



Public Housing

Request for appropriations in FY10:

- \$5.5 billion for the public housing operating fund
- \$5 billion for the public housing capital fund
- \$55 million for Resident Opportunity and Supportive Services

Request for authorizing legislation:

- Support efforts to preserve public housing units that maintain existing income targeting, rent affordability and resident participation requirements.
- Support significant reforms to the HOPE VI Severely Distressed Public Housing Revitalization Program, such as one-for-one replacement of redeveloped public housing units, a right of return for public housing residents and increased relocation and resident participation requirements.
- Oppose efforts to expand the Moving to Work program, a “demonstration” program in existence since 1996 that has yet to be fully evaluated for its impacts on extremely poor residents receiving or requiring affordable housing, its impacts on the physical and financial health of the public housing stock and its impacts on the housing choice voucher program.

Issue Summary:

Appropriations

Increased public housing operating and capital funds are needed in FY10. The FY09 HUD spending bill only provides 87% of what public housing agencies need to operate their 1.2 million units of public housing. This represents the fifth year in a row that housing agencies have received less than 90% of their HUD-determined operating subsidy need.

Public housing agencies also need adequate capital funding to maintain units and to bring vacant units back into use. Without sufficient funding, some housing agencies will seek to serve higher income residents and/or exact more rental income from very poor residents. Our nation’s \$160 billion in public housing assets is compromised by an estimated capital needs backlog of \$22 to \$32 billion. Rehabilitating these homes is fiscally prudent and much more cost effective than replacing them.

(over)



727 15th Street NW, 6th Floor
Washington, DC 20005
(202)662-1530 (202)393-1973 fax
www.nlihc.org

HOPE VI and Loss of Public Housing

Enact reforms to HUD's HOPE VI and demolition/disposition programs that reinstitute one-for-one public housing unit replacement requirements (with very limited waivers), the right of residents to return to the revitalized homes and other programmatic reforms to ensure this critical housing stock is preserved and remains affordable for the nation's lowest income households. More than 165,000 public housing units have been lost and not replaced since 1995; reforms to HOPE VI and demolition/disposition can stop this hemorrhage.

Legislation addressing the preservation of public housing, including legislation to reauthorize the HOPE VI program, is expected in 2009.

Moving to Work

Public housing agencies granted Moving to Work status under this 1996 demonstration program can waive most of the existing statutes and regulations governing public housing and housing choice voucher programs. Moving to Work sites can also combine their public housing and voucher funds and are given flexibility in how and when they spend these funds.

We oppose any expansion to the number of MTW sites and the extension of existing MTW contracts. Our opposition is based on the fact that program as a whole has not been evaluated for its impacts on extremely poor residents receiving or requiring affordable housing, its impacts on the physical and financial health of the public housing stock and its impacts on the housing choice voucher program.

Current residents, as well as extremely poor people in need of affordable housing, must be protected from MTW's worst outcomes, including shifting scarce resources to higher income groups, implementing unaffordable rents, restricting portability, and requiring draconian time limits and work requirements, all of which have occurred at current MTW sites.

April 2009