

LISC

Policy Update



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Andrea Ponsor
Policy Director



35 Years of Revitalizing Distressed Communities

Founded in 1980, Local Initiatives Support Corporation (LISC) helps nonprofit community organizations transform distressed neighborhoods into healthy communities—good places to work, do business and raise children.

In 31 cities and in 1300 rural counties in 39 states, LISC provides local community organizations with financial and technical assistance to further opportunities across five key areas to build sustainable communities:

- ❑ Housing
- ❑ Economic development and commercial revitalization
- ❑ Family income and wealth building
- ❑ Education
- ❑ Promoting safe and healthy communities





- President puts forth a budget (February)
- House and Senate put forth budget resolutions
- Budget resolutions are reconciled & adopted (Aprils)
- Budget authority is allocated to committees and subcommittess (302A and 302B)
- Appropriations subcommittees write bills (12)

- Appropriations subcommittees write & pass bills
- Appropriations committees markup & pass bills
- Bills pass the committee of the whole
- House and Senate bills are conferenced
- Conferenced bill is passed
- Appropriations bills sent to president to be signed into the law

Budget Control Act of 2011

- Caps reduce spending by \$100B/year; PLUS
- \$1.2 trillion in savings (cuts or taxes) over 10 years, or across the board spending cuts (sequestration)
- Murray Ryan – FY 2014 and 2015 – runs out on September 30th

- President's Budget
 - Breaks defense and non-defense caps
- House and Senate Budget Resolutions
 - Breaks defense but adheres to non-defense caps
- Appropriations Bills - moving under caps
 - Deep cuts to popular programs
 - Can't pass Senate
 - Veto threat



HUD

Selected Community Development Program Funding Levels	FY 2015 Cromnibus	President's FY 2016 Budget Request	FY 2016 House Approps (Current Version)	FY 2016 Senate Approps (Current Version)
Department of Housing and Urban Development Budget			Passed - June 9	Passed Committee - June 25
Community Development Fund (CDF)	3.066 B	2.88 B	3.060 B	2.9 B
CDBG Formula Grants	3 B	2.8 B	3 B	2.9 B
Indian Community Development Block Grant	66 M	80 M	60 M	60 M
HOME Investment Partnerships Program	900 M	1.06 B	767 M	66 M
Self-help Homeownership Opportunity Program (SHOP)	50 M	10 M	10 M	10 M
McKinney-Vento Homeless Assistance Grants	2.135 B	2.48 B	2.185 B	2.235 B
Rental Assistance Demonstration (RAD)	-	50 M	-	-
Section 8 Tenant-Based Rental Assistance	19.304 B	21.12 B	19.918 B	19.934 B
Mainstream 811	83.16 M	108 M	107.6 M	107.6 M
HUD-Veterans Affairs Supportive Housing (VASH)	75 M	-	0	75 M
Project Based Rental Assistance	9.733 B	10.76 B	10.654 B	10.826 B
Choice Neighborhood/HOPE VI	80 M	250 M	20 M	65 M
Section 202 Elderly Housing Program	436 M	455 M	416 M	420 M
Housing Counseling Assistance	47 M	60 M	47 M	47 M
Public Housing Capital Fund	1.875 B	1.97 B	1.681 B	1.742 B
Public Housing Operating Fund	4.44 B	4.6 B	4.44 B	4.5 B
Section 811 Persons with Disabilities Program	135 M	177 M	152 M	137 M



USDA/RD

	FY 2015 Cromnibus	President's FY 2016 Budget	Passed Committee - July 8	Passed Committee - July 16
Department of Agriculture Budget				
Section 306 - Community Facilities (Loans, Grants, and Guarantee)	2.3 B	2.27 B	2.2 B	2.28 B
Section 502 - Single Family Direct Loans	900 M	900 M	900 M	900 M
Section 502 - Single Family Guaranteed Loans	24 B	24 B	24 M	24 M
Section 504 - Very Low Income Home Repair Loans	26.3 M	26 M	26.27 M	26.278 M
Section 504 - Very Low Income Home Repair Grants	28.7 M	25 M	28.7 M	28.7 M
Section 514 - Farm Labor Housing Direct Loans	23.6 M	23.9 M	23.9 M	23.6 M
Section 515 - Rural Rental Housing	28.4 M	42 M	29.4 M	28.398 M
Section 516 - Farm Labor Housing Grants	8.3 M	8.3 M	8.4 M	8.3 M
Section 521 - Rental Assistance (1 year contracts)	1.089 B	1.17 B	1.17 B	1.167 B
Section 523 - Self-Help Housing Land Development Loans	27.5 M	10 M	27.5 M	27.5
Section 533 - Housing Preservation Grants	3.5 M	-	3.5 M	3.5 M
Section 538 - Guaranteed Multifamily Loans	150 M	200 M	150 M	200 M
Section 542 - Multifamily Revitalization Program	24 M	34 M	24 M	24 M
Section 542 - Voucher Demonstration	7 M	15 M	7 M	7 M
Rural Community Development Initiative	4 M	7 M	4 M	4 M

- State of Play
 - Fiscal Year Expires Sept 30th – 5 legislative days left
 - Continuing Resolution through early December
 - Longer term solutions
 - Deal to lift budget caps: need pay fors or BCA extension
 - Sequester CR – write at caps

- No comprehensive reform this year
- Extenders needed by year end
 - Extend New Markets Tax Credit
 - Extend Floor Rate for 9% LIHTC
- Highway trust fund could raise revenues and include some of these issues
- Treasury/White House meetings

- 515/521 Rental Assistance
 - Funding mechanism is imprecise
 - FY 2015 and 2016 Appropriations bills prohibit re-renewal w/in 12 months
 - 50 properties this year, but 700-800 in early FY 2016
 - Mitigation measures available
 - Apportionment anomaly requested
 - Senator Merkley trying to get answers

- Section 502
 - All hands effort to spend 502 direct funds
 - Automated in next 12 months?
 - Packaging Pilot
 - Final rule for certified loan application processing product published April 29, 2015
 - Effective date has been delayed until October 1, 2016
 - Existing pilot participants will be contacted for extensions
 - Applications collected will be considered for FY 2016
 - Alternate language proposed for 2016 for that the final rule could become effective

- HUD Reform efforts on the Hill
- New this summer
 - Proposed 2530 regulations
 - Voucher portability
 - Updated Section 8 Guide
 - Promise Zone Round 3 – criteria out for comment and feedback

- **Disparate Impact Case:** TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS ET AL. v. INCLUSIVE COMMUNITIES PROJECT, INC
- **Affirmatively Further Fair Housing Rule**
 - What is affirmatively furthering?
 - What is the process & who carries it out?
 - What does this mean for rural?
 - How should we prepare?



Contact Info

Andrea Ponsor

aponсор@lisc.org

202/739-0896

@aponсор

Questions?
