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November 13, 2008

Mr. John Podesta
Ms. Valerie Jarrett
Mr. Peter Rouse
Co-chairs, Obama-Biden Transition Project

Dear Mr. Podesta, Ms. Jarrett, and Mr. Rouse,

I write on behalf of the National Housing Trust Fund campaign. We look forward to working closely with President Obama and his team at HUD to implement the National Housing Trust Fund in the next year. President-elect Obama's professional experience in working with people in low income communities and his commitment to addressing the housing needs of the lowest income families and individuals gives us great encouragement that implementation of the National Housing Trust Fund will be swift and smooth under his leadership.

We are deeply grateful for Senator Obama's co-sponsorship of legislation to establish the National Housing Trust Fund in the Senate in the 110th Congress, for his endorsement of the National Housing Trust Fund in the Presidential campaign, and for the mention of the National Housing Trust Fund on the change.gov website.

The National Housing Trust Fund campaign began in 2000, is led by 40 national non-profit and faith-based organizations, and has been endorsed by over 5,700 organizations, state and local elected leaders, and editorial boards in every state. (Please visit www.nhtf.org to see the list of endorsers.) Our goal is to establish a National Housing Trust Fund with ongoing, permanent, dedicated and sufficient sources of revenue to build, rehabilitate and preserve 1.5 million units of housing for the lowest income families over the next 10 years.

We achieved success this year when a National Housing Trust Fund was included in the Housing Economic Recovery Act of 2008 (H.R. 3221), which was signed into law on July 30, 2008. We are fortunate to have House Financial Services Committee Chairman Barney Frank, Senate Banking Committee Chairman Christopher Dodd, and Senator Jack Reed as champions.

The National Housing Trust Fund is the first new federal housing production program since the HOME program was created in 1990 and the first new federal housing production program specifically targeted to extremely low income households since the Section 8 program was created in 1974. As a housing production program, the National Housing Trust Fund is also a jobs creation program and will help stimulate the economy. Attached is a fact sheet that provides details about the program.

The next steps for the National Housing Trust Fund Campaign are as follows:

1. **Work with HUD to develop regulations to be in effect by July 30, 2009.** We have been meeting with current HUD officials, in particular career staff, who are working on the regulations. We want to facilitate as smooth a transition as possible on this task so as to prevent any delays in program implementation.
2. **Protect Fannie Mae and Freddie Mac as the initial sources of funding.** The legislation that created the National Housing Trust Fund directs Fannie Mae and Freddie Mac to contribute “4.2% basis points for each dollar of new business” annually to an Affordable Housing Fund, which in turn funds the National Housing Trust Fund. The structure and function of Fannie Mae and Freddie Mac will be the subject of much debate and change in the 111th Congress. We must assure that this dedicated source for the National Housing Trust Fund survives this process.
3. **Enact legislation to increase annual funding of \$5 billion.** The National Housing Trust Fund campaign has a goal of generating five billion dollars annually for the Fund. The initial sources of funding are estimated to generate just \$300 million a year. Shortly, we will propose a list of other possible dedicated funding sources to Chairman Dodd and Chairman Frank. We will submit the same list to the Transition Team.
4. **Enact legislation to clarify and enhance provisions in the legislation that established the National Housing Trust Fund.** There are several issues that may not be able to be resolved by regulation.

We request a meeting with the members of the Transition Team who have responsibility for federal housing finance policy and HUD programs at their earliest convenience.

After years of neglect and hardship in which low wage workers and people who are elderly and disabled have paid unsustainable portions of their income for housing and experienced great housing instability and unacceptable physical conditions, change is here and hope is renewed that all people in the United States will have affordable, accessible, and healthy homes.

Sincerely,

A handwritten signature in cursive script that reads "Sheila Crowley". The signature is written in black ink and has a long, sweeping tail that extends to the right.

Sheila Crowley
President and CEO, National Low Income Housing Coalition