

Assessing Opportunity, Expanding Mobility

Steven Sharpe, Legal Aid Society of Southwest Ohio

LIHTC

- ▶ The Low Income Housing Tax Credit (LIHTC) program is the country's largest program for new construction of affordable rental housing.
- ▶ LIHTC should both
 - 1) Play a critical role in preserving already-existing affordable housing and supply badly-needed permanent supportive housing and
 - 2) Expand housing opportunity and fair housing choice.

Location

- ▶ Legal aid and fair housing programs started coordinated work on LIHTC because we saw:
 - ▶ Significant concentration of LIHTC in racially and ethnically concentrated areas of poverty.
 - ▶ Limited family development in less concentrated suburban areas.
 - ▶ An imbalance across the state in favor of senior developments over family developments.

Challenges in Tax Credit Allocations

- ▶ There is a limited pot of money and a lot of good potential uses.
- ▶ What is important for your clients?
 - ▶ Preservation
 - ▶ New Construction
 - ▶ Permanent Supportive Housing
- ▶ We have focused on a balanced approach



QAP

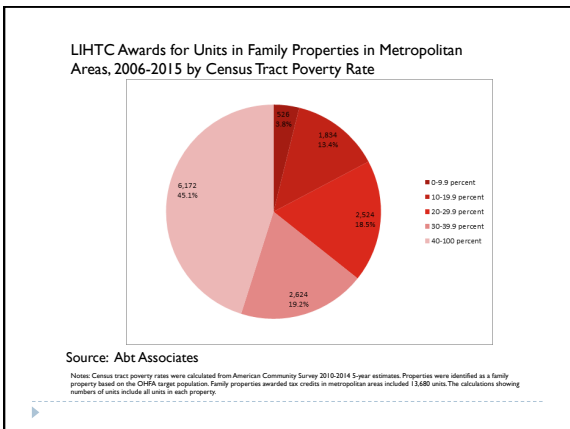
- ▶ **Qualified Allocation Plan (QAP)**
 - ▶ Basic components dictated by IRS
 - ▶ Reflects state's priorities for desired:
 - ▶ Type
 - ▶ Location
 - ▶ Ownership
 - ▶ The QAP contains procedures and policies for the distribution of Housing Tax Credits

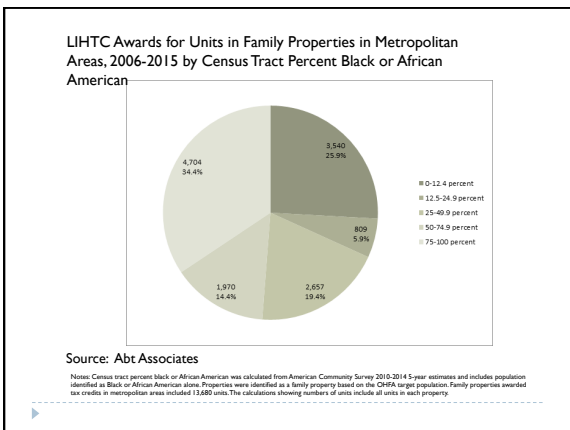


Report

- ▶ We hired Abt Associates who did some amazing data analysis, created maps, and drafted a full report.
- ▶ <http://www.abtassociates.com/reports/2016/lihtc-awards-in-ohio,-2006-2015-where-are-they-pro.aspx>







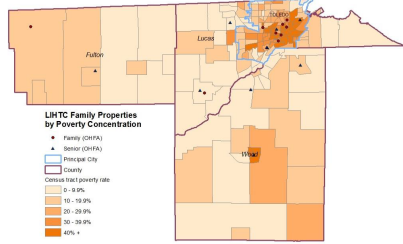
LIHTC Awards for OHFA Family Properties in Metropolitan Areas, 2006-2015 Percent of Units by Census Tract Percent Black or African American and Poverty Rate

Census Tract Poverty Rate	0-9.9 percent	10-19.9 percent	20-29.9 percent	30-39.9 percent	40-100 percent
0-12.4 percent	3.8	9.0	9.9	1.6	1.6
12.5-24.9 percent	-	1.9	1.6	-	2.5
25-49.9 percent	-	1.7	3.7	4.6	9.5
50-74.9 percent	-	0.9	0.3	4.4	8.8
75-100 percent	-	-	3.0	8.6	22.8

Source: Abt Associates, Inc.

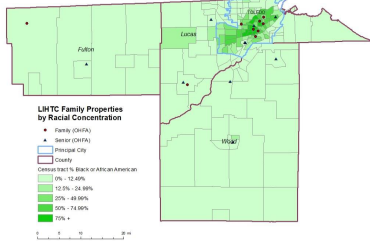
Notes: Census tract poverty rates and percent black or African American were calculated from American Community Survey 2010-2014 5-year estimates. Census tract percent black or African American includes population identified as Black or African American alone. Properties were identified as a family property based on the OHFA target population. The calculations showing numbers of units include all units in each property.

Locations of LIHTC Family Properties in the Toledo MSA



Notes: Census tract poverty rates were calculated from American Community Survey 2010-2014 5-year estimates. Census tract percent black or African American was calculated from American Community Survey 2010-2014 5-year estimates and includes population identified as Black or African American alone. A property was classified as a family property if at least 50 percent of its units had two or more bedrooms. Family (CHFA) properties were identified as a family development based on the CHFA target population. Senior (CHFA) properties were identified as a senior development based on the CHFA target population.

Locations of LIHTC Family Properties in the Toledo MSA



Notes: Census tract poverty rates were calculated from American Community Survey 2010-2014 5-year estimates. Census tract percent black or African American was calculated from American Community Survey 2010-2014 5-year estimates and includes population identified as Black or African American alone. A property was classified as a family property if at least 50 percent of its units had two or more bedrooms. Family (CHFA) properties were identified as a family development based on the CHFA target population. Senior (CHFA) properties were identified as a senior development based on the CHFA target population.

Goals

- ▶ End the over-concentration of developments in racially and ethnically concentrated areas of poverty and require development in areas without significant low income housing.
- ▶ Rectify the imbalance that currently favors senior housing over family housing for new construction.
- ▶ Ensure family developments have enough bedrooms to truly serve families with children.
- ▶ Continue to support preservation of low-income housing and permanent supportive housing.

LIHTC Information/Sources

- ▶ Novogradac & Company's website for some good information (including the lexicon): http://www.novoco.com/low_income_housing/resources/program_summary.php
- ▶ National Council of State Housing Finance Agencies' Housing Credit Reference Guide: <https://www.ncsha.org/resource/housing-credit-reference-guide>
- ▶ IRS Qualified Allocation Plan Statute: <https://www.law.cornell.edu/cfr/text/26/1.42-17>
- ▶ HUD's LIHTC website: <http://lihtc.huduser.gov>
- ▶ *Using Federal Data Sources for Housing Advocacy, 2016 Advocates' Guide*, by Andrew Aurand, published by National Low Income Housing Coalition, pp. 2-25 - 2-30.

Articles and Publications

- ▶ *Understanding Whom the LIHTC Program Serves: Tenants in LIHTC Units as of December 31, 2012*, by Michael K. Hollar, published by the U.S. Dept. of Housing and Urban Development, Office of Policy Development and Research (December 2014)
- ▶ *Choice Constrained, Segregation Maintained: Using Federal Tax Credits to Provide Affordable Housing. A Report on the Distribution of Low Income Housing Tax Credits in the New York City Region*, published by the Fair Housing Justice Center (August 2013) <http://www.fairhousingjustice.org/wp-content/uploads/2013/08/FHJC-LIHTCREPORT-Aug13-Fullv1-7-WEB.pdf>
- ▶ *Opportunity and Location in Federally Subsidized Housing Programs: A New Look at HUD's Site & Neighborhood Standards As Applied to the Low Income Housing Tax Credit*, by Philip Tegeler, Henry Korman, Jason Reece, and Megan Haberle (October 2011)

Articles and Publications

- ▶ *The Low Income Housing Tax Credits and Racial Segregation*, by Keren M. Horn and Katherine M. O'Regan (May 2, 2011)
- ▶ *Exploring the Spatial Distribution of Low Income Housing Tax Credit Properties*, by Casey J. Dawkins, Prepared for HUD Office of Policy Development and Research (February 2011)
- ▶ *Renovation or Ruin: Activists in two states make a radical charge: that America's biggest program to finance affordable housing is promoting segregation and blighting city neighborhoods*, by Robert Neuwirth, published by Shelterforce Online, Issue # 137, (September/October 2004)

Resources – Affirmatively Furthering Fair Housing

- ▶ *Realizing the Promise: How to Affirmatively Further Fair Housing*, published by The Opportunity Agenda (November 2014)
- ▶ U.S. Department of Housing and Urban Development, Office of Policy and Development and Research
https://www.huduser.gov/portal/affht_pt.html