

## The President's FY 2009 Budget At-a-Glance May 2008

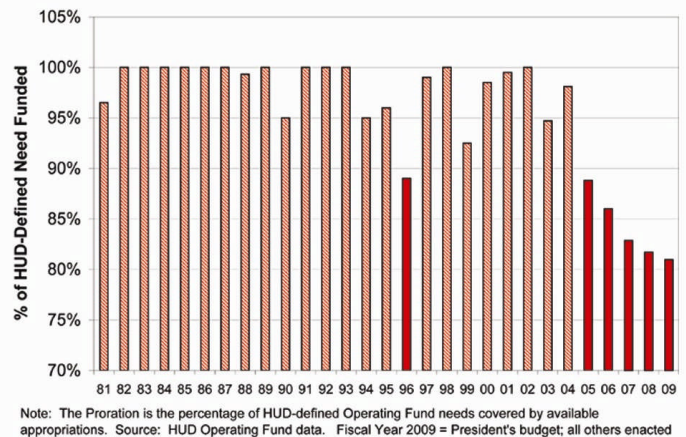
The following are highlights of the President's FY 2009 Budget proposal for HUD programs. Congress has begun its consideration of this proposal through its annual budget and appropriations process. See reverse for NAHRO's FY 2009 Funding Recommendations.

### Public Housing:

- A \$1 billion shortfall in the Operating Fund for FY 2009, providing local agencies with just 81 cents of every \$1 necessary to cover day-to-day services like maintenance, utilities, security, program eligibility checks, and services to vulnerable families.
- 17% reduction (\$415 million) in the Capital Fund for major repairs, despite an estimated \$18 - \$20 billion backlog of capital needs
- Elimination of HOPE VI



**Public Housing Operating Fund in Historic Decline**  
Operating Fund Prorations, FY 1981 - FY 2009

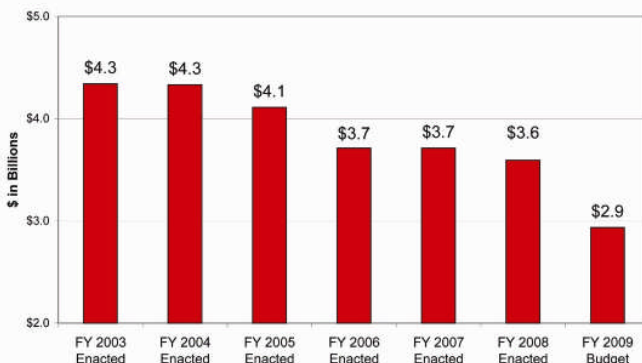


### Section 8 Rental Assistance:

- **Tenant-Based Vouchers:**
  - Provides \$14.2 billion in new funding for Section 8 voucher renewals, over \$1.2 billion below NAHRO's estimate of the amount necessary to avoid reductions in families served and increasing rent burdens.
  - Requests \$1.4 billion for Administrative Fees, a slight increase over FY 2008, but far short of the \$1.7 billion estimated necessary to administer the program and help families find housing, safe, decent housing in areas of opportunity.
  - Reduces Family Self Sufficiency coordinator funds
- **Project-Based Assistance:** Request falls an estimated \$2.4 billion short of amount necessary to fully fund contracts, threatening housing assistance and program stability.



**Community Development Block Grants Cut Dramatically**  
FY 2003 - FY 2009



Note: CDBG formula grants only. President's FY 2008 Budget proposes \$2.934 billion for CDBG formula grants, but assumes \$206 million of that amount would be funded through rescission of prior-year earmarks.

### Community Planning and Development:

- CDBG formula funding 18% below FY 2008 level and 32% below the amount provided in FY 2004
- Elimination of key economic development programs: Brownfields, Sec. 108 loan guarantees, and Rural Housing and Economic Development.
- Restores HOME funding to FY 2004 level (not inflation-adjusted)

## NAHRO FY 2009 Funding Recommendations

Program (\$ in Millions)	'08 Enacted	'09 Proposed	NAHRO Recommendation <sup>a</sup>
Public Housing Operating Fund	\$4,200	\$4,300	\$5,300 <sup>b</sup>
Elderly & Disabled Service Coordinators	[\$15]	[\$16]	\$50
Public Housing Capital Fund	\$2,439	\$2,024	\$3,500
Resident Opportunity & Supportive Services	[\$40]	[\$38]	\$55
HOPE VI	\$100	\$0	\$800
Safety & Security	\$0	\$0	\$310
Tenant-Based Rental Assistance (Sec 8 Vouchers), Total	\$16,391 <sup>c</sup>	\$15,881 <sup>c</sup>	
Housing Asst. Payments	[\$14,695] <sup>c</sup>	[\$14,161] <sup>c</sup>	\$15,400 <sup>d</sup>
Admin Fees	[\$1,351]	[\$1,400]	\$1,700 <sup>d</sup>
FSS Coordinators	[\$49]	[\$48]	\$72
Tenant Protection Vouchers and Administration	[\$200]	[\$150]	Fully Fund
Project-Based Section 8	\$6,382	\$7,000	Fully Fund
Community Development Fund	\$3,866	\$3,000 <sup>e</sup>	
Community Development Block Grant formula grants	[\$3,593]	[\$2,934] <sup>e</sup>	\$4,500
Brownfields	\$10	\$0	\$25
Rural Housing/Econ. Dev.	\$17	\$0	\$25
Sec. 108 Loan Guarantees	\$5	\$0	\$7
HOME	\$1,704	\$1,967	
HOME Formula Grants	\$1,628	\$1,901	\$2,000
ADDI set-aside in HOME	[\$10]	[\$50]	
HOPWA	\$300	\$300	\$300
Homeless Assistance Grants	\$1,586	\$1,636	At least \$1,636 <sup>f</sup>
Affordable Housing Production			\$1 billion <sup>g</sup>

<sup>a</sup> NAHRO requests are for stand-alone programs only. Blank indicates no position.

<sup>b</sup> Reflects the administration's own estimate of need.

<sup>c</sup> TBRA figures displayed on a program-year basis, consistent with appropriations bill language. HUD documents display figures on a fiscal year basis, which blends program years.

<sup>d</sup> Renewal of existing and incremental vouchers based on 2007 calendar year voucher leasing and cost data through September 30, 2007, inflated by blended BLS Consumer Price Index, Urban (CPI-U), Rent of Primary Residence component. Assumes a 96% utilization rate. Admin fee based on current 6/1/2008 leasing estimates.

<sup>e</sup> The President's budget nominally requests \$3.000 billion for the CD Fund for FY 2009. However, it offsets this amount by presuming the cancellation of \$206 million in FY 2008 Economic Development Initiatives and other earmarks within the fund. The combination of the request and rescission results in a net FY 2008 appropriations request of just \$2.794 billion for the CD Fund.

<sup>f</sup> NAHRO's proposed funding level for Homeless Assistance Grants is for existing McKinney-Vento programs and does not include the administration's proposed \$50 million set-aside for the Samaritan Initiative.

<sup>g</sup> Affordable Housing Production should be derived from sources other than appropriations to the extent possible.

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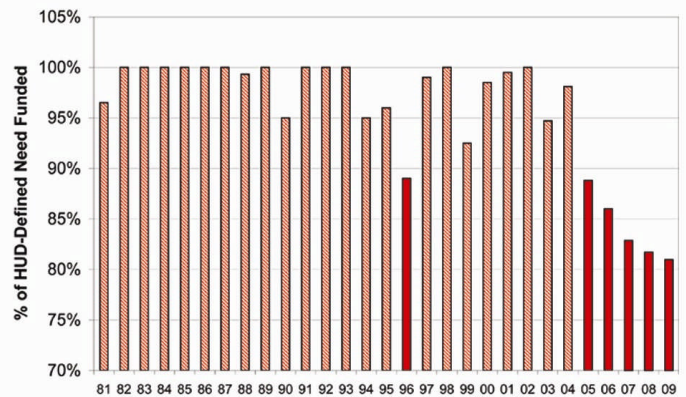
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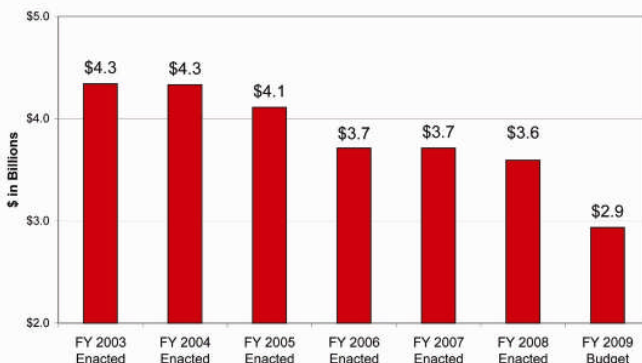
Note: The Proration is the percentage of HUD-defined Operating Fund needs covered by available appropriations. Source: HUD Operating Fund data. Fiscal Year 2009 = President's budget; all others enacted

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