

Cost of Home Policy Platform

Goal: 10 million people with increased home affordability, including substantial increases in low-income homeownership opportunities, through policy and system changes at the local, state and national levels

Families all across the United States are paying too high a price to cover the cost of home. Rent and homeownership costs are skyrocketing, while wages are not keeping pace. Far too often, families struggle to make ends meet. Everywhere you look – cities, suburbs, rural areas – the stability that home should bring remains out of reach for far too many families.

At Habitat for Humanity, we know that a family should never have to spend more than 30 percent of their income on a home. But consider that today nearly 19 million U.S. households pay half or more of their income on a place to live. That is unacceptable.

To improve housing affordability broadly, policymakers from the local, state and federal levels need to support comprehensive packages that address the increasing cost of housing across the rental and homeownership spectrum to meet the needs of low-income individuals and families nationwide. Advocates and policymakers must acknowledge and address the well documented historic patterns of racial discrimination in housing and land use policies, at all levels of government, that still impact the makeup and opportunities of our communities. We strive to create a healthy housing market and affordable opportunities in every community across the United States.

While there is no silver bullet to solving the nation's home affordability challenge, the following platform focuses attention on the core subthemes and underlying policy issues that the Cost of Home campaign explains are critical to help families achieve home affordability. The Cost of Home campaign will increase home affordability by addressing and changing policy and systems focused on:

1. Supply and preservation
2. Access to credit
3. Land use
4. Communities of opportunity

We acknowledge the factors related to affordability – supply, credit, land and communities – are interconnected and that policies that address challenges related to affordability can, and often do, impact multiple elements and dynamics of the need for home affordability solutions.

While Habitat affiliates, Habitat state support organizations and Habitat for Humanity international will focus on specific policy issues within this platform, the Habitat network will aim to support priority public policy initiatives with these key principles in mind:

- Level of impact on overall housing affordability and ability to meet the housing needs of lower income people
- Ability to have the expertise needed to analyze and determine justification around the policy issue
- Whether the policy is bipartisan, with the goal that it would garner support from both sides of the political aisle
- Viability of success to move forward in the legislative process

- Level of support from partner(s) and/or coalition(s)

Increasing Supply and Preservation of Affordable Homes

Almost every area in the U.S. faces a shortage of safe, decent and affordable homes, particularly ones available to those earning modest incomes. The campaign will support advocacy for policies that enable the production and preservation of and access to homes affordable to lower-income households.

Expanding of Affordable Home Production

- Strengthen, expand and develop successful local, state and federal programs that fund and stimulate new development and ongoing operational costs of affordable housing.

Increasing access to existing housing stock

- Strengthen, grow and enforce local, state and federal programs that ensure that households are able to access existing affordable housing opportunities, regardless of income.

Preserving Existing Affordable Homes

- Create and increase funding resources used in the preservation of existing homes, including programs that support the rehabilitation and repairs of homes to make them safe, decent and affordable.

Equitably Increasing Access to Credit

Credit is difficult, if not impossible, for many households to access, and minority and lower income applicants often do not have access to credit at all or have access to only predatory credit. The campaign will support advocacy for policies that increase and broaden access to safe and sound credit for underserved populations.

Housing Finance Systems

- Work to strengthen federal and state housing finance systems that encourage participation of private capital to ensure broad, reliable, and equitable access to single-family and multi-family financing, including financial support for the production and preservation of affordable housing.

Credit scoring and underwriting standards

- Responsibly update the credit scoring system and overly restrictive underwriting standards, to broadly serve homeownership-ready borrowers, including addressing the homeownership gap for communities of color.

Fair lending and consumer protections

- Pursue improvements to housing policy and consumer lending policy that protect consumers from discrimination and abuse by unfairly increasing their debt and placing them into a continuous cycle of financial distress, thereby putting their housing security at risk and limiting their ability to access safe credit.
- Ensure that financial institutions help meet the credit needs of borrowers in all segments of their communities especially underserved markets.
- Promote strong consumer protections against high-cost, predatory loan products that put housing security and access to safe credit at risk.

Asset Development & Housing Counseling

- Support innovative asset development and savings programs that put homeownership within reach for lower-income families.
- Support and increase the investment in housing counseling and financial education programs.
- Expand funding for down payment assistance programs.
- Support tax policy that increases access to and affordability of homeownership for lower-income households.

Optimizing Land Use for Affordable Homes

Land is often among the greatest costs encountered in developing homes, whether for rental or for ownership. The Cost of Home campaign will support advocacy for land acquisition, use, and development related policies that bring down the cost to build, and otherwise stimulate the production and preservation of affordable housing, promote fair housing, and fully reflect community needs.

Reduce Land and Development Costs

- Streamline discretionary land use approvals to reduce the time, risk, and cost of building affordable homes.
- Reduce or waive impact fees and extractions related to the development of affordable housing.
- Promote policies that facilitate the acquisition and preservation of land for affordable housing, including land banking, use of publicly owned land, and other strategies.

Create Incentives or Requirements for Affordable Housing

- Pursue the thoughtful reform of land use policies that advantage the development of affordable housing and end exclusionary zoning practices
- Promote inclusionary policies and zoning that ensure broad and equitable access to homes that are affordable to households of all incomes.

Ensure Long-Term Equity, Affordability and Asset Building in Land Use

- Promote strategies to ensure that housing remains affordable over time, including fostering shared-equity and other permanent affordability strategies.
- Support policies to ensure that families are able to build financial equity through affordable homeownership opportunities.
- Support regulatory and public policy efforts that strengthen fair housing policies and enforcement in land use and development.

Ensuring Access to and Development of Communities of Opportunity

At Habitat, we know that home isn't just a building; it includes the community and resources in which you live, work and grow. Affordable homes must be built in environmentally sound areas with access to economic and social opportunity, and viable transportation. Moreover, as communities experience increasingly new development and investment, they need systems in place to preserve affordability and prevent the displacement of current residents, many of whom are lower income. Independent of location, homes must be well-constructed and mitigated against disasters to control the health, maintenance, sustainability and energy costs of the home. The campaign will support advocacy for policies that protect and strengthen neighborhoods and enable communities to thrive.

Renter and Homeowner Housing Stability

- Support policies that promote stability for homeowners through property tax relief programs to ensure that families are able to remain in their communities as new investment arrives.
- Reform and support rental housing policies that strengthen and protect renter households to ensure that families can afford to live in communities that have the resources needed for success.
- Support policy that strengthens tenure security.

Quality of Existing Housing Stock

- Support and expand resources for programs that provide opportunities to repair homes to increase energy efficiency, mitigate against disasters, and address health contaminants.
- Increase resources for programs that fund home modifications and repairs that allow homeowners to age in place.
- Promote and strengthen code enforcement policies that are targeted to address neighborhood housing conditions to ensure that residential properties are maintained safely.

Healthy and Economically Integrated Neighborhoods

- Promote policies at all levels of government to address historic practices of government and social discrimination in our communities, including supporting fair housing as it relates to neighborhoods and the adoption of racial equity frameworks.
- Support local decision-making processes to ensure that residents have a meaningful voice in the community development and planning decisions affecting their neighborhoods, and promote targeted infrastructure investments in distressed communities.
- Combat source of income discrimination and expand resources that allow families to access affordable homes in neighborhoods with access to jobs, education, transportation, and health care opportunities.
- Boost the economic mobility of families through workforce development programs and individual development account

Special thanks to the Public Policy Solutions Task Force for their ongoing support of the development of Policy Platform

A Public Policy Solutions Task Force has been created to support, advise and guide the development of policy priorities and positions of the Cost of Home campaign at all levels of government. The Task Force will identify federal affordable housing policy priorities and guide the development of the federal policy agenda for the campaign, as well as identify and define state and local policy priorities for the four subthemes of the campaign. Current members:

Co-chairs:

Dan Rosensweig, CEO, Habitat for Humanity of Greater Charlottesville

Natosha Reid Rice, Associate General Counsel, Habitat for Humanity International

Habitat for Humanity Network Staff:

Wes Brooks, Vice President of Housing & Neighborhood Engagement, Habitat for Humanity Atlanta

Greg Anderson, Vice President of Community Affairs, Habitat for Humanity Austin

Dawkins Hodges, Vice President of Programs, Habitat for Humanity Greater Los Angeles

Lynn Zucker, Executive Director, Habitat for Humanity Buckeye Ridge, OH

Sandra Pearson, President and CEO, Habitat for Humanity Michigan

Matt Dunbar, VP of External Affairs, Habitat for Humanity of NYC

Habitat for Humanity International staff:

Tera Doak, Associate General Counsel, Legal

Edwin Hensley, Associate Director, Construction Tech

Daniel Gura, Director, Capital Markets and Finance Systems, Finance

Rachel Dahlke, Consultant, Community Development & Advocacy, Neighborhood Revitalization

External experts:

Jonathan Harwitz, Managing Director of Federal Policy & Government Affairs, Low-Income Investment Fund

Chris Estes, Vice President, Business Strategy and Advocacy, Rebuilding Together

Emily Thaden, Director of National Policy and Sector Strategy, Grounded Solutions Network

Andy Saavedra, Senior Program Officer, Rural LISC