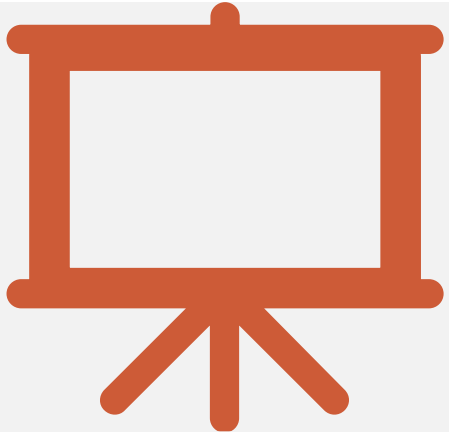
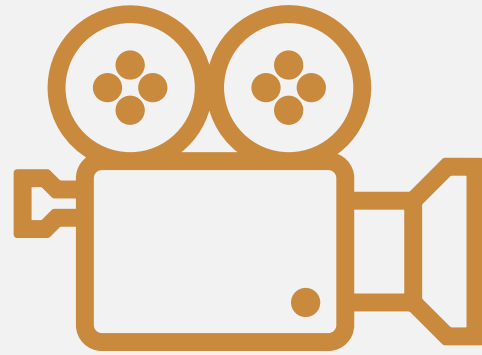


Welcome



All registered attendees will receive the slides via email



This session is being recorded. You will receive a copy and it will be posted on the Enterprise website



We will answer questions throughout the presentation. Please submit them using the Q&A or chat or raise hand function



Please tell us how we did in the survey at the end of the session



Rural Preservation Academy: National Policy Summit

Webinar: Oct 5, 10:30 am EST

 Enterprise

Our Partners



LAND ACKNOWLEDGMENT

SENATOR TINA SMITH

FARAH AHMAD

RURAL DEVELOPMENT

SAMANTHA BOOTH HOUSING ASSISTANCE COUNCIL



HAC

Rural Multifamily Preservation

Current Data Trends and Policy
Updates

The Housing Assistance Council (HAC) is a national nonprofit and certified Community Development Financial Institution (CDFI) dedicated to helping local rural organizations build and preserve affordable homes.



Training & Technical Assistance

Developing the capacity of local nonprofit organizations to help their own communities



HAC Loan Fund

Providing capital in the hardest to serve places



Research & Information

Leading resource on rural housing data and issues



Policy & Advocacy

Informing sound strategies and policies that help improve housing and communities across rural America



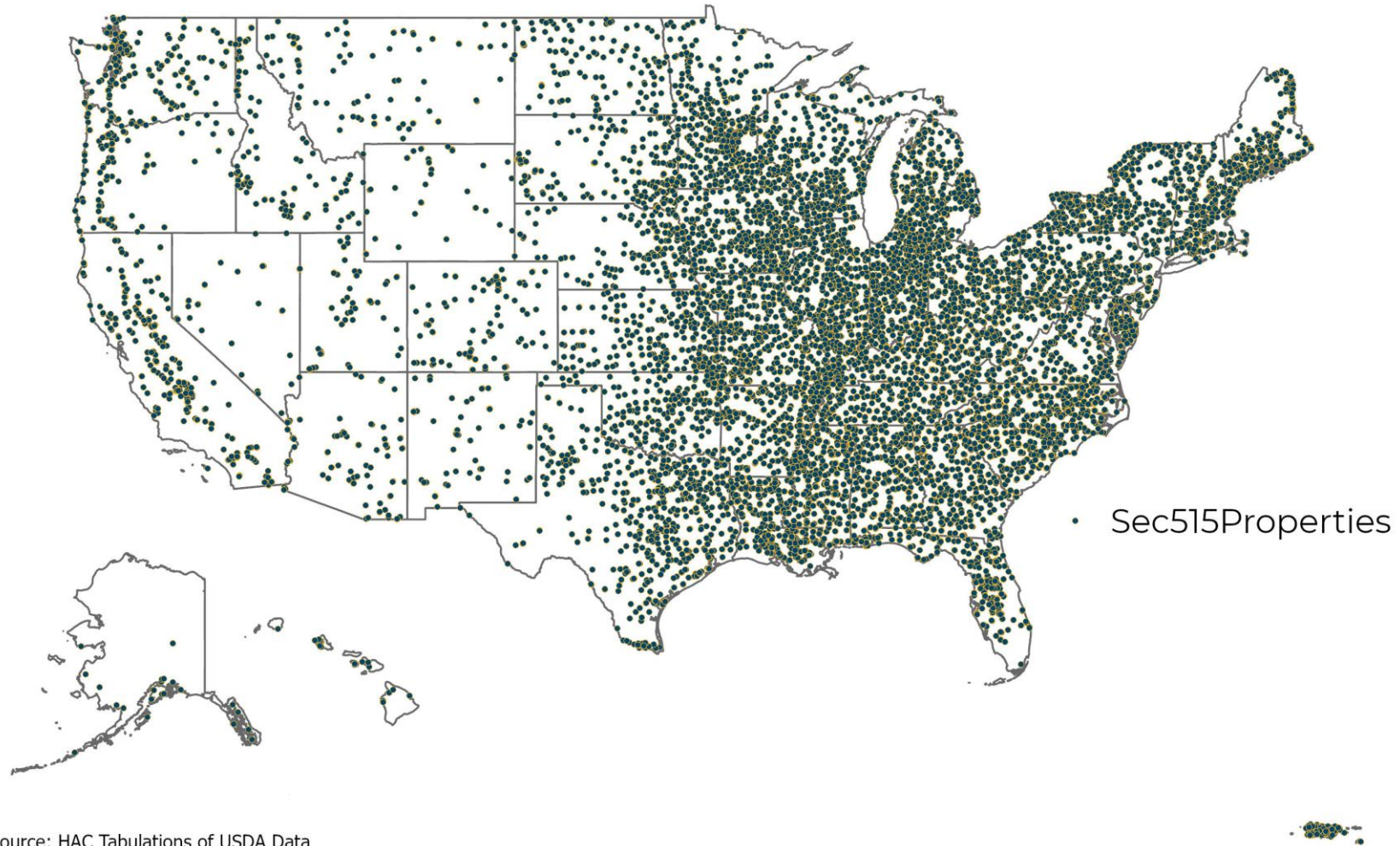
Data Trends in USDA's Section 515 Portfolio

87%

**of all U.S. counties have at least one USDA
Section 515 Multifamily Property**

Source: Housing Assistance Council. A Platform for Preservation, 2017

USDA SECTION 515 MULTIFAMILY HOUSING PROPERTIES, June, 2021



Source: HAC Tabulations of USDA Data

\$14,665

**average annual income of USDA Section 515
tenants**

Source: USDA Multifamily Housing Occupancy Report, 2021

\$12,501

**average annual income of USDA Section 515
tenants with rental assistance**

Source: USDA Multifamily Housing Occupancy Report, 2021

Approximately

2/3

**of USDA Section 515 tenants are elderly
or disabled**

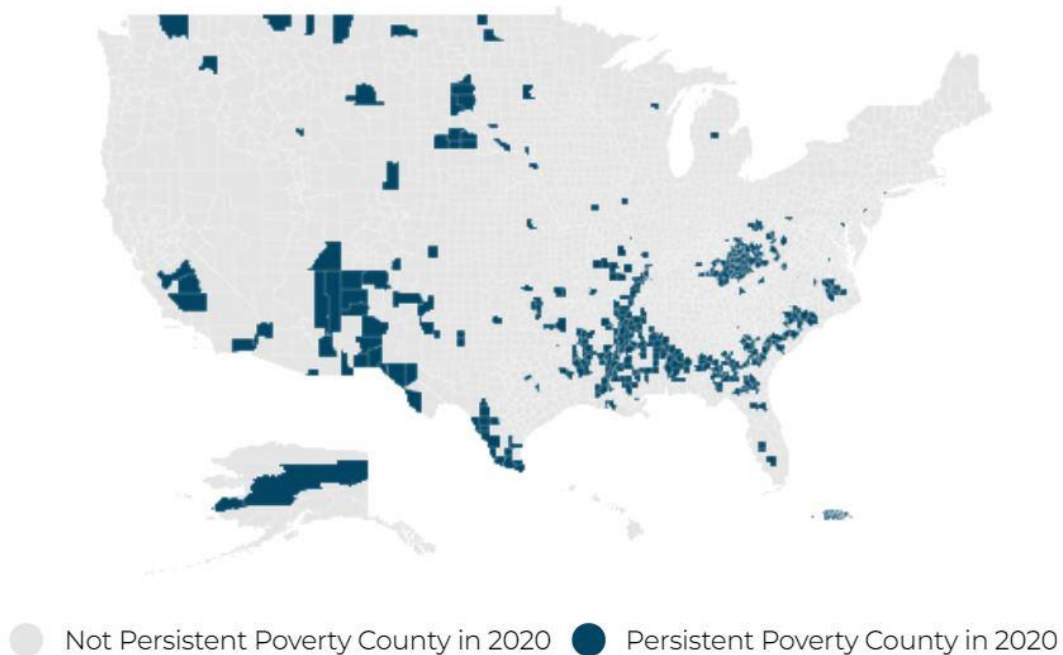
Source: USDA Multifamily Housing Occupancy Report, 2021

90%

**of persistent poverty
counties have at least
one USDA Section 515
Multifamily Property**

Persistent Poverty Counties, 2020

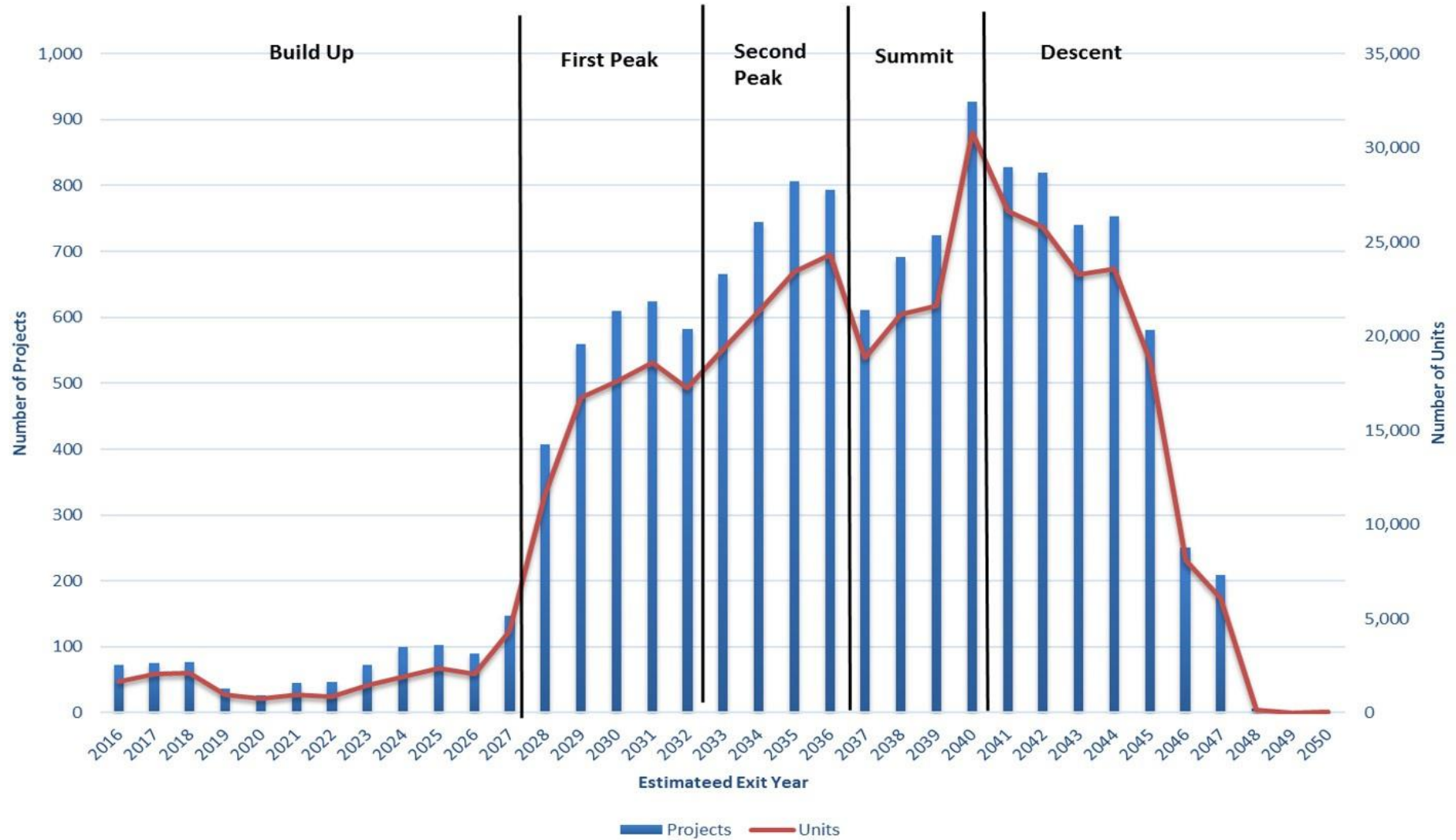
Counties with 20% or higher poverty rate in 2000, 2010, and 2020



Source: Housing Assistance Council Tabulations of the U.S Census Bureau's 2000 Census of Population and Housing, 2006-2010 American Community Survey, and 2016-2020 American Community Survey.

Source: Housing Assistance Council. A Platform for Preservation, 2017

Maturing USDA Section 515 Rural Multifamily Loans Estimated Loss of Properties and Units to Loan Maturity, 2016 - 2050



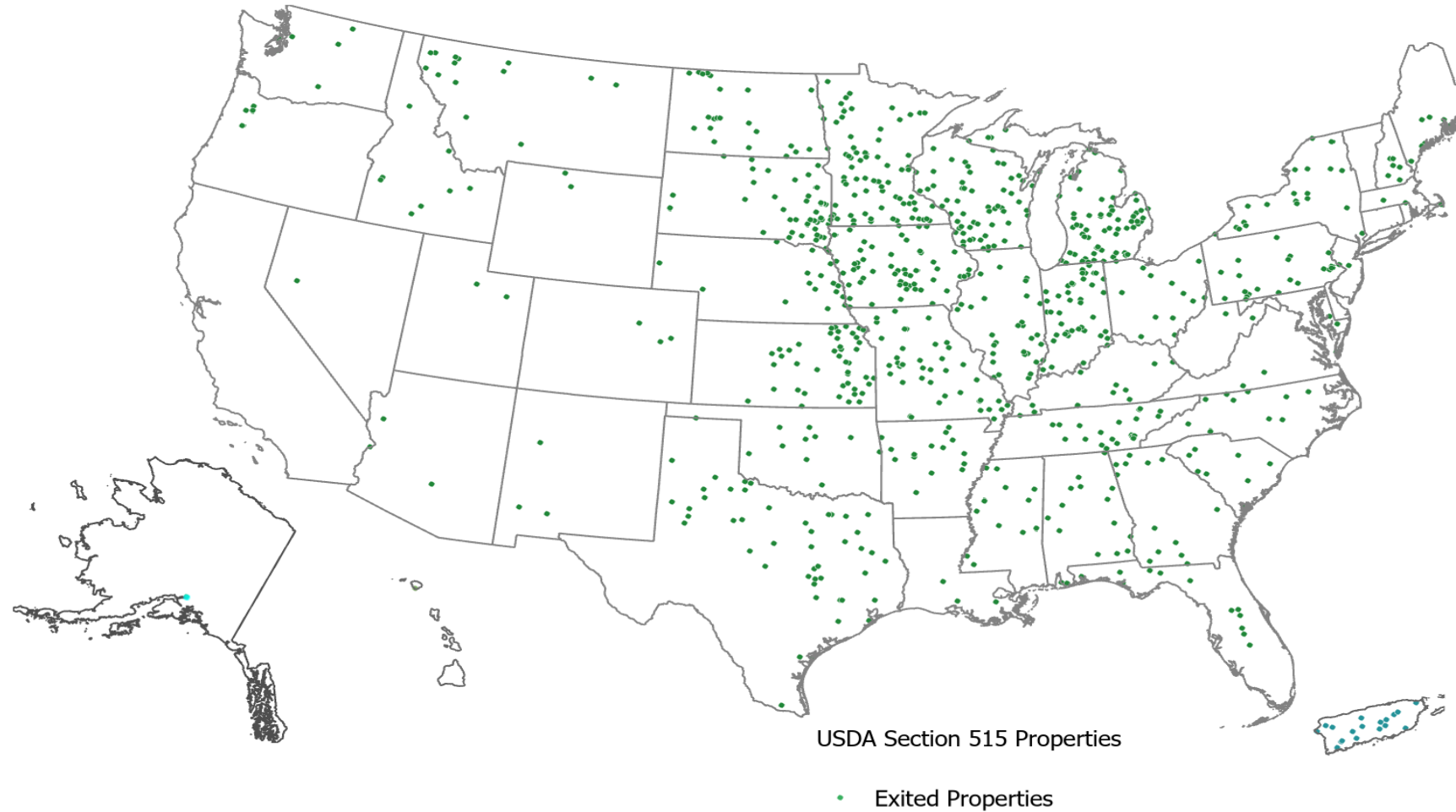
928

**USDA Section 515 Properties left the portfolio
between 2016 - 2021**

21,852

**USDA Section 515 units left the portfolio
between 2016 and 2021**

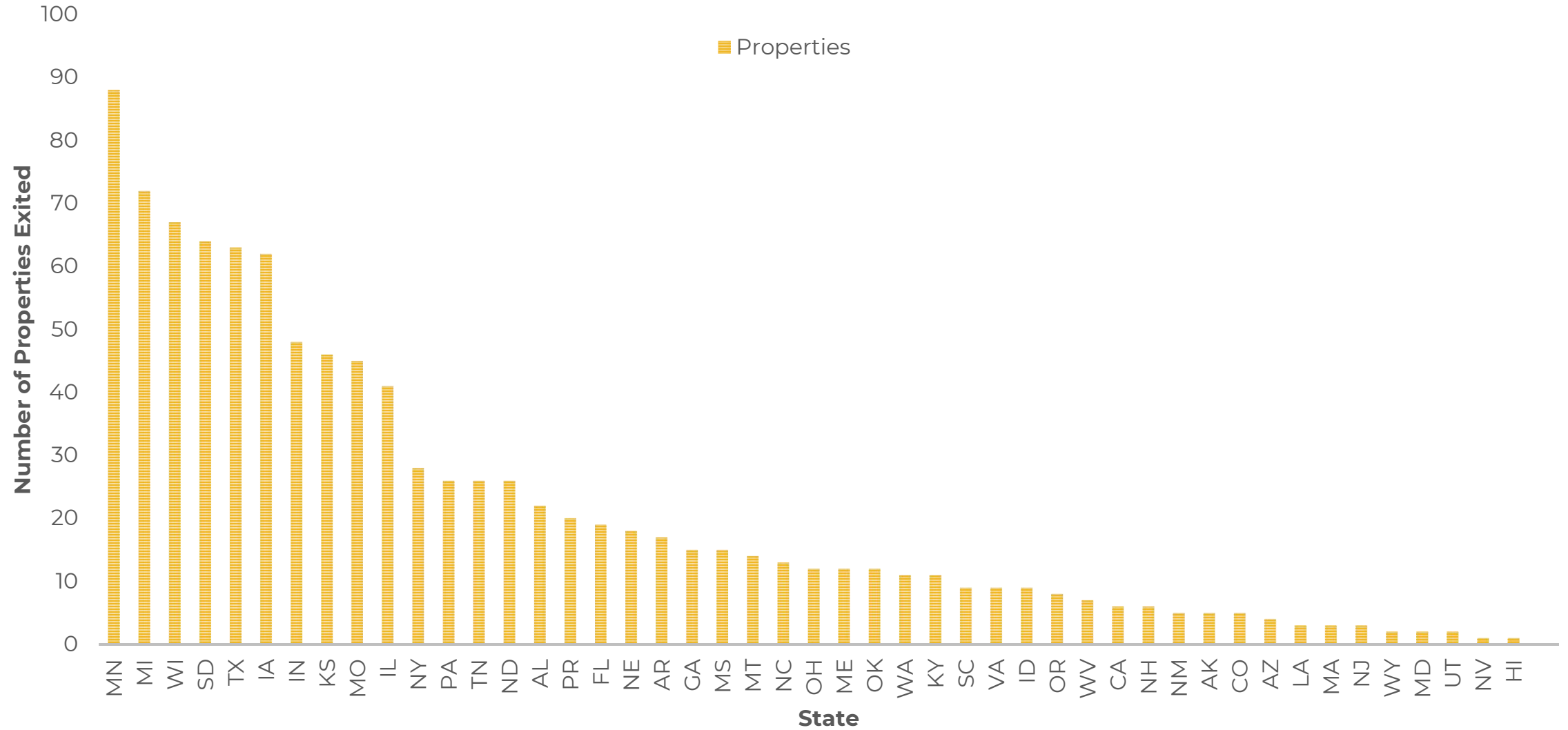
USDA Section 515 Exited Rental Properties, 2016 - 2021



Source: HAC Tabulations of USDA Section 515 Portfolio Data

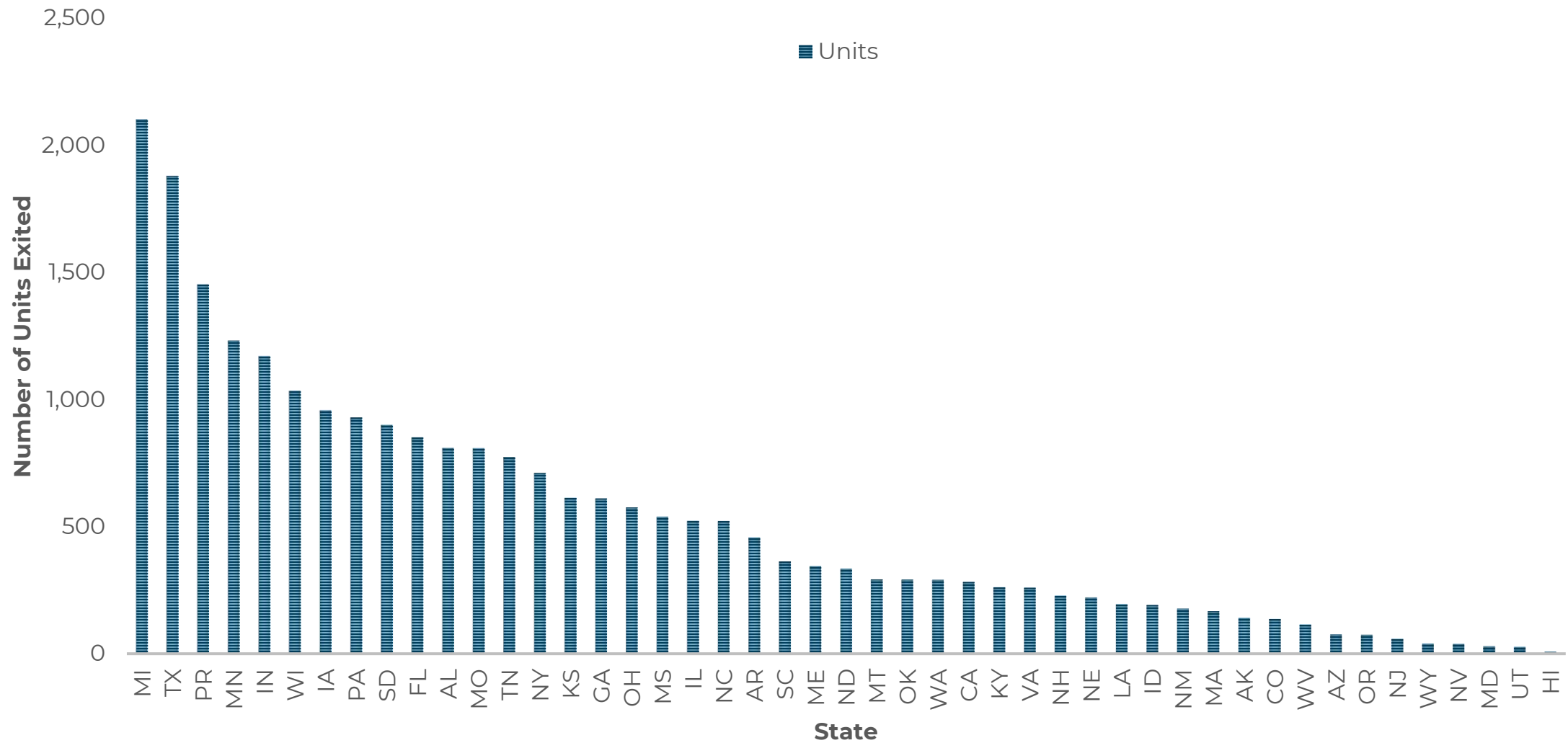
Source: Housing Assistance Council Tabulations of USDA data.

USDA SECTION 515 PROPERTY EXITS BY STATE 2016-2021



Source: Housing Assistance Council Tabulations of USDA data.

USDA SECTION 515 UNIT LOSS BY STATE 2016-2021



Source: Housing Assistance Council Tabulations of USDA data. PRELIMINARY ANALYSIS

Section 515 in Alabama



Total current properties: 432



Total current units: 14,233



Properties lost since 2016: 22



Units lost since 2016: 810

Section 515 in Georgia



Total current properties: 410



Total current units: 14,780



Properties lost since 2016: 15



Units lost since 2016: 611

Section 515 in Mississippi



Total current properties: 463



Total current units: 14,359



Properties lost since 2016: 15



Units lost since 2016: 540

Preservation Policy Updates

FY23 Funding Outlook


- Best rural housing budget from an Administration in recent memory
 - Significant funding increases for preservation programs
 - Proposal around decoupling rental assistance and Section 515 mortgage as a preservation strategy
- Both House and Senate FY23 agriculture appropriations bills included some wins but fell short of the Administration's budget.

FY23 Funding Outlook

USDA Rural Dev. Prog. (dollars in millions)	FY21 Final Approp.	ARPA	FY22 Final Approp.	FY23 Admin. Budget	FY23 House Bill	FY23 Senate Bill
515 Rental Hsg. Direct Lns.	40	–	50	200	150	100
521 Rental Assistance	1,410	100	1,450	1,564	1,494	1,488
Rental Prsrv. Demo. (MPR)	28	–	34	75	40	45
542 Rural Hsg. Vouchers	40	–	45	38	38	50
Rental Prsrv. TA	2	–	2	0	2	5

ARPA Rental Assistance

The most immediate, high-impact need we see in the Rural Housing Service (RHS) multifamily portfolio right now is the need to renew Section 521 rental assistance for the 27,000 families covered under the American Rescue Plan Act (ARPA).



Section 521 Rural Rental Assistance Renewal Crisis

27,000 families are about to lose their rental assistance

Issue Summary

The most immediate, high-impact need we see in the Rural Housing Service (RHS) multifamily portfolio right now is the need to renew Section 521 rental assistance for the 27,000 families covered under the American Rescue Plan Act (ARPA), who are set to lose their assistance at the end of the month. Section 521 rental assistance is available in some properties financed by USDA's Section 515 Rural Rental or Section 514/516 Farm Labor Housing programs. It covers the difference between 30 percent of a tenant's income and the monthly rental rate. ARPA included \$100 million in funding for Section 521 rental assistance for previously unassisted units. This funding allowed RHS to extend rental assistance coverage to an estimated 27,000 units in 3,700 properties.

Absent Congressional action, this funding expires at the end of Fiscal Year 2022. ARPA included no language suggesting that this 521 rental assistance was not to be included in the broader 521 appropriations account which Congress annually renews at its full level of need. This is in marked contrast to the Emergency Housing Vouchers (EHVs) provision of ARPA, which included a clear expiration date for the issuance/reissuance of EHVs, explicitly segregated EHVs from the broader Housing Choice Voucher renewal account, and included dedicated funding for the full anticipated renewal amount.

The Administration clearly expected that ARPA 521 rental assistance would be renewed, as its FY 2023 proposed Budget specifically included additional Section 521 rental assistance to continue coverage for these units. Unfortunately, neither the House nor Senate USDA appropriations bills included this critical funding. Allowing these units to fall out of the system would be disastrous for the families who are currently receiving that rental assistance, and would have deeply troubling implications for the prospects of preserving the quality and affordability of the essential USDA multifamily portfolio for the long term.

ARPA Section 521 Rental Assistance
Number of Projects and Units

State	Number of Projects	Number of Families Losing Rental Assistance
ALABAMA	154	1792
ALASKA	0	0
ARIZONA	7	45
ARKANSAS	77	353
CALIFORNIA	175	1369
COLORADO	22	136
CONNECTICUT	33	166
DELAWARE	13	51
FLORIDA	144	1776
GEORGIA	253	3306
HAWAII	0	0
IDAHO	4	6
ILLINOIS	90	222
INDIANA	170	442
IOWA	15	18
KANSAS	38	76
KENTUCKY	195	1534
LOUISIANA	138	1826
MAINE	60	153
MARYLAND	76	311
MASSACHUSETTS	15	28
MICHIGAN	232	1941
MINNESOTA	100	204
MISSISSIPPI	188	1447
MISSOURI	397	641
MONTANA	11	17
NEBRASKA	7	8
NEVADA	13	77
NEW HAMPSHIRE	22	72
NEW JERSEY	29	187
NEW MEXICO	18	55
NEW YORK	30	118
NORTH CAROLINA	102	664
OHIO	140	634
OKLAHOMA	57	496
OREGON	44	152
PENNSYLVANIA	73	640
PUERTO RICO	0	0
RHODE ISLAND	1	7
SOUTH CAROLINA	138	1659
SOUTH DAKOTA	15	18
TENNESSEE	125	1291
TEXAS	266	1704
UTAH	15	67
VERMONT	10	31
VIRGIN ISLANDS	0	0
VIRGINIA	104	1290
WASHINGTON	90	312
WEST VIRGINIA	66	369
WISCONSIN	44	70
WYOMING	6	15
Grand Total	3793	26826

Support rural housing access by renewing this critical rental assistance

To learn more about HAC's policy priorities visit our website:
<https://ruralhome.org/our-work/policy/policy-priorities/>

Key Legislation

- Strategy and Investment in Rural Housing Preservation Act (S.4872 / H.R. 1728)
 - Authorizes key preservation programs, including MPR and Preservation Technical Assistance
 - Dramatically increases the funding for MPR
 - Allows for “decoupling” of the mortgage and rental assistance as a last resort to preserve maturing properties
 - Instructs USDA to form a preservation stakeholder advisory committee
 - Provides funding for critical IT upgrades at RHS Multifamily

Is Decoupling the Answer?

Decoupling Framework

A “do-no-harm” approach to decoupling would need to include these parameters:

- Owners looking to decouple should have to:
 - Ensure long-term affordability of their property through a 20-year rental assistance contract
 - Agree to maintain the housing as decent, safe, and sanitary and in conformity with provisions established in Title V of the Housing Act
 - Establish that decoupling is truly a last resort by demonstrating that they can’t access other RHS preservation funding tools and sources
 - Identify financing sources and timetable for renovations and improvements deemed necessary by the USDA Secretary to maintain and preserve the property
- Before implementing decoupling, the USDA Secretary should publish a Notice of Advance Rulemaking and consult with appropriate stakeholders.
- Congress should dramatically increase funding for preservation tools like Section 515 and MPR.

Recent Congressional Hearings



The Senate Banking Committee held two subcommittee hearings on rural housing this year, with preservation being a focus of both.

Preservation Priorities in the Farm Bill

- While increased funding is the most important priority when it comes to preservation, the Farm Bill may offer an opportunity to authorize some of the preservation programs, like MPR and Preservation Technical Assistance.
- Jurisdictional challenges between the Banking and Agriculture Committees exist around getting rural housing programs into the Farm Bill.

Resources

[Ruralhome.org](https://ruralhome.org)

[Ruraldataportal.org](https://ruraldataportal.org)

[Veteransdata.info](https://veteransdata.info)

HAC News and Information



Questions?



PLEASE TAKE OUR SURVEY