

Provide adequate funding for public housing programs
by asking the appropriations committee to
fully fund the Public Housing Operating and Capital Funds
in the FY 2009 THUD appropriations bill

Attached please find a letter to Chairman Olver and Ranking Member Knollenberg asking for full funding of the Public Housing Operating Fund (at \$5.3 billion) and the Public Housing Capital Fund (at \$3.5 billion).

- The Operating Fund finances the portion of the operating costs not covered by the tenant's rent contributions. As you may know, residents of public housing pay what they can, according to a formula based on their income, and Congress appropriates funding to make up the difference. The President's budget is \$1 billion short, based on its own projection of need.
- The Capital Fund finances major repairs and renovations of public housing property, including individual units. The President has repeatedly underfunded this account resulting in a backlog of needed, but unfunded, repairs. This backlog is currently as large as \$18 billion or \$20 billion. The President's FY 2009 request adds to this backlog by failing to provide enough funding to meet this year's new capital needs.

Please join my boss in supporting public housing by asking for full funding of these vital accounts. If your boss is interested or if you have any questions, please contact Kate Fink in Congressman Sires' office at X57919. **DEADLINE: THURSDAY, JUNE 12**

Sincerely,

Albio Sires

Member of Congress

<<DC on public housing funding in 2009 approps.doc>>

June XX, 2008

The Honorable John Olver
Chairman
Subcommittee on Transportation, Housing
Housing and Urban Development, and
Related Agencies
Committee on Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Joseph Knollenberg
Ranking Member
Subcommittee on Transportation,
Housing and Urban Development
and Related Agencies
Committee on Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Olver and Ranking Member Knollenberg:

As you consider the Fiscal Year 2009 Transportation, Housing and Urban Development and Related Agencies Appropriations bill, we urge you to increase funding for public housing by providing \$5.3 billion for the Public Housing Operating Fund and \$3.5 billion for the Public Housing Capital Fund. Public housing is a national asset that helps to stabilize neighborhoods throughout America and serves nearly 3 million low-income, disabled, or elderly individuals and families.

The Operating Fund is used to finance the portion of operating costs that are not covered by tenants' rent contributions. This funding is absolutely essential to maintaining affordability and providing safe, high-quality apartments to public housing residents. The President's request underfunds the Operating Fund by an astounding \$1 billion, based on HUD's projection of need. This funding shortfall will force public housing authorities to make huge cuts in staffing and inspections, and result in a decreased quality of life for residents of public housing.

The Capital Fund finances major repairs and renovations of public housing. The President's budget for the Public Housing Capital Fund marked the seventh consecutive year that funding for this account remained level or decreased. Because the nation's public housing authorities accrue new capital needs at a rate of \$2.3 billion per year, the President's FY 2009 request of \$2.024 billion for the Public Housing Capital Fund would not even cover this year's new capital expenses. Instead, it would mean that the \$18 to \$20 billion backlog in capital repairs to public housing developments across the country would continue to grow.

In order to cope with these cuts in funding, housing authorities are cutting security and social services, delaying or forgoing routine maintenance, and putting off major repairs and improvements. Full funding for these public housing programs will prevent this disruption of services and allow the public housing authorities to continue operating their projects in a safe and affordable manner. Thank you for your consideration.