



PHADA Unveils Public Housing Rescue

Long frustrated over repeated cuts to public housing in favor of funding experimental housing diversity programs, the Public Housing Authorities Directors Association unveils a multi-point plan to rescue, preserve and enhance the nation's public housing program.

The proposal, dubbed *Saving America's Public Housing: Why It matters and What We Can Do*, outlines what the U.S. can do to keep its public housing intact and in shape during periods of funding cuts and other spending restrictions.

The proposal is specifically addressed to the incoming Trump administration. PHADA urges Congress and the new administration to provide legislation to "temporarily ease regulations in years when the federal government falls short of its financial obligation to fund the difference between the rent low-income tenants pay and what it actually costs to operate and maintain this public resource."

"This common sense plan is proposed in recognition that it takes actual dollars to operate and maintain this type of affordable housing, not just good intentions," says PHADA Executive Director Timothy Kaiser. "The federal government hasn't provided adequate funds for years, and once lost from the inventory, public housing units are lost forever."

HUD estimates about 10,000 public housing units are lost each year to demolition and sale. A total of 250,000 units have been lost from the original peak inventory. Most of them are lost to neglect through maintenance funding starvation and department investment in rival programs such as the Rental Assistance Demonstration program.

HUD has been pushing the RAD plan with the goal of converting all public housing to private hands. The goal is development of a national rental single-payer system in the Section 8 housing voucher program despite studies showing the average cost of a single voucher to taxpayers annually is \$9,300 while a public housing apartment costs \$5,868 per year.

RAD helps public housing authorities sell their public housing units to private management companies which repair and operate the units as private property under federal contract to subsidize Section 8 tenants.

The PHADA proposal focuses on a concept it calls “proportionality.” The housing lobby asks Congress to authorize PHAs to devise alternative steps to raise money and cut costs proportional to the funding cut. The temporary changes would remain in place during the life of the cuts.

Since 2012, the public housing program has been awarded funding at between 80.8% and 88.9% of the money needed for basic operations. The subsidies are allocated to operations and maintenance. But PHAs have increasingly sought waivers to use maintenance funding to subsidize operations.

Under the PHADA plan, temporary regulations would be lifted when federal subsidies reach 90% of what is actually needed.

“What is happening to public housing is nothing short of a crisis,” Kaiser asserts. “HUD has failed to request and Congress has not provided the funds needed for the upkeep of these properties.”

Info: See the PHADA “proportionality” proposal at www.cdpublications.com/docs/9048

12/8/16 10:41 PM