



ARIZONA HOUSING AND COMMUNITY DEVELOPMENT

2014 LEGISLATIVE AGENDA

Presented by:

Arizona Chapter of the
National Association of Housing & Redevelopment Officials and

The Arizona Housing Authority Director's Association

CONTINUE THE MOMENTUM: FUND OUR PROGRAMS

What is at risk?

Preservation of Program Intent and Integrity

Reduced ability to help the most vulnerable gain access to housing. Decreased capacity for fraud detection. Decreased ability to comply with regulations required for program integrity.

Revitalize Community and Economic Development Programs

The Community Development Block Grant (CDBG) program empowers states and local governments to create jobs to strengthen and improve the quality of life for low and moderate income Americans.

Sound Business Operations

Unstable funding translates into inability to effectively plan, inability to properly maintain our properties, reduces our ability to serve families in need.

Human Potential

Housing is the essential ingredient in helping kids, families, vets and people with disabilities achieve their full potential. Kids are the biggest victims. The stress of poverty and not having a home directly contribute to a widening gap in educational achievement.

Preserve and Revitalize Housing and Community Development Programs Budget before the start of the fiscal year

Housing and Community Development agencies manage with tremendous unknowns, which forces conservative spending, which shrinks the customer base, which shrinks the following year funding. Future appropriations depend on how fully we use the previous year's funding and since funding notices are usually late and erratic, there is no way to plan ahead. The 2014 Budget begins to address these issues. However, to preserve, revitalize and expand affordable housing in our communities, full funding is essential.

- The funding level for ongoing administrative fees for the Section 8 Housing Choice Voucher program be set at no less than \$1.525 billion.
- Fully fund Housing Assistance Payment contract renewals.
- Fund Public Housing as close as possible to 100% of operating subsidy eligibility, no less than \$4.5 billion.
- Provide funding of at least \$1.985 billion for the Public Housing Capital Fund.
- Allow the provision directing HUD to "provide flexibility to public housing agencies to use excess operating reserves for capital improvements" to carry forward
- Establish protected capital reserve accounts for PHAs to responsibly plan for future needs.

Housing Choice Voucher and Public Housing Deregulation

Permanently enact sensible legislative reforms for the Section 8 tenant-based program for more efficient use of program funds. Urge HUD to make permanent the deregulation notices issued in 2013, and to seek for additional ways to ease the regulatory burden.

- Pass the Small Housing Authority Reform Proposal. (SHARP). This bill significantly eases administrative burdens and increases flexibility for small agencies. Many of the actions taken by HUD to date are minimal and have not significantly eased the administrative burden of the Public Housing or Housing Choice Voucher Programs.
- Enhance incentives for energy efficiency upgrades, and make these fully accessible to small agencies.

Desert Leaf Apartments

A complex team of Arizona housing and service providers partnered to rehabilitate 18 units of permanent supportive housing. Permanent supportive housing is an innovative and proven solution that combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity. Applicants must be at or below 30% of area median income and homeless. The partners included a unique collaboration between the cities of Phoenix and Mesa, HOM Inc, Magellan Health Services of Arizona, Desert Leaf Cottages and Marc Community Resources.

Expand the Supply of Affordable Housing

According to the National Low Income Housing Coalition's, *The Shrinking Supply of Affordable Housing*, Arizona has only 20 affordable units available for every 100 extremely low income renters.

While the economy is slowly climbing out of the foreclosure crises, affordable housing for our lowest income renters is still a growing concern. Statistics indicate that 23% of working households are still severely housing cost burdened. This means that one in five working households are paying more than 50% of their income towards housing expenses.

We have a tool-box for developing new affordable housing, but it has been severely under-funded in the past five years.

- Fund existing programs like Section 202 Housing for the Elderly and Section 811, New Development Program.
- Capitalize the Housing Trust program.
- Restore adequate funding for the HOME Investment Partnership Program.
- Preserve and Strengthen the Low Income Housing Tax credit program.



Fully Fund Homeless Assistance Grant Programs

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



Every \$1.00 of CDBG funding leverages an additional \$3.55 in non-CDBG spending.



Fully Fund Community and Economic Development Programs

For nearly 40 years, the Community Development Block Grant program (CDBG) has empowered our state, local governments and their partners to rebuild local economies, strengthen infrastructure, recover from disasters and improve the quality of life for low and moderate income Arizonans. This flexible program emphasizes local decision making, and prioritization of needs and ensures accountability through citizen participation and rigorous performance measurement. Despite the program's proven performance record, CDBG funding has fallen 32% since 2004.

- Restore funding to the CDBG program to ensure the success of state and local job creation efforts. Provide vital public services and expand the supply of affordable housing.