



Senate committee approves FY20 funding for USDA and HUD, continuing resolution moves forward.

- On September 19 the [Senate Appropriations Committee](#) passed FY20 funding bills for several departments, including USDA and HUD. After the full Senate approves the bills, differences between the Senate measures and those previously [passed by the House](#) will need to be resolved by conference committees. Because there is not enough time to complete the appropriations for all federal agencies before the new fiscal year begins on October 1, a continuing resolution is expected to fund the government through November 21 and avoid a shutdown. The House approved a CR, [H.R. 4378](#), on September 19 and the Senate should vote on it the week of September 23. It includes a provision allowing maintenance of HUD Section 202 rental assistance, even if the necessary funds exceed the FY19 amount.
- The Senate's [FY20 USDA bill](#) would keep most rural housing programs at FY19 levels with increases to Section 521 Rental Assistance and Section 542 rural housing vouchers. The version approved by the House in June, on the other hand, increased several programs above FY19 levels, including Sections 514 and 515 as well as self-help housing and the MPR rental preservation program. Details are on [HAC's website](#). The Senate bill also includes \$25 million for relocating ERS and NIFA to Kansas City, while the [House bill](#) would block the move.
- The Senate's [HUD bill](#) increases the department's overall funding above its FY19 level, but rejects a number of increases included in the House's bill. The Appropriations Committee [voted](#) 15-16 against inclusion of an amendment that would have reauthorized NAHASDA; the bill does fund the Native American housing programs for FY20.

HUD offers technical assistance for disaster-impacted cities under 40,000.

HUD's [Distressed Cities Technical Assistance program](#) is designed to assist local governments of communities with populations under 40,000 that experienced a presidentially declared disaster in or after 2015. The program focuses on financial management, economic development (including affordable housing) and disaster recovery planning. Instructions for requesting TA are posted [online](#).

House passes rural rental preservation bill.

On September 10 the House of Representatives passed [H.R. 3620](#), the Strategy and Investment in Rural Housing Preservation Act. The Senate seems unlikely to consider the bill, which would [strengthen](#) USDA's rental preservation efforts.

HUD proposes regulations on income and assets for public housing and Section 8.

[Comments](#) are due November 18 on a [proposed rule](#) to implement provisions of the Housing Opportunity Through Modernization Act of 2016 that relate to income calculations and reviews for public housing and Section 8, with corresponding changes to the regs for HOME, the Housing Trust Fund, and the Housing Opportunities for Persons with AIDS program. Information contacts vary by program and are listed in the [notice](#).

Community design awards announced.

Twenty-three communities from across the country were selected to join the [Citizens' Institute on Rural Design](#), a collaboration among HAC, the National Endowment for the Arts and buildingcommunityWORKSHOP. The partner towns, tribes, nonprofits and other organizations were

selected in a national competition to receive assistance in addressing design and creative placemaking goals. Three communities – Millinocket, Maine; Pueblo of Laguna, New Mexico; and Athens, Ohio – will host multi-day design workshops that bring experts and locals together.

DJ LaVoy sworn in as Deputy Under Secretary for USDA Rural Development.

[Donald “DJ” LaVoy](#), most recently the head of HUD’s Real Estate Assessment Center, was sworn in September 17 as Deputy Under Secretary for Rural Development at USDA. The Under Secretary position, [eliminated](#) by USDA Secretary Sonny Perdue and [reinstated](#) by the 2018 Farm Bill, remains vacant.

Low-cost rental units show long-term decline in every state.

[Documenting the Long-Run Decline in Low-Cost Rental Units in the U.S. by State](#), a working paper from Harvard’s Joint Center for Housing Studies, looks at the reduction in low-cost rentals from 1990 to 2017. These homes were a declining share of the housing stock in every state, and all but a few states also had declines in the absolute number of low-cost units. The steepest drop occurred from 2012 to 2017. The paper reports a strong correlation at the state level between the extent of losses of low-cost rentals and rising housing cost burdens for low-income households.

White House homelessness recommendations include deregulation and policing.

A new report from the White House Council of Economic Advisers, [The State of Homelessness in America](#), focuses on homelessness in major metro areas on the East and West coasts. It identifies the major causes of homelessness as high housing costs due to overregulation of housing markets, “tolerable conditions” including warm weather and policing policies, right-to-shelter policies offering “substitutes to permanent housing” and individual factors such as severe mental illness and low incomes. It criticizes past federal policies and expresses doubt whether homelessness has actually decreased since 2007 (as [HUD has reported](#)). Solutions offered include [removal of regulatory barriers](#), expanded drug treatment, “an increased emphasis on serious mental illness,” support for police in promoting safe cities, and stronger encouragement for self-sufficiency.

Recent publications and media of interest

- [Income and Poverty in the United States: 2018](#) is an annual data report from the Census Bureau. The national median household income remained essentially the same in 2018 as in 2017, while the poverty rate fell by 0.5 percentage points to 11.8%. The drop in poverty was statistically significant for urban residents, but there was no statistically significant change for nonmetro or suburban residents.
- [New Partnership Addresses Affordable Housing in Rural Areas](#) details how the South Dakota economy is benefitting from a \$10 million partnership between Avery Health and the Rural Electric Economic Development Fund. These funds will go toward building quality workforce housing to help attract and retain skilled staff in all business sectors.
- [Rural References Bounce in and out of Democratic Debate](#), a Daily Yonder article, looks at the various ways contenders in the September 12 presidential debate touched on issues affecting rural America.
- [Small, Rural Markets Left Behind as Large Metros Struggle to Match Housing to Job Gains](#) explains some results of rural housing markets’ and rural economies’ inability to rebound at the same rates as large metropolitan areas’ since the Great Recession (2007-2009). Before the recession housing and economic growth in rural areas were generally similar to those in large metropolitan areas, but now they are lagging in job creation and home value gains.

- [Something Special is Happening in Rural America](#), by writer Sarah Smarsh, argues that recent shift in public sentiment and increasing affordability challenges for large urban areas are indicators of a coming “brain gain” for rural areas. Smarsh, author of [Heartland: A Memoir of Working Hard and Being Broke in the Richest Country on Earth](#), recently launched a new podcast, [The Homecomers](#), focused on providing “a more accurate story of those ill-understood spaces [rural communities.]”

September 15 through October 15 is [National Hispanic American Heritage Month](#).

“Colonias Investment Areas – Texas” webinar set for September 26.

HAC, in partnership with Fannie Mae, will hold a [webinar](#) presenting data and research on Colonias Investment Areas, a geographic concept developed to target strategies and opportunities for mortgage finance and resource investment in colonia communities along the southwest U.S. border. The September 26 session will focus on colonias in Texas. Recent webinars on colonias in [New Mexico](#) and [Arizona](#) are available on HAC’s [YouTube](#) channel. For more information, contact [HAC staff](#), 404-892-4824.

Need capital for your affordable housing project?

HAC’s [loan funds](#) provide low interest rate loans to support single- and multifamily affordable housing projects for low-income rural residents throughout the U.S. and territories. Capital is available for all types of affordable and mixed-income housing projects, including preservation, farmworker, senior and veteran housing. HAC loan funds can be used for pre-development, site acquisition, site development and construction/rehabilitation. Contact HAC’s loan fund staff at haclloanfund@ruralhome.org, 202-842-8600.

Please note: HAC is not able to offer loans to individuals or families. Borrowers must be nonprofit or for-profit organizations or government entities (including tribes).