



TRANSITION 2021: ADMINISTRATION AND CONGRESSIONAL PRIORITIES

NAHRO: Who Are We?

The **National Association of Housing and Redevelopment Officials** (NAHRO) is the nation's oldest and largest housing and community development membership association. We advocate for quality affordable housing and the creation of resilient communities. Our members include public housing authorities (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.

NAHRO's 20,000 members are diverse and work in urban, rural, and suburban America. Collectively, our membership manages over 970,000 public housing units, 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. Our members also own and administer units subsidized by the project-based rental assistance program, and serve as project-based contract administrators on behalf of HUD. They develop housing and respond to local community development needs. They also include private and non-profit business partners who work with agencies to advance their mission.

NAHRO educates and engages professionals in housing, community development, finance, government, and social services. 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.

NAHRO and its members are optimistic that, together with HUD and other federal agencies key to our members work, 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 localities. We will continue to provide HUD with invaluable information from our members about what is needed to ensure the effective and efficient operation of PHAs and LRAs so that all families continue having access to safe, secure housing in viable and vibrant neighborhoods.

How NAHRO Members Serve Their Communities

House Families Across the Country

PHAs own and operate one million units of federally subsidized public housing, providing affordable housing to families, the elderly, people with disabilities, and veterans. In total, 31 percent of public housing households include seniors, 31 percent include individuals with disabilities and 50 percent include families. They also own and/or operate LIHTC units and units subsidized by the Section 8 project-based and project-based rental assistance programs.

Partnering 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 1,250 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 leverages \$4.09 for every \$1 of federal investment and has invested over \$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 1.31 million affordable homes. HOME has also provided rental assistance to over 369,000 families, supported nearly 1.8 million jobs, and generated almost \$118 billion in local income.

Distribute Rental Assistance

PHAs also administer the Housing Choice Voucher Program, 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

Housing agencies now regularly co-develop or self-develop low- and moderate-income housing. They use several development tools, including the Low-Income Housing Tax Credit (LIHTC) which 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 vital financing component for many of the HUD programs that NAHRO members are engaged in, including: the Rental Assistance Demonstration (RAD), Choice Neighborhoods, and HOME.

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. Over recent years, PHAs have been economic and community hubs as they have purchased failing or abandoned property including hotel properties. They have rehabilitated these properties into community-based employment opportunities while creating new affordable housing.

Our members have also moved to fulfill more than just the housing needs of their residents. For example, PHA's and LRA's 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.

Help People Thrive

Housing affordability is key to sustaining a vibrant economy, but access to quality affordable housing has the potential to achieve so much more: it is also a platform to improve life outcomes. Housing is a social determinant of health outcomes as evidenced not only by multiple studies and research finding, but also the important role housing played during the current public health crisis. A recent Public and Affordable Housing Research Corporation report noted that "housing instability is estimated to cost \$111 billion in avoidable healthcare costs over the next ten years." Subsidized housing also impacts educational and income outcomes. A National Bureau of Economic research working paper shows that each additional year a teenager lives in public housing can raise their earnings as young adults by up to 7.1 percent; and by 7 percent should they live in a unit subsidized by a voucher. Indeed, housing simply matters and a visit to Urban Institute's Housing Matters [portal](#) supplies the evidence.

Ending 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 a PHA's dedicated commitment to housing with wrap-around services can make a major difference in reducing homelessness.

The Road Ahead Together

Invest in HUD

The ability of HUD to process RAD applications, expand the MTW program, move through rulemaking, assist communities that are now reimagining fair housing, as well as the ability to maintain field offices across the country has been severely strained by layoffs, retirements, and restructuring 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.

Housing is Infrastructure

We support and encourage 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 the Administration 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 that NAHRO, its members, and the entire HCD community does would be vastly enhanced if funding levels in the administration's first budget proposal could accurately reflect the needs of communities.

This transition document provides a list of NAHRO policy priorities and 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. As funding for HUD programs has not kept up with the demand for affordable housing, PHAs have been forced to do more with less, 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.

A Post-Pandemic Housing Agenda

The COVID-19 / Coronavirus pandemic has stretched resources for Public Housing Authorities (PHAs), community development departments and local redevelopment authorities (LRAs), residents, and Section 8 landlords to the maximum. While Congress has allocated some initial relief funds, the Coronavirus pandemic has only intensified an already staggering need for stable, healthy, and affordable housing.

The history-making increases in unemployment caused by the coronavirus pandemic have led to an increase in housing insecurity and may lead to unprecedented levels of homelessness in the United

States if we do not act. The 2019 HUD Homelessness Report to Congress documented that homelessness increased by 2.7 percent from the previous year with 568,000 persons experiencing homelessness. In a recent study, Columbia University economics professor Dr. Brendan O’Flaherty drew the connection between unemployment and homelessness estimated that with a 16% unemployment rate, homelessness could increase by almost 250,000 people. This means the homeless population in the United States could grow to more than 800,000 people¹.

The social costs of the pandemic will aggravate an already challenging affordable housing problem. A 2020 Urban Institute report states that, for households that qualify for federal housing assistance, only one out of five of those households received assistance². It is clear that an affordable housing and housing supply crisis existed prior to the first wave of lay-offs and furloughs that cut deep into the working and middle class, and triggered federal, state, and local eviction moratoria.

We were experiencing an affordable housing and housing supply crisis prior to the first wave of layoffs and furloughs that cut deep into the working and middle class triggering federal, state, and local eviction moratoria, “stimulus” payments across the country, and a \$600 bonus in unemployment payments.

According to HUD’s 2019 Worst Case Needs³ report, 7.7 million unassisted renter households with low incomes pay more than 50% of their income on rent or live in severely inadequate conditions. This demonstrates the already embedded, level of housing insecurity that existed prior to the pandemic. Furthermore, according to the National Low Income Housing Coalition, on average a worker earning the federal minimum wage of \$7.25/hour must work 127 hours each week to afford a 2-bedroom rental unit. The persistent shortfall in new housing supply is compounding housing affordability pressure across the country. Harvard’s 2019 *State of the Nation’s Housing* reported that, which there have been some gains since the Great Recession, we are still experiencing some of the lowest annual production rates since 1982⁴. Additionally, the Urban Land Institute estimates the current production of new affordable multifamily units, 100,000 annually, is not enough to meet existing needs⁵.

Recent protests across the country have also called needed attention to gross racial and ethnic inequities -- inequities that were exacerbated and exposed by the pandemic. Using data from the Census Bureau’s Household Pulse Survey, the Urban Institute found that people of color are more likely to experience housing instability in the future. About 25% of Black and Latino renters who

¹ *Analysis on Unemployment Projects 40-45% Increase in Homelessness This Year*, Community Solutions, <https://community.solutions/analysis-on-unemployment-projects-40-45-increase-in-homelessness-this-year/>, May 11, 2020.

² *How Much Assistance Is Needed to Support Renters through the COVID-19 Crisis?*, Urban Institute, https://www.urban.org/sites/default/files/publication/102389/how-much-assistance-is-needed-to-support-renters_1_1.pdf, June 2020

³ *Worst Case Housing Needs 2019 Report to Congress*, <https://www.huduser.gov/portal/sites/default/files/pdf/worst-case-housing-needs-2020.pdf>, June 2020

⁴ *The State of the Nation’s Housing 2019*, Joint Center for Housing Studies of Harvard University, https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_State_of_the_Nations_Housing_2019.pdf, 2019

⁵ *Preserving Multifamily Workforce and Affordable Housing: New Approaches for Investing in a Vital National Asset*, Urban Land Institute, <https://uli.org/wp-content/uploads/ULI-Documents/Preserving-Multifamily-Workforce-and-Affordable-Housing.pdf>, 2015

responded to the survey did not pay or deferred rent in May compared with 14% of white renters, and nearly 50% expressed concerns about June's rent compared with 25% of white renters⁶.

The nation's public housing agencies (PHAs) and community development departments and local redevelopment authorities (LRAs) are on the front lines in addressing local affordable housing needs. PHAs and CDAs are ready and able to assist their local communities and families find stability in affordable housing. Funding and creativity during and after the coronavirus pandemic are needed so PHAs and CDAs can devise housing solutions that meet short-term and long-term local needs.

It is NAHRO's goal to advocate for additional resources and common-sense changes to existing housing programs so that housing agencies have the fundamental tools they will need to create long-term housing solutions. We need solutions that can be scaled to respond to housing insecurity pre- and post-pandemic, to create vibrant, resilient communities, and to use housing as one path towards racial equity. Families need immediate access to rental assistance and housing agencies need additional stopgap funding, and we have advocated for both.

Increase Housing Supply and Improve Affordability

New Housing Construction

Since 1999, almost 300,000 permanently affordable units were removed from the inventory of public housing units. The significant affordable housing crisis that we face has been exacerbated by the impacts of COVID-19 and permanently affordable housing must be part of the solution. As such, NAHRO recommends Congress fund the construction of 300,000 new units of permanently affordable housing across the country. Once these units are built, the PHA may make the units available at affordable rents that meet local needs and/or subsidize units with tenant-based rental assistance, project-based rental assistance, public housing subsidy, or a state or local housing subsidy. **The Administration and Congress must support new housing construction so that PHAs can construct these desperately needed housing units.**

Increase Rural Housing

Housing affordability is one of the most pressing challenges in rural communities. Faced with an aging housing stock and limited rental properties, an increase in safe, affordable rural housing is critical. In order to increase affordable housing in rural America, access to capital for new construction and preservation of the existing affordable housing stock is required. Rural areas often struggle to obtain Community Development Block Grant (CDBG) dollars or Low-Income Housing Tax Credits (LIHTC). As such, increasing rural access to capital through Duty-to-Serve and the Community Reinvestment Act (CRA) is essential. Currently, there are over 13,000 affordable rental properties

⁶ *New Data Suggest COVID-19 is Widening Housing Disparities by Race and Income*, Urban Institute: Urban Wire blog, <https://www.urban.org/urban-wire/new-data-suggest-covid-19-widening-housing-disparities-race-and-income>, June 2, 2020

financed by USDA across rural America providing homes to more than 400,000 families. Increased funding for the USDA Section 515 Rural Rental Housing program for new construction can help house even more families. Many existing USDA properties are reaching the end of their affordability period as mortgages of the properties mature. Increased funding for the Preservation Revolving Loan Fund (PRLF) will allow these properties to remain affordable in the future. **The Administration and Congress must support increased funding, flexibilities, and collaboration between the critical affordable housing programs for America's rural communities.**

Affordable Housing Tax Credit

Since 1986, the Low-Income Housing Tax Credit (Housing Credit) has financed the development of over 3 million apartments, providing affordable homes to more than 7 million low-income families. The development of these apartments has supported 3.6 million jobs, generated \$344 billion in local income, and \$135 billion in federal, state, and local tax revenues⁷.

Strengthening and streamlining the Housing Credit is critical to meeting the affordable housing need. Working together with other resources such as the HOME Investment Partnership program, not only does the Housing Credit build new affordable units, it also is key to the preservation of existing affordable units in many communities across the country. **The Affordable Housing Credit Improvement Act must be enacted into law as it increases the Housing Credit allocation by 50 percent, permanently sets the four percent Housing Credit rate, and further strengthens and streamlines the program.**

New Permanent Voucher Assistance

The Housing Choice Voucher (HCV) program is greatly underfunded and should be expanded to cover every qualified individual. As stated earlier, the Coronavirus pandemic has only increased the need for affordable housing. With only one in five eligible households receiving rental assistance, a significant and bold investment must be made.

In addition to increased voucher funding (including full funding for administrative fees), there must be services provided with the HCV program. These services will allow program participants to effectively find and lease units in neighborhoods of their choice, irrespective of age or disability.

Services should include the following:

⁷ *The Housing Credit*, Affordable Housing Tax Credit Coalition, <https://www.taxcreditcoalition.org/advocacy/the-housing-credit/>, July 2020

- Search assistance (including help preparing rental documents, information about neighborhoods, help identifying units, and connecting with landlords),
- Increased landlord engagement (including explaining the program to landlords, a damage mitigation fund, and an expedited inspection and lease-up process, etc.), and
- Short term financial assistance (including funds for application screening fees, security deposits, other financial impediments, etc.).

The Administration and Congress must support an additional 8.2 million new permanent Housing Choice Vouchers, their administration, and services to ensure families find and maintain housing, and assist agencies in providing other services that will help families and seniors thrive.

Source of Income

Being able to use a Housing Choice Voucher is equally as important as increasing the number of vouchers. More than 110 states, counties, and cities have enacted Source of Income (SOI) laws that treat federal and local rental assistance as a protected source of income. Making it unlawful for landlords to refuse to rent to a family because they participate in the Section 8 Housing Choice Voucher program. Source of income protection increases the available local housing units and increases housing options by opening high-opportunity areas. **The Administration must request, and Congress must enact national source of income legislation so that current and new Housing Choice Vouchers can be used fairly across the country.**

New Housing Monthly Subsidy

There have been 286,367 public housing units that have gone offline since 1999, predominantly through public housing repositioning. As such, NAHRO recommends Congress fund the monthly operating subsidy of new housing units for low-income families up to the 1999 level of units. Applying the lessons learned from several decades of administering low-income units, these units would be sited in environmentally safe locations with the goal of promoting thriving, diverse communities. These 286,367 units of new permanently affordable housing across the country will provide safe and healthy homes to more than 600,000 low-income people, and for them to remain permanently affordable and well maintained, a monthly operating subsidy is required. HUD data show that the average monthly subsidy for a public housing unit is \$640⁸. **The Administration and Congress must support and provide the subsidy to operate these units.**

⁸ HUD *Picture of Subsidized Households*, 2019 Based on 2010 Census, U.S. Total, Public Housing, Average HUD Expenditure per month, <https://www.huduser.gov/portal/datasets/assthsg.html>, July 9, 2020.

Preserve Our Units and Communities

Public Housing Capital Fund

Chronic underfunding of the Public Housing Capital Fund program has placed the inventory at risk, and Capital Fund appropriations lag dangerously behind accruing modernization needs. In 2010, the national Public Housing Capital Needs Assessment showed that the total backlog for public housing capital funding was \$26 billion with a projected growth rate of approximately \$3.4 billion per year. The report, further, noted that each year the cost of the backlog compounds at a rate of 8.7 percent due to inflation and the increased cost of addressing deferred maintenance. As a result, even when accounting for other federal capital programs like the Choice Neighborhood Grants and Rental Assistance Demonstration (RAD), **NAHRO estimates and asks Congress to fund the Capital Fund backlog at \$70 billion⁹.**

Community Development Block Grant – Disaster Recovery

The Community Development Block Grant Disaster Recovery (CDBG-DR) program provides extremely needed funds to hard-hit States, cities, and counties but the process for gaining access to those funds can be cumbersome and varied from disaster to disaster. PHAs and their local government partners are instrumental to the economic revitalization and long-term recovery through the redevelopment of housing infrastructure. CDBG-DR funds are used to mitigate future damage and make the community's infrastructure more resilient. The process to determine eligibility and distribution of the CDBG-DR program funds must not be complicated and complex but rather clear and concise. **The Administration must request, and Congress must enact streamlined and focused statutes, regulations, and guidance on the CDBG-DR programs so that these funds can quickly reach the local communities in need.**

Stabilize Families

Full Funding for Affordable Housing Programs

The Administration must request, and Congress must provide full funding of affordable housing and community development programs that — by meeting the needs of local communities — strengthen the country's resolve. **The Administration and Congress must commit to support full funding for the Public Housing Operating and Capital Fund, support full funding for the HCV program and the program's administrative fees, support responsible funding for the renewal of Section 8 multi-family Project-Based Rental Assistance (PBRA) contracts, protect and increase funding for the HOME Investment Partnerships Program (HOME) and the Community Development Block Grant (CDBG), support the full capitalization and implementation of the Housing Trust Fund, and support full funding for homeless assistance programs.**

⁹ NAHRO Capital Fund Backlog One-Pager, https://www.nahro.org/wp-content/uploads/2020/04/CAPITAL_FUND_BACKLOG_One-Pager.pdf, 2019

Alleviate Food Insecurity

Low-income families across the country confront food insecurity and food deserts daily. PHAs and Community Development Agencies look to help families have the food they need by partnering with local non-profits and local governments. These partnerships have led to bringing food pantries to the resident that need them most and have also led to community gardens that not only grow needed vegetables, but teach about healthy nutrition, land stewardship, and environmentally sustainable growing methods. While these projects are successful, they only scratch the surface of the need many low-income families have. COVID-19 has only made food insecurity worse and action is required. HUD rules for the use of funds, especially in the Public Housing and Housing Choice Voucher programs, unreasonably restrictive in allow fund to be used for food. **The Administration must advocate for and Congress must pass increased resources and flexibilities for PHAs and Community Development Agencies to help eliminate food insecurity for low-income families and their children. The Administration should also encourage HUD and the Agriculture Department to work together to end food insecurity in subsidized housing.**

Native American Communities

Native Americans in the United States experience higher rates of substandard housing and overcrowded homes than other Americans. Additionally, homelessness is far more common in Native American communities. More than 37,000 new homes have been built since the Native American Housing and Self Determination Act (NAHASDA) was enacted. **The Administration must advocate for and Congress must pass increased funding for Native American Housing programs to meet the need for decent, safe, and sanitary housing in Native American communities, in addition to reauthorizing the Native American Housing and Self Determination Act (NAHASDA).**

COVID-19 Housing Assistance Payments

COVID-19 has not only hit tenants of all income levels hard but landlords of all size as well. The pandemic has caused tenants, at no fault of their own, to be unable to pay their rent and this also means the rental property owners are not receiving the income they desperately need. Both tenants and landlords are desperate to get back on to solid footing. NAHRO has developed a HUD streamlined rental assistance program: ***COVID-19 Housing Assistance Payments (C-HAP)***, see attached details, that takes advantage of the almost 2,200 local PHAs across the country that have built relationships with their community tenants and landlords. NAHRO's C-HAP program provides tenants access to funds for unpaid rent and a portion of future rent due to the impact of COVID-19. Landlords will be paid directly by their local PHA based of the tenants and landlords past due and future rent requests. This program mitigates the impact of COVID-19 on both tenants and landlords and resets their rental relationship. **Congress must fund and the Administration must implement the *COVID-19 Housing Assistance Payments (C-HAP)* program to ensure that landlords continue to provide, and tenants continue to have access to housing that meets their needs.**

Mixed Immigration Status Families

The Department of Housing and Urban Development is in the process of creating a rule which would deny housing assistance to families with mixed immigration statuses in their household. In those families where the parents are undocumented migrants and the children are citizens, this proposed rule would end assistance, needlessly penalizing children. The current rules allow for a proration of assistance depending on the number of family members that are American citizens. The Department should not continue the rulemaking process for the rule titled “Housing and Community Development Act of 1980: Verification of Eligible Status.” **The Department must stop the publication of this rule in its final form and maintain the current status quo, which provides assistance to citizens without being unnecessarily punitive.**

Housing and Equity

From Ideas to Action

NAHRO has been on the forefront of elevating conversations and engaging members around equity and inclusion for years. This practice of delving into critical, sometimes uncomfortable, topics was embedded into our conferences and ultimately evolved into the creation of NAHRO’s Diversity, Equity, and Inclusion Advisory Committee in 2017.

In 2020, NAHRO’s Board of Governors updated the association’s goals by vowing to advance diversity, equity, and inclusion as crucial to healthy communities. This commitment was reinforced this past summer during the historic social unrest that magnified issues around racial justice.

Today, NAHRO leadership is framing the key areas where it believes the work of its members and equity intersect: access to housing, advancing homeownership, and helping families and communities of all sizes thrive through education and access to health and wellness resources. This organization-wide priority will be advanced through a grant from the Wells Fargo Foundation which will seek to bridge the gap between the rich body of research on housing and equity with the work of housing practitioners. NAHRO is excited to take on this journey.

Affirmatively Furthering Fair Housing

NAHRO remains committed to following through on the promise of the Fair Housing Act and the duty to affirmatively further fair housing (AFFH). To create a workable process that delivers results while appropriately balancing the goals of the Fair Housing Act, NAHRO believes that there are certain principles that HUD should consider.

NAHRO believes that HUD should not penalize entities on impediments to fair housing that remain outside the scope of the entities’ control. The Department should also consider funding concerns faced by housing agencies, including lack of full funding in the public housing program and limitations

on voucher resources. The Department should also seek to strike a balance between place-based solutions and mobility as mechanisms to further fair housing, and take into consideration good faith efforts to affirmatively further fair housing.

HUD should also consider providing resources to entities so that they may more effectively further fair housing in their jurisdiction. This includes partnering with outside organizations to provide free technical assistance to entities looking to tackle impediments to fair housing that may exist within their community and issues related to diversity, equity, and inclusion. HUD should also partner with other federal departments, including the Department of Education, Justice, and Transportation to provide more comprehensive data and information to local communities so that they may better understand impediments to fair housing within their community.

In 2020, NAHRO called on HUD to withdraw its final AFFH rule, and we stand ready to work with HUD in 2021 in developing a new outcome-focused rule that advances the intent of AFFH.

Access to Opportunity and Economic Mobility

The pandemic has exposed the need for more resiliency in communities across the country (See the Center for Budget and Policy Priorities' *Tracking the COVID-19 Recession Effects*). PHAs and community development entities are well-positioned to help make this happen. The Family Self-Sufficiency (FSS), Jobs Plus, Resident Opportunity and Self Sufficiency (ROSS) programs and Section 3 help agencies provide residents with important supportive services, resident empowerment activities, and economic upward mobility. These programs allow PHAs to develop local approaches for residents to increase earnings, advance employment outcomes, save money, and start their own businesses. Community Development Block Grants (CDBG) are also important resources that provide critical community amenities that support thriving neighborhoods and families, such as health care centers, business incubators, quality educational and after-school programming, and other community determined needs. As the country reopens and residents who lost their employment due to the pandemic look to reenter the job market or explore new paths for themselves, these programs will provide welcomed assistance. **The Administration must request, and Congress must provide additional program streamlining and funding to FSS, ROSS, Jobs Plus, and CDBG programs so that PHAs and CDAs can strengthen the programs and serve more residents.**

Continue to Improve the Accuracy of Fair Market Rents

The Department of Housing and Urban Development should continue to improve the accuracy of Fair Market Rents (FMRs). While a variety of programs use the FMRs, they are crucial to the proper functioning of the Housing Choice Voucher program. Without accurate FMRs, voucher recipients will be unable to use their vouchers to find homes. This particularly a problem in metropolitan areas where rapidly rising rental prices may not be properly factored into the calculation of FMRs.

The Department must continue to refine its trending forward methodology to accurately capture on the ground rental prices, especially in metropolitan areas with rapidly increasing rental prices. The

Department should also continue to investigate other national datasets to be used in calculating FMRs. Finally, the Department should think about regulatory flexibilities in how PHAs set payment standards to help ensure families succeed in using their vouchers.

Ensure Internet Access for Families

The Department of Housing and Urban Development has the regulatory power to ensure that utility allowances cover the costs of accessing the internet. In the twenty-first century, internet access is as much a basic utility as electricity and water. With the coming of the COVID-19 pandemic, the need for national internet access for every family has become more acute.

The Department must use its regulatory authority to allow PHAs to incorporate costs of internet connectivity into their utility allowances, if they choose, in both their Public Housing and Housing Choice Voucher programs. Alternatively, the Department should think creatively about other methods of ensuring that each assisted family has meaningful access to the internet.

Progress, not Paper!

Permanent Program Flexibilities

The CARES Act has provided HUD with broad and sweeping statutory and regulatory waiver authority to allow PHAs to quickly meet the changing conditions on-the-ground. HUD has waived and relaxed several Public Housing and Housing Choice Voucher program statutory and regulatory requirements and is discussing additional waivers. PHAs and CDAs are using these waivers to serve residents and their community with speed and efficiency. These agencies, particularly smaller agencies, will need continued flexibility to focus on outcomes.

Re-imagined inspection protocols, document requirements for tenants, and reporting needs will help agencies in the future, just as they are helping them now during the pandemic. The current tenant rent calculation structure must also be modernized to remove confusion and complexity. Let us use this moment to refocus on what matters to families: access to quality, affordable housing, strong communities, and hope. **Congress and HUD must provide streamlined program oversight that allows PHAs and CDAs to be nimble and responsive to their community while diligently protecting precious federal funds.**

This is a watershed moment. It is time for bold, actionable, and resourced ideas -- ideas that, when actualized, will stem the long-term impact of our current public health crisis. It will require the political fortitude of the federal government and the innovation of localities. **The time to act boldly is now!**



HUD Streamlined Rental Assistance: COVID-19 Housing Assistance Payments (C-HAP)

Funding Grantor

- U.S. Department of Housing and Urban Development, Office of Public and Indian Housing.
- Funding allocated and distributed, in single lumpsum, within 30-days of bill enactment.

Funding Grantee

- Housing Choice Voucher program grantees.
 - 2,197 state and local housing agencies. (HUD Geospatial Data)
- If local grantee refuses grant, grant amount and jurisdiction transfer to balance of state HCV program.
- Programs accepting tenant and landlord requests within 60-days of bill enactment.

Grant Amount Distribution

- Equal distribution within PHAs grouped by PHA size by number of HCV.

PHA (HCV) Size	# of PHAs	# of HCVs	% of HCVs	\$ to PHA per \$100	\$ to PHA per \$10B	\$ to PHA per \$100B
Extra Large	97	1,227,599	46.96%	\$0.48412	\$48,412,371.13	\$484,123,711.34
Large	417	870,576	33.30%	\$0.07986	\$7,985,611.51	\$79,856,115.11
Medium High	657	375,146	14.35%	\$0.02184	\$2,184,170.47	\$21,841,704.72
Medium Low	644	119,235	4.56%	\$0.00708	\$708,074.53	\$7,080,745.34
Small	238	17,370	0.66%	\$0.00277	\$277,310.92	\$2,773,109.24
Very Small	144	4,095	0.16%	\$0.00111	\$111,111.11	\$1,111,111.11
Totals	2,197	2,614,021	99.99%	\$0.04551	\$4,551,206.19	\$45,512,061.90

Grant Administration

- 10% of grant allowed for administration of program.
 - Tracking system
 - Application processing
 - Check processing
 - Quality control

Program Payments

- Past Due Rent
 - Tenant
 - 100% of rent arrearage due to COVID-19. Paid to landlord.
 - No late fees or penalties paid on past due rent.

- Landlord
 - 100% of verified/certified tenant rent arrearages due to COVID-19.
 - No late fees or penalties paid on past due rent.
 - Multiple tenants allowed in single transaction.
 - Paid to landlord.
- Future Rent
 - Tenant
 - Up to 75% of rent. Paid to landlords on monthly basis.
 - 6 months or end of current lease whichever is shorter.
 - May reapply after initial term if funds remaining.
 - Landlord
 - Not Eligible

Participant Eligibility

- Tenant
 - Working prior to COVID-19.
 - Loss of employment or decrease in income due to decrease in hours due to COVID-19. (Layoff letter, pre and post paystub showing loss of hours)
 - For future rent program, monthly certification / verification of continued loss of employment or decrease in income due to decrease in hours due to COVID-19. (Layoff letter, pre and post paystub showing loss of hours, tenant certification)
 - Primary residence. (Tenant certification)
 - Currently in arrears on rent due to landlord. (Landlord certification)
 - Waiver of late fees and penalties on past due rent. (Landlord certification)
 - Landlord address and taxpayer ID number. (Landlord certification)
 - Landlord certifies decent, safe, and sanitary unit condition. No unit inspection required. (Landlord certification)
- Landlord
 - Tenant rent arrearages due to COVID-19. (Landlord certification)
 - Waiver of late fees and penalties on past due rent. (Landlord certification)
 - Tenant's primary residence. (Landlord certification)
 - Landlord address and taxpayer ID number. (Landlord certification)
 - Landlord certifies decent, safe, and sanitary unit condition. No unit inspection required. (Landlord certification)

Program Oversight

- Funding accounted as a standalone program.
- Track payments by Tenant, Landlord, and Address.
- Landlord certification.
- Tenant certification.
- PHA Quality Control.