportunities for all people by strengthening housing discrimination protections, addressing gentrification, and working to make sure all housing and climate goals align — Tuesday, June 18th
- Part III: Support homeownership and hold Wall Street accountable for its impact on the housing market — Wednesday, June 19th

There is a housing affordability crisis in America. As I travel the nation, I meet families everywhere who are struggling to pay their rent. The rental affordability crisis touches people and situations as diverse as our nation, including seniors on a fixed income, young adults trying to save for their first home, renters of modest means in gentrifying urban neighborhoods, and mobile home owners who rent the land under their homes. Given the variety of these situations, there is clearly no one-size-fits-all approach to resolving this crisis.

We need a multi-pronged effort that fits the needs of all communities. The focus on my plan is to reach people along the spectrum of need by **providing more housing choice vouchers for low-income residents, and creating a refundable renters' tax credit for middle-class Americans**. But my plan doesn't stop there. Read the details below to find out more.

We can't forget about our neighbors who have lost their homes. Those experiencing homelessness are our most vulnerable citizens. They are single adults, veterans, families with young children, and kids on their own. I know that when the public sector invests effort and money into ending homelessness — as we did during the Obama administration — we make a difference. By the end of 2016, we had slashed homelessness among veterans by nearly half. How? We worked across agencies, with bipartisan help from Congress, and with local governments. We can finish that job, and do it for kids, too. My plan will **end veteran, child and youth homelessness by the end of my first term, and will end chronic homelessness by the end of 2028**.

These are big goals, and can't be accomplished with the wave of a wand. But having worked on these issues for many years as Secretary of HUD and a Mayor, I know how to do this effectively. I understand the challenges in front of us, but I also know the steps we can take to confront them successfully. I've got more ideas to come in the next few days to increase homeownership, guarantee fair housing, combat the displacement that comes with gentrification, and much more. Stay tuned.

Making Rents More Affordable

To help folks cover skyrocketing rent prices, I would combine the traditional Housing Choice Voucher program that serves lower-income folks with a new renters' tax credit to give relief to middle-income folks. The vouchers will help to stabilize those who need to get their feet under them, and the tax credit will help to move renters into homeownership where they can create intergenerational wealth.

1) **Expand and Reform the Housing Choice Voucher Program**

The housing choice voucher program is designed to target families with the highest need and to increase housing mobility, help deconcentrate poverty, and combat racial segregation. However, too many families in need are left out of this critical assistance. Right now, only 25% of eligible families receive vouchers, and the program is defined so narrowly that many more are waiting for help. My plan would:

- a) **Ensure every family that needs a voucher will receive one** by transforming the program to a fully-funded entitlement program.

- b) **Expand the housing choice voucher program to cover all families under 50 percent of area median income**, providing a safety net for individuals who need assistance.
- c) **Work with Congress to prohibit discrimination based on source of income**, to protect individuals that use federal housing support or vouchers, state or local support, or other forms of government support.
- d) **Expand access to the program by creating an exemption for eligible income based on student loan payments** to ensure that income taken up by student loan debt does not disqualify families from eligibility.
- e) **Ensure vouchers are priced to reflect market rents** by fully implementing, increasing enforcement, and closely monitoring the Small Area Fair Market Rents Rule.

2) Create a Renters' Tax Credit

Many low- and middle-income renters are ineligible for the Housing Choice Voucher program, but, because prices in many markets are skyrocketing, they are still struggling to pay rent. According to one recent [study](#), a renter earning the federal minimum wage would need to work 122 hours per week to afford a two-bedroom rental home and 99 hours per week to afford a one-bedroom rental home. In 2017, one in four renters paid more than 30 percent of their monthly income in rent. My plan would:

- a) **Provide relief for low- and middle-income renters by creating a refundable tax credit** for a portion of rent payments that exceed 30 percent of income.
 - i) The progressive renters' tax credit would support individuals with incomes up to the area median income, prioritizing support for lower-income individuals, would cover families between 50 percent and 100 percent of Area Median Income, would be paid monthly, and would, take into account the local Small Area Fair Market Rents designation.
 - ii) Participants could choose to direct credits to a tax-advantaged savings account to be used for a down payment on a mortgage.

3) Increase the supply of affordable housing

- a) **Support construction of affordable housing units by increasing the Housing Trust Fund and the Capital Magnet Fund by at least \$45 billion per year.**
 - i) The Trust Fund will also be used for **additional public housing construction** for vulnerable communities including senior citizens.
 - ii) **Lowering long-term costs** in affordable and public housing by investing in durability, sustainability, and energy efficiency through an 8-year

initiative to **upgrade all public housing units with capital improvements**, totaling \$5 billion a year for ten years.

- b) **Expand the Low Income Housing Tax Credit (LIHTC) by \$4 billion a year and reform it** to better direct private investment in expanding the supply of affordable housing for low-income families, pilot local revolving loan funds to accelerate development timelines, and adapt and reform the program to accommodate its expansion. These reforms will ensure its effectiveness, lower its costs, and strengthen federal oversight and protections over state-run LIHTC programs. They will also spur incentives to extend the period before apartments can be converted to market-rate units to up to 50 years and prioritize new construction in high-opportunity areas.

4) **Reform local zoning reforms that inhibit affordable housing development:**

- a) **Establish federal guidelines on land use and zoning** through a Presidential Commission on Zoning Reform, with input from government agencies that include the Departments of Housing and Urban Development, Transportation, Justice, and the Environmental Protection Agency, in addition to civil rights groups and representatives from state and local governments. Ensure guidelines are consistent with efforts to combat segregation in public schools and address practices like red-lining and exclusionary zoning.
- b) **Reform local zoning practices** by expanding the Community Development Block Grants (CDBG) and Rural Development programs by \$2 billion a year. Require zoning reforms in communities that promote affordable, inclusive, and transit-oriented housing to be eligible for new funding, prioritizing existing CDBG, Home Investment Partnerships Program, and transportation grant funding. Require an affirmative implementation of policies that further the purposes of the Fair Housing Act to address racial disparities in local zoning.

End Homelessness in the United States

1. **Set bold targets to:**

- a. Build on the progress of the Obama administration and **end veteran homelessness** by the end of my first term.
- b. **End child, family, and youth homelessness** by the end of my first term.
- c. **End chronic homelessness** by 2028.
- d. Permanently authorize the United States Interagency Council on Homelessness oversee this effort.

- e. Ensure individuals impacted by homelessness have a meaningful and direct hand in developing and implementing policies to address homelessness.
2. **Increase funding for McKinney-Vento Homeless Assistance Grants by \$5 billion, to \$7.5 billion**, tripling current spending.
 3. **Establish a consistent, government-wide definition of homelessness** that accounts for variable housing arrangements experienced by homeless families, children, and youth.
 4. **Invest in programs for individuals who are homeless or housing insecure:**
 - a. **Establish permanent supportive housing initiatives** to provide healthcare and other services to individuals in need who are at risk of becoming homeless.
 - b. **Expand local crisis response systems** to assist individuals and families that are at risk of becoming homeless.
 - c. **Support rapid rehousing and case management programs** that provide immediate, short-term wrap-around services in a comprehensive effort to reduce the amount of time an individual or family is between homes.]
 - d. **Ensure community development programs**, including infrastructure development, accounts for the impact on homeless and other vulnerable communities.
 - e. **Support eligible organizations in repurposing vacant federal properties under Title V of the McKinney-Vento Homeless Assistance Act** into facilities that assist the homeless communities, including through permanent housing, and streamline Section V enforcement by designating the Department of Housing and Urban Development as the main implementing agency.
 - f. **Decriminalize homelessness** and encourage local efforts to end loitering, vagrancy, and other discriminatory laws.
 - g. **Work with Congress to prohibit discrimination based on actual or perceived housing status** in housing, voting, education, voter registration, interactions with law enforcement, and employment. Support local efforts to end exclusion of residents experiencing homelessness from public space.
 5. **End homelessness among college students** through an expansion of Pell Grants to cover non-tuition expenses for students, including food and housing. Expand McKinney-Vento support for housing-insecure students and encourage institutional assessments on basic needs instability.

6. **Work to guarantee a right to counsel for tenants facing eviction through incentives for state and local governments to amend their laws.**

7. **Combat homelessness for people with mental illnesses by expanding access to medical care, including mental health care,** through universal healthcare coverage under an expanded Medicare program.