



Campaign for Housing and Community Development Funding

Working to ensure maximum federal resources for housing and community development.

May 1, 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 Harold Rogers
Chair
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Nita Lowey
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

Dear Chair Mikulski, Vice Chair Shelby, Chair Rogers, and Ranking Member Lowey:

The undersigned members of the Campaign for Housing and Community Development Funding (CHCDF) are concerned that programs funded through the Transportation, Housing and Urban Development, and Related Agencies (THUD) Subcommittee receive the highest possible funding level in fiscal year (FY) 2015 despite the substantial difference between HUD and the Congressional Budget Office's (CBO) estimate of receipts that will be generated by the Federal Housing Administration (FHA) in FY15. CHCDF members urge you to fully address the need for HUD funding by distributing the impact of this anticipated difference throughout the appropriations subcommittees rather than place the burden of this difference on the THUD Subcommittee alone. If the projected difference of nearly 10% of HUD's FY15 budget was placed on the THUD Subcommittee it would result in a devastating impact on the housing affordability crisis for the lowest income families in America.

You recently received a letter signed by 3,267 national, state and local business, transportation, housing and community development, faith-based and civil rights organizations, as well as state and local officials in municipal, tribal and state governments, urging you to increase the THUD 302(b) allocation to the highest possible level in FY15. That letter can be accessed at http://nlihc.org/sites/default/files/FY15_THUD_302%28b%29_2014.pdf. The letter demonstrates the depth and breadth of support for THUD programs in communities across America.

At the April 10, 2014 House THUD Appropriations Subcommittee hearing on HUD's FY15 budget request, HUD Secretary Shaun Donovan assured Members that HUD's estimate of FHA receipts, which incorporated recent increases in premiums that would offset lower loan volume, should not differ substantially from CBO's score of the President's budget request if it took those premium changes into account. Unfortunately, CBO score released last week shows \$4.3 billion less in net receipts than HUD projects in its budget.

Despite the discrepancy between HUD and CBO's receipt estimates, the fundamental need to fund THUD programs remains unchanged. Through investments in HUD, Congress supports small-business job creation, expands nation's infrastructure capacity, supports economic recovery and growth, reduces homelessness and housing hardships, and promotes lasting community and family economic success. More than 5 million seniors, people with disabilities, and other families rely on THUD funded programs to afford stable housing. Since FY10, the combination of budget cuts and sequestration have reduced the THUD allocation by over 25 percent. Due to these cuts, rental assistance is available to 40,000 fewer families than in 2012, recent progress in reducing chronic homelessness is put at risk, and production and preservation of affordable housing is curtailed.

In light of the continued widespread need for affordable housing, community development, and transportation infrastructure, and the decline of the FHA receipts as the housing market rebalances, CHCDF, on behalf of the 3,267 organizations that wrote to you in March, would like to reiterate the request that the Appropriations Committees provide the highest possible THUD allocation for FY15.

CHCDF members represent a full continuum of national affordable housing and community development organizations, including faith-based, private and public sector, financial intermediary, civil rights, developer, 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,

Consortium for Citizens with Disabilities Housing Task Force
Council of Large Public Housing Authorities
Council of State Community Development Agencies
CSH
Enterprise Community Partners
LeadingAge
Local Initiatives Support Corporation
Lutheran Services in America
Mercy Housing
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 Coalition for the Homeless
National Community Development Association
National Council of State Housing Agencies
National Disability Rights Network
National Housing Conference
National Housing Trust
National Law Center on Homelessness & Poverty
National Low Income Housing Coalition
NETWORK, A National Catholic Social Justice Lobby
Rebuilding Together
Stewards of Affordable Housing for the Future
The Arc of the United States
