

## President's FY2019 Budget: New York State Housing Impact

President Trump's FY 2019 Budget proposed **cutting HUD funding by \$8.8 billion** or 18.3% compared to enacted FY 2017 funding.<sup>1</sup> This proposal represents a major shift in the federal government's role in subsidized housing. Public Housing Capital, CDBG and HOME funding would be **eliminated**. Section 8 and Public Housing Operating would see significant reductions<sup>2</sup>.

### ➤ NEW YORK STATE LOSES \$1+ BILLION IN ANNUAL HOUSING FUNDING

- **-\$630,485,078** Public Housing Operating & Capital Funds
- **-\$285,649,007** Community Development Block Grant
- **-\$91,239,293** HOME Investment Partnership

### ➤ TRUMP ABDICATES FEDERAL ROLE IN PUBLIC HOUSING

By eliminating the fund for public housing capital, the President abandons public housing leaving state and local governments on the hook for outstanding capital repairs. This dramatic policy shift leaves NYCHA residents in the cold with \$25 billion in needed upgrades for safe and decent living conditions.

- **DEFUNDED** Public Housing Capital
- **35% CUT** Public Housing Operating

### ➤ TRUMP RENT HIKE & FUNDING SHORTFALL WILL INCREASE HOMELESSNESS

Rents will rise for HUD-assisted tenants from 30% of adjusted income to 35% of gross income. This rent increase combined with budget's short-funding of Section 8 puts families receiving rental assistance at a greater risk of homelessness.

- **204,400** HUD-Assisted Households Rent Increases by 23% or **\$1480/Year** on Average<sup>3</sup>
- **20,897** Section 8 Voucher Households at Risk of Homelessness

## Affordable Housing Need

- **90,000 Homeless New Yorkers**, including more than 30,000 children.
- **1 Million Severely Rent-Burdened Families**, pay more than *half* their income in rent each month.
- **\$25 Billion NYCHA Capital Backlog**, representing needed infrastructure investment.

## Jobs and Economic Benefits At-Risk

In New York State, the *annual* affordable housing development & preservation impact<sup>4</sup>:

**25,655 Apartments** | **65,800 Jobs** | **\$10.9 Billion Local Income**

<sup>1</sup> In an addendum issued by OMB Director Mulvaney after the President's budget was released, \$2 billion was proposed to be restored to the FY 2019 HUD budget.

<sup>2</sup> Center on Budget & Policy Priorities. 2018. <https://www.cbpp.org/blog/trump-2019-budget-slashes-aid-for-families-struggling-to-pay-rent>

<sup>3</sup> CBPP. 2018. <https://www.cbpp.org/blog/trump-rent-plan-would-squeeze-low-wage-workers-others-struggling-to-afford-housing>

<sup>4</sup> HR&A Advisors, Inc. 2017. Economic Impacts of Affordable Housing on New York State's Economy. Prepared for NYSFAFH.

[http://www.nysafah.org/cmsBuilder/uploads/nysafah-economic-impact-of-affordable-housing-2017-update-\(2011-2015\)-final-\(003\).pdf](http://www.nysafah.org/cmsBuilder/uploads/nysafah-economic-impact-of-affordable-housing-2017-update-(2011-2015)-final-(003).pdf)