



**Fiscal Year (FY) 2024 Public Housing and Section 8 Program Funding Needs (March 2023)**

The National Association of Housing and Redevelopment Officials (NAHRO), the Public Housing Authorities Directors Association (PHADA), the Council of Large Public Housing Agencies (CLPHA), the MTW Collaborative, and the Local Housing Administrators Coalition (LHAC) are pleased to release funding recommendations for Office of Public and Indian Housing and Office of Housing programs administered by the U.S. Department of Housing and Urban Development. These programs provide resources essential to ensuring that seniors, families, veterans, and persons with disabilities have access to decent, safe, and sanitary affordable housing to help stabilize and improve the quality of their lives.

	<b>FY 2024 Funding Recommendations (in millions)</b>
<b>Public Housing Operating Fund</b>	\$5,407
<b>Operating Fund Shortfall</b>	\$346
<b>Rental Assistance Demonstration</b>	\$112
<b>Public Housing Capital Fund</b>	\$5,000
<b>Public Housing Infrastructure</b>	\$70,000
<b>Emergency Capital Needs</b>	\$135
<b>Tenant Protection Vouchers</b>	\$500
<b>Choice Neighborhoods Initiative</b>	\$500
<b>Section 8 Tenant-Based Housing Choice Voucher HAP Renewal</b>	\$27,840
<b>Voucher Supportive Services Fees</b>	\$475
<b>Section 8 Administrative Fees &amp; Special Purpose Voucher Fees</b>	\$3,202
<b>Incremental Vouchers</b>	\$565
<b>Mobility Funding</b>	\$25
<b>Family Self-Sufficiency (FSS) Program</b>	\$200
<b>Resident Opportunity and Supportive Services (ROSS)</b>	\$35
<b>Jobs Plus</b>	\$20
<b>Section 8 Project-Based Rental Assistance</b>	\$15,904
<b>Community Development Block Grant (CDBG) Program</b>	\$4,200
<b>Home Investment Partnerships Program (HOME)</b>	\$2,500

**Public Housing Operating Fund: \$5.407 billion** to support public housing operations. This amount considers recent funding concerns due to the Operating Fund Formula using rents charged and not collected and increases in program costs due to inflation. Funding for the Operating Fund is critical so that PHAs can continue to maintain operations and support the needs of residents.

**Operating Fund Shortfall, \$346 million**, to address the Operating Fund shortfall that was not funded in FY23. In recent years, Congress has provided a mere \$25 million annually to address these growing needs which severely impact operations for many agencies and put them at risk of financial insolvency.

**Rental Assistance Demonstration (RAD): \$112 million** to support the cost-effective conversion of public housing properties that are unable to convert using only the funds provided through existing appropriations and tenant rents.

**Public Housing Capital Fund: \$5 billion**, to be distributed by formula. This amount would allow PHAs to address their newly accruing needs, which HUD estimated at \$3.4 billion annually in 2010. This estimate has been adjusted for inflation. These dollars represent an investment in public housing and local economies.

**Public Housing Infrastructure: \$70 billion**, with shares to be distributed by formula and competitive processes. This amount would allow PHAs to address the Capital Fund backlog, which is estimated to be more than \$70 billion, and to leverage other sources of financing such as Low Income Housing Tax Credits to develop significantly more affordable housing. It is incumbent upon HUD to complete its own assessment and share current estimates and analysis with the industry groups. Public Housing receives the lowest funding per unit of any of HUD's rental assistance programs, despite serving the same low-income populations. Public Housing is also unique because it is permanently affordable, with no threat of opt-outs. According to HUD, approximately 10,000 units per year are lost due to disrepair.

**Emergency Capital Needs: \$135 million** to address needs resulting from non-Presidentially declared disasters and emergencies, including safety and security measures related to crime and drug-related activity. These funds allow PHAs to pay for unforeseen capital emergencies that could not otherwise be supported through operating or capital funding. This year, the associations seek additional necessary funding to adhere to the requirements of the “Public and Federally Assisted Housing Fire Safety Act of 2022,” which requires enhanced and additional smoke detectors in every public housing unit.

**Tenant Protection Vouchers (TPVs): \$500 million** to provide all eligible households with a Tenant Protection Voucher for FY 2024. The final enacted number should be reflective of current TPV needs and all subsequent legislative actions and HUD initiatives.

**Choice Neighborhoods Initiative (CNI): \$500 million with \$350 million designated specifically for PHAs.** As has been the practice in previous years, the associations recommend that approximately two-thirds of these funds be reserved for applications in which a PHA is the lead applicant or co-applicant. Large capital grants through programs like Choice Neighborhoods are among the most effective tools to help PHAs address the needs of severely distressed public housing developments. These funds attract private capital and transform communities into thriving, mixed-income neighborhoods with reduced crime and increased opportunities for residents. The groups note that the initiative needs to be streamlined to address PHA obstacles to participation.

**Section 8 Tenant-Based Housing Choice Voucher Housing Assistance Payment (HAP) Renewal: \$27.840 billion** to ensure the renewal of assistance for all voucher-assisted low-income households served. The associations encourage HUD to determine the impact of increased FY23 Fair Market Rents (FMRs) and the extension of regulatory waivers for increasing payment standards up to 120 percent of the FMR on the need for additional HAP set-aside funding.

**Voucher Supportive Services Fees: \$475 million** for supportive services fees that should be structured to allow broad flexibility to PHAs, which, in turn, allows PHAs to better utilize vouchers on behalf of assisted households. These fees are separate from administrative fees, which are primarily used to administer the Housing Choice Voucher Program. These fees should be subject to MTW single-fund authority.

**Section 8 Administrative Fees & Special Purpose Voucher Fees: \$3.202 billion** to support effective and efficient management of the HCV program by PHAs. At this time, we believe this figure is sufficient to fund all PHAs at 100 percent of their eligibility based on the fee rates formula in effect immediately prior to the enactment of the Quality Housing and Work Responsibility Act of 1998 (QHWRA). This amount includes \$30 million in special administrative fees funding to support the administration of tenant protection vouchers and special purpose vouchers, including, but not limited to, HUD-Veterans Assisted Supportive Housing (VASH) and Family Unification Program (FUP) Vouchers.

**Incremental Vouchers: \$565 million** for 50,000 general-purpose vouchers that PHAs should have maximum flexibility in utilizing according to the needs of their communities. These vouchers should be subject to MTW single-fund authority.

**Mobility Funding: \$25 million** to allow families with children to expand their neighborhood choice. This funding will enable PHAs to provide mobility-related services and incentives to assisted households. These services may include security deposit assistance, enhanced search assistance, landlord incentive payments, and other services aimed at helping households move to higher opportunity areas. These fees should be subject to MTW single-fund authority.

**Family Self-Sufficiency (FSS) Program: \$200 million** with \$165 million reserved for PHAs. This funding level is needed to maintain funding for all existing program coordinators in the consolidated Public Housing and Section 8 FSS programs. Funding would also allow for expansion of FSS in voucher and public housing programs. An increased request is also made to address needs related to COVID-19 and the effects the pandemic has had on the economy and the loss of jobs.

**Resident Opportunity and Supportive Services (ROSS): \$35 million** to renew all existing service coordinators. Through this important program, PHAs continue to link public housing residents with supportive services, resident empowerment activities, and assistance in becoming economically self-sufficient.

**Jobs-Plus Initiative: \$20 million** in funding for this evidence-based strategy for increasing the employment opportunities and earnings of public housing residents through employment services, rent-based work incentives, and community support for work. This increase in funding will allow an expansion of this program to serve more residents.

**Section 8 Project-Based Rental Assistance (PBRA): \$15.904 billion** to fund renewal of all contracts based on 12-months of funding needs rather than based on quarterly increments throughout each year. The associations support the application of Annual Operating Cost Adjustment Factors (OCAFs) for FY 2024 for Sections 8, 202, 811 and 236 developments, including RAD-PBRA converted properties.

**Community Development Block Grant Program (CDBG): \$4.2 billion** to expand economic opportunities and improve quality of life for low- and moderate-income persons through activities that address infrastructure needs, eliminate slums or blight, address community health and safety needs and support underserved communities through an array of social services and greater economic opportunities.

**Home Investment Partnerships Program (HOME): \$2.5 billion** to increase the production of affordable housing through the acquisition, new construction, and rehabilitation of affordable housing units for sale or rent.

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**Mandatory Funding in the President’s FY24 Budget:** The National Association of Housing and Redevelopment Officials (NAHRO), the Public Housing Authorities Directors Association (PHADA), the Council of Large Public Housing Agencies (CLPHA), the MTW Collaborative, and the Local Housing Administrators Coalition (LHAC) support mandatory funding for housing programs.