

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Overview of Rental Assistance Programs

In 2023, 75 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 available to everyone who is eligible. HUD rental assistance only reaches approximately 1 in 4 eligible families. The 2024 Budget requests \$57.9 billion for rental assistance programs across HUD or 79 percent of the total Budget and will serve approximately 4.8 million families, including roughly 180,000 additional families anticipated to be served by the Housing Choice Voucher (HCV) program.

**Table 1:
Families Served and Percent of Rental Assistance**

Program	Families Served in 2022 ²	Percent of Rental Assistance
Project-Based Rental Assistance	1,300,000	28%
Public Housing Fund	860,000	19%
Housing for the Elderly (Sec. 202)	123,000	3%
Housing for Persons with Disabilities (Sec. 811)	31,000	1%
Housing Choice Voucher Program (Tenant-Based Rental Assistance)	2,300,000	50%
Total, Families Served by Rental Assistance Programs in 2022	4,614,000	100%

VOUCHER EXPANSION

HUD recognizes that rent and other housing-related costs have increased rapidly over the past year. The Consumer Price Index for residential rents increased 8 percent from the fourth quarter of 2021 to the fourth quarter of 2022.³ To address this problem, the Budget proposes \$32.7 billion for the Housing Choice Voucher program, which includes \$565 million to expand the number of vouchers available to those who currently qualify for rental assistance by approximately 50,000 units. Additionally, the Budget assumes another 130,000 vouchers could be supported from non-Moving to Work (MTW) and MTW program reserves, for a total of 180,000 additional families served in 2024. These new vouchers will increase access to affordable housing for very low-income families and individuals. The proposal for the 50,000 vouchers includes discretion for HUD to set terms and conditions to ensure PHAs serve people experiencing or at risk of homelessness, including 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 by the American Rescue Plan, public housing agencies (PHAs) and service providers in the homelessness system have improved their ability to work together to provide stable, affordable housing for over 47,000 families currently under lease, as of March 2023.

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. It does not include set-asides, capital advance grants, and other expenses.

² Data from HUD PIC and TRACS databases, December 2022 extract.

³ [Databases, Tables & Calculators by Subject \(bls.gov\)](https://www.bls.gov/databases-tables-calculators-by-subject).

PRESERVING AND GREENING AFFORDABLE HOUSING

Public Housing

The President's Budget requests \$8.9 billion for the Public Housing Fund, which is \$379 million more than the 2023 enacted level. This request will enable PHAs to operate, maintain and make capital improvements, which include strategies like the Rental Assistance Demonstration, to approximately 917,000 affordable public housing units in 2024, serving nearly 1.7 million residents across 860,000 households. 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 because approximately 70 percent of people living in public housing, too much of which is deteriorating, are people of color.

The Budget includes \$15 million to assess the capital needs of the 917,000 units supported by the Public Housing Fund. This will allow HUD to collect needed data to accurately assess the capital needs of the public housing inventory both at a national level and at a site-specific level. Based on this data, HUD would be able to provide accurate information to Congress and other stakeholders about the total capital need of the public housing inventory, and HUD could more easily and accurately identify properties that have extensive capital needs to provide technical assistance and facilitate directing adequate capital investment resources to address the need. HUD believes that it could assess the capital needs of approximately 20 percent of the inventory per year, with the objective of obtaining an increasingly accurate assessment of the nationwide inventory over the course of subsequent years and then maintaining an accurate assessment of the inventory on an annual basis. This will enable HUD to strategically preserve the country's most affordable housing stock.

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 \$300 million for Site-Based Public Housing Enhancement, Resilience, and Efficiency (SPHERE) grants. These grants will focus on energy efficiency and climate resiliency improvements in public housing developments. It will focus the investments on properties with critical, extensive, and pervasive modernization needs that are not met through annual formula grants. Up to \$20 million of the funds allocated to SPHERE will be used to advance public housing benchmarking in 2024.

The Budget includes \$85 million for Public Housing to specifically address safety deficiencies via Housing Health Hazard Grants. These grants would remediate hazards such as lead-based paint, 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.

Physical and Financial Assessments

The Budget proposes \$61 million for the new Operational Performance Evaluation and Risk Assessments (OPERA) account, which includes the financial reviews and physical inspections of public and multifamily housing necessary to identify performance risk and to issue Public Housing Assessment System (PHAS) scores. This new, consolidated single account for all inspections will improve and simplify the financial side of HUD's inspections as well as enhance HUD's evaluations and assessments and substantially improve REAC's data analytic capabilities. Assessing housing health risks is critical to additional actions aimed at health equity and environmental justice for HUD-assisted residents, including hundreds of thousands of children.

Multifamily Housing

The 2024 Budget includes \$17.3 billion in funding for HUD-assisted multifamily properties: Project-Based Rental Assistance (PBRA), Housing for the Elderly, and Housing for Persons with Disabilities. Crucial to the affordable housing stock in America, these properties serve over 1.4 million households, many of whom are families of color. The Budget includes \$25 million to provide loans, including forgivable loans, to owners of distressed PBRA properties already at market rate rents that need capital to address the causes of their distress. This funding will support the rehabilitation or replacement of an estimated 500 units, targeting the most distressed units in the PBRA inventory.

The Budget also includes \$112 million for the Rental Assistance Demonstration (RAD) 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. This will allow public housing and Housing for the Elderly units where current rents are not able to cover a RAD transformation to obtain access to this important HUD preservation program.

Choice Neighborhoods

The Budget includes \$185 million for the Choice Neighborhoods program. 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 13,000 distressed properties and more than 30,300 new units of affordable housing.

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 support.

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, equal to the 2023 Enacted Level. This funding level will allow FSS funds to reach residents in multifamily properties. All three Self-Sufficiency programs help families access job training and financial education with the aim of building income and savings. The Budget also includes the Resident Health Equity Innovation (RHEI) Demonstration which allows for the expanded authority to use Public Housing Operating Fund Grants to hire, retain, or coordinate with community health workers to connect residents to preventative care, health and wellness, and mental health resources provided by community partners and other Federal agencies.

Mobility Services

The Budget includes \$25 million to help public housing agencies provide families with children with evidence-based mobility 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 with poor-performing schools and limited access to jobs. Housing mobility services increase housing choices so families can live in communities that 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 1,500 housing counseling agencies, provides services to over one million consumers annually across the nation. Services include eviction prevention, financial empowerment, credit counseling, homelessness prevention, post-disaster housing counseling, and pre-home purchase counseling.

Service Coordinators for Seniors: This Budget includes \$31 million to support Budget Based Rent Increases (BBRIs) at PBRA properties 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 2023 funds. These programs use proven strategies to support seniors living in their homes for as long as possible and advance the Administration's priority to ensure seniors are able to age in place.