



TAHRA STATE POSITION PAPER

CHALLENGING TIMES

THE FUTURE OF PUBLIC HOUSING AUTHORITIES (PHAs) IN TENNESSEE

On behalf of the 85 housing authorities in Tennessee; the over 207,000 low and moderate income residents of Tennessee and the Tennessee Association of Housing and Redevelopment Authorities (TAHRA), we want to sincerely THANK YOU for taking your time to meet with us and discuss these current and serious housing issues.

The 2013 Continuing Resolution provided exceedingly low funding levels extending the damage to essential programs, which made for a very challenging year for many housing authorities. The reduced funding also creates unease for thousands of Tennessee families currently served by public housing programs and leaves many families waiting for assistance with little hope of securing stable, decent housing. Without adequate funding and some regulatory changes housing authorities are doomed to fail and many residents will be left without housing options. **We would ask the Tennessee General Assembly to not impose legislation that would increase the operating cost of public housing.**

TAHRA supports:

- SB1503 / HB1397 Property where methamphetamine is manufactured;
- SB1713 / HB1617 Bid procedures and requirements;
- SB1787 / HB1573 Shorten termination time for landlords in breached rental agreements;
- HB1689 Penalties for landlords who fail to repair code violations.

TAHRA opposes:

- SB1732 / HB1409 Execution of a writ of possession;
- SB2451 / HB1385 Drugs, Prescription – As introduced creates Koozer-Kuhn Medical Cannabis Act.

Public housing authorities receive capital funds for development, financing, rehabilitation and preservation of their aging public housing stock. Cuts to the capital fund program have caused housing authorities to backlog and defer crucial maintenance repairs through the years. In FY 2013, PHAs received only about 50% of the funding necessary to keep pace with the accrual of physical needs of their properties. **We would ask the Tennessee General Assembly to assist us in addressing our aging housing stock by supporting the following proposed legislation.**

TAHRA supports:

- State funding to support THDA's Housing Trust Fund;
- Maintain a Public Housing Set-A-Side in THDA's Low Income Housing Tax Credit Program.

The Section 8 Housing Choice Voucher program is an essential housing program for the State of Tennessee. THDA has been a key player in providing housing assistance to many Tennessee families through this program. Approximately 60% of families served have a head of household who is disabled and /or elderly. **We would ask the General Assembly to support the efforts of this critical program by extending the sunset provision of THDA.**

TAHRA supports:

- SB1542 / HB1581 Sunset-extends Tennessee Housing Development Agency

The use of Community Development Funds such as THDA's Housing Trust Fund dollars allows individual housing authorities to work with their counties and cities to implement various community development projects such as housing, but also provide the needed supportive services to enhance the quality of life for affordable housing residents. THDA estimates that every \$100 of affordable housing activity in Tennessee produces an additional \$92 in business revenues. **Affordable housing activities accounted for \$32 million in state and local taxes for Tennessee in 2012.**

TAHRA supports:

- State funding to support THDA Housing Trust Fund;
- Support Senate Bill 1671 / House Bill 1390 Tax of property quality for low-income housing tax credit;
- SB1542 / HB1581 Sunset-extends Tennessee Housing Development Agency;
- SB229 / HB1689 Penalties for landlords who fail to repair code violations;
- SB2307 / HB1987 Notice extended regarding improvement of blighted property.
- SB2315 / HB2142 Participation in the Tennessee Local Land Bank program.

TAHRA opposes:

- SB1800 / HB2260 Eminent domain – definition of blighted revised;
- SB2176 / HB2259 Eminent domain – right of first refusal by original property owner.

Of the 85 housing authorities that administer Public Housing, the Housing Choice Voucher Program, or both, approximately 82% are small agencies. These agencies bear much of the same regulatory burdens and costs as large agencies. The lack of available funds to help maintain and develop affordable housing units in Tennessee's rural communities will continue to be an ongoing challenge.

TAHRA supports:

- A set-a-side in THDA's Low Income Housing Tax Credit program for rural communities and small public housing authorities;
- SB1671 / HB1390 Tax of property qualifying for low-income housing tax credit.

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