

January 30, 2025

Mr. Matthew Vaeth
Acting Director
Office of Management and Budget
725 17th Street NW
Washington, DC 20500

Mr. Matthew Ammon
Acting Secretary
U.S. Department of Housing and Urban Development
451 7th Street SW
Washington, DC 20410

Dear Acting Director Vaeth and Acting Secretary Ammon:

On behalf of our member public housing authorities (“PHAs”), we are pleased that the memorandum issued by the Office of Management and Budget (OMB) titled “Temporary Pause of Agency Grant, Loan, and Other Financial Assistance Programs” that was published on January 27, 2025 was rescinded by the Administration.

However, we remain concerned about the impact that any such funding pause or freeze in the future would have on the millions of low-income families, seniors, and persons with disabilities who would suddenly face housing instability. Moreover, the economic impact of a federal funding pause would also be felt more broadly in communities across the nation. For example, there are 700,000 private property owners that who would not receive rent payments, which could lead to defaults on mortgage loans and deterioration of the properties. In addition, private developers could not only default on their loans and commitments to private equity investors, but also have to abandon additional development projects because of funding uncertainty. Further, countless construction and other private industry jobs, as well as staff at the 3,200 public housing authorities across the country, could be at risk if federal housing assistance programs are subject to a pause in federal spending.

If a federal funding freeze is considered in the future, we are reiterating the following position:

- All federal rental assistance programs including Project- and Tenant-Based Rental Assistance Programs, the Public Housing Operating and Capital Funds and other similar federal rental assistance programs must not be subject to review in any future pause in federal funding.
- Federal systems such as eLOCCS that allow PHAs to draw down federal funds must remain open at all times so that they may pay their bills from contractors, development partners, and others.
- HUD must ensure that there is no pause or slowdown in the review and approval process for PHA activities, including development projects which rely on these approvals to leverage private financing.

- Additional programs including Community Development Block Grants, the HOME program for federal block grants to state and local governments to create affordable housing, and homelessness programs must not be jeopardized by any future pause in federal funding.

The Council of Large Public Housing Authorities (CLPHA) is a non-profit organization that works to preserve and improve public and affordable housing through advocacy, research, policy analysis, public education and fostering public private partnerships that serve low-income communities. Our membership includes more than 85 of the largest PHAs that collectively own and manage nearly 40 percent of the nation's public housing stock and administer more than a quarter of the Housing Choice Voucher program. For the reasons stated above, we urge you to keep these requests top of mind when considering any future pause in federal funding. Please contact me to follow up or if you need further information.

Sincerely,

A handwritten signature in cursive script that reads "Sunia Zaterman".

Sunia Zaterman
Executive Director
Council of Large Public Housing Authorities