

Dear Congress: Please Fully-Fund HUD Affordable Housing Programs

Our membership of managers and owners have the very important responsibility of preserving and advancing quality affordable rental housing for millions of residents. The funding provided by lawmakers in Congress to the Department of Housing and Urban Development (HUD) is essential in this mission. Through programs such as Project-Based Rental Assistance and Housing Choice Vouchers, HUD provides the difference necessary to allow low-income families, seniors and persons with disabilities to secure access to housing. Additionally, through programs such as HOME Investment Partnerships, HUD is able to spur the development of new affordable units when the private market cannot adequately meet demand. For Fiscal Year 2017, NAHMA urges Congress to provide full-funding to HUD programs that will allow the Department to continue these endeavors and ensure housing for our nation's most vulnerable.

How Can Representatives/Senators Support Affordable Housing?

- The most recent Transportation, Housing and Urban Development (T-HUD) Appropriations bills in the House and Senate (H.R.5394 & S.2844) provided full-funding for nearly all affordable housing programs – however, these bills were not enacted into law.
- NAHMA requests that you personally contact the T-HUD Appropriations Subcommittee Chairs and Ranking Members in support of full-funding as they begin to compile new appropriations legislation for Fiscal Year 2017.

Appropriations Subcommittee	House	Senate
Transportation-HUD	Chair Mario Diaz-Balart (R-FL) Ranking Member David Price (D-NC)	Chair Susan Collins (R-ME) Ranking Member Jack Reed (D-RI)

Appropriation Amounts Necessary to Provide Full-Funding

NAHMA urges all lawmakers to pursue the following funding levels for affordable housing in FY 2017:

- Fund all 12-month Project-Based Rental Assistance contract renewals with at least **\$11 billion**
- Fund the renewal of Housing Choice Vouchers contracts at **\$21 billion**
- Provide for senior in Housing for the Elderly (Section 202) at **\$505 million**
- Support Supportive Housing for Person with Disabilities (Section 811) at **\$154 million**
- Rental Assistance Demonstration (RAD) – Fund RAD at **\$4 million**
- Spur new affordable units by providing HOME Investment Partnerships with at least **\$950 billion**

AFFORDABLE HOUSING FACT SHEET

- The **Project-Based Rental Assistance (PBRA)** program serves 2 million residents in 1.2 million households through 17,200 private contracts
 - Average monthly rental assistance per unit- \$715 (\$8,580 annually)
 - Average household income is 22% of the area median income (AMI) or \$11,914 average nationwide
 - 76 % of the total residents served fall under the extremely low-income bracket (less than 30% of the AMI)
 - Elderly (47%), non-elderly/persons with disabilities (17%), and females with children (26%) comprise the bulk of the assisted households.
- The **Housing Choice Voucher (HCV) Program**, or Tenant-Based Rental Assistance, provides rental assistance to approximately 2.2 million families
 - Of the families currently receiving HCV assistance, 75% are extremely low-income, 27% have a person with a disability as head of household, and 22% are elderly
 - The family must pay a minimum of 30% of their adjusted monthly income toward rent and utilities
 - Approximately 700,000 private rental property owners are critical program stakeholders
- The **Housing for the Elderly Program (Section 202)** contains approximately 400,000 affordable units for low-income elderly households and is currently the only federal program that expressly addresses the need for elderly housing
 - To qualify, a household must be composed of one or more persons at least 62 years of age, with a household income at or below 50 percent of AMI. Most residents fall far below that threshold with average annual household income for Section 202 households being \$13,238
 - Tenants can access a variety of community-based services and support to keep living independently and age in place in their community
 - operating subsidies, known as a project rental assistance contract (PRAC), cover the difference between the operating cost for the project and the tenants' contribution towards rent, which is limited to 30% of their income
- The **Housing for Persons with Disabilities Program (Section 811)** includes 27,000 units across 2,350 housing properties and allows low-income persons with disabilities to live independently
 - More than two-thirds of Section 811 residents have developmental disabilities and chronic mental illness
 - In FY 2011, the average annual income of the households served by Section 811 was estimated at \$11,000
- **RAD for Preservation of PRAC Properties**
 - Increases the current unit cap on Public Housing conversions to 250,000;
 - Eliminates the deadline of September 30, 2018, for submission of RAD applications;
 - Enables Section 202 PRAC properties to convert to Section 8 contracts;
 - Promotes the preservation of multifamily properties in high-cost areas;
- The **HOME Investment Partnerships Program** is the largest Federal block grant to state and local governments designed exclusively to produce affordable housing. It has strong bipartisan support throughout Congress
 - HOME promotes the partnership of the federal government, state governments, private industry, and non-profit organizations to effectively coordinate all available resources
 - It is estimated that for every \$1 million in HOME funds, approximately 17 jobs are created
 - HOME funds are often used to fill budget caps for the new construction of units under the Low-Income Housing Tax Credit (LIHTC)