



## Joint Presidential Transition: Low-Income Housing Goals

CLPHA, the Moving to Work (MTW) Collaborative, NAHRO, and PHADA represent nearly all U.S. housing agencies and work every day to ensure PHAs are best equipped to address local housing needs. Our members manage federal housing programs that assist nearly 9 million people across over 4.2 million homes through public housing, Housing Choice Vouchers (HCVs), and project-based rental assistance programs.

Despite funding challenges, stringent regulations, and rising material costs, PHAs remain committed to offering decent housing in safe communities. Our current housing crisis cannot be solved without the efforts of public housing agencies, and our communities are only as strong as the housing and community development agencies that serve them. As industry leaders, CLPHA, the MTW Collaborative, NAHRO, and PHADA work every day to promote federal rental assistance and community development programs and provide recommendations to ensure their effective operation.

### Summary of Recommendations

#### Overarching Goals

- Ensure public housing agencies (PHAs) are fully funded to serve vulnerable populations.
- Reduce regulatory barriers so PHAs can better meet local housing needs.

#### Program-Specific Goals

- Address the capital backlog to ensure public housing's long-term viability.
- Provide adequate funding to implement and administer the voucher program.
- Invest in self-sufficiency programs; repeal Community Service and Self-Sufficiency Requirements (CSSR).
- Fund development programs to ensure vital communities.

#### Policy Goals

- Expand and strengthen the Low-Income Housing Tax Credit Program (LIHTC).
- Address fiscal challenges related to uncollected rent.
- Reinstate the Affordable Connectivity Program.

#### Implementation Goals

- Modernize and vet HUD IT Systems before implementing the Housing Opportunity through Modernization Act of 2016 (HOTMA).
- Provide relief for Build America, Buy America Act (BABA) implementation.
- Address technology issues related to National Standards for the Physical Inspection of Real Estate (NSPIRE) protocol rollout.

## Overarching Goals

### **ENSURE PHAs ARE FULLY FUNDED TO SERVE VULNERABLE POPULATIONS**

Adequate funding is crucial to ensuring that PHAs can maintain affordable housing and create thriving communities for vulnerable groups like the elderly, veterans, and those with disabilities. The administration should fully fund public housing, Housing Choice Vouchers, Project-based Rental Assistance, and community development programs. Funding must respond to market volatility—such as rising inflationary costs, compliance related to new Buy American provisions and inspection protocols, and skyrocketing insurance rates—and allow for greater PHA flexibility in its use. The administration should also ensure that annual inflation factors reflect on-the-ground market and operational costs for the tenant- and project-based voucher program, as well as multifamily programs.

### **REDUCE REGULATORY BURDENS SO PHAs CAN BETTER MEET LOCAL HOUSING NEEDS**

PHAs need more flexibility to address urgent housing needs, as complex and burdensome regulations increase operational costs and distract from PHAs and the administration shared mission to provide safe housing to low-income families. Flexibilities introduced during the pandemic—such as relaxed inspection and reporting requirements—should be made permanent to improve service. The administration should also consult lessons learned from the Moving to Work demonstration for additional flexibilities that may be expanded to PHAs nationwide.

## Program-Specific Goals

### **ADDRESS THE CAPITAL BACKLOG TO ENSURE PUBLIC HOUSING'S LONG-TERM VIABILITY**

The public housing program—which offers permanently affordable housing—faces chronic underfunding and a backlog in capital needs. The administration should prioritize full funding of the Public Housing Operating and Capital Funds to ensure the continued availability of crucially needed public housing.

The Public Housing Capital Fund is crucial for the development, safety, and maintenance of public housing, but it currently faces a staggering backlog due to decades of underfunding, estimated at over \$90 billion in 2024.<sup>1</sup> To address this, Congress and the administration must address the capital fund backlog and increase resources to revitalize public housing through programs like the Rental Assistance Demonstration (RAD) and Choice Neighborhoods. The administration should also expand environmental initiatives like the Green and Resilient Retrofit Program (GRRP) to public housing.

### **PROVIDE ADEQUATE FUNDING TO IMPLEMENT AND ADMINISTER THE VOUCHER PROGRAM**

The Housing Choice Voucher (HCV) program provides rental assistance to over 2 million low-income families, enabling them to afford housing in the private market. However, tight rental markets and increasing rents—combined with underfunding of the program—has led nearly 400 PHAs into a voucher funding shortfall, leading to fewer households served. Full funding is required to ensure that no family with a voucher loses their assistance, and that the program size does not shrink further.

Additionally, the voucher administrative fee account ensures that PHAs have adequate resources to implement this crucial program. In recent years, PHAs have contended with low administrative fee proration, forcing agencies to stretch resources thin. It is crucial that voucher administrative fees be fully funded so that PHAs can administer the program and provide customer service to landlords serving voucher holders.

### **INVEST IN SELF-SUFFICIENCY PROGRAMS; REPEAL CSSR**

HUD self-sufficiency programs like Family Self-Sufficiency (FSS), Resident Opportunities and Self-Sufficiency (ROSS), and Jobs-Plus support participants to meet employment goals, increase earnings, and reduce their reliance on public assistance. However, these programs require adequate funding for case management, service referrals, and other needs.

The Administration can also support self-sufficiency goals by repealing the Community Service and Self-Sufficiency Requirement (CSSR), which mandates that able-bodied, non-working public housing residents perform monthly community service. There is no evidence showing CSSR's effectiveness, and it is costly for housing agencies and HUD to enforce. Removing this requirement would allow housing providers to focus on expanding effective self-sufficiency programs.

---

<sup>1</sup> Joint Center for Housing Studies. 2024. The State of the Nation's Housing 2024. Available at [www.jchs.harvard.edu/state-nations-housing-2024](http://www.jchs.harvard.edu/state-nations-housing-2024). Figure is cited on page 38.

## **FUND DEVELOPMENT PROGRAMS TO ENSURE VITAL COMMUNITIES**

Community development programs are vital for ensuring vibrant communities across the country. The Community Development Block Grant (CDBG) program provides flexible funding to support public infrastructure and services, housing, and economic development, benefiting low- to moderate-income individuals and enhancing community well-being. The Choice Neighborhoods Program revitalizes distressed housing and neighborhoods, promoting mixed-income housing and offering services related to health, education, and income. Recommendations include increasing funding for both programs. Additionally, the HOME Investment Partnerships (HOME) program, essential for developing affordable housing, has faced budget cuts. Increased funding and better alignment with other HUD programs are needed to support permanent supportive housing and provide gap financing to make affordable housing projects financially viable.

### **Policy Goals**

#### **EXPAND AND STRENGTHEN THE LOW-INCOME HOUSING TAX CREDIT PROGRAM**

Since its inception in 1987, the Low-Income Housing Tax Credit (LIHTC) program has funded the construction of over 3.6 million low-income housing units nationwide. LIHTC units are crucial to the success of the Housing Choice Voucher program, and research has shown that roughly 40 percent of LIHTC tenants receive some form of rental assistance, such as vouchers. Further, many Rental Assistance Demonstration (RAD) conversions rely on the LIHTC program for financing. The administration should support the expansion of the LIHTC program put forth in the Affordable Housing Credit Improvement Act, which each of our organizations has endorsed.

#### **ADDRESS FISCAL CHALLENGES RELATED TO UNCOLLECTED RENT**

Since the pandemic, the rate of uncollected rent—sometimes referred to as tenant accounts receivable, or TARs—in the public housing program has skyrocketed, and total rent arrears are now at roughly \$600 million across all PHAs. Uncollected rent threatens agencies' fiscal solvency, and one-in-five PHAs have been “severely impacted” by TARs according to HUD—meaning they have increased TARs and decreased reserves.

#### **REINSTATE THE AFFORDABLE CONNECTIVITY PROGRAM**

Access to affordable high-speed internet is essential for daily life, which provides a vital connection to telehealth, education, financial tools, and job opportunities. The Administration should work with Congress to reinstate the Affordable Connectivity Program (ACP), which provided critical assistance for broadband access to underserved rural and low-income households. Eligible participants received monthly discounts of up to \$30 on internet service, as well as a one-time \$100 discount for a computer or tablet. Families receiving HUD housing assistance were automatically qualified for the program.

### **Implementation Goals**

#### **MODERNIZE AND VET HUD IT SYSTEMS BEFORE IMPLEMENTING HOTMA**

HUD is still in the process of implementing these regulatory changes enacted through the Housing Opportunity Through Modernization Act of 2016 (HOTMA). To fully implement HOTMA, the Department must first finalize development and roll out the Housing Information Portal, its new technical system for PHAs. HOTMA Sections 102 and 104 should not mandatorily go into effect until this system is tested and fully operational.

#### **PROVIDE RELIEF FOR BUILD AMERICA, BUY AMERICA ACT (BABA) IMPLEMENTATION**

While each of our organizations supports increasing domestic manufacturing, we believe that HUD should grant additional public interest general waivers until the domestic manufacturing infrastructure can support the goals of BABA in affordable housing programs. Further, the administration should streamline the existing waiver review process at the Office of Management and Budget (OMB) to ensure projects continue without unnecessary delays when BABA-compliant construction materials and manufactured products are not available in sufficient quantity or quality or are significantly more costly. Adding requirements that will hinder affordable housing construction and modernization during a housing crisis is against the interest of low-income families.

## **ADDRESS TECHNOLOGY ISSUES RELATED TO NSPIRE ROLLOUT**

For the past several years, HUD has worked to develop the NSPIRE protocol. While our organizations support the Department's goal of replacing its many inspection protocols with a single standard, HUD's rollout of NSPIRE has been beset with confusion, delays, and technology issues. The administration should prioritize ensuring that all NSPIRE-related technology is ready and workable before expanding the protocol to the HCV program. Further, the Department should be more transparent about its priorities to address specific technology issues, including proposed timelines.

## **About CLPHA, the MTW Collaborative, NAHRO, and PHADA**

CLPHA, the MTW Collaborative, NAHRO, and PHADA's recommendations aim to create vibrant communities, reduce homelessness, and promote sustainable economic growth, while ensuring that all Americans have access to safe and affordable housing. We look forward to renewing our partnership with HUD in the upcoming administration to pursue meeting the housing needs of our nation's communities.

The **Council of Large Public Housing Authorities (CLPHA)** is a non-profit organization that works to preserve and improve public and affordable housing through advocacy, research, policy analysis, and public education. Our membership includes more than 85 of the largest and most innovative public housing authorities across the country. The CLPHA membership collectively owns and manages nearly 40 percent of the nation's public housing stock, administers more than a quarter of the Housing Choice Voucher program, and provides a wide array of other rental assistance. CLPHA members also make vital services available to the more than one million low-income households they serve in federally-assisted housing.

The **Moving to Work (MTW) Collaborative** is a non-profit membership organization that advocates on behalf of MTW communities, educates on MTW issues, and works to broaden the MTW program. MTW was created in 1996 as a demonstration program for public housing agencies (PHAs). MTW provides PHAs the opportunity to design and test innovative, flexible, local strategies to improve outcomes for their residents and address the affordable housing needs of their communities.

The **National Association of Housing and Redevelopment Officials (NAHRO)**, which was established in 1933, is a membership organization of approximately 26,000 housing and community development providers and professionals throughout the United States. NAHRO members create and manage affordable housing for low- and middle-income families and support vibrant communities that enhance the quality of life for all. Our members administer more than 3 million homes for more than 8 million people.

The **Public Housing Authorities Directors Association (PHADA)** is a membership organization representing approximately 1,900 public housing authority (HA) executives from across the nation. Our membership includes HAs of all types, from the largest in the country to some of the smallest. We work with members and on their behalf with HUD and members of Congress and their staff to develop and implement effective policy for existing and new programs.