NAHRO: Helping PHAs Create Economically Viable Communities Through Safe, Affordable Housing

The National Association of Housing and Redevelopment Officials (NAHRO) is the nation’s leading housing and community development advocate for safe and affordable housing and the creation of economically viable communities. We represent public housing agencies (PHAs) that provide housing services for vulnerable families, the majority of whom earn less than 50 percent of the area median income, as well as community development departments and local redevelopment authorities (LRAs) that enhance communities by supporting affordable housing development and by providing a rich variety of community services.

In total, NAHRO represents 17,000 individual members and associates and 2,800 PHA members. Collectively, our membership manages over 970,000 public housing units, or approximately 83 percent of the entire public housing inventory, as well as 1.7 million Housing Choice Vouchers (HCVs). Our members also receive over $1.5 billion in Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funding to use in their communities.

NAHRO educates and engages professionals in housing, community development, finance, government, and social services in collaboration with residents to create attainable and sustainable housing and communities for vulnerable families and individuals. We are the leading resource for affordable and subsidized housing and community development information through our research, analysis, advocacy, and professional development curriculum. Our stringent code of ethics and demanding certification program ensure that NAHRO members are held to the highest standards of professional behavior. Our members are strong and efficient agents of change.

NAHRO also has a decades-long relationship with the Department of Housing and Urban Development (HUD). Our relationship with both our members and the government agency responsible for overseeing affordable housing and community development offers an unparalleled perspective on what is needed to provide safe, affordable housing and to create viable, vibrant communities across the country.

How NAHRO Members Serve Their Communities

Partner with Others to Serve Local Communities

PHAs and LRAs across the country have developed partnerships and connections based on the needs of their residents and communities. NAHRO members have created partnerships between local non-profits and service providers; state, county and local governments; and the federal government beyond HUD. These partnerships have allowed PHAs and LRAs to benefit from the use of CDBG and HOME dollars in conjunction with state and local governments.

For over 40 years, the CDBG program has provided annual funding for over 1,200 states and local governments to help rebuild their local economies, strengthen public infrastructure, recover from disasters, and improve the quality of life for millions of low- and moderate-income Americans. With an emphasis on local decision-making, CDBG has invested $149 billion into communities nationwide.

The HOME program is also an effective tool that allows more than 600 states and localities to implement affordable housing strategies that reflect local need. Since 1990, HOME has leveraged enough additional resources to help build and preserve almost 1.2 million affordable homes. HOME has also provided rental assistance to over 270,000 families, supported nearly 1.5 million jobs, and generated almost $100 billion in local income.
Work with HUD to House the Nation’s Most Vulnerable

A decades-long partnership with HUD enables our members to do the work that they do. PHAs own and operate over 1.1 million units of federally subsidized public housing, providing affordable housing to families, the elderly, people with disabilities, and veterans. Thirty-one percent of public housing households include seniors, 31 percent include individuals with disabilities and 50 percent include families (these households categories may overlap).

PHAs also administer the HCV program, the largest program in the Section 8 family of programs, which provides rental assistance to nearly 2.2 million low-income families to rent privately-owned units in the location of their choosing. The HCV program also serves a wide variety of program participants including families, seniors, persons with disabilities, households displaced by disasters, homeless veterans and children aging out of the foster care system.

Develop Affordable Housing

The growing housing needs of low-income families cannot be ignored. Currently, there is a shortage of 7.2 million affordable and available rental units for the nation’s 10.4 million renter households that earn the bottom 30 percent of income in their communities. There is no state in the U.S. where a worker earning full-time minimum wage can afford a modest, one-bedroom apartment. The Low-Income Housing Tax Credit (LIHTC) has been a critical source of equity for almost 3 million affordable housing units for low-income families over the last 30 years. The LIHTC generates 96,000 jobs a year and has leveraged nearly $100 billion in private investment. PHAs and LRAs have used almost $285 million in LIHTCs to create and rehabilitate more than 53,000 units. LIHTCs have become a vital financing component for many of the HUD programs that NAHRO members are engaged in, including: the Rental Assistance Demonstration (RAD), Moving to Work (MTW), Choice Neighborhoods, HOME, and CDBG.

Drive Local Economic and Community Development

NAHRO members are often closely intertwined within the fabric of their communities in ways that other housing providers cannot be: they know what works, what doesn’t work, and why. Many of these agencies have stepped up to become economic and community drivers. Through public-private partnerships, they have created economic and community hotspots with low-income, moderate-income, and market-rate units that provide important resident services such as transportation, retail, health and educational opportunities. They have also moved to fulfill more than just the housing needs of their residents. For example, PHAs and LRAs partner with local school districts to share data specifically related to improving the educational outcomes of children, providing job training and employment resources (including Section 3 low-income resident hiring), and ensuring that low-income seniors have a safe place to live and thrive while being active and productive members of the community.

Lead the Fight Against Homelessness

PHAs and LRAs have long been on the front lines of preventing and ending homelessness through permanent affordable housing. Over time, providing affordable housing has increasingly required serving extremely low-income populations, especially as our country experiences escalating housing rents coupled with the loss of deeply affordable housing units and HCVs. Despite these difficulties, PHAs and LRAs are able to use their local community expertise to take on new roles and access new programs and funding sources through partnerships and collaborations. Recent federal investments in programs such as HUD-Veterans Affairs Supportive Housing (VASH) demonstrate how PHAs’ dedicated commitment to housing with wrap-around services can make a major difference in reducing homelessness.
The Budget Control Act of 2011 and the tightening of funding resources it ushered in have severely impacted every housing and redevelopment agency across the country, limiting their ability to provide critical resident services, make needed improvements to their properties, provide assistance to additional families on their waitlists, engage in community development projects, and comply with the ever-growing list of regulations and reporting requirements. Recently, new unfunded regulations for HUD programs, such as the Affirmatively Furthering Fair Housing (AFFH) Rule, have increased cost and placed a greater administrative burden on state and local housing and community development (HCD) agencies. Unfortunately, affordable housing providers have been forced to reduce their staffing and many have been forced to give their voucher programs back to HUD because current HCV Administrative Fee Formula funding does not match the cost of program administration.

Small housing authorities have been particularly strained by the weight of government regulations. Small PHAs face a unique level and degree of federal oversight that is currently disproportionate to the risk presented by these agencies. Reform of HUD’s oversight and regulatory regime would reduce small agencies’ resource requirements for oversight and compliance activity, and allow them to spend more time and effort on their central missions. With reduced oversight, small PHAs would be better able to explore innovative approaches to assure the long-term viability and effectiveness of the portfolios they manage, and increase HUD’s efficiency. Small PHAs may also find it easier to tailor programs to fit local needs and preferences.

Reducing government oversight will require a combination of legislative and regulatory action. For example, PHAs are awaiting regulations from HUD allowing them to conduct triennial recertifications for fixed-income residents. This provision, which was included in the Fixing America’s Surface Transportation (FAST) Act of 2015, was signed in law in December 2015 and would greatly reduce administrative efforts for PHAs. HUD needs to be able to respond more rapidly to statutory changes from Congress that will reduce the administrative burdens faced by small PHAs.

Additionally, HOME and CDBG projects have stalled across the country due to recent steep funding cuts and increased administrative and regulatory requirements. These programs provide our members with critical gap financing for LIHTC projects, RAD conversions, and other affordable housing and community revitalization endeavors. Creating new housing infrastructure is additionally stunted by these regulatory burdens and the reduction of CDBG and HOME funding.

A robust and modern national housing policy is critical to begin addressing these challenges. HCD programs need to be updated, properly funded to meet current demand, and streamlined for efficiency. Local entities deserve a federal government and federal funding system that does not penalize effectiveness, efficiency, and innovation.

Preserving America’s Infrastructure: Our Public Housing Assets

Housing is a critical part of America’s infrastructure. As with much of our public infrastructure, our nation’s public housing stock is aging and in dire need of repair. The backlog of deferred maintenance to public housing was estimated to be at nearly $26 billion in 2010, and the annual accrual rate related to public housing capital needs is thought to be nearly $3.4 billion per year. It is estimated that we lose an alarming 10,000 units of public housing each year. PHAs need new and updated tools so they can continue to fulfill their duty to responsibly operate and maintain public housing. Residents in aging units face increasingly unhealthy and unsafe conditions. Deteriorating public housing also has a huge impact on the health of entire communities, as dilapidated buildings drag down real estate prices neighborhood-wide. Rehabilitating and rebuilding public housing creates jobs for local residents, puts money back into the local economy, and houses more people in need.

To make matters worse, the nation’s public housing stock is declining as housing needs in America are growing. The National Low Income Housing Coalition, for example, found that in order to afford a modest, two-bedroom apartment in the U.S., renters must earn a wage of $20.30 per hour, well above the federal minimum wage. Public housing therefore has been and remains today a critically needed safety net, but this irreplaceable resource is now out of reach for many of our most vulnerable citizens.
The Road Ahead Together

The Budget Control Act of 2011 has adversely impacted HUD staff. The ability of HUD to process RAD applications, expand the MTW program, move through rulemaking, assist communities that are now implementing the AFFH rule, as well as the ability to maintain field offices across the country has been severely strained by layoffs, retirements, and furloughs prompted by the spending cuts of the past five years. In addition to fully funding HUD programs, we also urge the administration to prioritize the staffing needs of departments such as HUD.

We support and encourage President-elect Trump’s interest in moving forward on a major infrastructure package that includes the housing infrastructure and community development needs of our nation. That said, we are also well aware of the political realities President-elect Trump and HUD will face. In the absence of a major infrastructure spending package or Congressional support for dramatically increased HUD funding, we recognize that HUD will have a limited ability to provide resources to our members and their communities. However, the essential work done by NAHRO, its members, and the entire HCD community would be vastly enhanced if funding levels in the administration’s first budget proposal could accurately reflect the needs of communities.

HUD invests from half to two-thirds or more of its level of effort on 10% of its units.

The next section of this transition document provides a list of policy recommendations that will allow agencies to work more efficiently and more cost-effectively. Some of these recommendations will not require additional appropriations or, in some cases, Congressional authorization. All of them will help our members better serve their communities. Many of our recommendations involve changes to regulations or reporting requirements. As funding for HUD programs has dramatically decreased, regulations and reporting requirements have increased, which has had a particularly strong impact upon small housing agencies. As an organization, we seek to strike the correct balance between protecting residents and their rights, and the budgetary and staffing reality that our member agencies face. Our members exist to serve their residents and their communities, but the excessive regulatory burden they face is impeding their ability to effectively and efficiently carry out their mission.

NAHRO and its members are optimistic that, together with HUD, we will move forward to improve the housing and economic self-sufficiency outcomes of the low-income families we serve. Furthermore, NAHRO looks forward to working with the new administration in finding solutions to the problems currently faced by HCD agencies. Much-needed administrative relief could come from the reintroduction and passage of, by way of example, the Small Public Housing Agency Opportunity Act of 2016 (H.R. 4816/S. 2292). This legislation would significantly ease administrative burdens and increase program flexibility available to smaller organizations operating the public housing program and/or the HCV program. H.R. 4816/S. 2292 would not only increase efficiency at small PHAs, but would also reform HUD’s oversight and regulatory regime. Recommendations included in these bills would also lessen resource requirements for oversight and compliance activity at the Department. A 2008 IBM report, commissioned by HUD, states that HUD spends too much time and money on oversight of small PHAs. According to the report, “HUD’s level of effort for small PHAs is grossly disproportionate to the level of risk, total units involved, and subsidy dollar volume . . . HUD invests from half to two-thirds or more of its level of effort on 10% of its units.” Some would argue that the problem lies in the number of small public housing agencies that exist, but this is not correct. The problem is the overly complex and burdensome rules and regulations they must follow. NAHRO hopes to see this and other legislation including S. 2962, which would increase the current LIHTC volume cap by 50 percent legislation, passed and signed into law by the same unanimous votes that passed the Housing Opportunity Through Modernization Act (HOTMA) of 2016. We will continue to provide HUD with valuable information from our members about what is needed to ensure the effective and efficient operation of PHAs and LRAs so that all Americans continue having access to safe, secure housing in viable and vibrant neighborhoods.

NAHRO’s strong, decades-long relationship with HUD places us in a unique position as a go-between for HUD and HCD organizations. NAHRO hears firsthand from our members about what is working and what is not working when it comes to operating HUD programs. This helps shape NAHRO’s legislative and regulatory agenda and allows us to relay specific programmatic and regulatory concerns to HUD staff. Our specific recommendations regarding current HUD programs and regulations follow. We hope these recommendations will be useful to the new administration.

1 HUD Commissioned Report on Small Agency Reform, “Rebalancing HUD’s Oversight and Small PHAs’ Regulatory Burdens,” conducted by IBM Business Consulting Services.
Moving Forward

POLICY POSITIONS AND PROGRAM RECOMMENDATIONS

This section includes a number of NAHRO’s program positions and recommendations. It is organized by HUD office, with a cross-cutting section that includes information on topics that impact multiple HUD offices.

Public and Indian Housing (PIH)

NAHRO urges HUD to ask Congress to support common-sense funding levels to maintain the investment our country has made in public housing for nearly 80 years. NAHRO focuses on the detrimental effects of continued underfunding for capital improvements and operations. Failure to address the ever-growing capital needs backlog will only lead to the loss of precious and irreplaceable housing stock and increased emergency health and safety concerns for residents.

NAHRO remains concerned about the previous administration’s decision to refederalize certain dollars in central office cost centers (COCCs). PHAs must be allowed to retain the flexibility of COCC funding that was the basis and justification of the HUD initiated Asset Management in Public Housing. In an environment of shrinking Federal resources, PHAs are required to be resourceful and innovative in serving low-income families with affordable housing resources. PHAs must continue to have COCC dollars fungible between Section 8 or Section 9 purposes, and continue to be allowed to use COCC dollars for the creation of affordable housing outside the scope of Section 8 and Section 9 programs. Any re-federalization of COCC dollars must not be retroactive.

NAHRO encourages HUD to continue to streamline the process for voluntarily creating consortia between PHAs. Many PHAs, small to large, have organically sought out new efficiencies through Memorandums of Understanding (MOUs), purchasing agreements, and voluntary consortia as allowed by law. Voluntary programs where PHAs can choose to work together and where they receive regulatory flexibilities that make this cooperation easier and more feasible is a laudable goal. The purpose of these programs should not be to reduce the number of PHAs, but rather to give PHAs the regulatory flexibility to work together—if it makes sense to do so based upon their local circumstances. The programs must, however, be voluntary. Small PHAs are, for example, in the best position to decide if working with other PHAs makes sense for them and their local communities. HUD should refrain from any mandatory consolidation of PHAs. The reorganization and streamlining of HUD’s regulations and HUD’s implementation of those programs is better than a top-down, one-size-fit-all reorganization of cities, towns, counties and their PHAs. Local communities, rather than the federal government, must determine when, if and how PHAs join together to implement programs.

NAHRO recommends that HUD employ a methodology that accurately captures current rental markets when calculating FMRs. HUD should use more timely data when calculating FMRs. While NAHRO appreciates the ease with which HUD can use the American Community Survey (ACS) standard tabulations, this data is not timely enough to support accurate FMR calculations. HUD should work to develop a method to incorporate more recent data into its published FMRs rather than continue to rely on PHA-funded studies to correct inaccuracies in FMRs.

HUD needs to provide additional dollar resources to PHAs to assist with mobility and mobility counseling if they expect PHAs to encourage residents to move to neighborhoods of “high opportunity.” HUD should also continue to promote both mobility and place-based solutions equally.
NAHRO urges HUD to ensure that each policy cohort contained within the context of the current expansion of MTW are afforded the flexibility and fungibility that have made the MTW program successful. The application process for agencies hoping to become MTW agencies must be as streamlined as possible to ensure PHAs can apply to the program without additional administrative burden.

NAHRO is concerned that the expansion of the MTW demonstration by 100 PHAs (from the current 39 to 139) will put considerable stress on HUD’s MTW office. In the short term, HUD must be responsive and available to provide technical assistance on the potential cohort policy provisions and the application process for PHAs that are interested in joining the ranks of current MTW agencies. In the long term, HUD must have the capacity to collect and analyze the required data from PHAs without placing an undue burden on the PHA that may skew the data being collected, specifically data on the cost savings of operating MTW.

NAHRO is concerned about HUD’s capacity to complete successful and streamlined RAD transactions, especially if the cap on conversions is lifted. More administrative capacity is required from HUD to increase their internal capacity for the RAD program if the current cap is lifted. NAHRO members that have undergone the RAD process have noted HUD’s internal challenges in completing a transaction and providing appropriate and timely assistance throughout the process. Standardizing the transaction and closing processes would remove many uncertainties faced by PHAs undergoing RAD transfers.

In order to restore the physical and financial health of public housing, NAHRO believes that PHAs should have access to a range of options from which to select the approach that best meets the needs of their properties and the families they serve. RAD is one tool in the PHA toolbox and is not a panacea to fix decades of underfunding. Although RAD works for some PHAs, it will not work for all PHAs, and HUD must continue to explore additional flexibilities for PHAs.

NAHRO encourages HUD to continue promoting and funding resident service partnerships. Many agencies have already developed formal or informal relationships with their local Continuum of Care, community organizations, and health and human services and mental health departments to bring homeless support services to their residents. PHAs have become a hub for not only housing but other resident services as well. While focusing on their core mission of providing decent, safe and affordable housing, many PHAs and LRAs have realized that providing or providing connections to additional resident services have provided their residents with increased opportunities for economic self-sufficiency. Additionally, PHAs/LRAs have the local knowledge essential to maximize the efficiency and the reach of public/private partnerships.

HUD should continue to expedite the processing of Section 18 Demolition/Disposition approvals and open the approval process so that more PHAs can utilize the program. This is especially critical when RAD is not a viable option for a PHA, or when PHAs are looking to use Section 18 in conjunction with RAD.

NAHRO recommends that HUD operationalize the subordination of the Declaration of Trust of Public Housing properties. This would unlock the value of public housing properties so that PHAs could raise capital necessary for modernization projects.

The Public Housing Mortgage Program (PHMP) is not widely utilized due to HUD guidance that prohibits a first lien position of dwelling units. This greatly impedes PHAs’ ability to utilize the Section 30 program, which was created by Quality Housing and Work Responsibility Act (QWHRRA) in 1998, almost 20 years ago. Considering that the nation’s public housing stock is currently in a precarious financial and physical situation, the ability to leverage the asset value of Public Housing under Section 30 should be an important resource for meeting the backlog of capital needs and preserving public housing for future generations.
NAHRO has many concerns about the implementation of SAFMRs and believes that a mandatory imposition of SAFMRs on certain metropolitan areas would have a deleterious effect on Housing Choice Voucher (HCV) program participants. All PHAs should have the option to voluntarily implement SAFMRs—including Project-based Vouchers (PBVs)—according to the needs of their local communities. NAHRO strongly believes that the mandatory imposition of SAFMRs has the potential to cost burden many current or future program participants.

HCV portability is an important tool that PHAs can use to help residents move to areas of higher opportunity. NAHRO appreciates HUD’s effort to streamline the voucher portability process but notes that additional streamlining is needed to maximize the flexibility of the HCV. The process must become less burdensome on our residents, outgoing and incoming PHAs, and HUD.

NAHRO appreciates HUD streamlining and coordinating the Section 8 Management Assessment Program (SEMAP) and Public Housing Assessment System (PHAS) systems for HCV and public housing. NAHRO does have concerns with current governance and program control indicators as these will be self-reporting indicators that will bring additional administrative burdens to PHAs. This goes against a HUD goal of not requiring additional information from PHAs. NAHRO appreciates HUD working towards a new data collection system PIH Information Center - Next Generation (PIC-NG) that takes advantage of current technology while working with the PHAs that must use it. This common sense and methodical approach will result in a system that is beneficial to HUD and PHAs by reducing administrative burdens and maximizing limited affordable housing resources.

Instituting a smoke-free public housing rule provides an example of how public housing is often held to a different standard than other federally-assisted housing programs. HUD has not imposed any other limitations on smoking in federally-assisted housing aside from public housing. Although the benefits to smoke-free housing are apparent, it seems unclear as to why PHAs are the only housing providers that would be required to meet these standards, especially in light of the historically low levels of funding for public housing. This regulation is unfunded and would require PHAs to cover all associated costs. Moving forward, it is critical that any new policies take into account the funding challenges faced by PHAs that impede their ability to implement and enforce new regulations.

NAHRO appreciates and commends HUD on using the Uniform Physical Condition Standard for the Voucher Program (UPCS-V) demonstration to develop the UPCS-V protocol and processes. The HUD team has shared information with us and has been receptive to input from PHAs and industry groups in developing UPCS-V. NAHRO continues to have concerns, particularly during the transition from Housing Quality Standards (HQS) to UPCS-V, with respect to the technology infrastructure that is required to move from a paper-based system to a hand-held electronic device- and app-based system. While many PHAs are already or have begun converting to an electronic inspection system, for all those that have not, there are significant costs and burdens to making this upgrade and additional funding resources will be necessary to have a fully electronic UPCS-V inspection system.
Community Planning and Development (CPD)

Despite the CDBG program’s proven track record, Congress continues to provide flat funding levels for the program. In fact, there has been a 25 percent decrease in funding since FY 2010. Meanwhile, the number of communities eligible for CDBG has grown, demonstrating the need for the program, but resulting in less funding to go around. HUD should support CDBG funding levels that reflect current program need.

HUD should refrain from proposing statutory program reforms that would strip or deny a community’s access to this critical funding source, such as imposing a funding threshold to receive CDBG funds or eliminating the current “grandfathering” provisions. Instead, programmatic changes that support the flexible and streamlined administration of CDBG funds include aligning the cycles for the submission of program plans and reports, as well as the cycle to qualify communities for CDBG, allowing grantees to form regional collaborations to achieve savings in administering their grants, and pool resources for strategic investment decisions.

The HOME program is a vital CPD program. Unfortunately, Congress has provided insufficient funding (48 percent decrease since FY 2010) for it while the nation’s affordable housing gap continues to widen. HUD should support HOME funding levels that reflect current program need and refrain from supporting statutory reforms and/or set-asides that would strip or deny a community’s access to HOME funding.

Recognizing the importance of effective local program administration, HUD should continue to support the statutory elimination of the HOME program’s 24-month commitment of funds requirement. The recent HOME rule requires grantees to secure all project financing prior to a commitment of funds, and the 24-month requirement has become a problematic and unnecessary interim step towards project completion prior to the statutory 4-year completion deadline. To support flexibility, HUD should support statutory changes that provide (PJs) without access to competent local Community Housing Development Organizations (CHDOs) the discretion to dedicate their CHDo set-aside to other local affordable housing entities with appropriate capacity.

NAHRO urges HUD to pursue rulemaking to address the HOME rule’s overly restrictive CHDO definition and capacity requirements, which are eliminating the development of affordable housing by small and rural CHDOs. Many PHA non-profit subsidiaries have a proven track record for developing affordable housing and HUD should reconsider its blanket prohibition of PHAs acting as CHDOs due to HUD defining them as a “governmental entity.” This prohibition also negatively impacts experienced nonprofits that administer HCVs with Annual Contribution Contracts (ACCs), since these organizations are statutorily considered to be a PHA.

NAHRO urges HUD to support sufficient funding of McKinney-Vento programs so that HUD programs can keep pace with the rising costs associated with renewing existing contracts for projects that homeless and at-risk families have come to rely on.

Local communities are in the best position to determine how to address the needs of the homeless within their jurisdiction. HUD should ensure that the Continuum of Care program’s coordinated entry requirements, which we believe is pending publication, is not a one-size-fits-all regulation. HUD should continue to support the coordination between PHAs and local homeless assistance providers, which would meet local needs. The recent passage of Housing Opportunity Through Modernization Act (HOTMA), which includes a provision that allows Emergency Solution Grants funds to be sub-awarded to PHAs, is a step in the right direction.

NAHRO believes that HUD should implement intra-departmental regulatory or administrative changes to require the Department to execute CPD formula grant agreements no later than 30 days from the date on which the Annual Action Plan is approved. CPD formula grantees must submit Annual Action Plans no later than 45 days before the start of a grantee’s respective program year start date. If the submitted plan is not denied by HUD, it is considered to be approved upon the expiration of the 45-day review period. There is no deadline for when HUD must execute grant agreements once plans are approved and many grantees are frustrated with HUD’s lack of timeliness in executing grant agreements after the 45-day review period.
NAHRO urges HUD to implement provisions found in the HOTMA, either through guidance or rulemaking, as quickly as possible. NAHRO's members have noted specific provisions, including permitting HQs inspections after lease-up and increasing the cap of Project-based Vouchers allowed for PHAs as being especially helpful. NAHRO recommends HUD release guidance on those provisions so that PHAs may begin implementation as quickly as possible.

NAHRO urges the Department to ensure that the regulatory and programmatic requirements of HUD's affordable housing programs remain compatible with the LIHTC program. It is also important for HUD to urge Congress to pass legislation, such as the Affordable Housing Credit Improvement Act of 2016 (S. 2962), that would greatly expand and strengthen the LIHTC program so that HUD grantees will have more access to resources during this low funding environment.

PHAs are a key partner with local school districts, childhood education groups, and resident families. NAHRO believes that schools need a 24/7/365 partner and understands that PHAs and LRAs are uniquely positioned to fill this role. NAHRO is committed to ensuring that children living in housing properties in the communities that NAHRO serves are set up for success in schools — by arriving ready to learn, maintaining consistent attendance and gaining access to enrichment over the summer so they don't fall behind. HUD currently coordinates and participates in a substantive and informative monthly meeting between federal agencies and affordable housing partners. NAHRO encourages HUD to continue this positive dialogue.

NAHRO, along with our industry partners, urge HUD to propose additional funding in its FY 2018 budget request, so that states, local jurisdictions and PHAs may have the resources to develop, complete and begin to implement their Assessment of Fair Housing (AFH) plans.

NAHRO believes that the small program participant inserts proposed in the AFH Tools should be further simplified, due to the limited resources and capacity that these participants have. NAHRO also asks for the qualification threshold for the Qualified Public Housing Authority (QPHA) insert be increased to 2,000 total housing units, and the qualification threshold for the small local government insert be raised to include communities that received CDBG allocations at or below $1,000,000. By increasing these thresholds, hundreds of additional grantees and PHAs would gain the opportunity to conduct their AFH with a tool that is far less administratively burdensome.

Additionally, NAHRO urges HUD to develop an interface in the Integrated Disbursement and Information System (IDIS) so that grantees may efficiently transfer Assessment Tool data into their Consolidated Plan and Annual Action Plans. This is an important integration that should be developed immediately.

In light of the numerous new and updated program regulations and notices issued during the previous administration, HUD must focus resources to provide detailed technical assistance on these regulations and notices. This technical assistance should include how the regulations and notices interact and affect each other. For example, NAHRO encourages increased technical assistance on the following topics: AFFH, MTW Expansion Applications, HOTMA provisions, smoke-free public housing, Lead-safe housing, and UPSCS-V.
NAHRO’s Policy and Congressional team members are available to discuss and provide additional innovative examples of PHAs working and partnering to create economically viable communities.

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