

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Overview of Rental Assistance Programs

In 2021, 79 percent of HUD’s non-emergency discretionary appropriations were provided for rental assistance.¹ While rental assistance is a major part of HUD’s work, it is not funded at levels that make it universally available to everyone who is eligible. HUD rental assistance only reaches approximately 1 in 5 eligible families. The 2023 Budget requests \$49.9 billion for rental assistance programs across HUD, or 82 percent of the total Budget, and will serve nearly 4.8 million families.

Program	Families Served in 2021	Percent of Rental Assistance
Project-Based Rental Assistance	1,217,108	27%
Public Housing Fund	843,749	18%
Housing for the Elderly (Sec. 202)	121,562	3%
Housing for Persons with Disabilities (Sec. 811)	31,325	1%
Tenant-Based Rental Assistance	2,348,043	51%
Total, Families Served by Rental Assistance Programs in 2021	4,561,787	100%

VOUCHER EXPANSION PROPOSAL

HUD recognizes that rent and other housing related costs have increased rapidly over the past year. It is estimated that rent costs increased by approximately 15 percent between January 2021 and January 2022.² To address this problem, the Budget proposes \$32.1 billion for the Housing Choice Voucher program, which includes an expansion of the number of vouchers available to those who currently qualify for rental assistance by approximately 200,000 units. HUD requests \$1.6 billion for these new incremental vouchers. The 200,000 new vouchers will increase access to affordable housing for very low-income families and individuals that are experiencing or at-risk of homelessness. This includes families and individuals fleeing, or attempting to flee domestic violence, dating violence, sexual assault, or stalking. Through the \$5 billion Emergency Housing Voucher program funded in the American Rescue Plan, public housing agencies (PHAs) and service providers in the homelessness system have improved their ability to work together to end homelessness for thousands of people.

PRESERVING AND GREENING AFFORDABLE HOUSING

Public Housing

The President’s Budget requests \$8.8 billion for the Public Housing program, which is \$974 million more than the 2022 Annualized CR Level. This request will enable PHAs to operate, maintain and make capital improvements, which includes strategies like the Rental Assistance Demonstration, to approximately 935,000 affordable public housing units in 2023, serving nearly 1.7 million residents. These improvements include making housing more accessible for people with disabilities and seniors. Reinvigorating public housing is also a critical component of reversing racial inequities

¹ Rental Assistance, as defined by HUD, includes Tenant-Based Rental Assistance, the Public Housing Fund, Project-Based Rental Assistance, Housing for the Elderly, and Housing for Persons with Disabilities.

² <https://www.redfin.com/news/redfin-rental-report-january-2022/>

because approximately 70 percent of people living in public housing, too much of which is deteriorating, are people of color.

Improving the environmental conditions and safety of public housing are central to achieving the Administration's environmental justice priorities. To this end, the Budget includes \$276 million for energy efficiency and climate resiliency improvements in public housing developments and \$24 million to advance utility benchmarking within the portfolio, for a total investment of \$300 million.

The Budget includes \$60 million for Public Housing to specifically address safety deficiencies via Housing Health Hazard Grants. These grants would remediate hazards such as mold, carbon monoxide, pest infestation, radon, and other housing hazards. The Department intends to prioritize funding requests to enhance fire safety, including the funding of fire suppression systems such as fire sprinkler systems for multifamily buildings.

The Budget proposes \$50 million for Financial and Physical Assessments, which includes the financial reviews and physical inspections of public housing necessary to identify performance risk and to issue Public Housing Assessment System (PHAS) scores. Assessing housing health risks is critical to additional actions aimed at health equity and environmental justice for public housing residents, including hundreds of thousands of children.

Multifamily Housing

The 2023 Budget includes \$16.3 billion in funding for HUD-assisted multifamily properties: Project-Based Rental Assistance, Housing for the Elderly, and Housing for Persons with Disabilities. These properties serve 1.4 million families, many of whom are families of color, and are crucial to the affordable housing stock in America. The Budget includes up to \$250 million for budget-based rent increases at post-Mark-to-Market properties at risk of distress, and at least \$25 million for budget-based rent increases at other PBRA properties with health and safety deficiencies.

The Budget also includes \$250 million for a new Green and Resilient Retrofit program for existing multifamily assisted properties. Along with improving utility data collection and systems, this new program would help property owners access grants or direct loan subsidies to make energy- and water-efficient and climate-resilient improvements in the properties. This funding could reach as many as 10,000 units. The Budget also includes \$110 million for the Rental Assistance Demonstration within the Tenant-Based and Project-Based Rental Assistance program accounts to holistically address critical property needs, accessibility, environmental hazards, energy inefficiencies, and increase housing choice for residents.

Choice Neighborhoods

The Budget includes \$250 million for the Choice Neighborhoods program, a \$50 million increase from the 2022 Annualized CR Level. This program is a vital piece of the Administration's strategy to improve public and assisted housing properties and the surrounding neighborhoods. The Choice Neighborhoods program celebrated its 10-year anniversary in 2021, and over that decade it has proven to help people access jobs, increase family incomes, improve access to health care, and strengthen the overall economic conditions for residents. These improved outcomes for families are in addition to creating a pipeline of redeveloping over 12,000 distressed properties and more than 27,700 new units of affordable housing.

Please see the "Climate Initiative" justification for more details.

STRENGTHENING SERVICES AND EXPANDING HOUSING CHOICE

In addition to preserving and creating more affordable housing options, HUD supports important services designed to help renters find housing, increase their incomes, and access communities with better schools, jobs, and social supports.

Self-Sufficiency Programs

The Budget includes \$175 million for the Family Self Sufficiency (FSS), Jobs Plus Initiative, and Resident Opportunity and Self-Sufficiency (ROSS) programs, a \$20 million increase over the 2022 Annualized CR Level. This increase will allow FSS funds to be expanded to reach residents in multifamily properties. These programs help families access job training opportunities and financial education in order to build income and savings. Families that graduate from these programs often no longer need HUD assistance, typically have built savings for the future, and some become homeowners.

Mobility-Related Services

The Budget includes \$445 million to help public housing agencies provide approximately 148,000 families with children evidence-based Mobility-Related Services such as housing search, payment of security deposits, payment of first and last month's rent, landlord recruitment in neighborhoods with better jobs, schools, and community supports, and general case management to help families access services and supports in new neighborhoods. Families receiving housing choice vouchers often find it difficult to explore housing options outside of neighborhoods in which disinvestment has historically occurred, resulting in poor performing social supports such as schools and limited access to jobs. Mobility services increase housing choices for families so they can live in communities that can better meet their needs.

Other HUD Services Programs for Renters

Housing Counseling Services: The Office of Housing Counseling (OHC), through the Comprehensive Housing Counseling Grant program and network of approximately 1,600 housing counseling agencies, provides services to over one million consumers annually across the nation. Services include eviction prevention, financial empowerment, credit counseling, homelessness prevention, disaster relief, and pre-home purchase counseling.

Service Coordinators for Seniors: This Budget includes \$31 million to support Budget Based Rent Increases (BBRIs) at PBRA properties serving the elderly to cover the cost-of-service coordinators to help elderly residents stay healthy and age in place. The Budget also includes renewal funding for 1,600 existing Service Coordinator/Congregate Housing Services grants plus any new grants awarded using 2022 funds. These programs use proven strategies to support seniors living in their homes for as long as possible and advance the Administrations priority to ensure seniors are able to age-in-place.