

June 18, 2014

The Honorable Barbara Mikulski
Chair
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

The Honorable Richard Shelby
Vice Chair
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

The Honorable Patty Murray
Chair
THUD Subcommittee on Appropriations
U.S. Senate
Washington, D.C. 20510

The Honorable Susan Collins
Ranking Member
THUD Subcommittee on Appropriations
U.S. Senate
Washington, D.C. 20510

Dear Chairman Mikulski, Vice Chairman Shelby, Chairman Murray and Ranking Member Collins,

The undersigned members of the Campaign for Housing and Community Development Funding (CHCDF), a coalition of 74 national groups representing a broad spectrum of housing and community development organizations in the 50 states and territories, appreciate the bipartisan efforts of the Committee to avoid additional funding cuts to Department of Housing and Urban Development (HUD) programs in its FY 2015 Transportation, Housing and Urban Development, and Related Agencies (THUD) appropriations bill, S. 2438.

We especially recognize and appreciate the Committee's work to avoid severe cuts to the THUD 302(b) allocation in response to an unexpected decrease in receipts from the Federal Housing Administration (FHA). With approximately \$1 billion more for HUD programs provided in the Senate bill than included in the House-passed bill, H.R. 4745, the Committee is able to avoid the deep cuts proposed to some programs in the House bill and to provide equal or higher funding levels than the House bill for other programs. We applaud the Committee leadership for bringing a bill to the Senate floor that demonstrates its commitment to making a positive contribution to the ability of Americans to afford decent housing and live in healthy and productive communities and to support jobs and economic growth. HUD programs preserved and protected in the Senate bill help people and communities across America.

However, under difficult fiscal constraints and with HUD's funding level held almost flat compared to FY 2014, it will be difficult to continue progress being made to reduce homelessness, create additional affordable housing opportunities and preserve existing affordable housing without additional resources. Although the Senate bill funds virtually all of HUD's programs at the same or higher levels than the House bill, we still have serious concerns about some funding levels in the bill. For example:

- Funding for Housing Choice Vouchers, although \$205 million more than the House bill, is insufficient to renew all vouchers funded in 2014 and does not adequately restore vouchers lost due to sequestration cuts in 2013.
- The bill departs from the standing practice of providing a full 12 months of funding for project-based Section 8 contract renewals and necessitates at least an additional \$1.2 billion in funding in FY 2016, potentially jeopardizing the stability of properties relying on this assistance.

- Although the bill provides \$40 million more for homeless assistance than the House bill to prevent downsizing of the program, it does not increase the capacity of the program to serve the hundreds of thousands of Americans who remain homeless.
- Funding for the HOME program remains historically low, even with \$250 million more provided by the Senate bill than the House bill, resulting in reduced affordable housing production and lost leveraging of much needed private sector investment in affordable housing development.
- Funding for the public housing program is barely above FY 2014 funding levels, ensuring daily operating costs of local public housing agencies (PHAs) and the ability of PHAs to meet even their capital needs accrued in FY 2015 would not be adequately funded.

Underfunding HUD programs undermines the goals of helping low-income seniors, people with disabilities, families with children, and many others to live in safe, stable, affordable housing and to revitalize their communities. Investment in safe, decent, and affordable housing and community development initiatives improves child well-being, enhances educational achievement, improves health, lowers crime and increases employment access and stability. HUD's programs play a crucial role in preventing hardship among seniors and people with disabilities and fostering economic recovery, as they address the basic needs of our nation's residents. CHCDF supports the Committee's efforts to provide needed funding for HUD programs in the FY 2015 THUD appropriations bill.

CHCDF members represent a full continuum of national affordable housing and community development organizations, including faith-based, private and public sector, financial intermediaries, civil rights and advocacy groups. These groups work to meet the needs of low and moderate income renters and homeowners in urban, suburban, rural and tribal communities, including the elderly, people with disabilities and people experiencing homelessness.

Sincerely,

The Arc of the United States

Coalition on Human Needs

Community Action Partnership

Consortium for Citizens With Disabilities Housing Task Force

Corporation for Supportive Housing

Council of State Community Development Agencies

Enterprise Community Partners

Friends Committee on National Legislation

Housing Assistance Council

Innovative Housing Institute

Local Initiatives Support Corporation

National AIDS Housing Coalition

National Alliance of Community Economic Development Associations

National Alliance on Mental Illness

National Alliance to End Homelessness

National Association of Housing and Redevelopment Officials

National Center for Healthy Housing

National Coalition for Asian Pacific American Community Development

National Coalition for the Homeless

National Council of State Housing Agencies

National Disability Rights Network

National Fair Housing Alliance

National Law Center on Homelessness & Poverty

National Leased Housing Association

National Low Income Housing Coalition

LeadingAge

Lutheran Services in America

National Housing Conference

National Housing Trust

Poverty & Race Research Action Council

Public Housing Authorities Directors Association

Stewards of Affordable Housing for the Future (SAHF)