

June 14, 2004

The Honorable Alphonso R. Jackson
Secretary
U.S. Department of Housing and Urban Development
451 Seventh Street, SW
Washington, D.C. 20410

Dear Secretary Jackson:

As a long-time advocate for affordable housing and the one-time state Community Development director (where I had management oversight of many successful HUD programs), I have greatly appreciated Utah's many successful collaborations with your department. However, I am seriously concerned about HUD's recent interpretation of the Section 8 program funding, which results in a reduction of funding and which is being applied retroactively. These actions are placing families and individuals served in serious jeopardy and are threatening the financial stability of our eighteen well-run and fiscally responsible public housing authorities.

Typical of the impacts is the impact on the small Cedar City Housing Authority. It is projecting a potential loss of twenty Section 8 households out of 139 and will sustain a 16.5% cut in administration (or one half of one of their three full-time employees). In another example, HUD notified the Housing Authority of the County of Salt Lake in May 2004, one month before their June 2004 fiscal year end, that their anticipated Section 8 funding for the current year was being cut by \$1,170,697. That large amount is impossible to manage and adjust to in a six-week period. Additionally, the proposed 2005 HUD budget would result in dropping approximately 1,129 Utah families from the program, cuts that would take place at the same time that I have personally pledged Utah to honor President Bush's request to develop and implement a ten-year plan to end homelessness.

It is my hope that this crisis will be resolved so that our housing authorities can maintain their level of services to Utah families and stay fiscally healthy. I ask for a full reinstatement of Section 8 funding. At the very minimum, I request that changes in the program and reductions in funding at least, not be applied retroactively. Thank you.

Sincerely,

OLENE S. WALKER
Governor

cc: Senator Robert Bennett
Senator Orrin G. Hatch
Representative Jim Matheson
Representative Rob Bishop
Representative Chris Cannon