

December 23, 2013

Committee on Appropriations
United States Senate
S-128, The Capitol
Washington, D.C. 20510

Committee on Appropriations
United States House of Representatives
H-305, The Capitol
Washington, D.C. 20515

Dear Chairwoman Mikulski, Vice-Chairman Shelby, Chairman Rogers, Ranking Member Lowey, Chairwoman Murray, Ranking Member Collins, Chairman Latham and Ranking Member Pastor,

As Congress moves to finalize its FY2014 spending bills, we encourage you to provide sufficient funding for the Department of Housing and Urban Development (HUD) in order to renew all existing rental assistance contracts and vouchers.

Funding for HUD's programs has been declining over the past four years, while the need for safe, affordable rental housing has hit a historical high. According to the Joint Center for Housing Studies of Harvard University, the number of renters paying more than 30 percent of their income in rent has hit an unprecedented high of 21 million households. As affordable housing owners, operators, developers, lenders and advocates we are deeply concerned about this continuing trend.

Because of flat funding and cuts, HUD and providers have been forced to take extraordinary measures to continue to house low-income seniors, persons with disabilities and families with children. Cuts to Project-Based Section 8 have forced HUD to provide less than 12 months of funding for numerous existing rental assistance contracts. If this program is flat funded in FY2014, short-funding will be expanded to additional contracts, causing more uncertainty for owners, property managers, lenders, investors and ultimately the residents. Additionally, it raises concerns about the ability and willingness of the Federal Government to honor rental assistance contracts. Such uncertainties and risks are unjustified; especially considering that short-funding does not actually save money, but instead pushes costs into future fiscal years. The Project-Based Section 8 program supports over one million apartments across the country. These apartments are a critical resource of affordable rental housing that serves low-income households, many of whom are elderly and disabled. Short-funding will undermine the stability of these properties.

Similarly, the cuts to the Housing Choice Voucher (HCV) program have reduced the number of vouchers available for low-income households. As vouchers that are turned in are being absorbed by agencies to cover the costs of outstanding vouchers, waiting lists continue to grow. As a result of just last year's funding reductions, between 40,000 and 65,000 fewer households will be served by the end of December. Additionally, agencies that administer the voucher program have seen drastic cuts in administrative fees that are necessary to inspect units, verify residents' income and support the voucher program. If these cuts carry forward, housing agencies will have to take other actions that will increase households' rent burden, force them to move into lower quality housing options and reduce the number of households served.

We ask that you increase funding for the Project-Based Section 8 program to ensure that existing rental assistance contracts are provided 12 months of funding at the time of renewal. Further, we ask that you increase funding for the Housing Choice Voucher program so that all existing vouchers can be renewed, lost vouchers can be restored and voucher agencies' administrative costs are fully covered.

Sincerely,

Avesta Housing (ME)
BRIDGE Housing
California Housing Partnership
The Community Builders
Community Economic Development Assistance Corporation
Consortium for Citizens with Disabilities Housing Task Force
Council for Affordable and Rural Housing
Crossroads Urban Center, Salt Lake City, UT
CSH
Enterprise Community Partners
Homes for America, Inc.
Institute of Real Estate Management
Local Initiatives Support Corporation
Lutheran Services in America
National Alliance on Mental Illness
National Affordable Housing Management Association
National Apartment Association
National Association of Affordable Housing Lenders
National Association of Home Builders
National Association of Housing Cooperatives
National Association of Housing and Redevelopment Officials
National Church Residences
National Council of State Housing Agencies
National Leased Housing Association
National Low Income Housing Coalition
National Housing Conference
National Housing Law Project
National Housing Trust
National Multi Housing Council
Maine Affordable Housing Coalition
Mercy Housing, Inc.
Network for Oregon Affordable Housing
Preservation of Affordable Housing
Retirement Housing Foundation
Volunteers of America