



Campaign for Housing and Community Development Funding

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

November 7, 2011

Dear House and Senate H.R. 2112 Conference Members:

As you conference H.R. 2112, the minibus bill for fiscal year 2012 funding for the Department of Housing and Urban Development (HUD) and Department of Agriculture's Rural Housing programs, the Campaign for Housing and Community Development Funding (CHCDF) writes to express the strongest concern that this year's House and Senate bills have crossed an important line. The significant cuts made in these bills would cause thousands of individuals and families to lose their housing and exacerbate the economic hardships of thousands more in need of affordable housing and community development resources. At a time when the need for assistance from HUD and Rural Housing programs is growing, the House and Senate bills would help even fewer people than those currently being assisted and deprive communities of critical funding.

This is simply not acceptable, and it is not necessary under the current budget framework that Congress is working within. The proposed cuts in the HUD budget are disproportionately deep; while the Budget Control Act mandates cuts of approximately 5% in non-security programs, the cuts to HUD are 7% (House) and 10% (Senate). Indeed, the proposed reductions in the HUD budget are historically deep. Under the House bill, the HUD budget would reach its lowest level since 2003, while the Senate legislation would leave HUD programs funded at the lowest since 2001 (both adjusted for inflation).

The Rural Housing cuts in the House Agriculture bill would take rental assistance away from tens of thousands of currently stably housed tenants¹ by cutting funding for the USDA's Section 521 Rental Assistance Program. The House version of the bill would also cut funding for preserving the government's investment in older USDA-funded developments that need repairs or renovations (the Multi-Family Preservation and Revitalization Program) and for development of new rural affordable rental housing (the USDA's 515 Rural Rental Housing and 514/516 Farm Labor Housing Programs), by 100 percent, 16 percent, and 36.5 percent, respectively.

Affordable housing and community development funding prevents homelessness, protects vulnerable populations, and leverages private capital to produce desperately-needed affordable housing, while creating local construction jobs. At a time when the economy is stagnant, incomes are falling for working households, private capital is scarce, and homelessness is rising, a failure to preserve funding for affordable housing and community development programs will be nothing short of devastating for the most vulnerable constituents and communities you represent.

To protect these families and communities served by HUD programs, we strongly urge you to increase funding for HUD programs above the levels in the House and Senate bills. This could be achieved by adopting the final House allocation for HUD programs and adding funds. While we do not support the practice of rescinding HUD funds, if any of the Senate rescissions are incorporated, we urge that the committee follow two guidelines: 1) leave sufficient funding to ensure smooth operation of HUD programs and avoid increased hardship for low income families or communities and 2) utilize any additional budget authority created by the Senate's proposed rescissions to increase HUD's allocation

¹ Calculation by the Housing Assistance Council based on data provided by USDA Rural Development.

above the House HUD funding level. If the final T-HUD allocation is above the House and Senate allocations, we strongly urge you to apply these funds to increase funding for HUD programs.

To protect families and communities served by Rural Housing programs, we strongly urge you to adopt at least the Senate funding level and preferably the President's requested level for the aforementioned programs,

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.

Thank you for your consideration of our views.

Sincerely,

Coalition on Human Needs
Community Action Partnership
Consortium for Citizens with Disabilities Housing Task Force
Corporation for Enterprise Development
Corporation for Supportive Housing
Council of State Community and Economic Development Agencies
Enterprise Community Partners
Habitat for Humanity International
Housing Assistance Council
Jesuit Conference
Lawyers' Committee for Civil Rights Under Law
LeadingAge (*formerly AAHSA*)
Local Initiatives Support Corporation
Lutheran Services in America
Mennonite Central Committee U.S., Washington Office
Mercy Housing
National AIDS Housing Coalition
National Alliance of Community Economic Development Associations
National Alliance on Mental Illness
National Alliance to End Homelessness
National American Indian Housing Council
National Association of Housing and Redevelopment Officials
National Association of State Mental Health Program Directors
National Center on Family Homelessness
National Center for Healthy Housing
National Coalition for Asian Pacific American Community Development
National Coalition for the Homeless
National Community Development Association
National Council of State Housing Agencies
National Disability Rights Network
National Fair Housing Alliance
National Housing Conference
National Law Center on Homelessness and Poverty
National Leased Housing Association
National Low Income Housing Coalition
National NeighborWorks Association
National Network for Youth

National Network to End Domestic Violence
NETWORK, A National Catholic Social Justice Lobby
Poverty and Race Research Action Council
Public Housing Authorities Directors Association
Reconnecting America
RISE, America!
Travelers Aid International

cc: Hon. Harry Reid
Hon. Mitch McConnell
Hon. John Boehner
Hon. Nancy Pelosi