Housing America’s Future: New Directions for National Policy
Report of the Bipartisan Policy Center Housing Commission
About the Housing Commission

• Created by the Bipartisan Policy Center, a non-profit organization founded in 2007 by former Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole and George Mitchell

• Launched in October 2011 with four co-chairs:
  - Christopher S. “Kit Bond – Former U.S. Senator; Former Governor of Missouri
  - Henry Cisneros – Former Secretary, U.S. Department of Housing & Urban Development
  - Mel Martinez – Former U.S. Senator; Former Secretary, U.S. Department of Housing & Urban Development
  - George J. Mitchell – Former U.S. Senate Majority Leader

• Composed of 21 members drawn from diverse political and professional backgrounds

• Report, Housing America’s Future: New Directions for National Policy, issued February 25, 2013
Housing Commission Principles

- A healthy, stable housing market is essential for a strong economy and a competitive America.

- The nation’s housing finance system should promote the uninterrupted availability of affordable housing credit and investment capital while protecting American taxpayers.

- The United States should reaffirm a commitment to providing a decent home and a suitable living environment for every American family.

- The primary focus of federal housing policy should be to help those most in need.

- Federal policy should strike an appropriate balance between homeownership and rental subsidies.
Principal Areas of Recommendations

• The Continuing Value of Homeownership
• Reforming Our Nation’s Housing Finance System
• Affordable Rental Housing
• The Importance of Rural Housing
• Aging in Place: A New Frontier in Housing
Aim of BPC Report - A Call to Action

• Provide guidance on how best to respond to challenges, such as -
  • Homeownership remaining out of reach for far too many families;
  • Limited access to credit impeding the nation’s economic growth;
  • Rising rental housing costs as demand continues to increase;
  • Desire to age in place in one’s own home through senior years.

• Serve as a catalyst for bipartisan action

• Visit www.bipartisanpolicy.org/housing to download the report
The Importance of Rural Housing
Snapshot of Rural Housing

- Median income for rural households ($40,038) is more than 20 percent lower than the median income for urban households ($51,998).

- Rural poverty rates are higher than national poverty rates, at 16.5 percent and 15.1 percent respectfully.

- Nearly 30 percent of all rural households spend more than 30 percent of the monthly income on housing costs and are considered cost-burdened.

- Rural housing is generally older, with approximately 35 percent of rural rentals building more than 50 years ago.

- Nearly 6 percent of rural homes are either moderately or severely substandard – without hot water, or with leaking roofs, rodent problems, or inadequate heating systems.
Rural Housing: Recommendations

• Support and strengthen USDA’s role in rural housing to leverage the existing resources and infrastructure of rural service providers

• Extend the current definition of rural areas through the year 2020, pending the availability of decennial census data

• Increase budget allocations to serve more households

   Additional funding for the Section 502 Direct Loan program should be contingent on an evaluation of underwriting risks associated with the program.

• Dedicate resources for capacity-building and technology to strengthen USDA providers