



Key Recommendations for A More Equitable Future Beginning at Home: Service-Enriched Affordable Housing and Thriving Communities

COVID-19 has not only highlighted this country’s lack of homes that are affordable and accessible to households of limited economic means, but that short-sighted, unjust housing policy and disinvestment hurt communities and exacerbated racial inequities. **Now is the time for the federal government to seek practical strategies, innovations and partnerships for quality housing in healthy communities.** With its practice-driven approach, Stewards of Affordable Housing for the Future (SAHF) has identified the following key federal policy recommendations for a comprehensive strategy for service-enriched affordable housing and thriving communities. For more details on the proposals and a framework for considering the connection between quality rental housing and positive outcomes for people and communities *and* strategies for practical implementation, please see [SAHF’s full policy agenda](#).

COVID-19 Response	<p><i>Ensure housing stability during the crisis with:</i></p> <ul style="list-style-type: none"> • Emergency Rental Assistance • Flexible resources through HUD’s HOME program to meet operating expenses and other housing needs
	<p><i>Preserve and produce affordable housing during and after the crisis:</i></p> <ul style="list-style-type: none"> • A minimum 4 percent rate for Low Income Housing Tax Credit (Housing Credit) buildings • Allow developments to access 4 percent Housing Credits by lowering the “50 percent test” to 25 percent • Invest in the Capital Magnet Fund
	<p><i>Ensure continuity of critical mission-driven affordable housing providers:</i></p> <ul style="list-style-type: none"> • Paycheck Protection Program expansion or a similar program for nonprofits
Expanding Access to Affordable Housing	<p><i>Improve access to affordable rental housing stock:</i></p> <ul style="list-style-type: none"> • Increase Housing Credit allocation by 50 percent • Rental assistance available for project-based contracts • Housing Choice Vouchers available to all eligible households with expanded mobility demonstration
	<p><i>Provide targeted resources for senior housing:</i></p> <ul style="list-style-type: none"> • At least \$600 million in new annual Section 202 construction and operating funds • Expand Service Coordinator support funding to all federally assisted housing
	<p><i>Eliminate barriers to fair housing and create meaningful opportunities for lower-income families and seniors in all communities:</i></p> <ul style="list-style-type: none"> • Rescind Preserving Community and Neighborhood Choice rule and utilize the previous AFFH rule • Pursue new rounds of federal place-based investment
	<p><i>Provide resources dedicated for creating rental housing for the lowest-income households:</i></p> <ul style="list-style-type: none"> • Continue and expand funding for National Housing Trust Fund and Capital Magnet Fund
	<p><i>Incentivize private owners to preserve naturally affordable properties:</i></p> <ul style="list-style-type: none"> • Establish a preservation and stabilization fund, built on models like the Neighborhood Stabilization Act
Preserving Affordable Rental Homes	<p><i>Facilitate the transfer of project-based Section 8 properties to owners committed to providing quality affordable housing as a platform for resident opportunity:</i></p> <ul style="list-style-type: none"> • Send Section 8 opt-out notices to local governments and state HFAs to inform preservation strategies • Redesign Section 8bb transfer authority guidance to maximize utility • Allow sponsors to terminate and renew contracts at new local-market rents immediately after transfer
	<p><i>Improve and expand preservation of affordable homes facilitated through the Housing Credit:</i></p> <ul style="list-style-type: none"> • Set a permanent four percent rate for Housing Credit properties • Lower the “50 percent test” to 25 percent • Include a clear option for nonprofit sponsors to purchase the property at the end of its tax credit period
	<p><i>Strengthen the Rental Assistance Demonstration (RAD) program:</i></p> <ul style="list-style-type: none"> • Expand and make permanent RAD; enact modest appropriation to facilitate preservation transactions that are not viable at current funding levels • Identify a rent increase mechanism to allow project-based contracts to support long term preservation • Improve implementation of the Section 202 RAD for PRAC program by centralizing activities within the Office of Recapitalization, allowing mark up to market in conversions that come with Housing Credit



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Preserving Affordable Rental Homes (continued)	<p><i>Ensure that federal resources are well-used and tenants are protected:</i></p> <ul style="list-style-type: none"> Engage residents in the design and implementation of HUD inspections and asset management processes Strengthen HUD capacity and oversight of assisted properties, streamline and strengthen inspection protocol, and ensure there are resources for substantial repair of and reinvestment in distressed properties
	<p><i>Improve Access to Service-Enriched Housing:</i></p> <ul style="list-style-type: none"> Support funding as an above the line item expense in HUD and Housing Credit properties Create a resident services grant demonstration program at family assisted housing properties Ensure Rent Comparability Studies should reflect the full value of specific programming Clarify standards and performance measures in a way that centers resident needs
Improving Resident Health & Well-Being	<p><i>Support well-being, economic and educational opportunity by promoting digital inclusion:</i></p> <ul style="list-style-type: none"> Include internet in the definition of utilities and in establishing rents for all affordable properties Create a multifamily demonstration program to couple property-wide broadband access with operational efficiencies Building on ConnectHome, seek national partnerships or federal assistance that provides free or very inexpensive internet access for all residents of HUD-assisted housing
	<p><i>Support Residents' Wealth Building and Well-Being</i></p> <ul style="list-style-type: none"> Expand the use of HUD's Family Self Sufficiency program through increased appropriations Drive down costs for rent reporting for credit building transactions and provide financial training that accompanies credit reporting Allow triennial income recertifications more broadly to incentivize income growth and eliminate barriers to build assets
	<p><i>Support Housing Stability and Improved Health Outcomes through Health Care Partnerships</i></p> <ul style="list-style-type: none"> Authorize the Center for Medicare and Medicaid Services Innovation to collaborate with HUD on pilots that incentivize managed care organizations to support resident services in affordable rental housing Better leverage existing programs and authorities to improve the health and well-being of Medicaid participants through interagency collaboration between HUD and HHS and by funding grants to states, and community-based organizations to help them devise innovative, evidence-based approaches Building on lessons from the Healthy Opportunity Pilots and other waivers, CMS should issue clear guidance in the form of principals or model Section 1115 Medicaid waivers to spur future innovation Improve and expand data sharing between HHS and HUD to scale data matching for dual eligible households and to identify Medicaid eligible households and support new partnerships
	<p><i>Retrofit homes to address efficiency, renewable energy, health, and resilience</i></p> <ul style="list-style-type: none"> Launch a retrofit program modeled on the HUD Green Retrofit Program that addresses an expanded range of measures that reduce utility costs, lower emissions and further health and resilience in all affordable multifamily rental homes Expand the Department of Energy's Weatherization Assistance Program including a requirement that a portion of funds be used in multifamily affordable rental housing
Creating Healthier Communities and Combating Climate Change	<p><i>Align incentives among HUD, owners and residents in support of energy efficiency and renewable energy.</i></p> <ul style="list-style-type: none"> Allow rents to increase in proportion to utility allowance decreases that are the result of energy savings from a recapitalization/retrofit event Pilot utility budgeting in HUD-assisted multifamily housing
	<p><i>Encourage the use of Renewable Energy Sources in Affordable Housing</i></p> <ul style="list-style-type: none"> Allow residents of assisted properties to benefit from community solar subscriptions by updating HUD utility allowance guidance to exclude community solar credits from utility allowance calculations Recognize and reward use of renewable energy within the Better Buildings Challenge