

Breaking Ground

The Monthly Newsletter of the Coalition on Homelessness and Housing in Ohio

February 2005

Housing Loses in Federal Budget

With the release of the Bush Administration's 2006 federal budget proposal on February 7th, it is clear that housing poor and low-income families is not a priority for this Administration. Programs that help provide stability to families would be decimated. Housing for people with disabilities is cut. Housing for people with AIDS is cut. Public and assisted housing are cut. Fair housing is cut. Lead safety is cut. Indian housing is cut. Rural housing is cut. The Housing Choice Voucher Program is not fully funded - resulting in a loss of 100,000 vouchers.

The most drastic cut is the complete elimination of the Community Development Block Grant, and the reallocation of 60 percent of its funding to the Department of Commerce for yet to be defined economic development activities. Additionally, the Community Service Block Grant program, which provides States with funds to provide a range of services to address the needs of low-income individuals to ameliorate the causes and conditions of poverty, was completely eliminated with a \$732 million cut.

At the same time, the Bush Administration is making their tax cuts permanent and proposing new tax cuts that mostly benefit those making over \$100,000 a year. For additional information on the federal budget proposal, visit www.nlihc.org.

Taft Proposes Massive Tax Cuts in State Budget

Governor Taft presented his proposed tax reform and some budget plans at the State of the State on February 8th and in his budget proposal on February 10th. While advocates are busy reading through the proposed budget and still analyzing how the budget will effect services, one thing was immediately clear - tax cuts are the priority for the Governor. One problem with the income tax cuts is that they will disproportionately benefit those in the highest income brackets, while other tax proposals and spending cuts will hurt poor and middle income people.

At the same time, basic social services programs, like the Disability Medical Assistance program (see related article on page four) is being completely dismantled. Clearly some of the priorities mapped out are going in the wrong direction.

The proposed 22 percent decrease in income tax rates will benefit the most affluent. The top one percent of taxpayers who have an average income of \$643,000 would save an average of \$8,464 per year. This group would receive 23 percent of all tax savings. Middle-income taxpayers and low-income taxpayers will see nowhere near these kind of savings. Middle-income taxpayers who have an average income of \$36,000 would only see a tax savings of about \$170 per year. Lower-income taxpayers, those with average income of \$10,000, would be exempt from the state income tax but that is only a tax reduction of \$12 per year on average. This \$12 a year will not come near what poor people can expect to lose in the way of lost state services such as health care and other tax increases on things like utility bills, alcohol, and tobacco taxes.

COHHIO will be analyzing Taft's proposal and providing more information in the future, which will be posted on the COHHIO web page at www.cohhio.org. Further tax cut information can be found at www.policymattersohio.org.

TABOR Amendment - Racing to the Bottom



COHHIO recently put talking points regarding why TABOR is wrong for Ohio on the COHHIO web page (www.cohhio.org). Please feel free to use these talking points when talking to community leaders, local political officials, etc. Please join us in opposing TABOR or any other alternative plan by the Ohio Legislature. Any TABOR-esque proposal is bad for Ohio and for your local community. Visit www.cohhio.org to access COHHIO's talking points on TABOR. For more information, contact [Cathy Johnston@cohhio.org](mailto:Cathy.Johnston@cohhio.org).

Mayors Sign Covenant to End Chronic Homelessness

Thirty-nine Mayors from across the U.S. joined in signing a covenant of partnership to end chronic homelessness at the winter meeting of the U.S. Conference of Mayors. "As a group of cities varying in size and geography, we will explore and implement strategies that will create a visible, measurable, and quantifiable reduction of chronic homelessness on our streets and in our shelters with the intent of ending this national disgrace." For more information, visit www.ich.gov/library/covenant.pdf.

Fiscal Year 2005 Federal Deficit Announced

The Congressional Budget Office (CBO) and the White House announced January 25th that the nation will again face deficits in FY05. The White House is predicting a deficit of \$427 billion while CBO's prediction is \$368 billion. The administration continues to argue that runaway government spending is the cause of the deficits, but the Center for Budget and Policy Priorities (CBPP) points out that nearly half of the deficit is related to tax cuts implemented since 2001. The CBPP report is available at www.cbpp.org/1-25-05bud.htm. The CBO report is available at www.cbo.gov/showdoc.cfm?index=6060&sequence=0.

HUD Announces Continuum of Care Awards

On January 25th, the U.S. Department of Housing and Urban Development announced awards for the 2004 Continuum of Care Homeless Assistance Programs Competition. Continuum throughout the State of Ohio were awarded a record level of funding - in excess of \$61 million. For a list of awardees, go to www.cohhio.org/updates/04continuumannouncements.pdf.

National Fair Housing Alliance Poster Contest

Entries must include visuals and text that convey how fair housing enables the development of integrated communities or schools and fosters a rich, multicultural environment for everyone. Submission deadline is March 1. For more information, visit www.nationalfairhousing.org.

Housing Assistance Council (HAC) Announces Green Fund

HAC, with support from the Home Depot Foundation, has created a competitive grants program that will make awards of \$10,000 to \$20,000 to local rural housing non-profits to support green building/healthy homes techniques and practices in their housing development activities. Deadline is March 15. For more information, contact Carolyn Branton at carolyn@ruralhome.org.

Voucher Program Takes Another Hit

Agencies administering the Housing Choice Voucher Program received word from HUD in a memo dated January 21st that they are, once again, going to have to figure out how to administer the program on far fewer dollars than originally expected. Agencies will experience a four percent cut in FY2005 housing assistance payments. "The January 21 memo is the latest in a series of actions taken by HUD to undermine the housing voucher program and the housing stability of thousand of families. With ever declining revenues, agencies that administer the program will have to require low-income families to pay more for their housing or help fewer people or both," said Sheila Crowley, National Low Income Housing Coalition President.

HUD Secretary's Award for Excellence in Historic Preservation

Recognizes organizations for their success in advancing the goals of historic preservation while providing affordable housing and /or expanded economic opportunities, particularly for low-and moderate-income families and individuals. Submission deadline is March 1. Application available at www.huduser.org/research/secaward.html#hist.

Do you currently receive Breaking Ground by mail?
If so, please switch to email delivery.
To switch: email Susan Francis at COHHIO at susanfrancis@cohhio.org.

Winter Heating Assistance Still Available

- Ohio Winter Reconnect Program. Allows households that have been disconnected or are facing possible disconnection due to non-payment of a utility bill to have service restored during the winter months by paying either the total amount they owe to the utility company or \$175, whichever is less, plus a reconnection fee of no more than \$20. Consumers can apply at local community action agencies or by calling their electric or natural gas company.

- Home Energy Assistance Program (HEAP). Provides a one-time payment per heating season for consumers who meet qualifications. E-HEAP is available for low-income consumers who have been disconnected from their heating source, have received a disconnection notice or have less than a 10-day supply of bulk fuel. Call Ohio Department of Development at 800-282-0880 or the Office of the Ohio Consumer’s Counsel (OCC) at 877-742-5622.

- Percentage of Income Payment Plan (PIPP). Enables income-eligible consumers to pay a percentage of their income toward their monthly electric and natural gas bills. The balance of the bill will continue to accumulate and consumers will be responsible for paying this accumulated amount once they are no longer participating in the program. Contact OCC at 877-742-5622.

AARP Asks Ohio Court to Uphold Century-Old Consumer Protections for Homeowners

AARP has filed an amicus brief in a case that challenges lenders’ practice of charging attorneys fees to borrowers whose homes are in foreclosure. *Sharon Wilborn et al. v. Bank One Corporation et al.* is currently before an appeals court in Ohio. At issue in *Wilborn* is the legality of imposing a lender’s attorney expenses on vulnerable homeowners who are already suffering the crushing burden of foreclosure. These fees are particularly pernicious since many of the mortgage loans resulted from unaffordable subprime or predatory lending. The attorneys fees charged in foreclosure are all the more troubling because for the last century Ohio courts have expressly refused to allow lenders to recover the cost of attorney fees from borrowers whose debts are in collection on the grounds that these fees further penalize an already vulnerable debtor. Plaintiffs in *Wilborn* argue that these concerns are all the more relevant in foreclosure than in collection, because debtors in foreclosure are by definition in the worst financial straits possible.

HUD Provides New Guidelines on Assisting People with Disabilities Through Section 8

On February 1st, HUD provided new guidelines to Public Housing Authorities (PHAs) on using the Section 8 Housing Choice Voucher Program to assist people with disabilities in accordance with the President’s New Freedom Initiative and Executive Order on Community-Based Alternatives for Individuals with Disabilities. Some examples of the guidelines include providing “generous” periods of time for people with disabilities to search for housing in which to use their vouchers, referring people with disabilities to supportive service and disability organizations, and offering specialized housing search assistance. Available at www.hud.gov/offices/pih/publications/notices/05/pih2005-5.pdf.

Evaluating the Serious and Violent Offender Reentry Initiative

The Urban Institute and RTI International have announced the creation of a new website that includes interim reports from a five-year evaluation of the federal government’s Serious and Violent Offender Reentry Initiative (SVORI). Available at <http://svori-evaluation.org>.

New Webpage Details Local Shortfall from State Cuts to Local Government Fund

As the Ohio General Assembly discusses dramatic cuts to the Local Government Fund, the Miami Valley Regional Planning Commission has debuted a new webpage that details what those potential cuts will mean to each county and municipality in the state. The webpage allows the user to select a county and/or municipality, along with a percentage cut to the local government fund. It shows exactly what the county would have to do in order to make up for the shortfall, in terms of new jobs, more real property, or more goods and services sold. Available at www.mvrpc.org/lgf/.

Center for Community Solutions Profiles of Ohio House and Senate Districts

Features detailed profiles for every House and Senate district in the state. Includes data on a wide variety of indicators as well as how each individual district compares to the overall state average. Available at www.communitysolutions.com/store/index.asp?DEPARTMENT_ID=58.

National Housing Trust Fund Policy Proposal Released

The National Housing Trust Fund Campaign Policy Proposal for 2005 and the 109th Congress is now available. The proposal includes some changes in language as well as in the areas of distribution, with more clarity on funds for rural areas and regional growth strategies. The proposal is available at www.nhtf.org.

Study Finds Link Between Predatory Lending and Foreclosure

In 2003, one out of every 20 subprime borrowers was in the foreclosure pipeline compared to 1 out of 100 for prime loans, according to a paper published by researchers at the University of North Carolina. The findings indicate that extended prepayment penalties increased the occurrence of foreclosure by 20 percent. A balloon-payment requirement increased the odds of foreclosure by 50 percent. Adjustable rate mortgages, which account for two thirds of subprime loans, are 50 percent more likely to end up in foreclosure than traditional fixed rate mortgages. The report is available at www.responsiblelending.org/promos/UNCforeclosure.cfm.

State Cutting Disability Medical Assistance for the Poorest of Ohio's Poor

Under directions from Governor Taft, the Ohio Department of Jobs and Family Services recently filed an emergency rule that will cut people off from Disability Medical Assistance (DMA) after six months and leave the program closed to new applications. By June, there will be no one left on DMA. DMA is a \$73 million state-funded effort that provides health-care and prescription drug coverage for Ohioans with chronic conditions, such as heart problems, diabetes or mental illness, who earn less than 33 percent of the federal poverty level - no more than \$115 a week for a single person. As of March 1, people receiving benefits will be unable to be recertified. New enrollment ended September 1, 2004. The disability program was designed to bridge the gap while people await approval for Medicaid, Social Security or other benefits. All too often, however, federal red tape means approval is slow or comes too late. All the recipients are very poor; the income limits are \$1,380 annually for an individual and \$1,908 annually for a couple. Many recipients are homeless, recently released from prison, between jobs or working in temporary positions. A significant number require insulin for diabetes or take psychotropic drugs to control behavior issues. About 300,000 Ohioans were receiving DMA in July 2003.

Social Enterprise Listserv

npEnterprise Forum is a free, no-spam listserv offering friendly interactions among colleagues who seek to learn from each other about social enterprise strategies and best practices. For more information, visit www.npenterprise.net.

Ohio Housing Trust Fund Awards \$1.5 Million

In January, the State Controlling Board approved \$1.5 million in Ohio Housing Trust Fund dollars for housing assistance. The five agencies receiving funding were The Community Builders Inc., Summit County; Glenville Development Corporation, Cuyahoga County; New Sunrise Properties, Inc., Lorain County; East Akron Neighborhood Development Corporation, Stark County; and Habitat for Humanity of Ohio. Descriptions of the projects are available at www.odod.state.oh.us/newsroom/releases/1160.asp.

COHHIO's Vehicle Donation Program

COHHIO can now accept vehicle donations. This program is an easy way to support COHHIO's work. Donated vehicles may include cars, trucks, motorcycles, boats, or RV's. This program has been made possible through a partnership with the Volunteers of America of Central Ohio. Contact Susan Francis at COHHIO for more information at susanfrancis@cohhio.org or 614-280-1984.

COHHIO Updates Mailing List

COHHIO is in the process of updating our mailing list. If you have not already updated your information and indicated that you wish to remain on COHHIO's mailing, please visit the COHHIO web page at www.cohhio.org/resources/info/infoadd.html.

Calendar

- March 3 - Financial Management, Center for Nonprofit Excellence, Akron. \$49. For more information, visit www.cfnpe.org/.
- March 17 - Strategic Alliances for Nonprofits, Center for Nonprofit Excellence, Akron. \$49. For more information, visit www.cfnpe.org/.
- March 30 - April 1 - Courage and Compromise in Public Leadership, Ohio University Executive Leadership Institute, Athens. For more information, visit <http://oueli.voinovichcenter.ohio.edu/courage/index.html>.
- April 7 - Intellectual Property & Legal Issues, Center for Nonprofit Excellence, Akron. \$49. For more information, visit www.cfnpe.org/.
- April 7-8 - Promises & Pitfalls: As Consumer Finance Options Multiply, Who is Being Served and at What Cost?, Federal Reserve System, Washington, DC. For more information, visit www.federalreserve.gov/communityaffairs/national.
- May 2-3 - National Low Income Housing Coalition Annual Housing Policy Conference and Lobby Day, Washington, DC. For more information, visit www.nlihc.org.
- May 4 - Advanced Board Training, Center for Nonprofit Excellence, Akron. \$25. For more information, visit www.cfnpe.org/.
- May 5 - OANO 11th Annual Conference, Columbus. For more information, visit www.oano.org.
- May 12 - Pricing Nonprofit Services, Center for Nonprofit Excellence, Akron. \$49. For more information, visit www.cfnpe.org/.

**2005 COHHIO Annual Conference
Save the Date**

**April 4-6, 2005
Hyatt on Capital Square, Columbus**

Get the conference brochure at www.cohhio.org.

Coalition on Homelessness and Housing in Ohio Membership

Name _____
 Organization _____
 Address _____
 City _____ State _____ Zip _____ County _____
 Phone _____ Fax _____ Email _____

Individual: _____ \$35 (Regular) _____ \$75 (Benefactor) _____ \$250 (Sustainer)
 _____ \$10 (Low-Income) _____ Fee Waiver Requested

Agency (according to budget):
 _____ \$35 (\$100,000 or less) _____ \$75 (\$100,001 - \$250,000)
 _____ \$125 (\$250,001 - \$500,000) _____ \$200 (\$500,001 - \$1 million)
 _____ \$250 (\$1 million-\$1.5 million) _____ \$300 (over \$1.5 million)

Please send your tax deductible check to COHHIO at 35 E. Gay St, Ste. 210, Columbus, Ohio 43215.

Thank you for your support!

How to Contact...

NATIONAL

- Corporation for Supportive Housing:** www.csh.org
- National Alliance to End Homelessness:** www.endhomelessness.org
- National Coalition for the Homeless:** www.nationalhomeless.org
- National Community Reinvestment Coalition:** www.ncrc.org
- National Low Income Housing Coalition:** www.nlihc.org

President Bush - 1600 Pennsylvania Avenue NW, Washington, DC 20500; 202/456-1414; 202/456-2461 (fax); president@whitehouse.gov

Senators Voinovich & DeWine - United States Senate, Washington, DC 20510
Voinovich - 202/224-3353; 202/228-1382 (fax); voinovich@voinovich.senate.gov
DeWine - 202/224-2315; 202/224-6519 (fax); senator_dewine@dewine.senate.gov

Representatives - United States House of Representatives, Washington, DC 20515; 202/224-3121

STATE

- Governor Taft** - 77 South High Street, Columbus, Ohio 43215; 614/466-3555; 614/466-9354 (fax)
- Ohio Senate** - State House, Columbus, Ohio 43266-0604; 614/644-5466 (fax-R); 614/644-1982 (fax - D)
- Ohio House of Representatives** - 77 South High Street, Columbus, Ohio 43215; 614/644-9494 (fax)

Legislative Directories are available by contacting us: COHHIO - 35 East Gay Street, Suite 210, Columbus, Ohio 43215-3138; 614/280-1984; 614/463-1060 (fax); www.cohhio.org.

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COHHIO is a coalition of organizations and individuals committed to ending homelessness and to promoting decent, safe, fair, affordable housing for all, with a focus on assisting low-income people and those with special needs.

Mailing address and email updates should go to susanfrancis@cohhio.org.