

**Congress of the United States**  
**Washington, DC 20515**

September 2, 2015

The Honorable Julián Castro  
Secretary  
U.S. Department of Housing and Urban Development  
451 7th Street, SW  
Washington, DC 20410

Dear Secretary Castro:

We write to express our strong concerns regarding the Department of Housing and Urban Development's (HUD) proposed new Housing Choice Voucher (HVC) Administrative Fee formula. Under this new formula, many of the public housing authorities (PHAs) based in our congressional districts would see drastic cuts that would hinder their ability to serve our constituents.

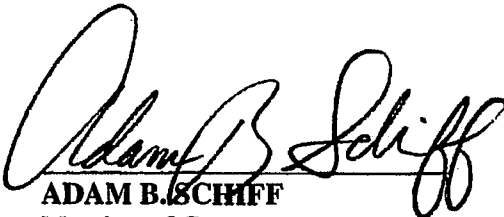
We believe that the statistical explanation provided in HUD's study, which describes only 63 percent of the costs associated with the operation of the PHAs studied, insufficiently reflects the full range of costs faced by PHAs. Specifically, the formula leaves out critical activities that are performed by PHAs including serving senior households, homeless households, providing portable vouchers, and administering special voucher programs such as HUD-Veterans Affairs Supportive Housing (HUD-VASH). In addition, we are concerned that the formula undervalues the PHAs' fee eligibility due to cost saving measures that many of the PHAs undertook during the period of study, and does not adequately take into account turnover or new admission voucher success rates.


The proposed fee formula will disproportionately hurt urban areas with higher costs-of-living. In California alone, 39 PHAs would receive reduced funding; this represents 28 percent of all declining PHAs in the United States (excluding the territories).

We ask that HUD further study its proposed formula, taking into account the comments the agency will receive from the PHAs across the country. Specifically, HUD should develop a formula that more accurately considers all administrative costs associated with PHAs and does not discount the effects of high cost-of-living and rental markets on PHA expenses. Additionally, we are concerned that the current January 1, 2017 deadline to implement the new administrative fee is not practically achievable and ask that the agency take adequate time to ensure that its administrative fee formula accurately reflects the costs associated with managing a PHA.

PHAs provide a valuable asset to the thousands of communities across America. We ask that you work to ensure these organizations are adequately equipped to address the needs of our constituents. Thank you and we look forward to working with you on this important issue.


Sincerely,

  
ADAM B. SCHIFF  
Member of Congress

  
BARBARA LEE  
Member of Congress

  
TONY CÁRDENAS  
Member of Congress

  
JOHN GARAMENDI  
Member of Congress

  
TED LIEU  
Member of Congress


  
ERIC SWALWELL  
Member of Congress

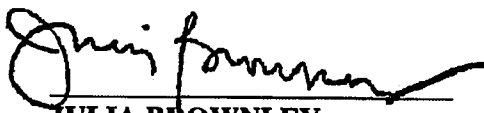
  
MAXINE WATERS  
Member of Congress

  
MARK DESAULNIER  
Member of Congress

  
MIKE THOMPSON  
Member of Congress

  
LOIS CAPPS  
Member of Congress

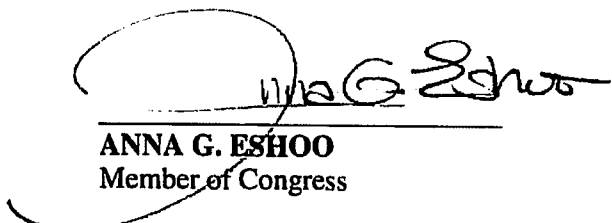
  
LINDA T. SÁNCHEZ  
Member of Congress


  
JULIA BROWNLEY  
Member of Congress

  
SAM FARR  
Member of Congress

  
JANICE HAHN  
Member of Congress


  
MICHAEL M. HONDA  
Member of Congress

  
ANNA G. ESHOO  
Member of Congress



---

**XAVIER BECERRA**  
Member of Congress



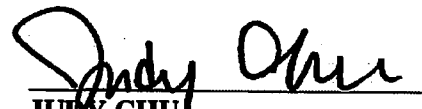
---

**KAREN BASS**  
Member of Congress



---

**ALAN S. LOWENTHAL**  
Member of Congress



---

**JUDY CHU**  
Member of Congress