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May 25, 2022

The Honorable Patrick Leahy
Chair, U.S. Senate Committee on
Appropriations
437 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Rosa DeLauro
Chair, U.S. House Committee on
Appropriations
2413 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Richard Shelby
Ranking Member, U.S. Senate Committee
on Appropriations
304 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Kay Granger
Ranking Member, U.S. House Committee on
Appropriations
1026 Longworth House Office Building
Washington, DC 20515

Dear Chairman Leahy, Chairwoman DeLauro, Ranking Member Shelby, and Ranking Member Granger,

The National Affordable Housing Management Association (NAHMA) applauds your efforts to provide critical resources for affordable housing and community development. As the leading voice for affordable housing management, NAHMA urges you to support funding increases for affordable housing and rental assistance programs currently being considered in budget negotiations for fiscal year 2023.

HUD and USDA affordable housing, rental assistance, and community development programs play a critical role in supporting local economies and providing access to housing stability for over five million low- and moderate-income households across the country. By partnering with housing and services providers across the country, federal affordable housing programs leverage private funding to provide opportunities for struggling households to improve the lives of their families, as well as support the housing industry and communities in need. In fact, building 100 affordable rental homes generates \$11.7 million in local income, \$2.2 million in taxes and other revenue for local governments, and 161 local jobs in the first year.¹

Close to 8 million very low-income renters, those who earn 50% or less of the area median income and do not receive any form of government housing assistance, spend more than one-half of their income toward rent.² Another 5.5 million renters reported being behind on their rental payments as recently as March

¹ https://nlihc.org/sites/default/files/Housing_as_Infrastructure_CHCDF.pdf

² <https://www.huduser.gov/portal/sites/default/files/pdf/Worst-Case-Housing-Needs-2021.pdf>

2022.³ HUD Secretary Marcia Fudge underscored the importance of providing affordable housing in her testimony before the Senate Appropriations Subcommittee on Transportation, Housing and Urban Development, *“We understand that our homes represent more than four walls and a roof. A good home can serve as a platform for economic opportunity, good health, and strong families. But how can a person hold down a job or take care of their health or children if they do not have a bed, shower, or stove?”*⁴ The Secretary also warned that there is an estimated shortfall of 7 million rental homes affordable and available to low-income renters. With only 37 affordable and available rental homes for every 100 extremely low-income renter households, there is not a single state in the country with enough affordable homes to meet demand.⁵ That is why NAHMA members believe increasing investments in affordable housing is so critical for our families and our communities. These investments are necessary to continue providing rental assistance, to carry out new construction, make improvements to energy and water efficiency or climate resilience, to remove health and safety hazards, and to preserve housing. We urge you to support increased funding in affordable housing and rental assistance provided through programs at the Department of Housing and Urban Development (HUD) and Rural Housing in the Department of Agriculture (USDA-RHS), including:

Increasing the Supply of and Access to Affordable Housing by providing:

- **\$15 billion for Project-Based Rental Assistance** to continue to provide the 1.2 million low-income renters and low-income families currently in the program with decent, safe, and affordable homes.
- **\$966 million for Section 202 Supportive Housing for the Elderly** to increase the supply of affordable housing for seniors by approximately 1,100 units and to provide continued support for existing service-enriched affordable homes for low-income elderly adults.
- **\$288 million for Section 811 Housing for Persons with Disabilities** to continue serving over 33,000 families and to provide for 900 additional homes for very low- and extremely low-income persons with disabilities to live independently in the community with connections to critical supportive services.
- **\$32 billion for Housing Choice Vouchers (HCV)** to assist 750,000 additional households while continuing to serve approximately 2.3 million low-income families.
- **\$2.5 billion for the HOME Investment Partnerships Program** which has helped to create over 1.34 million new homes and provided rental assistance to over 403,000 families.
- **\$35 billion for the Housing Supply Fund** for grants to State and local housing finance agencies and their partners to invest in affordable housing production and increase the supply of housing. This funding would develop 500,000 new units of housing for low- and moderate-income renters and homebuyers over the next 10 years.⁶

³ <https://nlihc.org/gap>

⁴ [Statement of the Honorable Marcia L. Fudge Secretary of Housing and Urban Development before the Senate Committee on Appropriations, Subcommittee on Transportation, Housing and Urban Development President Biden’s Fiscal Year 2023 Budget, May 12, 2022.](#)

⁵ <https://nlihc.org/resource/only-37-affordable-rental-homes-are-available-every-100-extremely-low-income-renter>

⁶ <https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/16/president-biden-announces-new-actions-to-ease-the-burden-of-housing-costs/>

Supporting Underserved Communities and Promoting Wealth-Building and Equitable Community Development by providing:

- **\$2.5 billion for the Community Development Block Grant** which has helped more than 20,000 individuals to find permanent employment and assisted nearly 53,000 families with homeownership and rehabilitation of homes activities last year.
- **\$150 million for the Family Self-Sufficiency Program (FSS)** to continue to provide over 60,000 households living in federally subsidized housing with the opportunity to build savings by capturing increased family rent payments due to increased earnings. HUD reported an average escrow of \$9,495 among FSS program graduates, with 57% of participants earning escrow while in the program; 100% of graduates did not require temporary cash assistance (TANF/welfare); and 27% of graduates no longer needed rental assistance within one year of leaving the FSS program.⁷

Advancing Sustainable Communities and Climate Resiliency by providing:

- **\$250 million for the Green and Resilient Retrofit Program** to provide funding to the owners of multifamily-assisted properties to rehabilitate approximately 5,000-10,000 properties to be more energy and water efficient, healthier, and more resilient to natural hazard events.⁸
- **\$400 million to Fund the Removal of Dangerous Health Hazards from Homes**, including mitigating threats from fire, lead, carbon monoxide, and radon.

Increasing the Supply of and Access to Rural Housing by providing:

- **\$1.564 billion for Section 521 Rental Assistance** to provide additional rural rental assistance to 272,000 eligible households existing contracts, including making permanent the approximately 27,000 households that were brought into the program by the American Rescue Plan Act.
- **\$38 million for Section 542 Vouchers** to provide additional resources for tenants by expanding the use of the Section 542 vouchers, which function similarly to HUD's Housing Choice Vouchers, to provide continued rental assistance for tenants displaced from Section 515 properties due to prepayment, foreclosure, or mortgage maturation.

Support the Preservations and Rehabilitation of Rural Multifamily Housing by providing:

- **\$75 million for Section 515 Multifamily Housing Preservation and Revitalization** to rehabilitate and preserve 1,200 affordable rural rental homes.
- **\$400 million for the Section 538 Guaranteed Multi-family Housing Loan Program** to increase America's housing infrastructure with new construction or substantial rehabilitation. USDA has calculated that for every \$1 invested from the section 538 program can leverage about \$2.88 of public-private funding.⁹

⁷ <https://www.hud.gov/sites/dfiles/CFO/documents/2023HUDCongressionalJustificationsFINALElectronicversion.pdf>

⁸ https://www.hud.gov/sites/dfiles/CFO/documents/2023_CJ_HSN2_Program_Green_and_Resilient_Retrofit.pdf

⁹ <https://www.usda.gov/sites/default/files/documents/32-2023-RHS.pdf>

Thank you for your ongoing support of affordable housing programs and the communities served. We look forward to continuing to work with you to further increase access to safe, decent, and affordable homes to eligible families, workers, seniors, and people with disabilities across America.

Sincerely,

A handwritten signature in black ink, appearing to read "Kris Cook". The signature is fluid and cursive, with the first name "Kris" being larger and more prominent than the last name "Cook".

Kris Cook, CAE
Executive Director, NAHMA