NAHRO ISSUES STATEMENT ON THE 2011 BUDGET AGREEMENT

April 13, 2011 (Washington, D.C.) - This weekend, the President and Congressional leaders averted a costly and damaging government shutdown, and brought closure to the 2011 budget debate. Friday’s budget compromise, although welcome, came with $38 billion in spending reductions. The impact of these reductions and this proposal on NAHRO members’ ability to provide decent safe and affordable housing in quality communities is clear.

NAHRO members fully understand the need to address the nation’s economy and encourage fiscal responsibility. NAHRO acknowledges that this must be done in a manner that does not undermine public housing authorities (PHA) ability to make necessary, and long overdue, capital repairs to the nation’s irreplaceable stock of public housing. Significantly reducing both CDBG and HOME programs and reducing necessary administrative funding to provide Section 8 voucher assistance undercuts local efforts to improve communities, provide services, and to serve eligible families in need of housing assistance.

The public housing capital fund, CDBG and HOME are job creating engines that stimulate local economies. A recent Econstruct report found that, on average, every $1 million spent on Recovery Act capital projects created 26 jobs nationally, and that every $1.00 in direct PHA stimulus spending resulted in an additional $2.12 of national indirect and induced economic activity.

Reductions to, or elimination of, programs like HOPE VI, Veteran’s Affairs Supportive Housing (VASH) vouchers and funding to support public housing operations will render damaging results in terms of the ability to effectively and efficiently provide housing to America’s most vulnerable.
At a time when funding for new affordable housing production is severely limited, it is imperative to invest and protect the integrity of the housing resources, and encourage neighborhood revitalization which will sustain that investment over time.

The 2011 budget agreement lowers the bar for critical housing programs as the challenging debate regarding FY 2012 gets underway. NAHRO believes efforts to put the nation’s fiscal house in order should not disproportionately disenfranchise those in need. NAHRO will continue to work with members of Congress and the Administration to find responsible, pragmatic and cost effective solutions to address the nation’s housing and community development needs.

For an in-depth review of H.R. 1473 funding levels for HUD programs, please contact kgorman@nahro.org

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*National Association of Housing and Redevelopment Officials, established in 1933, is a membership organization of 23,000 housing and community development agencies and professionals throughout the United States whose mission is to create affordable housing and safe, viable communities that enhance the quality of life for all Americans, especially those of low- and moderate-income.*