

COMMUNITY PLANNING AND DEVELOPMENT  
RURAL HOUSING AND ECONOMIC DEVELOPMENT  
2007 Summary Statement and Initiatives  
(Dollars in Thousands)

RURAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAM	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2005 Appropriation .....	\$24,000	\$26,502	-\$192	\$50,310	\$24,769	\$24,412
2006 Appropriation/Request .....	17,000	26,609 <sup>a</sup>	-170	43,439	43,439	22,500
2007 Request .....	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>22,000</u>
Program Improvements/Offsets .....	-17,000	-26,609	+170	-43,439	-43,439	-500

a/ Carryover includes recaptures totaling \$1.068 million.

**Summary Statement**

No fiscal year 2007 funding is proposed for the Rural Housing and Economic Development (RHED) program. The RHED program was legislated originally to encourage new and innovative approaches to serving the housing and economic development needs of the nation's rural communities. The Department believes these efforts can best be continued through the HOME and Community Development Block Grant and HOME programs. Additionally the U.S. Department of Agriculture manages a portfolio of rural housing and economic development grant programs that vastly exceed HUD's RHED program in terms of programs and services provided to America's rural communities.

Rural Housing and Economic Development

COMMUNITY PLANNING AND DEVELOPMENT  
RURAL HOUSING AND ECONOMIC DEVELOPMENT  
Summary of Resources by Program  
(Dollars in Thousands)

<u>Budget Activity</u>	<u>2005 Budget Authority</u>	<u>2004 Carryover Into 2005</u>	<u>2005 Total Resources</u>	<u>2005 Obligations</u>	<u>2006 Budget Authority/ Request</u>	<u>2005 Carryover Into 2006</u>	<u>2006 Total Resources</u>	<u>2007 Request</u>
Rural Housing and								
Economic Development .	\$23,808	\$26,502	\$50,310	\$24,769	\$16,830	\$26,609	\$43,439	...
Total .....	23,808	26,502	50,310	24,769	16,830	26,609	43,439	...

<u>FTE</u>	<u>2005 Actual</u>	<u>2006 Estimate</u>	<u>2007 Estimate</u>
Headquarters .....	8	7	7
Field .....	7	7	7
Total .....	15	14	14

NOTE: Includes overhead FTE for CPD.

Rural Housing and Economic Development

COMMUNITY PLANNING AND DEVELOPMENT  
 RURAL HOUSING AND ECONOMIC DEVELOPMENT PROGRAM  
 Program Offsets  
 (Dollars in Thousands)

Rural Housing and Economic Development	<u>Amount</u>
2005 Appropriation .....	\$23,808
2006 Appropriation/Request .....	16,830
2007 Request .....	<u>---</u>
Program Improvements/Offsets .....	-16,830

**Proposed Actions**

No fiscal year 2007 funding is proposed for the Rural Housing and Economic Development (RHED) program. The Rural Housing and Economic Development (RHED) program was legislated originally to encourage new and innovative approaches to serving the housing and economic development needs of the nation's rural communities, including capacity building activities. Grants were competitively awarded to eligible recipients: local rural non-profit organizations, community development corporations, Federally recognized Indian tribes, state housing finance agencies, and state community and/or economic development agencies.

The Department's proposal to terminate the RHED program reflects the belief that these efforts can continue to be pursued through the HOME and Community Development Block Grant and HOME programs. Additionally, the U.S. Department of Agriculture manages a portfolio of rural housing and economic development grant programs that vastly exceed HUD's RHED program in terms of programs and services provided to the nation's rural communities. In addition, the RHED program was evaluated under the Program Assessment and Rating Tool (PART) during fiscal year 2004, and received an overall rating of "ineffective." The evaluation indicated that the program had a clear purpose and design and adequate strategic planning, but needed improvements in program management and comprehensive results.

Rural Housing and Economic Development

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Performance Measurement Table

Program Name: <b>Rural Housing And Economic Development</b>						
The purpose of the Rural Housing and Economic Development program is to build capacity at the State and local level for rural housing and economic development and to support innovative housing and economic development activities in rural areas. The funds made available under this program are awarded through a competitive selection process conducted in accordance with the HUD Reform Act.						
Performance Indicators		Data Sources	Performance Report		Performance Plan	
			2005 Plan	2005 Actual	2006 Plan	2007 Plan
Number of Jobs Created			N/A	N/A	N/A	N/A

N/A = Not Applicable.

**Explanation of Indicators**

No funding is requested and no performance target is therefore projected.

Rural Housing and Economic Development

COMMUNITY PLANNING AND DEVELOPMENT  
RURAL HOUSING AND ECONOMIC DEVELOPMENT  
Justification of Proposed Changes in Appropriations Language

Explanation of Changes

No fiscal year 2007 funding is proposed for the Rural Housing and Economic Development program.

Rural Housing and Economic Development

COMMUNITY PLANNING AND DEVELOPMENT  
RURAL HOUSING AND ECONOMIC DEVELOPMENT  
Crosswalk of 2005 Availability  
(Dollars in Thousands)

<u>Budget Activity</u>	<u>2005 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2005 Resources</u>
Rural Housing and Economic						
Development .....	<u>\$24,000</u>	<u>-\$192</u>	<u>...</u>	<u>...</u>	<u>\$26,502</u>	<u>\$50,310</u>
Total .....	24,000	-192	...	...	26,502	50,310

Rural Housing and Economic Development

COMMUNITY PLANNING AND DEVELOPMENT  
RURAL HOUSING AND ECONOMIC DEVELOPMENT  
Crosswalk of 2006 Changes  
(Dollars in Thousands)

<u>Budget Activity</u>	<u>2006 President's Budget Request</u>	<u>Congressional Appropriations Action on 2006 Request</u>	<u>2006 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2006 Resources</u>
Rural Housing and Economic Development .....	...	\$17,000	-\$170	...	\$26,609	\$43,439
Total .....	...	17,000	-170	...	26,609	43,439