Housing IS CRITICAL

Access to a safe, decent and affordable home can build a stable foundation for families. Publicly supported housing programs are a vital resource to help vulnerable, low-income families. As members of the NCRC NAHRO, we represent public housing authorities (PHAs) which mainly administer U.S. Department of Housing and Urban Development federally supported housing programs such as the housing choice voucher program, the public housing program or project-based rental programs. We are housers and community builders from urban, rural and suburban communities.

Investing in our region’s public housing authorities and affordable housing programs is an investment which has future cost-saving measures through better health-related outcomes, increased long-term adult earnings, and reduced likelihood of incarceration for those our programs serve. Housing is critical infrastructure.

This legislative priority document presents topics which have been identified across the NCRC NAHRO region as critical priorities requiring legislative action.

An Affordable Home...

- **Builds a Stable Foundation**
  - Reduces the likelihood of experiencing homelessness, evictions, and late rent payments
  - Lifts families out of poverty

- **Improves Health Outcomes**
  - Reduces self-reported health issues
  - Reduces hospitalization rates
  - Reduces exposure to home health hazards

- **Boosts Educational Proficiency**
  - Increases spending on educational enrichment
  - Improves children’s learning environment
  - Increases earnings in adulthood

- **Stimulates Economic Growth**
  - Increases disposable income
  - Reduces costs required to support services
  - Creates jobs

Adapted from HAI Public and Affordable Housing Research Corp 2019 Report
NCRC REQUESTS:
Expand our regions’ ability to serve low income families including the elderly, disabled and children by increasing Housing Assistance Payments (HAP).

NCRC REQUESTS:
Support amending portability rules in the Housing Choice Voucher Program so that local communities can retain much-needed vouchers and administrative fees.

NCRC REQUESTS:
Ensure HUD enacts MTW expansion with full local flexibility.

HOUSING CHOICE VOUCHER PROGRAM

HOUSING CHOICE VOUCHER FUNDING LEVELS
HUD's biggest program, the Housing Choice Voucher (HCV) program, serves as an effective tool in serving low and very-low income families as well as ending homelessness. Approximately three out of every four U.S. households that qualify for voucher assistance do not receive it. Yet, the administration’s proposed budget seeks to cut the HCV program by $5 billion next year. Reductions to rental assistance would be devastating as it risks continued rental assistance to over 160,000 families. The proposed budget does not provide enough funding to cover the full cost of housing assistance without first imposing harmful rent increases and work requirements.

ADMINISTRATIVE FEES
Administrative fees are payments from HUD to housing authorities for their administration of the HCV program. These fees support PHA staff to help low-income families find and move into affordable housing. Administrative fees also cover the administrative costs of providing critical supportive services that help the most vulnerable low-income families move towards self-sufficiency and assist with developing public-private partnerships through landlord recruitment.

Increasing administrative fees earned by PHAs means being able to implement critical programs such as employing landlord liaisons to cultivate relationships between property owners and the HCV program. The success of the program depends on the participation of private-market landlords. When more landlords participate, families on the HCV program have increased choice to move to neighborhoods with high quality schools, employment opportunities, and access to transportation.

AMEND PORTABILITY
In 2019, Senator Joni Ernst introduced S.912: A bill to require certain public housing agencies to absorb port-in housing choice vouchers. The amendment would allow funds allocated to a community to remain in that jurisdiction. Loss of vouchers through portability reduces the local impact on community poverty and homelessness and creates a loss of revenue for property owners that participate in the Section 8 Housing Choice Voucher Program. Bill S.912 would amend portability rules for the Housing Choice Voucher Program by requiring PHAs that have jurisdiction over the area in which a porting family is seeking to use the voucher to absorb them or cover the full cost if funding allows.

SUPPORT A MOVING TO WORK (MTW) EXPANSION
MTW is a demonstration program that streamlines programs and allows participating PHAs to design and test innovative, local strategies using federal dollars more efficiently. Known as “America's Housing Policy Lab,” the model works by helping residents secure employment, become self-sufficient and increase housing choice. Work incentives are best achieved through locally designed solutions that encourage work, upward mobility and self-sufficiency. MTW gives significant flexibility and local program control to 39 current agencies. The FY 2016 Omnibus bill opened MTW to another 100 agencies over seven years, yet HUD has not yet expanded the program.
PUBLIC HOUSING PROGRAM

PUBLIC HOUSING OPERATING SUBSIDY
The proposed estimate of need is $4.66 billion to provide support to critical public housing operations aside from tenant rent. Improving the quality of life for lower income residents and restoring staff and services is what housing authorities can do when fully funded. More than half of all public housing residents are elderly and/or disabled with the remaining residents being primarily families with children. To strengthen families and help the most vulnerable population, the federal government should support adequate funding levels.

PUBLIC HOUSING CAPITAL FUNDS
Industry advocates are requesting $5 billion for Capital Funds in FY2021. However, this amount would only allow housing authorities to address their newly accruing physical improvement needs as well as make limited progress against their backlogs. The current estimate of Capital Fund backlog is $70 billion. While there was generally a positive response in the industry to these funding levels, these inadequate levels when compared with need will lead to the loss of even more hard housing units due to units not being renovated to ensure decent and safe housing. An estimated 10,000 units are lost each year due to disrepair. Increased Capital Fund dollars will help stabilize communities and create jobs.

HOUSING ACCESS AND STABILITY

EVICTION PREVENTION
Being evicted, especially for low-income families, can result in serious financial strain and housing insecurity. Communities are harmed when families fall deeper into poverty, sometimes over a relatively small sum of money. Across the nation, over 2 million evictions are filed each year. The Eviction Crisis Act, seeks to "shed light on the root causes of the eviction crisis, reduce preventable evictions, and limit the devastation to families when eviction is unavoidable." The Act seeks to establish an emergency assistance fund, improve access to legal representation for tenants by supporting local landlord-tenant community courts, expand funding for Legal Services Corporation and invest in a national database on evictions to better understand the problem and shape policy solutions.

ESTABLISH A PERMANENT MINIMUM 4 PERCENT HOUSING CREDIT RATE
Low Income Housing Tax Credits remain the largest funding tool for significantly adding to America’s affordable housing stock. Congress permanently enacted a minimum 9 percent credit rate in 2015, but there is still no corresponding minimum 4 percent rate. A minimum 4 percent rate would provide more predictability and flexibility in Housing Credit financing, allowing PHAs and developers to target more apartments to very-and extremely-low income households at rents they could afford and make more types of properties financially feasible, especially for affordable housing preservation such as the Rental Assistance Demonstration Program.

NCRC REQUESTS:
- Provide adequate funding levels to ensure housing authorities have the funding available to house and help families become self-sufficient.
- Fund the Capital Fund at a level that meets current annual needs and provides for some funding to address the unfunded capital needs backlog.
- Provide adequate funding levels to ensure housing authorities have the funding available to house and help families become self-sufficient.
- Enact a minimum 4 percent credit rate to create more predictability and minimize risk in developing deeply affordable housing units.
- Support the Eviction Crisis Act to help renters on the brink of unnecessary evictions.

$70 billion public housing capital needs backlog
10,000 public housing units lost each year due to disrepair
## Fiscal Year 2021 Public Housing and Section 8 Program Funding Needs

<table>
<thead>
<tr>
<th>Funding Recommendations</th>
<th>(in millions)</th>
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<tbody>
<tr>
<td>Public Housing Operating Fund</td>
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<tr>
<td>Public Housing Capital Fund</td>
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<td>Emergency Capital Needs</td>
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<td>Resident Opportunities and Supportive Services (ROSS)</td>
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<td>Jobs Plus</td>
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<td>Public Housing Financial and Physical Assessment Activities</td>
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<td>Section 8 Housing Choice Voucher HAP Renewal</td>
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<td>Tenant Protection Vouchers</td>
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<td>Section 8 Ongoing Administrative Fees and Special Fees</td>
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<td>Section 8 Project-Based Rental Assistance</td>
<td>Fully Fund</td>
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<td>Consolidated Family Self-Sufficiency (FSS) Program</td>
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<tr>
<td>Choice Neighborhoods Initiative</td>
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(Source: National Association of Housing and Redevelopment Officials (NAHRO), the Public Housing Authorities Directors Association (PHADA), the Council of Large Public Housing Agencies (CLPHA), and the MTW Collaborative, February 2020)

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### NCRC Legislative Task Force

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- Jody Geese, Belmont Metropolitan Housing Authority, OH
- Tiffany Gonzalez, Housing Authority of Champaign County, IL
- Brandie Isaacson, Livonia Housing Commission, MI
- Jennifer Keogh, Metropolitan Council Housing and Redevelopment Authority, MN
- Chris Lamberty, Housing Authority of the City of Lincoln, NE
- Diane Larson, Housing and Redevelopment Authority of Itasca County, MN
- Amber Skoby, Bloomington Housing Authority, IN
- Amy Tooley, Sioux City Housing Authority, IA
- Mark Wagner, Housing Authority of the City of Milwaukee, WI

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### Thank You

On behalf of our membership, thank you for the opportunity to present our FY2021 legislative priorities. We also appreciate the FY2020 funding increase of over $5 billion compared to FY2019.