



MAKING ENDS MEET: ELDER ECONOMIC SECURITY

A Quick Reference Guide On:
The National Housing Trust Fund

Monthly Tools and Information
From the Elder Economic Security Initiative™ Program

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Update on the National Initiative

The success of the Initiative continues! This month we are pleased to share with you that the Elder Economic Security Initiative was mentioned in the November/December [AARP magazine](#) as well as the most recent edition of the [National Council of Aging magazine](#). The AARP article focuses on the challenges workers are facing as they balance their own financial responsibilities while assisting their parents living on a fixed income. While the NCOA article speaks to the plight of low-income seniors themselves. Both articles connect the Initiative and the Elder Economic Security Standard Index to the solution.

Earlier this month, the [EESI blog](#) was one of over 12,000 bloggers and 13 million readers to participate in the [2008 Blog Action Day on Poverty](#). The [EESI post](#) focused on the need to shift the dialogue on poverty to lifelong economic security and specifically to the needs of elders. The online extravaganza drove over 200 unique hits to the EESI blog in just one day!!

We were please to hold a very productive two day summit in Washington, D.C. with our state partners this month. On Thursday, October 23rd partners joined the national EESI advisory board in a discussion on transition planning for the new administration, and heard research highlights findings from our partners at the Gerontology Institute at the University of Massachusetts-Boston. The nine state partners discussed their outreach, messaging, successes and challenges. Representatives of each state also met with Congressional staff from their state to introduce the Initiative and urge their support of legislation which would promote accessible and affordable access to home and community-based long-term care as well as the needs of older workers. On Friday, October 24th we had a very rich discussion with the Congressional staffers/authors of the Modern Poverty Measure Act. Thanks to your partners, it was a very successful two days!

WHAT and WHY it Matters

WHAT is the National Housing Trust Fund?

After years of significant work by low-income housing advocates, the National Housing Trust Fund was established with passage of the Housing and Economic Recovery Act of 2008. The National Housing Trust Fund establishes permanent funding for programs to support low income renters and homeowners. The fund is not subject to an annual appropriations process as financing is supported by annual contributions from Fannie Mae and Freddie Mac based on a percentage of each company's annual new business volume (so as not to confuse w/profits). These contributions will be divided between the National Housing Trust Fund, a new Capital Magnet Fund, and, through the 2011

fiscal year, a reserve fund to cover losses incurred by the Federal Housing Authority (FHA) for its refinancing of troubled mortgages through the HOPE for Homeowners program.

The National Housing Trust Fund primarily targets low-income renters. A summary statement by the National Low Income Housing Coalition reports the following, “At least 90% of the funds must be used for the production, preservation, rehabilitation, or operation of rental housing. Up to 10% can be used for the following homeownership activities for first-time homebuyers: production, preservation, and rehabilitation; down payment assistance, closing cost assistance, and assistance for interest rate buy-downs.” Furthermore, at least 75% of funds must target extremely low-income households and all funds must benefit very low-income individuals and families.

Source: [National Housing Trust Fund Campaign Homepage](#)

WHY does it MATTER?

According to the National Low Income Housing Coalition, the National Housing Trust Fund is the first significant federal program to build new, affordable rental units for low-income individuals and families since 1974. As indicated below, findings from 2005, suggest a significant lack in the availability of affordable housing as well as a limited amount of landlords that will accept vouchers from low-income individuals and families. In instances where housing units are available, state partners and coalition members in the Elder Economic Security Initiative often speak to the waiting lists for housing assistance programs spanning several thousands of people and several years.

For seniors who wish to remain in their communities, the availability of affordable housing is critical. Findings from the Elder Economic Security Standard™ Index (the Elder Index) indicate that housing costs comprise the most significant portion of a seniors’ basic expenses. Furthermore, housing expenses vary by geography thus indicating that some seniors may be disproportionately impacted by the cost of rent and/or property taxes. Findings from Elder Indexes released thus far indicate that housing comprises the largest expense for seniors in good health, up to 70% of costs in some regions.

Given these important findings, the establishment of the National Housing Trust Fund is a significant triumph for low income individuals, families and the service providers and advocates who work on their behalf. It demonstrates a true commitment on the part of policy makers to widen access to affordable housing options for seniors and others who struggle to make ends meet.

Source: [National Housing Trust Fund Campaign Homepage](#); American Community Survey Estimate Shows Larger National, State Affordable Rental Housing Shortages Report. Retrieved at: <http://www.nhtf.org/doc/RN07-01.pdf>

Data You Can Use

- ✓ All recent data indicate a gap between the number of people with extremely low incomes and the number of affordable and available rental units. This gap is increasing. Nationally, and in nearly every state, fewer than half of all extremely low-income renters have access to an affordable unit.
- ✓ In 2005, the national rental housing vacancy rate was over 9 percent.

Statistic from: American Community Survey Estimate Shows Larger National, State Affordable Rental Housing Shortages Report. Retrieved at: <http://www.nhtf.org/doc/RN07-01.pdf>

Check out the
website!

Visit:
www.wowonline.org

Policy Center

The passage of the federal Housing and Economic Recovery Act of 2008 is a very exciting step in the right direction. With the law in place, there are many opportunities for advocates on the national, state and local level to ensure the implementation of the law is a success for all low-income seniors and families. Housing advocates as well as advocates concerned with the overall economic security of elders and families can now focus on:

1. Working with states' housing agencies to make sure they take the necessary steps to receive available funds.
2. Working with HUD in developing appropriate and efficient implementing regulations.
3. Working with state authorities to ensure realistic benchmarks and plans are created to ensure those most in need receive housing in a timely manner.
4. Exploring additional dedicated sources of public revenue that can add to the monies contained in the National Housing Trust Fund.

All of the National Housing Trust Fund dollars will go directly to states, the District of Columbia and the territories. To do so, the Secretary of HUD must develop a formula for distribution within one year of the date the bill was enacted, that is, by July 30, 2009. The law states that no state, nor the District of Columbia, will receive less than \$3 million. The formula will determine how much above the minimum will be allocated. The [National Low Income Housing Coalition has written a paper](#) on the proposed formula for distribution of resources.

Action in the States...

With the passage of the National Housing Trust Fund, each governor must designate an agency to administer the program. Eligible options include: the state housing authority or state housing finance agency, housing or community development offices, and tribally designated housing entities. The administering agency must develop, make public, and seek public comment on a state allocation plan. We encourage advocates to engage in this process and provide public comment on the plan to ensure the economic security and housing needs of elders are considered. Advocates should note, the allocation plan is to reflect priority housing needs in the states based on these factors:

- Geographic diversity,
- The applicant's ability to obligate amounts and undertake funded activities in a timely manner,
- The extent to which rents are affordable in the proposed project,
- The duration of the affordable rents in the proposed project,
- The use of other funding sources in the proposed project, and
- The merits of an applicant's proposed eligible activity.

In addition, each state must set performance goals, benchmarks, and timetables for carrying out the purposes of the National Housing Trust Fund. The Elder Index and the Family Self-Sufficiency Standard should be used to assist in determining performance goals, benchmarks and target specific populations.

**Join the
dialogue!**

Visit:
<http://wow-eesi.blogspot.com/>

Fundraising Spotlight:

Our work would not be possible without generous support from funders in our partner states and communities.

**Helen Bader
Foundation**
(Wisconsin)

**Louise H. Landau
Foundation**
(Illinois)

**United Way of
Southeast
Pennsylvania**

**The Boston
Foundation**
(Massachusetts)

**California
Community
Foundation**

**California
Wellness
Foundation**

**The California
Endowment**

The HEALTH Trust
(California)

**United Way of the
Bay Area**
(California)

Many thanks to the state and local foundations supporting our efforts!

State Spotlight

CONGRATULATIONS to Massachusetts!

Congratulations to the [Massachusetts Association of Older Americans, Inc. \(MAOA\)](#) and the [Gerontology Institute at the University of Massachusetts Boston \(GI-UMASS\)](#). MAOA and GI-UMASS, along with WOW, were recently named *Advocate of the Year by the [Massachusetts Councils on Aging \(MCOA\)](#)* for developing and implementing the Elder Economic Security Standard™ Index in Massachusetts. Ann Hartstein, Executive Director of MAOA, accepted the award at the plenary of the MCOA fall conference on October 15, 2008.

Many thanks to Ann, Laura Henze Russell, Ellen Bruce and all of those who help make the Elder Economic Security Initiative™ a success in Massachusetts! Congrats on this great achievement and much-deserved honor!

Questions from the Field and Answers

Q: The Elder Economic Security Standard™ Index captures the cost of all basic needs, including a category for miscellaneous expenses. What components are included in the miscellaneous cost category of the Elder Index and how it is calculated?

A: The miscellaneous category of the Elder Index was created according to an analysis of the 2005 Consumer Expenditure Panel Survey (CEP). These findings indicate that the cost of miscellaneous goods, including apparel and services, personal care products, reading, education, cash contributions, personal insurance and other miscellaneous items, comprise 20% of a senior's average expenditures when all other basic needs are considered, namely housing, transportation, health care and food.

Given this, the miscellaneous cost category of the Elder Index is calculated by adding 20% of the total cost of housing, transportation, health care and food for a senior homeowner without a mortgage to the Elder Index for a given county. Seniors who own their own home free and clear of a mortgage generally have the lowest total expenses when compared to renters and homeowners with a mortgage. In keeping with the conservative nature of Elder Index, the lowest percentage is applied to Elder Indexes in every housing category to more accurately reflect the expenses associated with a bare bones, no-frills budget of only the most basic needs.

Q: Does the Elder Economic Security Standard™ Index capture the cost of home repair, such as the cost of a new roof or heating system, having the lawn mowed or other emergency expenses that seniors tend to disproportionately incur?

A: The Elder Index calculated the expenses of a *month-to-month operating budget* for seniors living independently in their communities. As such, it does not incorporate common home repair or maintenance costs. The Elder Index is intended as a core starting point from which advocates, service providers, policy makers and other users of the tool can communicate what a seniors' most basic costs are. Additional costs can be tabulated through additional research and be added on.

Upcoming Events

Taking the ELDER INDEX to the States

WOW and representatives from the Gerontology Institute at the University of Massachusetts Boston (GI-UMASS) are delighted to be presenting draft tables of the Elder Index to our partners and statewide stakeholders this fall. On Monday, October 27, our Minnesota partners convened stakeholders across the state via teleconference to view draft data of the Elder Index for the first time! To learn more or RSVP to participate in one of the following events, please contact Stacy Sanders at ssanders@wowonline.org to be connected to the Initiative's coordinator in your state.

- ❖ **New Jersey:** December 5 in Trenton, New Jersey.
- ❖ **Connecticut:** November 14 in Hartford, Connecticut.
- ❖ **Michigan:** Early 2009 in Lansing. *More details to come...*

WORKSHOPS to WATCH FOR!

WOW and GI-UMASS will present on the Index and its applications with respect to income support modeling at the 61st annual scientific meeting of the [Gerontological Society of America](#) (GSA) in National Harbor, Maryland.

Sunday, November 23

- ❖ *Introducing a New Measure of Income Adequacy: the Elder Economic Security Standard™ Index*
GSA 61st Annual Scientific Meeting
Sunday, November 23, 2008 from 1:15 pm – 2:45 pm

WOW is very please to share that with the help of the National Senior Citizen's Law Center we have secured the keynote at the lunch plenary at the [National Aging and Law Conference](#) in Arlington, Virginia in early December. This will be a great opportunity to introduce the Initiative and the Elder Index to the many attorneys across the country working to ensure seniors age in place with dignity. *More details to come...*

Resources and Tools

Facts, information, an advocacy toolkit and an online recording on the National Housing Trust Fund sponsored by the [National Low Income Housing Coalition](#):

- ✓ [National Housing Trust Fund Campaign](#)
- ✓ [Endorse the National Housing Trust Fund Campaign today!](#)

Find your state, city, and/or even county housing trust fund location (s) at the Center for Community Change National Trust Fund Housing site:

- ✓ [Find your local housing trust fund here](#)

The National Low Income Housing Coalition's 2007 report on national and state affordable rental housing shortages provides state data on the housing gap:

- ✓ [Full National Low Income Housing Coalition Report](#)

Skill Development: FREE E-tools!

“The technologies which have had the most profound effects on human life are usually simple.”
– Freeman Dyson, Mathematician & Physicist

The Internet offers many fabulous (and FREE!) e-tools to assist with the coalition building, advocacy, education and outreach work associated with implementing the Elder Economic Security Initiative! See below for a sampling of some useful tools as well as examples as to how they are benefiting our partners in the states:

Survey Monkey: <http://www.surveymonkey.com/>

- **What is it?** Survey monkey is an e- tool that allows you to create electronic surveys. For free, users are able to develop comprehensive surveys with various types of questions, such as short answer or multiple choice, e-blast the survey and analyze results!
- **How is it being used by state partners?** WOW’s Pennsylvania partner, Marianne Bellesorte of [PathWays PA](#), is using survey monkey to evaluate public forums on the Elder Economic Security Initiative as well as the Family Economic Self Sufficiency Project. Using the online tool, Marianne receives far more detailed responses than using the traditional pen-n-paper evaluation forms. In addition, Marianne asks participants if they know more about elder economic security and what they’ve learned. She plans to incorporate this data into grant reports and new funding proposals. Nice thinking, Marianne!

Meeting Wizard: <http://www.meetingwizard.com/>

- **What is it?** Meeting Wizard is an online scheduler that allows you to input potential dates and times for in-person gatherings, conference call or webinars and suggest those dates and times via e-mail to participants. As participants respond, the information is added to a table that allows you to quickly and easily decide what date and time works best for most of the invitees.
- **How is it being used by state partners?** WOW’s Wisconsin partner, Betsy Abramson of the [Wisconsin Women’s Network](#), started using Meeting Wizard to schedule conference calls among the various workgroups of the Wisconsin Advisory Committee to the Elder Economic Security Initiative. She then introduced it to WOW staff and it is being used to schedule calls among the state partners! It is a very useful tool particularly as WOW enters partnerships in new states. Thanks so much, Betsy!

Yahoo Groups: <http://groups.yahoo.com/>

- **What is it?** Yahoo groups provide a free communication forum for the participants of a given group. Each Yahoo group comes with its own list serve, storage space for filing electronic documents and calendar function.
- **How is it being used by state partners?** Both WOW and the Leadership Team of the Minnesota Elder Economic Security Initiative, led by the [Minnesota Women’s Consortium](#), are using Yahoo groups to communicate among relevant

Introducing your WOW Team!

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parties and stakeholders. WOW's Yahoo group serves as a tool for information sharing among WOW and the partners as well as the state partners themselves. Similarly, the Minnesota Leadership Team is using its Yahoo group to communicate with each other and work on collaborative draft documents.

At WOW, we encourage our state partners and statewide coalition members to utilize e-tools and other new technology in the implantation of the Elder Economic Security™ Initiative. Are spreading the news on elder economic security in exciting and innovative ways? Let the WOW team know, so we can share it with others!

****Special thanks to Linda Couch, Deputy Director of the National Low Income Housing Coalition, for her assistance with this edition!!****

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