

HOMES WITHIN REACH OF PEOPLE WITH LOW INCOMES

Legislative and Budgetary Update
Liz Hersh, Executive Director
Housing Alliance of Pennsylvania

THE BUDGET BATTLE

Budgets are a statement of values-Our Values:

No child should be homeless, in fact, no one should be homeless involuntarily.

If you work hard and play by the rules, you ought to be able to afford a decent place to live.

Seniors and people with disabilities should be able to live safely, with dignity in the community of their choice.



Housing Alliance
of Pennsylvania

WHY PUBLIC INVESTMENT?

- ◉ Incentivizes and capitalizes growth and balance in the housing market
- ◉ System of housing incentives dates back 80 years
- ◉ Steps in where the private system lacks financial incentive



ROLE OF PUBLIC INVESTMENT

HEALTHY HOUSING MARKET
SUPPLY MEETS DEMAND

Supported
Housing

Low-Priced Rental

Market
Rental

Low-Priced Home Ownership

Market
Home
Ownership

McKinney
HEARTH

LIHTC

Public
Hsing

Hsing
Choice
Voucher

HOME
CDBG

811
disabled

202
seniors

Housing
Counseling

Foreclo-
sure
Mitigation

Basic
System
Repair

Weather
ization

Adaptive
Mods



STATE BUDGET UPDATE

- ◉ Governor made no new taxes pledge
- ◉ Proposed \$27.3M budget “fiscal discipline”
- ◉ Proposed cuts-only budget
- ◉ State revenues are up by \$500M
- ◉ Governor wants to save for “Rainy Day”
- ◉ Smokeless tobacco, corporate tax loopholes and Marcellus Shale impact fee are untapped revenue sources
- ◉ June 30 deadline



Program	HB 1485	Governor's Proposal	FY11
HSDF	\$19.9m	\$0	\$23.5 m
Homeless Assistance	\$20.5m	\$23 m	\$23 m
Legal Aid	\$2.7m	\$3 m	\$3 m
HEMAP	\$7.8m	\$0	\$11 m
HRA	\$0	\$0	\$18 m
New Communities*	\$0	\$0	\$9 m
Accessible Housing*	\$0	\$0	\$1 m
Keystone Communities*	\$12m	\$12.5 m	n/a



FEDERAL BUDGET UPDATE

- FY11 Budget Compromise Just Reached
- HUD cut by 6.5% or \$3B
- CDBG 21% cut
- Public Housing Capital and Operating Cut
- HOME cut 10%
- Zeroed Out:
 - Family Unification
 - Special Vouchers
 - Rural Innovation
 - New Production 202 and 811
 - Housing Counseling
- CSBG Recovered
- FHA Generating Revenue



FEDERAL BUDGET UPDATE

○ Dueling proposals:

- President's 2012 Budget
 - Home and CDBG reduced
 - Rural Housing Greatly reduced
 - Policy Initiatives:
 - Allow Housing Authorities to Borrow to Finance Repairs
 - LITC reforms: preservation and income averaging
- House
 - FY06 levels for HUD
 - Significant Cuts for all programs



FEDERAL BUDGET UPDATE

- ◉ McKinney Homeless Programs enjoy wide support
- ◉ Homeless advocates have successfully made the case that services cost less than homelessness
- ◉ Representative Gwen Moore (D-WI) is circulating a congressional sign-on letter requesting about \$2.4 billion for HUD's McKinney-Vento programs in FY 2012
- ◉ NAEH leading charge



FEDERAL BUDGET ADVOCACY

- ◉ May 20th deadline for Program Requests by members
- ◉ CDBG letter being circulated by Congressman Brady
- ◉ PA Representation in Decision-making:
 - Congressmen Dent and Fattah on Appropriations
 - Senator Toomey on T-HUD Subcommittee
 - Congressman Fitzpatrick on Financial Services

House on Recess Next Week - Good time to visit!



OUR MESSAGE

- ◉ Don't cut what works
- ◉ Deficit is only one problem - if you are homeless, having a place to live is a bigger problem
- ◉ Investment Works
- ◉ Doing nothing costs money
- ◉ Sometimes spending a little saves a lot

