

**President Bush Is Helping More Marylanders Than Ever Before  
Climb the Steps to Achieving the American Dream  
Expanding homeownership, creating new housing opportunities,  
and serving Marylanders in need highlight 2003 housing budget**

*"Homeownership lies at the very heart of the American Dream."*  
-- President George W. Bush

The 2003 budget for the Department of Housing and Urban Development reflects this Administration's approach to meeting the twin goals of moving individuals into self-sufficiency through homeownership, while continuing to provide a safety net for vulnerable populations.

**BOOSTING ECONOMIC GROWTH AND PROMOTING JOB CREATION**

**HOMEOWNERSHIP**

During the President's first year in office, the national homeownership rate rose to an all-time high of 67.8%. In Maryland, 69.1% of all residents are homeowners. Homeownership among minorities also rose to a record high, but still lags far behind the national average. In response, President Bush has taken steps through his 2003 budget to expand homeownership among *all* Americans – to help them achieve financial stability and become stakeholders in their communities.

- ✓ *The American Dream Downpayment Fund* will be administered as part of the HOME Investment Partnership, which will provide Maryland communities with an estimated \$30.5 million in grants. Over the next five years, the grants will set many first-time, low-income homebuyers in the state on the path to homeownership by providing an average subsidy of \$5,000 to help with downpayment and closing costs.
- ✓ President Bush has fulfilled his pledge to triple funding for the *Self-Help Homeownership Opportunity Program* to \$65 million. This is the program that funds Habitat for Humanity and other nonprofit organizations dedicated to turning low-income Americans into homeowners.
- ✓ Maryland families will benefit from a \$15 million nationwide funding increase in the *Housing Counseling Program*. Counseling protects prospective homebuyers and renters by helping them become better-educated housing consumers.
- ✓ The *Renewing the Dream Tax Credit* will expand the supply of affordable housing in Maryland by encouraging developers and non-profit organizations to build new homes and rehabilitate already existing homes.
- ✓ Another innovation to help move families from public housing to homeownership allows families to put up to a year's worth of their Section 8 rental vouchers toward a downpayment on a home.
- ✓ The *FHA Hybrid Adjustable Rate Mortgage* is an additional tool, available for the first time in 2002, which promotes homeownership by reducing initial homebuying costs.

**IMPROVING HOUSING OPPORTUNITIES**

Homeownership is an important goal, but it is obviously not an option for everyone. The 2003 budget reflects the need to expand the availability of affordable rental housing, and ensure quality and options for residents.

- ✓ By increasing by 34,000 the number of national Section 8 rental housing vouchers, additional low-income families in Maryland will have help in meeting their housing needs.
- ✓ All expiring voucher programs will be renewed, protecting all Maryland families currently living in Section 8 rental housing.
- ✓ The Administration's move to spur the construction and rehabilitation of affordable housing by increasing the FHA multifamily insurance limits – for the first time in nine years – has resulted in \$1 billion in new construction across the country.

**COMMUNITY DEVELOPMENT BLOCK GRANTS**

The *Community Development Block Grant* program provides funds to help cities and urban counties meet local housing needs, as well as encourage economic development and neighborhood revitalization.

- ✓ Maryland will receive an estimated \$67 million in Community Development Block Grant funds under the President's FY 2003 budget.

## ***PROTECTING VULNERABLE POPULATIONS***

### **HOMELESSNESS**

**Solving the challenge of homelessness means more than simply moving individuals off the street and into shelters; it requires putting aside the temporary fixes of the past and investing in permanent solutions that decrease the number of homeless men and women.**

- ✓ President Bush has increased nationwide funding for the homeless program to \$1.13 billion; these are competitive grants which last year totaled \$25.5 million in Maryland.
- ✓ Maryland will receive an estimated \$2.3 million in Emergency Shelter Grants, to help individuals begin making the transition out of homelessness.

### **LEAD-BASED PAINT HAZARDS**

**Every American child deserves the opportunity to grow up in a healthy home, safe from the debilitating and often irreversible effects of lead exposure. The President's budget ensures a continued federal commitment to identifying lead contamination and eliminating the threat it poses.**

- ✓ Funding for lead-based and other poison prevention programs will increase significantly in the President's budget, from \$110 million last year to \$126 million nationwide. These are competitive grants, for which Maryland is eligible to apply. Last year, Maryland received \$435,000 in grants to reduce the hazards of lead-based paint.

### **HOUSING FOR PERSONS WITH AIDS**

**The President's budget provides housing and other supportive services to a wide range of populations with special needs, including persons with HIV/AIDS.**

- ✓ A \$15 million nationwide increase in funding for the *Housing for Persons with AIDS Program* will send a total of \$7.5 million to Maryland in the coming fiscal year to help individuals receive housing assistance.

### **INDIVIDUALS WITH DISABILITIES**

**Funding aimed at developing rental housing with the availability of supportive services for very low-income adults with disabilities is included as an important component of the 2003 budget.**

- ✓ The *Section 811* program allows persons with disabilities to live as independently as possible in the community by increasing the supply of rental housing with the availability of supportive services. The President is funding this program at \$251 million nationwide in the coming fiscal year; these competitive grants last year returned \$4.7 million to non-profit groups in Maryland.
- ✓ Nationally, all of the 34,000 new Section 8 rental housing vouchers are targeted to those with special needs; many are reserved specifically for individuals with disabilities.

### **LOW-INCOME SENIOR CITIZENS**

**Older Americans deserve the peace of mind that comes from knowing they have an affordable, decent, and safe place to live.**

- ✓ Grants awarded under the *Supportive Housing for the Elderly* (Section 202) program are used to fund apartment construction and rehabilitation projects. The federal government initially subsidizes rents on the apartments for five years and then renews them annually thereafter, so that residents pay only 30 percent of their incomes as rent. Funding for the Section 202 program across the country will total \$783 million in FY 2003; last year, \$20.1 million was awarded to non-profit groups in Maryland.