

# Trump's 2018 Budget Impact

## CALIFORNIA AFFORDABLE HOUSING

### Trump's Budget Cuts \$7.4 Billion in HUD funds

President Trump's FY 2018 Budget cuts HUD funding by 15% compared to FY 2017. If enacted, this budget would cause a rise in homelessness, accelerate the decline of public housing infrastructure and curb affordable housing production. Across California, Section 8 and Public Housing would see significant reductions<sup>1</sup> and CDBG and HOME would be completely eliminated:

- 35,713** **Section 8 Voucher Households at Risk of Homelessness**  
*Helps families afford private market rent.*
- \$59,672,352** **Public Housing Operating & Capital Funds**  
*Ongoing maintenance and critical building repairs, essential to safe and healthy housing conditions.*
- \$355,155,848** **Community Development Block Grant (CDBG)**  
*Provides flexible funding for community development & revitalization programs.*
- \$127,465,266** **HOME Investment Partnership (HOME)**  
*Supports rental housing for extremely low-income families that the private market does not serve.*

### Trump's Rent Increase Proposal

President Trump's Budget proposes to increase HUD-assisted tenants' contributions from 30 percent of adjusted income to 35 percent of gross income and eliminate the payment of utility reimbursements.

- **\$1020 Average Annual Rent Increase** for households in HUD-assisted housing.<sup>2</sup>
- **90% of CA households utilizing HUD rental assistance include Children or Elderly or Disabled.**<sup>3</sup>

### Affordable Housing Need

- **LOW-INCOME RENTERS**  
*1.68 Million Severely Rent-Burdened CA Families pay more than half their income in rent each month.*<sup>4</sup>
- **GROWING ELDERLY POPULATION**  
*Between 2015 and 2035, the US senior population will rapidly grow from 48 million to 79 million.*<sup>5</sup>
- **HOMELESS**  
*In CA, there are 118,142 homeless individuals, including 9,912 veterans & 20,482 people in families with children.*<sup>6</sup>

### Jobs and Economic Benefits At-Risk

In California, from 1986- 2014<sup>7</sup> affordable housing development & preservation impact:

**323,746 Homes** | **365,833 Jobs** | **\$34.87 Billion Local Income** | **\$13.73 Billion Tax Revenue**

<sup>1</sup> Center on Budget & Policy Priorities. 2017. <http://www.cbpp.org/blog/trump-budget-would-increase-homelessness-and-hardship-in-every-state-end-federal-role-in-2-cbpp>. 2017. <http://www.cbpp.org/blog/trump-housing-changes-would-hike-rents-on-struggling-families>

<sup>3</sup> CBPP. 2017. California Fact Sheet: Federal Rental Assistance. <http://www.cbpp.org/sites/default/files/atoms/files/4-13-11hou-ca.pdf>

<sup>4</sup> Ibid.

<sup>5</sup> Joint Center for Housing Studies at Harvard. 2017. Projects and Implications for a Growing Population: Older Households 2015-2035 Housing.

[http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/harvard\\_jchs\\_housing\\_growing\\_population\\_execsum.pdf](http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/harvard_jchs_housing_growing_population_execsum.pdf)

<sup>6</sup> HUD. 2016. <https://www.hudexchange.info/resources/documents/2016-AHAR-Part-1.pdf>

<sup>7</sup> Action Campaign. 2016. California State Fact Sheet.

<https://static1.squarespace.com/static/566ee654bfe8736211c559eb/t/57e920fd6b8f5b9261744ebe/1474896126381/California+2016.pdf>