



WHAT'S NEXT...

NAHRO'S 2013 Legislative and Regulatory Agenda

NATIONAL ASSOCIATION OF HOUSING AND REDEVELOPMENT OFFICIALS
2013 LEGISLATIVE CONFERENCE



What's Next . . .

- Ensure that HCD professionals are equipped to make a real and lasting difference in communities across the nation.
- Make the case for responsible funding levels for core programs.
- Aggressively advocate a more rational, less administratively burdensome regulatory environment.
- Use taxpayers' dollars wisely and with integrity to move us closer to the fulfillment of NAHRO's vision:
 - *A nation in which all people have decent, safe, affordable housing and economic opportunity in viable, sustainable communities.*

Public Housing

Funding Recommendations

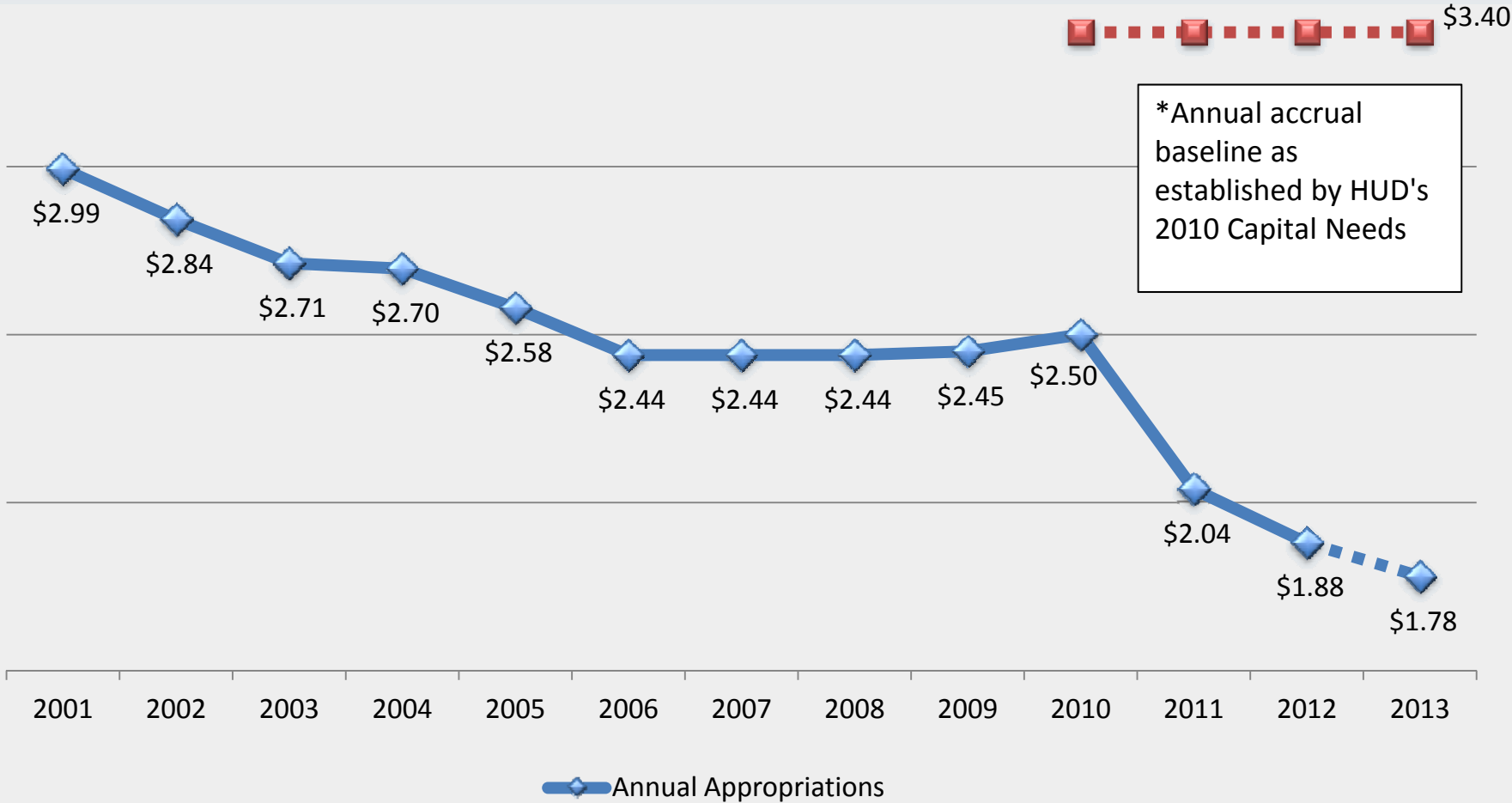
- Fully fund the operating costs and annual capital accrual needs of public housing through direct appropriations.
- Provide PHAs with greater flexibility to direct available resources toward their highest priority needs, regardless of funding source.
- Seek dedicated resources for the revitalization of severely distressed public housing properties.
- Reauthorize and expand the Moving to Work (MTW) demonstration in a manner that protects existing MTW agreements while providing new MTW agencies with flexibility and the ability to innovate.

Public Housing

Preservation

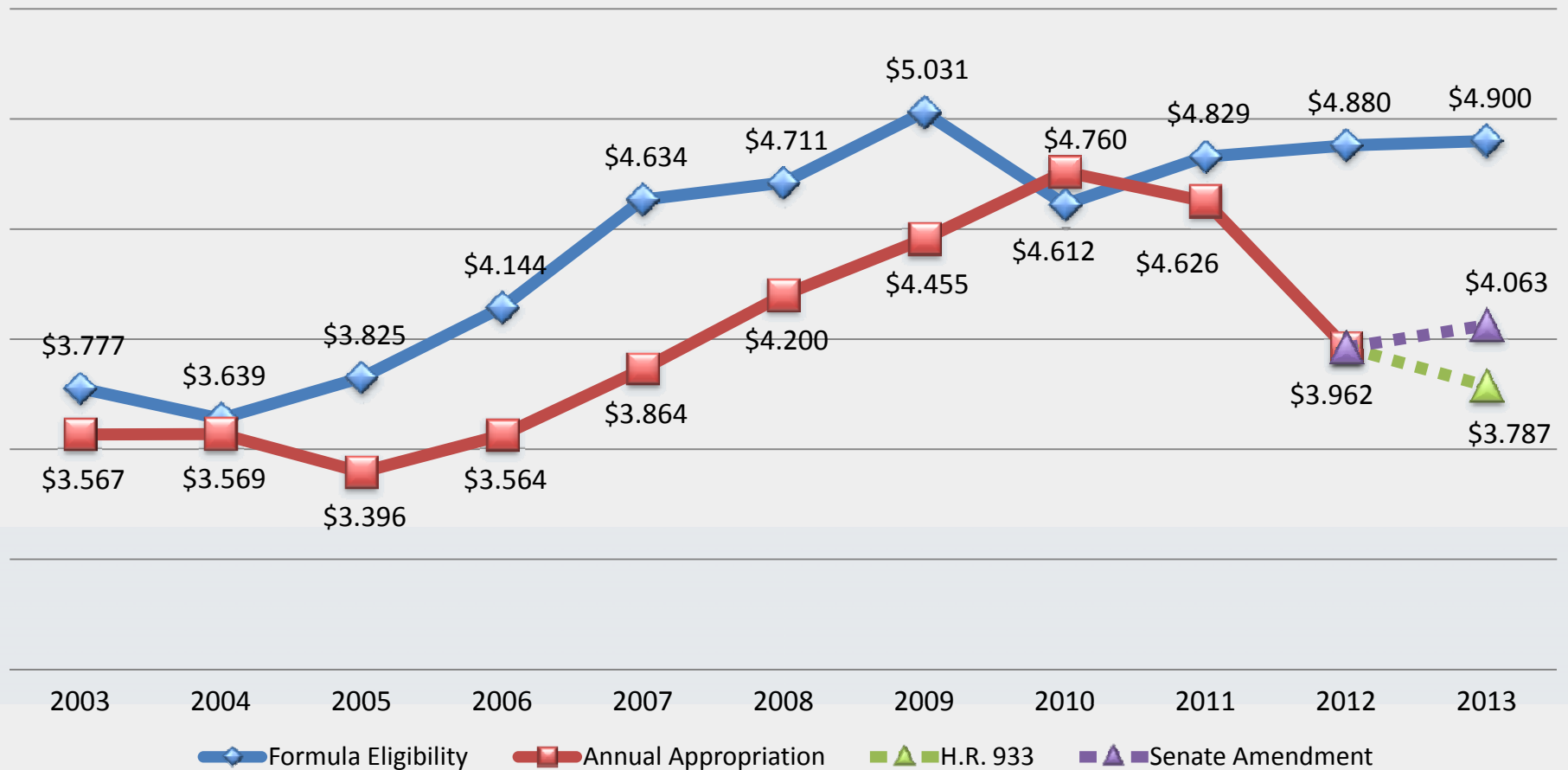
- Provide PHAs with a variety of tools to leverage and invest in the preservation of their properties
- Establish a protected capital reserve account to allow PHAs to plan responsibly for future needs.
- Improve tools designed to allow PHAs to steward their portfolios as true asset managers, including HUD's demolition and disposition regulations.
- Provide enhanced incentives for energy efficiency upgrades.

Public Housing Capital Fund Appropriations - Fiscal Years 2001 - 2013 (\$ billions)



Public Housing Operating Fund

Appropriations Compared to Formula Eligibility –
Calendar Years 2003 - 2013 (\$ billions)



Section 8 Tenant-Based Rental Assistance

- Renew vouchers at actual rental assistance costs for all participating households.
- NAHRO will continue to pursue a voucher funding formula that is based on the number of families served and voucher costs for the most recent calendar year for which data are available.
- Enact meaningful voucher program reform legislation.
- Spur immediate implementation by HUD of long-overdue regulatory and administrative reforms.

Section 8 Tenant-Based Rental Assistance *Voucher Administrative Fee Funding*

- Restore a responsible level of Administrative Fee funding under voucher programs.
- NAHRO's advocacy in this area has and will include recommendations for innovative approaches, including the creation of new authority to allow PHAs to utilize a portion of their Housing Assistance Payment Reserves to cover unmet administrative expenses related to leasing and retaining leased households.

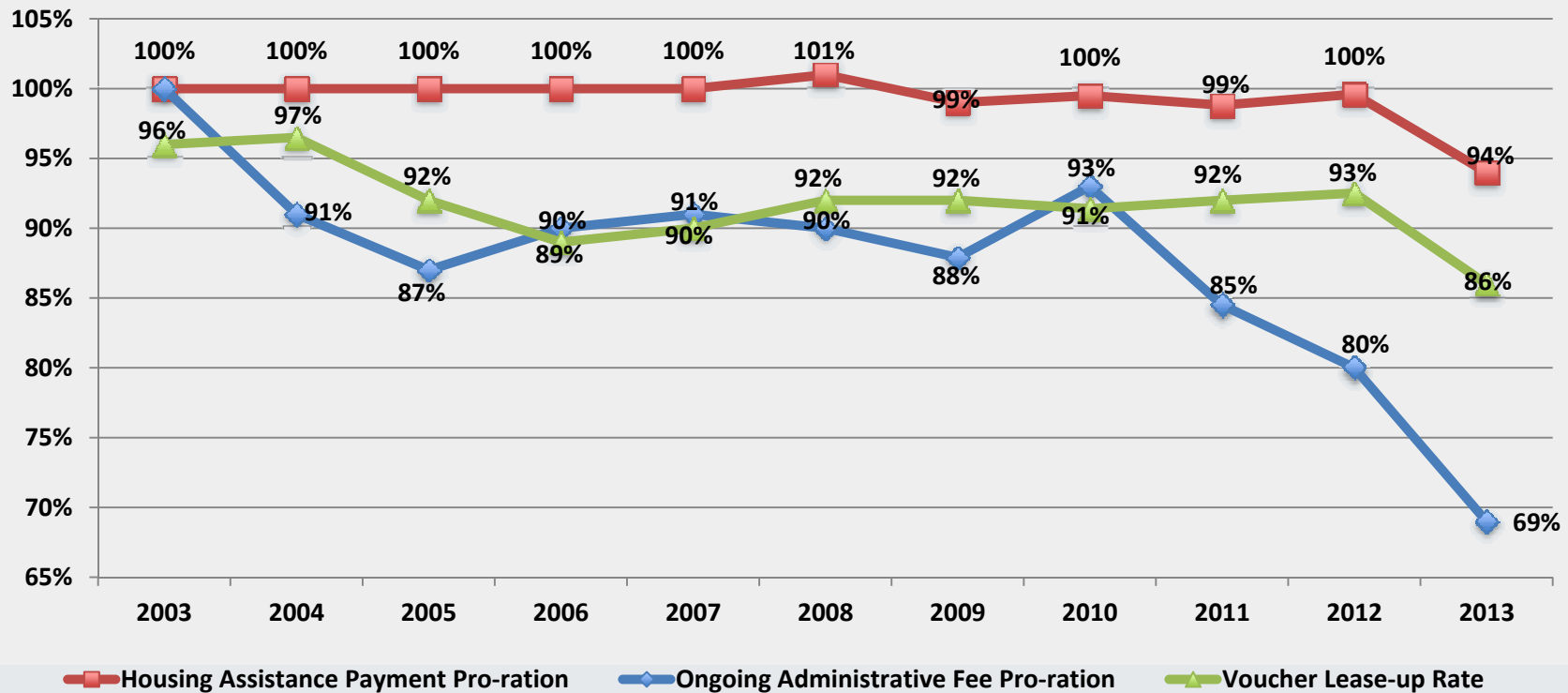
Section 8 Project-Based Rental Assistance

- Provide a responsible level of funding for the renewal of Section 8 multi-family project-based rental assistance (PBRA) contracts.
- Maintain a level playing field in the competition for contracts under the Section 8 Performance-Based Contract Administrators initiative.

Lowest Pro-rations in History

- Either the House or Senate FY 2013 appropriations bill pending action starting on Monday, would produce the lowest proration in the 38-year history of the Section 8 voucher program for both Housing Assistance Payments and administrative fees

Housing Assistance Payment and Ongoing Administrative Fee Pro-Rations & Voucher Lease-up Rates

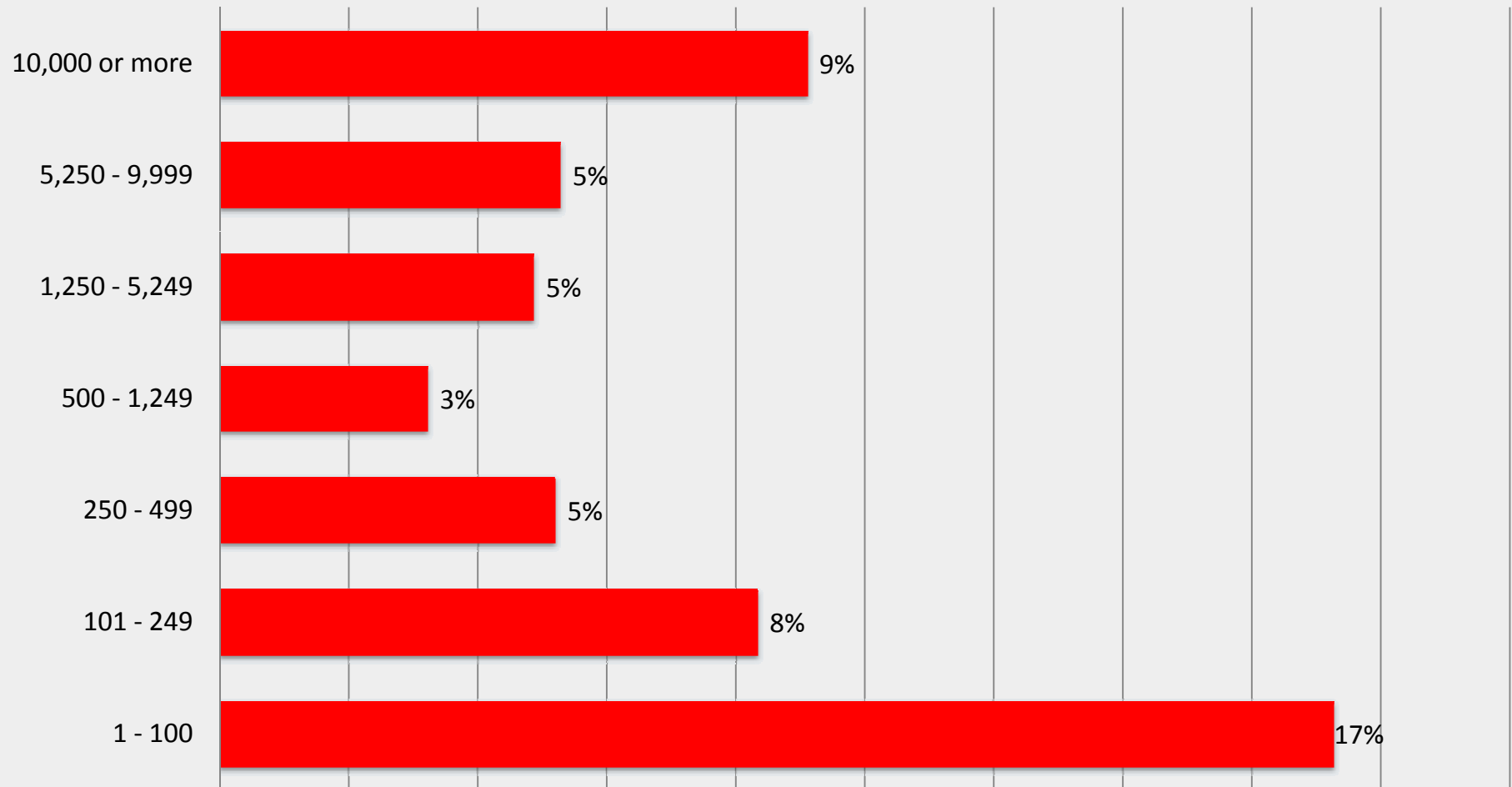


HAP Reserves Available to PHAs in 2013

- Both the Senate and House bills block the application of the \$650 million rescission of excess Housing Assistance Payment Reserves from the FY 2012 bill.
- PHAs should be able to use their Net Restricted Asset amounts (now called combined HAP Reserves, pending HUD's conversion into PHA project-accounts at the Department), as of December 31, 2012, to augment their directly appropriated 2013 HAP funding to serve up to the number of their authorized baseline vouchers, if possible.

Public Housing Authorities Ending Voucher Programs

Percentage of unique PHA voucher programs , categorized by authorized voucher size, transferred, consolidated, or handed back to HUD between 2003 and 2012



NAHRO Offers Policy View Webinars As Member Benefit on March 22, 2013

- PHAs are trying to figure out their 2013 HAP eligibility, estimated HAP disbursements, combined HAP Reserves as of January 1, 2013, and corresponding administrative fee revenues and expenses. PHAs' use of reliable "before" and "after" modeling of various HAP and administrative fee cost reductions measures under 2013 funding scenarios, is crucially important to the helping mitigate the worst short and long term damage.

NAHRO Offers Policy View Webinars As Member Benefit on March 22, 2013

- We are glad to announce a two-part webinar by NAHRO's Policy and Program Division as a benefit for NAHRO members:
- **The Sequester and Pending Enactment of FY 2013 Appropriations: *How to Estimate Voucher Program Eligibility, Funding, Model Program Contingencies...and Use This Information in Your Advocacy for Funding***
Friday, March 22, 2013 - Part I: noon – 3:00 pm (EST)
- ***Voucher Program Contingencies: Knowing About All Possible HAP and Administrative Cost Savings Options Available, How To Plan and Implement Them***
Friday, March 22, 2013 Part II: 3:30 – 5:00 pm (EST)

Sen. Tim Johnson's Voucher HAP Reserves and Administrative Fee Amendment

- **Overview:** Under this amendment, a PHA that does not receive the full amount of administrative fees to administer Section 8 voucher programs under the existing authorized statutory fee rate (pre-Quality Housing and Work Responsibility Act of 1998 rate) for each family that is leased up to the PHAs authorized number of vouchers, may utilize unobligated balances remaining from Housing Assistance Payment funds allocated for them in a previous year, in order to receive a *combined* administrative fee pro-ration of not more than 90 percent.

Sen. Tim Johnson's Voucher HAP Reserves and Administrative Fee Amendment

- For example, the 90 percent administrative fee pro-ration threshold would come from a *combination* of directly appropriated funds (e.g. 67 percent pro-ration), and the remainder (e.g. 23 percent pro-ration) from each PHA's HAP Reserves from prior years (if applicable)
- Because this proposal includes PHAs' use of prior years' HAP Reserves, it would not increase the overall cost of voucher program(s).

Sen. Tim Johnson's Voucher HAP Reserves and Administrative Fee Amendment

- Reductions in PHAs' administrative fee pro-rations affect : HUD-Veterans Affairs Supportive Housing (HUD-VASH), Housing Choice Vouchers (HCV), Non-Elderly Disabled - Category 2 (NED), the Family Unification Program (FUP), and tenant-protection vouchers.
- Financial Fungibility
- Financial Checks & Balances
- Voucher Program Requirements
- Restrictions on Use of Administrative Fees
- "Burn Rate" of Administrative Fees is High

HUD's Voucher Admin. Fee Study

- HUD is currently rethinking what strategies they can employ to mitigate the potential impact of the sequester and is working towards a plan on how best to address the situation. HUD is in consultation with the Abt Associates research team to ascertain what steps can be taken to ensure that the impacts of what PHAs can actually do are given the necessary consideration so that the study does not understate what it costs to run an effective, high-performing HCV program. In terms of a study status update, HUD is currently in the data collection phase.). The data collection for the full study is being conducted in cohorts of 6 PHAs over a 70-week period (expected through early April 2014).

HUD's Voucher Admin. Fee Study

- As part of the cost data collection, the research team is collecting data documenting any impact the previous reduction in administrative fees and any impact the sequester is having on program operations, including any future planned reductions in program activities or staffing reductions. The research team is also thoughtfully considering any impact of the sequester on the final cost data and time measurement data analysis. The research team and HUD will be transparent and communicate our strategy for addressing the potential impact of the sequester into any subsequent modeling.

Community & Economic Development Programs

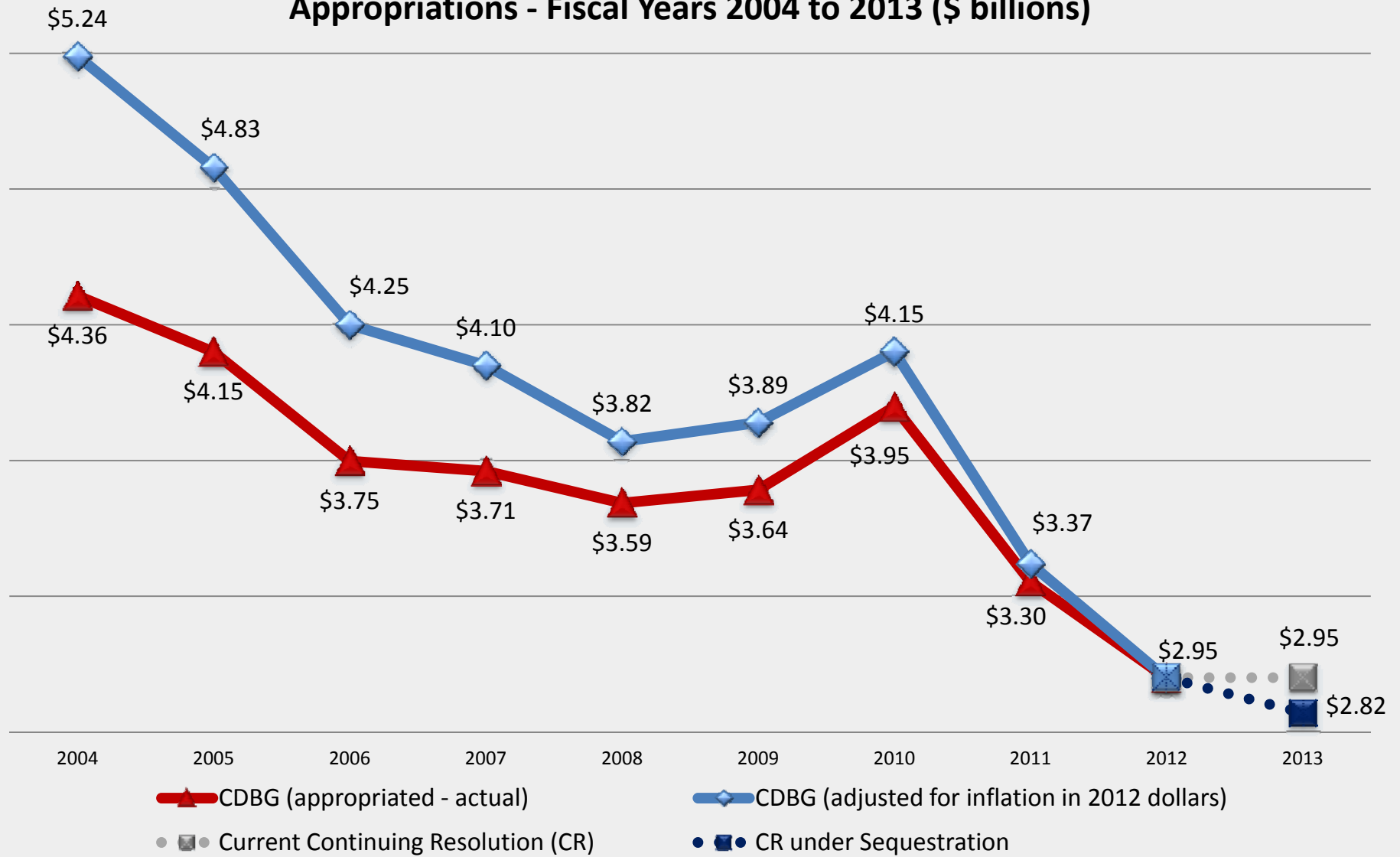
CDBG Formula Funding

- Restore funding for CDBG to ensure the success of state and local efforts to spur job creation and retention, provide vital public services, and expand affordable housing opportunities for low- and moderate-income families and individuals.

Economic and Development Programs

- Appropriate the credit subsidy for HUD's Section 108 loan guarantee program, and increase the loan guarantee limit to \$500 million as previously proposed by the Administration.
- Restore dedicated funding for HUD's Brownfields Economic Development Initiative.

Community Development Block Grant (CDBG) Program Appropriations - Fiscal Years 2004 to 2013 (\$ billions)



Small Housing Agency Reform Proposal (*SHARP*)

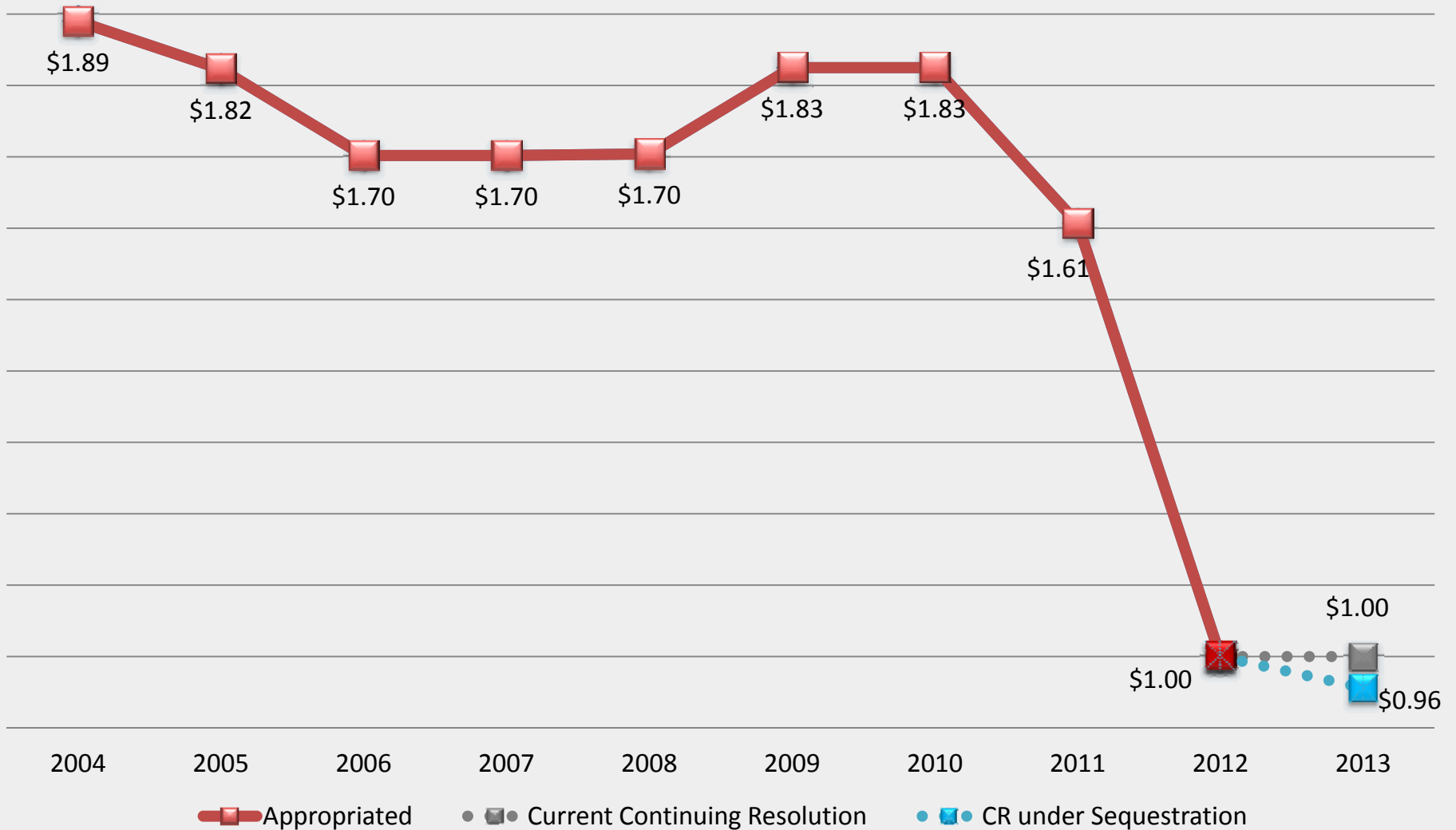
- SHARP would significantly ease administrative burdens and increase program flexibility available to smaller organizations operating the public housing program and/or the Housing Choice Voucher program.
- SHARP would :
 - Define small agencies as those with 550 or fewer public housing units and Housing Choice Vouchers combined;
 - Reduce administrative burdens for both agencies and HUD;
 - Provide flexibility to improve services to residents;
 - Enable HUD to target its scarce monitoring resources where risks are greatest;
 - Reform HUD's burdensome oversight and monitoring processes;

Expand Supply of Affordable Housing

- Permanently extend the minimum 9 percent credit rate enacted under the Housing and Economic Recovery Act of 2008 while also creating a minimum 4 percent credit rate for allocated acquisition credits.
- Restore a responsible level of funding for the HOME formula program.
- Closely monitor HOME regulatory changes to ensure that the ability of PHAs and redevelopment authorities to fully engage the program is not compromised.
- Enact a budget-neutral mandatory funding source for the Housing Trust fund.

HOME Investment Partnerships Program

Appropriations - Fiscal Years 2004 - 2013 (\$ billions)



Homeless Programs

- NAHRO supports full funding for HUD's homeless assistance programs and recognizes the need for program funding to keep pace with the rising costs associated with renewing expiring contracts.

Regulatory Environment

Oversight

- The Department should adopt a risk-based approach to monitoring.
- Revise PHAS and SEMAP to emphasize limiting and controlling risk and measuring outcomes rather than micro- managing local operations.
- Next Generation Management System (NGMS) blueprint should enable the Department to use IT innovations to not only improve its risk assessments and performance tools, but to also help to devolve program oversight and technical assistance to its Regional and Field Offices.

Regulatory Environment

Reporting

- The Department should reevaluate its full complement of information collections to remove duplicative and unnecessary reporting requirements, including those aimed at PHA executive compensation.
- Unlock the full potential of the various joint operating arrangements into which PHAs enter by streamlining requirements and reducing duplication of efforts, particularly with respect to reporting.

Eligibility

- Identify and eliminate barriers that prevent otherwise qualified PHAs and HRAs from accessing or administering federal housing and community development funding.

*What's Next?
Your advocacy.*

*We need **your voice**, **your passion**,
and your dedication to turn this plan into reality
for the families and communities we serve.*

www.nahro.org/2013agenda

