



OBAMA ADMINISTRATION BUDGET WOULD HOLD MOST RURAL HOUSING

PROGRAMS STEADY, REPLACE RHED. Under the detailed proposal for FY 2010 released on

USDA Rural Development Program (dollars in millions)	FY 2008 Approp.	FY 2009 Approp.	FY 2010 Proposed Budget
Loans			
502 Single Fam. Direct	\$1,129.4	\$1,121.5	\$1,121
502 Single Family Guar.	4,220	6,223.9	6,200
504 Very Low-inc. Repair	34.7	34.4	34.4
514 Farm Labor Hsg.	27.7	20	22
515 Rental Hsg. Direct	70	69.5	69.5
538 Rental Hsg. Guar.	130	129.1	129.1
Rental Prsrv. Revlg. Loans	3	2.9	1.8
Grants and Payments			
504 Very Low-inc. Repair	30	29.7	31.6
516 Farm Labor Hsg.	10	9.1	9
523 Self-Help TA	39	38.7	38.7
533 Hsg. Prsrv. Grants	9	8.9	9.4
521 Rental Assistance ^a	482.1	902.5	1,091
Preservation RA			6
New Construction 515 RA			2.03
New Constr. 514/516 RA			3.4
542 Rural Hsg. Vouchers	5	5	5
Rental Prsrv. Demo. (MPR)	20	20	19.8
Rural Cmnty. Dev't Init.	6.3	6.3	6.3

a. Rental Assistance contracts were for four years in FY 2006, for two years in FY 2007, and for one year in FY 2008 and 2009. The budget proposes one-year contracts in 2010.

HUD Program (dollars in millions)	FY 2008 Approp.	FY 2009 Approp.	FY 2010 Proposed Budget
Cmty. Devel. Block Grants	\$3,865.8	\$3,900	\$4,450
Sustainable Commnts Init. ^a	-	-	(150)
Rural Innovation Fund ^a	-	-	(25)
University Community Fund ^a	-	-	(25)
HOME	1,704	1,825	1,825
Housing Trust Fund	-	-	1,000
Tenant-Based Rental Asstnce.	15,555	16,217	17,836
Project-Based Rental Asstnce.	6,223	7,100	8,100
Public Hsg. Capital Fund	2,439	2,450	2,244
Public Hsg. Operating Fund	4,200	4,455	4,600
Public Hsg. Revtlztn. (HOPE VI)	100	0	0
Native Amer. Hsg. Block Grant	630	645	645
Homeless Assistance Grants	1,586	1,677	1,794
Hsg. Opps. for Persons w/ AIDS	300	310	310
202 Hsg. for Elderly	735	765	
Hsg. Constructn.			522
Supportive Svcs.			243
811 Hsg. for Disabled	231	248	
Hsg. Constructn.			114
Supportive Svcs.			136
Fair Housing	50	54	72
Rural Hsg. & Econ. Dev. (RHED)	17	26	0 ^b
Self-Help Homeownshp. (SHOP)	26.5	26.5	27
Lead Hazard Control	142	140	140
Housing Counseling	-	65	100
Transformation Initiative ^c	-	-	20
Energy Innovation Fund	-	-	100

a. Proposed new initiatives under CDBG.

b. \$25 million new initiative proposed under CDBG.

c. New initiative to combat mortgage fraud.

May 7, most USDA rural housing programs would stay at the same funding levels as in FY 2009. Some HUD programs would receive increases. The new National Housing Trust Fund would get \$1 billion, offset by reductions in unspecified other spending. HUD's Rural Housing and Economic Development program would be replaced by a new Rural Initiative Fund. Budget documents are at <http://www.omb.gov> and HAC's analysis is at <http://www.ruralhome.org/manager2/Budget2010HACSummary.pdf>.

BUDGET INCLUDES SETTLEMENT FUNDS FOR BLACK FARMERS. The Administration's USDA budget would provide \$1.25 billion for black farmers whose discrimination complaints have not yet been settled. To read USDA's press release visit <http://www.usda.gov> and click Newsroom.

FORECLOSURE BILLS INCLUDE PROTECTIONS FOR TENANTS AND FOR SEC. 502 GUARANTEED BORROWERS. A variety of mortgage lending reforms and protections for tenants in foreclosed properties are provided in H.R. 1728 and S. 896, which passed the House and Senate last week. S. 896 would also require lenders with USDA Section 502 guarantees to take steps to avoid foreclosures and would authorize USDA to allow modifications, make loans to defaulting borrowers, and take over modified mortgages. In addition, the Senate bill would reauthorize and consolidate the McKinney-Vento homeless assistance programs. Find both bills at <http://thomas.loc.gov>.

HAC WEBSITE PROVIDES RHED APPLICATION HELP. Slides and audio from a recent webcast for applicants are posted at <http://www.ruralhome.org/servicesTraining.php>. The deadline is May 29.

USDA OFFERS SECTION 533 FUNDS. Housing Preservation Grants are available for public agencies and nonprofits to repair owner-occupied and rental housing. Deadline is July 10. See *Federal Register*, 5/11/09, or <http://www.grants.gov>. Contact a USDA RD state office.

HUD WILL MAKE NSP2 AND PUBLIC HOUSING CAPITAL GRANTS. Government agencies and nonprofits can compete for foreclosure recovery funding from the second round of the Neighborhood Stabilization Program. Deadline is July 17. Funds to provide technical assistance to NSP grantees are also available with a June 8 deadline. Visit <http://www.hud.gov/nsp>. Contact Stanley Gimont, HUD, 202-708-3587. ♦ PHAs can apply for capital funding; visit www.hud.gov/offices/pih/programs/ph/capfund/ocir.cfm. Contact HUD staff at PIHOCI@hud.gov.

HUD IMPLEMENTS GREEN RETROFIT PROGRAM FOR MULTIFAMILY HOUSING. Owners of properties with funding from Section 202 or 811, or with project-based Section 8 vouchers (including Section 515/8 properties with at least 20 units) can apply beginning June 15 for grants or loans to reduce utility consumption, benefit resident health, or benefit the environment. Details will be available soon at [HUD's Economic Recovery page](#).

HUD AND DOE AGREE TO WEATHERIZE MULTIFAMILY HOUSING. A Memorandum of Understanding is intended to help the Department of Energy use economic stimulus weatherization funds for multifamily properties with HUD or Low-Income Housing Tax Credit funding. Visit <http://www.hud.gov/news/index.cfm>.

FORMER HUD SECRETARY JACK KEMP PASSES AWAY AT AGE 73. The Washington Post's obituary is at <http://www.washingtonpost.com/wp-dyn/content/article/2009/05/02/AR2009050202501.html>.