



Campaign for Housing and Community Development Funding

Working to ensure maximum federal resources for housing and community development

FY19 and FY20 Funding Outlook for Affordable Housing Programs

December 3, 2018

Speakers

- **Elayne Weiss**, National Low Income Housing Coalition
- **Doug Rice**, Center on Budget and Policy Priorities
- **Joe Lindstrom**, National Low Income Housing Coalition



Agenda

- Budget Overview for FY19
 - Status Update
 - Proposed Funding for Housing Programs
 - Impending CR deadline
- Budget Overview for FY20
- Opportunities for Advocacy





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Budget Overview: FY19

Elayne Weiss, Senior Policy Analyst
National Low Income Housing Issues

HUD FY 2019 Budget: Status Update

- Bipartisan Budget Act of 2018 raised 2018 & 2019 discretionary program funding caps
- Trump 2019 HUD Budget proposed deep funding cuts, policy changes to raise rents/impose work requirements. Congress rejected these proposals.
- House & Senate appropriations committees each approved twelve 2019 funding bills at levels consistent with BBA caps
- All told, the Senate THUD bill would provide \$800 million more than the House bill for HUD.
- Congress has passed five spending bills, but has yet to pass the THUD bill, which has largely been negotiated.
- Congress failed to pass a spending package that included the THUD bill before the fiscal year began on October 1. Instead, Congress passed a short-term spending bill to carry current funding levels through December 6.



Housing Choice Vouchers

- The Senate bill provides more than \$420 million more than the House bill for renewals, ensuring the renewal of all vouchers currently in use. The Senate bill also provides \$157 million more for administrative fees than the House bill.
- The House bill includes a \$50 million Housing Mobility Demonstration to help more children in families with vouchers grow up in neighborhoods with quality schools and other opportunities.

Housing Choice Voucher Funding for Fiscal Year 2019, in millions

	2018	Trump 2019	House 2019	Senate 2019
Renewals	\$19,600	\$17,514	\$20,107	\$20,520
Tenant protection	\$85	\$140	\$85	\$85
Agency administration	\$1,760	\$1,550	\$1,800	\$1,957
Mainstream renewals & administration	\$120	\$107	~\$120	~\$120
Mobility demonstration	-	-	\$50	-
Family Unification Program vouchers	\$20	-	-	\$20
New vouchers for veterans, people with disabilities	\$430	\$4	~\$270	~\$34
Total	\$22,015	\$19,315	\$22,477	\$22,781



Public Housing

- The Senate bill provides more funding for public housing than the House bill. For the capital fund, the Senate bill provides \$5 million more than the House bill. The Senate provides \$201 million more than the House for the public housing operating fund.

	FY18 Final	FY19 Trump	FY19 House	FY19 Senate
Public Housing Capital Fund	2,750	0	2,750	2,775
Public Housing Operating Fund	4,550	3,279	4,550	4,756



Project Based Rental Assistance (PBRA)

- Both Senate & House bills provide \$11.7B to renew all PBRA contracts for 12 months.
- This funding level covers the rising cost of private market rents and avoids displacing any residents.
- PBRA contracts allow owners to leverage private debt & equity to permit portfolio refinancing & rehabilitation. Full funding maintains investor & lender confidence.



Section 202 Housing for the Elderly

- The House and Senate bills provide level funding for FY19, \$678 million.
- But renewal costs for Project Rental Assistance Contracts spike in FY19 to around \$527 million, leaving less funding available for new Section 202 homes.
- The bills each provide \$90 million for service coordinator renewals.
- The Senate bill would provide \$51 million for new Section 202 construction and a new \$10 million home modification program.
- The House bill would provide \$46 million for new Section 202 construction.



Section 811 Housing for People with Disabilities

- The House and Senate bills each provide a total of \$154 million for the Section 811 account, which is expected to be sufficient to renew all Project Rental Assistance Contracts, but not enough to allow for new Project Rental Assistance awards.
- Within the voucher account, Section 811 mainstream vouchers would receive significantly higher funding in the House bill (\$390 million) vs. the Senate bill (\$154 million).



Block Grant Programs

- HOME
 - The Senate bill would fund HOME at \$1.362 billion, level with FY18 and \$162 million more than the House bill.
 - Cuts to the HOME program have real consequences. Analysts have seen a 60% drop in affordable housing units built or preserved through HOME in the last five years.
- CDBG
 - Both the House and Senate maintain current funding levels for CDBG



Homeless Assistance and Fair Housing

Homeless Assistance

- The FY 2018 bill included \$2.513 billion (mostly rent for existing supportive housing)
- House FY19 bill: \$2.571 billion (maintain existing capacity, DV initiative, unsheltered initiative)
- Senate FY19 bill: \$2.612 billion (maintain existing capacity, DV initiative, youth initiative)

Fair Housing

- Both the House and Senate bills would level fund fair housing programs at \$65 million



Wrapping up FY19

- Congress must reach a deal to fund the federal government before December 7, when funding provided by the current continuing resolution (CR) expires.
 - Main sticking point: funding for President Trump's southern border wall.
- Congress could pass the outstanding spending bills (including THUD and USDA) or pass another CR.
 - We expect at least one other CR to last a week or two.
 - Now hearing there will be a CR that would expire on December 21.
 - Senators are already floating the idea of a year-long CR to cover the remainder of FY19.



Impacts of a Long Term CR

- For FY19, HUD needs approximately \$1.3 billion and USDA needs at least \$10 million more than FY18 spending levels to maintain current program levels and renew existing housing assistance contracts. Both the House and Senate bills propose funding levels to sustain current levels of rental assistance reflecting market-rate rents, as Congress intended. A year-long CR at FY18 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.
- A year-long CR would put other vital investments in affordable housing at risk. Both the House and Senate proposed bills for HUD that would increase resources to help provide affordable, stable, and accessible housing for more seniors, people with disabilities, families with children, and people experiencing homelessness.





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Budget Overview: FY20

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Center on Budget and Policy Priorities



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Advocacy Tips and Opportunities

Joe Lindstrom, Manager of Field Organizing
National Low Income Housing Coalition

Advocacy During Lame Duck

The Ask:

Urge Congress to work together to pass the Senate version of the FY19 budget, ensuring housing and community development programs receive the highest level of funding possible for the upcoming year.

The Targets:

Every Representative and Senator

- Not just focusing on appropriations committees or leadership at this point.

Important reminder! Any new members of Congress will not matter until January.

- Relationship building still matters with outgoing Members of Congress and staff.



Media Strategy: Use the Holidays

News outlets LOVE to talk about homelessness and poverty during the holiday season

- Don't let these stories just be about the problem
- Include a call to action about passing the FY19 budget
- For flat-funded programs that will lead to people losing housing supports or waiting lists getting longer, make sure these stories are told



Tips on Messaging

1. Flat funding is a cut!

- A year-long CR is not an option
- HUD needs \$1.3 billion just to serve households currently using programs
- USDA needs over \$10 million to serve households currently using rural housing programs

2. Please do your job and pass a budget

- Constituents rely on elected leaders to fund the government each year
- The deliberative process has already produced strong bills that take a step forward on housing programs after long bipartisan negotiations
- Relationship building still matters with outgoing Members of Congress and staff.



For More Information

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