

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOUSING CERTIFICATE FUND  
(INCLUDING CONTRACT RENEWALS)

PROGRAM HIGHLIGHTS

	<u>ACTUAL</u>	<u>ENACTED</u>	<u>ESTIMATE</u>	INCREASE + DECREASE -
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2002 vs 2001</u>
	(Dollars in Thousands)			
<u>Obligations</u>				
Total new Obligations .....	\$9,592,904	\$16,812,000	\$16,357,392	(\$454,608)
<u>New Budget Authority</u>				
Appropriation/Request .....	\$11,376,695	\$13,940,907	\$15,717,392	\$1,776,485
Transfer from ACAH .....	\$104,000	...	...	...
Across the Board Rescission ....	...	(\$30,670)	...	\$30,670
Subtotal .....	\$11,480,695	\$13,910,237	\$15,717,392	\$1,807,155
<u>Advanced Appropriations</u>				
Advance Appropriation (Available October 1, 2000) .....	(\$4,200,000)	\$4,200,000	...	(\$4,200,000)
Advance Appropriation (Available October 1, 2001) .....	...	(\$4,200,000)	\$4,200,000 <u>b/</u>	\$8,400,000
Subtotal .....	(\$4,200,000)	...	\$4,200,000	\$4,200,000
<u>Enacted Rescission</u>				
Rescission .....	(\$2,325,442)	(\$1,828,967)	...	\$1,828,967
Net Budget Authority .....	\$4,955,253	\$12,081,270	\$19,917,392	\$7,836,122
<u>Carryover/Recaptures</u>				
Carryover .....	\$3,185,516	\$2,948,168	...	(\$2,948,168)
Use of Project Reserves .....	...	...	\$640,000	\$640,000
Transfer from/to other Accounts	\$621,678	(\$1,820)	...	\$1,820
Recaptures .....	\$3,809,945	\$2,427,082 <u>a/</u>	...	(\$2,427,082)
Subtotal .....	\$7,617,139	\$5,373,430	\$640,000	(\$4,733,430)
Total Resources Available .....	\$12,572,393	\$17,454,700	\$20,557,392 <u>c/</u>	\$3,102,692
<u>New Incremental/Tenant Protection</u>				
Units .....	152,896	127,040	64,000	(63,040)
Renewals (Units) .....	2,299,015	2,587,752	2,748,512	160,760
Outlays .....	\$15,972,337	\$16,654,517	\$17,676,051	\$1,021,534

a/ Estimated recaptures.

b/ Treated as Mandatory Funding For FY 2002.

c/ The President's Budget reflects \$20.560 billion in available resources. However, only \$20.557 billion is available for obligations. The difference of \$3 million will be adjusted by accounting in fiscal year 2002. These were disaster funds that have expired.

SUMMARY OF BUDGET ESTIMATES

## Housing Certificate Fund

A total of \$20.6 billion is expected to be available for the Housing Certificate Fund in fiscal year 2002. This includes \$15.7 billion in new budget authority and \$4.2 billion in Advance Appropriations from the fiscal year 2001 Appropriations Act. The remaining \$640 million is anticipated in recaptures and carryover from fiscal year 2001 and will be used to offset fiscal year 2002 contract renewal needs.

The Department is requesting \$15.1 billion in new budget authority for contract renewals including \$46.4 million for Family Self-Sufficiency Coordinators. In addition, the Department is requesting \$197 million to support approximately 34,000 incremental vouchers, \$196 million for Contract Administrators, \$203 million for tenant protection activities to support approximately 30,300 units, and \$13 million to be available for the Working Capital Fund for development and maintenance of information technology systems. Further, of the total amount requested, up to \$40 million will be used for the non-elderly disabled. Section 8 Amendments require no new appropriations in fiscal year 2002 and will be funded through recaptures from the expiring contracts. Tenant-Based assistance funding for HOPE VI will be provided under the HOPE VI account. However, the renewals of these contracts will be under this account.

### EXPLANATION OF INCREASES AND DECREASES

The net increase of \$7.8 billion in budget authority is due to several factors. For contract renewals, \$15.1 billion is requested in new budget authority to support 2.7 million units which is an increase of \$2.165 billion to renew existing contracts. In addition to \$15.7 billion in new budget authority requested for fiscal year 2002, an advance appropriation of \$4.2 billion enacted in fiscal year 2001 will also be available for use in fiscal year 2002, which is an increase of \$4.2 billion. No rescissions are proposed for fiscal year 2002 which is an increase of \$1.829 billion. Furthermore, the Department has requested \$196 million for contract administrators which is \$4 million more in budget authority than was provided in fiscal year 2001, and \$13 million for Working Capital Fund, \$2 million more in budget authority than was provided in fiscal year 2001. However, the Department is requesting only \$197 million in discretionary funding for 34,000 new incremental units. This is approximately 45,000 less incremental units and \$255 million less in budget authority than was provided in the fiscal year 2001 Appropriations Act. No separate budget authority is requested for non-elderly disabled which is a decrease of \$40 million. Further, the Department is requesting \$203 million for tenant-protection activities, which is \$62 million less than what was provided in the fiscal year 2001 budget. No new funding is requested for the Job Plus initiative, which is a decrease of \$7 million. The Department is not proposing an advance appropriation for fiscal year 2003.

### PROGRAM DESCRIPTION AND ACTIVITY

1. Contract Renewals. Contract renewals provide funding to renew expiring Section 8 rental assistance contracts covering certificates, vouchers, moderate rehabilitation, Loan Management, New Construction/Substantial Rehabilitation, Property Disposition, and Preservation. In fiscal year 2002, \$15.1 billion in new budget authority is requested to renew expiring contracts for an estimated 2,748,512 units. Another \$640 million in recaptures will be used to supplement new budget authority for a total of \$15.7 billion to renew contracts. Included in the renewal total is \$46.4 million for Family Self-Sufficiency Coordinators. All contracts are proposed to be renewed for a 1-year term.

The Department has changed the way in which it administers the project-based Section 8 contracts from HAP contracts directly between project owners and HUD to ACC contracts, or contracts between HUD and a third party administrator. This adopts the administrative model used for tenant-based Section 8 program. Currently, State and local Housing Finance Agencies constitute majority of the project-based contract administrators.

2. Section 8 Amendments. The need for Section 8 amendment funds results from insufficient funding being provided for long-term project-based contracts funded primarily in the 1970's and 1980's. During those years, the Department provided contracts which were for terms of up to 40 years. Estimating funding needs over such a long period of time proved to be problematic, and as a result, many of these Section 8 contracts were inadequately funded. The current practice of providing contracts for a 1-

## Housing Certificate Fund

year term helps to ensure that the problem of inadequately funded contracts is not repeated. However, older long-term contracts must still be provided additional funds to maintain the current inventory of assisted project-based rental housing. For fiscal year 2002, no new funds are requested. Recaptures from prior year balances will be used to fund fiscal year 2002 Section 8 Amendment needs.

3. Incremental Rental Assistance. One of the Department's major strategic goals is to increase the availability of decent, safe, and affordable housing. For fiscal year 2002, the Department is requesting \$197 million in budget authority under the Housing Certificate Fund to support a total of approximately 34,000 incremental vouchers which will be distributed to housing authorities based on a needs formula. ~~Of these fair shared units, 5,000 units will be distributed based on a preference for the nonelderly disabled.~~ This assistance will allow the Department to reduce the level of "worst case" needs which reflects those families that are paying more than 50 percent of their income toward rent or are living in substandard housing.

4. Contract Administrators. The Administration has taken steps to improve the oversight of HUD's project-based program. The Department currently administers approximately 20,000 Section 8 Housing Assistance Payments (HAP) contracts executed between HUD and private owners of multifamily housing developments. These developments are financed by HUD-insured, HUD-held or direct loans. Many of the duties that used to be performed by HUD staff are now be performed by Contract Administrators. These include conducting annual physical inspections, reviewing project financial statements, conducting management and occupancy reviews, reviewing management agents, reviewing insurance draws and releases from replacement reserves, reviewing owner verification of tenant income and eligibility, and pre-validating monthly subsidy payments.

5. Family Self-Sufficiency (FSS) Coordinators The Family Self-Sufficiency program was established by the National Affordable Housing Act (NAHA) in 1990. In support of the program, Congress mandated that any housing agency that received new funding for rental vouchers and/or certificates between fiscal year 1993 and October 21, 1998 would be required to establish a self-sufficiency program equal to the number of rental vouchers or certificates received.

Since fiscal year 1993, Congress has appropriated funds to support approximately one service coordinator in each eligible PHA. The PHAs that received funding for FSS program coordinators were agencies that administered fewer than 1,500 rental vouchers and certificates. Starting in fiscal year 1999, the program was expanded to all PHAs. Current funding supports more than 600 FSS coordinators for a 1-year period.

The Department is committed to administering the FSS program for families receiving assistance under the rental assistance program and is including \$46.4 million in the contract renewal budget authority to hire FSS coordinators. Under the FSS program, families receive job training and employment that should lead to a decrease in their dependency on welfare programs and move towards economic self-sufficiency.

6. Tenant-Protection Set-Asides. The Housing Certificate Fund serves a dual role in both replacing units of housing assistance that are lost from the assisted housing inventory as a result of changes in the status of privately owned assisted housing projects and protecting the families who live in those projects. The Department has requested appropriations language that permits both uses of the Housing Certificate Fund. Housing authorities will be allocated vouchers sufficient to assist all eligible families who are affected by HUD's management of the multifamily inventory or by owner choices to leave assisted and subsidized housing programs and to replace all lost project-based Section 8 units with tenant-based assistance. The \$203 million requested for fiscal year 2002 for Tenant-Protection will be used to provide funding for an estimated 30,330 Property Disposition, Opt Out/Termination, Portfolio Re-engineering protection requirements, replacement/relocation vouchers for Section 202 Mandatory Conversion, and Section 33 of the US Housing Act of 1937, as amended. A portion of the funds may also be used for the Family Unification Program, witness relocation and for conversion of Section 23 projects to Section 8 assistance.

It is anticipated that approximately 117,592 units will be effected by project debt restructuring by the end of fiscal year 2002 under the Department's Mark-to-Market initiative. In many cases, this involves writing-off a portion of the multifamily

project's mortgage debt so that its rental charges (and HUD's subsidy) can be brought into line with comparable rents for other projects in the same geographic area. The amount requested for Contract Renewals has been adjusted to reflect this impact.

In contrast, there are many multifamily projects whose rents are far below area market rents for comparable multifamily projects. This is resulting in owners opting-out of the programs, causing a loss of affordable rental units available to low-income families. The Department has taken two steps in rectifying this situation. First, funding is included in the tenant protection request to provide vouchers for tenants living in projects whose owners decide to leave the program and for replacement of units lost from the assisted housing inventory; and second, the Department will continue its efforts to retain low-income projects through its Marking-up-to-Market initiative, which allow the project owner to increase rental charge up to the level of comparable multifamily projects in the area. Again, the funding requested for Contract Renewals has been adjusted to reflect the impact of this initiative.

#### LEGISLATIVE Program Reforms

Over the past few years, the Administration and Congress have initiated efforts to slow Section 8 outlay growth. This year again, the Department includes Income Verifications as part of the fiscal year 2002 Budget.

In fiscal year 2002, HUD will continue verifying tenant reported income against other Federal, State, and other wage data, as authorized under existing statutes. This will help ensure that housing assistance is provided to the extent entitled and tenants pay the proper amount of rent as provided under the law. While tenant income is a major factor affecting eligibility and the amount of Federal rental subsidies, admission and subsidy determinations are entirely dependent on self-reporting. HUD research has determined that there is a significant error rate.

Since the sources and cause of subsidy payment errors are many and often interrelated, a comprehensive corrective action plan is needed. HUD's prior corrective action focus has been on developing and implementing a large scale computer matching program with IRS and SSA data bases to better address the unreported tenant income issue. While this and other improvement initiatives are ongoing, multi-organizational HUD Working Group has been tasked with developing viable options for a more comprehensive corrective action plan to be considered by the new administration. The Working Group is considering options for: 1) Program simplification; 2) Structured forms, training, and automated tools needed to determine rent correctly; 3) Tenant education; 4) Increased use of automated tenant income data sources at the local and national level; 5) Improving targeting of on-site management and occupancy reviews based on risk indicators; 6) Intermediary performance incentives and sanctions; 7) Improved automated billing verifications; and 8) An on-going quality control program.

In addition, the budget includes continuation of the following reforms in fiscal year 2002:

1. Increase the Payment Standard from 40<sup>th</sup> to 50<sup>th</sup> Percentile of Fair Market Rent. In most areas, PHAs can run a successful voucher program with the normal 90 to 110 percent of the current published 40<sup>th</sup> percentile FMR. However, in some cases, even the maximum 110 percent of the FMR is too low to enable families to find suitable housing with a voucher. This reform implements a new Fair Market Rent (FMR) Policy. The new policy addresses this problem by providing that where a PHA has increased its voucher payment standard to 110 percent of FMR, but still finds that less than 75 percent of all families that receive a voucher over the course of six months cannot lease housing with their vouchers, the PHA will be eligible to set its payment standard based on a 50<sup>th</sup> percentile rent. PHAs that qualify for the higher payment standard will still retain the flexibility to vary their payment standard by area and unit size.

2. Earned Income Disregard. The Department will continue with the policy of Earned Income disregard that lets PHAs disregard earned income of a tenant with disabilities (only) for 12 months after new employment, disregard half for another 12 months and to phase in rent increases after that. In other words, when a family member who was unemployed gets a job, a family's rent could not be increased for one year and the rent increases in the second year would be limited. The tenant has the option to retain the

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additional earned income, or have the PHA put the funds into a saving account to be used for home purchase or education.

STRATEGIC GOALS AND OBJECTIVES

The numerous Departmental programs which are funded through the Housing Certificate Fund are essential to achieve HUD's Strategic Goal 1: Increase the availability of decent, safe and affordable housing in American communities; Strategic Goal 2: Ensure equal opportunity in housing for Americans; Strategic Goal 3: Promote housing stability, self-sufficiency and asset development of families and individuals; and Strategic Goal 5: Ensure public trust in HUD. For example, Strategic Objective 1.2: Affordable rental housing is available for low-income households and Strategic Objective 2.2: Minorities and low-income families are not isolated geographically in America are achieved through the Department's rental assistance voucher and Family Unification programs. Strategic Objective 3.2: Poor and disadvantaged families and individuals become self-sufficient and develop assets is achieved through the Department's Family Self-Sufficiency Coordinators Program. Strategic Objective 5.1: HUD and HUD's partners deliver results to customers is achieved by various initiatives to improve lease-up rates at trouble housing authorities, to increase household-weighted average SEMAP scores, to increase the share of housing authorities which score high for income verification and rent reasonableness, and to impose sanctions or grant forbearance for cause for PHAs which report less than 85 percent of its program recipients into MTCS. Other HUD programs funded through the Housing Certificate Fund, but not listed above, aid in the achievement of these goals in a similar fashion as those itemized above.

PERFORMANCE INDICATORS

	ACTUAL 2000	ENACTED 2001	ESTIMATE 2002
<b>Strategic Goal 1: Increase the availability of decent, safe and affordable housing in American communities.</b>			
Discretionary BA (Dollars in Thousands)	2,576,101	6,870,820	10,622,812
FTE	168	167	167
<b>Strategic Objective 1.2: Affordable rental housing is available for low-income households.</b>			
Outcome Indicator 1.2.1: The number of households with worst case housing needs decreases 3 percent between 2001 and 2003 among families with children, the elderly and persons with disabilities.	NA <sup>a</sup>	1,739,000 Fam w/ Children; 997,000 elderly <sup>a</sup>	NA
Output Indicator 1.2.c: By helping housing authorities issue rental vouchers in timely fashion, HUD decreases the share of the program administered by housing authorities with substandard lease-up rates by 10 percent.	44.3%	39.9%	35.9%
Output Indicator 1.2.a: Among extremely-low-income renters, the ratio of assisted households to households with worst case needs or already assisted increases to 46.7 percent by 2003.	NA	45.2% <sup>b</sup>	NA

<b>Strategic Objective 1.3: America's housing is safer, of higher quality, and disaster resistant.</b>			
Outcome Indicator 1.3.1: The share of very-low-income households living in units with moderate or severe physical problems decreases to 6.6 percent for owners and 12.3 percent for renters by 2003.	NA	13.8% <sup>c</sup>	NA
<b>Strategic Goal 2: Ensure equal opportunity in housing for Americans.</b>			
Discretionary BA (Dollars in Thousands)	991,313	2,171,021	3,872,742
FTE	75	75	75
<b>Strategic Objective 2.2: Minorities and low-income people are not isolated geographically in America.</b>			
Outcome Indicator 2.2.2: Among metropolitan families with children that receive Section 8 certificates or vouchers, the share that live in census tracts with poverty rates below 20 percent increases by 0.3 percentage points annually to 59.6 percent.	59%	59.3%	59.6%
<b>Strategic Goal 3: Promote housing stability, self-sufficiency and asset development of families and individuals.</b>			
Discretionary BA (Dollars in Thousands)	594,788	1,302,612	2,323,645
FTE	45	45	45
<b>Strategic Objective 3.2: Poor and disadvantaged families and individuals become self-sufficient and develop assets.</b>			
Outcome Indicator 3.2.5: The share of welfare families that move from welfare to work each year while assisted by tenant-based Section 8 increases by 2 percentage points.	33% (estimates)	34%	36%
<b>Strategic Goal 5: Ensure public trust in HUD.</b>			
Discretionary BA (Dollars in Thousands)	793,051	1,736,817	3,098,193
FTE	212	211	211
<b>Strategic Objective 5.1: HUD and HUD's partners effectively deliver results to customers.</b>			
Output Indicator 5.1.g: The household-weighted average SEMAP score increases.	NA	Baseline (To be determined)	To be determined

a/ Goals based on a 3 percent reduction from fiscal year 1999 level of \$1.79 million for families with children and 1.02 million for elderly. Data are provided in odd years by the American Housing Survey.

b/ The FY 2000 goal is based on actual FY 1999 performance of 44.7 percent. Data are provided by the AHS in odd years.

c/ The FY 2000 goal is based on actual FY 1999 performance of 14.8 percent of renters. Data provided by the AHS in odd years.

Housing Certificate Fund

**FINAL PRODUCTION**

The attached tables provide detailed description of the Housing Certificate Fund and a separate table is provided for Contract Renewals:

	<u>Units</u>	<u>Per Unit Cost</u>	<u>Term</u>	<u>Budget Authority</u>
<b>FY 2000:</b>				
Enacted	N/A	N/A	N/A	11,376,695,000
Transfer From ACAH	N/A	N/A	N/A	104,000,000
Advance Appropriation (Available Oct. 1, 2001)	N/A	N/A	N/A	(4,200,000,000)
Rescission	N/A	N/A	N/A	(2,325,441,751)
<b>Subtotal, Net Budget Authority:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>4,955,253,249</b>
Carryover/Recaptures	N/A	N/A	N/A	7,617,139,852
<b>Total Resources Available:</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>12,572,393,101</b>

**Actual Obligations As of 9/30/00:**

Incremental Rental Assistance	61,008	N/A	1	352,633,696
Welfare-to-Work Vouchers	50,000	N/A	1	280,853,838
Non-Elderly Disabled	10,943	N/A	1	64,342,864
Tenant Protections	29,767	N/A	1	208,992,091
Section 8 Amendment	N/A	N/A	1	333,983,058
Section 8 Preservation Amendment	N/A	N/A	1	146,850
Preservation Prepayment Enhanced Vouchers	1,178	N/A	1	8,274,143
Section 514 Technical Assistance	N/A	N/A	1	3,832,000
Section 8 Counseling	N/A	N/A	1	128,000
Preservation	N/A	N/A	1	961,912
Other	N/A	N/A	N/A	56,969,973
Contract Administrators	NA	N/A	N/A	136,848,292
Contract Renewals				
PIH	1,696,229	N/A	N/A	5,582,516,989
CPD-Mod. Rehab. SRO	1,211	N/A	N/A	5,282,458
Housing	<u>601,575</u>	N/A	N/A	<u>2,557,137,417</u>
Subtotal, Contract Renewals	2,299,015			8,144,936,864
Total, FY 2000 Obligations	2,451,911			<b>9,592,903,581</b>

Accounting Adjustments for Source Year 74 Contract Authority (31,321,289)

pursuant to P.L.106-377

Total Housing Certificate Fund Unobligated Funds : **2,948,168,231**

	<u>Units</u>	<u>Per Unit Cost</u>	<u>Term</u>	<u>New Budget Authority</u>	<u>CarryOver</u>	<u>Program Level</u>
<b>FY 2001:</b>						
Incremental Rental Assistance	78,826	5,733	1	451,910,605 a/	164,096	452,074,701
Non-Elderly-Disabled	7,914	5,043	1	39,912,000 a/	16,065,104	55,977,104
Tenant Protections--Housing	30,300	N/A	1	198,670,000 a/	49,988,839	248,658,839
Tenant Protections--PIH	10,000	N/A	1	66,744,800 a/	10,566,339	77,311,139
Regional Opportunity Counseling				-	10,000,000	10,000,000
Welfare-to-Work					1,403,523	1,403,523
Contract Administrators	N/A	N/A	N/A	191,577,600 a/	3,151,708	194,729,308

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Jobs Plus	N/A	N/A	N/A	6,984,600	a/	...	6,984,600
Working Capital Fund	N/A	N/A	N/A	10,975,800	a/	...	10,975,800
Section 8 Amendments	N/A	N/A	N/A	...		196,486,901	196,486,901
Section 8 Counseling	N/A	N/A	N/A	...		11,772,698	11,772,698
Section 8 Replacement/Relocation/Demo	N/A	N/A	N/A	...		1,874,354	1,874,354
Section 514 Technical Assistance	N/A	N/A	N/A	...		6,168,000	6,168,000
Preservation Prepayment	N/A	N/A	N/A	...		335,039	335,039
Sec 8 Preservation Amendments	N/A	N/A	N/A	...		9,776,592	9,776,592
Presevation						92,587	92,587
Other	N/A	N/A	N/A	...		432,595,659	432,595,659
Disaster Grants (Expired)	N/A	N/A	N/A	...		2,700,137	2,700,137
Contract Renewals							-
PIH	1,824,243	5,733	N/A	10,466,938,045	a/	13,771,470	10,480,709,515
CPD-Mod. Rehab. SRO	1,702	4,427	N/A	7,534,754	a/	4,992,048	12,526,802
Housing	761,807	N/A	N/A	3,773,021,401	a/	659,143,335	4,432,164,736
Offset	-			(1,304,032,600)	a/	-	(1,304,032,600)
Subtotal, Contract Renewals	2,587,752			12,943,461,600		677,906,853	13,621,368,453
							-
Subtotal, FY 2001 Housing Cert. Fund	2,714,792			13,910,237,005	a/	1,431,048,429	15,341,285,434
FY 2001 Rescission	...	...	...	(1,828,967,400)	a/	...	(1,828,967,400)
FY 2000 Recaptures	...	...	...	...		1,517,119,801	1,517,119,801
Transfer out to Lead Based Paint	...	...	...	...		(1,820,118)	(1,820,118)
Anticipated Recaptures	...	...	...	...		2,427,082,000	2,427,082,000
Total, FY 2001 Housing Cert. Fund	2,714,792			12,081,269,605	a/	5,373,430,112	17,454,699,717

a/ Includes across the board rescission of .22 percent

	<u>Units</u>	<u>Per Unit Cost</u>	<u>Term</u>	<u>New Budget Authority</u>
<b>FY 2002:</b>				
Incremental Rental Assistance	34,000	5,853	1	197,246,000
Tenant Protections--Housing	30,300	N/A	1	202,842,070
Non-Elderly Disabled	[8,000]	N/A	1	[40,000,000] a/
Contract Administrators	N/A	N/A	N/A	195,600,730
Jobs Plus	N/A	N/A	N/A	0
Working Capital Fund	N/A	N/A	N/A	13,400,000
Contract Renewals				
PIH	1,956,875	N/A	N/A	10,890,877,355
CPD-Mod. Rehab. SRO	2,616	N/A	N/A	10,324,233
Housing	<u>789,021</u>	N/A	N/A	<u>4,207,101,612</u>
Subtotal, Contract Renewals	2,748,512			15,108,303,200
Total, FY 2002 Housing Cert. Fund	2,812,812			15,717,392,000
Advance Appropriation (Available Oct. 1, 2001)				<u>4,200,000,000</u>
Total, FY 2002 New Budget Authority				19,917,392,000
Use of Project Reserves				<u>640,000,000</u>
Total, FY 2002 Resources				20,557,392,000

a/ PHAs will be encouraged to provide up to \$40 million for non-elderly disabled households.



Housing Certificate Fund

**CONTRACT**

	<u>UNITS</u>	<u>AVERAGE COST</u>	<u>FUNDING REQUIREMENTS</u>
<b>Fiscal Year 2002</b>			
Section 202/8 renewed at current rents...	77,309	5,505	425,562,711
New Construction/Substantial Rehabilitation...	358,603	5,995	2,146,359,548
Loan Management Set-Aside...	354,714	4,560	1,617,417,230
Property Disposition...	28,695	6,235	178,902,628
Housing Teanant Protection...	(30,300)	5,318	(161,140,505)
Vouchers/Moderate Rehab....	1,956,875	5,869	11,484,477,355
Moderate Rehabilitation SRO....	2,616	3,947	10,324,233
Family Self-Sufficiency Coordinators...	N/A	N/A	46,400,000
TOTAL FISCAL YEAR 2002 REQUIREMENTS....	2,748,512		15,748,303,200
Less: Project Reserves...	<u>N/A</u>		<u>(640,000,000)</u>
<b>FISCAL YEAR 2002 TOTAL ...</b>	<b>2,748,512</b>		<b>15,108,303,200</b>