Congress of the United States Washington, DC 20515

April 4, 2017

The Honorable Rodney Frelinghuysen Chairman
U.S. House of Representatives
Committee on Appropriations
H-305, The Capitol
Washington D.C. 20515

The Honorable Mario Díaz-Balart Chairman U.S. House of Representatives Committee on Appropriations Subcommittee on Transportation, Housing and Urban Development, and Related Agencies 2358-A Rayburn House Office Building, Washington D.C. 20515 The Honorable Nita Lowey Ranking Member U.S. House of Representatives Committee on Appropriations 1016 Longworth House Office Building Washington D.C. 20515

The Honorable David Price
Ranking Member
U.S. House of Representatives
Committee on Appropriations
Appropriations Subcommittee on
Transportation, Housing and Urban
Development and Related Agencies
2108 Rayburn Building, Washington, DC
20515

Chairman Frelinghuysen, Ranking Member Lowey, Chairman Díaz-Balart, and Ranking Member Price:

Federal housing assistance is essential for providing safe, decent, and affordable housing for our nation's most vulnerable populations, including seniors, families with children, and persons with disabilities. With 7.4 million extremely low-income Americans currently without access to affordable housing, it should be a top priority to provide robust funding for our nation's rental assistance programs in the fiscal year 2018 (FY18) appropriations bill. As you consider the FY18 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill, we urge you to stand behind our most vulnerable populations in advocating for funding that is necessary for public housing, the Section 8 Housing Choice Voucher (HCV) and Project-Based Rental Assistance (PBRA) programs, and the Section 202 and Section 811 programs.

Since the 1930s, public housing has served an indispensable role on the continuum of affordable housing, providing housing for 1.1 million families, including seniors, veterans, persons with disabilities, and families with children. It serves a population of "hard to house" people who face challenges that often make it impossible for them to rent a unit in the private market. It is well documented that investing in public housing not only provides necessary improvements for public housing residents, but also results in substantial economic benefits to the surrounding community. For example, an infusion of \$4 billion targeted for the rehabilitation of public housing under the American Reinvestment and Recovery Act (ARRA) not only helped remediate increasingly deteriorating housing conditions for public housing residents, but also generated thousands of jobs and created an additional \$2.12 of economic activity for every \$1.00

spent by the federal government.¹ Further, there were 26 jobs created for every \$1 million invested in public housing.² These statistics show that investing in public housing is a smart investment and should be considered an important part of our nation's infrastructure.

Similar to the public housing program, the Section 8 HCV and PBRA programs provide much needed housing assistance to a total of 3.6 million low-income households, over half of whom are elderly or persons with disabilities. These important programs sharply reduce homelessness and other hardships, lift people out of poverty, and are closely linked to educational, developmental, and health benefits that can improve children's long-term outcomes and reduce costs in other public programs.

For these reasons, we request that you:

- Fully fund the Public Housing Operating Fund at 100 percent proration, in order to address the estimated annual operating costs;
- Appropriate at least \$5 billion for the Public Housing Capital Fund, which would cover the estimated annual maintenance needs of the public housing stock plus additional funding to address a portion of the backlog of capital repairs;
- Fully fund the HCV program to fund all authorized vouchers as well as robustly fund Administrative Fees; and
- Fully fund PBRA to cover all existing contracts.

Finally, the Section 202 and 811 programs are the only programs that exclusively provide housing assistance for seniors and persons with disabilities. The nation's existing housing stock is unprepared to meet the escalating need for affordability, accessibility, social connectivity, and supportive services that these populations require. Today, 28 percent of renters and 11 percent of owners aged 50 and older pay more than 50 percent of their income for housing, including 36 percent of renters and 14 percent of owners aged 80 and older. Older adults with such severe housing cost burdens spend significantly less on healthcare and food than their peers without housing cost burdens. Further, there have been no new Section 202 or 811 units developed in several years, despite the overwhelming needs for deeply affordable housing for these populations. Therefore, we request that you fully fund both Section 202 and for Section 811 to ensure all contracts are renewed as well as provide an additional \$25 million in each program account to create new units of deeply affordable housing for the elderly and persons with disabilities.

Finally, we want to highlight our grave concerns with the Administration's proposed cut of at least \$1.6 billion for HUD's rental assistance programs, which, according to the Center on Budget and Policy Priorities and the National Low Income Housing Coalition, would put at least 200,000 households at risk of evictions and homelessness. These proposed cuts would have a devastating impact on HUD's ability to serve our nation's most vulnerable households, and they run contrary to the statutory mission of HUD. According to research from the Center on Budget

¹ Econsult Corporation (2011, March). Public Housing Stimulus Funding: A Report on the Economic Impact of Recovery Act Capital Improvements.

² *Id.*

and Policy Priorities, federal rental assistance programs kept 4.1 million people out of poverty, including 1.4 million children, in 2014. We urge you to categorically reject these draconian cuts.

Thank you in advance for your consideration of these requests. Please contact Alia Fierro with Ranking Member Waters at extension 5-4247 or Jennifer Shapiro with Representative Cleaver at 5-4535 with any questions about this letter.

Sincerely,

Maxine Waters
Ranking Member

House Financial Services Committee

Emanuel Cleaver, II

Ranking Member

House Financial Services Committee Subcommittee on Housing and

Insurance

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