

# Update on 2016 HUD Funding and Data You Can Use

Webinar May 21, 2015



# Agenda

- House/Senate action on 2016 HUD funding
- Use it or lose it – the importance of utilizing voucher funds this year
- Using CBPP’s voucher cut estimates
- Using state fact sheets to make the case
- Q&A

*Presenters: Doug Rice, Barbara Sard, Ehren Dohler, and Alicia Mazzara*



# **HOUSE/SENATE ACTION ON 2016 HUD FUNDING**



## House/Senate THUD Bill Context

- House/Senate 2016 budget plans adopted flat “sequestration-level” NDD spending cap
- House 2016 THUD is \$1.5 billion over 2015; Senate THUD receives allocation today
- HUD alone needs ~+\$3 billion to make up for FHA receipt decline and renew Section 8, other rental assistance



## House THUD Bill

- To its credit, prioritizes rental assistance renewals for resources, but
- Cuts funding for public housing, HOME, and
- Includes no funding to restore vouchers cut by sequestration or reduce homelessness



## House THUD Bill: Housing Vouchers

- \$18.2 billion for renewals, \$665 million above 2015 but \$183 million below request
- \$1.53 billion for admin fees, same as 2015
- No funding to restore additional vouchers cut by sequestration, including targeted vouchers for special populations, as President proposed (\$512 million)
- But report endorses use of targeted vouchers for homeless vets, FUP, DV victims



## House THUD Bill: Section 8 PBRA

- \$10.7 billion, \$924 million above 2015
- Sufficient to renew all HAP contracts in 2016
- Legitimate concerns about funding for contract administration



## House THUD Bill: Public Housing

- \$1.68 billion for capital repairs, \$194 below 2015, and far below accrual need
- \$4.44 billion for operations, same as 2015
- No RAD expansion, increased funding fungibility, or authorization of replacement reserves, as proposed by President





# House THUD Bill: Homeless Assistance

- \$2.19 billion, \$50 million above 2015
- Includes \$250 million for ESG, same as 2015
- Should cover rising cost of program renewals
- No funding for new supportive housing units for chronically homeless people, as President proposed (\$295 million)



## House THUD Bill: HOME

- \$767 million, \$133 million below 2015
- Raids National Housing Trust Fund to cover the cut in funds



## Budget Authority for Major HUD Programs

	<b>2015 Enacted</b>	<b>President 2016</b>	<b>House 2016</b>
<b>Section 8 TBRA</b>	\$ 19,304,160,000	\$ 21,123,496,210	\$ 19,918,643,000
<i>renewals</i>	\$ 17,486,000,000	\$ 18,333,816,000	\$ 18,151,000,000
<i>admin</i>	\$ 1,530,000,000	\$ 2,020,037,000	\$ 1,530,000,000
<i>restoration vouchers</i>		\$ 512,000,000	—
<b>Section 8 PBRA</b>	\$ 9,730,000,000	\$ 10,760,000,000	\$ 10,654,000,000
<b>Public Housing Capital</b>	\$ 1,875,000,000	\$ 1,970,000,000	\$ 1,681,000,000
<b>Public Housing Operating</b>	\$ 4,440,000,000	\$ 4,600,000,000	\$ 4,440,000,000
<b>Homeless Assistance</b>	\$ 2,135,000,000	\$ 2,480,000,000	\$ 2,185,000,000
<b>Section 202 elderly</b>	\$ 420,000,000	\$ 455,000,000	\$ 414,000,000
<b>Section 811 people with disabilities</b>	\$ 135,000,000	\$ 177,000,000	\$ 152,000,000
<b>HOME</b>	\$ 900,000,000	\$ 1,060,000,000	\$ 767,000,000
<b>CDBG formula</b>	\$ 3,000,000,000	\$ 2,800,000,000	\$ 3,000,000,000



# Looking Ahead

- House THUD on floor first week of June?
- Senate subcommittee allocations this week
- Senate THUD subcommittee and full committee markups likely in June, with possible floor action in July



# **USE IT OR LOSE IT – THE IMPORTANCE OF UTILIZING VOUCHER FUNDS THIS YEAR**



# Why Make Extra Efforts to Use Voucher Funds Now?

- Need is huge
  - Reduce homelessness, provide stability, financial help
  - Safety, independence, opportunity
- Use it or lose it
  - Chances high HUD will offset excess reserves in 2016, shifting some unused funds to other agencies
  - Less spending in 2015 will lock in lower funding in 2016
- Fewer vouchers leased, less administrative fees
- Agencies with large reserves unlikely to be eligible for restoration vouchers, if funded



# Why Raise Payment Standards?

- Raising payment standards can reduce rent burdens and help expand access to better neighborhoods
  - Spending more, even if no increase in vouchers leased, will increase renewal funding in 2016
- Also can help agencies increase success rates, resulting in lower administrative costs



# Don't Delay

- Increased voucher spending later in the year has less effect on agency renewal funding
  - No guarantee Congress will protect end-of-year leasing increases again
- Unless increased voucher utilization is clear by the fall, will undermine Congressional willingness to increase voucher funding (renewals, restoration vouchers and administrative fees)





# **USING CBPP'S VOUCHER CUT ESTIMATES**



# Updated Voucher Sequestration Cut Estimates on CBPP's Web Site

- Reduction in families assisted between December 2012 (before sequestration) and December 2014, by state and local PHA
- Nationally, 85,000 fewer families were using vouchers due to sequestration in December 2014
- Local effects of sequestration vary significantly by PHA



# Sequestration Cuts in Housing Choice Vouchers

Estimated reduction in the number of families using housing vouchers due to sequestration, as of December 2014, by state and local housing agency.

California ▾ 76 selected ▾

Search:

Agency Name ▲	Code ▲	Estimated sequestration cuts in vouchers, as of December 2014 ▲
Alameda City	CA062	-140
Alameda Co.	CA067	-94
Anaheim HA	CA104	-344
Baldwin Park	CA120	-47
Berkeley HA	CA058	-102
Burbank	CA105	-23
California		-14,620
National		-85,000

Showing 1 to 76 of 76 entries

Export to Excel



# How to Use CBPP's Cut Estimates

- Show state and local impacts of sequestration.
- Local media may be interested in these data. Connect sequestration cut data to other stories, like homelessness or housing affordability.
- Data on utilization rates and number of families using vouchers also available.
- <http://www.cbpp.org/research/housing/national-and-state-housing-data-fact-sheets>



# **USING STATE FACT SHEETS TO MAKE THE CASE**



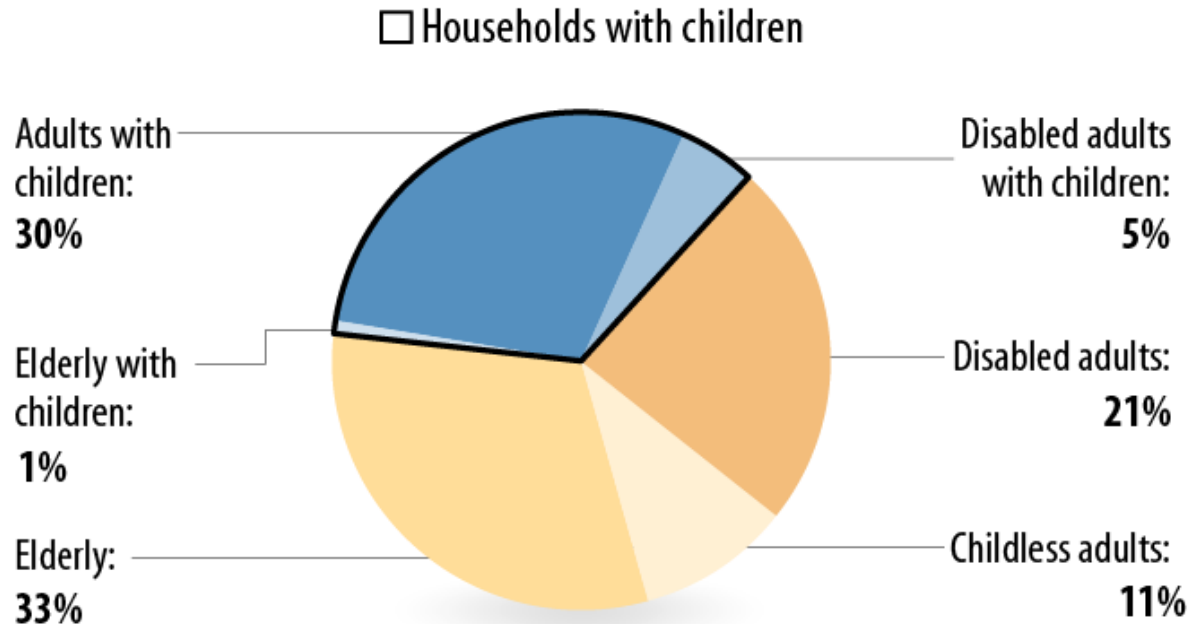
# State Fact Sheets Help Answer Key Questions

- Who is helped by federal rental assistance?
- How many households are helped by each program?
- How much federal funding goes to each state?
- Who is still paying too much for rent?
- How have federal budget cuts from sequestration affected households on rental assistance?



# Federal rental assistance mostly serves the elderly, disabled, and families with children

## Nearly All Households Using Federal Rental Assistance Include Children or People Who Are Elderly or Disabled

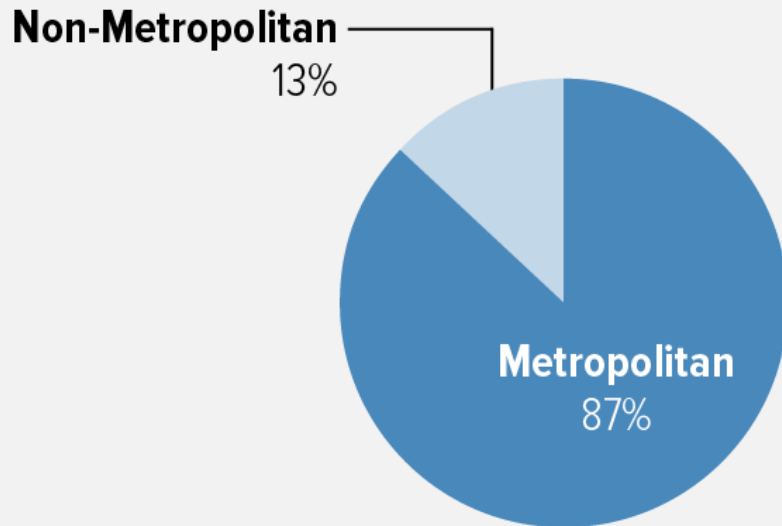


Source: CBPP tabulations of 2014 HUD administrative data, and the USDA's FY 2014 Multi-Family Fair Housing Occupancy Report.



# Federal Rental Assistance Helps Families in Urban and Rural Areas

## HUD-Assisted Households By Location



Source: CBPP analysis of HUD administrative data

- 10% of voucher households, 18% of public housing units, and 13% of multifamily units are in non-metro areas.
- Federal rental assistance is distributed between metro and non-metro areas in close proportion to relative need.

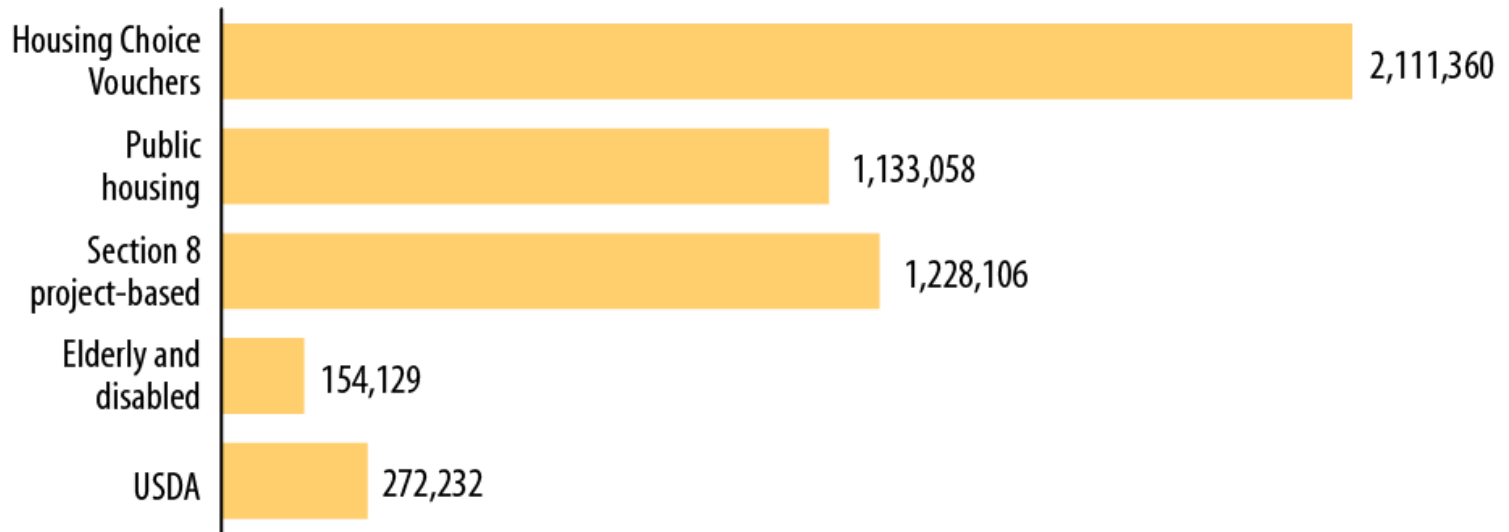




# Vouchers are the most common form of rental assistance in most states

## What Major Types of Federal Rental Assistance Do Families Use?

Number of households assisted

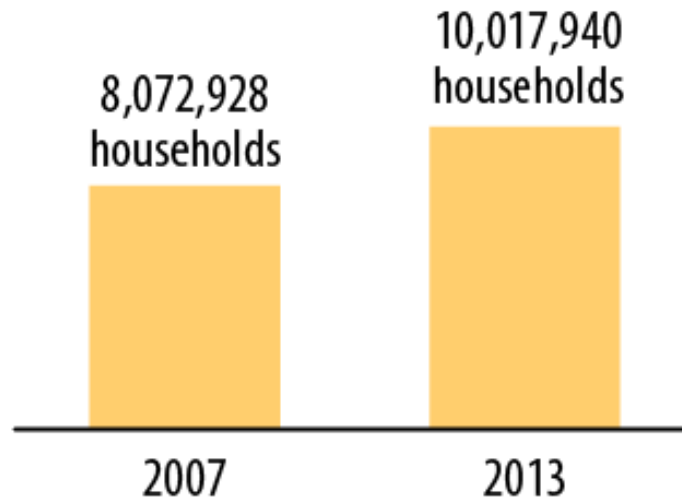


Source: CBPP tabulations of 2014 HUD administrative data, and the USDA's FY 2014 Multi-Family Fair Housing Occupancy Report.



# Despite Growing Need, Most U.S. Renters Do Not Receive Federal Assistance

**More Low Income Renters Are Paying Over Half Their Incomes for Housing Than Before the Recession**



Source: CBPP tabulations of the 2007 and 2013 American Community Survey.

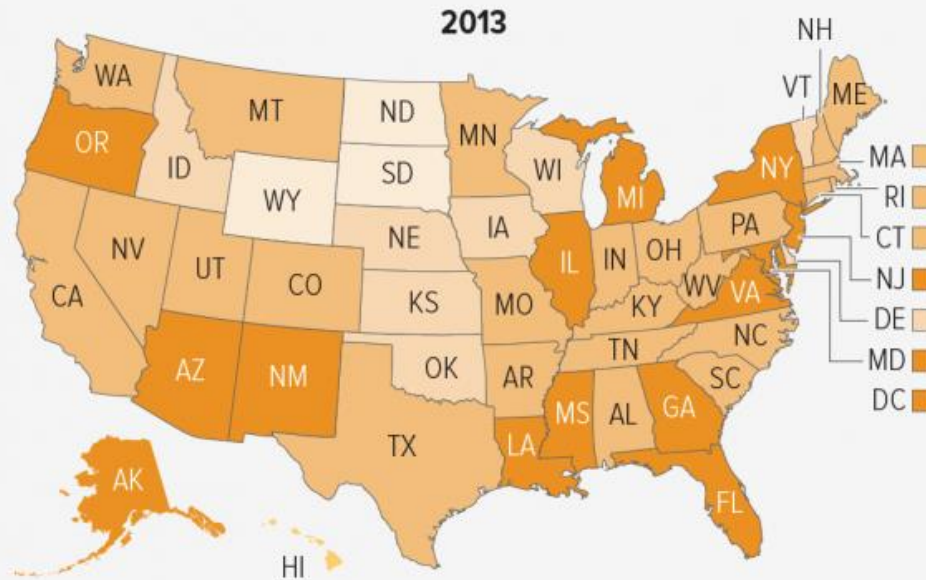


# Severe housing affordability problems have worsened across the country

## Severely Cost Burdened Low-Income Renters Rose in Most States Since Before the Recession

Share of low-income renters paying more than half their income for housing

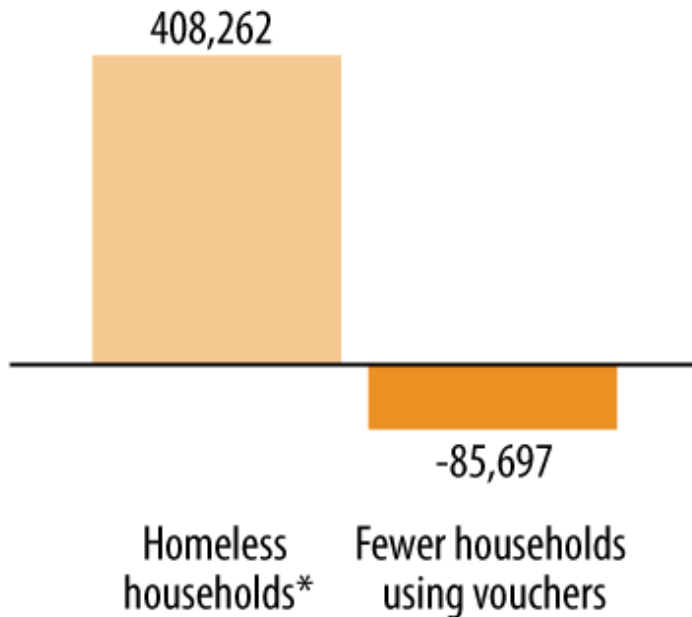
Below 25% 25-30% 30-35% 35-40% 40% and above





# Sequestration Is Making It More Difficult to End Homelessness

## Housing Choice Voucher Cuts Undermined Efforts to Address Homelessness in 2014



- 50,000 homeless veterans
- 135,000 homeless children
- 1 million school children in unstable housing

\*Point in time count in January 2014

Source: Department of Housing and Urban Development

Center on Budget and Policy Priorities | [cbpp.org](http://cbpp.org)



# Fact Sheets Give State Context

- Rental assistance helps address local issues and priorities.
- Who is served by rental assistance is affected by local demographics.
- Who needs rental assistance varies by state.
- Sequestration cuts had different local impacts.

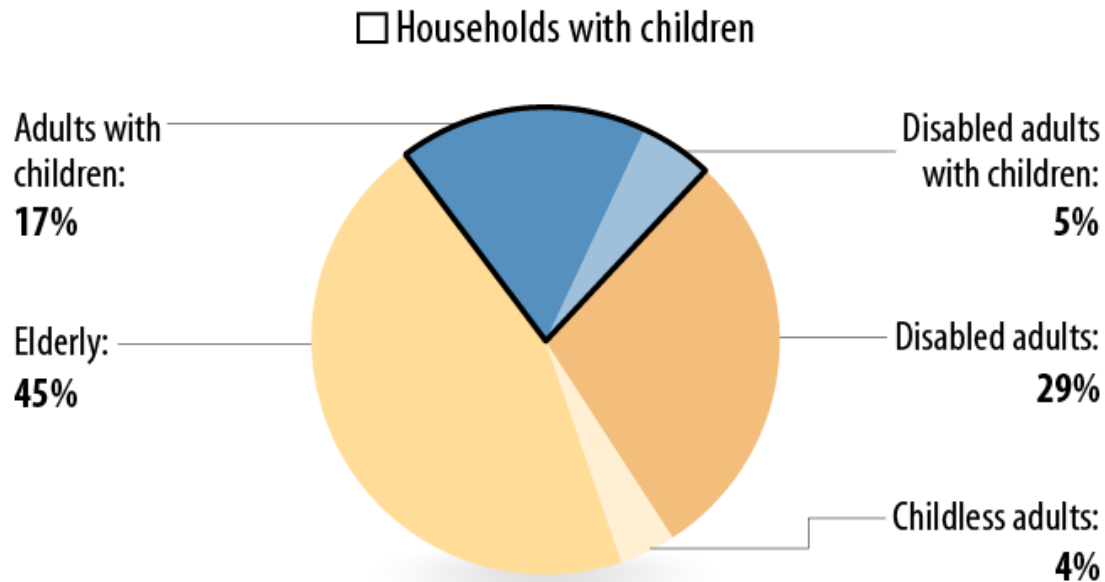


# Maine

Federal Rental Assistance helps Maine seniors age in place.

Over 38,000 low-income Maine households pay more than half their income for rent. Half of those households are elderly or disabled.

## Nearly All Households Using Federal Rental Assistance Include Children or People Who Are Elderly or Disabled



Source: CBPP tabulations of 2014 HUD administrative data, and the USDA's FY 2014 Multi-Family Fair Housing Occupancy Report.

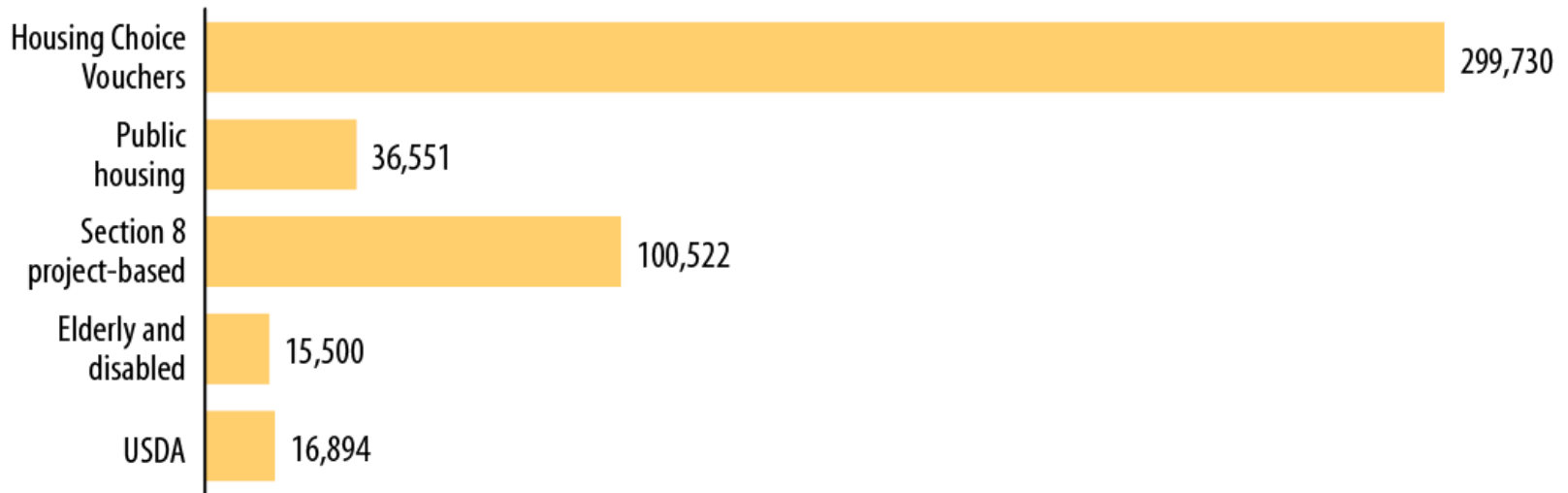


# California

Housing Choice Vouchers are the main tool available to fight California's rental housing problems.

## What Major Types of Federal Rental Assistance Do California Families Use?

Number of households assisted



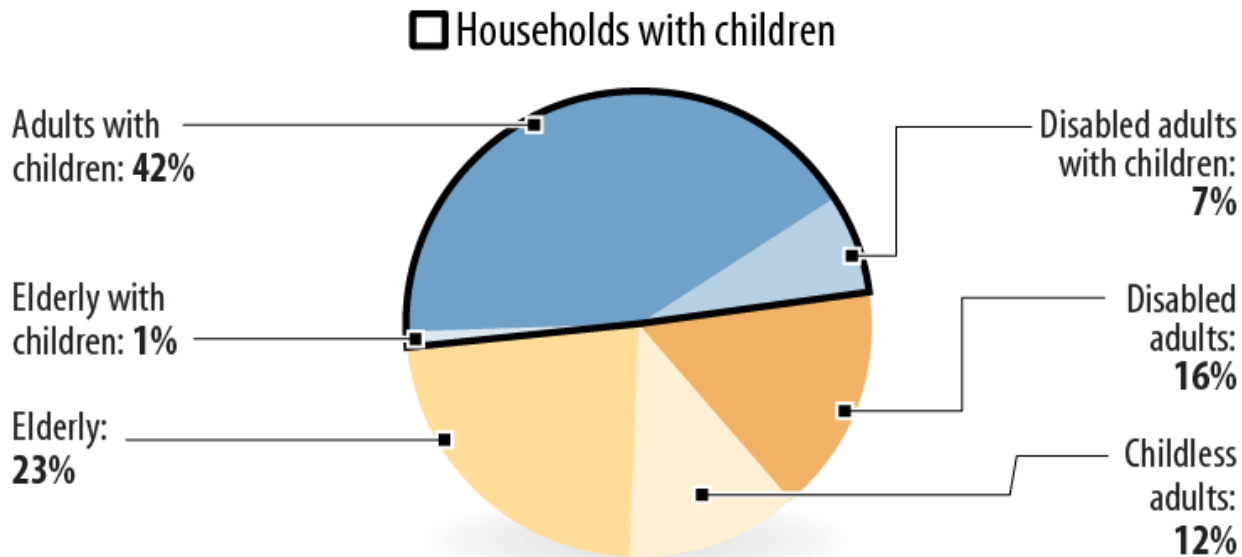
Source: CBPP tabulations of 2014 HUD administrative data, and the USDA's FY 2014 Multi-Family Fair Housing Occupancy Report.



# Florida

Housing Choice Vouchers help children live in safe, stable homes. Half of all households using vouchers in Florida include children – about 48,000 households.

## Nearly All Households Using Housing Choice Vouchers in Florida Include Children or People Who Are Elderly or Disabled



Note: Childless adults are households headed by a person under 62 without disabilities, and without children in the home. Disabled adults are younger than 62.

Source: CBPP tabulation of 2014 HUD administrative data.

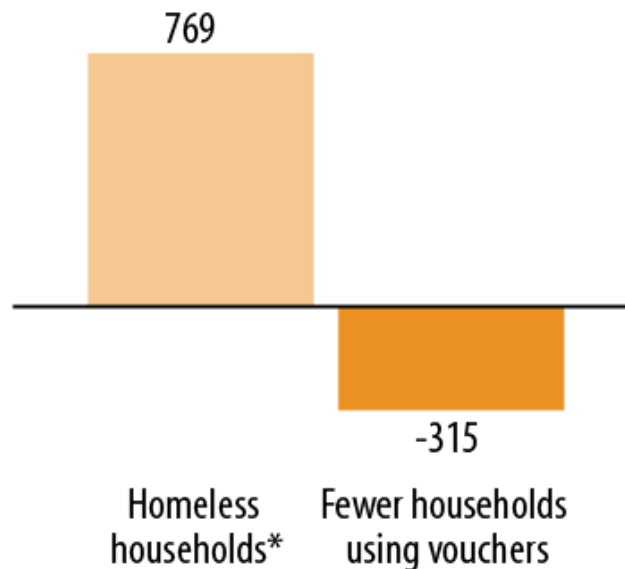




# Rhode Island

Rhode Island aims to end chronic homelessness by the end of 2016. Sequestration drastically reduced the resources available to do so.

**Housing Choice Voucher Cuts Undermined Efforts to Address Homelessness in 2014**



\*Point in time count in January 2014

Source: Department of Housing and Urban Development

Center on Budget and Policy Priorities | [cbpp.org](http://cbpp.org)



## Where to Find Our Fact Sheets, Sources, Methods, and Downloadable Data

- <http://www.cbpp.org/research/housing/national-and-state-housing-data-fact-sheets>
  - Federal Rental Assistance Fact Sheets
  - Housing Choice Voucher Fact Sheets
  - HUD Rental Assistance in Urban and Rural Areas
  - Sources and Methodology
  - Excel file with data on all 50 states and D.C.
  - Voucher data by PHA: utilization, families served, sequestration cuts
- <http://www.cbpp.org/blog/rental-assistance-need-growing-in-nearly-every-state>
  - 50 state maps of severely cost-burdened renters in each state



# Q & A