

HUD Proposed Budget cuts based on Washington Post Article \$6 Billion in Cuts

Name of Program	Program Description	Proposed \$ Cut	Proposed % Cut	Financial Impact on AAHC in FY18	Program Impact on AAHC
Public Housing Capital Fund Program	Public Housing Building improvements	\$1.3 billion	32%	\$81,000 in FY17 reduced by \$25,920	Small impact due to CFP funds going toward redevelopment under RAD program if able to complete final phase of RAD conversion in FY18
Public Housing Operating Funds	Public Housing Rent Subsidies	\$600 million	13%	\$158,000 in FY17 reduced by \$20,540	Small impact due to conversion of public housing under RAD program if able to complete final phase of RAD conversion in FY18.
Voucher Programs including VASH Vouchers for homeless veterans	Voucher Rent Subsidies to Private Sector Apartments	\$300 million	1.5%	\$12,203,000 in FY17 reduced by \$183,045	Moderate impact, this reduction is equivalent to 25 vouchers, which can mostly be absorbed when families leave the program and not leasing to new families. However, the AAHC also has voucher lease-up commitments for its RAD-converted properties and there will likely be an additional shortfall. HUD is supposed to transfer PH Operating Funds to Voucher Program under RAD program.
Voucher Program Administrative Fee	Administrative Fees for Voucher Program	Unknown, not specified	Unknown, project 2%	\$1,223,000 in FY17 reduced by \$24,460	Small impact but program is already underfunded, so this would add to request for city general funds support
Continuum of Care	Rent Subsidies and Services for Homeless Households	Unknown, not specified	Unknown, project 1.5%	\$2,397,000 in FY17 would not likely be reduced in FY18	Small impact due to the way this program is funded. If the cut is small it may have no impact on AAHC. If the cut is large, it could reduce vouchers, services and administrative fees depending on how impact is absorbed.
Community Development Block Grant (CDBG)	Owner and rental housing rehab & development; services; infrastructure	Eliminated	100%	AAHC does not directly get funded, County OCED administers \$1,858,589 in FY17 reduced to \$0 in FY18	SIGNIFICANT impact on services to AAHC tenants and gap financing of redevelopment project. Peace and CAN provide services on AAHC properties would lose \$194,000 annually. AAHC has received over \$700,000 in CDBG funds for its housing redevelopment in past 4 years.
HOME funds	Owner and rental housing rehab & development	Eliminated	100%	AAHC does not directly get funded, County OCED administers \$931,541 in FY17 reduced to \$0 in FY18	SIGNIFICANT impact on rental and owner affordable housing development in community. AAHC has not received HOME funds but Habitat, Avalon, and MAP have received funds
Section 811, Section 202, Native American, ESG	Housing & Rent subsidy	\$221 million	10% - 20%	No funding for AAHC	Does not impact AAHC directly but does impact other community organizations

Worst Case Projected Scenario for AAHC program FY18

Name of Program	Program Description	Proposed % Cut	Financial Impact on AAHC in FY18	Program Impact on AAHC
Public Housing Capital Fund Program	Public Housing Building improvements	100%	\$81,000 in FY17 reduced to \$0	Small impact due to CFP funds going toward redevelopment under RAD program if able to complete final phase of RAD conversion in FY18
Public Housing Operating Funds	Public Housing Rent Subsidies	100%	\$158,000 in FY17 reduced to \$0	Significant impact until able to convert public housing under RAD program. Will hasten deterioration of properties and tenants will need to be relocated until able to convert under RAD. May need to sell properties.
Voucher Programs including VASH Vouchers for homeless veterans	Voucher Rent Subsidies to Private Sector Apartments	15%	\$12,203,000 in FY17 reduced by \$1,830,450	Significant impact, this reduction is equivalent to 254 vouchers, which would require families to be terminated from program. In addition, this impacts the AAHC's voucher lease-up commitments for its RAD-converted properties. Funds are supposed to transfer from the Public Housing Operating Fund to the Voucher Program for RAD units. Unknown whether HUD will be able to honor commitment.
Voucher Program Administrative Fee	Administrative Fees for Voucher Program	15%	\$1,223,000 in FY17 reduced by \$183,450	Significant impact. Would eliminate 1 FTE waitlist position since drastic reduction in new lease-ups. Can make other program cuts to reduce impact (approx.. \$110,000 savings) but would need to add to request for city general funds support.
Continuum of Care	Rent Subsidies and Services for Homeless Households	15%	\$2,397,000 in FY17 would likely be reduced in FY18	Impact is unknown because local Continuum of Care decides how to make the cuts and it could have a large or small impact on AAHC specifically. It will have a significant impact on community-wide homeless response.
Community Development Block Grant (CDBG)	Supportive Services	100%	\$194,000 in FY17 reduced to \$0 for Community Action Network and Peace Neighborhood Center	CAN and Peace would likely reduce/eliminate staffing at four AAHC community centers. AAHC would not be able to apply for gap funding for its RAD tax credit project that needs additional development funds.