



Campaign for Housing and Community Development Funding

Working to insure maximum federal resources for housing and community development.

March 23, 2009

The Honorable Shaun Donovan
Secretary, U.S. Department of Housing and Urban Development
451 7th Street, S.W.
Washington, D.C. 20410

Dear Secretary Donovan:

The undersigned organizations are members of the Campaign for Housing and Community Development Funding (CHCDF), a coalition of national organizations concerned with ensuring that HUD receives the resources necessary to sustain important federal housing and community development programs. Our organizations welcome the opportunity to work in concert with you, as you seek to reshape HUD programs to reflect 21st century affordable housing needs in urban, suburban, and rural communities.

We write today to offer our views on the upcoming detailed FY 2010 budget for HUD. For more than a decade, HUD programs have been significantly under-funded. In a welcome reversal of this trend, the proposed FY 2010 budget reflects a substantial increase in budget authority for HUD. In this regard, we are grateful for your leadership at HUD and for the overall leadership demonstrated by President Obama. We will work with the Administration to ensure that this budget becomes law.

We are pleased that the budget proposes the investments necessary to put critical programs such as Section 8 tenant-based and project-based rental assistance, Community Development Block Grants (CDBG) and public housing operating funds on a more stable path. Sustainable annual appropriations for these programs will help government agencies, housing developers, and community development organizations work more efficiently to solve some of our nation's most pressing housing problems.

In anticipation of the detailed program by program budget, we also wish to offer our thoughts on key new investments that HUD should make. This reflects our view that while all HUD programs are important, there is a set of pressing needs that should receive immediate attention.

- **Production and preservation of affordable housing.** In recent years, the federal role in producing new units of affordable housing has dropped significantly. Housing production, targeted to people at or below 30% of area median income, must be a priority of the Administration. We are pleased to see that this has been recognized, with budget proposals to capitalize the Housing Trust Fund, create a new Energy Innovation Fund, and increase funding for preservation of multifamily properties. We also hope that HUD will return public housing to full funding and continue efforts to develop new affordable housing for vulnerable populations, including seniors, persons with disabilities, and individuals or families leaving homelessness.
- **Revitalizing distressed communities.** The year long recession and housing market crisis have resulted in the devastation of many communities, while other communities suffer from longer term disinvestment and neglect. The Administration's proposal to fund the CDBG program at \$4.5 billion is appreciated. We also look forward to working with you to implement your Sustainable Communities Initiative and Choice Neighborhoods Initiative, to assist these distressed neighborhoods to become livable and sustainable communities.
- **Making rental housing affordable.** From 2000 to 2007, the number of low-income families with severe housing affordability problems increased by one third – and this was before the current economic recession, which is driving unemployment and poverty rates higher. Yet the federal government last expanded federal rental assistance by a significant amount in 2001, when Congress funded nearly 80,000 new "incremental" Housing Choice vouchers. In order to address both the fallout from the current economic crisis and the long-standing affordable housing crisis, a significant increase in rental assistance for low income families must be provided. Without such an initiative, meeting the well-considered goals evidenced by the budget proposal will be extremely difficult.

Thank you for your consideration of our views. We look forward to working closely with you, in furtherance of our mutual goals. Should you or your staff have any questions about this letter, you may contact our current chairs – Steve Berg of the National Alliance to End Homelessness – (202) 638-1526 or Jeremy Rosen of the National Policy and Advocacy Council on Homelessness – (202) 714-5378.

Sincerely,

American Association of Homes and Services for the Aging
 Association of Community Organizations for Reform Now
 Bazelon Center for Mental Health Law
 Community Action Partnership
 Consortium for Citizens with Disabilities
 Corporation for Supportive Housing
 Council of Large Public Housing Authorities
 Council of State Community Development Agencies
 Habitat for Humanity International

Housing Assistance Council
Jesuit Conference
Jewish Council for Public Affairs
Lutheran Services of America
National AIDS Housing Coalition
National Alliance of Community Economic Development Associations
National Alliance on Mental Illness
National Alliance to End Homelessness
National Association of Affordable Housing Lenders
National Association of State Mental Health Program Directors
National Coalition for the Homeless
National Housing Conference
National Housing Trust
National Low Income Housing Coalition
National Neighbor Works Association
National Policy and Advocacy Council on Homelessness
Public Housing Authorities Directors Association
Rural Community Assistance Partnership, Inc.
Stewards of Affordable Housing for the Future
Technical Assistance Collaborative Inc,
The Arc of the United States
Travelers Aid International
Union for Reform Judaism
United Cerebral Palsy
United Jewish Communities