



Florida Housing Coalition's Report from Washington: The Federal Housing Budget; Section 8 and Public Housing Authorities; Disaster Relief

Hurricanes, past and future, were on everyone's mind as Michael Davis, the Florida Housing Coalition Executive Director and Chuck Elsesser, Florida Housing Coalition Board member and National Low Income Housing Coalition Board member attended NLIHC Annual Conference in Washington, D.C. on Monday, February 27, 2006. The initial plenary, moderated by Chuck Elsesser, was a moving discussion of the continuing havoc visited on the communities in the gulf. Pat Robinson and Derrick Evans, leaders of two low income housing organizations in Louisiana, and Mississippi described the the difficulty of low income families trying to have input in the replanning of their communities after being scattered throughout the country. Both expressed fears that, despite an initial acknowledgement of the right of all residents to return, much of the redevelopment was being focused solely on the needs of homeowners, despite more than 50% of former New Orleans residents being poor renters. As so often happens in any redevelopment effort, the needs of the poorest residents can be quickly forgotten in the drive to create the redeveloped community. Derrick Evans, quoted Gus Newport, who was providing technical assistance in Mississippi, as saying the rebuilding of the Gulf is just a "dry run" for the fight to maintain low income neighborhoods in each of our communities.



The discussions of the federal response to Katrina and the federal housing budget generally throughout the conference reminded us of the importance of the fight to retain a fully funded Housing Trust Fund in Florida. The precarious position of public housing authorities in Florida will see no relief as the proposed Section 8 Housing Choice Voucher budget essentially remains flat. In addition, representatives of Housing Authorities as well as tenant advocates cautioned that the requirement that Housing Authorities implement an asset based management system could lead to significant losses of viable public housing. Under the asset based management system, each public housing project is required to maintain a separate budget. While initial information indicated the Public Housing Authorities in

Florida would receive more HUD operating funding under the asset based management system, the proposed federal budget would significantly reduce that funding. Since Housing Authorities will no longer be permitted to switch funds between projects, there will be enormous pressure on Housing Authorities to demolish the "least well performing projects," i.e. the - those projects with the most poor people.

We took our concerns about the budget to the Hill in meetings with the staff of Senators Nelson and Martinez. We quickly learned that, with elections looming, this

was going to be a very short legislative year. However, we described the past several years of a superheated real estate market and toll that it was taking on affordable housing. When combined with flat or decreasing federal assistance it spells disaster for many of our poorest communities.

Senator Martinez has a powerful and central role with respect to housing issues. As a member of the Housing and Transportation Subcommittee of the Senate Committee on Banking, Housing and Urban Affairs, he has direct oversight over HUD and housing related legislation. Thus, Reagan Anderson and Jennifer Gallagher of Senator Martinez' office were extremely attentive to our concerns about affordable housing in Florida. We discussed the Fannie Mae, Freddie Mac oversight bill which, in the version that passed the House last October, HR 1461, contained an Affordable Housing Fund that uses profits from Fannie and Freddie to build low income housing targeted to extremely low income households. Unfortunately, the Senate has not yet acted on a companion bill, S. 190, which is delayed because of an unrelated dispute over portfolio limits for Fannie and Freddie. The Senate bill does not contain the Affordable Housing Fund but Ms. Anderson said that Senator Martinez would be supportive of the Fund if the other issues could be overcome. Unfortunately, she was somewhat pessimistic of the chances of reaching a resolution given the shortness of the session and the other pressing priorities.

We also described the pressing need for Congress to appropriate sufficient funds to maintain the existing Section 8 vouchers and Public Housing. We tried to impress on them that even the most pessimistic visions of the budget's impacts do not seem to reflect how bad the situation really is - with Housing Authorities forced to impose draconian measures or reduce the number of families assisted. In addition we discussed



Florida Housing Coalition Executive Director, Michael Davis and Florida Housing Coalition Board Member, Chuck Elsesser made legislative visits in DC as part of the National Low Income Housing Coalition's Advocacy Day in March.

the concerns raised at the conference by Public Housing authorities and tenant advocates over the new asset based management budgeting system.

Ms. Anderson explained that the Senator was committed to making housing central to his term as Senator and was committed to working with Florida Housing Coalition and others in Florida toward this end.



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Senator Nelson, as a member of the Senate Budget Committee, can powerfully and directly impact housing budget related issues. Ms Susie Perez Quinn of Senator Nelson's office was similarly attentive and supportive. In fact, Ms.Perez Quinn attended the NLIHC Conference and spent the breakfast with Michael Davis, learning about the Florida Housing Coalition and the affordable housing crisis in Florida.

With respect to the Fannie Mae oversight legislation, while Senator Nelson is extremely supportive, Ms. Perez Quinn expressed the same concerns that Senator Martinez' staff had expressed with respect to moving the bill in such a short session. She also understood very well the Section 8 budgeting issues and promised to carry that message to the Senator. She said it may be possible to undertake some substantive changes to the Section 8 budgeting process as part of the appropriations process. We also explained to her our concerns with the asset based management budgeting system. Finally we provided her with a list of changes proposed by the NLIHC to the proposed CDBG allocations for Katrina.

One final discussion we had with both Senators' staffs dealt with disaster relief. Both expressed concern that the current system was not working and that they thought Congress was open to considering changes. While this is a longer conversation, probably over several years, it may well open the door for some serious consideration for improving the current process. 