

Resolution No. 1

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Sustaining Long-Term Feasibility of Affordable Housing Projects
Original Sponsor: Housing Credit Group

WHEREAS, affordable rental housing programs administered by the Department of Housing and Urban Development (HUD), the Department of Agriculture and the Department of the Treasury are designed to serve low-income households;

WHEREAS, the success of these programs and the continued ability to serve low-income households depends on financially sound rental properties;

WHEREAS, the current mechanisms for determining rents and utilities vary among these programs but are often based on data that do not reflect actual changes in market conditions, particularly in the areas of wages and operating costs;

WHEREAS, as a result, rents in many affordable properties financed by federal programs have remained stagnant, while operating expenses have increased, particularly in areas of the country experiencing spikes in energy prices and property insurance;

WHEREAS, the result is decreased revenue to many affordable properties, which clearly endangers the long-term financial feasibility of the affordable housing stock;

WHEREAS, property owners have limited options in terms of finding additional revenue sources to fill the gaps and additionally may be limited by federal program rules in using property reserves or third-party sources; and

WHEREAS, new systems need to be developed that will ensure that rents remain affordable to tenants per the requirements of the various federal programs, while at the same time generating adequate revenue to cover the operating costs of the properties,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders urge Congress and the federal agencies to set key parameters for affordable rental housing programs that are consistent with the long-term financial feasibility of the developments;

BE IT FURTHER RESOLVED that such parameters should include, but not be limited to, the rents that can be charged, the incomes of tenants who can be served and allowances for utility and insurance expenses and other operating costs; and

BE IT FURTHER RESOLVED that program parameters should support the long-term financial viability of existing properties and enable new projects to be underwritten and built to preserve the primary goal of the programs, which is to provide affordable rental housing for low-income households.

Board of Directors Action:	Approved
Joint Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Multifamily Finance Subcommittee of the Housing Finance Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Taxation Subcommittee of the Federal Government Affairs Committee Action:	Recommends Approval
Multifamily Council Board of Trustees Action:	Recommends Approval
Housing Credit Group of the Multifamily Board of Trustees Action:	Recommends Approval

Resolution No. 2

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Performance-Based Standards for Plumbing Products
Original Sponsors: National Council of the Housing Industry/California BIA

WHEREAS, plumbing product manufacturers and home builders strive to provide their customers with safe, reliable and affordable plumbing products with many options in materials, styles, finishes, prices and configurations to address the great variety of consumer preferences and living environments;

WHEREAS, performance evaluation and certification of the safety and reliability of plumbing products is essential to provide assurances to home builders and protect consumers and, therefore, should be based upon objective and scientifically tested performance standards;

WHEREAS, certification of plumbing products to objective and scientifically-based and tested industry consensus standards through recognized and accredited certification organizations provides home builders and consumers with appropriate assurances that plumbing products installed in homes are safe and reliable;

WHEREAS, plumbing products certified to performance-based industry consensus standards allow for the greatest and most cost-effective options in plumbing products for American consumers while providing consistent assurances of product safety and reliability;

WHEREAS, the U.S. Environmental Protection Agency (EPA), NSF International and state governments have adopted measures to ensure that plumbing products are safe and reliable by requiring performance-based product testing and certification and by prohibiting certain products and practices inconsistent with product performance standards designed to protect public health and safety, conserve water and ensure product reliability; and

WHEREAS, notwithstanding a well-developed governmental and industry system of building and plumbing product codes and standards based on objective and scientifically-based and tested performance standards, recent legislation and regulations adopted in California have sought to substitute untested content standards for consensus performance standards;

WHEREAS, the California proposals are not objective or scientifically based; pose significant financial consequences to plumbing manufacturers, home builders and consumers; and have unknown and untested consequences for the health and safety of American consumers,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders support and encourage objective and scientifically tested performance-based standards for the manufacture of plumbing products;

BE IT FURTHER RESOLVED that NAHB urge the U.S. Congress, state legislatures and local governments to oppose mandates imposing prescriptive content standards for plumbing products that could have unknown consequences for the safety and reliability of plumbing products and would unnecessarily disrupt the product procurement process, limit consumer choices, increase costs and reduce the availability of plumbing products; and

BE IT FURTHER RESOLVED that NAHB work with federal, state and local code and consensus standards bodies to promote performance-based standards for evaluating plumbing products.

Board of Directors Action:	Approved
Joint Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Construction, Codes and Standards Committee Action:	Recommends Approval
Single Family Small Volume Builders Committee Action:	Recommends Approval
Single Family Production Builders Committee Action:	Recommends Approval
Environmental Issues Committee Action:	Recommends Approval
State and Local Government Affairs Committee Action:	Recommends Approval
Custom Home Builders Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Building Product Issues Committee Action:	Recommends Approval
National Council of the Housing Industry Board of Trustees Action:	Recommends Approval

Resolution No. 3

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Addressing Mortgage Market and Mortgage Lending Problems
Original Sponsor: Financial Institutions and Capital Markets Subcommittee of the
Housing Finance Committee

WHEREAS, over the years a number of innovative mortgage products have been developed to improve housing affordability and expand homeownership opportunities, including adjustable rate mortgages (ARMs), hybrid fixed/adjustable rate mortgages, high loan-to-value mortgages and, most recently, interest-only and payment-option mortgages;

WHEREAS, efforts to extend homeownership opportunities to a broader segment of the population also have spurred the development of a subprime mortgage market, where those who previously would not have qualified for mortgage financing are extended credit under more liberal underwriting criteria;

WHEREAS, subprime mortgage loans often include up-front fees, interest rate premiums or other terms to cover the higher risk of default on these loans;

WHEREAS, these loans — when prudently underwritten to ensure that the form and terms of financing are appropriate for the borrower and when they provide consumers with adequate information on the details and risks of the instrument — have been extremely beneficial in making homeownership possible for a much broader range of consumers, including minorities and those with lower incomes and resources than those previously served by the housing finance system;

WHEREAS, creative mortgage financing has been an important factor in sustaining housing affordability in markets where increases in home prices have greatly exceeded income gains;

WHEREAS, as efforts to improve housing opportunities and increase minority homeownership rates have intensified, some housing finance providers and other housing sector participants may not have adequately evaluated the longer-term adverse impacts of some mortgage lending practices and others have engaged in unethical practices to capture quick returns at the expense of consumers;

WHEREAS, these unethical “predatory lending” practices include charging interest rates and fees far in excess of the levels needed to provide a reasonable risk-based return and requiring the consumer to purchase other services, such as insurance, as a condition of the loan, which offer no real benefit to the borrower;

WHEREAS, some improper mortgage lending practices have been made possible by improper underwriting practices and fraudulent appraisals that have had severe financial consequences for consumers, lenders and mortgage insurers, and even legitimate mortgage loan arrangements can have hidden dangers for consumers, lenders and others in the form of increasing loan balances and sharp increases in payment obligations;

WHEREAS, unsound or predatory lending practices and inadequate consumer disclosure/education can cause extensive damage to the housing industry and the economy over the longer run that far exceed any short-term stimulus from such practices;

WHEREAS, lax mortgage underwriting practices and the provision of mortgage credit to borrowers under inappropriate terms fuel increases in mortgage foreclosures that, in addition to increasing the inventory of unsold homes and creating mortgage market instability, are devastating to affected home owners;

WHEREAS, effective solutions to problems in the subprime mortgage market require joint and cooperative efforts from all sectors of the housing and mortgage lending/investment industries;

WHEREAS, Congress, the Department of Housing and Urban Development (HUD), federal and state banking regulators, and state and local legislators have responded with a number of proposals and enacted measures to combat unsound and predatory lending practices, including prohibitions of certain practices as well as consumer disclosure requirements; and

WHEREAS, there is a danger that well-intended legislative and regulatory remedies can be too sweeping and restrictive, resulting in significant disruptions and reductions in the availability of mortgage credit,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders support and encourage continued mortgage market innovation to improve housing affordability and expand homeownership opportunities as long as these loans are prudently underwritten to ensure that the form of financing is appropriate for the borrower and market and that consumers are fully aware of the features and risks of the loan;

BE IT FURTHER RESOLVED that NAHB oppose predatory lending practices; and

BE IT FURTHER RESOLVED that NAHB work with others in the housing and mortgage lending/investment industries as well as Congress and federal, state and local financial institution regulators to find and implement effective solutions to problems in the subprime and other mortgage market sectors, while ensuring that regulation of mortgage products and practices does not unnecessarily disrupt the mortgage lending process, limit consumer financing options or increase the cost or reduce the availability of mortgage credit.

Board of Directors Action:	Approved
Joint Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Single Family Production Builders Committee Action:	Recommends Approval
Single Family Small Volume Builders Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Single Family Finance Subcommittee of the Housing Finance Committee Action:	Recommends Approval
Financial Institutions and Capital Markets Subcommittee of the Housing Finance Committee Action:	Recommends Approval

Resolution No. 4

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Wetlands
Original Sponsor: Environmental Issues Committee

WHEREAS, the Clean Water Act (CWA) grants the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (the Corps) statutory jurisdiction over “navigable waters,” which are defined as “the waters of the United States;”

WHEREAS, the CWA only requires a permit for a “discharge” from a “point source” to “navigable water,” and a “discharge” occurs only where there is an addition of pollutants;

WHEREAS, in their policies, litigation and field practices, EPA and the Corps have expanded the scope of the terms “navigable waters” and “discharge” to overstep their authority and regulate upland ditches and storm drains, land clearing and soil removal;

WHEREAS, the Corps and EPA have yet to enact regulations that define the key statutory terms “navigable waters” and “discharge” in a manner that is consistent with court opinions;

WHEREAS, the agencies’ failure to define these terms has resulted in inconsistent jurisdictional decisions among Corps districts and has expanded the scope of their CWA authority;

WHEREAS, the Corps is making jurisdictional determinations of wetlands beyond the parameters of the soils, vegetation and hydrologic conditions on which they should be based;

WHEREAS, in light of regulatory uncertainties at the federal level, state and local governments are hastily adopting ill-conceived wetland and water protection policies with a negative impact on residential construction activities;

WHEREAS, the Corps’s Section 404 permit process is difficult, lengthy and costly, and it can be open-ended, leading to unnecessary and costly delays in the development process;

WHEREAS, over the years the Corps has ignored congressional intent to create a streamlined nationwide permit (NWP) program and has arbitrarily added onerous terms and conditions to the permits that have limited their usefulness and can make them almost as costly and drawn-out as individual permits;

WHEREAS, the Corps' proposed Compensatory Mitigation Rule for losses of aquatic resources would limit mitigation options, eliminate in lieu fee programs for wetland impacts and rely too heavily on costly mitigation banks; and

WHEREAS, the Corps' implementation of Section 404 has run into coordination and consultation problems with other laws and regulations, including the National Historic Preservation Act and the Endangered Species Act,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders urge the Environmental Protection Agency (EPA) and the U.S. Army Corps of Engineers (the Corps):

1. To adopt regulations, guidance and policies asserting that “navigability” is the guiding factor to determine the geographic reach of the Clean Water Act (CWA), consistent with congressional intent.
2. To adopt regulations, guidance and policies asserting CWA authority only over activities that “discharge” or “add” materials to jurisdictional waters.
3. In revising their regulations on the extent of CWA jurisdiction, to provide a set of clear and common-sense criteria that can be understood by the members of the regulated community and can be uniformly applied by Corps and EPA field officers in all districts.

BE IT FURTHER RESOLVED that NAHB urge EPA and the Corps to include the following in their regulatory requirements for Sec. 404 of the Clean Water Act, on a regional and national basis:

1. Revise current procedures to provide streamlined, cost-effective, timely and efficient general permits (nationwide, regional and programmatic) for residential and commercial development and construction activities.
2. Issue a completeness determination within a reasonable and uniformly applied time period (targeted to be 60 days) of the submission of all permit applications. If a permit application is found to be incomplete, the Corps will provide the permit applicant with a detailed list of the items needed to make the application complete. The Corps must issue a completeness determination within a reasonable and uniformly applied time period (targeted to be 30 days) of the applicant supplying the additional information. If a completeness determination is not issued within the described time period, it will be determined that the application is complete.
3. Approve or deny with prejudice all applications within a reasonable and uniformly applied time period (targeted to be 60 days) of the completeness determination. The expiration of the above described time period without a decision on a complete application will result in the affirmative approval of the permit.
4. Allow permit applicants to waive the above time requirements.

BE IT FURTHER RESOLVED that NAHB urge Congress:

1. To support legislative efforts maintaining that the statutory intent of the CWA is for “navigability” to be the guiding factor in jurisdictional decisions.
2. To support legislative efforts maintaining that the statutory intent of the CWA is to grant jurisdiction over only those activities that result in additions of pollutants to “the waters of the U.S.”

BE IT FURTHER RESOLVED that NAHB urge state and local governments, which may be considering whether to adopt wetlands policies that go beyond federal programs, to only create and implement wetland or other water policies that are based on legislative findings, sound science and reasonable methods, and that take into account their effect on the state’s economy and the development industry;

BE IT FURTHER RESOLVED that NAHB urge the Corps and EPA to adopt reasonable compensatory mitigation banking programs that will be applied consistently and provide other options such as in lieu fee programs as a viable compensatory mitigation option; and

BE IT FURTHER RESOLVED that NAHB urge the Corps and EPA to ensure that relevant programs triggered by Sec. 404, such as the National Historic Preservation Act and the Endangered Species Act, are streamlined and have a clear procedure for coordination and consultation with federal, state and local officials.

Board of Directors Action:
Joint Executive Board Action:
Resolutions Committee Action:
Land Development Committee Action:
Single Family Production Committee Action:
Federal Government Affairs Committee Action:
Environmental Issues Committee Action:

Approved
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval

Resolution No. 5

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Brownfields Redevelopment
Original Sponsor: Environmental Issues Committee

WHEREAS, on Jan. 11, 2002, President Bush signed the federal brownfields law, the Small Business Liability Relief & Brownfields Revitalization Act (H.R. 2869);

WHEREAS, the congressional objective of the brownfields law was to provide developers, builders and landowners relief from federal liability provisions under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and to promote the cleanup and reuse of brownfield sites under existing state Voluntary Cleanup Programs (VCPs);

WHEREAS, the National Association of Home Builders supported passage of the federal brownfields law as a means to promote smart growth principles and to spur the redevelopment of the General Accounting Office's estimated 450,000 brownfields sites nationwide;

WHEREAS, the federal brownfields law created three federal liability defenses under CERCLA (innocent landowners, prospective purchasers and contiguous landowners) for landowners who:

Demonstrated they performed "all appropriate inquiry" to determine if there was environmental contamination before taking title to the property; and

Demonstrated the continued performance of "due care" to contain and control a release of environmental pollution from the property after taking title to it;

WHEREAS, NAHB members participated in the development of the Environmental Protection Agency's (EPA) "all appropriate inquiry" standard and support the standard's application to the real estate market;

WHEREAS, despite the creation of these important liability and enforcement protections under CERCLA, the federal brownfields law does not address all pollutants commonly found at most brownfields sites;

WHEREAS, developers and builders face the potential threat of federal or state enforcement actions on petroleum-contaminated sites; and

Resolution No. 6

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Extension of Program Authority in Presidentially-Declared Disaster Areas
Original Sponsor: Housing Finance Committee

WHEREAS, the various multifamily and single-family mortgage loan insurance and guarantee programs of the Federal Housing Administration of the U.S. Department of Housing and Urban Development and the Rural Housing Service of the U.S. Department of Agriculture facilitate rental housing and homeownership for low- and moderate-income families;

WHEREAS, these housing programs can be temporarily expanded to facilitate recovery in presidentially-declared disaster areas;

WHEREAS, very limited reconstruction of the housing stock has occurred in some parts of the Gulf region that were affected by the hurricanes of 2005;

WHEREAS, thousands of Gulf region residents are still displaced and unable to find adequate housing;

WHEREAS, the repair and construction of safe, affordable housing is critical to the recovery of the Gulf region and other areas affected by disasters;

WHEREAS, even without any subsequent disasters in the Gulf region, it could take several years for the housing stock to be rebuilt; and

WHEREAS, similar problems with relief timeframes could occur during recovery from future disasters,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders urge Congress to authorize the secretaries of the U.S. Department of Housing and Urban Development and the U.S. Department of Agriculture to extend program eligibility requirements in presidentially-declared disaster areas for at least 36 months beyond the existing statutory timeframes.

Board of Directors Action:	Approved
Joint Executive Board Action:	Recommends Approval
Resolutions Committee Action:	Recommends Approval
Federal Government Affairs Committee Action:	Recommends Approval
Housing Finance Committee Action:	Recommends Approval
Multifamily Finance Subcommittee of the Housing Finance Committee Action:	Recommends Approval
Single Family Finance Subcommittee of the Housing Finance Committee Action:	Recommends Approval

Resolution No. 7

Date: June 8, 2007

City: Washington, D.C.

NAHB Resolution

Title: Asbestos
Original Sponsor: Environmental Issues Committee

WHEREAS, construction activities use aggregate materials and generate dust made up of aggregate materials;

WHEREAS, these aggregates, soils and mixed dust can contain asbestos as well as common non-asbestos particles of the same mineral;

WHEREAS, there is confusion over what asbestos actually is and many definitions inappropriately include all minerals with an identical chemical composition to asbestos, even though the non-asbestiform variety have crystalline structures that are different;

WHEREAS, the inhalation of excessive asbestos fibers over time is associated with significant pulmonary disease, including cancer;

WHEREAS, studies have shown that exposure to common rock fragments and non-asbestos particles does not pose the same risks as exposure to asbestos;

WHEREAS, despite the differences in risk, Congress, the U.S. Environmental Protection Agency and the Occupational Safety and Health Administration are being pressured to regulate all non-asbestiform minerals that have an identical chemical composition to asbestos; and

WHEREAS, inappropriately designating all types of non-asbestiform materials as asbestos could result in unwarranted public anxiety and costly remediation of nonexistent risks, including new worker protection requirements and severe limits on where land development activities may be allowed,

NOW, THEREFORE, BE IT RESOLVED that the National Association of Home Builders oppose any legislation or regulation that fails to differentiate between asbestos and non-asbestiform minerals; and

BE IT FURTHER RESOLVED that NAHB urge Congress to request the National Academy of Sciences or another qualified scientific group to review the science on asbestos and mixed-dust environments and recommend steps to develop a valid risk protocol to be used by the relevant federal agencies.

Board of Directors Action:
Joint Executive Board Action:
Resolutions Committee Action:
Construction, Safety and Health Committee Action:
Federal Government Affairs Committee Action:
Land Development Committee Action:
Environmental Issues Committee Action:

Approved
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval
Recommends Approval

Recommendation No. 8

Date: June 8, 2007

City: Washington, D.C.

NAHB Recommendation

Title: Sunset Review
Original Sponsor: Resolutions Committee

WHEREAS, the National Association of Home Builders has an established “sunset review” process for reviewing resolutions adopted four years ago;

WHEREAS, the appropriate paperwork – including the current NAHB Policy Handbook and a booklet identifying all resolutions due to expire in June 2007 – was available at the NAHB Board of Directors meeting in February;

WHEREAS, all resolutions adopted in 2003 were reviewed by the appropriate committees, task forces and councils that had originally drafted or reviewed the resolutions adopted four years ago; and

WHEREAS, all committees and councils have submitted to the Resolutions Committee their recommendations on those resolutions adopted in 2003 and due to expire in June 2007 that should be reaffirmed as active NAHB policy for another four years,

NOW, THEREFORE, BE IT RECOMMENDED that the National Association of Home Builders reaffirm as NAHB policy for another four years the following resolutions (identified by number) in the booklet, “NAHB Policy Due to Expire in June 2007”:

- #1.** Endangered Species Act/Marine Mammal Protection Act
- #15.** Fair Housing Accessibility
- #16.** Single-Family Accessibility
- #17.** Support for a Single Set of Building Codes
- #18.** Support for Green Building
- #19.** Wind-borne Debris Provisions in Model Codes and Standards
- #20.** Restrictions and Bans on Wood Trusses and I-Joists
- #23.** FHA Financing of Mobile Homes When Chassis Has Been Removed
- #39.** Retail Wheeling

- #40.** Energy Policy Statement
- #41.** Exhaust Fan Requirements
- #43.** Performance Standards in Energy Codes
- #82.** Economic Stimulus Programs and Housing
- #116.** Federal Home Loan Bank Financial Disclosure
- #119.** FHA Single Family Mortgage Insurance Coverage
- #120.** Strengthen Community Reinvestment Act
- #121.** Maintenance and Enhancement of Fannie Mae and Freddie Mac Multifamily Mortgage Purchase Programs
- #122.** The Federal Home Loan Bank System’s Housing Programs
- #125.** Community Reinvestment Act (CRA) and Local Housing Credit
- #126.** FNMA/FHLMC Maximum Mortgage Amounts
- #127.** Ginnie Mae Loan Guarantee and Commitment Ceiling
- #128.** FHA Restructuring
- #129.** VA Appraisals
- #151.** Federal Versus State Administration of Rental Housing
- #152.** Market Rate Appraisals
- #153.** Level Playing field for Non-Profit and For-Profit Sponsors of Affordable Housing Projects
- #154.** Support for American Technology
- #155.** Making Statutes for the HOME Investment Partnership Program and the Community Development Block Grant (CDBG) Program Consistent
- #156.** Use of HOME Funding for Refinancing Mortgages on Existing Low-Income Housing Projects
- #170.** Occupational Safety and Health Administration (OSHA) Reform
- #171.** Employee/Independent Contractor Reclassification
- #173.** OSHA Alliance
- #181.** Transportation Infrastructure Planning
- #182.** Smart Growth Policy Statement: Building Better Places to Live, Work and Play

- #210. Federal Tax Deductibility of Mortgage Insurance Premiums
- #211. Cash Versus Accrual Method of Computing Taxes
- #213. Retention of Tax Incentives for Homeownership
- #214. Retention of Tax Incentives for Housing
- #215. Rehabilitation Credit for Owner-occupied Housing
- #216. Installment Sales of Unimproved Lots
- #217. Independent Contractor
- #219. Mortgage Revenue Bond Eligibility Requirements
- #220. Contributions in Aid of Construction
- #221. Installment Sales
- #222. Mortgage Revenue Bond Safe Harbor Purchase Price Limits
- #223. Improving the Low-Income Housing Tax Credit Program for the Production of New Affordable Housing
- #224. Alternative Minimum Tax
- #225. Repeal of Section 42 Prohibition on Using Tax Credits with Section 8 Moderate Rehabilitation Projects

Board of Directors Action:
Joint Executive Board Action:
Resolutions Committee Action:

Approved
Recommends Approval
Recommends Approval