CHCDF

A Long-Term Continuing Resolution Puts The FY17 Affordable Housing Budget at Risk

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The Campaign for Housing and Community Development Funding (CHCDF) urges Congress to enact clean, full-year FY17 spending bills for the Departments of Housing and Urban Development (HUD) and Agriculture (USDA) as soon as possible.

A long-term continuing resolution (CR) would:

(1) Cause thousands of families to lose access to stable housing.

For FY17, HUD needs approximately \$1.5 billion more than FY16 spending levels and USDA needs \$18 million more to maintain current program levels and renew existing housing assistance contracts. This increase will help to keep all families using tenant and project-based rental assistance in their homes, including veterans who have recently received HUD-VASH vouchers.

A long-term CR at FY16 levels would result in deep cuts to critical housing programs that could cause thousands of families and children to lose access to stable housing, putting them at increased risk of homelessness, as well as losing accessible housing for millions with disabilities. More than an estimated 100,000 vouchers could be lost in FY17 if Congress passes a long-term CR at FY16 levels.

(2) Put vital investments in affordable housing at risk.

Both the House and Senate proposed bills for HUD would increase resources for affordable housing programs—\$200 million and \$500 million, respectively—to help provide stable and accessible affordable housing for more seniors, people with disabilities, families with children, and people experiencing homelessness. As a result, both bills propose significant increases for Housing Choice Vouchers, Project Based Rental Assistance, Section 202 Housing for the Elderly, Homeless Assistance Grants, Family Unification Vouchers and Lead-Based Paint Hazard Reduction. In addition, the House and Senate bills provide level funding or modest increases for the Public Housing Operating Fund, Public Housing Capital Fund, Family Self Sufficiency Program, HOME Investment Partnerships (HOME) program, Community Development Block Grants (CDBG), and Housing Opportunities for Persons with AIDS (HOPWA) program.

This year through bipartisan efforts Congress passed the Housing Opportunity through Modernization Act of 2016, which focuses on simplifying and streamlining existing rental assistance programs, while also moderately reducing program costs. Without sufficient appropriations, the efficiencies and improvements made effective through HOTMA will not be fully realized.

A long-term CR would put these investments and legislative improvements at risk.



(3) Exacerbate previous cuts made to affordable housing programs

Since 2010, HUD's overall budget authority for programs has decreased slightly by \$54 million. But, at the same time, the costs to maintain rental assistance has gone up by \$3.51 billion. This means that all other HUD programs—outside of rental assistance— have been cut by \$3.56 billion to make up this shortfall. The programs hardest hit have been CDBG (-\$1.4 billion), HOME (-\$900 million), Public Housing Capital Fund (-\$600 million), and Housing for the Elderly (-\$392 million). The only program outside of rental assistance that has seen significant gains in funding is Homeless Assistance Grants, which saw a \$385 million increase between 2010 and 2016. A CR at FY16 levels will ensure more funding cuts to these programs, further impairing their ability to serve Americans with the lowest incomes in communities across the country.

(4) Intensify the affordable housing crisis.

America is in the midst of a growing affordable housing crisis. Housing costs are rising faster than wages, all while our nation's housing infrastructure is deteriorating and not keeping pace with rising demand. One in four renters in America is spending more than half of household income on rent, and family and young adult homelessness rates are rising in many communities across the country as growing numbers of people are unable to pay for a place to live.

Over the past several years HUD, the Department of Veterans Affairs and the United State Interagency Council on Homelessness have reduced veteran homelessness by nearly 50%. That achievement was largely made possible by increased funding directly targeted at those in need of assistance.

To address the affordability crisis and build upon achievements made in decreasing the number of people experiencing homelessness, Congress should increase the number of families who are able to afford homes due to HUD and USDA programs, not reduce it.

A long-term CR would only make it more difficult for America's most vulnerable families to access safe, decent, and affordable housing.

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The <u>Campaign for Housing and Community Development Funding</u> (CHCDF) is an education, strategy and action hub for national organizations dedicated to adequate federal housing and community development funding for lower income families and communities. <u>CHCDF's members</u> represent a full continuum of national housing and community development organizations, including more than 70 faith-based, private sector, financial/intermediary, public sector and advocacy groups. CHCDF is staffed by the <u>National Low Income Housing Coalition</u>.

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