

740 15th St. NW • Suite 300 • Washington, DC 20005 • 202/866/0703 www.prrac.org

August 18, 2023

James Tassos National Council of State Housing Agencies 444 North Capitol Street NW Washington, DC 20001

# **RE:** Proposed 2023 Revisions to NCSHA Recommended Practices in Housing Credit Administration

Dear colleagues,

The Poverty & Race Research Action Council (PRRAC) is a civil rights law and policy organization dedicated to promoting research-based advocacy strategies to address structural inequality and disrupt the systems that disadvantage low-income people of color. We are writing to comment on the NCSHA's proposed revisions to the LIHTC Best Practices guide, from a "social housing" perspective.

## Social Housing

Social housing is adequate housing that is permanently affordable, decommodified, and under the democratic control of its residents.<sup>1</sup> We echo the Center for Popular Democracy's assertion that social housing has the ability to make strides toward racial justice and correct harmful racist legacies found throughout housing policies.<sup>2</sup> This is directly in line with the obligation of federal agencies and grantees to affirmatively further fair housing.<sup>3</sup> We strongly encourage NCSHA to use its leadership among housing agencies to prioritize social housing principles in the LIHTC best practices guide.

### **Qualified Allocation Plans**

We applaud the recommendations' acknowledgment of housing's impact on social, economic, and environmental outcomes and its explicit prioritization of opportunity and mobility. Specifically including social housing principles in Qualified Allocation Plans (QAPs) can also positively impact residents, their communities, and their outcomes. Many states have already adopted some social housing principles into their QAPs with success.

#### Permanently Affordable

Thirty-one states offer incentives for long-term affordability above basic federal requirements.<sup>4</sup>

<sup>&</sup>lt;sup>1</sup> Alliance for Housing Justice, Supporting the Movement for Social Housing, 32:1 *Poverty & Race* 7 (2023).

<sup>&</sup>lt;sup>2</sup> The Center for Popular Democracy and Renters Rising, Social Housing for All at 3 (March 2022).

<sup>&</sup>lt;sup>3</sup> Restoring Affirmatively Furthering Fair Housing Definitions and Certifications, 86 Fed. Reg. 30779 (June 10, 2021)

<sup>&</sup>lt;sup>4</sup> AL, AK, AZ, AR, CA, CT, GA, HI, ID, IN, KY, LA, MA, MI, MN, MO, MT, NE, NV, NJ, NM, OK, OR, PA, SD, TX, UT, VT, VA, WA, WV

Some states require all projects to meet longer affordability periods like 55 years in California or in perpetuity in Vermont. Longer affordability periods prevent displacement and allow a community to thrive with long-term residents.

## **Decommodified**

There are many ownership models that can remove housing from the speculative market and prevent it from being bought and sold for profit. QAPs can prioritize these alternative housing approaches to ensure stable and affordable housing for future generations. Examples include:

- Tenant cooperative models/provisions promoting community living opportunities, limited equity co-op, or other tenant ownership;
- Community land trusts or similar provisions;
- Non-profit ownership (above the minimum LIHTC requirements); and
- Provisions promoting community acquisition of rental housing.

Many states prioritize non-profit ownership beyond their federal requirements<sup>5</sup> however, few mention co-ops<sup>6</sup> or community land trusts<sup>7</sup>. NCSHA can offer additional guidance and recommendations to housing agencies to promote alternative ownership models through QAPs. For example, we commend NCSHA's new provision encouraging a nonprofit Right of First Refusal. This and other preservation efforts are essential forces against the preventable commodification of expiring units.

## Community control

Meaningful input or control is vital to members of the community because it ensures that those directly affected by housing policies and decisions have a say in shaping their living conditions. This may be done through internal democratic resident control such as resident boards or through external means accountable to the community. Fear or threat of eviction silences many tenants. Community control levels the power imbalance and allows issues to be addressed fairly.

#### Conclusion

PRRAC urges the NCSHA to harness its leadership to advocate for and incorporate policies that ensure long-term affordability, diverse ownership models, and meaningful community control. Embracing these principles will contribute to the broader goal of fair housing for all.

Sincerely,

Audrey Lynn Martin, Housing Policy Counsel Poverty & Race Research Action Council Washington, DC amartin@prrac.org

<sup>&</sup>lt;sup>5</sup> CO, GA, HI, IN, IL, MA, MN, MO, NE, NJ, NM, NY, OH, OK, PA, RI, UT, VT, VA, WA

<sup>&</sup>lt;sup>6</sup> AK, AR, DE, LA, MT

<sup>&</sup>lt;sup>7</sup> MT, ND, SC