



Campaign for Housing and Community Development Funding

Working to ensure maximum federal resources for housing and community development

Impact of President Trump's proposed severe budget cuts to HUD and USDA.

May 31, 2017

Speakers

- Moderator: Elayne Weiss, National Low Income Housing Coalition
- Doug Rice, Center on Budget and Policy Priorities
- Tess Hembree, National Association of Housing Redevelopment Officials
- Linda Couch, LeadingAge
- Steve Berg, National Alliance to End Homelessness
- Sarah Mickelson, National Low Income Housing Coalition
- Gabriel Strachota, Community Voices Heard



Agenda

- Budget overview
- Housing Programs
 - Housing Vouchers
 - Project-Based Rental Assistance
 - Housing for Special Populations
 - Public Housing
 - Formula and Block Grant Programs
 - Homeless Assistance
 - National Housing Trust Fund
 - Rural Housing
- Opportunities for Advocacy



Budget and Appropriations Timeline

- Budget process moving much slower this year
 - The Congressional budget provides the topline number for discretionary spending for the year. Without this number, Appropriations Committee are delayed in drafting their spending bills.
 - House expected to release budget later next month but that might slip until late summer/early fall.
- Appropriators might instead decide to move spending bills by “deeming” a topline number (likely at the FY18 spending cap).
 - Spending bills need to be passed by September 30. Congress will likely rely on a stopgap spending bill (continuing resolution) because of delays.
- Even though Congress writes its own budget, we cannot ignore the proposals included in the Trump budget





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Budget Outlook and Housing Vouchers

Doug Rice

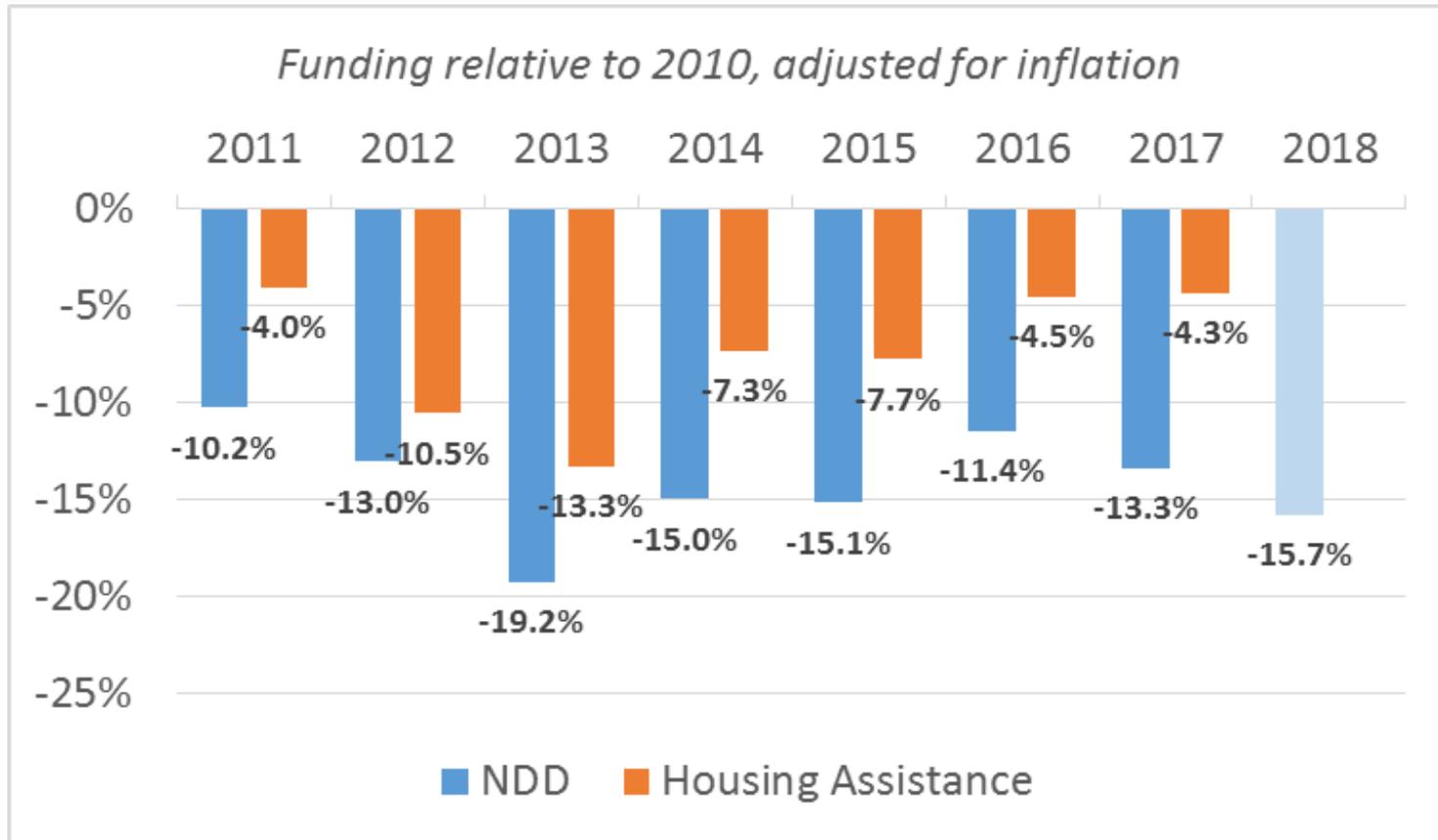
Center on Budget and Policy Priorities

Overview

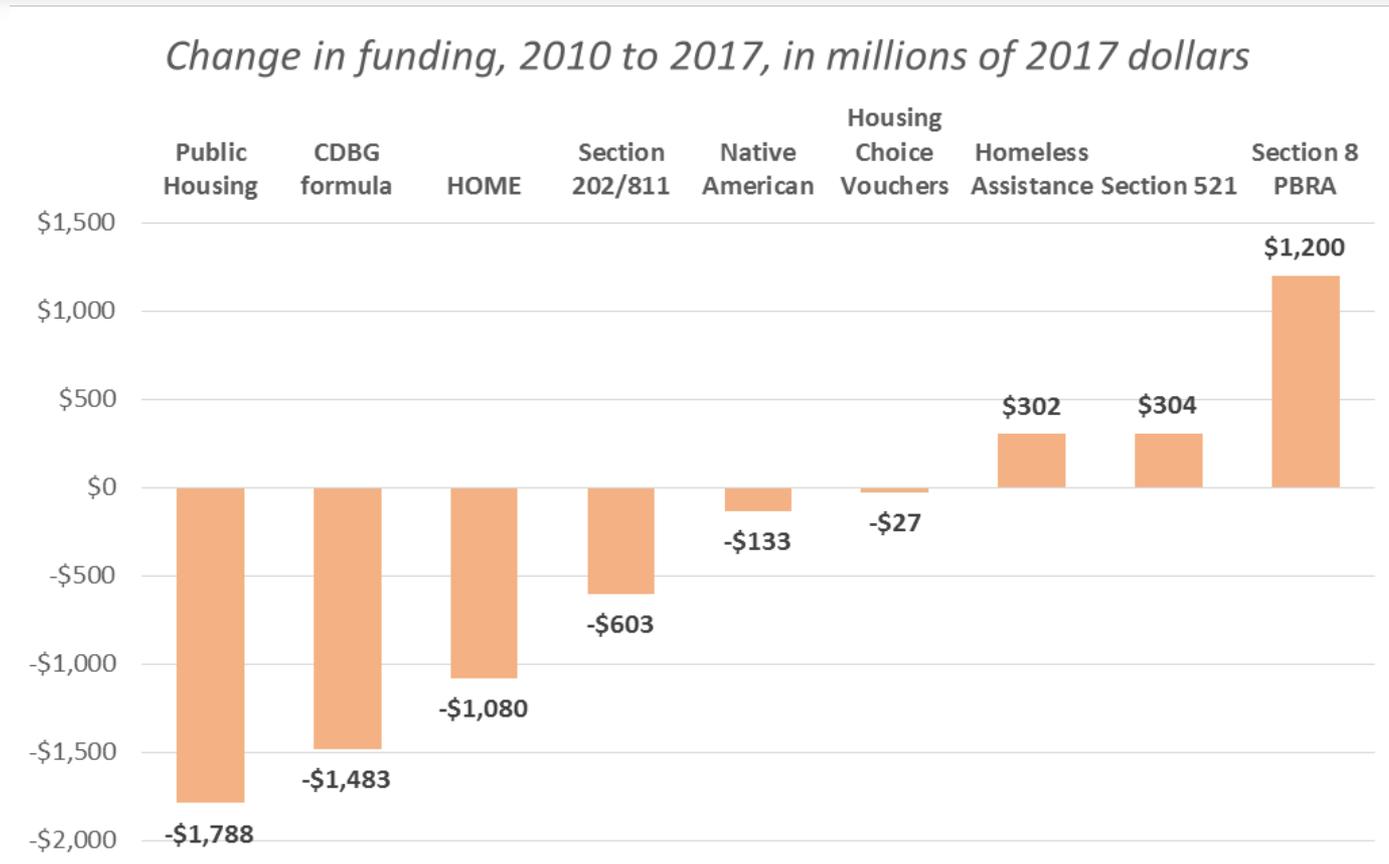
- Under BCA caps, feds have prioritized housing aid for scarce funds — thanks to strong advocacy — but still have cut programs deeply since 2010
- Trump 2018 budget requests \$40.7 billion for HUD programs, \$7.4 billion (15%) below 2017
 - Proposes massive cuts in rental assistance & flexible grants that would hurt families, abandon low-income communities
- Balanced sequestration relief for domestic and defense programs in 2018 is essential to avert cuts, provide more adequate funding



Congress has prioritized housing aid, but BCA caps still forced funding cuts

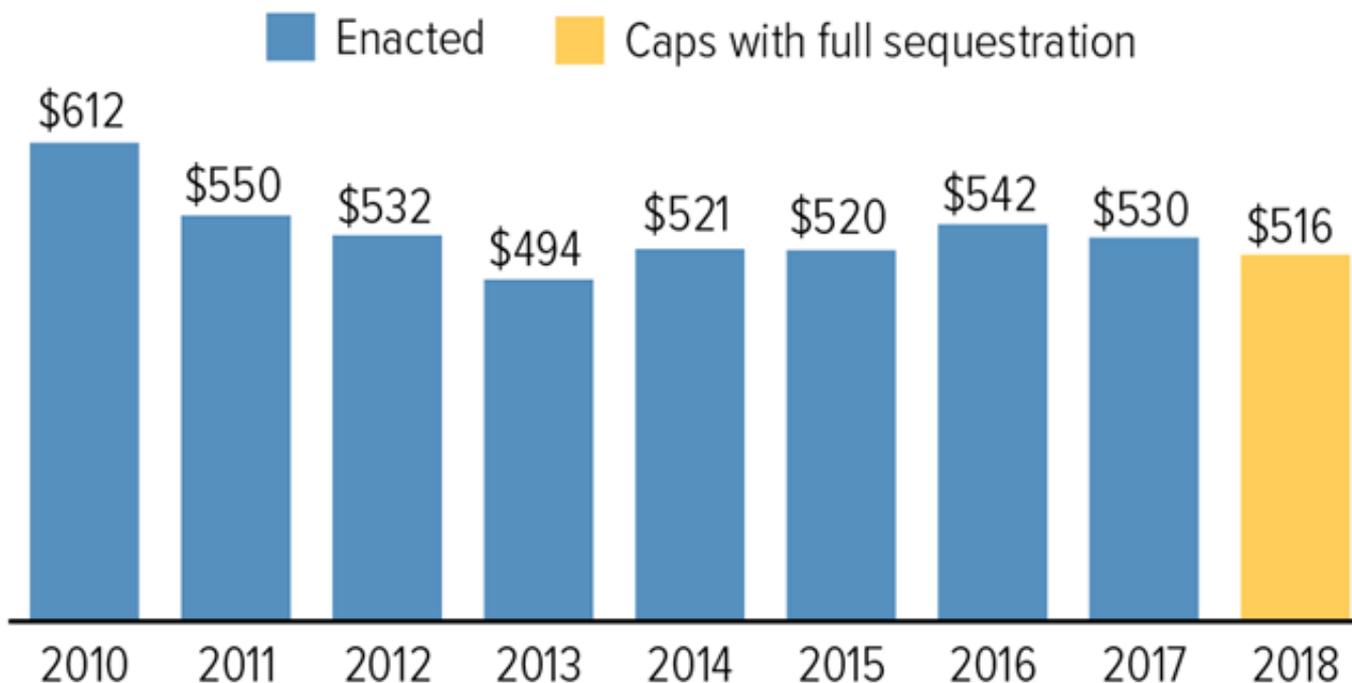


Public housing, block grants cut deepest under BCA spending caps



Non-Defense Appropriations

In billions of 2018 dollars



Notes: Reflects sequestration relief provided by the Bipartisan Budget Acts of 2013 and 2015. All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations (OCO).

Source: CBPP analysis of data from the Congressional Budget Office and the Office of Management and Budget



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Project Based Rental Assistance and Housing for Special Populations

Linda Couch

LeadingAge

Project-Based Rental Assistance

Insufficient Renewal Funding Requested:

- Requests \$10.7 billion for PBRA renewals in FY18.
 - Renewal Funding needed is about \$11.4 billion.

“this request reflects implementation of several cost-cutting measures in 2018”

“these policies serve as a starting point as the Administration works towards a more comprehensive package of rental assistance reforms”



Rental Assistance Reforms in Request

- Increase tenant rent contributions to greater of 30% of adjusted income (the current tenant rent standard) or 35% of gross income for residents of the Section 8 Project-Based Rental Assistance, Section 202, and Section 811 programs.
- Allow the HUD Secretary to suspend rent increases in FY18 for Section 8 Project-Based Rental Assistance, Section 202, Section 811 communities.
- Eliminate utility reimbursements for tenants, with hardship provisions to be determined by the HUD Secretary, when payments from HUD to families exceed tenant-paid utility costs exceed minimum rents paid by families.



Rental Assistance Reforms in Request

- Require \$50 minimum rents in all HUD housing programs, including the Section 202 and Section 811 programs.
 - There is currently a \$25 minimum rent for projects with Section 8 Project-Based Rental Assistance, including 202 communities, but some 202s (those with Project Rental Assistance Contracts) and all 811 communities do not have minimum rents today.
 - By definition, a \$50 minimum rent would ONLY impact residents with incomes of less than \$2000 a year, the poorest HUD-assisted residents.



Section 202 and 811 Accounts

- Insufficient renewal funding requested for 202 and 811.
- Assumes enactment of policy changes sought by budget request.
- Section 811: 17% decrease compared to FY17. For 811 in FY18, 1000 units will need renewal funding for the first time.
- Section 202: Flat funding for renewals compared to FY17. For 202 in FY18, 5800 units will need renewal funding for the first time.
- Seeks authority for HUD Secretary to shift up to 35% of 202 and 811 accounts to the other program, and back again.



Section 202 Housing for the Elderly

- Expansion of Rental Assistance Demonstration for 202 Project Rental Assistance Contracts.
- Would increase funding for Service Coordinators from \$75 million to \$90 million.



Housing Opportunities for Persons with AIDS (HOPWA)

- HOPWA distribution formula finally updated by HOTMA in 2016.
- Because of new formula, FY17 enacted number increased HOPWA by more than \$20 million (to do no harm to current funding levels).
- For FY18, HUD seeking funds below FY16 level of \$335 million.
- HUD seeking \$330 million for FY18.





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Public Housing and Formula/Block Grant programs

Tess Hembree

National Association of Housing
Redevelopment Officials

Public Housing

- Operating Fund
 - Proposed FY 2018 level: \$3.9 billion
 - \$500 million, 11% lower than current levels
- Capital Fund
 - Proposed FY 2018 level: \$628 million
 - \$1.31 billion, 68% lower than current levels
 - Maintenance backlog in 2010: \$26 billion, accrues \$3.4 billion per year
 - Over 10,000 units lost per year



Community Development

HOME Investment Partnerships

- Proposed FY 2018 level: \$0

Community Development Block Grant

- Proposed FY 2018 level: \$0





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Homeless Assistance

Steve Berg

National Alliance to End Homelessness

HUD Homeless Assistance

Why it's good: pays for outcomes

- Competitive, performance-based
- Funds a range of interventions
- Incentivizes the community coming together
- Proven record of success



HUD Homeless Assistance

What we need: Increases to substantially improve reach of the programs

- Increasing from \$2.383b in FY17 to \$2.6b in FY18 would mean 40,000 additional homeless people housed in that year
- Acknowledges excellent and difficult work in the field



HUD Homeless Assistance

What we don't need: Effects of a cut back to \$2.25b in FY 2018 (Administration budget)

- \$133 million reduction for the year
- 25,000 fewer homeless people housed





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National Housing Trust Fund and Rural Housing

Sarah Mickelson

National Low Income Housing Coalition

National HTF

The President's Budget eliminates the HTF, and instead directs funding to pay for salaries and IT upgrades at FHA.



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USDA Rural Housing

- Eliminates direct homeownership loans and self-help housing
- Eliminates farm worker housing loans/grants
- Eliminates rental housing preservation (515, MPR)
- Eliminates housing repair loans
- Cuts rental assistance by \$60M

On top of a recently announced plan to eliminate the Under Secretary position for Rural Development!



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Advocacy Tips and Opportunities

Elayne Weiss

National Low Income Housing Coalition

Gabriel Strachota

Community Voices Heard

What you can do now

Ask Congress and to work together to lift the spending caps for FY18, maintaining parity for defense and non-defense programs, and ensure housing and community development programs receive the highest level of funding possible.

- Sign onto the CHCDF letter
- Call, email or tweet at your Members of Congress
- Write an op-ed



Housing Day of Action

CHCDF – together with members, national and state partners, mayors and other elected officials, and others – is planning a Housing Day of Action called “Our Homes, Our Voices” on **July 29**.

On that day and throughout the week leading up to the event, advocates across the country will hold coordinated activities calling for a greater investment in affordable homes and community development.



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Housing Day of Action

If your organization is interested in participating, please email ourhomes@nlihc.org with your name, your organization, email address, and phone number, as well as the event(s) you would be interested in planning/supporting in your community.

Your organization and the activity you are planning will be listed on a new website when it launches in the coming weeks to help inspire other organizations to plan activities and direct local supporters to you.

The menu of activities include:

- Rally/March,
- Press Conference
- Teach-In, Site Visit
- In-District Meeting with Member of Congress/Congressional Staff
- Call-In Day
- Letter Writing Campaign



Housing Day of Action

To support planning efforts for the day of action, we will provide organizations and advocates with:

- Sample materials, including talking points, tweets, op-eds, press release, letter inviting elected officials to participate
- Social media images
- Posters that can be printed out
- Assistance in promoting your local event



Housing Day of Action



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For more information

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