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Response: Why affordable housing is faltering

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The Cato Institute is regurgitating the same old myths against the housing tax-credit program and private activity bonds. Echoed from Cato's own "academic research," its analyst opposes any federal housing program that encourages affordable housing through federal subsidies ("The sky will not be falling under tax plan in U.S. House," Vanessa Brown Calder, Orlando Sentinel, Friday).

Calder has made these claims in past articles under consistently false premises:

(1) "The private market would produce these units anyway." Then why hasn't the housing industry figured it out in the past 30 years of historically low interest rates?

(2) "Local building codes should be relaxed." Allow lower-income families and seniors to live in substandard housing, even in a hurricane-prone state?

(3) "The housing-credit subsidy is inefficient." This, even though actual numbers confirm that the credits' costs are leveraged more than 5-to-1 with the private capital markets

(4) "Oversight of these affordable-housing programs is abysmal." Income compliance is done over a 30- to 50-year affordability period in conjunction with the development's capital partners that ensure their investment is protected.

Missing from Cato's libertarian spin are the safe and decent housing benefits for the end users — the working families, seniors, veterans, disabled individuals and the formerly homeless. The growing shortfall of affordable-housing units in Florida has worsened due to increasing demand, natural disasters and the raiding of housing trust funds by the Legislature.

Existing resources at the state and federal levels must be maximized to produce more affordable units under these successful programs.