



December 3, 2018

The Honorable U.S. Senator Dianne Feinstein  
331 Hart Senate Office Building  
Washington, DC 20510

Dear Honorable U.S. Senator Feinstein,

I urge your support for the Senate version of the Fiscal Year 2019 Transportation, Housing and Urban Development (THUD) spending bill to avoid a government shutdown and to enable public housing agencies such as the San Diego Housing Commission (SDHC) to continue to address the affordable housing needs of our most vulnerable residents.

With your support, funding for the U.S. Department of Housing and Urban Development (HUD) in Fiscal Year (FY) 2018 was increased by 10 percent – an increase that is maintained in the proposed THUD spending bills for FY2019 in both houses of Congress.

However, I continue to be concerned that the proposal by the House of Representatives includes cuts of \$162 million – or about 12 percent – to the HOME Investment Partnerships program, which is essential to meet the housing needs of low-income families and to address homelessness in the City of San Diego and across the country.

SDHC administers HOME funds awarded by HUD to the City of San Diego. HOME funds support rental housing production, first-time homebuyer assistance, property rehabilitation, and short-term, tenant-based rental assistance.

Recent affordable rental housing developments in which SDHC invested HOME funds as part of residual receipts loans include:

- **Mesa Verde Apartments.** \$2 million in HOME funds to support the development of 89 affordable rental apartments for low-income families.
- **North Park Seniors.** \$1.76 million in HOME funds to support the development of 75 affordable rental apartments for homeless and low-income seniors. This is the first affordable housing development for seniors in the City of San Diego to provide programs for lesbian, gay, bisexual and transgender residents. However, the rental apartments are open to all low-income seniors ages 55 and older, regardless of their sexual orientation.
- **Talmadge Gateway.** \$2.6 million in HOME funds to support the development of 59 new affordable rental apartments with supportive services for seniors experiencing homelessness. Talmadge Gateway is one of eight developments to which SDHC awarded

development funds in the first three years of SDHC's homelessness action plan, HOUSING FIRST – SAN DIEGO, to create permanent supportive housing for homeless San Diegans.

In addition, the House of Representatives' proposed THUD spending bill would decrease the Section 8 Housing Choice Voucher administrative fees that are essential for agencies such as SDHC to effectively administer federal rental assistance programs that help nearly 2.3 million low-income American families pay rent. SDHC provides federal rental assistance to approximately 15,400 households in the City of San Diego—the majority of which are elderly or disabled. The Senate bill's proposed increase in these administrative fees is an important step that should be included in the final THUD spending bill.

Housing Choice Voucher administrative fees, which help public housing authorities ensure the safety of rental units and the eligibility of housing voucher households, have not been fully funded since FY2003. Currently, public housing agencies are funded at 77 percent of need, according to the National Association of Housing and Redevelopment Officials (NAHRO).

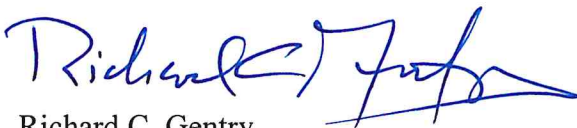
I was pleased to see that the Senate's THUD proposal for FY2019 includes an increase in the administrative fees, which would increase funding up to an estimated 83 percent of the need. The House's proposal, however, only includes a funding level estimated at 75 percent of the need.

During the upcoming spending negotiations, SDHC asks that you support the Senate's funding level of \$1.362 billion for HOME, as well as the Senate's funding level for Housing Choice Voucher administrative fees, for FY2019.

Thank you for your continued support and advocacy for affordable housing and programs that address housing needs in the City of San Diego and nationwide.

Should you have any questions, please contact me directly at 619-578-7531 or [rickg@sdhc.org](mailto:rickg@sdhc.org)

Sincerely,

A handwritten signature in blue ink that reads "Richard C. Gentry". The signature is stylized and fluid, with a long horizontal stroke at the end.

Richard C. Gentry  
President & Chief Executive Officer  
San Diego Housing Commission