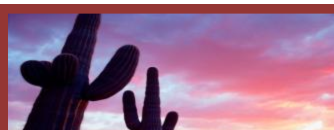
U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

REGION IX ANNUAL REPORT

Fiscal Years 2008 - 2009


CA, NV, AZ, HI

CAROLINE H. KREWSON, DEPUTY REGIONAL DIRECTOR

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MESSAGE FROM DEPUTY REGIONAL DIRECTOR

CAROLINE H. KREWSON

August 31, 2009

HUD Partners,

It is with great pleasure that I present the Region IX Annual Report for Fiscal Years 2008 – 2009. This report aims to provide you with a broader understanding of the region's execution of the U.S. Department of Housing and Urban Development's (HUD) mission and goals. It highlights the accomplishments, funding resources, and changing housing conditions in the states of Arizona, California, Hawaii, and Nevada that make up Region IX.

Never before have we seen the impact of increasing foreclosures, homelessness and declines in funding for local municipalities as in the past few years. According to the 2008 U.S. Foreclosure Market Report™, the rate of foreclosures increased by 81 percent and three states (Arizona, California, and Nevada) within Region IX were noted as the states with the highest rates and totals of foreclosures in 2008.

During 2008 HUD quickly responded by implementing a new Neighborhood Stabilization Program (NSP) that provided over $3.9 billion to states and local governments hard-hit by the failing housing market. HUD's Neighborhood Stabilization Program supplied funding needed to purchase and rehabilitate foreclosed properties and stabilize neighborhoods and communities adversely affected by abandoned properties, declining property values, and uncertain real estate markets.

These efforts have been further augmented by additional programs and funding under the American Recovery and Reinvestment Act of 2009 and renewed efforts at all levels of government to abate declining economic conditions and unemployment. We believe that the States and communities in Region IX are well positioned to take advantage of the opportunities afforded by the Recovery Act to create new "green" jobs and transform the housing supported by HUD's programs. Through this turmoil HUD will continue to do all it can to support your efforts.

In this spirit, I am grateful to have the opportunity to share this report on our efforts on behalf of HUD's stakeholders and the persons and families aided by HUD's programs and staff.

Sincerely,

Caroline H. Krewson
Deputy Regional Director

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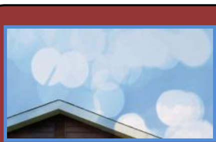
HUD'S MISSION STATEMENT

The Region IX Annual Report is a summary of the U. S. Department of Housing and Urban Development's (HUD) Region IX's Fiscal Years 2008 - 2009 Management Plan accomplishments as related to HUD's Strategic Goals, and is designed to provide an understanding of the region's performance and funding for both years.

HUD's Mission Statement



REGIONAL OVERVIEW

The mission of the Department of Housing and Urban Development is to increase homeownership, support community development, and expand access to affordable housing free from discrimination. The staff of Region IX supports this mission by managing and overseeing the Department's programs throughout Region IX's jurisdiction which consists of four states: Arizona, California, Nevada, and Hawaii, plus Guam, American Samoa, and the Northern Mariana Islands. HUD's operations in the region are conducted out of the San Francisco Regional Office and 10 field offices: Phoenix, Tucson, Fresno, Los Angeles, Sacramento, San Diego, Santa Ana, Honolulu, Las Vegas and Reno.

The activities reflected in our Local Action Plan are based on updated risk assessments, knowledge of the communities throughout the region, customer feedback and other available data. The local strategies were developed to help the San Francisco Regional Office meet the needs of the customers and communities throughout Region IX.

As staff resources decrease and the demands of our communities increase, we have developed strategies that are cross program and cross jurisdictional, thereby maximizing staff resources from our respective offices while maintaining quality services. The San Francisco, Fresno and Sacramento Offices continued their collaboration with the Northern California Housing Counseling Network to increase the capacity of housing counseling agencies providing foreclosure and home buying education. The Los Angeles Office will take the lead in coordinating a region-wide Call To Action event in partnership with HUD Headquarters. The Reno Office will take the lead in coordinating our Regional Faith-Based Grant Writing Training. These and other collaborative efforts actively involve FPM and most, if not all, of the major program areas.

Region IX is one of the fastest growing and most demographically and economically diverse areas served by HUD.

HUD reported a strong emphasis on improving customer service and preparation for disaster relief efforts. HUD worked very closely with federal, state, and local partners to ensure that HUD's resources are made available to declared disaster areas.

The Region IX Managers have carefully reviewed each goal and identified activities where collaboration and cooperation amongst offices would assist in goal achievement. These areas of collaboration and cooperation have been noted in our action plan.

ECONOMY

The economy of Region IX has remained strong although the rates of job growth moderated in most areas. Labor markets continued to tighten due to the growing economy. The unemployment rate averaged 4.8 percent down from 5.3 percent in the previous comparable 12 month period. Unemployment rates ranged from a low of 2.7 percent in Hawaii to 5 percent in California. Hawaii, Arizona, and Nevada all had unemployment rates below the national average.

GENERAL HOUSING CONDITIONS

Within the Region, home sales continue to slow across Region IX, primarily as a result of rising interest rates and a tightening in lending practices necessitated by an increase in defaults and foreclosures. The number of mortgages in default or foreclosure rose sharply from the second quarter of 2005 through the second quarter of 2007 to levels at or near historic highs. Arizona, California, and Nevada experienced some of the highest increases in the number and percentage of defaults and foreclosures in the country. Studies have suggested that these recent increases in defaults and foreclosure rates are influenced by the rapid decline in the rate of home appreciation, weakening labor markets, and aggressive lending practices putting borrowers at greater risk.

In response to slower sales demand and increased inventories of unsold new homes, homebuilding activity has also declined. New home building in Region IX totaled 215,700 units permitted in the 12 months ending September 2006, down 21 percent from the previous 12 months.

Rental markets in the region also continued to be tight or balanced throughout the period. Rental demand has been supported by growth in employment and in-migration, and the rapid home sales price increases of recent years. In addition, apartment production has been moderate during the past year. Multifamily building permit activity in the region declined 7 percent in the past 12 months through September 2006 to 74,200 units, fewer than 1,000 below the highest volume of units permitted since 1990.

CROSS CUTTING ISSUES

In developing the FY 2008 management plans, field and program offices were sensitive to several cross-cutting issues in the development of coordinated strategies and actions, including the lack of affordable housing, homelessness, and increasing foreclosures. These issues are briefly described below.

LACK OF AFFORDABLE HOUSING

Region IX continues to have much of the least affordable housing in the country.

8 Least Affordable Major Metro Areas

(Where the fewest average income families can afford to buy the median priced home.)

City	State	Median Income	Median Price	Percent Affordable
Los Angeles	CA	$56,200	$523,000	1.8%
Santa Ana	CA	$78,300	$626,000	2.6%
Modesto	CA	$54,400	$372,000	4.1%
Stockton	CA	$57,100	$310,000	4.8%
San Diego	CA	$64,900	$477,000	4.9%
Riverside	CA	$57,500	$393,000	6.7%
San Francisco	CA	$91,200	$759,000	6.8%
Fresno	CA	$47,000	$306,000	7.1%

ADDRESSING HOMELESSNESS

One of the most vexing problems facing State and local governments in Region IX is eliminating homelessness. The attractive climate, rapidly changing housing markets and declining real income for low-income households have contributed to a growth in the number of homeless persons and families. Despite the economic boom of the 1990s and the investment of millions of dollars to provide shelter and treatment programs to solve the problem of homelessness, homelessness has increased. HUD's programs providing specialized housing and supportive services are fundamental to State and local efforts to end chronic homelessness. Several cities in Region IX have undertaken efforts to develop a plan to eliminate homelessness within 10 years.

While a Regional Goal, each of Region IX field offices will include various local actions essential to advancing the Department's goals of ending homelessness.

INCREASING FORECLOSURES

Several housing markets have witnessed a significant rise in foreclosures related to Adjustable Rate Mortgage indexes resetting and substantially increasing the mortgage payments for homeowners with this type of financing. Combined with the number of homeowners who have sub-prime loans, some housing experts have called these the conditions for a "perfect storm" that is having devastating effects on the gains in homeownership rates that have been made in some markets.

The Center for Responsible Lending (CRL) estimates that nationally, 19 percent of the loans made in 2005 and 2006 will lead to foreclosures.[1]

Homeowners, communities and neighborhoods also lose when foreclosures occur. A 2005 study for the Homeownership Preservation Foundation estimates that each foreclosure generates between $430 and $19,277 in direct costs to cities.[2] Another often cited study calculated that *each* foreclosure of a single family home depresses property values within one-eighth of a mile by an average of 0.9 percent; 1.4 percent in low- to moderate income communities.[3]

MAKING HOME AFFORDABLE.GOV

888-995-HOPE
Homeowner's HOPE Hotline

[1] Losing Ground at http://www.responsiblelending.org

[2] Collateral Damage: The Municipal Impact of Today's Mortgage Foreclosure Boom, by William C. Apgar and Mark Duda, May 11, 2005.

[3] Dan Immergluck and Geoff Smith, "The External Costs of Foreclosures: The Impact of Single-Family Mortgages on Property Values" Housing Policy Debate, Vol 17, Issue 1.

CONDITIONS OF REGION IX STATES
(ARIZONA, CALIFORNIA, HAWAII, AND NEVADA)

Economic conditions in the Pacific region continued to change during 2008 and the first quarter of 2009. During the 12 months ending March 2009, nonfarm employment averaged 19.3 million jobs, a decline of 463,000 jobs, or 2.3 percent, compared with the number of jobs during the previous 12 months. In contrast, employment rose by 94,000 jobs, a 0.5-percent gain, during the 12 months ending March 2008. During the most recent 12 month period, the goods-producing sectors lost 248,000 jobs, or 8 percent; of those job losses, 186,000 were in the construction sector, which recorded the largest decline of any sector, as a result of the severe decline in homebuilding. Employment in the service providing sectors fell by 214,700 jobs, or 1.3 percent, notably in the retail trade and professional and business services sectors, which lost 93,000 and 81,000 jobs, respectively. The only major sectors to record job growth were the education and health services and government sectors, adding nearly 65,000 and 31,000 jobs, respectively.

Employment declined significantly in every state in the region during the 12 months ending March 2009. In California, nonfarm employment fell by 313,400 jobs, or 2.1 percent, compared with the addition of 62,000 jobs during the previous 12-month period. The largest losses occurred in the construction and retail trade sectors, down by 122,000 and 70,000 jobs, respectively. Partly offsetting the declines were the addition of 49,000 and 14,500 jobs in the education and health services and the government sectors, respectively. Employment in the San Francisco Bay Area declined by 51,300 jobs, a 1.5 percent loss; San Francisco and the Silicon Valley areas have benefited from a high concentration of advanced technology industries that have been more resilient in the overall economic downturn. In Southern California, employment fell by 219,000 jobs, or 2.5 percent. In Arizona, employment fell by 3.7 percent, or nearly 99,000 jobs, during the 12 months ending March 2009. In comparison, employers in the state added 22,000 jobs during the same period a year earlier. Because of continuing declines in both residential and commercial building activity, the construction sector in Arizona lost 43,000 jobs, accounting for nearly one half of the state’s job losses. Industries serving the growing state population, primarily those in the education and health services sector and government sector, added 11,600 and 9,800 jobs, respectively. In Nevada, employment declined by 39,500 jobs, or 3.1 percent, in the past 12 months, down significantly from a 4,100 job increase recorded in the previous 12 month period. In Hawaii, declining tourism resulted in a loss of 11,300 jobs, or 1.8 percent, during the 12 months ending March 2009, after the state added 5,600 jobs during the previous 12 months. Because of the rapidly slowing economy, during the 12 months ending March 2009, the average unemployment rate in the Pacific region rose to 8 percent, up substantially from 5.3 percent a year earlier. Unemployment rates ranged from 4.9 percent in Hawaii to 8.4 percent in California.

Despite the slowing economy, the volume of existing home sales rose in most major markets in the Pacific region during the first quarter of 2009, reflecting dramatically more affordable home price levels and low interest rates. According to the California Association of REALTORS®, during the 12 months ending March 2009, the number of existing homes sold in the state increased by more than 60 percent to 506,550. During the first quarter of 2009, the median sales price was $251,300, down 40 percent compared with the median price recorded during the same quarter a year ago.

The first quarter 2009 median price was the lowest price recorded in the state since 2001. During the first quarter of 2009, the median number of days required to sell an existing home fell to 50 from 66 during the same period a year earlier, and foreclosed homes accounted for 58 percent of homes sold, a significant increase from 33 percent of homes sold a year ago. According to Hanley Wood, LLC, new home sales in the 30 largest counties in California declined by 42 percent, from 61,000 homes in 2007 to 35,500 homes in 2008. During the 12 months ending March 2009, existing home sales declined in Honolulu, where nearly 6,000 homes were sold, down 31 percent from the number sold during the previous 12 month period and down more than 50 percent from the record-setting 12,600 homes sold in 2005. During the first quarter of 2009, the median prices of an existing single-family home and a condominium were $565,000 and $302,300, respectively, down 7 and 8 percent, respectively, compared with the median prices for these units during the same quarter of 2008.

In Las Vegas, according to the *Las Vegas Housing Market Letter*, during the 12 months ending March 2009, the volume of existing home sales rose 52 percent to nearly 34,000 homes compared with the number of sales recorded during the same period a year ago. Buyers were attracted by the much lower home prices; during the first quarter of 2009, the median price of an existing home was $147,000, a decline of 37 percent, or $88,000, from the median price recorded during the first quarter of 2008 and down more than $140,000 from the peak price recorded during the third quarter of 2006. The downward price pressure is attributed to the persistently high inventory of unsold homes, which has averaged 29,000 homes a month during the past 2 years, and the high proportion of bank-owned homes, which accounted for three-fourths of the existing homes sold in the first quarter of 2009. In Phoenix, according to the *Phoenix Housing Market Letter*, during the 12 months ending March 2009, the volume of existing home sales rose 27 percent to 65,800 homes, compared with the low volume of 51,750 sales recorded during the previous 12 months. The median price of an existing home declined by 40 percent to approximately $128,000 in the first quarter of 2009, from $214,600 in the first quarter of 2008. During the 12 months ending March 2009, in both Phoenix and Las Vegas, sales of new homes declined by 50 percent to just 17,300 and 8,700 homes, respectively. Sales volumes in Phoenix and Las Vegas have continued to decline since 2005, when record new home sales of approximately 57,400 and 29,750 homes, respectively, were recorded, according to the *Phoenix Housing Market Letter* and *Las Vegas Housing Market Letter.*

Reflecting weak sales of new homes and falling prices in the region, single-family homebuilding activity, as measured by the number of building permits issued, declined by nearly 50,000, or 50 percent, to 50,900 homes permitted during the 12 months ending March 2009. In both California and Hawaii, home construction activity decreased by nearly 50 percent, to 28,100 and 2,100 homes permitted, respectively. During the past 12 months, in Arizona and Nevada, the number of homes permitted was 14,400 and 6,300, respectively; the pace of home construction fell by 52 percent in both states compared with activity recorded during the previous 12 month period.

Rental housing markets in most major areas in the Pacific region recorded increased apartment vacancy rates in the first quarter of 2009. The San Francisco Bay Area has a balanced rental market due to demand for rental housing stemming from household growth, relatively high home prices, and limited rental construction activity. According to Reis, Inc., during the first quarter of 2009, the apartment rental vacancy rate in the San Francisco submarket was approximately 4 percent, virtually unchanged from a year ago. The vacancy rate in the Oakland submarket increased from 4.2 percent during the first quarter of 2008 to a current rate of 5.7 percent.

The San Jose submarket softened more than the Oakland submarket did; in San Jose, the rental vacancy rate increased to 5.2 percent from 3.5 percent a year ago. Annual changes in average rents varied considerably in the Bay Area, including a nearly 2 percent increase in the Oakland submarket, no change in the San Francisco submarket, and a minor decrease of less than 1 percent in the San Jose submarket. The first quarter 2009 average asking rents in the Oakland, San Jose, and San Francisco submarkets were $1,379, $1,557, and $1,896, respectively. In Sacramento, the apartment market remains balanced, with a current vacancy rate of 6.3 percent, up from 5.3 percent in the first quarter of 2008. The average rent increased by less than 1 percent to $937 during the same period.

In Southern California, rental housing market conditions changed from tight to balanced in the first quarter of 2009. Rental vacancy rates in Los Angeles, Orange, San Diego, Santa Barbara, and Ventura Counties increased from less than 5 percent in the first quarter of 2008 to approximately 6 percent in the first quarter of 2009. The rates rose primarily due to the increased conversion of single-family detached homes and condominiums into rental housing units. During the 12 months ending March 2009, it is estimated that more than 12,000 single-family homes and condominium units in Southern California were converted into rental units. The vacancy rates in San Bernardino and Riverside Counties remained at 6.5 and 8 percent, respectively. According to the Consumer Price Index for Southern California, during the 12 months ending March 2009, the average rent increased by 4 percent, significantly less than the 6 percent rent increase recorded during the previous 12-month period.

The rental markets in both Las Vegas and Phoenix continued to soften through the first quarter of 2009 due to the slowing economy and increased competition from single-family and condominium homes made available for rent. According to Reis, Inc., the apartment vacancy rate in Las Vegas rose to 8.4 percent in the first quarter of 2009, up nearly 2 percentage points from the rate recorded in the same quarter a year ago. Rental market conditions are relatively balanced overall but apartment vacancy rates vary widely by submarket, ranging from less than 6 percent in the Southwest Valley to more than 10 percent in North Las Vegas. The average asking rent in Las Vegas rose from $857 in the first quarter of 2008 to $865 in the first quarter of 2009, an increase of just 1 percent compared with a 2.5 percent gain recorded between the first quarter of 2007 and the first quarter of 2008. In Phoenix, the rental market remained soft; Reis, Inc., reported an apartment vacancy rate of 11 percent in the first quarter of 2009 compared with 9 percent in the first quarter of 2008. Asking rents currently average $779, essentially unchanged from the past year. The Honolulu rental market is balanced, with an overall vacancy of nearly 6 percent, compared with 5 percent during the previous year. According to the Consumer Price Index, rents rose more than 2 percent between the second half of 2007 and the second half of 2008 (the most recent data available).

Multifamily construction activity, as measured by the number of units permitted, fell by 21,300 units, or 36 percent, to 38,100 units permitted in the region during the 12 months ending March 2009. The recent construction volume is far below the annual average of nearly 75,000 units permitted from 2003 through 2006.

During the past 12 months, multifamily building activity decreased by 35 percent to 24,100 units permitted in California and by 44 percent to 6,300 units permitted in Nevada. In Arizona, the number of units permitted declined by 3,600, or nearly 40 percent, to 5,600. Hawaii was the only state in the region to register an increase in the number of multifamily units permitted; 2,050 units, a 17 percent gain, were permitted in the state. Most of the decline in multifamily production in the region is attributed to the soft sales market for new condominiums and the resulting decrease in condominium construction.

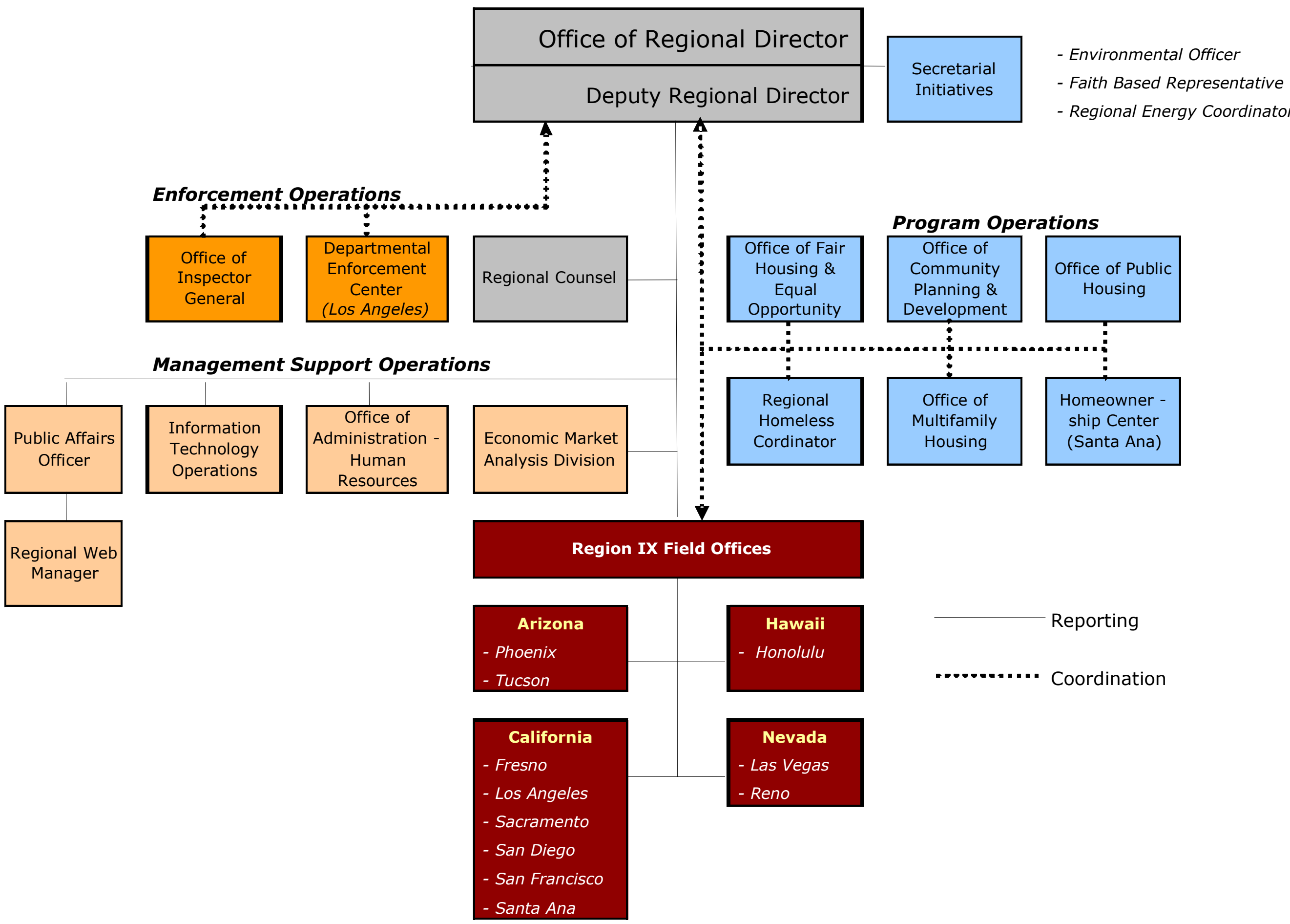
[4] Information on housing market conditions is provided by the U.S. Housing Market Conditions, a national publication of the U.S. Department of Housing and Urban Development.
The report is available online and can be downloaded for free at: www.huduser.org/periodicals/ushmc.html

ORGANIZATIONAL PROFILE

Region IX includes the states of Arizona, California, Nevada, and Hawaii and the Pacific Island Territories of Guam, American Samoa, and the Northern Mariana Islands.

Region IX's business operations are executed by Hubs and Centers representing the full complement of HUD's programmatic divisions, and a field office network consisting of the San Francisco Regional Office and 10 field offices located in Phoenix, Tucson, Fresno, Los Angeles, Sacramento, San Diego, Santa Ana, Honolulu, Las Vegas and Reno.

The operational structure for Region IX is shown in the organizational chart below.



INVENTORY AND FUNDING

The American Recovery and Reinvestment Act of 2009 includes $13.61 billion for projects and programs administered by the Department of Housing and Urban Development, nearly 75 percent of which was allocated to state and local recipients on February 25, 2009. Recovery Act investments in HUD programs will generate tens of thousands of jobs, modernize homes to make them energy efficient, and help the families and communities hardest hit by the economic crisis. The remaining 25 percent of funds will be awarded via competition.

Currently known allocations will assist in…

- Promoting Energy Efficiency and Creating Green Jobs
- Supporting Shovel-Ready Projects and Assisted Housing Improvements
- Promoting Stable Communities and Helping Families Hardest Hit by the Economic Crisis

American Recovery and Reinvestment Act of 2009 - HUD Allocations

	ARIZONA	CALIFORNIA	HAWAII	NEVADA
Community Development Block Grant (CDBG)	$14,438,699	$123,327,429	$4,042,190	$5,394,452
Native American Block Fund (NABF)	$53,843,793	$15,033,342	$0	$4,735,202
Public Housing Capital Fund (PHCF)	$12,068,449	$117,918,838	$16,245,443	$10,135,404
Tax Credit Assistance Program (TCAP)	$32,308,066	$325,877,104	$9,861,610	$15,184,795
Project Based Rental Assistance (PBRA)	$15,389,085	$305,037,547	$6,117,358	$5,677,955
Homelessness Prevention Fund (HPF)	$22,083,797	$189,086,299	$6,182,962	$8,249,689
Native Hawaiian Housing Grant (NHHG)	$0	$0	$10,200,000	$0
Lead Hazard Reduction (LHR)	$3,211,918	$17,624,182	$0	$0
TOTAL	**$153,343,807**	**$1,093,904,751**	**$52,649,563**	**$49,377,500**[5]

[5] American Recovery and Reinvestment Act HUD Allocations - www.hud.gov/recovery

STAFFING IN REGION IX

Region IX had 776 employees, an increase of 82 from the previous year. Field Office staffing levels range from seven employees in the Reno Office, to 226 in the Los Angeles Field Office. Staffing levels by function and field office are shown in the table below.

FY 2008 STAFF DUTY STATIONED IN REGION IX

Field Office	Total Employees	
	2008	2009
Fresno	11	9
Honolulu	29	31
Las Vegas	20	19
Los Angeles	226	212
Phoenix	91	87
Reno	7	7
Sacramento	16	14
San Diego	8	7
San Francisco	200	190
Santa Ana	159	164
Tucson	9	8
Totals	**776**	**748**

Program Office	Total Employees	
	2008	2009
Field Policy and Management	46	46
Administration	22	26
Community Planning & Development	73	68
Fair Housing and Equal Opportunities	45	43
General Counsel	57	35
Housing - Multifamily	157	154
Housing - Single Family	177	173
Inspector General, Audit	34	37
Inspector General, Investigations [a]	40	22
Information Technology	9	9
Labor Relations	5	5
Policy Development & Research	4	3
Public and Indian Housing	70	55
SW Office of Native American Programs	34	33
Other [a]	3	39
Totals	**776**	**748**

(a) Other positions include Regional Chief Procurement Officer, Departmental Equal Employment and Opportunities Counselor, Office of Healthy Homes and Lead Hazard Control staff

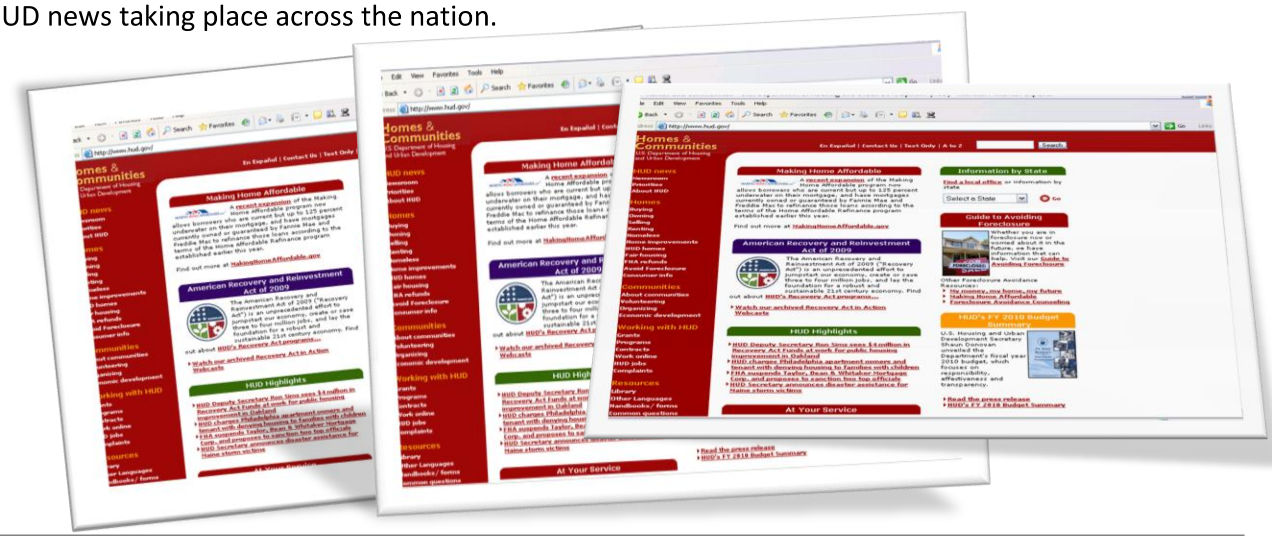
WEB MANAGEMENT

HUD uses the hud.gov website to complete its mission and goals and serve the public. HUD's Departmental Web Team manages the site to ensure that the content is well-written, well-organized, and in compliance with Departmental web policies and publication standards. David Lockwood, Regional Web Manager, administers all of the region's (Arizona, California, Hawaii, and Nevada) sites for accuracy and continued accessibility. Within the Fiscal Year of 2008, HUD's website was viewed over 300 million times and continues to see a steady flow of unique visitors.

Web Statistics – www.hud.gov – (FY 2008 – 2009)

Month	Unique Visitors	Visits	Page Views
October 2008	1,461,386	3,951,589	25,907,743
November	1,647,625	3,648,069	26,228,104
December	1,477,781	3,329,876	25,506,246
January 2009	1,858,509	3,959,084	25,214,580
February	1,950,194	4,132,006	34,436,918
March	2,185,385	4,796,770	37,570,121
April	1,888,447	4,150,976	30,520,347
May	1,787,936	3,829,890	15,641,624
June	2,204,636	4,231,329	20,997,330
July	2,319,676	4,403,318	21,281,720
August	2,170,067	4,108,655	20,353,873
September	2,178,317	4,086,406	18,616,239
Totals	23,129,959	48,627,968	302,274,845

HUD also implemented a new way of reaching out to consumers by using YouTube and Facebook during the second quarter of FY 2009. These communication tools are more consumer-driven and receive a different level of exposure than what is normally posted on HUD's website. Recently, HUD added Twitter as another avenue for consumers to stay informed. This social networking and micro-blogging website provides HUD with an alternative platform for users to keep up-to-date with HUD news taking place across the nation.



MANAGEMENT PLAN ACCOMPLISHMENTS

Region IX's Management Plan is one of the primary tools used by staff to develop, coordinate, and implement strategies and action plans to achieve departmental priorities and the measurable results identified in the Department's Annual Performance Plan (APP). It describes how the daily work of individuals in the field contributes to important results for the people we serve.

The FY 2008 Management Plan served five (5) important functions:

- Directed the work of the entire Region IX staff;
- Established the strategies, plans, and measures for the working-level results to be achieved during the fiscal year;
- Aligned HUD operations and resource allocations with departmental priorities;
- Established specific and coordinated accountability for results; and
- Ensured that the region achieved the goals and objectives of the Secretary and the President in a unified way.

Region's IX's Management Plans prescribe specific actions undertaken by program and field offices in support of HUD's Strategic Goals. The management plan process involved consultation and collaboration with all program offices and support functions throughout the region. These actions are results-driven and aimed at achieving specific Performance Objectives established for each Strategic Goal.

- **A** Increase Homeownership Opportunities
- **B** Promote Decent and Affordable Housing
- **C** Strengthen Communities
- **D** Ensure Equal Opportunity in Housing
- **E** Embrace High Standards of Ethics , Management, and Accountability
- **F** Promote Participation of Faith Based and Community Organization

Management Plans throughout the region contain a variety of strategies for mitigating rising housing cost, lowering housing and home energy costs, reducing regulatory barriers, and increasing the supply of affordability housing.

The following provides examples of significant activities accomplished in support of HUD's Strategic Goals and Objectives.

STRATEGIC GOAL A:
INCREASE HOMEOWNERSHIP OPPORTUNITIES

Keep Existing Homeowners from Losing Their Homes

Region IX Joins Members of Congress at Foreclosure Prevention Events

During the second quarter of fiscal year 2008, the Santa Ana Homeownership Center and Field Offices throughout Region IX were requested to assist Congressional Offices convene foreclosure prevention workshops. These events provided opportunities for HUD staff to provide information on FHA modernization efforts, FHA Secure, and local initiatives to prevent foreclosures. Many sessions provided workshops and opportunities for one-on-one counseling with HUD approved housing counseling agencies and mortgage companies. Notable congressionally sponsored foreclosure events at which HUD participated included:

- **Los Angeles Foreclosure Roundtable Discusses Strategies for Mortgage Crisis** - On January 11, 2008, the Los Angeles and Santa Ana Field Offices and Homeownership Center staffs participated at a Foreclosure Roundtable organized by ***U.S. Senator Barbara Boxer*** in Riverside, an area with one of the highest foreclosure rates in California.

- **Santa Ana Seminar Provides Tips To Avoid Foreclosure** - On February 9, 2008, the Santa Ana Field Office and Homeownership Center joined ***U.S. Representative Joe Baca***, the Federal Reserve Bank, FannieMae, and local housing industry partners at the "*Homeownership Preservation and Foreclosure Prevention Seminar – "Save Your Home From Foreclosure*" in Ontario, CA. This event assisted more than 180 homeowners.

- **Tucson Symposium Assists Homeowners** - On March 29, 2008, the Tucson Filed Office and Santa Ana Homeownership Center joined ***U.S. Representative Raul Grijalva (D-7****)* at a foreclosure symposium at the Tucson Convention Center. The *Consumer Symposium on Foreclosure Prevention* attracted more than 400 persons and provided four alternating workshops and one-on-one counseling with mortgage companies and HUD approved housing counseling agencies.

Left to Right: Phyllis Lim, HUD Tucson Field Office Director, U.S. Rep. Raul Grijalva, (D-7), Ramona Ball, Single Family Housing Program Specialist, Tucson Office; Charles Ludlam, Single Family Housing Program Specialist, Santa Ana HOC.

Fresno Offices Aids Bakersfield Foreclosure Prevention Town Hall Television Event

On Monday, December 8, 2008, Kern County, California held an evening Foreclosure Prevention Summit. The Town Hall meeting was attended by over 200 persons and was simultaneously broadcasted on live television. Participants shared emotional stories about their experiences with losing their homes, trying to work with their lenders, and a great deal of frustration with the lack of resources to assist them. The purpose of the meeting was to give homeowners information on resources available to assist them including HUD approved Housing Counseling agencies, the HOPE Hotline, FHA Secure, and Hope for Homeowners. The Fresno FPM Office provided a presentation on HUD's programs and initiatives to stem foreclosures. Additional presentations were made by local lenders, appraisers, and an attorney from a legal aid organization following the Bakersfield Town Hall meeting,

Expanding Homeownership

PIH General Deputy Assistant Secretary and Deputy Assistant Secretary for Native American Programs Recognize Hawaii National Homeownership Month

Ms. Paula Blunt, General Deputy Assistant Secretary for Public and Indian Housing and Mr. Rodger Boyd, Deputy Assistant Secretary for Native American Programs, joined the Department of Hawaiian Home Lands (DHHL) and low-income Native Hawaiian families to celebrate National Homeownership month. Ms. Blunt and Mr. Boyd met new homeowners purchasing homes on Hawaiian home lands. The Native Hawaiian homeownership initiative was assisted by HUD's Native Hawaiian Housing Block Grant (NHHBG) and the Section 184A Native Hawaiian Housing Loan Guarantee Program.

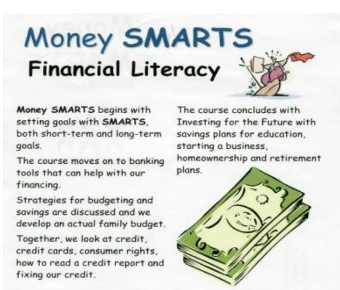
L-R: PIH General Deputy Assistant Secretary Paula Blunt and ONAP Deputy Assistant Secretary Rodger Boyd join DHHL NAHASDA Coordinator Sandy Asato and new homeowners.

Reno Homebuyer Marketing & Outreach Campaign Reached First-time Homebuyers

On July 23, 2008, the Reno HUD Office, in partnership with numerous local and state partners, kicked off a cooperative marketing and outreach campaign designed to stress the buying opportunities for first-time homebuyers and veterans in Northern Nevada. The event highlighted the partnerships with local realtors, lenders, the Nevada Housing Division, and FHA. The campaign continued throughout the summer, with advertising in local and regional publications and appearances on local radio and television programs highlighting the "FHA Advantages" as well as state programs available to first-time homebuyers. Recently, the partnership between FHA and the Nevada Housing Division enabled a local truck driver to become a homeowner.

Financial Literacy

HUD Helps Multifamily Residents Learn to be Money SMART



The Honolulu FPM Office facilitated a partnership with Alu Like Inc, a non-profit organization serving native Hawaiians, to provide "Money SMARTS" financial literacy education to residents at Beretania North-Kukui Tower, a 380-unit HUD multifamily project. The orientation and four Money SMARTS classes provided individuals and families the skills to make financial decisions towards self-sufficiency for themselves and their families. Chinese speaking participants were also able to expand their use of English in a give-and-take, hands-on format that made the classes fun and easy to digest.

STRATEGIC GOAL B:
PROMOTE DECENT AND AFFORDABLE HOUSING

Affordable Housing Preservation

San Francisco Deputy Regional Director Addresses NAHRO on Housing

On Monday, November 17, 2008, Caroline H. Krewson, Region IX's Deputy Regional Director, addressed the National Association of Housing and Redevelopment Officials (NAHRO) in San Francisco at the Hotel Monaco. Ms. Krewson's remarks focused on HUD's mission to provide affordable, safe, decent, and sustainable housing and addressed public housing asset management and neighborhood stabilization implementation issues; emphasizing the role HUD programs can have in responding to the current housing crises, promoting homeownership, and providing housing opportunities for all families.

Marilyn Yazzie, Asset Management Supervisor with the Phoenix Multifamily Program Center, provides opening remarks.

Tucson Field Office Opens Blanche Johnson Elderly Housing Development

On November 13 2008, HUD Field Office Director Phyllis Lim joined The Tucson Urban League and Metropolitan Housing Corporation at the grand opening of Blanche Johnson Courtyards, a new 68-unit senior housing apartment development in Tucson Arizona. Also attending the opening of the HUD funded 202 project were Pima County Supervisor Ramon Valadez and a representative of Rep. Raul Grijalva (D) and Marilyn Yazzie, from HUD's Phoenix Multifamily Housing Program Center.

Improving Housing Opportunities for the Elderly and Persons With Disabilities

HUD Joins Local Officials in Opening New Elderly Housing Multifamily Hub

On March 24, 2008, Multifamily Hub's Acting Director Herman S. Ransom joined Los Angeles City Councilman Tony Cardenas at the grand opening of Palm Village Senior Apartments, a 58-unit, Section 202 project in Sun Valley, CA. The $10.9 million development is a joint venture between the Little Tokyo Service Center and the Thai Community Development Center with $7.2 million in Capital Advance funding from HUD.

Housing Preservation

Santa Ana Seeks Strategies to Stabilize Communities and Address the Negative Impacts of Foreclosure

On July 15, 2008, HUD's Santa Ana Office joined the Federal Reserve Bank of San Francisco, local leaders, nonprofit agencies, lenders, fair housing councils, and other industry partners at a symposium of national experts and regional practitioners to examine innovative approaches to dealing with the negative impacts of the foreclosure crisis. This symposium provided an opportunity to assess the current foreclosure crisis and its local impact. Current efforts to combat the crisis were shared and highlighted. This roundtable discussion provided an opportunity to exchange information and assisted in assessing the foreclosure crisis and developing strategies on a local and state level.

Los Angeles Housing Agreements Preserve Affordable Housing

The Los Angeles Multifamily Hub, working with Headquarters, facilitated the processing final proposals for the Angelus Plaza I and Angelus Plaza North Trust Agreements that will result in preservation of 1,100 units of elderly housing and generate approximately $55 million in net proceeds to support development of additional affordable housing units/projects. Additionally, on July 31, 2008, the Los Angeles Multifamily Hub executed the Holiday Settlement Agreement that will preserve more than 600 units of low and moderate income housing, through Use Agreements, subsequent to prepayment and mark-up-to-market assistance for a five-year term. This settlement also resulted in a monetary recovery of approximately $1,461,128, of which $607,479 will be used in a repair account, $630,184 will be used to repay HELP loans, and $223,465 will pay for civil monetary penalties.

<u>Regulatory Reform</u>

Director of America's Affordable Housing Initiative meets with Housing Officials in Los Angeles

On February 12, 2008 through February 14, 2008, the Los Angeles Field Office staff joined America's Affordable Communities Initiative Director Bryant Applegate at meetings with housing officials from the Los Angeles County Community Development Commission, City of Los Angeles Mayor's Office, and the State Housing Agency to discuss local progress towards removing regulatory barriers to affordable workforce housing. Building on the success of the meetings with Brian Applegate, the Los Angeles Field Office Director met with representatives from the State of California Housing Department to promote a Statewide Affordable Communities Initiative aimed at building statewide collaboration with local and industry partners to remove local regulatory barriers.

<u>Promoting HUD Energy Plan</u>

Southern California "Change a Light" Initiative Saves Energy and Lowers Costs

To promote National Energy Awareness Month, the Los Angeles Office of Public Housing partnered with several of our public housing authorities in the Los Angeles and Santa Ana Field Office jurisdictions, Southern California Edison, and the Los Angeles Department of Water and Power to promote energy saving measures. During October, over 4,000 Compact Fluorescent Light (CFL) bulbs were distributed to public housing residents and Section 8 voucher tenants at six properties:

Nueva Mara Villa Apartments (Los Angeles County)	***2,000 CFLs***
Colonia Senior Center (City of Oxnard)	*400 CFLs*
Waterman Apartments (San Bernardino County)	*1,080 CFLs*
West View Village Apartments (City of San Buenaventura)	*300 CFLs*
Broadway Apartments (Riverside County)	*280 CFLs*
Saint Anne's (City of Los Angeles	*148 CFLs*

Las Vegas Multifamily Properties Participate in State Energy Efficiency

A total of seven properties servicing persons with disabilities participated in statewide energy efficiency programs administered by the Nevada Housing Division and Nevada Power utility company. Through these programs 140 solar screens and energy efficiency lighting have been installed in 135 units at these complexes.

New Generation Introduced to Fair Housing Act

Sixty students at Kahala Elementary School know what discrimination is like having confronted it in the classroom when some of their classmates received what appeared to be preferential treatment because of the unlikely choice of the color of their pen. HUD Civil Rights Analyst, Jelani Madaraka and Carolyn Vierra of the Hawaii Civil Rights Commission engaged 5th graders with hands-on activities on the Fair Housing Act and how it applies in daily life as part of HUD's national Fair Housing Education Day in America.

Kahala Elementary School 5th graders do an exercise to learn about discrimination for Fair Housing Education Day

<u>AIA/HUD Secretary's Housing and Community Design Awards - 2008 Winners</u>

HUD and the American Institute of Architects (AIA) selected **Irvington Terrace of Fremont, California** for the Excellence in Affordable Housing Design award**.** This 100-unit low-income housing development in Irvine strikes a fine balance between progressive modernist forms and a traditional village-square-like community. It forms a block-long perimeter of flat-roofed rental apartments, articulated with interlocking rectilinear volumes that define individual units. These fused and richly textured units avoid the monumental austerity of past failed experiments in modernist affordable housing by providing street wall relief and variety, complete with street-enlivening stoops and porches. The rows of housing surround two town-square courtyards with adjacent public amenities. The project successfully balances the design aspirations with the risk of cultural dislocation of the residents. As a result, all stakeholders, including both client and residents, can relate to the project design.

Creating Community Connection Award

Recognizes projects that incorporate housing within other community amenities for the purposes of either revitalization or planned growth.

Valencia Gardens, San Francisco, California, is a HOPE VI federally funded mixed-use affordable public housing project located on a five-acre site in San Francisco's Mission District. The primary goals were to connect the project with the surrounding urban fabric, re-establish a strong sense of place among members of the community at large, and provide a safe place that establishes defensible space, while acknowledging household independence. Valencia Gardens accomplishes these objectives while instilling a sense of pride through well-designed, community-oriented space and public art.

Excellence in Affordable Housing Design Award

Recognizes architecture that demonstrates overall excellent design responses to the needs and constraints of affordable housing.

K Lofts, San Diego, California, was created through a participatory design process that forged positive connections between and among residents, community stakeholders, local government officials, and civic groups. The design outcome provides a building that integrates public and private spaces in ways that enhance human scale and promote social interaction. K Lofts employs shared use of defensible space to help revitalize this deteriorating community, while at the same time enhancing the neighborhood's physical fabric.

Deputy Regional Director Caroline Krewson and Cynthia Abbott join LaShelle Dosier at Phoenix Park

Sacramento Redevelopment Efforts Pay Off

On March 11, 2008, Deputy Regional Director, Caroline H. Krewson and Sacramento Field Office Director, Cynthia Abbott join LaShelle Dozier, Acting CEO of the Sacramento Housing and Redevelopment Agency (SHRA) at Phoenix Park, site of a multi-year initiative to redevelop one of Sacramento's most distressed neighborhoods. The neighborhood, formerly named Franklin Villa Estates, was originally conceived in the 1960's as a senior or retirement community built with 943 individually-owned condominiums organized into five separate homeowner associations. The concept did not take root and a decade later, violent crime, poverty and high unemployment along with gang and drug activity seized the community. In the mid-1990's, the City of Sacramento and SHRA began investing public resources into the community. HUD's Community Planning and Development resources such as HOME, CDBG and EDI were utilized in the transformation of Franklin Villa Estates into the Phoenix Park community which now offers 360 units of safe, affordable rental housing to very-low and low-income working families and low-income seniors. Amenities include onsite professional property management, security, enrichment programs for adults, and supervised after school and summer activities for children many of which are offered in the Community Empowerment Center funded by the Magic Johnson Foundation.

Phoenix Office Participates in Self Sufficiency Graduation.

On October 7, 2008, Rebecca Flanagan was a featured speaker at the Annual East Valley Sufficiency recognition ceremony held at the Chandler Center for the Art. The ceremony recognized 16 Family Self Sufficiency graduates from the Mesa, Chandler, Scottsdale, and Tempe Housing Authorities.

STRATEGIC GOAL C:
STRENGTHEN COMMUNITIES

Leadership In Disaster Relief

Pandemic Influenza Preparedness

On March 12, 2008, the Region IX and X Disaster Coordinator and several members of the San Francisco Regional Office attended a Pandemic Influenza COOP Planning Symposium sponsored by the San Francisco Federal Executive Board COOP Working Group. More than 150 representatives from Federal, State, County and City governments and private sector organizations participated in working groups to develop three critical elements to prepare their respective agencies for pandemic influenza.

Santa Ana Field Office Joins Governor Schwarzenegger's Office of Emergency Services at Golden Guardian Workshop

On April 28, 2008, the Santa Ana Field Office Director and COOP Coordinator joined FEMA, state and local government agencies, and various federal agencies at a planning workshop sponsored by the California Office of Emergency Services at March Air Force Base in Riverside California. The workshop was designed to prepare agencies for a disaster response scenario involving a major earthquake along the San Andreas Fault. Participating agencies discussed how to identify issues and resources material to effective disaster response actions and formulate and coordinate effective solutions integrating state and federal assets into response and recovery efforts. The workshop provided an important opportunity to engage local, state, and federal disaster response partners and work through plans and procedures to improve HUD's preparedness.

Ending Homelessness

San Francisco Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) Press Conference Announces New Federal Funding

On July 22, 2008, Mayor Gavin Newson, joined by Philip Mangano, Executive Director of the U.S. Interagency Council on Homelessness, announced new federal funding to assist homeless veterans in San Francisco in finding housing. The funding will be targeted toward providing homeless veterans with support services and the opportunity to obtain permanent housing. The award of 105 vouchers, representing $1.5 million, to the San Francisco Housing Authority (SFHA) is part of $75 million announced nationally for 10,000 new vouchers for the HUD-VASH Program and the result of congressional support in the FY 2008 budget.

Pictured are San Francisco Mayor Gavin Newsome, U.S. Interagency Council Director Philip Mangano, and HUD Regional Director Richard Rainey.

Los Angeles Interagency Homeless Executive Director is Welcomed in Hollywood

Shown are L.A. Mayor's Homeless Policy Coordinator, BID's Executive Director, United Way representation, Director Mangano, United Way's President, and the Chamber of Commerce Chair

On April 30, 2008, United States Interagency Council on Homelessness Executive Director Philip Mangano was the guest speaker at a 'Business Roundtable' sponsored by Hollywood's Business Improvement District focusing on solutions to homelessness. The Roundtable was convened to strengthen business and community partnership, highlight successful strategies, and create greater local momentum to implement solutions to end homelessness. Director Mangano affirmed the need for a 10 Year Plan for Hollywood, noting the importance of business leaders stepping forward in partnership with government, providers, and consumers. Participants included Los Angeles City Councilmember and Council President, Los Angeles Deputy Mayor for Homeless, Los Angeles County Homeless Coordinator, the Los Angeles Homeless Services Authority's Executive Director, United Way's CEO as well as business representatives from the Hollywood Chamber of Commerce, Paramount Pictures, AT&T, Kaiser Permanente, McDonalds, and other local businesses. Region IX's Homeless Coordinator Ed Cabrera also took part in the proceedings.

Reno Opens Homeless Community Assistance Center

On March 21, 2008, the Reno Field Office joined Reno Mayor Bob Cashell and approximately 100 community leaders and members of the general public at the Grand Opening and Ribbon Cutting Ceremony of the Reno Homeless Community Assistance Center (Phase IIa). Phase IIa contains the Reno Community Triage Center, the Reno Police Department's Crisis Intervention Team, and the Men's and Women's Drop-in Centers, which are short-term, shelters for single adults experiencing homelessness. The triage center is first of its kind in Northern Nevada. The Homeless Resource Center reflects a community collaboration supported by the cities of Reno and Sparks, the Washoe Housing Social Services Network and several local charity foundations. The Community Resource Center has benefited from over $2.7 million in HUD CDBG and Section 108 Funding.

San Diego Office Aid Local Homeless Activities

On December 5, 2008, the San Diego Field Office joined numerous agencies in conducting Project Homeless Connect at the Golden Hall Community Concourse in downtown San Diego. This one day event provided food, clothing, housing counseling, medical services, legal counseling, and other resources for the homeless.

Shown at Left: Myna Pascual and staff of San Diego Housing Commission at Project Homeless Connect event.

Community Outreach and Support

Phoenix Office Participates in Self-Sufficiency Graduation

On October 7, 2008, Rebecca Flanagan was a featured speaker at the Annual East Valley Sufficiency Recognition Ceremony held at the Chandler Center for the Art. The ceremony recognized 16 Family Self Sufficiency graduates from the Mesa, Chandler, Scottsdale, and Tempe Housing Authorities.

HUD Staff Supports Community Housing Relocation

Residents at Ujima Gardens community meeting to assist families in navigating federal housing relocation.

On June 13, 2008, HUD's FPM and Multifamily staff participated in a Tenant-Relocation Q & A meeting for residents at Ujima Village – a 300 plus multifamily complex-formerly in the Hub's portfolio and currently managed by the Los Angeles County Community Development Commission (CDC). Special assistance was provided by HUD's Courtland Wilson (Headquartered Senior Housing Project Manager); Ruth Pompa (HUD Ft. Worth Program Director and Relocation Team Head); Kansas City Hub Director, Herman Ransom; and Randolph Wilson (Acting Interim Los Angeles MF Hub Director). The community meeting helped residents understand federal relocation and tenant reimbursement processes.

Phoenix HUD Open House Draws Record Crowd

On September 18, 2008, the Phoenix HUD Office hosted its Sixth Annual Open House and Most Valuable Partner (MVP) awards ceremony. A record attendance of more than 110 HUD partners participated in the event. The awards ceremony featured Catherine Reagor, Arizona Republic real estate writer, who served as master of ceremony, and presented seven MVP awards to HUD partners. Phoenix City Councilmen Michael Nowakowski and Michael Johnson were also in attendance.

Environmental Training

HUD Provides Comprehensive Training on HUD/NEPA Requirements

On December 8 - 10, 2008, the HUD Regional and Field Office Environmental Officers conducted a comprehensive three-day training program covering HUD and National Environment Policy Act (NEPA) environmental requirements. The training session was designed to assist HUD grantees prepare Environmental Review Records (ERRs). Representatives from State and Federal environmental oversight agencies, such as FEMA, made presentations in their areas of expertise. HUD's Regional Healthy Homes Representative and Regional Energy Representative also presented overviews on their program initiatives and milestones. On August 10 – 12, 2009, Regional Deputy Director, Caroline H. Krewson, welcomed over a 120 grantees from CA, AZ, NV, Hi and the Mariana Islands. Regional Environmental Officer Ernest Molins served as the principal instructor. Wayne Waite presented the energy conservation program overview. Connell Dunning, EPA Scientist provided an informative presentation on significant impacts and EPA oversight.

STRATEGIC GOAL D:
ENSURE EQUAL OPPORTUNITY IN HOUSING

Increase Compliance with Fair Housing Laws

Fair Housing & Equal Opportunity Expedites Cases Result in $43,000 Relief

On October 31, 2008, the San Francisco Office of Fair Housing and Equal Opportunity (FHEO) expedited the filing and forwarding of two complaints that were filed with HUD on September 17, 2008 resulting in $43,000 in relief. In their complaint, the Complainants alleged that the Respondent owners and managers of the 108-unit La Sabla Apartments in San Mateo, California had denied repeated requests to maintain a companion animal and commenced action to evict them for harboring the companion animal. Under the terms of the mediation agreements, La Sabla's owners and managers agreed to pay the Complainants $10,000 in monetary relief, plus allow them two years of rent-free tenancy valued at approximately $30,000. Project Sentinel, a non-profit Fair Housing agency, will also receive $10,000, to cover the costs of providing fair housing training for the Respondent and their property staff, and for conducting tests to monitor the Respondent's compliance with their newly-developed fair housing/equal housing opportunity policy. The agreement also provides for an interactive process if future reasonable accommodation issues arise involving the Complainants.

Innovative Fair Housing Education Program Reaches Statewide Audience in Hawaii

HUD's FHEO analyst Jelani Madaraka moderates panel of experts housing discrimination in Hawaii.

'Olelo Community Television's 400,000 subscribers had the opportunity to view a panel discussion and become more informed on "Housing Discrimination in Hawaii". The one hour program was broadcasted four times in April on 'Olelo Community Television, the cable access station for Oahu to launch April as Fair Housing Month. A partnership with Chaminade University students from the Communications Program provided the video production values. This was the fourth in a series of timely presentations with HUD partner 'Olelo and featured experts from Legal Aid Society of Hawaii, Hawaii Civil Rights Commission, and FHEO lead Civil Rights Analyst Jelani Madaraka.

FHEO Settlement Funds Accessibility Improvement Trust Fund

On September 22, 2008, $1.1 million was deposited into the "Accessibility 1000 Trust Fund" created to administer the funds from a settlement agreement reached in June 2005 requiring the establishment of an accessibility trust fund of $1.2 million to assist in financing certain accessibility retrofits or modifications to existing residential dwellings at the Renaissance Condominiums located in San Diego. In July 2005, HUD approved and entered into a trust agreement with the Fair Housing Council of San Diego, Inc., and with Access to Independence of San Diego, Inc., to administer the remaining trust fund balance of over $1.1 million. Since there is currently over $1.1 million in the Trust Fund, each resident who requests modifications can have up to $1,000 spent on the modifications.

STRATEGIC GOAL E: EMBRACE HIGH STANDARDS OF ETHICS, MANAGEMENT, AND ACCOUNTABILITY

Deputy Regional Director presents service award to Derrick Stephens at all employee meetings in Honolulu Field Office.

Region IX Deputy Regional Director Participates in Key Activities in Honolulu Field Office

Caroline H. Krewson, Region IX Deputy Director, presented HUD service awards at an all-employee meeting held on September 25, 2008, in the storefront at the Honolulu Field Office (HFO). Ms. Krewson also helped kick-off the HFO's Combined Federal Campaign (CFC) which introduced the worthy community work of CFC nonprofits to office staff. In addition, Ms. Krewson had the opportunity to visit several HFO projects including the Kuhio Park Terrace Resource Center (located at the largest public housing project in Hawaii), Pacific Gateway Center's very successful kitchen incubator, the Institute for Human Services men's shelter where meals are provided for the homeless, Kekaulike Courtyard and Chinatown Manor affordable housing projects which have served as a lynchpin for the revitalization efforts of Chinatown in downtown Honolulu and Maunakea Marketplace, a retail space facility that was developed with CDBG funds.

HUD Recognizes Southern California HUD Staff for Volunteer Efforts

On February 5, 2008, sixty-two HUD employees were recognized at the Los Angeles Field Office for their courageous and diligent efforts during last October's Federal disaster declaration. Volunteers traveled to ground zero fire locations to help solidify the emerging disaster centers and were assigned to Local Assistance Centers set up to address longer-term housing needs of displaced individuals and families. Employees were presented with a HUD engraved medallion and a Certificate of Appreciation – signed by former Secretary Jackson and Deputy Secretary Bernardi – by Assistant Deputy Secretary Bob Young and Regional Director Richard Rainey "…in recognition for your outstanding support of HUD's Disaster Assistance Mission 2007."

Honolulu Customer Service – ONAP Provides Trainings on Native Hawaiian Housing Block Grant Program to Grantee and Beneficiaries

The Office of Native American Programs sponsored statewide training sessions for the Native Hawaiian Housing Block Grant (NHHBG) Program participants to enhance their program knowledge and capacity for grant administration. The NHHBG responds to the critical housing needs of Native Hawaiians, a minority group where the incidence of housing problems is one of the highest in the country. Native Hawaiians have the highest levels of poverty, unemployment, and incarceration of any ethnic group in Hawaii and the lowest levels of education and health.

STRATEGIC GOAL F:
PROMOTE PARTICIPATION OF FAITH BASED AND COMMUNITY ORGANIZATION

Provide Technical Assistance and Training to Faith-Based and Community Organizations

City of Palmdale Welcomes LAFO's Two-Day Grant Writing Training Workshop

Pictured below are attendees at the Palmdale Grant Writing Workshop in groups grading a sample grant proposal.

On July 28-29, 2008, the City of Palmdale, CA, hosted the Center for Faith-Based and Community Initiatives Grant Writing Training at the Palmdale Cultural Center. The two day capacity building workshop was attended by over 50 faith-based and community representatives from the Antelope Valley region, in which the major entitlement cities are Palmdale and Lancaster. The workshop provided program grant information to faith-based and secular attendees as well as training on the capacity building and organizational development skill-sets required to become a successful grant applicant. The program was supported by Public Counsel, a pro bono legal advocacy organization, 1st Five (a statewide child-advocacy funding organization), the Los Angeles Homeless Services Agency (HUD's primary Continuum of Care Agency serving Los Angeles County), staff from the City of Palmdale's Community Development Department who discussed the City's Consolidated Plan and related pass-through program funding information, and Los Angeles HUD Field Office staff from FPM, CPD, and Multi-family Housing.

Shown are Phyllis Lim, Field Office Director; Larry Nelson, Mayor of Yuma; Steve Banko, Buffalo Field Office Director; Espy Holguin, Albuquerque Colonias Specialist

City of Yuma and Tucson Field Office Cosponsor Faith-Based Training

Over 50 participants attended a basic grant writing training session for faith-based and community organizations at the Martin Luther King, Jr. Community Center in Yuma, Arizona on May 13-14, 2008. Steve Banko, Buffalo Field Office Director, was the lead trainer. The Arizona Department of Housing also provided a trainer for a two-hour session on applying for state funded grants. Yuma Mayor Larry Nelson, who offered the training facility to HUD at no charge, gave the opening remarks. Tucson Field Office Director Phyllis Lim and Albuquerque Colonias Specialist Espy Holguin were on site to assist the trainers and participants.

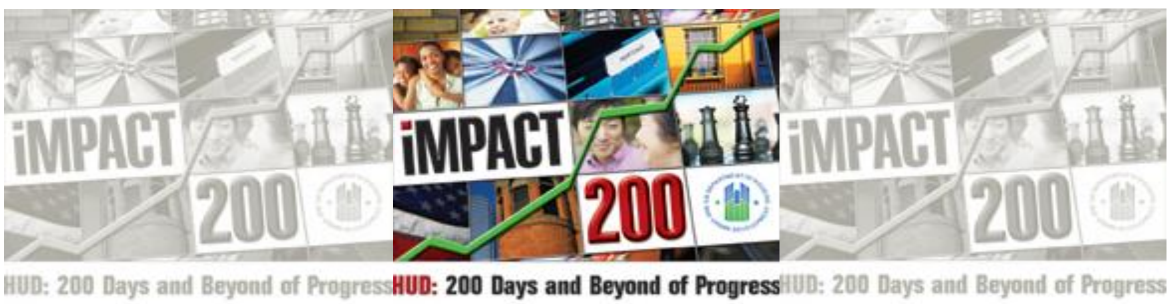
Las Vegas Hosts White House Faith-Based Community Initiative

On November 7, 2008, the Las Vegas Field Office assisted the White House Faith-Based and Community Based Initiative by hosting a free Grant Writing Workshop in Clark County. Over 60 people were in attendance. FPM staff along with the Los Angeles trainer provided those in attendance valuable information on forming partnerships and leveraging resources. Approximately 10 people came from neighboring states to attend.

iMPACT 200

HUD Deputy Chief of Staff Briefs San Francisco Regional Office during the Quarterly All-Employee Meeting on iMPACT 200

Anoop Prakash, Deputy Chief of Staff, was the honored presenter at the all-employee meeting of the San Francisco Regional Office staff. He provided an overview and update on Secretary Preston's iMPACT 200 policy and extended a sincere invitation to staff to ask questions that he answered with candor and completeness. During the all-employee meeting, Mr. Prakash and the Regional Director presented length of service awards and pins to Region IX staff. The Office of Information Technology took individual pictures of each Region IX employee who received length of service awards and pins with the Deputy Chief of Staff and the Regional Director. Each Program Director had an opportunity to introduce new staff that joined HUD since May 1, 2008 all-employee meeting. The Region IX managers and staff expressed appreciation for Mr. Prakash's willingness to visit the San Francisco Regional Office for the quarterly all-employee meeting.



HUD iMPACT 200 focused on:

- Promoting Responsible, Sustainable Homeownership for All Americans;
- Maximizing Options for Safe and Affordable Housing so All Americans Can Embark on a Path to Self-Sufficiency; and
- Delivering Effective, Timely Services and Resources to [HUD] Customers, Employees and Partners.

REGIONAL ORGANIZATION

Vacant
Regional Director

Caroline H. Krewson
Deputy Regional Director

ARIZONA

Rebecca Flanagan
Field Office Director
Phoenix Office

Phyllis Lim
Field Office Director
Tucson Office

CALIFORNIA

Rollie Smith
Field Office Director
Fresno Office

Ray Brewer
Field Office Director
Los Angeles Office

Ray Brewer
Acting Field Office Director
Santa Ana Office

Cynthia Abbott
Field Office Director
Sacramento Office

Francis Riley
Field Office Director
San Diego Office

HAWAII

Gordon Furutani
Field Office Director
Honolulu Office

NEVADA

Ken LoBene
Field Office Director
Las Vegas Office

Tony Ramirez
Field Office Director
Reno Office

REGIONAL AND FIELD OFFICES

CALIFORNIA

CALIFORNIA QUICK FACTS	
POPULATION	
Population, 2008 estimate (Census)	36,756,700
Population percent change, 2007 to 2008	1.0%
Population, 2000 Census	33,871,650
Population, annual percent change 2000 to 2008	1.0%
Net in-migration 2000 to 2008	447,000
Senior Population growth, 65+ years, 2006 to 2007	1.9%
RACE/ETHNICITY	
White persons, percent population, 2007 ACS	60%
Black or African-American person, percent population	6%
American Indian or Alaska Native, percent population	< 1%
Asian persons, percent population	12%
Native Hawaiian or Pacific Islander, percent population	< 0.5%
Hispanic or Latino persons, of any race, percent population	36%
EMPLOYMENT	
Total Nonfarm Employment May 2009	14,387,600
Total Nonfarm Employment, percent change May '08 to May '09	-4.9%
Unemployment Rate May 2009(seasonally adjusted)	11.50%
INCOMES	
HUD Median Family Income, FY 2009	$70,400
Poverty Rate, 2007	12%
HOMEOWNERSHIP RATES	
Homeownership Rate, 1st Qtr 2009	57%
Homeownership Rate, Total 2007 ACS	58%
White	62%
African American	40%
Asian	59%
American Indian or Alaska Native	49%
Native Hawaiian or Pacific Islander	47%
Hispanic	48%

SAN FRANCISCO REGIONAL OFFICE

Deputy Regional Director
Caroline H. Krewson

600 Harrison Street, 3rd Floor
San Francisco, CA 94107
Telephone: (415) 489 - 6400
Fax: (415) 489-6419

STAFFING

Staffing	2008	2009
Office	Staff	Staff
Office of Regional Director	9	9
Administration (OFAR/HR/CPO/ODEEO)	15	21
Community Planning & Development	27	25
Fair Housing and Equal Opportunities	26	25
General Counsel	18	15
Housing - Multifamily	49	46
Housing - Single Family	2	2
Inspector General, Audit	8	8
Inspector General, Investigations	5	5
Information Technology	6	6
Labor Relations	3	3
Policy Development and Research	2	2
Public Housing	30	23
Total Staff	200	190

JURISDICTION

Region IX's jurisdiction consists of four states: Arizona, California, Nevada, and Hawaii plus Guam, American Samoa, and the Northern Mariana Islands. HUD's operations in the region are conducted out of the San Francisco Regional Office and 10 field offices: Phoenix, Tucson, Fresno, Los Angeles, Sacramento, San Diego, Santa Ana, Honolulu, Las Vegas and Reno. The jurisdiction of the San Francisco Regional Office is comprised of 16 of California's 54 counties, stretching nearly 500 miles along the California coast from the Oregon border to Monterey, California. Eleven of these counties are metropolitan counties and only the four coastal counties of Del Norte, Humboldt, Mendocino and Lake are non-metropolitan counties. The nine counties of San Francisco, Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Sonoma and Solano, comprise what is commonly referred to as the San Francisco Bay Area. The counties of Santa Cruz, San Benito and Monterey are the other three large metropolitan areas south of the San Francisco Bay Area. The largest population centers are San Jose-Silicon Valley and San Francisco-Oakland. In these densely populated areas are some of the highest housing costs in the nation due to scarce developable land resources.

LOCAL ISSUES AND PRIORITIES

Recovery Act Implementation
Implementation and monitoring of Recovery Act funds is the indisputable local top priority. Its several moving parts require strong coordination to ensure that the intended benefits from leveraging Recovery Act funds meet their target. Unprecedented shortfalls in California's budget and those of local governments have sharply increased pressure on HUD's customers. The State of California is borrowing funds from local Redevelopment Agency accounts, reducing funds often used to support affordable housing. Cutbacks in human services and the rising unemployment rate are expected to have an impact on tenant incomes, resulting in an increased requirement for Housing Authority assistance in Housing Choice Voucher programs.

Bay Area communities such as San Francisco and Oakland are trying to meet the challenge of aging public housing developments with consequent high maintenance costs and housing quality issues. The area's public housing stock includes as many as 1,000 units that were built prior to World War II. Oakland is moving to dispose of over half of its existing scattered site housing, resulting in about 17 percent of its tenants living in public housing units and 83 percent on Housing Choice Vouchers. Other public housing authorities also are considering disposition to be an option or have applied to dispose of much of their public housing stock.

Generally, demand for affordable housing far exceeds the available supply. One indicator is that the Oakland Housing Authority opened its waiting list on July 27, 2009 and received 40,000 applications on the first day.

Recovery-related activities and/or issues:

Multifamily Housing received $109,112,337 in recovery funds to renew Section 8 project-based rental assistance contracts, all of which has been reserved by the Hub's funding coordinator.

Fair Housing and Equal Opportunity
HUD, though its Office of Fair Housing and Equal Opportunity (FHEO), continues its mission to try to provide equal housing opportunities for individuals by aggressively enforcing the Fair Housing Act and other civil rights laws and regulations. These times have been particularly challenging in light of all the recent foreclosures and major losses of housing opportunities for individuals, due in large part to subprime lenders and predatory lenders who have processed loans with excessively high costs and may have targeted minority communities and protected class individuals with these loans. FHEO and its Fair Housing Assistance Partners (FHAP) partners in Region IX are processing over 3,000 inquiries and filing over 1,000 complaints every year alleging housing discrimination.

Interestingly enough the trend that FHEO has seen in the last couple of years has been the significant and continued increase in the number of complaints alleging disability discrimination. A major reason for this has been extensive education and outreach to the disabled community which has resulted in disabled individuals being more aware of their housing rights under the Fair Housing

Act. Specifically, a lot of these complaints involve requests for reasonable accommodation that are denied or ignored. Typically these complaints allege that a housing provider refused to make a reasonable accommodation to their rules or procedures in order to assist a person with a disability have equal access and enjoyment of a dwelling and property.

FHEO has also made great efforts to increase the stock of accessible housing for persons with disabilities. Through its compliance reviews, FHEO has received commitments from public housing authorities to increase their accessible housing inventory to better serve the needs of their particular communities.

FHEO has plans to conduct additional compliance reviews and limited monitoring reviews to recipients of Community Development Block Grant and Recovery Act funding to make sure that funds have been expended in compliance with applicable civil rights laws and regulations.

Public Housing
The condition of public housing is an important priority as HUD's budget funds an increasingly reduced amount of costs. Many housing authorities have stock that is long past its normal useful life, and the transition to asset management puts new pressure on those developments with significant housing quality shortfalls. Some local governments are moving to augment public housing budgets, although these steps are often accompanied by sharp public criticism of HUD's budgets and priorities.

Some housing authorities now are disposing of their entire low-rent inventory, which PIH foresees as a trend as asset management becomes a reality. In San Francisco, the mayor and board of supervisors have initiated a $100 million bond program to demolish and replace public housing developments with mixed income public housing.

Multifamily Housing
Multifamily's assisted housing developments face the challenge of high production and land costs. HUD's capital advance amount has been less than 50 percent of the total development cost of some projects.

The Multifamily Hub finds it difficult to bring nearly all of the Section 202 and 811 projects selected during the annual Notice of Funding Availability competition to timely initial closings and construction starts. There seems to be little prospect that the levels for new 202 and 811 properties will be favorably resolved any time soon.

Preservation of affordable multifamily housing is a key priority. More than 16 percent of the Multifamily Hub's portfolio has opted out since 1995, permanently removing project-based rental subsidies from 8,436 apartments. The Multifamily Hub is working to prevent owners from opting out, prepaying or otherwise converting their properties from affordable housing to other uses.

HUD/FHA multifamily mortgage insurance is an increasingly popular source for financing since the home ownership, real estate and general financial market collapse has curtailed other options. Multifamily is taking aggressive steps to increase our market opportunities for both short and long term gains. At the same time, declining occupancy and rental income has adversely impacted many submarkets and has subjected HUD to significant losses. Multifamily is balancing the desire to increase market share and provide financing options to developers and owners while not assuming unacceptable risk in tenuous markets.

Within the San Francisco Multifamily Hub jurisdiction, there are a significant number of subsidized housing cooperative projects, with a significant number troubled with dysfunctional boards of directors leading to delays in addressing needs.

Due to the age of our co-ops, physical obsolescence is a major concern and many of the co-ops are receiving low and failing REAC inspection scores of less than 60 points out of a possible 100 points due to serious physical deficiencies. The co-ops are now faced with securing the required funding to address a major rehabilitation program that costs many millions of dollars.

Homelessness

The current economic crisis, exacerbated by the high level of foreclosures and job losses, has created significant challenges and opportunities for Region IX city, county, and state partners committed to ending homelessness. Not surprisingly, many communities have reported upticks in the numbers of homeless families, while continuing to document incremental progress in ending chronic homelessness. Throughout the region, HUD-funded Continuums of Care are informing jurisdictionally-led, results-oriented 10 Year Plans to End Homelessness that cover every major urban center and an increasing number of rural areas. HUD regularly convenes multiple federal agencies to replicate the effort led by HUD Secretary Donovan in his role as Chair of the U.S. Interagency Council on Homelessness. And states with active State Interagency Councils on Homelessness are coordinating to support local efforts, particularly on prevention. Political and community will on this issue remains high in the region and will be strengthened as programs to use HUD Recovery Act funds aimed at Homelessness Prevention and Rapid Re-housing come online in the Fall.

The city of San Francisco has had a significant level of street homelessness for about two decades with first-ever declines achieved recently. Mayor Newsom's Care Not Cash program of cutting cash payments in favor of housing has been touted as a national model, as has San Francisco's Project Homeless Connect which has now been replicated nationwide, and the city's Direct Access to Housing program. The city was awarded a grant in the new Serial Inebriates program in 2009. The city estimates it has reduced homeless people receiving city welfare checks by about 4,300, with some 1,300 leaving the city with city-paid bus tickets.

FY 2008 - 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	45 Entitlements	$123,823,800	46 Entitlements	$125,334,694
HOME	22 PJs	$91,314,982	23 PJs	$103,046,647
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	10 Grants	$9,224,646	10 Grants	$9,279,862
Continuum of Care (inc Shelter + Care)	247 Grants	$74,520,676	0	$0
Rural Housing & Economic Development	0	$0	0	$0
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	4 Grants	$13,981,000	4 Grants	$14,626,892
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	11 PJs	$566,049	11 PJs	N/A
BEDI	1 Grant	N/A	1 Grant	N/A
Technical Assistance	19 Grants	$2,610,502	19 Grants	N/A
TOTAL Community Planning & Development		**$316,041,655**		**$252,288,095**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	1 Grants	$2,553,789	1 Grant	N/A
Fair Housing Initiatives Program (FHIP)	5 Grants	$1,215,000	5 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$3,768,789**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	148 Projects/ 8,774 Units	N/A	148 projects/ 8823 units	N/A
Number of 811s	45 projects / 695 units	N/A	45 projects/ 695 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	477 Contracts	$305,294,112	479 contracts	$303,488,688
Project Rental Assistance Awards	2 projects/ 126 units	$740,200	not yet made	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	2 projects/ 126 units	$19,164,400	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	57 properties	$11,577,523	57 properties	$11,577,523
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	1 project	$73,518	1 project	$73,518
TOTAL Multifamily Housing		**$336,849,753**		**$315,139,729**

HOUSING (SINGLE FAMILY)				
Housing Counseling	N/A	N/A	11	$1,077,086
Endorsements (Loan Amount)	6,486 loans	$1,518,907,463	18,733 loans	$5,085,892,673
TOTAL Single Family Housing		**$1,518,907,463**		**$5,086,969,759**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
TOTAL Office of Native American Programs		$0		$0
PUBLIC HOUSING				
Number of PHAs	33	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	29 Grants	$974,004,119	29 Grants	$899,599,656
Capital (Improvements) Fund Program	18 Grants	$30,816,060	18 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	20 Grants	$5,522,348	16 Grants	N/A
Moderate Rehabilitation (incl. SRO)	12 Grants	$12,996,276	12 Grants	$16,195,417
Operating Subsidy	20 Grants	$54,834,593	20 Grants	$19,712,841
TOTAL Public Housing		**$1,078,173,396**		**$935,507,914**
TOTAL FUNDING IN SAN FRANCISCO		**$3,253,741,056**		**$6,589,905,497**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	46 grants	$33,964,785
Homelessness Prevention and Rapid Re-Housing	19 grants	$72,776,028
Neighborhood Stabilization Program (NSP-1)	8 grants	$177,149,629
Native American Housing Block Grant	0	$0
Native Hawaiian Housing Block Grant	0	$0
Public Housing Capital Fund	18 grants	$74,177,184
Tax Credit Assistance Program	0	$0
Project-based Rental Assistance	218 contracts	$108,942,895
Other Programs	0	$0
Lead Hazard Reduction/Healthy Homes	0	$0
Native American Housing Grant	0	$0
Total Recovery Act Funding		**$467,010,521**

FRESNO FIELD OFFICE

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	5	5
Housing - Multifamily	1	--
Housing - Single Family	5	4
Total Staff	11	9

JURISDICTION

The Fresno Office's eight-county jurisdiction encompasses the San Joaquin Valley of California. Located midway between Los Angeles and San Francisco, it includes Stanislaus, Mariposa, Madera, Merced, Fresno, Kings, Tulare, and Kern Counties. The jurisdiction also covers some of the nation's grandest national parks, including Sequoia, Kings Canyon, and Yosemite. It is one of the most prolific agricultural regions in the world. The Valley's mediterranean climate sustains perfect conditions for the abundance of grapes, fruit, nuts, vegetables, and other crops that are grown. The jurisdiction is 27,280 square miles (larger than Maryland and 9 other states), and has a population of 3,200,000 living in 151 cities, covered by 269 zip codes. The population projection for the year 2025 is 12 million.

LOCAL ISSUES AND PRIORITIES

Several of the nation's communities most severely impacted by foreclosure are in the San Joaquin Valley. In Kern County, the foreclosure rate has increased 148% since 2007. Madera County has had a 185% increase, and in Merced County, the foreclosure rate has increased a stunning 244% since 2007.

In response to the urgent and unprecedented need in local communities for resources to address foreclosure, the Fresno Field Office is working with non profit and community based agencies to get more of them certified as HUD approved Housing Counseling Agencies. Additionally, Field Office staff has worked to replicate No Homeowner Left Behind, a locally developed foreclosure response initiative, in communities across the San Joaquin Valley.

This project utilizes the services of volunteer counselors who augment the work that the HUD approved counseling agencies are doing. Currently, chapters have begun serving Merced, Stanislaus, and Tulare Counties, in addition to the original chapter in Fresno County.

The Field Office is also working closely with the Valley's housing and lending industry to expand FHA's presence. In recent years, market share dropped substantially as lenders quit doing FHA loans. The foreclosure crisis and consumer fear of "exotic" loans has made FHA a viable option once again and market share is soaring. The Fresno Field Office and Santa Ana Homeownership Center have worked together to provide outreach and training to hundreds of industry professionals who want to do business with FHA again. The number of FHA lenders and FHA endorsements has both increased significantly as a result.

Pervasive poverty and its associated impact are also huge issues for the Valley and impact the work the Fresno HUD office is doing. The devastating impact from decades of pervasive poverty can be seen across the Valley: in decaying neighborhoods, chronic homelessness, rampant unemployment, pervasive hunger, and struggling families.

According to a 2006 report from the Public Policy Institute of California, about 20% of Valley residents live in poverty, compared to 13% for California as a whole. A December 2005 report issued by the Brookings Institution, found that Fresno ranked fourth among the 50 largest US cities on its overall poverty rate. Fresno ranked first, however, in concentrated poverty higher than New Orleans and other cities.

The "Measure of America" report issued in July of 2008 found that the Valley's 20th Congressional District that includes portions of Fresno, Kings, and Kern Counties ranks dead last in this national assessment of health, education, income, and life expectancy. The study, funded by Oxfam America and the Rockefeller Institute, generated a "human development index," based on statistics of health, education, and income. Other Valley Congressional Districts also scored very poorly, and overall, the Valley fared worse than Appalachia in the study

HUD is an active part of the Federal Regional Interagency Taskforce. Driven by a Presidential Order signed by two Administrations, this project leverages the resources of all Federal agencies to address the significant issues in the Valley created by poverty, including low education levels, unemployment, and lack of affordable housing.

Another issue facing the Valley and caused, in part, by poverty is the large number of Valley residents who do not use banks, and are not financially literate. This also contributes to millions of dollars of Earned Income Tax Credits (EITC) which go unclaimed annually, and are not used to support the local economy. HUD is a member of a strong partnership of federal agencies, financial institutions, and community groups who are working to increase banking and financial literacy in the Valley. Last year, the first bank in a high school opened, and the amount of claimed EITC increased substantially due to local efforts.

Homelessness is a pervasive problem in large and small communities across the country. In rural areas like the San Joaquin Valley, the lack of rural community infrastructure such as public transportation, shelters, and community agencies, makes it very difficult to provide the homeless with assistance. Since there is a strong, Regional network of Continuums of Care, more and better-coordinated services are now available. The network has worked with homelessness providers to coordinate applications for HUD funds for homelessness, resulting in an increase in money for rural communities to help their homeless population.

The Fresno FPM office is also working closely with the Multifamily hubs in San Francisco and Los Angeles to preserve affordable rental housing as more HUD insured properties choose to "opt-out" and become market rate properties. By providing owners and managers with options to preserve affordability, more properties can remain affordable. As the foreclosure rates continue to impact communities, the need for adequate and affordable rental housing in the San Joaquin Valley will increase.

FY 2008 - 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	15 Entitlements	$32,057,636	12 Entitlements	$23,345,951
HOME	8 PJs	$12,303,715	6 PJs	$9,767,869
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	6 Grants	$1,096,108	4 Grants	$724,115
Continuum of Care (inc Shelter + Care)	23 Grants	$9,530,765	$0	$0
Rural Housing & Economic Development	0	$0	$0	$0
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	2 Grants	N/A	1 Grants	$315,824
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	6 PJs	$65,047	6 PJs	N/A
BEDI	0	$0	$0	$0
Technical Assistance	0	$0	4 Contracts	N/A
TOTAL Community Planning & Development		**$55,053,271**		**$34,153,759**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	**0**	$0	4 Grants	N/A
Fair Housing Initiatives Program (FHIP)	**0**	$0	2 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		$0		$0

HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	14 Projects/ 979 Units	N/A	14 projects/ 979 units	N/A
Number of 811s	0 projects/ 0 units	$0.00	0 projects/ 0 units	$0.00
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	70 Contracts	$29,457,984	540 contracts	$29,984,976
Project Rental Assistance Awards	109 units	N/A	176 units	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	2 (202); 1 (811)	N/A	3 (202); 3 (811)	not yet made
Service Coordinator (Existing + new grants funded from Sec. 8 money)	5 properties	$1,385,763	5 properties	$1,385,763
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	N/A	N/A
TOTAL Multifamily Housing		**30,843,747**		**31,370,739**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0.00	2	$97,283
Endorsements (Loan Amount)	12019 loans	$2,080,653,997	18393 loans	**$3,099,133,885**
TOTAL Single Family Housing		**$2,080,653,997**		**$3,099,231,168**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	11	N/A	2	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	10 Grants	$164,955,367	29 Grants	$130,748,149
Capital (Improvements) Fund Program	12	$1,711,556	18 Grants	Not available yet
Resident Initiatives (FSS, ESC/SCPH/ROSS)	2 Grants	$371,750	6 Grants	$830,522
Moderate Rehabilitation (incl. SRO)	1	$0	12 Grants	$33,483
Operating Subsidy	12 Grants	$2,770,748	20 Grants	$4,371,669
TOTAL Public Housing		**$169,809,421**		**$135,983,823**
TOTAL FUNDING IN FRESNO		**$2,336,360,436**		**$3,300,739,489**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	18	$8,706,887
Homelessness Prevention and Rapid Re-Housing	7	$10,718,612
Neighborhood Stabilization Program -(NSP1)	9	$58,442,943.00
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	10	$13,441,970
Tax Credit Assistance Program	N/A	N/A
Project-based Rental Assistance	45 contracts	$8,936,962
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$100,247,374**

LOS ANGELES FIELD OFFICE

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	5	5
Administration (OFAR/HR/CPO/ODEEO)	3	4
Community Planning & Development	35	33
Departmental Enforcement Center	--	19
Fair Housing and Equal Opportunities	11	10
General Counsel	32	14
Healthy Homes/Lead Hazard Control	1	1
Housing - Multifamily	64	69
Housing - Single Family	2	5
Inspector General, Audit	19	23
Inspector General, Investigations	30	12
Information Technology	1	--
Labor Relations	2	2
Policy Development and Research	1	1
Public Housing	20	14
Total Staff	226	212

JURISDICTION

The Los Angeles HUD Office is responsible for servicing the Counties of Los Angeles, Ventura, Santa Barbara, San Luis Obispo, Mono and Inyo, and has oversight in HUD program areas for counties from Kern through the entire Southern portion of the State. The estimated population for the Los Angeles HUD Office is approximately 11 million, but is expected to continue increasing at a rapid pace over the next 10 years. Los Angeles County is by far the most populous county in the United States. The Los Angeles Field Office serves a very large constituency of diverse ethnic backgrounds in the counties it covers in the Southern California Region. The Los Angeles-Long Beach Metropolitan Area itself is one of the largest and most rapidly growing regions in California – still one of the fastest growing states in the nation. If Los Angeles County were a nation, it would boast a gross domestic product (GDP) among the twenty largest countries in the world. The Los Angeles HUD Office has all program areas represented and is the largest HUD Field Office in the nation.

LOCAL ISSUES AND PRIORITIES

FORECLOSURE IMPACT

Notices of default and trustee deeds recorded for the Los Angeles remain high throughout the region.

Notices of Default (first step in foreclosure process)
houses and condos (source: Data Quick 1/27/09)

County/Region	2007Q4	2008Q4	Yr/Yr%
Los Angeles	13,613	14,410	5.9%

Trustees Deeds Recorded (signal homes were lost to foreclosure)
houses and condos (source: Data Quick 1/27/09)

County/Region	2007Q4	2008Q4	Yr/Yr%
Los Angeles	4,536	6,744	48.7%

Issue

Foreclosure activity for the Los Angeles area continues to increase. Participation in HUD's Hope for Homeowners program has been limited. (8 applications/case numbers issued for February, 2009 for Los Angeles. Given the increase in "predatory counseling" and current economic conditions, it is critical that HUD's information and partnership efforts continue in this arena.

Action

We are recommending strengthening partnership opportunities and increased efforts to assist with the formation of collaborations within local communities to inform and assist homeowners in the homeownership preservation and foreclosure prevention.

Housing affordability in both rental and ownership units continues to be one of the important challenges this region faces. Three of the most expensive housing markets in the nation are in the jurisdiction of the Los Angeles Field Office – Santa Barbara, Ventura and Los Angeles. As of June, 2009, the median price of a home in Los Angeles County was $320,000 which represents a -22.9% decline from June, 2008.

'Proactive Exchange'

LA Field Office

HOME INVESTMENT PARTNERSHIP PROGRAM (HOME):

Issue

In 1994, the City requested and was given permission to use HOME funds to repay Section 108 loans provided that the projects proposed were HOME eligible. Prior to a proposed close out of these projects, the Field Office monitored several of the projects to test HOME compliance. A number of these projects did not meet standards for HOME funded projects. This may impact City CDBG funded projects if the CDBG program must reassume responsibility for paying the 108 loans.

Action

The City is attempting to put together basic documentation which would meet HOME parameters and be feasible for all parties involved (existing agreements between private owners and the City would have to be revised to impose specific HOME requirements).

FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	27 Entitlements	$62,097,813	27 Entitlements	$62,081,260
HOME	15 PJs	$32,234,951	15 PJs	$32,132,036
Self-Help Homeownership Program	1 Grant	$4,500,000	1 Grant	$2,801,556
Emergency Shelter Grants	7 Grants	$2,645,980	7 Grants	$2,677,992
Continuum of Care (inc Shelter + Care)	172 Recipients	$28,317,012	175 Recipients	$31,969,091
Rural Housing & Economic Development	0	$0	3 Grants	$894,242
Section 108 Loan Guarantee	1 Grant	$6,850,000	2 Loans	$9,394,000
Housing Opportunities for People w/Aids	2 Grants	$3,539,303	2 Grants	$2,226,000
Special Set-Aside Projects*	26 Projects	$10,875,000	0	$0
Youthbuild	2 Grants	$1,100,000	0	$0
ADDI	11 PJs	$561,825	11 PJs	$561,825
BEDI	1 Grant	$1,000,000	N/A	N/A
Technical Assistance	2 Grants	$100,000	4 Contracts	$205,000
TOTAL Community Planning & Development		**$153,821,884.00**		**$144,943,002.00**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	1 Grants	$374,800	2 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$374,800**		**$0**

HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	94 Projects/ 6086 Units	N/A	61 Projects	$367,396,597
Number of 811s	0	$0	93 Projects	$117,132,700
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	1234 Contracts	$1,828,604,108	942 Contracts	$5,661,839,656
Project Rental Assistance Awards	48 Units	$809,400	0	$0
(New annual funding for the relevant FY)				
Capital Advance Awards	7	$15,088,700	0	$0
Service Coordinator (Existing + new grants funded from Sec. 8 money)	107	$10,987,517	107	$11,427,017
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	0	$0	0	$0
TOTAL Multifamily Housing		**$1,855,489,725**		**$5,673,266,673**
HOUSING (SINGLE FAMILY)				
Housing Counseling	N/A	N/A	1	$60,435
Endorsements (Loan Amount)	11181 loans	$2,318,102,241	25782 loans	**$6,682,308,106**
TOTAL Single Family Housing		**$2,318,102,241**		**$6,682,368,541**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		$0		$0
PUBLIC HOUSING				
Number of PHAs	34	N/A	34	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	36 Grants	$801,104,635	33 Grants	$745,951,663
Capital (Improvements) Fund Program	12 Grants	$31,903,790	12 Grants	Not avail. Yet
Resident Initiatives (FSS, ESC/SCPH/ROSS)	21 Grants	$3,144,684	32 Grants	$6,409,831
Moderate Rehabilitation (incl. SRO)	2 Grants	$8,986,371	2 Grants	$7,110,300
Operating Subsidy	11 Grants	$34,868,778	11 Grants	$26,058,347
TOTAL Public Housing		**$880,008,258**		**$785,530,141**
TOTAL FUNDING IN LOS ANGELES		**$5,207,796,908**		**$13,286,108,357**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	46 Entitlements	$46,037,928.00
Homelessness Prevention and Rapid Re-Housing	25 Grants	$62,687,536.00
Neighborhood Stabilization Program -(NSP-1)	8 Grants	$81,281,690.00
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	12	$40,551,044
Tax Credit Assistance Program	N/A	N/A
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$230,558,198**

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	2	2
Fair Housing and Equal Opportunities	1	1
General Counsel	1	1
Housing - Multifamily	6	6
Housing - Single Family	3	3
Inspector General, Investigations	2	--
Public Housing	1	1
Total Staff	16	14

JURISDICTION

The HUD Sacramento Field Office jurisdiction extends to 23 counties and 75 cities with an area of 47,122 square miles, approximately the size of New York State, and a population of more than 3.8 million. Sacramento County has the largest population within the jurisdiction with 1,433,187 and is the eighth largest county in California. Alpine is the smallest county in the jurisdiction and the state with 1,201 residents. Two of the counties in the jurisdiction can be described as urban: Sacramento and San Joaquin and the other 21 as rural. The City of Sacramento is the seventh largest city in the State of California with a population of 481,097 residents. Because of the large geographic size and the differences in county demographics, there are several varying economic climates and community needs within the field office jurisdiction.

LOCAL ISSUES AND PRIORITIES

The access to safe, decent and affordable rental housing or homeownership is the singular issue of importance at this time to the residents in the HUD Sacramento Field Office's jurisdiction. The California Budget Project reports that four out of 10 California owner households spent 30 percent or more of their incomes on housing in 2006, compared to 29 percent of owner households in the rest of the U.S. And for residents in rental homes, California has the second-most-expensive rental housing in the nation. A Californian earning minimum wage would need to work 83 hours per week year-round in order to afford a fair-market priced studio unit. In addition, the adverse effects of the State of California's attempts to pass a balanced state budget might mean that the state spending cuts will further reduce household incomes decreasing funds available for housing expenses.

Rental Housing

Housing California's regional reports from their California Campaign for Affordable Homes reports that to afford an average two-bedroom apartment in Sacramento County, the jurisdiction's largest urban area, a household needs an income of $39,280. In the adjacent, urban San Joaquin County, a household needs an annual income of $36,560 to afford a two-bedroom apartment. And, in Placer County, the largest, rural or Non-entitlement County in the jurisdiction, households need an annual income of nearly $40,000 to afford an average two-bedroom apartment. All of these annual incomes are higher than the annual income of very-low-income earners in need of an affordable place to rent. For example, preschool teachers ($25,124), bank tellers ($26,649) and paramedics ($29,592), key people in local economies, cannot affordably rent a home within the most populated areas of the jurisdiction. This gap between housing costs and wages highlights the need to create more balance in the housing market. This imbalanced high-cost housing market puts pressure on HUD programs throughout the Sacramento jurisdiction such as conventional public housing, housing choice vouchers and subsidized multifamily rental housing units, as evidenced by closed waiting lists at housing authorities and extensive waiting lists at multifamily properties.

Homeownership

The HUD Sacramento Field Office jurisdiction is home to the nation's epicenter of the foreclosure crisis, the City of Stockton, the surrounding communities within San Joaquin County and the metropolitan Sacramento. These areas are all heavily impacted by continued default and foreclosure activity and are often ranked in the top ten metropolitan communities in the nation with the highest foreclosure activity. The Sacramento area alone has seen approximately 42,000 foreclosures since mid-2005 and many homeowners owe more than their houses are worth.

The HUD Sacramento Field Office works with local governments and community partnerships to increase education and outreach to area homeowners advising them to contact a HUD-approved housing counseling agency to benefit from free services to help them either avoid foreclosure or at a minimum ease into a resolution that would keep them safely housed. More recently, these efforts have focused on educating homeowners about how to avoid loan modification scams, receive free housing counseling services and report fraudulent activity. In addition, the HUD Sacramento Field Office ensures that local HUD-approved housing counseling agencies are advised of grant opportunities, training and FHA product changes to support their efforts. Also, the Santa Ana Homeownership Center provides industry workshops and trainings within the jurisdiction to increase the industry's knowledge of FHA products that can be used to sustain homeownership.

While area home prices are adjusting downwards due to current market conditions, making housing more affordable than in recent years, median home sales prices are still high and homeownership out of reach for area households. For example, Housing California's regional reports from their California Campaign for Affordable Homes stated that in Sacramento County, a first-time homebuyer must earn more than $35,000 a year to afford a median priced home of $165,000; in Placer County, median priced homes are even higher at $295,000. And in San Joaquin County, even with the home prices dropping, a first-time buyer must still earn $39,540 to afford an entry-level priced home of $207,000. Of course these scenarios assume that these homebuyers have sufficient credit scores and down-payment to qualify for a loan. Unfortunately, even moderate-income area residents with lower credit scores, outstanding debt and limited savings for purchase down-payments are at a disadvantage as lending criteria has tightened and mortgage rates have increased, creating sufficient frustration for would-be first-time borrowers. This dynamic is also frustrating to local governmental jurisdictions seeking to implement their Neighborhood Stabilizations Programs working with housing developers and lenders to quickly turnover real-estate owned unoccupied homes to forestall neighborhood blight and crime.

Numerous challenges to mitigating the impact of foreclosures exist because the high volume of defaults in neighborhoods far outweighs local community capacity to help all distressed borrowers. And, unfortunately, the number of homeowners expected to face potential default and foreclosure is projected to increase as banks prepare to lift temporary foreclosure moratoriums set earlier in 2009. These borrowers also carry significant second mortgages used to cover the lack of cash for a down payment and are financially overextended. The California Research Bureau projects that over 45,000 homes will be lost to foreclosure in the nine most populated counties in the Sacramento jurisdiction from 2005-2009. However, if conditions worsen such as home values continue to depreciate, there is a lack of viable loan products to help distressed borrowers, and job losses continue the projections could go up to 79,000 homes lost in foreclosure; 41,435 in Sacramento County and 19,571 in San Joaquin County by the end of 2009. The California Research Bureau reports that the forecasted loss of homes throughout the state of California through 2012 could total 1,058,000 indicating a major set-back in the rate of homeownership for the state.

The HUD Sacramento Field Office will continue to leverage its ability to bring together local community groups to help them identify best practices, resources and how to leverage FHA and other federal programs to help sustain homeownership throughout the jurisdiction.

Homelessness

While several homeless continuum of care communities within the HUD Sacramento jurisdiction report that the number of chronic homeless individuals has decreased; they indicate that homelessness overall has increased. For example, Sacramento's 10-Year Plan to End Chronic Homelessness 2005-2007 two-year report indicates a 35% decrease in chronically homeless individuals – attributed to housing 320 housing individuals during the same time period. Unfortunately, the report also documents a 14% increase in overall homelessness and a four-fold increase in the number of families turned away from shelters. It is likely that the downturn in the economy along with the on-going housing and income imbalance is at the root of these increases. Homeless continuum of care communities throughout the jurisdiction are seeing an increase in the requests for housing and supportive services in spite of locally-driven strides made in developing 10-year plans to end homelessness, embracing housing-first policies, adding units of permanent-housing with supportive services, holding homeless connect events and seeking solutions to encampments. In spite of the challenges expected by significant cuts to state-funded mental and physical health programs as well as shelter and new housing development-related resources, local continua are diligently working on developing their plans to implement HUD-funded Homeless Prevention and Rapid Re-housing resources.

Disaster Preparedness

The HUD Sacramento jurisdiction is rich with diverse natural resources such as rivers and forested areas while beautiful additions to our quality of life also pose potential risk of disasters such as floods and wildfires. In June 2008 over 2,000 wildfires burned throughout the State of California; the majority of fires burning within the Sacramento jurisdiction. While we were fortunate that HUD assets were spared, several HUD-funded complexes were evacuated in order to ensure the safety of the residents due to the threat of the fires or the dire impact of the smoke and overall poor air quality. HUD's continued emphasis on disaster preparedness with all of its external partners such as housing authorities, multifamily owners and operators as well as local and state government is important to saving the lives of those who benefit from our programs.

FY 2008 – 2009 FUNDING

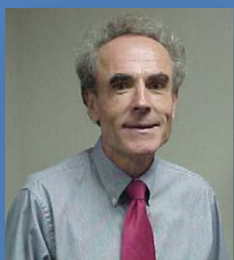
INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	15 Entitlements	$25,511,170	15 Entitlements	25,075,497
HOME	7 PJs	$12,137,832	6 PJs	11,994,806
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	4 Grants	$857,562	4 Grants	853,137
Continuum of Care (inc Shelter + Care)	49 Grants	$19,973,879	N/A	N/A
Rural Housing & Economic Development	N/A	N/A	N/A	N/A
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	1 Grants	$818,000	1 Grants	844,003
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	4 PJs	$75,069	4 PJs	N/A
BEDI	1 Grant	N/A	1 Grant	N/A
Technical Assistance		N/A	4 Contracts	N/A
TOTAL Community Planning & Development		**$59,373,512**		**$38,767,443**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	0	$0	0	$0
TOTAL Fair Housing and Equal Opportunity		**$0**		**$0**

HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	47 Projects/ 2096 Units	N/A	48 projects/ 2096 units	N/A
Number of 811s	10 projects/ 158 units	N/A	10 projects/ 158 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	200 Contracts	$66,302,844	202 contracts	$67,415,808
Project Rental Assistance Awards	no awards	N/A	not yet made	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	no awards	N/A	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	35 properties	$2,211,604	35 properties	$2,211,604
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	N/A	N/A
TOTAL Multifamily Housing		**$68,514,448**		**$69,627,412**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0.00	4	$1,020,724
Endorsements (Loan Amount)	12449 loans	$2,351,716,891	21,066	**$4,286,536,720**
TOTAL Single Family Housing		**$2,351,716,891**		**$4,287,557,444**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0		
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	16	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	16 Grants	$157,981,763	29 Grants	$139,518,841
Capital (Improvements) Fund Program	7 Grants	$10,047,103	18 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	8 Grants	$606,876	16 Grants	N/A
Moderate Rehabilitation (incl. SRO)	1 Grants	$207,664	12 Grants	$157,188
Operating Subsidy	7 Grants	$13,380,110	20 Grants	$4,787,095
TOTAL Public Housing		**$182,223,516**		**$144,463,124**
TOTAL FUNDING IN SACRAMENTO		**$2,661,828,367**		**$4,540,415,423**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	14	$6,712,462
Homelessness Prevention and Rapid Re-Housing	4	$7,958,090
Neighborhood Stabilization Program (NSP-1)	5 grantees	$55,436,363
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	7	$12,717,646
Tax Credit Assistance Program	N/A	N/A
Project-based Rental Assistance	95 contracts	$23,327,357
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$106,151,918**

SAN DIEGO FIELD OFFICE

Field Office Director
Francis Riley



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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	3	3
Administration (ARD/HR/Contracting)	1	1
Housing - Multifamily	3	2
Housing - Single Family	1	1
Total Staff	8	7

JURISDICTION

The San Diego Field Office is located in the City of San Diego along the U.S. Mexico Border, serving San Diego and Imperial Counties. The San Diego County population of 3.2 million people resides in eighteen cities, the unincorporated area, and numerous small communities. San Diego County's population is greater than that of 19 states. The City of San Diego is the ninth largest in the country and has an estimated population of 1,353,993 persons. The County of San Diego is the third most populous of California's 58 counties, behind Los Angeles and Orange County. The county has a homeownership rate of 56% and unemployment rate of 10%. Approximately 52% of San Diego County is white, 29% Hispanic, 5% African American and 95% Asian/Pacific Islander and other. The median income for a family of four is $79,000. Imperial County is one of the poorest counties in California according to the 2000 census and currently has the highest unemployment rate in the country, approximately 27.5%. It has a population of 179,254 persons. 76% of Imperial County's population is Hispanic of Mexican-American origin. Its homeownership rate is 58%.

The San Diego Office does not have any on-site program centers. It depends on programs generated from other offices, principally Los Angeles, Santa Ana, and San Francisco. The main staff at the San Diego office is in the Office of Field Policy and Management, which consist of: the Field Office Director, one Operations Specialist, and a Customer Service Representative. In addition, there is an Administrate Officer, whose responsibility also covers the Fresno and Sacramento Field Offices. The other three staff members, currently working in the San Diego Office, are out-stationed from the Los Angeles Multifamily Hub and the Santa Ana Center.

LOCAL ISSUES AND PRIORITIES

As with all HUD Field Office, the activities generated from the Recovery Act overlay and are combined with existing priorities. FPM staff has been and are involved in planning and other meeting regarding NSP, Homeless preventions funds, force closure preventions, healthy-homes, CDBG etc. Three communities received direct NSP grants and six ESG grants for homeless prevention.

The main continuing issue affecting both San Diego and Imperial Counties is the price of housing and the recent hardship of homeowners in retaining their homes due to the mortgage industry crisis. For many years, the San Diego region regularly ranked as one of the top ten most expensive metropolitan housing markets in the United States. However, in May 2009, like many metro areas around the country, San Diego continued to see record home price declines. Home prices have fallen 32.2% since peaking in the second quarter of 2006. There is a notable homeless population in San Diego as well. Information provided by the San Diego Regional Task Force on the Homeless shows that at least 7,582 persons are homeless in San Diego County, including 4,082 in the city of San Diego. The homeless population that is increasing in the San Diego jurisdiction is women with dependent children. The office receives numerous calls from families requesting emergency housing and rental assistance only to be referred to shelters and to the public housing authorities. They are also referred to HUD-assisted apartment complexes only to be put on waiting lists with an average waiting period of over six years. There is not enough transitional housing for this growing population or permanent housing for them when they complete transitional housing programs. While the emphasis on ending chronic homelessness is important, it has shifted resources away from other homeless populations. The City of San Diego, in recent years, has experienced its own budget crisis (mainly from pension fund deficit), and it has spent a significant time looking into more efficient ways to deliver its services, including its use of Community Development Block Grant (CDBG) funds. A recently-complete audit by the Office of the Inspector General found that loans from the CDBG program to the Redevelopment Agency had not been repaid and recommended the Los Angeles Office of Community Planning and Development require the Redevelopment Agencies repay these loans with interest to the City's CDBG program.

Priorities include:

- Strengthening of existing partnerships/collaborations and the creation of new ones to maximize use of resources and increase community solutions for local issues,

- Supporting and facilitating efforts by nonprofit community organizations and local homeownership groups, like the Housing Opportunities Collaborative (operating a Housing Help Center and providing clinics and events that offer educational programs and individual counseling to distressed homeowners facing foreclosure).

- Fostering cooperative efforts to assist first time homebuyers and to do effective outreach regarding the emerging role of FHA in the San Diego jurisdiction,

- Working with city agencies, such as the City of San Diego, in ascertaining effective and appropriate ways to implement the CDBG program funds,

- Supporting efforts to end homelessness by promoting, the region's Continuums of Care, the 10 Year Plan to End Chronic Homelessness, the promotion of more Transitional Housing, and permanent housing,

- Responding creatively to the tightening rental market as it affects low and moderate income families by prompting HUD's Multifamily programs and other financing such as Low Income Housing Tax Credits, etc. by working closely with San Diego Housing Federation, non-profit developers, San Diego Association of Governments (SANDAG) and industry to promote affordable housing.

- Supporting the Office of Public Housing programs administered by the eight Public Housing Authorities.

- Working with the City of San Diego Gang Prevention Task Force to reduce violence in multifamily complexes. Support Neighborhood Networks and Service-enriched affordable housing complexes.

- Supporting efforts to address the Impediments to Fair Housing and Equal Opportunity, particularly predatory lending

- Leveraging HUD funds to promote community development by promoting CPD program, particularly 108 Loans, and the effective use of CDBG, HOME and other HUD programs, as well as local and state programs.

- Supporting the efforts of the County of San Diego, City of San Diego and City of Chula Vista in implementing their homeownership and rental assistance programs under HUD's Neighborhood Stabilization Program.

- Supporting our local cities' distribution of HUD's Homeless Prevention and Rapid Re-housing funds and partnerships to perform services or give aid to families at risk of or that fall into homelessness.

- Work with the Jurisdiction's established Far Housing Agencies and emerging ones, the Fair Housing Resource Board , and the Office of Fair Housing and Equal Opportunity to increase communication and cooperation among the providers and the Department so that there is a more collaborative effort to affirmatively further fair housing and equal opportunity in the San Diego region.

- Participating with Border Committee of the Federal Executive Council and local collaborative efforts to address the issues that are unique to San Diego, which is located on the border between the United States and Mexico.

FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	14 Entitlements	$31,454,986	14 Entitlements	$31,854,381
HOME	7 PJs	$15,888,385	8 PJs	$17,787,726
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	4 Grants	$1,040,451	4 Grants	$955,595
Continuum of Care (inc Shelter + Care)	172 Recipients	N/A	172 Recipients	N/A
Rural Housing & Economic Development	N/A	N/A	N/A	N/A
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	1 Grants	$2,646,000	1 Grants	$2,731,528
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	4 PJs	$101,353	4 PJs	N/A
BEDI	1 Grant	N/A	1 Grant	N/A
Technical Assistance		N/A	4 Contracts	N/A
TOTAL Community Planning & Development		**$51,131,175**		**$53,329,230**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	0	$0	0	$0
TOTAL Fair Housing and Equal Opportunity		**$0**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	11 Projects/ 586 Units	N/A	11 Projects	$49,810,717
Number of 811s	0	$0	15 Projects	$11,248,900
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	29 Contracts	$70,352,034	128 Contracts	$998,998,281
Project Rental Assistance Awards	0	$0	N/A	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	0 (202); 0 (811)	$0	N/A	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	15	$1,326,684	15	$1,379,751
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	N/A	N/A
TOTAL Multifamily Housing		**$71,678,718**		**$1,000,378,032**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	1	$40,218
Endorsements (Loan Amount)	4283 loans	$924,087,052	9657 loans	**$2,460,874,043**
TOTAL Single Family Housing		**$924,087,052**		**$2,460,914,261**

OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		$0		$0
PUBLIC HOUSING				
Number of PHAs	8	N/A	8	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	8 Grants	$255,317,808	8 Grants	$252,688,623
Capital (Improvements) Fund Program	3 Grants	$1,851,950	3 Grants	Not avail. Yet
Resident Initiatives (FSS, ESC/SCPH/ROSS)	7 Grants	$1,689,549	12 Grants	$3,215,093
Moderate Rehabilitation (incl. SRO)	2 Grants	$909,183	2 Grants	$1,242,140
Operating Subsidy	4 Grants	$4,503,182	4 Grants	$1,548,704
TOTAL Public Housing		**$264,271,672**		**$258,694,560**
TOTAL FUNDING IN SAN DIEGO		**$1,311,168,617**		**$3,773,316,083**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	14 Entitlements	$8,543,709
Homelessness Prevention and Rapid Re-Housing	6 Grants	$10,879,075
Neighborhood Stabilization Program -(NSP-1)	3 Grants	$17,416,594
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	4	$4,546,354
Tax Credit Assistance Program	N/A	N/A
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$41,385,732**

SANTA ANA FIELD OFFICE

Acting Field Office Director
Ray Brewer

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	4	4
Administration (ARD/HR/Contracting)	1	1
Fair Housing and Equal Opportunities	6	6
Housing - Single Family	147	144
Information Technology	1	1
Public and Indian Housing (Outstationed)	--	1
HUD Contractors (On-site)	--	7
Total Staff	159	164

JURISDICTION

The Santa Ana Field Office is responsible for the coordination of all HUD programs in Orange, Riverside and San Bernardino Counties.

Orange County is situated immediately south of Los Angeles County, west of Riverside County and north of San Diego County. The Pacific Ocean borders its western edge. There are currently thirty-four (34) incorporated cities and eighteen (18) unincorporated communities within the county. The state of California estimates its population as of 2008 to be 3,010,759 people ranking it second in the state. There is no defined urban center to Orange County as there generally is in other areas with one dominant municipal entity. It consists mostly of suburban areas, except for some older urban areas such as downtown Santa Ana. It is also recognized for its nationally known centers of religious worship, such as Crystal Cathedral, Saddleback Church, and Calvary Chapel. The median home price as of May, 2009 was $410,000** representing a -15.5% decline from May, 2008.

Riverside County is a county located in the southeastern part of the U.S. state of California, stretching from Orange County to the Colorado River, which is the border with Arizona. This county is part of the Riverside-San Bernardino Area, in a region of Southern California known as the Inland Empire. The population of Riverside County was 1,545,387 in 2000, and by 2008 the U.S. Census Bureau estimated the population had risen to 2,100,516. There are currently twenty-four (24) incorporated cities and forty-nine (49) unincorporated communities within the county. Additionally, there are 9 Indian reservations. It is one of the fastest growing parts of the Inland Empire with a 26% increase in population from 2000 census data. As of May, 2009, the median home price in Riverside County was $180,000 representing a -37.5% decline from May, 2008.

San Bernardino County is located approximately 60 miles inland from the Pacific Ocean encompassing 20,000 square miles. The County consists of three geographically distinct areas; the Inland Valley, the San Gabriel/San Bernardino Mountains and the Mojave Desert. There are twenty-four (24) incorporated cities and forty-seven (47) unincorporated communities. As of 2007, the population was estimated by the California Department of Finance to have grown to 2,028,013, representing a 16% increase in population from 2000 census data. San Bernardino County is the largest county in the continental United States by area, and is larger than each of the nine smallest states. As of June 2009, the median home price in San Bernardino County was $137, 000 represent a -45.3% decline from May, 2008.

LOCAL ISSUES AND PRIORITIES

INLAND EMPIRE FORECLOSURE RATE RANKS FIFTH IN THE NATION

The San Bernardino/Riverside/Ontario area, Inland Empire has been greatly impacted by the number of foreclosures. According to the Bloomberg report date April 22, 2009, the foreclosures rate ranked fifth highest among the nation’s top 10 metro areas. The impact on the local communities and neighborhoods has been widespread. Loss of local revenue, blighted communities, and homeownership decline are the results of the impact. Additional foreclosures are anticipated in the coming year. Continued HUD/FHA outreach in collaboration with local/national partners is critical in stemming and tackling this on-going challenge. Newly created collaborative efforts with industry partners have proven beneficial in getting the correct information to homeowners and in disseminating FHA program updates. Continued efforts in this area are recommended.

HOME SALES AND MEDIAN PRICE OF HOMES CONTINUE TO FALL

	Sales Volume			Median Price		
All homes	**May-08**	**May-09**	**%Chng**	**May-08**	**May-09**	**%Chng**
Los Angeles	5,445	6,521	19.8%	$422,000	$300,000	-28.9%
Orange	2,266	2,667	17.7%	$485,000	$410,000	-15.5%
Riverside	3,444	4,414	28.2%	$290,000	$180,000	-37.9%
San Bernardino	2,075	3,134	51.0%	$250,250	$137,000	-45.3%
San Diego	2,979	3,242	8.8%	$380,000	$295,000	-22.4%
Ventura	708	797	12.6%	$435,000	$355,000	-18.4%
SoCal	16,917	20,775	22.8%	$370,000	$249,000	-32.7%

**Source: DQNews.com (DataQuick), June 17, 2009 (Inland Empire noted in yellow)

- The sharp decline in the Southland’s median sales price over the past year have been exacerbated by a shift toward an above average above-average number of sales occurring in lower-cost inland markets rife with discounted foreclosures. However, the number of homes lost to foreclosure declined over the winter, leaving fewer for bargain hunters to scoop up this spring. Meantime, sales have begun to rise a bit in many mid- to high-end markets, which could be due at least in part to sellers dropping their asking prices.

- First-time buyers continue to rely heavily on FHA financing. FHA loans were used to finance 38.4 percent of all Southland home purchases last month, down slightly from 38.9 percent in April but up from 19.7 percent a year ago. In the Inland Empire, more than half of all May home purchases were financed with FHA loans** (Refer to Home Sales and Median Price Chart above).

- Continued partnership/collaborative efforts with industry partners and communities by providing updated HUD program information will assist in resolving this issue.

UNEMPLOYMENT HOLDS NEAR PEAK LEVEL IN INLAND EMPIRE

- The jobless rate in Riverside County climbed back to a near 16-year high in May, with payrolls shrinking or stagnating in most sectors of the Inland Empire economy, state officials reported last week.

- The non-seasonally adjusted unemployment rate in Riverside County, based on preliminary estimates, was 13.1 percent last month. That's just shy of the 13.3 percent level recorded in March, which was the highest rate since August 1993, when unemployment reached 13.5 percent, according to the California Economic Development Department. California's overall unemployment rate was 11.2% in March, 2009.

FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	40 Entitlements	$71,159,955	40 Entitlements	N/A
HOME	2 PJs	$3,153,000	2 PJs	N/A
Self-Help Homeownership Program	19 Grant	$24,555,393	19 Grant	N/A
Emergency Shelter Grants	10 Grants	$2,086,423	10 Grants	N/A
Continuum of Care (inc Shelter + Care)	172 Recipients	N/A	172 Recipients	N/A
Rural Housing & Economic Development	N/A	N/A	N/A	N/A
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	2 Grants	N/A	2 Grants	N/A
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	15 PJs	$140,176	15 PJs	N/A
BEDI	0	$0	0	$0
Technical Assistance	0	$0	0	$0
TOTAL Community Planning & Development		**$101,094,947**		**$0**

FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	2 Grants	$450,700	2 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$450,700**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	21 Projects/ 1374 Units	N/A	21 Projects	$136,910,832
Number of 811s	0	$0	7 Projects	$13,344,400
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	175 Contracts	$506,227,356	157 Contracts	$1,638,417,400
Project Rental Assistance Awards	74 Units	$1,247,700	N/A	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	1 (202); 0 (811)	$11,401,200	N/A	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	7	$375,702	7	$390,730
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	1	$89,000
TOTAL Multifamily Housing		**$519,251,958**		**$1,638,897,130**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	4	$154,022
Endorsements (Loan Amount)	19013 loans	$3,996,624,837	35,781	**$7,962,196,126**
TOTAL Single Family Housing		**$3,996,624,837**		**$7,962,350,148**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	9	N/A	9	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	10 Grants	$281,513,211	N/A	$323,985,280
Capital (Improvements) Fund Program	4 Grants	$5,012,574	N/A	not avail. Yet
Resident Initiatives (FSS, ESC/SCPH/ROSS)	31 Grants	$508,697	12 Grants	$2,651,965
Moderate Rehabilitation (incl. SRO)	1 Grants	$459,232	N/A	$572,402
Operating Subsidy	4 Grants	$6,675,156	N/A	$2,387,230
TOTAL Public Housing		**$294,168,870**	N/A	$329,596,877
TOTAL FUNDING IN SANTA ANA		**$4,911,591,312**		**$9,930,844,155**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	40 Entitlements	$19,495,560
Homelessness Prevention and Rapid Re-Housing	18 Grants	$24,066,958
Neighborhood Stabilization Program -(NSP-1)	16 Grants	$139,874,555
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	**4**	**$6,355,082**
Tax Credit Assistance Program	N/A	N/A
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$189,792,155**

ARIZONA

ARIZONA QUICK FACTS	
POPULATION	
Population, 2008 estimate (Census)	6,500,200
Population percent change, 2007 to 2008	2.3%
Population, 2000 Census	5,130,600
Population, annual percent change 2000 to 2008	2.9%
Net in-migration 2000 to 2008	934,600
Senior Population growth, 65+ years, 2006 to 2007	3.7%
RACE/ETHNICITY	
White persons, percent population, 2007 ACS	76%
Black or African-American person, percent population	4%
American Indian or Alaska Native, percent population	4%
Asian persons, percent population	2%
Native Hawaiian or Pacific Islander, percent population	< 0.5%
Hispanic or Latino persons, of any race, percent population	30%
EMPLOYMENT	
Total Nonfarm Employment May 2009	2,459,900
Total Nonfarm Employment, percent change May '08 to May '09	-7.1%
Unemployment Rate May 2009(seasonally adjusted)	8.20%
INCOMES	
HUD Median Family Income, FY 2009	$60,400
Poverty Rate, 2007	14%
HOMEOWNERSHIP RATES	
Homeownership Rate, 1st Qtr 2009	70%
Homeownership Rate, Total 2007 ACS	68%
White	71%
African American	45%
Asian	68%
American Indian or Alaska Native	56%
Native Hawaiian or Pacific Islander	43%
Hispanic	56%

PHOENIX FIELD OFFICE

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STAFFING

Staffing	2008	2009
Office	Staff	Staff
Field Policy and Management	3	3
Administration (ARD/HR/Contracting)	2	2
Community Planning & Development	4	3
General Counsel	4	3
Housing - Multifamily	21	18
Housing - Single Family	5	4
Inspector General, Audit	5	6
Inspector General, Investigations	3	3
Information Technology	2	2
Public Housing	8	8
Real Estate Assessment Center	--	2
SW Office of Native American Programs	34	33
Total Staff	91	87

JURISDICTION

The jurisdiction of the Phoenix Field Office is comprised of the Counties of Maricopa, Pinal, Yavapai, Coconino, Gila, Mohave, Navajo, and Apache. Maricopa County, home to the Phoenix metropolitan area, is the fourth most populous county in the U.S. with a population of 3.2 million and an area of 9,222 square miles. More than half of the state of Arizona's population resides in Maricopa County. The remainder of the Phoenix Office's jurisdiction is primarily rural except for the Cities of Flagstaff (61,270) and Prescott (40,225) in Northern Arizona and Casa Grande (31,315) in Central Arizona. The Phoenix Field Office is also the Regional Office for the Southwest Office of Native American Programs which has jurisdiction over tribes in Arizona, New Mexico, Nevada, and California. The City of Phoenix is the state capitol of Arizona and covers more than 515 square miles with a population of 1.4 million, ranking it the fifth largest city in the country. The median household income is $51,072 and unemployment is 4.3%.

LOCAL ISSUES AND PRIORITIES

HOME FORECLOSURES & DECLINING HOME VALUES

Record numbers of home foreclosures and rapidly declining home prices have been the dominant housing stories in Maricopa County over the past 2 years. According to a May 14, 2009 Arizona Republic article, Arizona had the second highest foreclosure rate in the Nation in the first quarter of 2009, with a total of 49,119 foreclosures filings in the metro Phoenix area. More than a year ago, foreclosures had been confined mostly to the more affordable fringe areas in Maricopa County such as Surprise, Buckeye and Anthem but the foreclosure crisis has since moved inward into Phoenix, Mesa, Chandler and Gilbert.

According to an Arizona Republic article on May 18, 2009, Phoenix home prices are still falling but not quite as fast. A new Arizona State University study shows home prices in the Phoenix area have dropped by a record 37% since February 2008. It's estimated that Phoenix home prices sold for a median price of $117,500 in April 2009. Home prices in the Phoenix area have fallen each month for the past two years straight. However, according to another Arizona Republic article on May 13, 2009, the valley's resale number brings hopes of a recovery. Valley homes sales climbed again in April and May 2009 and home prices showed signs of leveling off.

Near record low mortgage rates are frustrating many Valley homeowners who can't refinance because home values have dropped in their neighborhoods. Due to a record number of foreclosures, home prices are falling back to pre-boom levels. Short sales, selling a home for less than what is owed, are bogged down. Recent incentives through the Making Home Affordable initiative, is addressing this and the possibility of deed in lieu of foreclosure as a more viable avenue for some, with a lesser negative impact on their credit rating and elimination of subsequent tax liability due to the forgiven debt. In addition, foreclosures have had a ripple effect on neighborhoods that have experienced the impact of rapidly decreasing home values and empty houses often boarded up which have lead to increased crime and declining neighborhoods. Vacancies are rising, causing blight and rapid declining property values.

NEIGHBORHOOD STABILIZATION PROGRAM OUTREACH

During the months of October through December 2008, our office hosted three (3) Neighborhood Stabilization Strategies Workshops with the Federal Reserve Bank of San Francisco, the Neighborhood Stabilization Program (NSP) Grantees, the Phoenix Local Initiatives Service Corporation (LISC), the National Community Land Trust, with HUD Approved Housing Counseling Agencies, and with representatives from Fannie Mae, Freddie Mac and other major lenders. The purpose of these meetings were to create an open forum where these agencies could come together, support each other, and partner effectively for the sole purpose of organizing an efficient and effective Neighborhood Stabilization Program. As a result, the State of Arizona designed an NSP website for the public at www.yourwayhomeaz.org or www.yourwayhomeaz.com

ARIZONA GREEN FORUM

On April 7, 2009, our office co-sponsored an event with the Arizona Department of Commerce, Arizona State University (ASU), Alliance for Innovation, Arizona Housing Alliance, Phoenix Local Initiatives Services Corporation (LISC), and the Federal Reserve Bank of San Francisco. This event furthered the Department's mission in providing information regarding Recovery Act funds for energy efficiency and encouraged the leveraging of related resources from the Department of Energy.

FY 2008 - 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	17 Entitlements	$43,587,416	14 Entitlements	$44,445,904
HOME	5 PJs	$19,421,623	4 PJs	$21,630,015
Self-Help Homeownership Program	0	$0	1 Grant	N/A
Emergency Shelter Grants	7 Grants	$1,967,609	5 Grants	$1,981,771
Continuum of Care (inc Shelter + Care)	77 Grants	$27,638,253	N/A	N/A
Rural Housing & Economic Development	0	$0	3 Grants	N/A
Section 108 Loan Guarantee	1	$17,000,000	2 Loans	N/A
Housing Opportunities for People w/Aids	3 Grants	$1,732,000	2 Grants	$1,807,316
Special Set-Aside Projects*	0	$0	0	$0
Youthbuild	0	$0	0	$0
ADDI	5 PJs	$131,373	11 PJs	N/A
BEDI	0	$0	0	$0
Technical Assistance	0	$0	4 Contracts	N/A
TOTAL Community Planning & Development		**$94,478,274**		**$69,865,006**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	N/A	$747,178	2 Contracts	N/A
Fair Housing Initiatives Program (FHIP)	N/A	$275,000	1 Grant	N/A
TOTAL Fair Housing and Equal Opportunity		**$1,022,178**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	56 Projects/ 2515 Units	N/A	54 projects/ 2453 units	N/A
Number of 811s	17 projects/ 318 units	N/A	17 projects/ 318 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	132 Contracts	$43,402,392	133 contracts	$44,104,764
Project Rental Assistance Awards	4 projects/114 units	$368,400	not yet made	N/A
(New annual funding for the relevant FY)				N/A
Capital Advance Awards	**4 projects/114 units**	$13,141,200	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	58 properties	$15,748,201	58 properties	$15,748,201
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	3 properties	$518,332	3 properties	$518,332
TOTAL Multifamily Housing		**$75,803,192**		**$60,371,297**

HOUSING (SINGLE FAMILY)				
Housing Counseling	1 Grant	$26,739	0	$26,739
Endorsements (Loan Amount)	9867 loans	$839,946,204	37244 loans	$5,987,680,363
TOTAL Single Family Housing		**$839,972,943**		**$5,987,707,102**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	N/A	$175	N/A	$176
Indian Housing Block Grant	153	$188,526,790	133	$204,035,708
Indian Community Development Block Grant	32	$20,509,834	N/A	$22,737,279
184 Loan Guarantees		N/A	246 loans	$55,400,000
Title VI Loans	N/A	N/A	N/A	N/A
	N/A	N/A	N/A	N/A
TOTAL Office of Native American Programs		**$209,036,624**		**$282,172,987**
PUBLIC HOUSING				
Number of PHAs	17	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	16 Grants	$91,317,856	16 Grants	$90,834,662
Capital (Improvements) Fund Program	10 Grant	$6,734,860	10 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	12 Grants	$2,473,220	12 Grants	$2,596,881
Moderate Rehabilitation (incl. SRO)	2 Grants	$448,884	12 Grants	$81,102
Operating Subsidy	10 Grants	$13,208,864	10 Grants	$13,869,307
TOTAL Public Housing		**$114,183,684**		**$107,381,952**
TOTAL FUNDING IN PHOENIX		**$1,334,496,895**		**$6,507,498,344**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	14 grantees	$11,835,123
Homelessness Prevention and Rapid Re-Housing	7 grantees	$18,486,027
ARRA-IHBG-FCAS	148	80,796,352
ARRA- ICDBG-RA	2	835,925
Neighborhood Stabilization Program -(NSP-1)	8 grantees	$110,745,271
Native American Housing Block Grant	N/A	$49,634,027
Native Hawaiian Housing Block Grant	N/A	
Public Housing Capital Fund	10 grants	$8,378,750
Tax Credit Assistance Program	N/A	$32,308,066
Project-based Rental Assistance	58 contracts	$13,435,451
Other Programs	N/A	
Lead Hazard Reduction/Healthy Homes	N/A	$3,211,918
ARRA-NAHBG (competitive)	15	6,736,086
Total Recovery Act Funding		**$336,402,996**

TUCSON FIELD OFFICE

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	2	2
Housing - Single Family	6	5
Policy Development and Research	1	1
Total Staff	9	8

JURISDICTION

The jurisdiction of the Tucson Office begins at the northern border of Pima County, covers the entire southern portion of the state (including all the communities that are on the Arizona/Mexico border), and extends to California on the west and New Mexico on the east. The Tohono O'odham reservation is located within the jurisdiction, containing almost 3 million acres and sharing 75 miles of the Mexican border. The area's rich cultural heritage is based on a unique blend of Spanish, Mexican, Native American, and Anglo-American influences. Most of the population in the jurisdiction is found in the Tucson metropolitan area, which includes Pima County and the City of Tucson. Tucson is the second largest metropolitan area in Arizona with a January 1, 2008 population estimated to be approximately 1 million.

LOCAL ISSUES AND PRIORITIES

Tucson area foreclosures continued to rise over the past year as the national recession deepened. According to the Pima County Recorders Office, the number of foreclosure filings increased 56 percent from 2,658 during the first 4 months of 2008 to 4,145 during the first 4 months of 2009. During this same period, the number of homes auctioned increased 47 percent from 1,135 to 1,671.

The number of FHA endorsements for the Tucson Office jurisdiction continues to increase as conventional mortgages remain difficult for some borrowers to obtain. FHA endorsements for the Tucson Office jurisdiction are projected to increase 41 percent this year to 9,025 from 6,418 in 2008.

Over the past year, single-family home construction continued to decrease at an accelerated rate. During the 12 months ending April 2009, the number of single-family homes permitted decreased 46

percent, from 4,425 to 2,400. Single-family home construction as measured by the number of units permitted is now down 77 percent from a peak of 10,700 in the 12 months ending April 2006. According to the Tucson Association of REALTORS®, existing home sales decreased by 13 percent from 1,015 in April 2008 to 882 in April 2009, the lowest number sold for the month of April since 1998. During this time, the number of active listings for existing homes decreased by 22 percent from 8,808 to 6,890. The median sales price for existing homes in the Tucson Multiple Listing Service main market areas decreased an additional 16 percent from $195,000 to $164,000. The median sales price for existing homes is now back to 2004 levels. New home sales also continue to be slow. According to local housing analyst John Strobeck, 151 new homes closed in April which was the lowest number of new home closings in this decade.

Tucson housing experts have been recently quoted in area newspapers as expecting a recovery in the housing market by the end of the year; however, continued job losses may lengthen the process. According to Marshall Vest, Forecasting Project Director at the Eller College of Management, "some of the economy is indicating that the worst is behind us." Still, many expect the recovery to be much slower than that of the 2001/2002 recession.

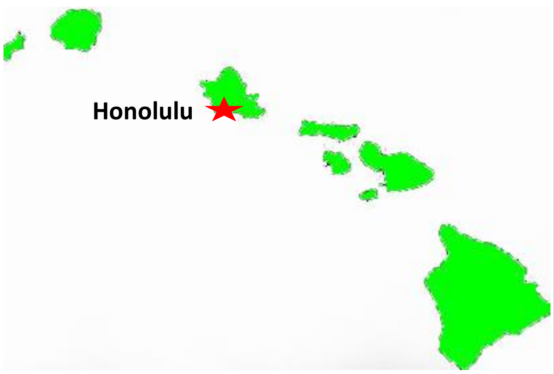
FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	2 Entitlements	$8,662,739	3 Entitlements	$9,820,042
HOME	1 PJs	$3,999,874	1 PJs	$4,464,877
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	2 Grants	$385,825	2 Grants	$385,695
Continuum of Care (inc Shelter + Care)	24 Grants	$6,634,304	N/A	N/A
Rural Housing & Economic Development	0	$0	0	$0
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	1 Grants	$411,000	1 Grants	$420,497
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	1 PJs	$33,245	1 PJs	N/A
BEDI	0	$0	0	$0
Technical Assistance	0	$0	0	$0
TOTAL Community Planning & Development		**$20,126,987**		**$15,091,111**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	1 Grants	$368,889	2 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$368,889**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	13 projects/ 613 units	N/A	13 projects/ 613 units	N/A
Number of 811s	3 projects/ 49 units	N/A	3 projects/ 49 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	36 Contracts	$10,516,980	36 contracts	$10,638,804
Project Rental Assistance Awards	1 project/ 10 units	$33,200	not yet made	N/A
(New annual funding for the relevant FY)				N/A
Capital Advance Awards	1 project/ 10 units	$1,337,300	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)		N/A	16 projects	$551,307
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	N/A	N/A
TOTAL Multifamily Housing		**$11,887,480**		**$11,190,111**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	3	$167,501
Endorsements (Loan Amount)	6418 loans	$952,743,735	6946	$1,074,450,966
TOTAL Single Family Housing		**$952,743,735**		**$1,074,618,467**

OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	8	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	8 Grants	$39,183,357	8 Grants	$36,501,897
Capital (Improvements) Fund Program	5 Grants	$2,899,186	5 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	8 Grants	$790,276	8 Grants	$829,789
Moderate Rehabilitation (incl. SRO)	2 Grants	$1,431,039	2 Grants	$2,186,138
Operating Subsidy	5 Grants	$6,735,488	5 Grants	$7,072,262
TOTAL Public Housing		**$51,039,346**		**$46,590,086**
TOTAL FUNDING IN TUCSON		**$1,036,166,437**		**$1,147,489,775**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	3	$2,603,576
Homelessness Prevention and Rapid Re-Housing	2	$3,597,770
Neighborhood Stabilization Program -(NSP-1)	2 grantees	$10,373,778
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	5 grants	3689699
Tax Credit Assistance Program	N/A	N/A
Project-based Rental Assistance	14 contracts	$1,953,634
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$22,218,457**

HAWAII



HAWAII QUICK FACTS	
POPULATION	
Population, 2008 estimate (Census)	1,288,200
Population percent change, 2007 to 2008	0.8%
Population, 2000 Census	1,211,500
Population, annual percent change 2000 to 2008	0.7%
Net in-migration 2000 to 2008	5,000
Senior Population growth, 65+ years, 2006 to 2007	3.1%
RACE/ETHNICITY	
White persons, percent population, 2007 ACS	27%
Black or African-American person, percent population	2%
American Indian or Alaska Native, percent population	< 0.5%
Asian persons, percent population	39%
Native Hawaiian or Pacific Islander, percent population	8%
Hispanic or Latino persons, of any race, percent population	8%
EMPLOYMENT	
Total Nonfarm Employment May 2009	604,700
Total Nonfarm Employment, percent change May '08 to May '09	-3.3%
Unemployment Rate May 2009(seasonally adjusted)	7.40%
INCOMES	
HUD Median Family Income, FY 2009	$76,000
Poverty Rate, 2007	8%
HOMEOWNERSHIP RATES	
Homeownership Rate, 1st Qtr 2009	60%
Homeownership Rate, Total 2007 ACS	60%
White	54%
African American	25%
Asian	71%
American Indian or Alaska Native	44%
Native Hawaiian or Pacific Islander	47%
Hispanic	41%

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STAFFING

Staffing	2008	2009
Office	Staff	Staff
Field Policy and Management	2	2
Administration (ARD/HR/Contracting)	1	1
Community Planning & Development	6	6
Fair Housing and Equal Opportunities	1	1
Housing - Multifamily	8	8
Housing - Single Family*	2	2
Information Technology	--	--
General Counsel	1	2
Public Housing	8	8
Housing Procurement Management	--	1
Total Staff	29	31
** 1 position located in Guam*		

JURISDICTION

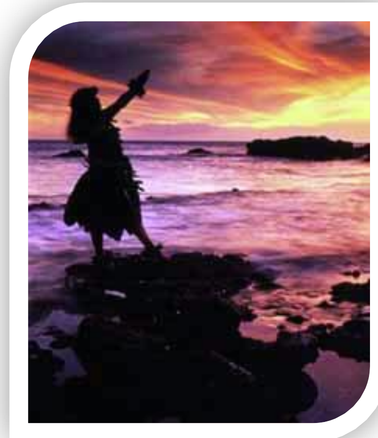
The Honolulu Field Office - while one of the smaller offices - covers the largest geographical area of any field office. The jurisdiction of the Honolulu Field Office includes the State of Hawaii and the Outer Pacific islands, specifically, the flag territories of American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam.

The challenges of a far-flung jurisdiction include:
(1) High cost of air travel limits the frequency of face-to-face contact with the many constituencies. Meetings with clients, except on Oahu, require air travel to either the Neighbor Islands or to the islands in the Outer Pacific. (2) An even greater challenge is communication with customers in the Pacific. Except for American Samoa, all of the other Pacific Islands in the field office's jurisdiction are across the International Dateline. For example, when it is 12:00 noon on Monday in Hawaii, it is 8:00 a.m. on Tuesday in Guam. The communication infrastructure from the Outer Pacific islands remains serviceable, although undependable.

LOCAL ISSUES AND PRIORITIES

The Economy
Hawaii's already struggling economy was impacted by two recent

developments: For Hawaii's economic engine - the visitor industry - the H1N1 flu epidemic worsened the prospects for Japanese tourism – a once dependable market - leading to larger projected visitor losses this year (including from the U.S. market), lower occupancy rates (an average of 66 percent), a decrease in visitor expenditures (by 10 percent), and additional job losses. Unemployment reached 7.4 percent as the construction industry continued to shed jobs by more than 14 percent in 2009. Most of the Counties posted their highest unemployment rates in nearly two decades.



The State's fiscal crisis is the second development, and is a prime concern. To address the growing revenue shortfall, the Governor has proposed plans to furlough about 15,600 State workers three days a month for two years which would cut pay by about 13.8 percent and possibly save the State an estimated $688 million. Governor Lingle and her Cabinet officers are taking the lead with a pay cut equal to two furlough days a month through two years, as part of her attempt to close a projected $730 million budget deficit through June 2011. The Governor and the four public unions are in the process of negotiating a solution to avert layoffs, and if possible, reduce the furloughs. The loss of income from public workers and the impact on private sector jobs by the reduced spending would further delay the recovery of the overall state economy.

As increases in bankruptcies, business closings and unemployment are worsening with the economic downturn, Hawaii's real estate market is beginning to feel the effects of increasing foreclosure filings as experts predict that the worst is yet to come. The number of Hawaii households facing foreclosure is rising.

Affordable Housing
Hawaii is the most expensive State for renters, as land values continue to outpace the capacity of incomes to keep up and demand for all rental housing exceeds the supply. According to Out of Reach 2009, Hawaii remains the most expensive jurisdiction in the nation as the housing wage required to afford a Fair Market Rent (FMR) two-bedroom at $1,536 is $29.53 an hour or $5,119 monthly. The average renter wage in Hawaii is estimated at $13.03.

Families that receive a Section 8 voucher continue to find it increasingly difficult to locate units to rent as well as units at rents within the allowable payment standards. The short supply of vacant land creates high land costs and severely impacts the supply of affordable rental housing. Nonprofit sponsors are experiencing a significant funding gap that is difficult to overcome through the limited private and local government funding sources available in Hawaii. The limited funding and unit allocation under HUD's 202/811 programs prohibits nonprofit developers from realizing an economy of scale in their developments. Many nonprofits do not have the expertise or experience to use mixed financing to make a project feasible.

Homelessness
The homeless have become a permanent feature in the community due in part to Hawaii's high cost of living and the wide-gap between income and basic living expenses for many people in Hawaii.

In order to afford the FMR two-bedroom apartment, a minimum wage worker earning an hourly wage of $7.25 must work 163 hours per week, 52 weeks per year. Or, a household must include 4.1 minimum wage earner(s) working 40 hours per week year-round in order to make the two-bedroom FMR affordable.

Monthly Supplemental Security Income (SSI) payments for an individual are $674 in Hawaii. If SSI represents an individual's sole source of income, $202 in monthly rent is affordable, while the FMR for a one-bedroom is $1,270.

The number of hidden homeless or at-risk of homelessness is estimated at well over 30 percent of Hawaii's population and increasing. The Pacific Islanders - Micronesians and Marshallese - are the new face of homelessness. Although efforts to address the homeless crisis have increased with the State's newly developed network of emergency shelters, and faith-based groups have become active in housing, not just feeding the hungry, people still live in cars, on the beaches, in the parks, and on the streets.

FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	7 Entitlements	$20,076,771	7 Entitlements	$20,309,256
HOME	5 PJs	$9,350,682	5 PJs	$10,072,497
Self-Help Homeownership Program	1 Grant	N/A	0	$0
Emergency Shelter Grants	5 Grants	$899,669	5 Grants	$900,066
Continuum of Care (inc Shelter + Care)	172 Recipients	$0	TBD	TBD
Rural Housing & Economic Development	0	$0	TBD	TBD
Section 108 Loan Guarantee	1 Grant	N/A	0	$0
Housing Opportunities for People w/Aids	2 Grants	$597,000	2 Grants	$612,800
Special Set-Aside Projects*	26 Projects	N/A	6 Projects	$2,280,000
Youthbuild	2 Grants	N/A	0	$0
ADDI	2 PJs	$48,525	2 PJs	$0
BEDI	0	$0	0	$0
Technical Assistance	5 Grants	$230,000	5 Grants	TBD
TOTAL Community Planning & Development		**$31,202,647**		**$34,174,619**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	1 Grant	$113,880	1 Contract	N/A
Fair Housing Initiatives Program (FHIP)	1 Grant	$275,000	1 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$388,880**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	27 Projects/ 739 Units	N/A	28 projects/ 778 units	N/A
Number of 811s	23 projects/ 211 units	N/A	23 projects/ 211 units	N/A

Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	104 Contracts	$28,911,552	104 contracts	$29,721,216
Project Rental Assistance Awards	7 units	$28,300	not yet made	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	7 units	$854,800	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	7 properties	$3,372,772	7 properties	$3,372,772
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	0	$0	0	$0
TOTAL Multifamily Housing		**$33,167,424**		**$33,093,988**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	0	$0
Endorsements (Loan Amount)	1551 loans	$228,706,197	1596	$411,964,883
TOTAL Single Family Housing		**$228,706,197**		**$411,964,883**
OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Grantees	1	N/A	1	N/A
Native Hawaiian Housing Block Grant	N/A	$8,700,000	N/A	$9,700,789
NHHBG Training and Technical Assistance	N/A	$300,000	N/A	$299,211
184A Loan Gurantee	N/A	$1,044,000	N/A	$1,044,000
TOTAL Office of Native American Programs	N/A	**$10,044,000**	N/A	**$11,044,000**
PUBLIC HOUSING				
Number of PHAs	7	N/A	7	N/A
Sec.8 Rental Assistance (incl. Mainstream and Disaster Vouchers)	7 Grants	$126,411,855	7 Grants	$127,658,348
Capital (Improvements) Fund Program	3 Grants	$14,401,624	3 Grants	$14,401,624
Resident Initiatives (FSS, ESC/SCPH/ROSS)	4 Grants	$1,862,974	4 Grants	$383,835
Moderate Rehabilitation (incl. SRO)	40 Grants	$170,384	40 Grants	$170,384
Family Unification Vouchers	N/A	N/A	100	$1,085,328
Operating Subsidy	2 Grants	$22,551,605	2 Grants	$25,721,792
TOTAL Public Housing	N/A	**$165,398,442**	N/A	**$169,421,311**
POLICY DEVELOPMENT & RESEARCH				
Alaska Native/Native Hawaiian Institutions Assisting Communities	3 Grants	$1,381,247	0	$0
TOTAL Policy Development and Research		$1,381,247	0	$0
TOTAL FUNDING IN Honolulu Field Office		**$470,288,837**		**$659,698,801**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	7 Grantees	$9,231,576
Homelessness Prevention and Rapid Re-Housing	5 Grantees	$8,406,984
Neighborhood Stabilization Program -(NSP-1)	4 Grantees	$20,164,836
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	$10,200,000
Public Housing Capital Fund	N/A	$18,229,612
Tax Credit Assistance Program	1 Grantee	$9,861,610
Project-based Rental Assistance	24 contracts	$6,221,566
Other Programs	N/A	$6,221,566
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		$88,537,750

NEVADA

NEVADA QUICK FACTS	
POPULATION	
Population, 2008 estimate (Census)	2,600,200
Population percent change, 2007 to 2008	1.8%
Population, 2000 Census	1,998,300
Population, annual percent change 2000 to 2008	3.2%
Net in-migration 2000 to 2008	463,700
Senior Population growth, 65+ years, 2006 to 2007	3.5%
RACE/ETHNICITY	
White persons, percent population, 2007 ACS	74%
Black or African-American person, percent population	7%
American Indian or Alaska Native, percent population	1%
Asian persons, percent population	6%
Native Hawaiian or Pacific Islander, percent population	0.5%
Hispanic or Latino persons, of any race, percent population	25%
EMPLOYMENT	
Total Nonfarm Employment May 2009	1,204,100
Total Nonfarm Employment, percent change May '08 to May '09	-6.3%
Unemployment Rate May 2009(seasonally adjusted)	11.30%
INCOMES	
HUD Median Family Income, FY 2009	$65,900
Poverty Rate, 2007	11%
HOMEOWNERSHIP RATES	
Homeownership Rate, 1st Qtr 2009	63%
Homeownership Rate, Total 2007 ACS	60%
White	64%
African American	34%
Asian	66%
American Indian or Alaska Native	57%
Native Hawaiian or Pacific Islander	43%
Hispanic	50%

LAS VEGAS FIELD OFFICE

Field Office Director
Kenneth LoBene

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STAFFING

Staffing	2008	2009
Office	Staff	Staff
Field Policy and Management	5	5
Administration (ARD/HR/Contracting)	1	1
Community Planning & Development	1	1
Housing - Multifamily	5	5
Housing - Single Family	3	2
Inspector General, Investigations	2	2
Public Housing	3	--
REAC	--	2
Contract Spec	--	1
Total Staff	20	19

JURISDICTION

The Las Vegas office serves the Counties of Clark, Lincoln, Nye and Esmerelda. The major population base is located in Clark County, encompassing the cities of Las Vegas, Henderson, North Las Vegas, Boulder City, Laughlin and Mesquite. The population of this county has doubled every 10 years for the past 70 years. We are on pace for this growth to continue. Growth of this magnitude taxes all municipal resources and brings many challenges.

LOCAL ISSUES AND PRIORITIES

THE ECONOMY

The downturn in the general economy has had a negative impact in the Valley. Tourism is down slightly and therefore sales tax is not meeting projections. Sales tax is the mainstay of the Valley's governmental income. While the valley continues to grow the pace has cooled. It is expected to rise somewhat in the near future as 46,000 hotel rooms are scheduled to open in the next 12 months. Construction on some of the large casino/resort projects has been suspended.

HOUSING

The State leads the nation in default/foreclosures. Values have reduced by more than 40 percent which has inhibited the ability of borrowers to refinance their adjustable mortgages. It is estimated that more than 60 percent of all homes are "Underwater", making refinancing mortgages virtually impossible. The drop in values has rendered the new programs for refinancing FHA Fannie Mae and Freddie Mac loans ineffective in reducing the number of foreclosures. Multifamily construction has not kept pace with need and it is projected that this problem will increase as the new hotel rooms under construction come on line. However, HUD has seen two new multifamily projects that have used HOME funds develop affordable housing within the last year. These projects were done in cooperation with two other governmental entities including the Department of Interior Bureau of Land Management and Clark County, resulting in more than 300 new housing units for seniors and families.

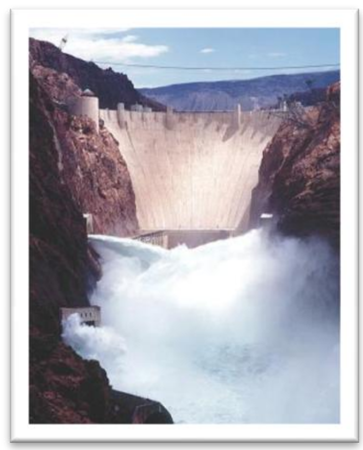
HOMELESSNESS

Homelessness remains a high priority and a constant source of media attention. All of the available beds are located in the City of Las Vegas with the surrounding communities assisting with funds. The municipalities have begun a collaborative effort that has led to significant positive changes. The Southern Nevada regional Planning Board has been tasked with developing a comprehensive strategy for dealing with this issue. They have put in place a 10-point plan to address the most chronic homeless issues of recidivism and prevention. The City of Las Vegas has adopted a 10-year plan and it will be incorporated into the larger regional strategic plan.

The City of Las Vegas has been affected by a tent encampment that has grown to over 300 in rapid order. The City is further encumbered by the fact that all the service beds are located within their jurisdiction. The City has tasked a group consisting of representatives from the Metropolitan Police Department, local service providers, the local Field Office Director of HUD, City staff and the homeless to develop an action plan to address this issue.

FAITH BASED INITIATIVES

The Las Vegas Office actively participates with the Community Interfaith Council. The Community Interfaith Council is made up of representatives from Federal, City and Faith-Based Organizations. Monthly meetings are held to discuss the Faith-Based Community's concerns on youth anti-violence programs, graffiti and homelessness. The Council has agreed to keep an active role in the community. The Faith-Based Liaison for the Las Vegas Office is expanding opportunities for various faith-based groups to work with HUD and with one another. There have been several events that have brought churches and community groups of a variety of backgrounds including, Christians, Catholics and Mormons together to perform community cleanups, after school programs and youth outreach. Additionally, the group has agreed to an "adopt a homeless family" program.



FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	**FY'08 Inventory**	**FY2008**	**FY'09 Inventory**	**FY2009**
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	3 Entitlements	$14,071,016	4 Entitlements	$14,335,964
HOME	3 PJs	$5,952,235	3 PJs	$6,669,613
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	2 Grants	$503,262	2 Grants	$503,889
Continuum of Care (inc Shelter + Care)	15 Grants	$5,595,421	0	$0
Rural Housing & Economic Development	0	$0	0	$0
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	1 Grants	$952,000	1 Grants	$1,002,015
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	3 PJs	$52,112	3 PJs	N/A
BEDI	0	$0	0	$0
Technical Assistance	0	$0	0	$0
TOTAL Community Planning & Development		**$27,126,046**		**$22,511,481**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	0	$0	0	$0
Fair Housing Initiatives Program (FHIP)	1	$99,974	1 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**$99,974**		**$0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A	Loan Mgmt Set-Aside/ Project Based Sec 8	N/A
Number of 202s	9 Projects/ 448 Units	N/A	9 projects/ 448 units	N/A
Number of 811s	8 projects/ 186 units	N/A	8 projects/ 186 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	29 Contracts	$13,006,332	31 contracts	$13,877,400
Project Rental Assistance Awards	2 properties/ 72 units	$270,300	not yet made	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	2 properties/ 72 units	$10,104,400	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)		$213,255	9 properties	$588,361
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	0	$0	0	$0
TOTAL Multifamily Housing		**$23,594,287**		**$14,465,761**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	0	$0
Endorsements (Loan Amount)	12799 loans	$2,499,867,645	16366 loans	$2,945,898,024
TOTAL Single Family Housing		**$2,499,867,645**		**$2,945,898,024**

OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	3	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	3 Grants	$62,671,831	29 Grants	$76,805,426
Capital (Improvements) Fund Program	3 Grants	$6,996,516	18 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	7 Grants	$1,113,650	16 Grants	N/A
Moderate Rehabilitation (incl. SRO)	12 Grants	N/A	12 Grants	$0
Operating Subsidy	3 Grants	$14,408,687	20 Grants	$4,960,665
TOTAL Public Housing		**$85,190,684**		**$81,766,091**
TOTAL FUNDING IN LAS VEGAS		**$2,635,878,636**		**$3,064,641,357**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	4	$3,821,933
Homelessness Prevention and Rapid Re-Housing	3	$5,377,995
Neighborhood Stabilization Program (NSP-1)	3 grantees	$47,647,112
Native American Housing Block Grant	2	$172,587
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	3	$8,856,207
Tax Credit Assistance Program	N/A	N/A
Project-based Rental Assistance	8 contracts	$1,834,498
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding	12	$67,710,332

RENO FIELD OFFICE

Field Office Director
Tony Ramirez

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STAFFING

Staffing Office	2008 Staff	2009 Staff
Field Policy and Management	6	6
Housing - Single Family	1	1
Total Staff	7	7

JURISDICTION

The Reno HUD Office serves 14 of Nevada's 17 counties, and includes the Reno/Sparks Metropolitan Statistical Area (MSA), and the state capital, Carson City. The service area of the Reno Office encompasses over 82,900 square miles (an area greater than all New England states combined) with a population of approximately 595,000 persons. The largest racial/ethnic minority group in the Reno Service Area (RSA) is Hispanic/Latino, which averages approximately 14.9 percent of the service area's population. The RSA contains three HUD Community Development Block Grant Entitlement communities, city of Reno, city of Sparks and city/county of Carson City.

The Reno Office's service area is a dichotomy of rural/frontier counties versus urban centers. Over 84 percent of the RSA population lives in the six (6) western counties of the state: Carson City, Churchill, Douglas, Lyon, Storey and Washoe. The Reno MSA, with its population of approximately 390,000 is the commercial and cultural center of northwestern Nevada. Reno is home to the University of Nevada Reno, the area's only four year university, the Reno/Tahoe International Airport, the Nevada Museum of Modern Art and various cultural and art festivals.

The north, central and eastern Nevada counties with an average density of 2.1 persons per square mile is one of the least densely populated areas in the contiguous 48 states. The RSA also includes three major Native American Tribes; the Paiute, Shoshone, and Washoe scattered on 22 Native American reservations/colonies. Rural communities are heavily dependent on public lands for their existence with major industries including mining, agriculture and government.

LOCAL ISSUES AND PRIORITIES

Neighborhood Stabilization Program

The Washoe County HOME Consortium (WCHC) completed the acquisition of five (5) foreclosed homes on May 14, 2009, utilizing Neighborhood Stabilization Program (NSP) funds. The WCHC has contracted with the Reno Housing Authority (RHA) to implement the following NSP activities:

- Acquisition, Rehabilitation & Rental for Extremely Low-Income Households
- Acquisition, Rehabilitation & Resale

Four of the five acquired properties will be owned and managed by the RHA as rental housing for families earning less and 50 percent of the area median income. One property is proposed to be sold to a current RHA tenant through the RHA's Section 8 Homeownership program.

The Washoe County HOME Consortium is the first entity in HUD Region IX to utilize NSP funds for the acquisition of foreclosed or abandoned properties. The RHA is working closely with the National Community Stabilization Trust to identify NSP eligible properties in Washoe County, NV. The Washoe County HOME consortium plans on acquiring an additional 20 – 25 foreclosed properties in its NSP target areas for rehabilitation and resale to qualified first-time homebuyers.

American Recovery and Reinvestment Act

HUD administered American Recovery and Reinvestment Act (ARRA) funds are still undergoing review by the agency. Timelines for allocation to local units of government vary by program as amendments to local consolidated/action plans are required by each program. Jurisdictions expect to have funds under contract by late summer. In the meantime, the Field Office is collaborating with Community Planning and Development and Labor Relations to present workshops on Environmental Review and Davis Bacon requirements as they relate to the Recovery Act. These trainings are scheduled for August.

The Reno Housing Authority has moved aggressively to implement Capital Improvements under its Recovery Act funding. It has contracts and projects underway.

Local Economic Conditions: Employment

Northern Nevada's economy is a tale of two divergent economic sectors. The western counties are experiencing one of the most severe economic recessions to hit the region in the past 25 years. The north-central rural counties, however, are benefiting from the rise in global commodity prices, specifically gold and silver. Nevada's mines are expanding production. This is a boon to many of the mining communities throughout the northern part of the state.

The unemployment rate in Washoe County has risen dramatically in the past six months. As of the middle of June 2009 the rate stands at 11.2%. The decline in employment is due, in large part, to the decline in residential and commercial building. Residential building permits are down 62 percent and commercial permits are down nearly 93% from June 2007. The University of Nevada Reno's Bureau of Economic Research have recently indicated that the state is in for "more pain" as the global recession effect tourist visits, thus reducing gaming and sale tax revenues, with account for approximately three-quarters of the state's overall budget revenues.

Declines in state and local tax revenues have precipitated steep budget cuts for state and local governments. The cities of Reno and Sparks and Washoe County have been forced to undertake major staffing cutbacks and reductions in many discretionary programs.

Local Economic Conditions: Housing

Recent data from May 2009 indicate that home sales in Washoe County were actually up 35 percent from the year prior. The problem, however, is that the driving force in the market are short sales and bank-owned Real Estate Owned properties. The median sales price of new and existing homes in the Reno MSA declined approximately 36 percent the past two years. The median sales price dropped in three years from $335,000 to $175,000 in June 2009.

Local housing analysts predict that housing prices will decline an additional 6-7% during the current market correction. While western Nevada is expected to see declining sales prices into 2009, many rural mining communities are facing housing shortages and increasing prices. This is due to the increase in production are the area's gold mines and the lack of residential building in the recent past. The Reno Field Office has been working with local partners to develop a rural land trust model, which will aid in addressing affordable housing development in rural Nevada.

Office Initiatives

As the economic crisis continued to deepen in the last two years, the Reno Field Office staff has engaged special initiatives to assist our communities, partners, and customers. The most significant initiatives include the following:

- Statewide Foreclosure Task Force: Led by the Federal Reserve Bank of San Francisco, is a coalition of lenders, realtors, housing counselors, non-profits, federal, state, and local government representatives assisting homeowners at risk of foreclosure. The Task Force works in the urban and rural areas.

- Providing Technical Assistance to Housing Counselors on new grant programs and FHA updates.

- Outreach to Lenders and Realtors: With assistance from the Santa Homeownership Center the Reno Field Office has provided workshops on FHA products and program updates. Additional sessions are planned.

FY 2008 – 2009 FUNDING

INVESTMENTS BY PROGRAM AREA FOR FISCAL YEARS 2008 AND 2009				
PROGRAM	FY'08 Inventory	FY2008	FY'09 Inventory	FY2009
COMMUNITY PLANNING & DEVELOPMENT				
Community Development Block Grants	4 Entitlements	5,792,652	4 Entitlements	5,888,417
HOME	3 PJs	5,060,055	3 PJs	5,297,771
Self-Help Homeownership Program	1 Grant	N/A	1 Grant	N/A
Emergency Shelter Grants	2 Grants	377,266	2 Grants	N/A
Continuum of Care (inc Shelter + Care)	8 Grants	2,014,605	N/A	N/A
Rural Housing & Economic Development	N/A	N/A	N/A	N/A
Section 108 Loan Guarantee	1 Grant	N/A	1 Grant	N/A
Housing Opportunities for People w/Aids	1 Grants	228,000	1 Grants	236,818
Special Set-Aside Projects*	26 Projects	N/A	26 Projects	N/A
Youthbuild	2 Grants	N/A	2 Grants	N/A
ADDI	3 PJs	22,612	3 PJs	N/A
BEDI	N/A	N/A	N/A	N/A
Technical Assistance	N/A	N/A	4 Contracts	N/A
TOTAL Community Planning & Development		**13,495,190**		**11,423,006**
FAIR HOUSING AND EQUAL OPPORTUNITY				
Fair Housing Assistance Program (FHAP)	N/A	N/A	N/A	N/A
Fair Housing Initiatives Program (FHIP)	1 Grants	268,606	1 Grants	N/A
TOTAL Fair Housing and Equal Opportunity		**268,606**		**0**
HOUSING (MULTIFAMILY)				
Number of Projects	Loan Mgmt Set-Aside/Project Based Sec 8	N/A	Loan Mgmt Set-Aside/Project Based Sec 8	N/A
Number of 202s	13 Projects/151 Units	N/A	4 projects/151 units	N/A
Number of 811s	3 projects/69 units	N/A	3 projects/69 units	N/A
Project-Based Rental Subsidy (Sec. 8 Project-Based Rental Assistance, Rent Supplement)	24 Contracts	$10,313,364	24 contracts	$9,944,556
Project Rental Assistance Awards	no awards	N/A	not yet made	N/A
(New annual funding for the relevant FY)				
Capital Advance Awards	no awards	N/A	not yet made	N/A
Service Coordinator (Existing + new grants funded from Sec. 8 money)	3 properties	$286,790	3 properties	$286,790
Other Grants (Emergency Capital Repairs, Demo Planning Grants)	N/A	N/A	N/A	N/A
TOTAL Multifamily Housing		**$10,600,154**		**$10,231,346**
HOUSING (SINGLE FAMILY)				
Housing Counseling	0	$0	0	$0
Endorsements (Loan Amount)	3678 loans	$664,107,000	3970 loans	$713,769,730
TOTAL Single Family Housing		**$664,107,000**		**$713,769,730**

OFFICE OF NATIVE AMERICAN PROGRAMS				
Number of Tribes	0	$0	0	$0
Indian Housing Block Grant	0	$0	0	$0
Indian Community Development Block Grant	0	$0	0	$0
184 Loan Guarantees	0	$0	0	$0
Title VI Loans	0	$0	0	$0
	0	$0	0	$0
TOTAL Office of Native American Programs		**$0**		**$0**
PUBLIC HOUSING				
Number of PHAs	2	N/A	Sec 8/Public Housing	N/A
Sec.8 Rental Assistance (incl. Disaster Vouchers)	2 Grants	$23,754,858	29 Grants	$22,901,459
Capital (Improvements) Fund Program	1 Grants	$1,010,582	18 Grants	N/A
Resident Initiatives (FSS, ESC/SCPH/ROSS)	3 Grants	$779,162	16 Grants	N/A
Moderate Rehabilitation (incl. SRO)	1 Grants	$179,220	12 Grants	$188,996
Operating Subsidy	1 Grants	$1,780,429	20 Grants	$635,005
TOTAL Public Housing		**$27,504,251**		**$23,725,460**
TOTAL FUNDING IN RENO		**$715,975,201**		**$759,149,542**

RECOVERY ACT FUNDING		
Formula Programs	**Inventory**	**Funding**
Community Planning Block Grant	4	$1,572,519
Homelessness Prevention and Rapid Re-Housing	2	$2,871,694
Neighborhood Stabilization Program (NSP-1)	1 grantee	$24,287,240
Native American Housing Block Grant	N/A	N/A
Native Hawaiian Housing Block Grant	N/A	N/A
Public Housing Capital Fund	1	$1,279,197
Tax Credit Assistance Program	N/A	N/A
Project-based Rental Assistance	12 contracts	$3,843,457
Other Programs	N/A	N/A
Lead Hazard Reduction/Healthy Homes	N/A	N/A
Native American Housing Grant	N/A	N/A
Total Recovery Act Funding		**$33,854,107**

HUD RECOVERY ACT PROGRAMS

Competitive Programs
Green Retrofit Program for Multifamily Housing
Indian Community Development Block Grant
Native American Housing Block Grant Program
Neighborhood Stabilization Program
Public Housing Capital Fund
Formula Programs
Community Development Block Grant
Homelessness Prevention and Rapid Re-Housing Program
Native American Housing Block Grant
Native Hawaiian Housing Block Grant
Public Housing Capital Fund
Tax Credit Assistance Program
Other Programs
Lead Hazard Reduction/Healthy Homes
Project-Based Rental Assistance[6]

[6] HUD Recovery Act Programs: www.hud.gov/recovery

ACTIVE PROGRAMS OF HUD

MAJOR GRANT, ASSISTANCE, AND REGULATORY PROGRAMS

Community Development Block Grants (CDBG) (Entitlement)

Federal funding to help entitled metropolitan cities and urban counties meet their housing and community development needs.

Nature of Program: Provides annual grants on a formula basis to entitled communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.
Entitlement communities develop their own programs and funding priorities and consult with local residents before making final decisions. All CDBG activities must meet one of the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain community development needs having a particular urgency. Some of the activities that can be carried out with community development block grant funds include the acquisition of real property; rehabilitation of residential and nonresidential properties; provision of public facilities and improvements, such as water and sewer, streets, and neighborhood centers; public services; clearance; homeownership assistance; and assistance to for-profit businesses for economic development activities.
No less than 70 percent of the funds expended over a period specified by the grantee, not to exceed 3 years, must be used for activities that benefit low- and moderate-income persons.

Grantee Eligibility: Metropolitan cities and urban counties are entitled to receive annual grants. Metropolitan cities are principal cities of Metropolitan Areas (MAs) or other cities within MAs that have populations of at least 50,000. Urban counties are within MAs and have a population of 200,000 or more (excluding the population of metropolitan cities within their boundaries).

Funding Distribution: From each year's CDBG appropriation, excluding the amounts provided for grants under Section 107 of the Housing and Community Development Act of 1974 (Section 107 grants), specified other grants, and Indian tribes, 70 percent is allocated to metropolitan cities and urban counties. The amount of each entitlement grant is determined by statutory formula, which uses several objective measures of community need, including poverty, population, housing overcrowding, age of housing, and growth lag.

Legal Authority: Title I, Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.). Regulations are at 24 CFR part 570.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Local officials and HUD field offices. On the Web: www.hud.gov/offices/cpd/communitydevelopment/programs/entitlement/index.cfm

Current Status: Active.

Community Development Block Grants (Non-Entitlement) for States and Small Cities

Federal funding to help states and units of local government in non-entitled areas meet their housing and community development needs.

Nature of Program: Provides grants to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services. Applicants must give maximum feasible priority to activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums and blight. Funds may also be used to meet other community development needs that present a serious and immediate threat to the health or welfare of the community. No less than 70 percent of the funds must be used for activities that benefit low- and moderate-income persons over a period specified by the state, not to exceed 3 years.

Some of the activities that can be carried out with community development funds include: the acquisition of real property; the rehabilitation of residential and nonresidential properties; the provision of public facilities and improvements, such as water and sewer, streets, and neighborhood centers; the clearance, demolition, and removal of buildings; homeownership assistance; and assistance to for-profit businesses for economic development activities.
Under the 1981 amendments to the Community Development Block Grant (CDBG) legislation, each state has the option to administer the block grant funds provided for its non-entitlement areas.

If this option is exercised, the block grant funds are provided to the state, which distributes them as grants to its eligible units of general local government. The states' objectives and methods of distributing the funds are determined in consultation with affected citizens and local elected officials. States are required to report annually on the use of funds.

Applicant Eligibility: Forty-nine states and Puerto Rico are entitled to receive grant funds for distribution to non-entitlement units of government (those that are not metropolitan cities or part of an urban county). Hawaii has elected not to administer funding under the state CDBG program. In Hawaii, HUD awards the funds directly to the three eligible non-entitled counties using statutorily determined formula factors.

Funding Distribution: From each year's CDBG appropriation, excluding the amounts provided for Section 107 grants or specified other grants, 30 percent is allocated to non-entitlement areas. This amount is then allocated among the states on a formula basis. Each state's allocation is distributed to units of general local government by either the state or, in Hawaii, by HUD.

Legal Authority: Title I, Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.). Regulations are at 24 CFR part 570.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: States and HUD field offices. On the Web:
www.hud.gov/offices/cpd/communitydevelopment/programs/stateadmin/index.cfm

Current Status: Active.

Community Development Block Grants (Section 108 Loan Guarantee)

Loan guarantee assistance for community and economic development.

Nature of Program: Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Under this section, HUD offers communities a source of financing for housing rehabilitation, economic development, and large-scale physical development projects.

Eligible activities are (1) real property acquisition, (2) rehabilitation of property owned by the applicant public entity or its designated public agency, (3) housing rehabilitation eligible under the CDBG program, (4) special economic development activities under the CDBG program, (5) interest payments on the guaranteed loan and issuance costs of public offering, (6) acquisition, construction, reconstruction, rehabilitation, or installation of public facilities, (7) assistance for public facilities in colonias, (8) debt service reserves for repayment of the Section 108 loan, (9) other related activities, including demolition and clearance, relocation, payment of interest, and insurance costs. When determining eligibility, the CDBG rules and requirements apply. As with the CDBG program, all projects and activities must meet CDBG's primary objective (use of 70 percent of funds must benefit low- and moderate-income persons) and one of the following three national objectives: (a) principally benefit low- and moderate-income persons, (b) assist in eliminating or preventing slums or blight, or (c) assist with community development needs having a particular urgency. Loans may be for terms up to 20 years.

The applicant pledges its current and future CDBG funds as the principal security for the loan guarantee. HUD may require additional security for each loan, and any additional security that may be necessary is determined on a case-by-case basis.

Applicant Eligibility: Metropolitan cities and urban counties that receive entitlement grants may apply directly to HUD for loan guarantee assistance. Non-entitlement communities under the state CDBG program may also apply, but must have a pledge of their state's CDBG funds from the appropriate agency. Non-entitlement communities in Hawaii may also apply directly to HUD for loan guarantee assistance. The public entity applicant may issue the Section 108-guaranteed obligation itself, or it may designate a local public agency with the necessary legal authority to do so.

Legal Authority: Section 108 of the Housing and Community Development Act of 1974 (42 U.S.C. 5308). Regulations are at 24 CFR part 570, subpart M.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office and HUD field offices. On the Web:
www.hud.gov/offices/cpd/communitydevelopment/programs/108/index.cfm

Current Status: Active.

Community Development Block Grants
(Disaster Recovery Assistance)

Nature of Program: HUD provides flexible grants to help cities, counties, and states recover from presidentially declared disasters, especially in low- and moderate-income areas. Funds are subject to availability of supplemental appropriations. CDBG requirements apply unless modified by appropriations statute or waived.

When disasters occur, Congress may appropriate additional funding for the CDBG (or HOME) program as Disaster Recovery grants to rebuild the affected areas and bring crucial seed money to stimulate the recovery process. Because CDBG may fund a broader range of recovery activities than most other federal programs, CDBG Disaster Recovery assistance helps communities and neighborhoods that otherwise might not recover due to limits on other resources. Disaster Recovery grants supplement disaster programs of the Federal Emergency Management Agency (FEMA), the Small Business Administration, and the U.S. Army Corps of Engineers. (HOME Disaster Recovery grants also can provide an important resource for providing affordable housing to disaster victims.)

Examples of eligible activities include:

1. Buying damaged properties in a flood plain and relocating residents to safer areas;
2. Relocation payments for people and businesses displaced by the disaster;
3. Debris removal not covered by FEMA;
4. Rehabilitation of homes and buildings damaged by the disaster;
5. Buying, constructing, or rehabilitating public facilities, such as streets, neighborhood centers, and water, sewer, and drainage systems;
6. Code enforcement;
7. Homeownership activities, such as down payment assistance, interest rate subsidies, and loan guarantees for disaster victims;
8. Public services;
9. Helping businesses retain or create jobs in disaster-impacted areas; and
10. Planning and administration costs.

Applicant Eligibility: CDBG Disaster Recovery funds go to states and local governments in places that have been designated by the President of the United States as major disaster areas. Some supplemental appropriations may restrict funding solely to states. Applicant state or local governments must have significant unmet recovery needs and the capacity to carry out a disaster recovery program (usually these are governments that already receive HOME or Community Development Block Grant allocations).

Legal Authority: Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq.). Public Laws: 107-206, 107-117, 107-73, 107-38, 106-31, 105-277, 105-276, 105-174, 105-18, 104-134, 104-19, 103-327, 103-211, 103-75, and 103-50.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office and HUD field offices. On the Web: www.hud.gov/offices/cpd/communitydevelopment/programs/dri/index.cfm

Current Status: Active.

Community Development Block Grants (Section 107)

Grants and technical assistance for community development programs and related activities.

Nature of Program: Provides grants for community development and related programs as described below, and technical assistance awards to help implement the various programs authorized by Title I of the Housing and Community Development Act of 1974.

Applicant Eligibility: Community Development Block Grant Technical Assistance (CDBG TA): States, units of general local government, Indian tribes, area-wide planning organizations, and other qualified groups designated by or assisting one or more such governmental units.

Current Status: Active
Historically Black Colleges and Universities (HBCUs) Program: The HBCU program helps HBCUs to expand their role and effectiveness in addressing community development needs in their own localities, including revitalization, housing, and economic development, principally for persons of low- and moderate-income. HBCUs that meet the definition determined by the Department of Education in 34 CFR 608.2, in accordance with the Executive Order 13256 dated February 12, 2002, are eligible to participate in the program.

Current Status: Active
Hispanic Serving Institutions Assisting Communities (HSIAC) Program: The HSIAC program helps Hispanic Serving Institutions (HSIs) to expand their role and effectiveness in addressing community development needs in their localities, including revitalization, housing, and economic development, principally for persons of low- and moderate-income. HSIs that meet the definition established in Title V of the 1998 Amendment of the Higher Education Act of 1965 are eligible to participate in the program.

Current Status: Active
Alaska Native/Native Hawaiian Institutions Assisting Communities (AN/NHIAC) Program: The Alaska Native/Native Hawaiian Institutions (AN/NHIs) program helps AN/NHIs to expand their role and effectiveness in addressing community development needs in their localities, including revitalization, housing, and economic development, principally for persons of low- and moderate-income. ANs and NHIs that meet the definition established in Title III, Part A, Section 317 of the Higher Education Act of 1965, as amended by the Higher Education Amendments of 1998, are eligible to participate in this program.

Current Status: Active.

Tribal Colleges and Universities (TCUs) Program

The TCU program assists TCUs in building, expanding, renovating, and equipping their own facilities. TCUs that meet the definition established in Title III of the 1998 Amendments to the Higher Education Act of 1965 are eligible to participate in the program.

Current Status: Active
Community Outreach Partnership Centers (COPC) Program: The COPC program assists community colleges, colleges, and universities in establishing centers to carry out applied research and outreach activities addressing the problems of urban areas, in coordination with community-based organizations and local governments.

Current Status: Inactive

Community Development Work Study (CDWS) Program
The CDWS program assists colleges and universities, either directly or indirectly, or through area-wide planning organizations or states, in providing assistance to work study programs for economically disadvantaged and minority students in fields related to community development.

Current Status: Inactive

Funding Distribution: The amount appropriated for the Section 107 grants is allocated among the programs as directed by the appropriations act.

Legal Authority: Section 107 of the Housing and Community Development Act of 1974 (42 U.S.C. 5307). Regulations are at 24 CFR part 570.

Administering Offices: For grants to colleges and universities, Assistant Secretary for Policy Development and Research, Office of University Partnerships, U.S. Department of Housing and Urban Development, Washington, DC 20410-6000.
For Community Development Block Grant Technical Assistance, Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering offices. On the Web:
Community Development TA: www.hud.gov/offices/CPD/about/cpdta/index.cfm
Historically Black Colleges and Universities: www.oup.org/programs/aboutHBCU.asp
Hispanic Serving Institutions Assisting Communities: www.oup.org/programs/aboutHSAIC.asp
Alaska Native/Native Hawaiian Institutions Assisting Communities:
www.oup.org/programs/aboutANNHIAC.asp
Tribal Colleges and Universities Program: www.oup.org/programs/aboutTCUP.asp
Community Outreach Partnership Centers: www.oup.org/programs/aboutCOPC.asp
Community Development Work Study Program:www.oup.org/programs/aboutCDWSP.asp

Community Development Block Grants (CDBG) for Insular Areas

Federal funding to help U.S. territories meet their housing and community development needs.

Nature of Program: Provides annual grants to four U.S. territories to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.

Insular areas develop their own programs and funding priorities and consult with local residents before making final decisions. All CDBG activities must meet one of the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain community development needs having a particular urgency. Some of the activities that can be carried out with community development funds include the acquisition of real property; rehabilitation of residential and nonresidential properties; provision of public facilities and improvements, such as water and sewer, streets, and neighborhood centers; clearance, demolition and removal of buildings and improvements; homeownership assistance; and assistance to for-profit businesses for economic development activities. No less than 70 percent of the funds expended over a period specified by the grantee, not to exceed 3 years, must be used for activities that benefit low- and moderate-income persons.

Through Fiscal Year 2004, grants to insular areas were appropriated under Section 107 of the Housing and Community Development Act of 1974. The American Dream Downpayment Act of 2003 amended the Housing and Community Development Act to move the authorization for Insular Area CDBG program funding from Section 107 to Section 106. For Fiscal Year 2005 and thereafter, funds have been made available under Section 106.

Grantee Eligibility: American Samoa, Guam, the U.S. Virgin Islands, and the Commonwealth of the Northern Marianas Islands are eligible recipients. (The Commonwealth of Puerto Rico receives funding under the State CDBG program.)

Funding Distribution: Under Section 106 of the Housing and Community Development Act of 1974, $7 million of the Title I CDBG appropriation is allocated for grants to insular areas. Funds for Section 107 grants are allocated to the insular areas and other programs as directed by the present year's appropriations act.

Legal Authority: Title I, Housing and Community Development Act of 1974
(42 U.S.C. 5301 et seq.). Regulations are at 24 CFR part 570.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Local officials and HUD field offices. On the Web:
www.hud.gov/offices/cpd/communitydevelopment/programs/insular/index.cfm

Current Status: Active.

The HOME Program: HOME Investment Partnerships

Grants to states and units of general local government to implement local housing strategies designed to increase homeownership and affordable housing opportunities for low- and very low-income Americans.

Nature of Program: Participating jurisdictions may use HOME funds for a variety of housing activities, according to local housing needs. Eligible uses of funds include tenant-based rental assistance; housing rehabilitation; assistance to homebuyers; and new construction of housing. HOME funding may also be used for site acquisition, site improvements, demolition, relocation, and other necessary and reasonable activities related to the development of non-luxury housing.

Funds may not be used for public housing development, public housing operating costs, or for Section 8 tenant-based assistance, nor may they be used to provide non-federal matching contributions for other federal programs, for operating subsidies for rental housing, or for activities under the Low-Income Housing Preservation Act. The American Dream Down payment Act established a separate formula for the American Dream Down payment Initiative (ADDI) under the HOME program. ADDI will grant funds to all 50 states and to local participating jurisdictions that have a population of at least 150,000 or will receive an allocation of at least $50,000 under the ADDI formula. Participating jurisdictions may use ADDI funds to provide down payment, closing costs, and rehabilitation assistance to eligible first-time homebuyers.

All housing developed with HOME funds must serve low- and very low-income families. For rental housing, at least 90 percent of the families benefited must have incomes at or below 60 percent of the area median income; the remaining 10 percent of the families benefited must have incomes at or below 80 percent of area median income. Assistance to homebuyers and homeowners must be to families with incomes at or below 80 percent of the area median income.

Each year, HUD publishes the applicable HOME income limits by area, adjusted for family size. HOME-assisted rental units must have rents that do not exceed the applicable HOME rent limits. Each year, HUD publishes the applicable HOME rent limits by area, adjusted for bedroom size. For projects with five or more HOME-assisted rental units, 20 percent of the units must be rented to very low-income families.

HOME-assisted homebuyer and rental housing must remain affordable for a long-term affordability period, determined by the amount of per-unit HOME assistance. HOME-assisted homebuyer housing is also subject to resale or recapture requirements.
Participating jurisdictions must match their HOME funds. Participating jurisdictions must also set aside at least 15 percent of their allocations for housing to be owned, developed, or sponsored by community housing development organizations.

Applicant Eligibility: States, cities, urban counties, and consortia (contiguous units of local governments with a binding agreement).

Funding Distribution: HOME funds are allocated using a formula designed to reflect relative housing need. Forty percent of the funds are allocated to states, and 60 percent is allocated to units of general local government. All states are eligible for HOME funding. The remaining funds are allocated using a formula designed to reflect relative housing need. Units of general local government that receive a formula allocation of $750,000 are eligible to receive HOME funds. To participate, jurisdictions that receive more than $500,000, but less than $750,000 must use local or state funds (including state HOME funds) to fill the gap between the formula allocation and $750,000. Jurisdictions that would receive less than $500,000 by formula may not receive HOME funds from HUD directly, but may receive HOME funding from their states. All participating jurisdictions must have a HUD-approved Consolidated Plan.

Legal Authority: Title II of the Cranston-Gonzalez National Affordable Housing Act (1990) (42 U.S.C. 12701 et seq.). Regulations are at 24 CFR part 92.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: HUD local field offices and state and local community development agencies. On the Web: www.hud.gov/homeprogram

Current Status: Active.

Shelter Plus Care (S+C)

Grants for rental assistance, in combination with supportive services from other sources, to homeless persons with disabilities.

Nature of Program: Provides rental assistance for homeless people with disabilities, primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS), and related diseases. Rental assistance must be matched by an equal value in cash or in-kind provided by the grantee from federal or private sources to be used for supportive services. Funds are awarded by a nationwide competition. Program participants must be homeless with disabilities.

Rental assistance is provided through four S+C components: (1) Tenant-based Rental Assistance (TRA) provides rental assistance to homeless persons who choose the housing in which they reside. Residents retain the assistance if they move; (2) Sponsor-based Rental Assistance (SRA) provides rental assistance through contracts between the grant recipient and a private nonprofit sponsor or community health agency established as a public nonprofit entity that owns or leases dwelling units in which participants reside. The term for grants under TRA and SRA is 5 years; (3) Project-based Rental Assistance (PRA) provides rental assistance to the owner of an existing structure where the owner agrees to lease the units to homeless people. Residents do not take the assistance with them if they move. PRA grants are also for 5 years of assistance, but an owner may get 10 years of assistance if the owner rehabilitates the property; and (4) Section 8 Moderate Rehabilitation for Single Room Occupancy (SRO) Dwellings provides grants for rental assistance. Assistance is provided for 10 years.

Applicant Eligibility: States and units of general local government.

Legal Authority: Subtitle F of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11403). Regulations are at 24 CFR part 582.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office and local HUD field offices.
On the Web: www.hud.gov/offices/cpd/homeless/programs/splusc/index.cfm

Current Status: Active.

Emergency Shelter Grants (ESG) Program

Provides grants to help increase both the number and quality of emergency and transitional shelters for homeless individuals and families. Grantees use ESG funds to rehabilitate and operate these facilities, provide essential social services, and prevent homelessness.

Nature of Program: Offers grants to states, metropolitan cities, urban counties, and U.S. territories based on the formula used in the Community Development Block Grant (CDBG) program. Eligible activities include renovation, major rehabilitation, or conversion of buildings for use as emergency or transitional shelters for the homeless.
With certain limits, grantees may spend funds on essential social services for the homeless and for homeless prevention efforts. Funds may also be spent on operating costs, such as maintenance, insurance, utilities, and furnishings. Each grantee must have an approved Consolidated Plan, including an action plan for new ESG projects.

Applicant Eligibility: States, District of Columbia, Puerto Rico, metropolitan cities, urban counties, and U.S. territories are eligible. Metropolitan cities and urban counties are eligible if, after applying the formula, their allocation is greater than 0.05 percent of the funds appropriated.

Funding Distribution: Program funds are awarded to grantees in proportion to their previous year's CDBG allocation. If metropolitan cities and urban counties do not meet the grant minimum, their funds are added to their state's allocation.

Legal Authority: Subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378). Regulations are at 24 CFR part 576.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office and local HUD field offices.
On the Web: www.hud.gov/offices/cpd/homeless/programs/esg/index.cfm

Current Status: Active.

Surplus Property for Use to Assist the Homeless (Title V)

Makes suitable federal properties, which are categorized as unutilized, underutilized, excess, or surplus, available to states, local governments, and nonprofit organizations for use to assist homeless persons.

Nature of Program: HUD collects information from federal agencies about their unutilized, underutilized, excess, and surplus properties and determines which are suitable for use to assist homeless persons. The decision is based on information submitted by the agency controlling the property. Every Friday, HUD publishes a Federal Register notice listing the available property. States, local governments, and nonprofit organizations apply to the Department of Health and Human Services (HHS) to obtain the property.

Legal Authority: Title V of the McKinney-Vento Homeless Assistance Act
(42 U.S.C. 11411-11412). Regulations are at 24 CFR part 581.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office, local HUD field offices, and HHS. Further information on a specific property is available from the landholding agency. For the name and contact at these agencies, call the nearest HUD field office or HUD’s toll-free number at (800) 927-7588.

On the Web: www.hud.gov/offices/cpd/homeless/programs/t5/index.cfm

Current Status: Active.

Supportive Housing Program

Grants offered through a competitive process for new construction, acquisition, rehabilitation, or leasing of buildings to provide transitional or permanent housing, as well as supportive services to homeless individuals and families; grants to fund a portion of annual operating costs; and grants for technical assistance.

Nature of Program: The grants defray the cost of providing housing and supportive services for homeless persons. Projects are designed to assist homeless persons to move into independent living. Residents may live in transitional housing for up to 24 months. Residents must be disabled to be eligible for permanent housing assistance that imposes no limit on their client tenancy.

Applicant Eligibility: State or local governmental entities, private nonprofit organizations, or community mental health associations that are public nonprofit organizations.

Legal Authority: Subtitle C of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381-11389). Regulations are at 24 CFR part 583.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Administering office and local HUD field offices.
On the Web: www.hud.gov/offices/cpd/homeless/programs/shp/index.cfm

Current Status: Active.

Section 8 Moderate Rehabilitation Single Room Occupancy (SRO) Program

Assists very low-income, single, homeless individuals in obtaining decent, safe, and sanitary housing in privately owned, rehabilitated buildings.

Nature of Program: Under the SRO program, HUD enters into annual contributions contracts (ACCs) with public housing agencies (PHAs) in connection with the moderate rehabilitation of residential properties in which some or all of the dwelling units may contain either food preparation or sanitary facilities. These PHAs make Section 8 rental assistance payments to participating landlords on behalf of homeless individuals who rent the rehabilitated dwellings.

The rental assistance payments generally cover the difference between 30 percent of the tenant's adjusted income and the unit's rent, which must be within the fair market limit established by HUD.

HUD provides rental assistance for SRO units for a period of 10 years. Owners are compensated for the cost of rehabilitation (as well as the other costs of owning and maintaining the property) through the housing assistance payments ("HAP") contract rent; the amount of rehabilitation to be compensated cannot exceed $20,500 per SRO unit in 2006. At the same time, each unit must need a minimum of $3,000 of eligible rehabilitation to qualify for the program.

Applicant Eligibility: HUD selects PHAs and private nonprofit organizations for funding on the basis of a national continuum of care competition, in which applicants must demonstrate a need for the assistance and the ability to undertake and carry out the SRO program. In their applications, applicants are required to identify the sponsors of proposed projects, specific structures to be rehabilitated, prospective sources of acquisition and/or rehabilitation financing, and a plan for providing supportive services for the homeless individuals in the units. Generally, very low-income, single, homeless individuals are eligible to occupy the assisted units.

Legal Authority: Section 441 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11401). Regulations are at 24 CFR part 882, subpart H.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Sources: Headquarters Office of Special Needs Assistance Programs, local public housing agencies, or HUD field offices.
On the Web: www.hud.gov/offices/cpd/homeless/programs/sro/index.cfm

Current Status: Active.

Brownfields Economic Development Initiative (BEDI)

Grants for redevelopment of brownfields, to be used in conjunction with Section 108 Loan Guarantee assistance for the same project.

Nature of Program: BEDI provides competitive economic development grants to Community Development Block Grant (CDBG) recipients, in connection with notes or other obligations guaranteed under Section 108 of the Housing and Community Development Act of 1974, for the purposes of enhancing either the security of the guaranteed loans or the viability of the projects financed with these Section 108 loans. Grants provide financial assistance for industrial or commercial sites known as brownfields, on which redevelopment is hindered by the presence or potential presence of environmental contamination. BEDI funds may be used for virtually all activities eligible under the CDBG program, and also in conjunction with other CDBG and Section 108 Loan Guarantee proceeds, and must comply with national objectives and other eligibility requirements. The Section 108 funds must be a new commitment and be used to assist the same project as the BEDI funds.

Applicant Eligibility: CDBG recipients.

Legal Authority: Section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)).

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/cpd/economicdevelopment/programs/bedi/index.cfm

Current Status: Active.

Economic Development Initiative ("Competitive EDI") Grants

Grants to directly enhance the security of Section 108 guaranteed loans or to improve the viability of the same Section 108 assisted project.

Nature of Program: HUD may make economic development grants to Community Development Block Grant (CDBG) recipients, in connection with notes or other obligations guaranteed under Section 108, for the purpose of enhancing either the security of the guaranteed loans or the viability of the projects financed by those loans. EDI enables localities to carry out eligible economic development activities where public and private dollars can be leveraged to create jobs and other benefits, especially for low- and moderate-income persons, and reduce the risk of potential future defaults on Section 108 loan guarantee-assisted projects. Eligible activities for which EDI funds may be used are the same as those under the Section 108 Loan Guarantee program. EDI funds are added to other CDBG funds (including Section 108 Loan Guarantee proceeds) for purposes of determining the grantee's and the project's compliance with the CDBG primary and national objectives. The EDI and Section 108 funds must assist the same project.

Applicant Eligibility: CDBG recipients.

Legal Authority: Section 108(q) of the Housing and Community Development Act of 1974 (42 U.S.C. 5308(q)).

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/cpd/economicdevelopment/programs/edi/index.cfm

Current Status: Inactive. No new appropriations have been provided for Competitive EDI grants since 2001. EDI grants currently consist of earmarks for funding.

Renewal Communities

Tax incentives for renewal of economically disadvantaged areas.

Nature of Program: The HUD Secretary is authorized to designate up to 40 “renewal communities” from areas nominated by states and local governments; at least 12 must be in rural areas. The eligibility criteria for such designations include the following: (1) each census tract within the nominated area must have a poverty rate of at least 20 percent; (2) in urban areas, at least 70 percent of the households must have incomes below 80 percent of the median income for households within the local government jurisdiction; (3) the unemployment rate must be at least 1.5 times the national rate; and (4) the area must be one of pervasive poverty, unemployment, and general distress.

State and local governments in which a renewal community is located must promise to take at least four of the following actions: (1) reduce taxes or fees; (2) make local services more efficient; (3) implement crime reduction strategies; (4) remove or streamline governmental requirements; (5) involve private entities, organizations, neighborhood organizations, and community groups in the program and elicit commitments from such private entities to provide jobs and job training, and technical, financial, or other assistance to employers, employees, and residents from the renewal community; and (6) give (or sell at a price below fair market value) surplus realty to neighborhood organizations, community development corporations, or private companies. In return, the following tax incentives would be available for the renewal communities: (1) a zero-percent capital gains rate; (2) renewal community employment tax credits; (3) commercial revitalization; (4) additional Section 179 expensing; and (5) extension of work opportunity tax credits.

Applicant Eligibility: States, Indian tribes, and local governments.

Legal Authority: Section 101 of the Community Renewal Tax Relief Act of 2000, as included in the Consolidated Appropriations Act, 2001 (Public Law 106-554). Regulations are at 24 CFR part 599.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/cr

Current Status: Active.

Empowerment Zones

Grants and tax incentives to locate businesses in, and hire residents of, economically disadvantaged areas.

Nature of Program:
Round I and Round II Empowerment Zones (EZs)
The Omnibus Budget Reconciliation Act of 1993 (OBRA 1993) authorized the designation of nine empowerment zones (Round I EZs) and 95 enterprise communities (ECs) (65 urban and 30 rural) and provided tax incentives for businesses to locate within targeted areas designated by the Secretaries of HUD and Agriculture. The Taxpayer Relief Act of 1997 (1997 Act) authorized the designation of two additional Round I urban EZs. The 1997 Act also authorized the designation of 20 additional EZs (Round II EZs), of which 15 are located in urban areas, and five are located in rural areas. Pursuant to the Consolidated Appropriations Act, 2001, designations of Round I and Round II EZs are extended through December 31, 2009. In addition, the Consolidated Appropriations Act, 2001, conformed and enhanced the tax incentives contained in the earlier laws for the Round I and Round II EZs.

To be selected, EZs and ECs had to meet specified criteria to establish their relative need with respect to poverty, unemployment, and general economic distress. The state and local governments that nominated the areas for designation were required to submit a strategic plan detailing the way in which they intended to achieve the purposes of this program by addressing a set list of criteria. Written assurances were required that this strategic plan would be implemented.

Businesses in Round I and Round II EZs now qualify for the following tax incentives:
(1) A 20 percent wage credit for qualifying wages for each employee who (a) is an EZ resident, and (b) performs substantially all employment services within the EZ in a trade or business of the employer (qualified zone businesses located in Round I EZs are currently eligible to claim this credit; businesses in Round II EZs can claim the credit for qualifying wages paid or incurred after December 31, 2001); (2) An additional $35,000 of expensing is allowed for certain depreciable business property (excludes buildings) under Section 179 of the Internal Revenue Code of 1986 for qualifying zone property in taxable years beginning after December 31, 2001 (not applicable to the DC EZ); and (3) Tax-exempt bonds for qualifying zone facilities are not subject to the state private activity bond volume caps (but are subject to separate per-zone volume limitations) or the per unit size limitations (i.e., $3 million for each qualified business with a maximum of $20 million for each principal user for all zones and communities). (This benefit applies to both ECs and EZs. It is currently available only to Round II EZs; it will be extended to Round I EZs for tax-exempt bonds issued after December 31, 2001.)

Round III Empowerment Zones
In addition to conforming and enhancing the tax incentives for the Round I and Round II EZs and extending their designations through December 31, 2009, the Consolidated Appropriations Act, 2001, also authorized the Secretaries of HUD and Agriculture to designate nine new EZs (Round III EZs). Seven of the Round III EZs were to be located in urban areas, and two were to be located in rural areas. The eligibility and selection criteria for the Round III EZs are the same as the criteria that applied to the Round II EZs. The Round III EZs were to be designated by January 1, 2002, and the tax

incentives with respect to the Round III EZs generally are available during the period beginning on January 1, 2002, and ending on December 31, 2009. Businesses in the Round III EZs are eligible for the same tax incentives that are available to Round I and Round II EZs (i.e., a 20 percent wage credit, an additional $35,000 of Section 179 expensing, and the enhanced tax-exempt financing benefits presently available to Round II EZs).

Applicant Eligibility: States and local governments.

Legal Authority: Sections 13301-11303 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103-66); Sections 951-956 of the Taxpayer Relief Act of 1997 (Public Law 105-34); and Sections 111-117 of the Community Renewal Tax Relief Act of 2000, as included in the Consolidated Appropriations Act, 2001 (Public Law 106-554). Regulations are at 24 CFR parts 597 and 598.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/cr

Current Status: Active for Round II empowerment zones. No recent funding has been provided for Round I EZs and ECs. No funds have been appropriated to date for the Round III EZs, authorized by the Consolidated Appropriations Act, 2001. Designations for the Round I ECs expired in December 2004.

Youthbuild

Grants to expand opportunities for economically disadvantaged young adults.

Nature of Program: The Youthbuild program provides economically disadvantaged young adults with opportunities to obtain education, employment skills, and meaningful on-site work experience and to expand the supply of affordable housing for homeless and low- and very low-income persons.

Public or private nonprofit agencies eligible to apply for Youthbuild grants include community-based organizations, administrative entities designated under the Job Training Partnership Act, community action agencies, state or local housing development agencies, community development corporations, state or local youth service and conservation corps, and any other entities eligible to provide education and employment training under other federal employment training programs.

Eligible participants in the Youthbuild program include individuals ages 16 through 24, at least 75 percent of whom are either very low-income individuals or members of very low-income families, and who have dropped out of high school. Up to 25 percent of the participants need not meet the income or educational requirements, but must have educational needs despite having attained a high school diploma or its equivalent. Any individual selected for full-time participation in the program may be offered full-time participation for a period of 6-24 months.

Applicant Eligibility: Public and private nonprofit entities.

Legal Authority: Subtitle D of Title IV of the Cranston-Gonzalez National Affordable Housing Act (1990) (42 U.S.C. 12899 et seq.). Regulations are at 24 CFR part 585.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office. On the Web: www.hud.gov/offices/cpd/economicdevelopment/programs/youthbuild/index.cfm

Current Status: Active.

Rural Housing and Economic Development Program

Grants to meet rural communities' housing and economic development needs.

Nature of Program: Recent appropriations acts have provided funding for this program, which is used to encourage new and innovative approaches to serving the housing and economic development needs of the nation's rural communities.

Applicant Eligibility: Local rural nonprofit organizations, community development corporations, federally recognized Indian tribes, state housing finance agencies, and state economic development and/or community development agencies.

Legal Authority: The "Rural Housing and Economic Development" heading in the Fiscal Year 1999, 2000, 2001, 2002, 2003, 2004, 2005, and 2006 appropriations acts.

Administering Office: Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office. On the Web:
www.hud.gov/offices/cpd/economicdevelopment/programs/rhed/index.cfm

Current Status: Active.

Self-Help Homeownership Opportunity Program (SHOP)

Grants for self-help housing.

Nature of Program: SHOP authorizes HUD to make competitive grants to national and regional nonprofit organizations and consortia that have experience in providing or facilitating self-help housing opportunities. Grants are to be used by the grantee or its affiliates for eligible expenses in connection with developing non-luxury housing for low-income families and persons who otherwise would be unable to purchase a house. Eligible expenses for grants are limited to land acquisition (including financing and closing costs), infrastructure improvements (installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure), and administrative costs (up to 20 percent of the grant amount). Homebuyers must contribute a significant amount of sweat equity toward the construction of their homes. SHOP also requires community participation through volunteers who assist the homebuyers on the construction of the homes.

Applicant Eligibility: National and regional nonprofit organizations and consortia.

Legal Authority: Section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note).

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/cpd/affordablehousing/programs/shop/index.cfm

Current Status: Active.

Capacity Building for Community Development and Affordable Housing

Grants to develop the capacity and ability of community development corporations and community housing development organizations to undertake community development and affordable housing projects and programs.

Nature of Program: Section 4 of the HUD Demonstration Act of 1993 authorizes HUD to provide assistance through the National Community Development Initiative (NCDI), Local Initiatives Support Corporation (LISC), The Enterprise Foundation, Habitat for Humanity, and Youthbuild USA to develop the capacity and ability of community development corporations and community housing development organizations to undertake community development and affordable housing projects and programs. Private sources must provide a match three times the amount of any assistance provided under this section.

Applicant Eligibility: LISC, The Enterprise Foundation, Habitat for Humanity, and Youthbuild USA.

Legal Authority: Section 4 of the HUD Demonstration Act of 1993 (Public Law 103-120, as amended by Section 10004 of Public Law 105-118) (42 U.S.C. 9816 note).

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office. On the Web:
www.hud.gov/offices/cpd/about/cpdta/index.cfm

Current Status: Active.

Housing Opportunities for Persons With AIDS (HOPWA)

The HOPWA program provides formula allocations and competitively awarded grants to eligible states, cities, and nonprofit organizations to provide housing assistance and related supportive services to meet the housing needs of low-income persons and their families living with HIV/AIDS. These resources help clients maintain housing stability, avoid homelessness, and improve access to HIV/AIDS treatment and related care while placing a greater emphasis on permanent supportive housing.

Nature of Program: The HOPWA program was established by the AIDS Housing Opportunity Act and remains the only federal housing program solely dedicated to providing rental housing assistance for persons and their families living with HIV/AIDS. The program provides states and localities with resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of low-income persons living with HIV/AIDS. HOPWA housing support enables these special-needs households to establish or maintain stable housing, reduce their risks of homelessness, and improve their access to healthcare and other support. Housing assistance provides the foundation from which these individuals and their families may participate in advances in HIV treatment and related care.

Although a large majority of HOPWA grant funding (90 percent) is allocated by formula based on the number of cases and highest incidence of AIDS, approximately 10 percent is awarded for the renewal of permanent supportive housing projects, demonstration projects for Special Projects of National Significance, and for non-formula areas. Applicants for formula awards are the eligible states and the most populous city in each eligible Metropolitan Statistical Area that qualifies and follows HUD's Consolidated Planning process. Eligible competitive grant applicants include states, units of general local government, and nonprofit organizations. HUD gives priority to the renewal of competitive projects that have provided permanent supportive housing for this special needs population. In addition, competitive grant funding is also available to provide additional funding for training, oversight, and technical assistance activities.

Grants may be used to provide a variety of forms of rental housing assistance, including emergency and transitional housing, shared housing arrangements, community residences, and single room occupancy dwellings (SROs). Appropriate supportive services are provided as part of any assisted housing. Eligible grant activities include housing information, resource identification, and permanent housing placement; acquisition, rehabilitation, conversion, lease, and repair of facilities to provide short-term shelter and services; new construction (for SROs and community residences only); project- or tenant-based rental assistance, including assistance for shared housing arrangements; short-term rent, mortgage, and utility payments; operating costs; technical assistance for community residences; administrative expenses; and supportive services, including case management.

Eligible persons receiving HOPWA rental assistance or residing in rental housing assisted under this program must pay as rent, including utilities, the highest of 30 percent of the family's monthly adjusted income, 10 percent of the family's monthly income, or the applicable portion of the family's welfare payment that is designated for housing costs.

Applicant Eligibility: States, units of local governments, and nonprofit organizations.

Legal Authority: The AIDS Housing Opportunity Act, Subtitle D of Title VIII of the Cranston-Gonzalez National Affordable Housing Act (1990) (42 U.S.C. 12901 et seq.). Regulations are at 24 CFR part 574.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/cpd/aidshousing/programs/index.cfm

Current Status: Active.

Loan Guarantee Recovery Fund for Church Arson and Other Acts of Terrorism (Section 4)

Guarantees for loans to certain nonprofit organizations damaged by arson or terrorism.

Nature of Program: Section 4 of the Church Arson Prevention Act of 1996 establishes the Loan Guarantee Recovery Fund under which HUD guarantees loans made by financial institutions to assist certain nonprofit organizations (those described in Section 501(c)(3) of the Internal Revenue Code of 1986) that have been damaged as a result of arson or terrorism.
Guaranteed loan funds may be used for activities necessary to address damage caused by acts of arson or terrorism.

For the cost of loan guarantees under Section 4, the Secretary was authorized to use up to $5 million of the amounts made available for Fiscal Year 1996 for the credit subsidy provided under the General Insurance Fund and the Special Risk Insurance Fund. Funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $10 million.

Applicant Eligibility: Certain nonprofit organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986.

Legal Authority: Section 4 of the Church Arson Prevention Act of 1996 (Public Law 104-155). Regulations are at 24 CFR part 573.

Administering Office: Assistant Secretary for Community Planning and Development,
U.S. Department of Housing and Urban Development, Washington, DC 20410-7000.

Information Source: Administering office.

Current Status: No credit subsidy has been made available for this program since Fiscal Year 1996; however, funds are still available from the 1996 subsidy for new applicants.

Housing/Federal Housing Administration (FHA)

Secretary's Regulation of Fannie Mae and Freddie Mac

Nature of Program: The Secretary has general regulatory authority over the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (Government-Sponsored Enterprises or GSEs) with the authority to make necessary rules and regulations to ensure that the GSEs accomplish their public purposes in accordance with the GSEs' Charter Acts and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA). The Secretary also carries out specific regulatory authorities over the GSEs under FHEFSSA.

The Department's specific GSE regulatory oversight responsibilities under Subtitle A, Part 2 of FHEFSSA include establishing, monitoring, and enforcing housing goals for the GSEs' purchase of mortgages on housing for low- and moderate-income families, housing located in central cities, rural areas, and other underserved areas, and housing meeting the needs of, and affordable to, low-income families in low-income areas and very low-income families; reviewing new programs; reviewing GSE activities for Charter compliance; implementing Fair Housing requirements applicable to the GSEs and directing the GSEs to take appropriate remedial action against lenders that have engaged in discriminatory lending practices in violation of the Fair Housing Act or Equal Opportunity Credit Act; establishing and maintaining a public use database concerning GSE activities; and performing other regulatory functions.

The GSEs are stockholder-owned, privately managed corporations chartered by Congress to fulfill various public purposes by providing a secondary market for home mortgages. They receive significant public benefits to carry out their purposes. The Secretary's regulatory powers over the GSEs are distinct from the authority of the Director of HUD's Office of Federal Housing Enterprise Oversight (OFHEO) -- OFHEO regulates the financial safety and soundness of the GSEs.

Applicant Eligibility: Not applicable.

Legal Authority: Federal National Mortgage Association Charter Act, Title III of the National Housing Act (12 U.S.C 1716 et seq.); Federal Home Loan Mortgage Corporation Act, Title III of the Emergency Home Finance Act of 1970 (12 U.S.C. 1451 et seq.); and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, Title XIII of the Housing and Community Development Act of 1992 (12 U.S.C. 4501 et seq.). Regulations are at 24 CFR part 81.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000. (The Assistant Secretary for Housing administers the Secretary's delegated authority for GSE oversight in cooperation with HUD's Offices of General Counsel, Policy Development and Research, and Fair Housing and Equal Opportunity (FHEO).

Authorities related to the Fair Housing provisions of FHEFSSA and HUD's regulations were re-delegated to the Assistant Secretary of FHEO.)

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/gse/gse.cfm

Current Status: Active.

Single Family Housing Programs

One- to Four-Family Home Mortgage Insurance (Section 203(b))

Federal mortgage insurance to finance homeownership and the construction and financing of housing.

Nature of Program: Homebuyers may obtain FHA mortgages from HUD-approved lenders to purchase houses with low down payments. By insuring commercial lenders against loss, HUD encourages them to invest capital in the home mortgage market. HUD insures loans made by private financial institutions for up to 97 percent of the sales price with terms for up to 30 years. The loan may finance homes in both urban and rural areas. The maximum mortgage amounts are at least $200,160 in all areas, with higher limits in areas with higher median house prices up to a maximum of $362,790 for one-unit homes during 2006. Higher limits also exist for two- to four-family properties. The loan limits change annually, based on home price estimates. The limits are benchmarked to the loan limits of the Government-Sponsored Enterprises, Fannie Mae and Freddie Mac. The mortgagee collects from the borrower an up-front mortgage insurance premium payment, which may be financed, at the time of loan closing, as well as monthly premiums that are not financed, but included in the regular mortgage payment.

Applicant Eligibility: Any person able to meet the cash investment, mortgage payment, and credit requirements. The program is generally limited to owner-occupants.

Legal Authority: Section 203(b) of the National Housing Act (12 U.S.C. 1709(b)). Regulations are at 24 CFR part 203, subpart A.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/203b--df.cfm
To locate a HUD-approved lender on the Web: www.hud.gov/ll/code/llslcrit.html

Current Status: Active.

Mortgage Insurance for Disaster Victims (Section 203(h))

Federal mortgage insurance for victims of a major disaster who have lost their homes and are in the process of rebuilding or buying another home.

Nature of Program: This program helps victims in presidentially designated disaster areas recover by making it easier for them to obtain mortgage loans and become homeowners or reestablish themselves as homeowners. The program provides mortgage insurance to protect lenders against the risk of default on loans to qualified disaster victims. Individuals are eligible for this program if their homes are located in an area that was designated by the President as a disaster area and were destroyed or damaged to such an extent that reconstruction or replacement is necessary. Insured loans may be used to finance the purchase or reconstruction of a one-family home that will be the principal residence of the homeowner. This program resembles the Section 203(b) program (Mortgage Insurance for One- to Four-Family Homes), FHA's basic mortgage insurance program.

Section 203(h) offers features that make homeownership easier. For example, no downpayment is required. The borrower is eligible for 100 percent financing. Closing costs and prepaid expenses must be paid by the borrower in cash or paid through premium pricing by the seller, subject to a 6 percent limitation on seller concessions. Mortgagees collect from the borrowers an up-front insurance premium (which may be financed) at the time of purchase, as well as monthly premiums that are not financed, but instead are added to the regular mortgage payment.

Applicant Eligibility: Any person whose home has been destroyed or severely damaged in a presidentially declared disaster area is eligible to apply for mortgage insurance under this program, even if they were renting the property. The borrower's application for mortgage insurance must be submitted to an FHA-approved lending institution within one year of the President's declaration of the disaster.

Legal Authority: Section 203(h) of the National Housing Act (12 U.S.C. 1709(h)). Regulations are at 24 CFR part 203.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/203h-dft.cfm

Current Status: Active.

Rehabilitation Loan Insurance (Section 203(k))

Insures loans to finance the rehabilitation or purchase and rehabilitation of one- to four-family properties.

Nature of Program: HUD insures rehabilitation loans up to approximately 98 percent of the lesser of appraised value before rehabilitation plus rehabilitation costs or 110 percent of appraised value after rehabilitation. A loan can be used to (1) finance rehabilitation of an existing property; (2) finance rehabilitation and refinancing of the outstanding indebtedness of a property; and (3) finance purchase and rehabilitation of a property. An eligible rehabilitation loan must involve a principal obligation not exceeding the amount allowed under Section 203(b) home mortgage insurance.

Applicant Eligibility: Any person able to make the cash investment and the mortgage payments.

Legal Authority: Section 203(k) of the National Housing Act (12 U.S.C. 1709(k)). Regulations are in 24 CFR 203.50.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/203k/203k--df.cfm

Current Status: Active.

Single Family Property Disposition Program (Section 204(g))

Disposes of one- to four-family FHA properties in a manner targeted to expanding homeownership opportunities.

Nature of Program: The purpose of this program is to dispose of properties acquired by the Federal Housing Administration (FHA) through foreclosure of an insured or Secretary-held mortgage or loan under the National Housing Act. Foreclosed properties generally contain one to four units. Listings of properties in inventory are available on the Internet. Individual parties may submit an offer through a real estate broker over the Internet. Awarded bids are announced through Internet posting and notification to the selected bidder. Nonprofit and government entities may purchase properties at a discount through a lottery system without a real estate broker.

Applicant Eligibility: Individual bidders are eligible if they can finance their home purchase and provide an earnest money deposit with their bids. Nonprofit and government entities have special eligibility requirements, as detailed on HUD's website.

Legal Authority: Section 204(g) of the National Housing Act (12 U.S.C. 1710(g)). Regulations are at 24 CFR part 291.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD Homeownership Centers (Atlanta, Philadelphia, Denver, Santa Ana).
On the Web: www.hud.gov/offices/hsg/sfh/reo/reohome.cfm

Current Status: Active.

Loss Mitigation

Helps homeowners with FHA-insured loans to effectively work with lenders to find creative solutions to avoid foreclosure.

Nature of Program: FHA Loss Mitigation delegates to mortgagees both the authority and the responsibility to utilize certain actions and strategies to assist delinquent borrowers in retaining their homes, and/or in reducing losses to the insurance fund that result from mortgage foreclosures. Mortgagees may utilize any of several loss mitigation options that lead to home retention, including: long-term special forbearance, mortgage modification, and partial claim (an option exclusive to HUD wherein the Department makes a no-interest loan to the borrower in an amount sufficient to reinstate the mortgage). If the borrower is unable or unwilling to support the mortgage debt, servicers must consider use of other loss mitigation tools, including a pre-foreclosure sale or a deed in lieu of foreclosure, before initiating legal action to foreclose the mortgage.

HUD encourages mortgagees to utilize loss mitigation by reimbursing administrative costs (title reports, recording fees) involved in these actions and by paying financial incentives. Though mortgagees have great latitude in selecting the loss mitigation strategy appropriate for each borrower, participation in the loss mitigation program is not optional. Prior to initiation of foreclosure, mortgagees are required to inform borrowers of available loss mitigation options and the availability of housing counseling, to consider all reasonable means to assist the borrower in addressing the delinquency, and retain written documentation of compliance with loss mitigation requirements. Failure to comply may result in the loss of incentive compensation, interest curtailment, and other financial and administrative sanctions, including withdrawal of HUD’s approval of a mortgagee.

Mortgagor Eligibility: Any FHA-insured borrower who is in default for at least 90 days (120 days for partial claim) and who occupies the mortgaged property as a primary residence is eligible for home retention loss mitigation. Pre-foreclosure sale and deed-in-lieu options are available immediately upon default, if the cause of the default is incurable.

Legal Authority: Sections 204(a) and 230 of the National Housing Act. Regulations are at 24 CFR part 203.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: HUD’s National Servicing Center.
On the Web: www.hud.gov/foreclosure/index.cfm

Current Status: Active.

Mortgage Insurance for Older, Declining Areas (Section 223(e))

Mortgage insurance to purchase or rehabilitate housing in older, declining urban areas.

Nature of Program: In consideration of the need for adequate housing for low- and moderate-income families, HUD insures lenders against loss on mortgage loans to finance the purchase, rehabilitation, or construction of housing in older, declining, but still viable urban areas where conditions are such that normal requirements for mortgage insurance cannot be met. Properties must be in a reasonably viable neighborhood and acceptable risk under the mortgage insurance regulations. The terms of the loans vary according to the HUD/FHA program under which the mortgages are insured. HUD determines if the loan should be insured pursuant to Section 223(e) and become an obligation of the Special Risk Insurance Fund. This allows HUD to more effectively manage the greater expected risk in these loans. The insurance premium is 0.5 percent per year on the outstanding loan balance.

Applicant Eligibility: Home or project owners ineligible for FHA mortgage insurance because property is located in an older, declining urban area.

Legal Authority: Section 223(e) of the National Housing Act (12 U.S.C. 1715n(e)). Regulations are at 24 CFR 203.43a.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/223e--df.cfm

Current Status: Active.

Mortgage Insurance for Condominium Units (Section 234(c))

Federal mortgage insurance to finance the purchase of individual housing units in proposed or existing condominiums.

Nature of Program: HUD insures mortgages made by private lending institutions for the purchase of an individual family unit in housing projects under Section 234(c). A project must contain at least four dwelling units; they may be in detached, semi-detached, row, walk-up, or elevator structures. The maximum mortgage amount for a unit mortgage insured under Section 234(c) is the same as the limit for a Section 203(b) mortgage in the same area.
A condominium is a project in which there is joint ownership of common areas and facilities by the separate owners of single dwelling units in the project.

Applicant Eligibility: All FHA-approved lenders may make condominium loans in approved projects for any creditworthy owner-occupant.

Legal Authority: Section 234 of the National Housing Act (12 U.S.C. 1715y). Regulations are at 24 CFR part 234.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/234c--df.cfm

Current Status: Active.

Graduated Payment Mortgage (GPM) (Section 245(a))

Enables a household with a limited income that is expected to rise to buy a home sooner by making mortgage payments that start small and increase gradually over time.

Nature of Program: Both programs target early homeownership by helping first-time homebuyers and others with limited incomes, particularly young families who expect their income to rise, but may not yet be able to handle all of the upfront and monthly costs involved in buying and owning a home.

The Graduated Payment Mortgage (GPM) works in times of high interest rates when first-time homebuyers cannot meet the standard mortgage payment, but expect their incomes to increase substantially in the next 5 to 10 years. The GPM accrues negative amortization so that the borrower's initial mortgage payments are made at a nominally discounted interest rate from the standard prevailing rate. The difference is then added to the principal balance. The GPM program offers five different plans varying in length of time and rate of increase of nominal interest rate. It is anticipated that when the interest rate, and thus the mortgage payment, increases with time the borrower's income also will have increased to accommodate the higher payments. Larger than usual down payments are required to prevent the total amount of the loan from exceeding the statutory loan-to-value ratios. Down payments required for GPMs vary in proportion to interest rates on the loans. In all other ways, the GPM is subject to the rules governing ordinary HUD-insured home loans.

Applicant Eligibility: All FHA-approved lenders may make GPMs available to persons who intend to use the mortgage property as their primary residence and who expect to see their income rise appreciably in the future.

Legal Authority: Section 245(a) of the National Housing Act (12 U.S.C. 1715z-10(a)). Regulations are at 24 CFR 203.45.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/245a--df.cfm

Current Status: Active.

Adjustable Rate Mortgages (ARMs) (Section 251)

Federal mortgage insurance for adjustable rate mortgages (ARMs).

Nature of Program: Under this HUD-insured mortgage, the interest rate and monthly payment may change during the life of the loan. The initial interest rate, discount points, and the margin are negotiated by the buyer and lender.

The one-year Treasury Constant Maturities Index is used for determining the interest rate changes. FHA lenders may offer ARMs that have interest rates that are fixed for the first one, 3, 5, 7, or 10 years of the mortgage. The interest rate for one-year and 3-year insured ARMs may not be increased or decreased by more than one percentage point per year after the fixed-payment period is over, with a maximum change of 5 percentage points over the life of the loan. For 5-year, 7-year, and 10-year ARMs, the interest rate may change a maximum of 2 percentage points annually and 6 percentage points over the life of the loan.

Lenders are required to disclose to borrowers the nature of the ARM loan at the time of loan application. In addition, borrowers must be informed at least 25 days in advance of any adjustment to the monthly payment.

Applicant Eligibility: All FHA-approved lenders may make adjustable rate mortgages; creditworthy applicants who will be owner-occupants may qualify for such loans.

Legal Authority: Section 251 of the National Housing Act (12 U.S.C. 1715z-16). Regulations are at 24 CFR 203.49.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/251--df.cfm

Current Status: Active.

Home Equity Conversion Mortgage (HECM) Program (Section 255)

The Federal Housing Administration (FHA) mortgage insurance allows borrowers, who are at least 62 years of age, to convert the equity in their homes into a monthly stream of income or a line of credit.

Nature of Program: Reverse mortgages can provide a valuable financing alternative for qualified homeowners. Any lender authorized to make HUD-insured loans may originate reverse mortgages.

Borrowers may choose from among five payment options: (1) tenure, by which the borrower receives monthly payments from the lender for as long as the borrower lives and continues to occupy the home as a principal residence; (2) term, by which the borrower receives monthly payments for a fixed period selected by the borrower; (3) line of credit, by which the borrower can make withdrawals up to a maximum amount, at times and in amounts of the borrower's choosing; (4) modified tenure, by which the tenure option is combined with a line of credit; and (5) modified term, by which the term option is combined with a line of credit.

The borrower retains ownership of the property and may sell the home and move at any time, keeping the sales proceeds in excess of the mortgage balance. The borrower cannot be forced to sell the home to pay off the mortgage, even if the mortgage balance grows to exceed the value of the property. An FHA-insured reverse mortgage need not be repaid until the borrower moves, sells, or dies. When the loan is due and payable, if the loan exceeds the value of the property, the borrower (or the heirs) will owe no more than the value of the property.

Applicant Eligibility: All borrowers must be at least 62 years of age. Any existing lien on the property must be small enough to be paid off at settlement of the reverse mortgage.

Legal Authority: Section 255 of the National Housing Act (12 U.S.C. 1715z-20). Regulations are at 24 CFR parts 200 and 206.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/hecm/hecmabou.cfm

Current Status: Active.

Manufactured Homes Loan Insurance (Title I)

Federal insurance of loans to finance the purchase of manufactured homes.

Nature of Program: HUD insures loans to finance the purchase of manufactured homes or lots. The loans are made by private lending institutions. The maximum loan amount is $48,600 for a manufactured home, $64,800 for a manufactured home and a suitably developed lot, and $16,200 for a developed lot. The maximum limits for combination home and lot loans may be increased up to 85 percent in designated high-cost areas. The maximum loan term varies from 15 to 25 years, depending on the type of loan. Most manufactured home loans are financed through purchases by lenders of retail installment contracts between homebuyers and manufactured home dealers.

Applicant Eligibility: Any person able to make the cash investment and the loan payments; however, the home must be the principal residence of the borrower.

Legal Authority: Section 2 of Title I of the National Housing Act (12 U.S.C. 1703). Regulations are at 24 CFR part 201.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/sfh/title/manuf14.cfm or
www.hud.gov/offices/hsg/sfh/title/ti_abou.cfm

Current Status: Active.

Property Improvement Loan Insurance (Title I)

Federal insurance of loans to finance property improvements.

Nature of Program: HUD insures loans to finance improvements, alterations, and repairs of individual homes, apartment buildings, and nonresidential structures, as well as new construction of nonresidential buildings. Loans on single family homes (except manufactured homes) and nonresidential structures may be for up to $25,000 and may extend to 20 years. Loans on apartment buildings may be as high as $12,000 per unit, but the total for the building cannot exceed $60,000, and the loan term cannot exceed 20 years. A loan on a manufactured home that is classified as real property may be for up to $17,500 with a maximum loan term of 15 years. Loans on other manufactured homes are limited to $7,500 and a maximum term of 12 years. A property improvement loan may be a loan from the lender to the borrower or a retail sales installment contract (purchased by a lender) between the borrower and the contractor or dealer providing the materials or services.
Loans over $7,500 must be secured by a recorded mortgage or deed of trust on the improved property.

Applicant Eligibility: Any person who is able to make loan payments and has at least a 50 percent ownership in the property to be improved.

Legal Authority: Section 2 of Title I of the National Housing Act (12 U.S.C. 1703). Regulations are at 24 CFR part 201.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/sfh/title/title-i.cfm

Current Status: Active.

Counseling for Homebuyers, Homeowners, and Tenants (Section 106)

Housing counseling for homebuyers, homeowners, and tenants.

Nature of Program: HUD is authorized to counsel current and prospective homebuyers, homeowners, and tenants. HUD provides the service through approximately 1,700 HUD-approved counseling agencies. These agencies are public and private nonprofit organizations with housing counseling skills and knowledge of HUD, VA, and conventional housing programs. HUD awards housing counseling grants on a competitive basis to its approved agencies when Congress appropriates funds for this purpose. The funding helps the approved agencies partially meet their operating expenses.

Counseling consists of information on the purchase and rental of housing, money management, budgeting, credit counseling, prevention of mortgage default and rent delinquencies that lead to foreclosure or eviction, home maintenance, fair housing laws, and requirements and guidance regarding the Home Equity Conversion Mortgage application. The objective of the counseling is to help homebuyers, homeowners, and tenants to improve their housing conditions and to meet their responsibilities.

Applicant Eligibility: Homeless individuals and families, potential renters, renters, potential homebuyers, homebuyers, and homeowners may seek the assistance of a HUD-approved housing counseling agency to meet a housing need or resolve a housing problem.

Legal Authority: Section 106 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701x).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices. To locate a HUD-approved housing counselor in a specific area, call (800) 569-4287.

On the Web: www.hud.gov/offices/sfh/hcc/hccprof14.cfm.
www.hud.gov/offices/hsg/sfh/hcc/hcc_home.cfm

Current Status: Active.

Good Neighbor Next Door

Provides law enforcement officers, teachers, firefighters, and emergency medical technicians with the opportunity to purchase homes located in revitalization areas at significant discount.

Nature of Program: The Department wants to make American communities stronger and build a safer nation. The Good Neighbor Next Door program promotes these goals by encouraging persons whose daily professional responsibilities represent a nexus to the needs of the community to purchase and live in homes in these communities. This program makes homes in revitalization areas available to law enforcement officers, teachers, firefighters, and emergency medical technicians. Each year, HUD sells a limited number of properties from its inventory at a 50 percent discount from the list price to eligible persons in the above professions. To make these homes even more affordable, eligible program participants may apply for an FHA-insured mortgage with a down payment of only $100. Because homes sold through this program are located in revitalization areas, there may be additional assistance from state or local government sources. If the home needs repairs, the purchaser may also use FHA's Section 203(k) mortgage program. The Section 203(k) program provides financing for both the purchase of the home and cost of needed repairs.

Applicant Eligibility: Purchasers must be employed as a full-time law enforcement officer, teacher, firefighter, or emergency medical technician, and must certify that they intend to continue such employment for at least one year following the date of closing. The eligible purchaser does not need to be a first-time homebuyer. However, the purchaser (or spouse) cannot have owned another home for one year prior to the time a bid for purchase is submitted, and the purchaser must agree to live in the HUD home as the principal residence for 3 years after move-in.

Legal Authority: Section 204(g) of the National Housing Act (12 U.S.C. 1710(g)). Regulations are at 24 CFR part 291, subpart F.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD Homeownership Centers (Atlanta, Philadelphia, Denver, Santa Ana).

On the Web: www.hud.gov/offices/hsg/sfh/reo/reohome.cfm

Current Status: Active.

Energy Efficient Mortgage Insurance

Federal mortgage insurance to finance the cost of energy efficiency measures.

Nature of Program: A homebuyer may obtain an FHA mortgage that exceeds the normal maximum loan limits if the mortgage includes an amount for the purchase of energy efficient improvements made or to be made to the property. The borrower does not have to qualify for the additional money nor make a down payment on it. The borrower must make a 3 percent cash investment in the property based on the sales price. One- to four-unit existing and new properties are eligible. The cost of the energy-efficient improvements that may be eligible for financing into the mortgage is the greater of 5 percent of the property’s value (not to exceed $8,000), or $4,000.
The energy-efficient improvements must be cost-effective, meaning that the total cost of the improvements is less than the total present value of the energy saved over the useful life of the energy improvement. The cost of the energy improvements and estimate of the energy savings must be determined by a home energy rating, which may be financed as part of the cost-effective energy package. Energy improvements to an existing home may be installed after the insured loan has closed—within 90 days of closing unless the loan is insured under Section 203(k), in which case the improvements must be installed within 180 days. Energy improvements to a newly constructed home must be installed prior to closing. The lender will place the money in an escrow account, to be released to the borrower after an inspection verifies that the improvements have been installed and the energy savings will be achieved. The maximum mortgage amount for a single-family unit depends on its location and is adjusted annually. The cost of the eligible energy-efficient improvements is added to the mortgage amount. The final loan amount may exceed the maximum mortgage limit by the amount of the energy-efficient improvements.

Legal Authority: Section 513 of the Housing and Community Development Act of 1992 (Public Law 102-550) (42 U.S.C. 12712 note). Regulations are at 24 CFR 203.18(i).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/eem/energy-r.cfm
FHA Mortgagee Letters 93–13 (Single Family Loan Production—Energy Efficient Mortgage Pilot Program), 95–46 (Single Family Loan Production—Expansion of the Energy-Efficient Mortgage Program), and HUD Handbook 4155.1, Rev. 5, Chg. 1.

Current Status: Active

Insured Mortgages on Hawaiian Home Lands (Section 247)

FHA insures loans made to native Hawaiians to purchase one- to four-family dwellings located on Hawaiian home lands. Regulations pertaining to these loans are fundamentally the same as regular Section 203(b) loans except that they are only available to Native Hawaiians on Hawaiian home lands.

Nature of Program: FHA's mortgage insurance provides opportunities to low- and moderate-income Native Hawaiians to purchase a home on Hawaiian home lands. Because a mortgage is taken on a homestead lease granted by the Department of Hawaiian Homelands, many lenders have been reluctant to finance housing. With FHA insurance, the lender's risk is minimized, and this program increases the availability of mortgage credit to Native Hawaiians to live on Hawaiian home lands. FHA's low down payment requirements and flexible underwriting standards increase the ability of Native Hawaiians to meet the requirements for the loan. A "Native Hawaiian" means any descendant of not less than one-half part of the blood of the races inhabiting the Hawaiian Islands before January 1, 1778 (or, in the case of an individual who succeeds a spouse or parent in an interest in a lease of Hawaiian home lands, such lower percentage as may be established for such succession under Section 209 of the Hawaiian Homes Commission Act, 1920, or under the corresponding provision of the constitution of the State of Hawaii adopted under Section 4 of the Act entitled, "An Act to provide for the admission of the State of Hawaii into the Union," approved March 18, 1959).

Applicant Eligibility: Any Native Hawaiian wishing to live on Hawaiian home land and intending to use the mortgaged property as their primary residence are eligible to apply for mortgage insurance.

Legal Authority: Section 247 of the National Housing Act (12 U.S.C. 1715z-12). Regulations are at 24 CFR 203.43i.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.

Current Status: Active.

Insured Mortgages on Indian Land (Section 248)

FHA insures loans made to Native Americans to buy, build, or rehabilitate houses on Indian land. These loans are fundamentally the same as regular Section 203(b) loans except that they are only available to Native Americans on Indian land.

Nature of Program: Native Americans are the most poorly housed sector of the American population. FHA's mortgage insurance provides opportunities for low- and moderate-income Native Americans to purchase a home in their communities on Indian land. Because of the complex title issues on Indian land, many lenders have been reluctant to finance housing. With FHA insurance, the lender's risk is minimized, and this program increases the availability of mortgage credit to Native Americans living on Indian land. FHA's low down payment requirements and flexible underwriting standards increase the ability of Native Americans to meet the requirements for the loan.

Applicant Eligibility: Any Native Americans wishing to live on Indian land and intending to use the mortgage property as the primary residence is eligible to apply for mortgage insurance.

Legal Authority: Section 248 of the National Housing Act (12 U.S.C. 1715z-13). Regulations are at 24 CFR 20343i.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/sfh/ins/sfh248.cfm

Current Status: Active.

Regulatory Affairs and Manufactured Housing

Real Estate Settlement Procedures Act (RESPA)

Protects consumers in the mortgage settlement process and during their mortgages.

Nature of Program: RESPA seeks to reduce unnecessarily high settlement costs by requiring disclosures to homebuyers and sellers, and by prohibiting abusive practices in the real estate settlement process.

RESPA requires that lenders give all borrowers of federally related purchase mortgage loans a HUD-prepared booklet with information about real estate transactions, settlement services, and relevant consumer protection laws. When applying for a loan, a borrower must receive a good faith estimate of the settlement costs likely to be incurred. One day before settlement, the borrower may request that the person conducting the settlement provide information on the actual settlement costs. At settlement, both the borrower and the seller, if there is one, are entitled to a settlement statement that itemizes the costs they paid in connection with the transaction.

RESPA prohibits certain abusive practices. Kickbacks, referral fees, and unearned fees are outlawed, sellers may not require borrowers to purchase title insurance from specific companies, and excessively large escrow accounts cannot be required by the loan servicer.
RESPA requires disclosure of the possibility of mortgage servicing being transferred. The statute also provides certain borrower rights if the loan servicer makes errors in paying escrow account expenditures. Finally, RESPA mandates that the servicer provide initial and annual escrow account statements to each borrower.

Applicant Eligibility: RESPA is a regulatory program. It covers virtually all single family loan transactions.

Legal Authority: Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.). Regulations are at 24 CFR parts 3500 and 3800.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/sfh/res/respa_hm.cfm

Current Status: Active.

Manufactured Home Construction and Safety Standards

Mandates federal standards for design and construction of manufactured homes to assure the quality, durability, safety, and affordability of manufactured homes. In 2006, the program also will include installation standards and a dispute resolution component.

Nature of Program: HUD issues and enforces appropriate standards for the construction, design, performance, and installation of manufactured homes to assure their quality, durability, affordability, and safety. The construction and safety standards preempt state and local laws that are not identical to the federal standards; they apply to all manufactured homes produced after June 15, 1976. HUD may enforce these standards directly or by various states that have established state administrative agencies in order to participate in the program. HUD may inspect factories and retailer lots and review records to enforce such standards. If a manufactured home does not conform to federal standards, the manufacturer must take certain actions, including possibly notifying the consumer and correcting the problem.

The statute generally prohibits selling, leasing, or offering for sale or lease homes that do not meet the standards. Civil and criminal penalties may be sought for violations of the statute.
HUD also administers programs regulating the installation of the homes, reviewing the installation standard programs that 35 states have, and administering a federal installation program in the other 15 states. HUD also reviews the administration of state dispute resolution programs in 35 states and administers a HUD dispute resolution program in the other 15 states.

Applicant Eligibility: The standards do not involve program participation, but they apply to all manufactured home producers and retailers that use any means of transportation or communication that affects interstate commerce in their operations.

Legal Authority: National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401-5426). Regulations are at 24 CFR parts 3280, 3282, 3284, and 3800.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/sfh/mhs/mhshome.cfm

Current Status: Active.

Interstate Land Sales

Protects consumers from fraud and abuse in the sale or lease of land.

Nature of Program: HUD is responsible for administering the laws governing land sales registration. The Interstate Land Sales Full Disclosure Act prohibits developers and their agents from selling or leasing, by mail or by means of interstate commerce, any lot in any subdivision of 100 or more nonexempt lots unless two conditions are met:

(1) A Statement of Record must be filed with HUD that discloses and documents current information about the ownership of the land; the state of title; physical characteristics; planned availability of roads, services and utilities; and other matters.

(2) A printed Property Report, the disclosure instrument provided for by the Act that describes the items mentioned in (1) above, must be delivered to each purchaser or lessee in advance of signing the contract or agreement.

The antifraud provisions of the Act apply to subdivisions containing 25 or more lots. The Act also contains antifraud provisions that prohibit developers from engaging in misleading sales practices. Any willful violation of the Act is subject to criminal penalties of imprisonment for not more than 5 years or a fine of not more than $10,000, or both. A suit for damages may be brought by a purchaser in any state or federal court for the district in which the defendant may be found or in which the transaction took place. HUD may seek an injunction against any developer that it can show is violating or about to violate the law and may obtain restitution for aggrieved purchasers. HUD may also impose civil money penalties for violations and suspend the registration of a developer whose Statement of Record or Property Report includes an untrue statement of material fact or omits material facts.

Applicant Eligibility: Interstate Land Sales is a regulatory program; the Act applies to all developers and agents who sell or lease or offer to sell or lease lots in subdivisions using the mail or means of interstate commerce, unless the offering is exempt.

Legal Authority: Interstate Land Sales Full Disclosure Act (15 U.S.C. 1701 et seq.). Regulations are at 24 CFR parts 1710-1720 and 3800.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/hsg/sfh/ils/ilshome.cfm

Current Status: Active.

Multifamily Housing Programs

Supportive Housing for the Elderly (Section 202)

Provides assistance to expand the supply of housing with supportive services for the elderly.

Nature of Program: Capital advances are made to eligible private, nonprofit sponsors to finance the development of rental housing with supportive services for the elderly. The advance is interest free and does not have to be repaid so long as the housing remains available for very low-income elderly persons for at least 40 years. Project rental assistance covers the difference between the HUD-approved operating cost of the project and the tenants' contributions toward rent (usually 30 percent of monthly adjusted income).

Applicant Eligibility: Private, nonprofit organizations and consumer cooperatives may qualify for assistance, and may partner with private, for-profit entities so long as the sole general partner is a nonprofit organization that meets the statutory requirements. Occupancy is open to very low-income households which include at least one person 62 years of age or older.

Legal Authority: Section 202 of the Housing Act of 1959, as amended by Section 801 of the Cranston-Gonzalez National Affordable Housing Act (1990) (12 U.S.C. 1701q). Regulations are at 24 CFR part 891.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/eld202.cfm

Current Status: Active.

Assisted-Living Conversion Program (ALCP)

Provides grants to private nonprofit owners of eligible developments to convert some or all of the dwelling units in the development into an assisted-living facility for the frail elderly.

Nature of Program: This program provides funding for the physical costs of converting some or all of units in an eligible development into an assisted-living facility (ALF), including the unit configuration, common and services space, and any necessary remodeling consistent with HUD's or the state's statute or regulations (whichever is more stringent). ALFs are designed to accommodate frail elderly and people with disabilities who can live independently, but need assistance with activities of daily living (e.g., assistance with eating, bathing, grooming, dressing, and home management activities). Under this program, ALFs must provide supportive services, such as personal care, transportation, meals, housekeeping, or laundry. The facility must be licensed and regulated by the state (or, if there is no state law providing such licensing and regulation, by the municipality or other subdivision in which the facility is located).

Applicant Eligibility: Private nonprofit owners of Section 202, Section 8 project-based (including Rural Housing Services Section 515), Section 221(d)(3) Below Market Interest Rate, and Section 236 housing developments that are designated primarily for occupancy by the elderly. Furthermore, the existing project must be at least 5 years old.

Legal Authority: Section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/alcp.cfm

Current Status: Active.

Emergency Capital Repairs Program

Provides grants for substantial capital repairs to eligible multifamily projects that are owned by private nonprofit entities.

Nature of Program: This program provides grants for substantial capital repairs to eligible multifamily projects with elderly tenants that are needed to rehabilitate, modernize, or retrofit aging structures, common areas, or individual dwelling units. The capital repair needs must relate to items that present an immediate threat to the health, safety, and quality of life of the tenants. The intent of these grants is to provide one-time assistance for emergency items that could not be absorbed within the project's operating budget, and where the tenants' continued occupancy in the immediate future would be called into question by a delay in initiating the proposed cure.

Applicant Eligibility: Private nonprofit owners of eligible multifamily assisted housing developments designated for occupancy by elderly tenants.

Legal Authority: Section 202b of the Housing Act of 1959 (12 U.S.C. 1701q-2) and the Department of Housing and Urban Development Appropriations Act, 2006 (Public Law 109-115).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.

Current Status: Active.

Multifamily Housing Service Coordinators

Provides assistance to elderly individuals and persons with disabilities living in federally assisted multifamily housing to obtain needed supportive services.

Nature of Program: This program provides funding for service coordinators who assist elderly individuals and persons with disabilities, living in federally assisted multifamily housing and in the surrounding area, to obtain needed supportive services from community agencies. Independent living with assistance is a preferable, lower cost housing alternative to institutionalization for many frail older persons and persons with disabilities. HUD provides funding through three mechanisms: (1) a national competition with other properties for a limited amount of grant funding, (2) the use of the development's residual receipts or excess income, or (3) budget-based rent increases or special rent adjustments.

Applicant Eligibility: Owners of Section 202, Section 8 project-based (including Rural Housing Services Section 515), Section 221(d)(3) Below Market Interest Rate, and Section 236 housing developments that are designated primarily for occupancy by the elderly or persons with disabilities.

Legal Authority: Section 808 of the Cranston-Gonzalez National Affordable Housing Act (1990), as amended by the Housing and Community Development Act of 1992 (Public Law 102-550) and the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569) (42 U.S.C. 8012).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/servicecoord.cfm

Current Status: Active.

Manufactured Home Parks (Section 207)

Federal mortgage insurance to finance construction or rehabilitation of manufactured home parks.

Nature of Program: HUD insures mortgages made by private lending institutions to help finance construction or rehabilitation of manufactured home parks consisting of five or more spaces. The park must be located in an area approved by HUD in which market conditions show a need for such housing.

Applicant Eligibility: Investors, builders, developers, cooperatives, and others meeting HUD's requirements may apply to an FHA-approved lending institution after conferring with the local HUD office.

Legal Authority: Section 207 of the National Housing Act (12 U.S.C. 1713). Regulations are at 24 CFR part 200, subpart A, and part 207.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/homepark207.cfm

Current Status: Active.

Cooperative Housing (Section 213)

Federal mortgage insurance to finance cooperative housing projects.

Nature of Program: HUD insures mortgages made by private lending institutions on cooperative housing projects of five or more dwelling units to be occupied by members of nonprofit cooperative ownership housing corporations. These loans may finance new construction, rehabilitation, acquisition, improvement, or repair of a project already owned, and resale of individual memberships; construction of projects composed of individual family dwellings to be bought by individual members with separate insured mortgages; and construction or rehabilitation of projects that the owners intend to sell to nonprofit cooperatives.

Applicant Eligibility: Nonprofit corporations or trusts organized to construct homes for members of the corporation or beneficiaries of the trust; and qualified sponsors who intend to sell the project to a nonprofit corporation or trust.

Legal Authority: Section 213 of the National Housing Act (12 U.S.C. 1715e). Regulations are at 24 CFR part 200, subpart A, and part 213.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/coop213.cfm

Current Status: Active. New construction and substantial rehabilitation cooperative projects are also insured under Section 221(d)(3), which requires appropriated credit subsidy and a higher mortgage insurance premium.

Mortgage and Major Home Improvement Loan Insurance for Urban Renewal Areas (Section 220)

Federally insured loans used to finance mortgages for housing in urban renewal areas, areas in which concentrated revitalization activities have been undertaken by local government, or to alter, repair, or improve housing in those areas.

Nature of Program: HUD insures mortgages on new or rehabilitated homes or multifamily structures located in designated urban renewal areas and areas with concentrated programs of code enforcement and neighborhood development. HUD insures supplemental loans to finance improvements that will enhance and preserve salvageable homes and apartments in designated urban renewal areas.

Applicant Eligibility: Investors, builders, developers, individual homeowners, and apartment owners.

Legal Authority: Section 220 of the National Housing Act (12 U.S.C. 1715k). Regulations are at 24 CFR part 200, subpart A, and part 220.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/renturbanhsg220.cfm

Current Status: The Multifamily program is active, but few new projects are currently insured each year. The Single Family program and Supplemental Loan program are not active.

Multifamily Rental Housing for Moderate-Income Families (Section 221(d)(3) and (4))

Mortgage insurance to finance rental or cooperative multifamily housing for moderate-income households, including projects designated for the elderly. Single Room Occupancy (SRO) projects are also eligible for mortgage insurance. Section 221(d)(3) and (4) are HUD's major insurance programs for new construction or substantially rehabilitated multifamily rental housing.

Nature of Program: The Department insures mortgages made by private lending institutions to help finance construction or substantial rehabilitation of multifamily (five or more units) rental or cooperative housing for moderate-income or displaced families. Projects in both cases may consist of detached, semi-detached, row, walk-up, or elevator structures. SRO projects may consist of units that do not contain a complete kitchen or bath.

Currently, the principal difference between the programs is that HUD may insure up to 100 percent of replacement cost in the case of new construction under Section 221(d)(3) for public, nonprofit and cooperative mortgagors, but only up to 90 percent under Section 221(d)(4), irrespective of the type of mortgagor.

Applicant Eligibility: Section 221(d)(3) is available to public, nonprofit, and cooperative mortgagors. Section 221(d)(4) mortgages are available to profit-motivated sponsors.

Legal Authority: Section 221 of the National Housing Act (12 U.S.C. 17151). Regulations are at 24 CFR part 200, subpart A, and part 221, subparts C and D.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/rentcoophsg221d3n4.cfm

Current Status: Active.

Existing Multifamily Rental Housing (Section 207/223(f))

Federal mortgage insurance under Section 207 of the National Housing Act pursuant to Section 223(f) of the National Housing Act for the purchase or refinancing of existing apartment projects; to refinance an existing cooperative housing project; or for the purchase and conversion of an existing rental project to cooperative housing.

Nature of Program: HUD insures mortgages under Section 207 of the National Housing Act pursuant to Section 223(f) of the same Act to purchase or refinance existing multifamily projects originally financed with or without federal mortgage insurance. HUD may insure mortgages on existing multifamily projects under this program that do not require substantial rehabilitation. A project must contain at least five units, and construction or substantial rehabilitation must have been completed for 3 years or more.

Applicant Eligibility: Investors, builders, developers, and others who meet HUD requirements.

Legal Authority: Section 223(f) of the National Housing Act (12 U.S.C. 1715n(f)). Regulations are at 24 CFR part 200, subpart A, and part 207.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/purchrefi223f.cfm

Current Status: Active.

Mortgage Insurance for Housing for the Elderly (Section 231)

Federal mortgage insurance to finance the construction or rehabilitation of rental housing for the elderly or handicapped.

Nature of Program: To assure a supply of rental housing suited to the needs of the elderly or handicapped, HUD insures mortgages made by private lending institutions to build or rehabilitate multifamily projects consisting of five or more units. HUD may insure up to 100 percent of the Federal Housing Commissioner's estimate of value after completion for nonprofit and public mortgagors, but only up to 90 percent for private mortgagors. Congregate care projects with central kitchens providing food service are not eligible.

Applicant Eligibility: Investors, builders, developers, public bodies, and nonprofit sponsors may qualify for mortgage insurance. All elderly (62 or older) or handicapped persons are eligible to occupy units in a project insured under this program.

Legal Authority: Section 231 of the National Housing Act (12 U.S.C. 1715v). Regulations are at 24 CFR part 200, subpart A, and part 231.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/renthsgeld231.cfm

Current Status: Active, but only a few loans are insured each year. Multifamily housing for the elderly is now generally insured under the Section 221(d)(3) and (4) programs.

New Construction or Substantial Rehabilitation of Nursing Homes, Intermediate Care Facilities, Board and Care Homes, and Assisted Living Facilities (Section 232); Purchase or Refinancing of Existing Facilities (Section 232/223(f))

Federal mortgage insurance to finance or rehabilitate nursing, assisted-living, intermediate care, or board and care facilities.

Nature of Program: HUD insures mortgages made by private lending institutions to finance construction or renovation of facilities to accommodate 20 or more patients requiring skilled nursing care and related medical services, or those in need of minimum but continuous care provided by licensed or trained personnel. Assisted living facilities and board and care facilities may contain no fewer than five one-bedroom or efficiency units. Nursing home, intermediate care, and board and care services may be combined in the same facility covered by an insured mortgage or may be in separate facilities. Major equipment needed to operate the facility may be included in the mortgage. Facilities for day care may be included. Existing projects are also eligible for purchase or refinancing with or without repairs (and not requiring substantial rehabilitation) under Section 232/ Section 223(f).

Applicant Eligibility: Developers, private owners, and private nonprofit corporations or associations, and public agencies (nursing homes only), or public entities that are licensed or regulated by the state to accommodate convalescents and persons requiring skilled nursing care or intermediate care, may qualify for mortgage insurance. Patients requiring skilled nursing, intermediate care, assisted living and/or board and care are eligible to live in these facilities.

Legal Authority: Section 232 of the National Housing Act (12 U.S.C. 1715w). Regulations are at 24 CFR part 200, subpart A, and part 232.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/nursingalcp232.cfm

Current Status: Active.

Supplemental Loans for Multifamily Projects (Section 241)

Federal mortgage loan insurance to finance improvements and additions to, and equipment for multifamily rental housing and healthcare facilities.

Nature of Program: HUD insures loans made by lenders to pay for improvements or additions to apartment projects, nursing homes, hospitals, or group-practice facilities that already carry HUD-insured or HUD-held mortgages. Projects may also obtain FHA insurance on loans to preserve, expand, or improve housing opportunities, to provide fire and safety equipment, or to finance energy conservation improvements to conventionally financed projects. Major movable equipment for nursing homes, group practice facilities, or hospitals also may be covered by a mortgage under this program.

Applicant Eligibility: Qualified owners and purchasers of multifamily projects and owners of healthcare facilities (as specified above).

Legal Authority: Section 241 of the National Housing Act (12 U.S.C. 1715z-6). Regulations are at 24 CFR part 200, subpart A, and part 241.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office; HUD Multifamily Hubs and Program Centers.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/supplement241a.cfm

Current Status: Active.

Hospitals (Section 242)

Federal mortgage insurance to finance construction or rehabilitation of public or private nonprofit and proprietary hospitals, including major movable equipment.

Nature of Program: HUD insures mortgages made by private lenders to facilitate the construction or renovation of acute care hospitals. Clients range in size from large urban teaching hospitals to small rural hospitals. Critical Access Hospitals (hospitals with 25beds or less which have received designation by states and the Department of Health and Human Services) are also eligible. Facilities must be properly licensed, provide primarily acute patient care, and be able to demonstrate the need for the project. Key program criteria include a maximum loan-to-value of 90 percent, a loan term of 25 years, and funding of a mortgage reserve fund. The term of the HUD-insured mortgage for hospitals cannot exceed 25 years.

Applicant Eligibility: Public, proprietary, and nonprofit acute care hospitals licensed or regulated by the state.

Legal Authority: Section 242 of the National Housing Act (12 U.S.C. 1715z-7) and the Hospital Mortgage Insurance Act of 2003 (12 U.S.C. 1701). Regulations are at 24 CFR part 200, subpart A, and part 242.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Office of Insured Health Care Facilities (202 708-0599).
On the Web: www.hud.gov/offices/hsg/hosp/hsghospi.cfm

Current Status: Active.

Supportive Housing for Persons with Disabilities (Section 811)

Provides assistance to expand the supply of housing with the availability of supportive services for persons with disabilities.

Nature of Program: Capital advances are made to eligible nonprofit sponsors, which have a Section 501(c)(3) tax exemption ruling, to finance the development of rental housing with the availability of supportive services for persons with disabilities. The advance is interest free and does not have to be repaid so long as the housing remains available for very low-income persons with disabilities for at least 40 years. Project rental assistance covers the difference between the HUD-approved operating cost of the project and the tenants' contributions toward rent (usually 30 percent of monthly adjusted income). Annual appropriations acts usually provide for some portion of Section 811 funds to be used for tenant-based assistance.

Applicant Eligibility: Nonprofit organizations with a Section 501(c)(3) IRS tax exemption may qualify for assistance, and may partner with private, for-profit entities so long as the sole general partner is a nonprofit organization that meets the statutory requirements. Occupancy is open to very low-income persons with disabilities who are 18 years and older.

Legal Authority: Section 811 of the Cranston-Gonzalez National Affordable Housing Act (1990) (42 U.S.C. 8013). Regulations are at 24 CFR part 891.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and HUD field offices.
On the Web: www.hud.gov/offices/hsg/mfh/progdesc/disab811.cfm

Current Status: Active.

Multifamily Mortgage Risk-Sharing Programs (Sections 542(b) and 542(c))

Two multifamily mortgage credit programs under which Fannie Mae, Freddie Mac, and state and local housing finance agencies share the risk and the mortgage insurance premium on multifamily housing.

Nature of Program: Section 542(b) of the Housing and Community Development Act of 1992 authorizes HUD to enter into reinsurance agreements with Fannie Mae, Freddie Mac, qualified financial institutions (QFIs), and the Federal Housing Finance Board. The agreements provide for risk-sharing on a 50-50 basis. Currently, only Fannie Mae and Freddie Mac have active risk-sharing programs with HUD.

Section 542(c) enables HUD to carry out a program in conjunction with qualified state and local housing finance agencies (HFAs) to provide federal credit enhancement for loans for affordable multifamily housing through a system of risk-sharing agreements. Agreements provide for risk-sharing between 10 percent and 90 percent.
The Fiscal Year 2001 Appropriations Act changed the program from a pilot program into a permanent insurance authority.

Applicant Eligibility: Fannie Mae, Freddie Mac, QFIs, HFAs, and the Federal Housing Finance Board.

Legal Authority: Section 542 of the Housing and Community Development Act of 1992 (12 U.S.C. 1707 note). Regulations are at 24 CFR part 266 for the Section 542(c) program. Section 542(b) is implemented through a housing notice and negotiated agreements without regulations.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office, and for Section 542(c), state housing finance agencies. On the Web: www.hud.gov/offices/hsg/mfh/progdesc/riskshare542b.cfm or www.hud.gov/offices/hsg/mfh/progdesc/riskshare542c.cfm

Current Status: Active.

Mark-to-Market Program

Preserves long-term low-income housing affordability by restructuring FHA-insured or HUD-held mortgages for eligible multifamily housing projects.

Nature of Program: The Multifamily Assisted Housing Reform and Affordability Act of1997 (MAHRA) authorized a Mark-to-Market program designed to preserve low-income rental housing affordability while reducing the long-term costs of federal rental assistance, including project-based assistance from HUD, for certain multifamily rental projects. The projects involved are projects with (1) HUD-insured or HUD-held mortgages; and (2) contracts for project-based rental assistance from HUD, primarily through the Section 8 program, for which the average rents for assisted units exceed the rent of comparable properties. The program objectives are to (1) preserve housing affordability while reducing the costs of project-based assistance; (2) restructure the HUD-insured or HUD-held financing so that the monthly payments on the first mortgage can be paid from the reduced rental levels; (3) reduce the costs of insurance claims; and (4) ensure competent management of the project. The restructured project is subject to long-term use and affordability restrictions.

Applicant Eligibility: A public agency (including a state housing finance agency or a local housing agency), a nonprofit organization, or any other entity, or a combination of such entities that meet the requirements of Section 513(b) of MAHRA.

Legal Authority: Multifamily Assistance and Housing Reform and Affordability Act of1997 (42 U.S.C. 1437f note). Regulations are at 24 CFR parts 401 and 402.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Source: Administering office.
Current Status: Active. The program is scheduled to terminate October 1, 2006. However, MAHRA authorizes mortgage restructurings beyond October 1, 2006, with respect to projects for which HUD and the project owner have entered into a binding commitment under MAHRA before that date.

Self-Help Housing Property Disposition

Makes surplus federal properties available through sale at less than fair market value to states, their subdivisions and instrumentalities, and nonprofit organizations.

Nature of Program: The property must be used for self-help housing for low-income persons. Residents of the property must make a substantial contribution of labor toward the construction, rehabilitation, or refurbishment of the property. HUD has the right to take the property back if it is not used in accordance with program requirements.

Applicant Eligibility: State and local governments.

Legal Authority: Public Law 105-50 (approved October 6, 1997).

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner,
U.S. Department of Housing and Urban Development, Washington, DC 20410-8000.

Information Sources: Administering office and local HUD field offices. Information on a specific property is available from the General Services Administration.

Current Status: Active.

Renewal of Section 8 Project-Based Rental Assistance

Through Project-based Section 8, assists more than 1.3 million low- and very low-income families in obtaining decent, safe, and sanitary housing.

Nature of Program: HUD renews Section 8 project-based housing assistance payments (“HAP”) contracts with owners of multifamily rental housing. The project-based rental assistance makes up the difference between what a low- and very low-income household can afford and the approved rent for an adequate housing unit in a multifamily project. Eligible tenants must pay the highest of 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing or the minimum rent established by HUD.
Originally, the assistance was provided in connection with new construction or substantial rehabilitation or to support existing projects. Authority to use project-based rental assistance in connection with new construction or substantial rehabilitation was repealed in 1983. While funding is no longer available for new commitments, funding is available for the renewal of Section 8 HAP contracts for units already assisted with project-based Section 8 renewal assistance.

Applicant Eligibility: Project sponsors are private owners, both profit-motivated and nonprofit or cooperative organizations. Very low-income families whose incomes do not exceed 50 percent of the median income for the area are eligible to occupy the assisted units. A limited number of available units may be rented to low-income families whose incomes are between 50 percent and 80 percent of median income for the area.

Legal Authority: For the renewal of Section 8 project-based assistance, see Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f). For Section 8 procedures, see Section 8 regulations at 24 CFR parts 5, 402, 880-881, 883-884, and 886.

Administering Office: Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development, Washington DC 20410-8000.

Information Sources: HUD field offices.

Current Status: Active. The program is active for administration and the renewal of existing project-based Section 8 contracts. Renewals are funded on an annual basis through appropriations acts.

Housing Choice Voucher Program

Through tenant-based vouchers, provides rental subsidies for standard-quality units that are chosen by the tenant in the private market.

Nature of Program: The following is a short list of key features:

Targeting and Eligibility. At least 75 percent of the families admitted to a public housing agency's (PHA) Housing Choice Voucher program during the PHA's fiscal year must have income at or below 30 percent of the area median income. In general, eligibility for vouchers is limited to:

- Very low-income families;
- Low-income families previously assisted under the public housing, Section 23, or Section 8 project-based housing programs;
- Low-income families that are non purchasing tenants of certain homeownership programs;
- Low-income tenants displaced from certain Section 221 and 236 projects; or
- Low-income families that meet PHA-specified eligibility criteria (see Section 8(o)(4)).

Payment Standards. The subsidy amount is based on a payment standard set by the PHA between 90 percent and 110 percent of the fair market rent (FMR). HUD may approve payment standards lower than 90 percent of FMR and payment standards higher than 110 percent of FMR, and may require PHA payment standard changes because of incidence of high rent burdens (see Sections 8(o)(1)(B), (D), and (E)).

Tenant Rent. A family renting a unit at or below the payment standard pays the highest of 30 percent of monthly adjusted income, 10 percent of monthly income, the welfare rent, or the PHA's minimum rent. A family renting a unit above the payment standard pays the highest of 30 percent of monthly adjusted income, 10 percent of monthly income, the welfare rent, or the PHA's minimum rent, plus the amount of rent above the payment standard (see Sections 8(o)(2)(A) and 8(o)(2)(B)). The rent to the owner in the voucher program must always be reasonable in relation to the rent charged for comparable unassisted units.

Maximum Initial Rent Burden. A family must not pay more than 40 percent of adjusted monthly income for rent when the family first receives voucher assistance in a particular unit. (This maximum rent burden requirement is not applicable at reexamination if the family stays in place) (see Section 8(o)(3)).

The voucher program also has provisions that outline tenant and owner responsibility. In addition to the traditional tenant screening by owners, PHAs are permitted to screen applicants for assistance. In addition, PHAs can disapprove owners who refuse to evict tenants for drug-related or violent criminal activity, or for activity that threatens the health, safety or right of peaceful enjoyment of the premises of tenants, PHA employees or owner employees, or the residences of neighbors (see Section 8(o)(6)(C)). Finally, "Violent criminal activity on or near the premises" is also a statutory ground for termination of tenancy (see Section 8(o)(7)(D)).

Project-Based Voucher Assistance. A PHA that runs a tenant-based housing choice voucher program may choose to use up to 20 percent of its voucher assistance to implement a project-based voucher program. For more information, please see the Project-Based Voucher Program section.

Homeownership Voucher Assistance. A PHA may choose to use tenant-based housing choice voucher assistance to help eligible first-time homeowners with their monthly homeownership expenses. For more information, please see the Homeownership Voucher Assistance section.

Enhanced Voucher Assistance. These are special vouchers available to tenants who would otherwise be adversely affected by HUD program decisions. Enhanced vouchers are generally issued to provide continued assistance for a family at the termination of project-based rental assistance. If the family stays in the same project, the voucher payment standard covers the full market rent. Enhanced vouchers have several special requirements, but in all other respects are subject to rules of the tenant-based voucher program. Differences include a special statutory minimum rent requirement and a special payment standard, applicable to a family receiving enhanced voucher assistance that elects to stay in the same unit, which can sometimes result in a PHA approving a unit that would otherwise be unaffordable to a family with regular tenant-based assistance. If the family moves, all normal voucher rules apply.

Low-income residents of units in multifamily projects (5+ units) covered in whole or in part by a contract of project-based assistance are, in certain situations, eligible for enhanced voucher assistance. These situations include owner opt-outs from specified programs.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 8 of the U.S. Housing Act of 1937 (42 U.S.C. 1437f); Section 8(o) for vouchers (tenant-based and project-based) and Section 8(t) for enhanced vouchers.

Regulations are at 24 CFR part 5 (certain cross-cutting requirements); 24 CFR part 982 (Tenant-based Housing Choice Voucher Program); 24 CFR part 983 (Project-Based Voucher Program); 24 CFR part 984 (Section 8 Family Self-Sufficiency Program); and
24 CFR part 985 (Section 8 Management Assessment Program (SEMAP)).

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Local public housing agencies or HUD field offices.
On the Web: www.hud.gov/offices/pih/programs/hcv/about/fact_sheet.cfm

Current Status: Active.

Homeownership Voucher Assistance

Help for voucher families buying homes.

Nature of Program: A public housing agency (PHA), at its option, may provide monthly assistance to families that have been admitted to the Section 8 Housing Choice Voucher program in accordance with HUD regulations, that meet certain criteria, and that are purchasing homes in an amount that would otherwise have been provided to that family as tenant-based voucher assistance.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 8(y) of the U.S. Housing Act of 1937, as amended by the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569) (42 U.S.C. 1437f(y)). Regulations are at 24 CFR part 982, subpart M.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Local public housing agencies or HUD field offices.

Current Status: Active.

Project-Based Voucher Program

Rental assistance for eligible families who live in specific housing developments or units.

Nature of Program: The project-based voucher program has replaced the project-based certificate program. Key features of the program include the following:

- A PHA may project-base up to 20 percent of the PHA's available voucher funding.

- A PHA may provide project-based assistance for existing housing that does not need rehabilitation, as well as for newly constructed or rehabilitated housing.

- After one year of assistance, a family may move from a project-based voucher unit. The family may switch to the PHA's tenant-based voucher program when the next voucher is available, or to another comparable program if such a program is offered.

- Except for units designated for families that are elderly, disabled, or receiving supportive services, no more than 25 percent of units in a multifamily building may have project-based voucher assistance.

- The PHA may enter into a HAP contract with an owner for a term of up to 10 years. However, the PHA's contractual commitment is subject to availability of appropriated funds. The renewal term may not exceed 5 years.

- At the end of the contract term, the PHA may extend the Housing Assistance Payment (HAP) contract with an owner for a period appropriate to achieve long-term affordability or to expand housing opportunities. Extensions are subject to availability of appropriated funds.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 8(o)(13) of the U.S. Housing Act of 1937, as amended by Section 232 of the Fiscal Year 2001 Appropriations Act (Public Law 106-377)
(42 U.S.C. 1473f(o)(13)). Regulations are at 24 CFR part 983.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Local public housing agencies or HUD field offices.

Current Status: Active.

Public Housing Operating Fund

Annual subsidy to public housing agencies (PHAs) for operations and management.

Nature of Program: HUD provides operating subsidies to PHAs to help them meet operating and management expenses. A PHA can use operating funds for operating and management costs, including administration, routine maintenance, anti-crime and anti-drug activities, resident participation in management, insurance costs, energy costs, and costs, as appropriate, related to the operation and management of mixed finance projects, among other things.
Non-troubled PHAs that own or operate fewer than 250 public housing units have full discretion in how they allocate these grants between the capital and operating funds.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 9(e) of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(e)). Regulations are at 24 CFR part 990.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Local public housing agencies or HUD field offices.
On the Web: www.hud.gov/progdesc/opsub106.cfm

Current Status: Active.

Public Housing Capital Fund

Capital and management funding for public housing agencies.

Nature of Program: The Capital Fund is available by formula distribution for capital and management activities, including development, financing, and modernization of public housing projects, which includes redesign, reconstruction, and reconfiguration of public housing sites and buildings (including accessibility improvements) and development of mixed-finance projects; vacancy reduction; addressing deferred maintenance needs and the replacement of obsolete utility systems and dwelling equipment; planned code compliance, management improvements, including the establishment and initial operation of computer centers in and around public housing through a Neighborhood Networks initiative, for the purpose of enhancing self-sufficiency, employability, and economic self-reliance of public housing residents by providing them with on-site computer access and training resources; demolition and replacement; resident relocation; capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents, and improve resident participation; capital expenditures to improve safety and security of residents; and homeownership activities, including programs under Section 32.

Based on Section 9, not more than 20 percent of a public housing agency's (PHA) capital funds may be used for operating expenses if the PHA's plan provides for such use. However, non-troubled PHAs that own or operate fewer than 250 units have full flexibility in how they use capital and operating funds for eligible activities under Sections 9(d)(i) and 9(e)(i).
PHAs may request HUD approval to borrow funds from the private market to make improvements to and/or develop additional public housing, by pledging a portion of their future annual Capital Fund grants to make debt service payments.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 9(d) and Section 30 of the U.S. Housing Act of 1937
(42 U.S.C. 1437g(d) and 1437z-2). Regulations are at 24 CFR part 905 and part 968.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Local public housing agencies or HUD field offices.

Current Status: Active.

Public Housing Neighborhood Networks (NN) Program

Grants for computer and job training activities.

Nature of Program: Under the NN program, the Secretary may make grants to public housing agencies (PHAs) for the purposes of providing computer and Internet access, and job training to public housing residents. Such programs may include:

- The provision of program coordinators to manage job training activities and the overall operation of the NN computer centers;
- Work readiness and education activities;
- Purchase of computer equipment, including software;
- Internet access; and
- Physical improvements for the purpose of establishing a new NN center or expanding/upgrading an existing NN center.

Applicant Eligibility: PHAs only.

Legal Authority: Section 9(d)(1)(E) of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(d)(1)(E)), Section 9(e)(1)(K) of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(e)(1)(K)), Section 9(h)(8) of the U.S. Housing Act of 1937 (42 U.S.C. 1437g(h)), and annual HUD appropriations acts.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/pih/programs/ph/ross/aboutnn.cfm

Current Status: Active.

Revitalization of Severely Distressed Public Housing (HOPE VI)

Eradication of severely distressed public housing.

Nature of Program: In 1989, Congress established the National Commission on Severely Distressed Public Housing and charged this Commission with proposing a National Action Plan to eradicate severely distressed public housing by the year 2000. The Urban Revitalization Demonstration (URD) program, or HOPE VI, is a program that was born out of the Commission's work. Since 1993, this program has been an important part of the transformation of public housing by encouraging public housing agencies (PHAs) to seek new partnerships with private entities to create mixed-finance and mixed-income affordable housing. In 2003, the HOPE VI program was expanded to assist local governments in the production of affordable housing in Main Street rejuvenation projects. The activities permitted under HOPE VI include, but are not limited to: the capital costs of demolition, major reconstruction, rehabilitation, and other physical improvements; the provision of replacement housing; management improvements; planning and technical assistance; and the provision of supportive services (including the funding, beginning in Fiscal Year 2000, of an endowment trust for supportive services). The HOPE VI program was modified and extended by HUD appropriations acts, commencing in 1994 through the present. In 1998, Section 535 of the Quality Housing and Work Responsibility Act of 1998 (Title V of Public Law 105-276) amended the U.S. Housing Act of 1937 to establish a new Section 24 in the U.S. Housing Act of 1937 that addresses demolition, site revitalization, replacement housing, and tenant-based assistance grants for projects. The HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003 (Title IV of Public Law 108-186, approved December 16, 2003), amended Section 24 of the U.S. Housing Act of 1937 by extending the program until September 30, 2006.

The program allows HUD to provide competitive grants to PHAs to carry out HOPE VI-eligible activities. PHAs provide matching contributions in amounts at least equal to five percent of the grant amount.

Applicant Eligibility: Public housing agencies and, for Main Street Grants only, "smaller communities" as defined in Section 24(n).

Legal Authority: Section 24 of the U.S. Housing Act of 1937 (42 U.S.C. 1437v), as amended by Section 402 of the HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003 (Public Law 108-186, approved December 16, 2003).
Administering Office: Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.
Information Sources: Administering office; Office of Public Housing Investments.
On the Web: www.hud.gov/offices/pih/programs/ph/hope6/about/description.cfm

Current Status: Active.

Public Housing Homeownership (Section 32)

Sale of public housing units to low-income families.

Nature of Program: This new public housing homeownership program was established by Section 32 of the U.S. Housing Act of 1937, which was added by the Quality Housing and Work Responsibility Act of 1998. The new public housing homeownership program(the Section 32 program) replaces the public housing homeownership program that was authorized by Section 5(h) of the U.S. Housing Act of 1937. The new statutory program was patterned largely after HUD's regulations that implemented the Section 5(h) program. The program offers public housing agencies (PHAs) a flexible way to sell public housing units to low-income families, with preference given to current residents of the unit(s) being sold. The program helps low-income families purchase homes through an arrangement that benefits both the buyer and the public housing agency that sells the unit. It gives the buyer access to an affordable homeownership opportunity and to the many tangible and intangible advantages it brings, while permitting PHAs to sell individual units and developments that may, due to their location or configuration, be more suitable for homeownership than for rental housing. PHAs can retain and reuse the proceeds of the sale of public housing units to meet other low-income housing needs.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 32 of the U.S. Housing Act of 1937 (42 U.S.C. 1437z-4). Regulations are at 24 CFR part 906.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Administering office. Office of Public Housing Investments.
On the Web: www.hud.gov/offices/pih/centers/sac/homeownership/index.cfm

Current Status: Active. Section 32 public housing homeownership is now current and an active public housing homeownership program. Section 5(h) remains active for previously approved public housing home purchases.

Resident Opportunity and Self-Sufficiency (ROSS) Program

Grants for supportive services and resident empowerment activities.

Nature of Program: Under the ROSS program, the Secretary may make grants to public housing agencies (PHAs), recipients under the Native American Housing Assistance and Self-Determination Act (NAHASDA), resident management corporations (RMCs), resident councils or resident organizations, and nonprofit organizations supported by residents for the purposes of providing supportive services and resident empowerment activities to public and Indian housing residents, or to assist such residents in becoming economically self-sufficient. Such programs may include activities relating to:

- Physical improvements to a public housing project in order to provide space for supportive services for residents;

- Service coordination or congregating of a housing services program for elderly or disabled individuals;

- Work readiness services, including education, job training and counseling, job search skills, business development training, tutoring, adult literacy, computer access, personal and family counseling, health screening and other health services, transportation, and child care;

- Economic and job development, including employer linkages and job placement, and the start-up of micro-enterprises, community credit unions, and revolving loan funds;

- Resident management activities and resident participation activities; and

- Other activities aimed at increasing the self-sufficiency of residents.

Grant applicants must provide a match of not less than 25 percent of the grant amount.

Applicant Eligibility: PHAs, recipients under NAHASDA, RMCs, resident councils, resident organizations, and nonprofit organizations.

Legal Authority: Section 34 of the U.S. Housing Act of 1937, as amended by Section 221 of Public Law 106-377 (42 U.S.C. 1437z-6).

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/pih/programs/ph/ross/index.cfm

Current Status: Active.

Family Self-Sufficiency Program

Promotes the development of local strategies to coordinate public and private resources that help housing choice voucher program participants and public housing tenants obtain employment that will enable participating families to achieve economic independence.

Nature of Program: The Family Self-Sufficiency (FSS) program is administered by public housing agencies (PHAs) with the help of program coordinating committees (PCCs). The PCC usually consists of representatives of local government, employment and job training agencies, welfare agencies, nonprofit providers, local businesses, and assisted families. Supportive services most commonly provided to FSS program participants are child care, transportation, remedial education, and job training. The major components of the FSS program are a contract of participation between the PHA and the family, an individualized training and services plan for each participating family member, and an interest bearing escrow account. Credits to a family's escrow account are based on increased income earned by family members during the term of their contract. On completion of the FSS contract, a family may claim its escrow account, if no family member is receiving welfare assistance.

Each PHA that received FSS bonus funding in the early 1990s or funding for additional public housing rental units or Housing Choice Vouchers between October 1, 1992, and October 20, 1998, was required to establish an FSS program. PHAs may also establish voluntary FSS programs.

Applicant Eligibility: Public housing agencies.

Legal Authority: Section 23 of the U.S. Housing Act of 1937 (42 U.S.C. 1437u). Regulations are at 24 CFR part 984.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.

Current Status: Active.

Indian Community Development Block Grant (ICDBG) Program

Federal aid for Indian tribes and Alaska Native Villages to develop viable Indian communities.

Nature of Program: Offers grants on a competitive basis to eligible Indian tribes and Alaska Native Villages to improve the housing stock, provide community facilities, make infrastructure improvements, fund microenterprises, and expand job opportunities. Eligible activities include housing rehabilitation, acquisition of land for housing, and assistance for homeownership opportunities for low- and moderate-income persons. Grantees may also use funds for construction of single- or multi-use facilities, streets, and public facilities, as well as for economic development projects, especially those sponsored by nonprofit tribal organizations or local development corporations. Funds may not be used for constructing or improving government facilities, for new housing construction (unless carried out by an eligible nonprofit organization), for general government or income expenses, for operating or maintenance expenses, for political activities, or to purchase equipment.

Applicant Eligibility: Indian tribes, bands, groups, or nations, including Alaskan Indians, Aleuts, and Eskimos and Alaska Native Villages, that are eligible for assistance under the Indian Self-Determination and Education Assistance Act or had been eligible under the state and local Fiscal Assistance Act of 1972.

Funding Distribution: Under Section 106 of the Housing and Community Development Act of 1974, one percent of the Title I CDBG appropriation, excluding amounts appropriated for use under Section 107, is allocated for grants to Indian tribes. This regional allocation, which goes to the Area Offices of Native American Programs (ONAP) responsible for the program, consists of a base amount plus a formula share of the balance of the Indian CDBG program funds. The funds are distributed by the Area ONAP Offices to Indian tribes and Alaska Native Villages on a competitive basis, according to selection criteria set forth in a regulation and Notice of Funding Availability.

Legal Authority: Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.). Regulations are at 24 CFR part 1003.

Administering Office: Assistant Secretary for Public and Indian Housing, U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: HUD Area ONAP offices in Chicago, Denver, Oklahoma City, Phoenix, Seattle, and Anchorage.
On the Web: www.hud.gov/offices/pih/ih/grants/icdbg.cfm

Current Status: Active.

Indian Housing Block Grant (IHBG) Program

Housing assistance to Indian tribes and tribally designated housing entities.

Nature of Program: The IHBG program authorizes housing assistance under a single block grant to eligible Indian tribes or their tribally designated housing entities (TDHEs). Eligible tribes include both federally recognized and those state-recognized Indian tribes formerly eligible under the U.S. Housing Act of 1937. The allocation is made under a needs-based formula. The tribe must submit, for HUD's review for compliance, both a one-year and a 5-year Indian housing plan containing the goals, mission, and methodology by which the recipient will accomplish its objectives during the grant period. The program began in Fiscal Year 1998.
The major programs that have been folded into the block grant program include: assistance under the U.S. Housing Act of 1937, HOME, and homeless assistance primarily serving Indians and Indian areas under the McKinney-Vento Homeless Assistance Act. The six categories of eligible activities for providing affordable housing (or related housing services) are:

- Indian housing assistance (modernization or operating assistance for housing previously developed or operated pursuant to a contract between HUD and an Indian housing authority);
- Development of additional affordable housing;
- Housing-related services for affordable housing;
- Management services for affordable housing;
- Safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime; and
- Housing activities under model programs designed to carry out the purposes of the Act, if specifically approved by HUD, as appropriate.

Applicant Eligibility: Indian tribes and tribally designated housing entities.

Legal Authority: Titles I through V of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (Public Law 104-330) (25 U.S.C. 4101 et seq.). Regulations are at 24 CFR part 1000.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.
On the Web: www.hud.gov/offices/pih/ih/grants/ihbg.cf

Current Status: Active.

Federal Guarantees for Financing for Tribal Housing Activities (Title VI)

HUD guarantees loans for financing eligible affordable housing activities and affordable housing-related community development activities.

Nature of Program: This program authorizes HUD, through the Office of Native American Programs, to guarantee obligations issued by tribes or tribally designated housing entities (TDHEs) with tribal approval, to finance eligible affordable housing activities under Section 202 of the Native American Housing Assistance and Self-Determination Act (NAHASDA) and housing-related community development activities consistent with the purposes of NAHASDA. No guarantee could be approved if the total outstanding obligations exceed five times the amount of the grant for the issuer, taking into consideration the amount needed to maintain and protect the viability of housing developed or operated pursuant to the U.S. Housing Act of 1937.

The program requires issuers to pledge current and future Indian Housing Block Grant (IHBG) appropriations to the repayment of the guaranteed obligations. The full faith and credit of the United States is pledged to the payment of all guarantees.

HUD may not guarantee obligations exceeding $400 million for each of Fiscal Years 1997-2007, with a cumulative cap of $2 billion for the 11-year period. Once 50 percent of the authority has been committed in any year, HUD may limit the amount of guarantees any one tribe may receive in any fiscal year to $50 million or request an increase in the statutory dollar limitations. HUD may enter into commitments to guarantee loans for any fiscal year only to the extent that funds have been appropriated.

Applicant Eligibility: Indian tribes and tribally designated housing entities that are IHBG recipients.

Legal Authority: Title VI of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4191 et seq.). Regulations are at
24 CFR part 1000.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Administering office, and Office of Loan Guarantee, Office of Native American Programs, Suite 3390, 1999 Broadway, Denver, CO 80202-5733.
On the Web: www.hud.gov/progdesc/fintrib1.cfm

Current Status: Active.

Loan Guarantees for Indian Housing (Section 184)

Home loan guarantees for Indian families, Indian housing authorities, and Indian tribes.

Nature of Program: Section 184 of the Housing and Community Development Act of 1992 established a loan guarantee program for Indian families, Indian housing authorities (IHAs), and Indian tribes. The purpose of the program is to provide access to private mortgage financing to Indian families, IHAs, and Indian tribes that could not otherwise acquire housing financing because of the unique legal status of Indian lands. The loans guaranteed under the program are used to construct, acquire, refinance, or rehabilitate single family housing located on trust land or land located in an Indian or Alaska Native area. The program authorizes Indian tribes to assume responsibility for federal environmental reviews. This guarantee authority is freestanding and has its own guarantee fund. HUD may enter into commitments to guarantee loans for any fiscal year only to the extent amounts have been provided in appropriations acts.

Applicant Eligibility: Indian families, Indian housing authorities, and Indian tribes.

Legal Authority: Section 184 of the Housing and Community Development Act of 1992, as amended by the Native American Assistance and Self-Determination Act of 1996 (NAHASDA) (12 U.S.C. 1715z-13a). Regulations are at 24 CFR part 1005.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Sources: Administering office; Office of Loan Guarantee, Office of Native American Programs, Suite 3390, 1999 Broadway, Denver, CO 80202-5733.
On the Web: www.hud.gov/progdesc/insec184.cfm

Current Status: Active.

Native Hawaiian Housing Block Grant (NHHBG) Program

Affordable housing activities for Native Hawaiians.

Nature of Program: This new program is patterned after the Indian Housing Block Grant (IHBG) program, but contains changes to address the housing needs and circumstances of Native Hawaiians. The NHHBG program authorizes HUD to make grants to the State of Hawaii's Department of Hawaiian Home Lands (DHHL) to carry out affordable housing activities for Native Hawaiian families who are eligible to reside on the Hawaiian Home Lands. The DHHL must submit for HUD review a one-year and a 5-year housing plan containing the goals, mission, and methodology by which DHHL will accomplish its objectives during the grant period.

The five categories of eligible activities for providing affordable housing (or related housing services) are:

- Development of affordable housing;
- Housing-related services for affordable housing;
- Management services for affordable housing;
- Safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime; and
- Housing activities under model programs designed to carry out the purposes of the Act, if specifically approved by HUD, as appropriate.

Applicant Eligibility: Department of Hawaiian Home Lands.
Legal Authority: Title VIII of NAHASDA, as added by Section 513 of the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569) and
Section 203 of the Omnibus Indian Advancement Act (Public Law 106-568)
(42 U.S.C. 4221). Regulations are at 24 CFR part 1006.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.

Current Status: Active.

Loan Guarantees for Native Hawaiian Housing (Section 184A)

Home loan guarantees for Native Hawaiians.

Nature of Program: This program is generally patterned after the Section 184 Indian Loan Guarantee program, but contains changes to address the housing needs and circumstances of Native Hawaiians. The purpose of the Loan Guarantee program is to provide access to sources of private mortgage financing to Native Hawaiian families who could not otherwise acquire housing financing because of the unique legal status of the Hawaiian Home Lands or as a result of a lack of access to private financial markets. Eligible borrowers include Native Hawaiian families who are eligible to reside on Hawaiian Home Lands, the Department of Hawaiian Home Lands (DHHL), the Office of Hawaiian Affairs, or private nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians. Loans are to be used to construct, acquire, or rehabilitate housing located on the Hawaiian Home Lands.

This guarantee authority is freestanding and has its own guarantee fund. HUD may enter commitments to guarantee loans for any fiscal year only to the extent amounts have been provided in appropriations acts.

Applicant Eligibility: Native Hawaiian families, the Department of Hawaiian Homelands, the Office of Hawaiian Affairs, and private nonprofit organizations experienced in the planning and development of affordable housing for Native Hawaiians.

Legal Authority: Section 184A of the Housing and Community Development Act of 1992, as added by Section 514 of the American Homeownership and Economic Opportunity Act of 2000 (Public Law 106-569) and Section 204 of the Omnibus Indian Advancement Act (Public Law 106-568) (12 U.S.C. 1715z-13b). Regulations are at
24 CFR part 1007.

Administering Office: Assistant Secretary for Public and Indian Housing,
U.S. Department of Housing and Urban Development, Washington, DC 20410-5000.

Information Source: Administering office.

Current Status: Active.

Fair Housing and Equal Opportunity

Fair Housing Act (Title VIII)

Investigates, conciliates, and charges cases of housing discrimination prohibited under the Fair Housing Act of 1968 (Title VIII).

Nature of Program: The Fair Housing Act prohibits discrimination in housing based on race, color, religion, sex, national origin, disability, or familial status (includes individuals or families with children under 18 years of age and pregnant women). The Fair Housing Act applies to almost all housing in the country.

The Fair Housing Act prohibits discrimination in residential real estate transactions and makes it illegal to coerce, intimidate, threaten, or interfere with people exercising their rights under the Act, or assisting others in exercising their rights.

To comply with the Fair Housing Act, a seller, landlord, lender, insurance agent, realtor, etc. may not:

- Deny housing, offer different terms and conditions to an applicant, or refuse to rent, sell, or negotiate with an applicant because of one or more of the prohibited bases cited above;
- Use discriminatory advertising or make discriminatory statements in connection with housing;
- Falsely deny that housing is available;
- Deny access to or membership in a multiple-listing service or real estate broker's organization; or
- Discriminate in making loans for, or secured by, residential real estate.

In addition, landlords, condominium boards, homeowner associations, or other entities that exercise control over individual residences or common spaces within a development may not:

- Refuse permission for residents with disabilities or their families to make reasonable modifications to housing, at their own expense, if the changes are necessary for a resident to fully enjoy his or her premises. However, in some instances, the resident may be required to restore the property to its original condition before moving out;
- Refuse to make reasonable accommodations in rules, policies, practices, and services to provide equal opportunity to residents with disabilities to use and enjoy their homes, so long as it does not interfere with the rights of others to use and enjoy their homes.

Communities should not adopt and enforce discriminatory zoning and land use ordinances.

Familial status protections do not apply to certain housing for older people. Such housing is exempt under the law if it is intended for, and solely occupied by, residents 62 years of age or older, or if 80 percent of the units are occupied by at least one person 55 years of age or older, and the housing facility or community publishes and adheres to policies and procedures that demonstrate this intent to be housing for older persons.

Since March 13, 1991, most multifamily dwellings of four or more units have been required to be designed and built so that the units are accessible to people with disabilities.
In addition to nondiscrimination, the Fair Housing Act also provides that HUD must administer all of its programs and activities in a manner that affirmatively furthers the policies of the Act.
Anyone who believes that he or she has been discriminated against can file a complaint with any HUD office in person, by mail, or by telephone within one year after the alleged discrimination has occurred. HUD or an equivalent state or local agency will investigate and attempt to conciliate the complaint. If it is not conciliated and it appears that discrimination has occurred, then HUD will issue a charge. A HUD administrative law judge (ALJ) will hold a hearing unless either party chooses to take a case to federal district court.

If proceeding before a HUD ALJ, the complainant may receive access to the housing that was denied and may be awarded compensatory damages and attorneys' fees as well. In such cases, the discriminating party may also be assessed a civil penalty of up to $11,000 for a first offense. If a federal district court hears the case, the complainant may be awarded punitive damages, but civil penalties are not available.

When HUD finds that a complaint has merit and requires prompt court action, as when an eviction is threatened or when a unit is about to be sold or rented to another person, HUD may direct the Department of Justice to file an action holding the unit off the market until the matter is resolved.

Applicant Eligibility: Any individual experiencing housing discrimination may file a complaint with any HUD office, in person, by mail, or by telephone, not later than one year after the alleged discriminatory act has occurred or terminated. An aggrieved person may also file suit in a federal court whether or not a complaint has been filed with HUD.

HUD has established a national toll-free housing discrimination hotline at: (800) 669-9777 (voice) or (800)-927-9275 (TTY).

Legal Authority: Fair Housing Act of 1968, as amended (42 U.S.C. 3601 et seq.).

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Enforcement, Enforcement Support Division.

Current Status: Active.

Fair Housing Assistance Program (FHAP)
(State and Local Agencies Program)

Assists state and local agencies that administer fair housing laws.

Nature of Program: Analyzes the fair housing laws administered by a state or local fair housing agency for consistency with Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (the Fair Housing Act). Assists state and local agencies that administer fair housing laws certified by HUD as “substantially equivalent” to the Fair Housing Act or Title VIII of the Civil Rights Act of 1968, as amended. This assistance includes support for complaint processing, training, technical assistance, data and information systems, and other fair housing projects. The program is designed to build coordinated intergovernmental enforcement of fair housing laws and provide incentives for states and localities to assume a greater share of the responsibility for administering fair housing laws.

Applicant Eligibility: Only governmental entities are eligible to participate in the FHAP. Participating agencies must (1) administer a state or local law certified as “substantially equivalent” and (2) execute a written “Interim Agreement” or “Memorandum of Understanding” with HUD, describing the working relationship between the agency and the appropriate HUD Regional Office of Fair Housing and Equal Opportunity.

Legal Authority: Fair Housing Act of 1968, as amended (42 U.S.C. 3601 et seq.). Regulations are at 24 CFR part 115.

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Enforcement, FHAP Division.
On the Web: www.hud.gov/offices/fheo/partners/FHAP/index.cfm

Current Status: Active.

Certification of Substantially Equivalent Agencies

Analyzes the fair housing laws administered by the state or local fair housing agency for consistency with Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988 (the Fair Housing Act).

Nature of Program: HUD is responsible for administering the Fair Housing Act, which prohibits discrimination in housing based on race, color, religion, sex, national origin, disability, or familial status (includes individuals or families with children under 18 years of age and pregnant women). A state or local fair housing agency may qualify to handle complaints alleging violations of the Fair Housing Act under the Fair Housing Assistance Program (FHAP), if it administers a law that has been certified as “substantially equivalent” to the federal law.

For a state or local law to be certified as “substantially equivalent,” the Assistant Secretary for Fair Housing and Equal Opportunity must determine that it provides substantive rights, procedures, remedies, and the availability of judicial review comparable to the federal law. In addition, the agency’s performance must meet specific criteria established under the Fair Housing Act and the regulations set forth at 24 CFR part 115.

Applicant Eligibility: Any state or local governmental agency administering a fair housing law or ordinance may request certification.

Legal Authority: Fair Housing Act of 1968, as amended (42 U.S.C. 3601 et seq.). Regulations are at 24 CFR part 115.

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Enforcement, FHAP Division.

Current Status: Active.

Fair Housing Initiatives Program (FHIP)

Increases compliance with the Fair Housing Act and substantially equivalent state and local fair housing laws.

Nature of Program: Provides funding to Qualified Fair Housing Enforcement Organizations (QFHOs), Fair Housing Enforcement Organizations (FHOs), public and private for-profit and not-for-profit entities, state or local governments, and Fair Housing Assistance program agencies, formulating or carrying out programs to prevent or eliminate discriminatory housing practices. Funds enable the recipients to carry out activities designed to inform the public about rights and obligations under federal, state, or local laws prohibiting housing discrimination, and to enforce those rights. There are four distinct categories of funding under FHIP: (1) the Administrative Enforcement Initiative, (2) the Education and Outreach Initiative, (3) the Private Enforcement Initiative, and (4) the Fair Housing Organization Initiative.

Applicant Eligibility: The Administrative Enforcement Initiative is limited to state and local government agencies that administer fair housing laws certified as “substantially equivalent” to the Fair Housing Act. The Education and Outreach Initiative is open to state or local governments and public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices. The Private Enforcement Initiative is limited to QFHOs and FHOs that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices. At least one year of fair housing enforcement experience is required to conduct testing under the Private Enforcement Initiative. The Fair Housing Organization Initiative (FHOI) is limited to QFHOs and provides funding to assist newly created fair housing enforcement organizations and support development of established organizations.

Legal Authority: Section 561 of the Housing and Community Development Act of 1987 (42 U.S.C. 3616a). Regulations are at 24 CFR part 125.

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Programs, FHIP Division.
On the Web: www.hud.gov/offices/fheo/partners/FHIP/fhip.cfm

Current Status: Active. There is no funding, however, for the Administrative Enforcement Initiative or the FHOI.

Equal Opportunity in HUD-Assisted Programs (Title VI, Section 504, Americans with Disabilities Act, Section 109, Age Discrimination Act, and Title IX)

Assures equal opportunity to participate in and benefit from HUD-assisted programs or activities without regard to race, color, national origin, disability, or age, and, in some instances, religion or sex.

Nature of Program: HUD determines the extent to which its programs comply with federal laws prohibiting discrimination in federally assisted programs or activities.
Section 109 also has a provision that includes religion and sex as prohibited bases for discrimination in the Community Development Block Grant program.
Under Title II of the Americans with Disabilities Act, HUD is designated as an agency to investigate discrimination complaints.

The Office of Fair Housing and Equal Opportunity investigates complaints and conducts compliance reviews to eliminate discrimination by entities receiving HUD assistance. Policies are developed to make HUD-assisted activities available to protected classes and to promote nondiscriminatory participation by persons in those protected classes.

Technical assistance is available to state and local agencies with civil rights problems in HUD-assisted programs. Recipients that are in noncompliance are given the opportunity to achieve voluntary compliance. If this fails, federal assistance for the program may be refused, terminated, or suspended. HUD may refer the matter to the Department of Justice for enforcement if efforts to achieve voluntary compliance are unsuccessful.

Applicant Eligibility: Any HUD-assisted program or activity, except contracts of insurance or guaranty, is subject to Title VI, Section 504, and the Age Discrimination Act. CDBG recipients are also subject to Section 109; HUD-assisted educational programs are also subject to Title IX. Any person or group suspecting discrimination in any HUD-assisted program because of race, color, national origin, age, or disability (and religion in the Community Development Block Grant program, and sex in HUD-assisted education programs or activities) may file a complaint.

Legal Authority: Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); Section 109 of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5309); Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.); Title II of the Americans with Disabilities Act (42 U.S.C. 12131); and Title IX of the Education Amendments Act of 1972 (20 U.S.C. 1681 et seq.).

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Enforcement and Programs, Compliance and Disability Rights Division.

Current Status: Active.

Section 3 Program

Fosters local economic development, job opportunities, and self-sufficiency.

Nature of Program: Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended, requires that economic opportunities generated by certain HUD financial assistance for housing (including Public and Indian Housing) and community development programs shall, to the greatest extent feasible, be given to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to businesses that provide economic opportunities for these persons.
HUD conducts compliance reviews and investigates complaints under this statute. HUD first seeks voluntary compliance, but if this fails, additional remedies are available following a hearing.

Applicant Eligibility: Recipients of HUD assistance, such as public housing agencies, nonprofit organizations, and state and local governments receiving assistance.

Legal Authority: Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u).

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity, U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Programs, Economic Opportunity Division. On the Web: www.hud.gov/offices/fheo/section3/section3.cfm

Current Status: Active.

Voluntary Compliance

Promotes voluntary compliance with fair housing laws.

Nature of Program: HUD promotes voluntary compliance with fair housing laws through Voluntary Affirmative Marketing Agreements jointly negotiated and executed with housing and lending industry associations and companies nationwide.

Applicant Eligibility: Trade and professional organizations in housing and related fields, including homebuilders, real estate brokers, mortgage lenders, and rental property managers.

Legal Authority: Fair Housing Act of 1968, as amended (42 U.S.C. 3601 et seq.).

Administering Office: Assistant Secretary for Fair Housing and Equal Opportunity,
U.S. Department of Housing and Urban Development, Washington, DC 20410-2000.

Information Sources: Administering office; Office of Programs, Program Standards and Compliance Division.

Current Status: Active.

Policy Development and Research

Policy Development and Research Initiatives

Advises the Secretary on HUD policy issues.

Nature of Program: The purpose of the Office of Policy Development and Research (PD&R) is to support the mission of the Department and the policy agenda of the Secretary. PD&R performs policy analysis, research, surveys, studies, and evaluations, both short- and long-term, to assist the Secretary and other HUD principal staff to make informed decisions on HUD policies, programs, and budget and legislative proposals. This work is undertaken by in-house staff and through contracts with outside organizations. PD&R plays a key role in the development of HUD's Strategic Plan, and in helping the Department meet its responsibilities under the Government Performance and Results Act. Through an active program of publications and information clearinghouses, PD&R's work products are distributed widely to the housing research community and to the interested public. PD&R is also heavily involved in establishing and monitoring the housing goals of Fannie Mae and Freddie Mac. The Office of University Partnerships within PD&R administers grant programs to colleges and universities engaged in community building activities. PD&R's research and studies support the international exchange of information and data on housing and development topics. In addition to Headquarters staff, PD&R has field economists who provide intelligence on local economic and housing conditions, and technical and analytical support to HUD clients and management in Headquarters and the field.

Applicant Eligibility: Not applicable.

Legal Authority: Title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1).

Administering Office: Assistant Secretary for Policy Development and Research,
U.S. Department of Housing and Urban Development, Washington, DC 20410-6000.

Information Source: Administering office.

Current Status: Active.

American Housing Survey

Nature of Program: Since 1973, HUD has funded an American Housing Survey conducted by the Bureau of the Census. The survey provides information on the size and composition of the housing inventory, characteristics of its occupants, housing costs and mortgage financing, modifications and alterations, changes in the inventory resulting from new construction and from losses, indicators of housing and neighborhood quality, and characteristics and dynamics of urban housing markets. The entire nation is surveyed every 2 years (in odd-numbered years); and of 47 large metropolitan areas: the largest six metropolitan areas are surveyed every 4 years, and the other 41 metropolitan areas are surveyed every 6 years.
Results from the surveys are made available in printed reports and on the Internet. Access to the reports, special tables, actual survey responses, and survey documentation are available through www.HUDUSER.org or www.Census.gov.

Applicant Eligibility: Not applicable.

Legal Authority: Section 512 of the Housing and Urban Development Act of 1970
(12 U.S.C. 1701z-1).

Administering Office: Assistant Secretary for Policy Development and Research,
U.S. Department of Housing and Urban Development, Washington, DC 20410-6000.

Information Source: Administering office.

Current Status: Active.

Partnership for Advancing Technologies in Housing Initiative (PATH)

Nature of Program: PATH is a public/private partnership that brings together key federal agencies with leaders of the home building, product manufacturing, insurance, and financial industries to develop and deploy innovative building technologies for the next generation of housing. The goal of this initiative is to identify techniques for building more affordable, durable, disaster resistant, safe, and energy efficient housing. The PATH program spurs change in housing design and construction by:

- Providing the latest information on innovative building materials, processes, and systems;
- Showcasing innovative housing projects that can serve as models for builders and homeowners across the country;
- Promoting focused, cooperative housing research among industry, government, and university partners; and
- Addressing institutional barriers to innovation, from risk and liability concerns to the lack of effective product evaluation systems.

Applicant Eligibility: Federal agencies, nonprofit organizations and for-profit organizations, universities and colleges, and state and local governments.

Legal Authority: Title V of the Housing and Urban Development Act of 1970
(12 U.S.C. 1701z-1 et seq.).

Administering Office: Assistant Secretary for Policy Development and Research,
U.S. Department of Housing and Urban Development, Washington, DC 20410-6000.

Information Source: Administering office.
On the Web: www.pathnet.org or www.huduser.org/about/pdr_path.html

Current Status: Active.

Government National Mortgage Association (Ginnie Mae)

Ginnie Mae I Mortgage-Backed Securities

Expands affordable housing in America by linking global capital markets to the nation's housing market.

Nature of Program: Ginnie Mae guarantees investors (security holders) the timely payment of principal and interest on securities issued by private lenders that are backed by pools of Federal Housing Administration (FHA), Veterans Affairs (VA), Rural Housing Service (RHS), and Public and Indian Housing (PIH) mortgage loans. The full faith and credit guarantee of the U.S. Government that Ginnie Mae places on mortgage-backed securities lowers the cost of, and maintains the supply of, mortgage financing for government-backed loans.

In the Ginnie Mae I program, all mortgages in a pool are fixed-rate, single-family mortgages with the same interest rate. The mortgage interest rates must all be the same, and the same lender must issue the securities. With the exception of Ginnie Mae I pools that are used as collateral for state or local bond financing programs (BFP) for which Ginnie Mae provides special consideration, Ginnie Mae I securities have a servicing and guarantee fee that totals 50 basis points, and the minimum pool size is $1 million.

To issue a Ginnie Mae I security, an approved lender applies for a commitment from Ginnie Mae for the guaranty of securities. The lender originates or acquires mortgage loans and assembles them into a pool of mortgages. The Ginnie Mae I program permits lenders to issue securities backed by pools of single family, multifamily, and manufactured housing loans where the interest rate is the same for each loan in the pool. The lender decides to whom to sell the security and then submits the documents to Ginnie Mae's pool processing agent. The agent prepares and delivers the Ginnie Mae guaranteed security to the investors designated by the lender. The lender is responsible for selling the securities and servicing the underlying mortgages. Issuers of Ginnie Mae I securities are also responsible for paying security holders on the 15th day of each month.

Applicant Eligibility: A firm must be approved as an issuer based on capital requirements, staffing, experience criteria, and infrastructure. The firm must also be an FHA-approved lender in good standing.

Legal Authority: Section 306(g) of the National Housing Act (12 U.S.C. 1721(g)).

Administering Office: Ginnie Mae, U.S. Department of Housing and Urban Development, Washington, DC 20410-9000.

Information Sources: Administering office; Office of Mortgage-Backed Securities.
On the Web: www.ginniemae.gov

Current Status: Active.

Ginnie Mae II Mortgage-Backed Securities

Expands affordable housing in America by linking global capital markets to the nation's housing markets. The Ginnie Mae II program complements the Ginnie Mae I program.

Nature of Program: Ginnie Mae guarantees investors (security holders) the timely payment of principal and interest on securities issued by private lenders that are backed by pools of Federal Housing Administration (FHA), Veterans Affairs (VA), Rural Housing Service (RHS), and Public and Indian Housing (PIH) mortgage loans. The full faith and credit guarantee of the U.S. Government that Ginnie Mae places on mortgage-backed securities (MBS) lowers the cost of, and maintains the supply of, mortgage financing for government-backed loans.

In the Ginnie Mae II program, one or multiple lenders may pool mortgages in the same pool, which in turn allows for larger and more geographically dispersed pools. The
Ginnie Mae II program also allows securities to be issued with smaller numbers of mortgage loans than the Ginnie Mae I program, and allows ARM loans to be pooled. A wider range of mortgage interest rates are permitted in a Ginnie Mae II MBS pool (lenders are permitted servicing and guarantee fees ranging from 25 to 75 basis points). With the exception of Ginnie Mae II pools that are used as collateral for state or local bond financing programs (BFP), for which Ginnie Mae provides special consideration, the minimum pool size is $250,000 for multi-lender pools and $1 million for single-lender pools.

To issue a Ginnie Mae II security, an approved lender applies for a commitment from Ginnie Mae for the guaranty of securities. The lender originates or acquires mortgage loans and assembles them into a pool of mortgages. The Ginnie Mae II program permits lenders to issue securities backed by pools of single family or manufactured housing loans where the interest rates can vary within a fixed range. The lender decides to whom to sell the security and then submits the documents to Ginnie Mae's pool processing agent. The agent prepares and delivers the securities to the investors designated by the lender. The lender is responsible for selling the securities and servicing the underlying mortgages. Issuers of Ginnie Mae II securities are responsible for paying security holders on the 20th day of each month.

Applicant Eligibility: A firm must be approved as an issuer based on capital requirements, staffing, experience criteria, and infrastructure. The firm must also be an FHA-approved lender in good standing.

Legal Authority: Section 306(g) of the National Housing Act (12 U.S.C. 1721(g)).

Administering Office: Government National Mortgage Association,
U.S. Department of Housing and Urban Development, Washington, DC 20410-9000.

Information Sources: Administering office; Office of Mortgage-Backed Securities.
On the Web: www.ginniemae.gov

Current Status: Active.

Ginnie Mae Multiclass Securities Program

In 1970, Ginnie Mae made history when it pooled government mortgage loans together and created the first mortgage-backed security (MBS). Ginnie Mae and the capital markets have evolved since 1970, and now play a pivotal role in improving the affordability of housing for all Americans by increasing the availability of investment capital to the housing sector. In 1994, Ginnie Mae broadened its investor base for MBSs with the introduction of an innovative and more efficient vehicle, the Real Estate Mortgage Investment Conduit (commonly known in the industry as a REMIC). The mortgage market has matured to include a variety of REMIC securities, each with a broad array of features and each with a different risk-return profile. In July 2004, Ginnie Mae complemented its REMIC product line with the launch of its stripped mortgage-backed securities (SMBS) Trust vehicle. The SMBS Trust product adds another investment type to sophisticated investors in Ginnie Mae MBSs seeking better market liquidity and management of MBS prepayment risk. Callable securities, another one of Ginnie Mae's Multiclass Securities products, give investors the option to redeem previously issued securities, allowing greater hedging flexibility.

Nature of Program: The Ginnie Mae Multiclass Securities program is a vehicle that increases the liquidity of Ginnie Mae MBSs and attracts new sources of capital for federally insured or guaranteed loans. A REMIC is a type of pay-through bond characterized by a multiclass or multi-tranched serialized structure. REMICs are partitioned into several tranches of bonds of serialized priority by which the bonds are redeemed. Ginnie Mae REMICs are collateralized by Ginnie Mae MBSs, which are in turn backed by FHA, VA, RHS, and PIH mortgage loans.
Ginnie Mae REMICs direct principal and interest payments from the underlying MBSs to classes (tranches) with different principal balances, interest rates, average lives, prepayment characteristics, and final maturities. This enables investors with different investment horizons, risk-reward preferences, and asset-liability management requirements to purchase mortgage securities that are tailored to their needs.

While REMICs add the flexibility for dealers to tailor cash flows to investors with duration concerns, the SMBS Trust product allows sophisticated investors to reduce (or increase) prepayment risks by isolating and combining various interest only (IO) and principal only (PO) cash flow components.

Callable securities are structured through a Grantor Trust vehicle and consist of the following classes: Class A is the callable class that receives the pass-through cash flow; and Class B is the call class that can call Class A securities and exchange them for the underlying collateral at any time after the lockout period.

Ginnie Mae is a government-owned, publicly managed corporation that has never failed to fulfill its responsibility as guarantor of its securities. Ginnie Mae's obligations are backed by the full faith and credit of the United States Government. Nevertheless, investors considering an investment in a Ginnie Mae REMIC should read the related offering circular and offering circular supplement, and consult their investment advisors to ensure that they fully understand the risks, particularly the prepayment and market risks associated with an investment in a REMIC security.

Applicant Eligibility: A dealer must meet the following six requirements to participate in the Ginnie Mae Multiclass Securities program:

1. Apply and be approved;

2. Demonstrate to Ginnie Mae's satisfaction its capacity to accumulate the eligible assets needed for a proposed structured securities issuance;

3. Meet the minimum capital requirement of $250 million in shareholders' equity or partnership capital, evidenced by the dealer's most recent audited financial statements, which must have been issued within the preceding 12 months;

4. Demonstrate good standing with, and have been responsible for, at least one structured transaction with Fannie Mae or Freddie Mac, or demonstrate to Ginnie Mae's satisfaction the capability to consummate a structured transaction;

5. Represent the structural integrity of the proposed issuance under all cash flow scenarios and demonstrate to Ginnie Mae's satisfaction its ability to indemnify Ginnie Mae for a breach of this representation; and

6. Comply, and obtain compliance from the participants that it selects, with Ginnie Mae's participation requirements and policies regarding participation by minority- and women-owned businesses.

Legal Authority: Section 306(g) of the National Housing Act (12 U.S.C. 1721(g)).

Administering Office: Government National Mortgage Association (Ginnie Mae),
U.S. Department of Housing and Urban Development, Washington, DC 20410-9000.

Information Sources: Administering office; Office of Capital Markets.
On the Web:www.ginniemae.gov

Current Status: Active.

Ginnie Mae Platinum Securities Program

The Ginnie Mae Platinum Securities Program increases the marketability of Ginnie Mae Mortgage-Backed Securities (MBSs) by providing investors with an efficient mechanism for managing their Ginnie Mae securities.

Nature of Program: Ginnie Mae Platinum Securities allow investors to combine Ginnie Mae MBS pools with uniform mortgage interest rates and original terms to maturity into a single security, backed by the full faith and credit of the United States Government. Investors then receive a single payment from the combined securities every month, rather than separate payments from each individual security. Because it lowers administrative costs and improves liquidity, particularly for small pools, this feature serves to make the Ginnie Mae Platinum Security attractive. Ginnie Mae Platinum Securities can be used in structured finance transactions, repurchase transactions, and general trading.

Applicant Eligibility: The depositor, who is an accredited investor, as defined in Rules 501(a)(1), 501(a)(3), or 501(a)(7) under the Securities Act of 1933, and is the owner, or is acting for the owner of Ginnie Mae MBSs, and executes the Deposit Agreement requesting the issuance of Ginnie Mae Platinum Securities.

Legal Authority: Section 306(g) of the National Housing Act (12 U.S.C. 1721(g)).

Administering Office: Government National Mortgage Association, U.S. Department of Housing and Urban Development, Washington, DC 20410-9000.

Information Sources: Administering office; Office of Capital Markets.
On the Web:www.ginniemae.gov

Current Status: Active.

Healthy Homes and Lead Hazard Control

Healthy Homes and Lead Hazard Control

Nature of Program: This program addresses childhood lead-based paint poisoning and other childhood diseases associated with housing, such as allergies and asthma from residential exposure to mold, skin reactions to pesticides, and carbon monoxide poisoning. It promotes preventive measures to correct multiple safety and health hazards in the home environment through several components:

- General demonstration, outreach, and education authority related to lead hazard control and healthy homes issues.

- Authority to perform research and technical studies, including in cooperation with other federal agencies, to establish standards for such matters as performance of detection methods and cleanups; to evaluate the effectiveness of methods and strategies for hazard evaluation and reduction; to gain knowledge to improve the cost-effectiveness and efficacy of evaluation and control of lead-based paint and other health and safety hazards in the home; and to help communities use this knowledge to reduce these hazards in their housing.

- Grants to state and local governments and private organizations to evaluate and reduce lead-based paint hazards in privately owned low-income housing; and grants to state and local governments and private organizations to develop methods to assess and reduce additional housing-related hazards.

- Establishment of procedures to evaluate and reduce lead-based paint hazards in federally owned housing and housing receiving federal assistance, including public housing, and to assist HUD program offices in implementing these procedures in their housing assistance programs.

- Enforcement of lead-based paint and lead-based paint hazard disclosure requirements upon rental or sale of housing built before 1978.

Applicant Eligibility: Depending on the grant program, state and local governments, Native American tribes, nonprofit or for-profit entities, and universities.

Legal Authority: Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq.); Residential Lead-Based Paint Hazard Reduction Act of 1992 (Title X of the Housing and Community Development Act of 1992; 42 U.S.C. 4851 et seq.); Sections 501 and 502 of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 and 1701z-2). Regulations are at 24 CFR part 35.

Information Source: Director of the Office of Healthy Homes and Lead Hazard Control, U.S. Department of Housing and Urban Development, Washington, DC 20410-3000.
On the Web: www.hud.gov/offices/lead/index.cfm

Current Status: Active.

OTHER RESOURCES

Office of Federal Housing Enterprise Oversight

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) (Government-Sponsored Enterprises or GSEs) are regulated in part through a largely independent Office of Federal Housing Enterprise Oversight (OFHEO) within HUD, and in part directly by the Secretary. OFHEO's role is to ensure that the enterprises are adequately capitalized and operate safely, and OFHEO is granted a broad range of powers to that end. The powers include the right to conduct examinations, issue subpoenas, report to Congress, and limit executive compensation levels.

In performing its regulatory duties, OFHEO is to use tests of the adequacy of the capital that (1) posit adverse financial markets and conditions and (2) measure credit, interest rate, management, and operations risks in relation to capital levels. In addition to regulatory powers, OFHEO has various levels of supervisory powers over the GSEs, including the appointment of conservators, if the level of capitalization falls below various minimums in certain circumstances. OFHEO also has administrative and judicial enforcement powers, including authority to pursue civil money penalties and issue cease and desist orders for violations under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

The Secretary has general regulatory power over Fannie Mae and Freddie Mac, except for the exclusive authorities of OFHEO and all other matters relating to the safety and soundness of Fannie Mae and Freddie Mac.

Legal Authority: Federal Housing Enterprises Financial Safety and Soundness Act of 1992, Title XIII of the Housing and Community Development Act of 1992
(12 U.S.C. 4501 et seq.); Federal National Mortgage Association Charter Act, Title III of the National Housing Act (12 U.S.C. 1716 et seq.); Federal Home Loan Mortgage Corporation Act, Title III of the Emergency Home Finance Act of 1970 (12 U.S.C. 1451 et seq.). Regulations are at 12 CFR parts 1700-1705, 1710, 1720, 1730, 1750, 1770, 1773, 1777, and 1780.

Location: Office of Federal Housing Enterprise Oversight, 1700 G Street, NW, 4th Floor, Washington, DC 20552.

Information Source: OFHEO (see "Location").
On the Web: www.ofheo.gov

Current Status: Active.

U.S. Interagency Council on Homelessness

The U.S. Interagency Council on Homelessness is an independent establishment in the Executive Branch that promotes and coordinates Executive Branch activities to assist homeless persons. The Council consists of 20 agencies, and the positions of chairperson and vice chairperson rotate among the agencies on an annual basis.

The Council has various duties, including (1) review of all federal activities and programs to assist the homeless; (2) development of a comprehensive approach to end homelessness; (3) taking actions to reduce duplication among such programs and activities; and (4) preparing an annual report on homeless programs and activities.

Legal Authority: Title II of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11311 et seq.).

Location: U.S. Interagency Council on Homelessness, Federal Center SW, 409 Third Street, SW, Suite 310, Washington, DC 20024. Telephone: (202) 708-4663.

Information Source: Office of U.S. Interagency Council on Homelessness.
On the Web: www.ich.gov

Current Status: Active. The statute currently provides a termination date for the Council of October 1, 2006.

Office of University Partnerships

The Office of University Partnerships (OUP) facilitates the formation of campus-community partnerships through sharing information about community partnership development, in general, and about OUP's various funded programs. Our website provides many helpful resources, including funding, research, news, events, technical assistance, and highlights of campus-community activities nationwide.

OUP is committed to helping colleges and universities join with their neighbors to address urban problems—partnerships that enable students, faculty, and neighborhood organizations to work together to revitalize the economy, generate jobs, and rebuild healthy communities.

OUP manages the following grant programs:

- Alaska Native/Native Hawaiian Institutions Assisting Communities (AN/NHIAC)
- Community Development Work Study Program (CDWSP)
- Community Outreach Partnership Centers (COPC)
- Doctoral Dissertation Research Grants (DDRG)
- Early Doctoral Student Research Grants (EDSRG)
- Hispanic-Serving Institutions Assisting Communities (HSIAC)
- Historically Black Colleges and Universities (HBCU)
- Tribal Colleges and Universities Program (TCUP)
- Universities Rebuilding America Partnerships (URAP)

Location: U.S. Department of Housing and Urban Development, 451 Seventh Street SW
Washington, DC 20401

Information Source: Office of University Partnerships.
On the Web: www.oup.org

Current Status: Active.

U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

CITIZENS' REPORT

FY 2008 SUMMARY OF PERFORMANCE AND FINANCIAL RESULTS

MESSAGE FROM THE SECRETARY

January 15, 2009

I am pleased to present the U.S. Department of Housing and Urban Development's Citizens' Report. This report provides a summary of our financial and performance results for the last year as we pursued promoting sustainable homeownership, community and urban development, and access to affordable housing free from discrimination. Our work touches the lives of millions of American families, and never has this work been more critical than in the past year.

I was appointed Secretary in June 2008, and from the moment I stepped through the front doors, I've been impressed by the dedication and commitment of the HUD staff as they work to modernize, develop, and implement programs to address the challenges confronting America's housing and financial markets. At the heart of the nation's financial system are our housing and mortgage markets. Resetting interest rates for adjustable rate subprime mortgages and falling home prices have contributed to the current and unique challenges affecting the stability of our communities. This summary report will briefly discuss, at a high level, the actions HUD has taken to help homeowners, including HUD's *FHASecure* program, and other newly legislated programs. HUD's Federal Housing Administration has been particularly successful, helping over 500,000 families stay in their homes.

In the 43 year history of the U.S. Department of Housing and Urban Development (HUD), never has the agency's mission been more important. We remain very focused on continuing to efficiently and effectively serve our customers, including:

- The chronically homeless;
- Those who cannot afford market prices for rent;
- Those looking to buy or refinance a home;
- Those looking to keep their homes;
- People confronting disasters; and
- People working to rebuild or revitalize our cities.

The Department's success in these areas is truly noteworthy. Year after year, the Department reports on its delivery of rental assistance to households. In FY 2008, HUD assisted 4.7 million households. Additionally, the homeownership market recognized the stability of FHA, as reflected by a 125 percent increase in business with over 1.2 million single family mortgages insured during the year.

The full PAR addresses the Federal Managers' Financial Integrity Act (FMFIA) reporting requirements. FMFIA requires that federal programs be operated efficiently, effectively, and in compliance with relevant laws. The financial and performance data presented in this summary report and in the full PAR are complete and reliable. Throughout the year, our senior managers analyze financial and program performance data to assess the efficiency and effectiveness of each organization. Management relies on these data to identify control deficiencies and material inadequacies in our financial and program performance to help determine corrective tasks needed to resolve them.

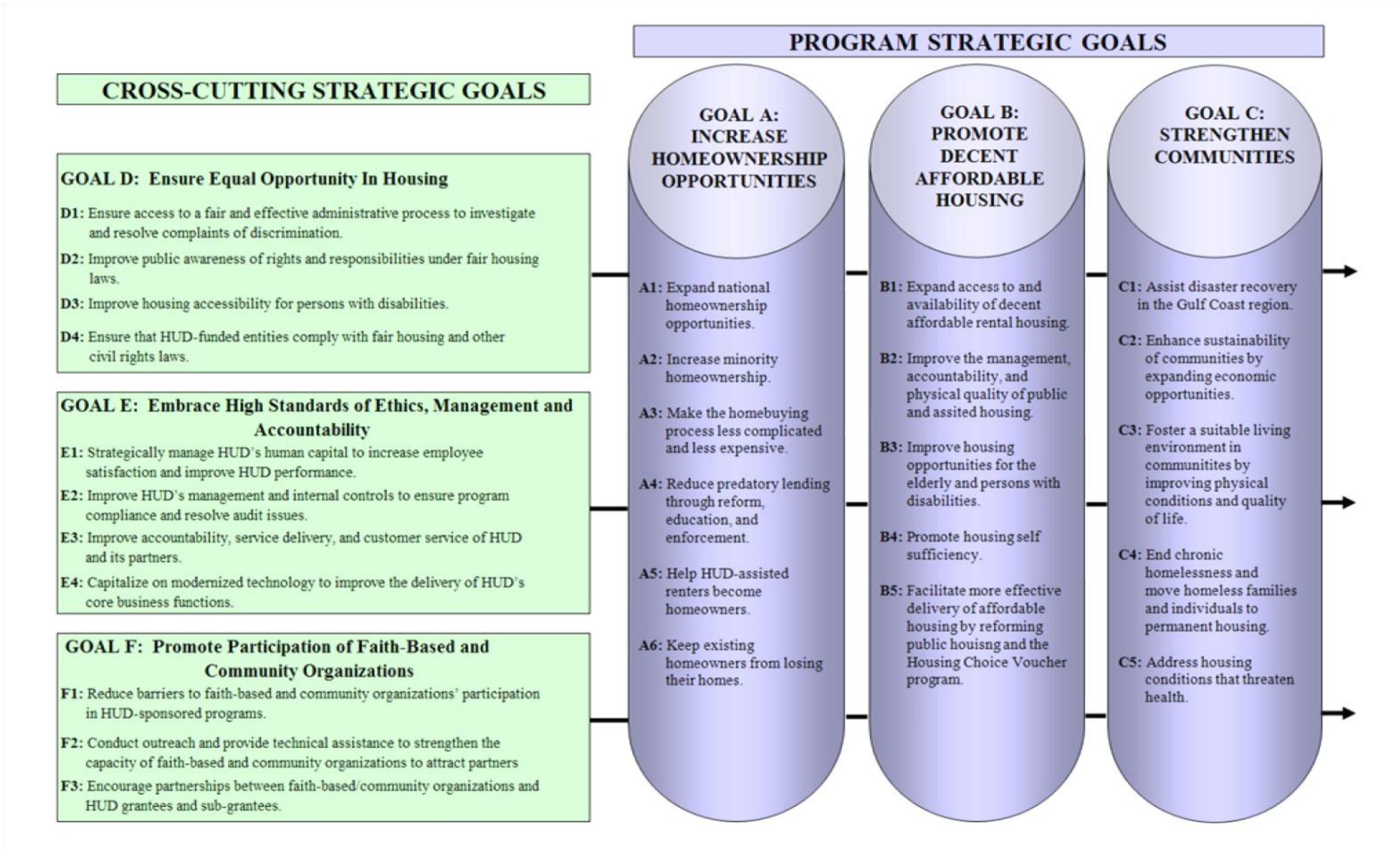
This report provides an overview of the activities the Department has taken, and is taking, to address the housing crisis during this very critical time for our nation. It briefly describes the many successes of our existing core programs that ensure Americans have roofs over their heads. HUD's successes can be overwhelmingly attributed to the Department's most valuable asset – our employees. I am confident that the new initiatives HUD has implemented, along with our existing programs, will continue to receive the full support of the employees of the Department and will result in HUD remaining a critical factor in the recovery of the housing market.

Steven C. Preston
Secretary

STRATEGIC PLAN

In order to accomplish its mission, HUD has devised a Strategic Plan (available online at (http://www.hud.gov/offices/cfo/stratplan.cfm) consisting of six Strategic Goals (Goals A-F), as shown in the chart below. HUD's strategic planning process provides a framework for effective planning, budgeting, program evaluation, and accountability for results. Goals A, B, and C are Program Goals, which emphasize HUD's Mission. Goals D, E, and F are Cross-Cutting Goals, which support the Program Goals.

STRATEGIC FRAMEWORK



Excerpts provided by the U.S. Department of Housing and Urban Development Citizens' Report FY 2008 Summary of Performance and Financial Results: http://www.hud.gov/offices/cfo/reports/cforept.cfm

BUDGET, PERFORMANCE AND FINANCIAL SNAPSHOT FISCAL YEAR 2008

WHO WE ARE

Mission: The mission of the Department of Housing and Urban Development is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. *(http://www.hud.gov/offices/cfo/stratplan.cfm)*

Organization: The Department's headquarters is in Washington, D.C., with 80 field offices across the Nation. The organizational model for the Department includes the use of third party intermediaries or business partners in the delivery of most of HUD's community development, rental housing assistance, and housing mortgage insurance programs. These partnerships include state and local governments, non-profit sponsors, public housing agencies, private landlords, and mortgage lending institutions. *(http://www.hud.gov/utilities/intercept.cfm?/offices/adm/about/admguide/orgcharts/hud.pdf*)

Personnel: The Department has 9,433 full time equivalent employees, including headquarter employees, with the majority of employees located in field offices. *(http://www.hud.gov/jobs/index.cfm*)

Budgetary Resources: Discretionary resources of $52.3 billion equates to $171 for every American.

PERFORMANCE SNAPSHOT

Accomplishments: In FY 2008, the Department assisted in strengthening homeownership including 1.2 million Federal Housing Administration endorsements, providing housing counseling for over 1 million clients, and exceeding the pace for adding 5.5 million minority homeowners between 2002 and 2010. The Department assisted communities across the nation through the $4 billion formula Community Development Block Grant program and HOME, homeless, and Housing for Opportunities for Persons With AIDS programs. HUD programs also assisted 4.7 million targeted low-income clients with affordable housing. The Department continued to enforce and educate the nation on Fair Housing rights and responsibilities. HUD's audited financial statements were submitted ahead of schedule, and for the ninth year in a row, HUD attained an unqualified (i.e., "clean") audit opinion, with no material weaknesses identified by the auditors.

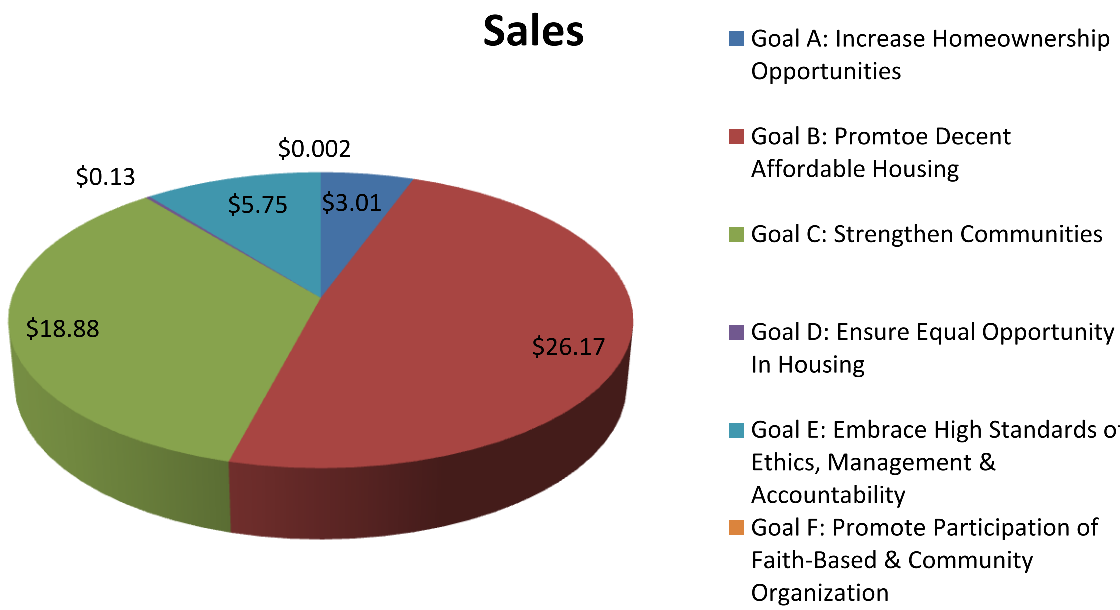
Challenges: The Department continues to support the national mortgage market through FHA's insurance programs that provide a safe, affordable financing option that is particularly needed by first-time homeowners and those threatened by foreclosure. The Department continues to support community and economic development seeking to target limited resources to the areas of greatest need and provides substantial resources in response to natural disasters and other emergencies. Work continues to further reduce housing discrimination, end lead poisoning in children, and preserve 4.7 million affordable rental housing units.

FINANCIAL SNAPSHOT

Clean Financial Audit Opinion: Yes		**Material Weaknesses: None**	
Improper Payment Rate	3.5%	Total Assets	$125,036
Total Liabilities	$30,521	Net Cost of Operations	$57,154

SUMMARY OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT BUDGET RESOURCES STRATEGIC GOAL FOR FISCAL YEAR 2008

Strategic Goals
Gross Budget Authority FY 2008 ($53.94 billion)*
(Dollars in billions)

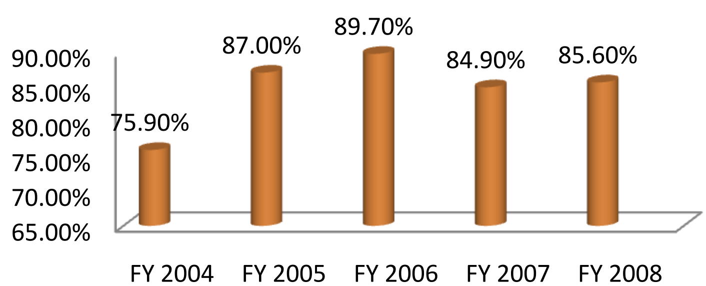


******Gross budget authority does not include enacted $1.25 billion overall rescission directed to be from any available HUD resources and does not include the $723 million enacted rescission directed from the Section 8 Tenant Based Rental program, or $37.6 million directed from the Section 236 RAP program.*

HUD'S PERFORMANCE OVERVIEW

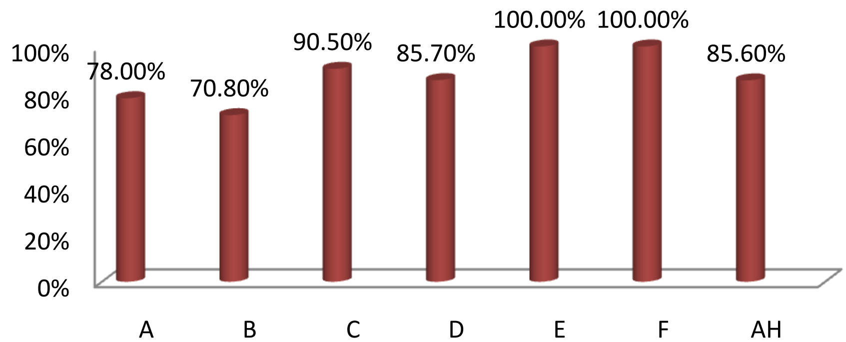
The ensuing graphs illustrate HUD's performance by percent of performance goals met/missed (1) from a historical perspective, (2) by strategic goal, and (3) by a summary of performance goals met by program office.

Summary of Performance Indicators Met
By Fiscal Year



Fiscal Year 2008 performance reflects a slight increase over FY 2007 results, though it is still below the levels established in FY 2005 and FY 2006. The Department's ability to achieve a higher success rate was hindered by the downturn in the economy as it has affected the housing industry, as well as from a relative reduction in funding available for HUD program monitoring, assistance, enforcement, and for needed IT systems improvement. For a broader explanation of HUD's means, strategies, and plans for accomplishing its Strategic Goals, refer to Section 2, the Performance Section, of the full FY 2008 Performance and Accountability Report (PAR).

Percent of FY 2008 Performance Indicators Met
By Strategic Goal

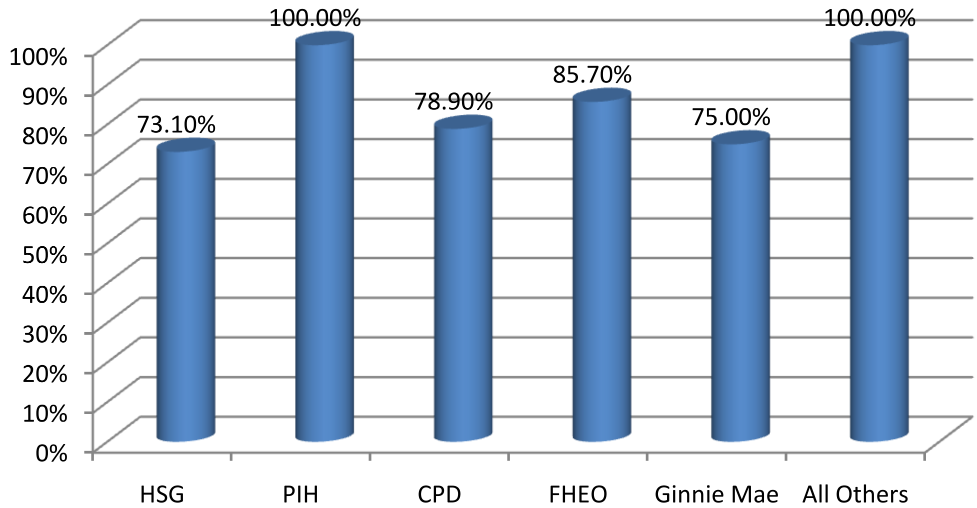


In order to most efficiently and effectively fulfill the Mission of HUD, the Department has established the following major program offices:

- Office of Housing (including the Federal Housing Administration),
- Government National Mortgage Association (Ginnie Mae),
- Public and Indian Housing (PIH),
- Community Planning and Development (CPD), and
- Office of Fair Housing and Equal Opportunity (FHEO).

Each office has a primary focus on one or more of the Strategic Goals of HUD's Mission, and their programs are generally focused on a particular housing program delivery constituency, such as state and local governments (CPD), public housing agencies (PIH), private sector lenders and owners (Housing/FHA), or the secondary mortgage market (Ginnie Mae). Additionally, HUD has a number of other administrative, financial, and support offices that directly support the strategic goals and/or provide valuable support to the five major program offices.

Percent of FY 2008 Performance Indicators Met
By Program Office



The following pages provide a brief summary of the Department's major organizations and their respective programs, how they work and who they serve, and their accomplishments and challenges during FY 2008. Additionally, other program and support organizations are identified that address a specific housing area and/or perform a specific function. Each office's specific performance measures are discussed in depth in the Performance Section (Section 2) of the full PAR, which details the FY 2008 results, explaining HUD's successes and challenges, and how HUD addressed the challenges.

HOUSING

Primary Focus: Increase Homeownership Opportunities and Affordable Rental Housing

Major Programs: FHA Single Family and Multifamily Housing Mortgage Insurance, Section 8 Project-Based Rental Assistance, Section 202 Housing for the Elderly, Section 811 Housing for the Disabled, Housing Counseling

FY 2008 Budget Authority:
Gross Appropriated Budget Authority: $7.6 Billion
Insurance and Loan Guarantees: $181+ Billion
FHA Collections: $15.7 Billion
Authorized Staffing: 3,108 Full Time Equivalent

Performance Indicators:
Number of Measures: 26 Number Met: 19 Number Missed: 7

MISSION

To contribute to building and preserving healthy neighborhoods and communities, maintain and expand homeownership, rental housing and healthcare opportunities, and stabilize credit markets in times of economic disruption.

MAJOR PROGRAMS

(http://www.hud.gov/offices/hsg)

- **FHA** provides mortgage insurance on loans for the purchase of new or existing homes, condominiums, manufactured housing, and houses needing rehabilitation; facilitates the construction, substantial rehabilitation, refinancing, and purchase of multifamily housing projects and healthcare facilities; and provides elderly homeowners with reverse equity mortgages. FHA has insured over 35 million single family home mortgages and 47,205 multifamily project mortgages, representing approximately 5.8 million insured units since its inception in 1934.

- ***Housing Counseling*** provides counseling and advice with respect to property maintenance, financial management and other matters, as appropriate, to assist persons in improving their housing conditions, and to meet their responsibilities of homeownership.

- **Project Based Rental Assistance (Section 8)** is attached to multifamily housing properties and ensures that the properties remain affordable to low-income families.

- **Housing for the Elderly (Section 202)** provides interest-free capital advances to private, non-profit sponsors to finance the development of supportive housing for the elderly. Rent subsidies are also provided in order to make the facilities affordable.

- **Housing for the Disabled (Section 811)** provides affordable housing for very low-income households in which at least one member, 18 years or older, has a physical or developmental disability or chronic mental illness.

FY 2008 PERFORMANCE RESULTS

FHA *(http://www.hud.gov/offices/hsg/fhafy08annualmanagementreport.pdf)*

FHA has been, and continues to be, a stabilizing presence for credit markets in times of economic disruption, as it did when private insurers tightened standards and some closed their businesses during the deep regional recessions of the 1980s. In the current credit crisis, FHA is providing a financially conservative and stabilizing presence.

Housing and Economic Recovery Act of 2008 *(http://www.hud.gov/offices/hsg)*

On July 30, 2008, the President signed the Housing and Economic Recovery Act of 2008 (HERA). HERA established many provisions to address the housing and economic crisis. One provision created the HOPE for Homeowners (H4H) Program, which was established to allow FHA to insure up to $300 billion in mortgages to assist homeowners to refinance with FHA to avoid foreclosure. The H4H program is now operational, available to all FHA-approved mortgage lenders, and should serve the borrowers most in need of the refinancing option it provides. The program has features useful for those with no other choice than foreclosure.

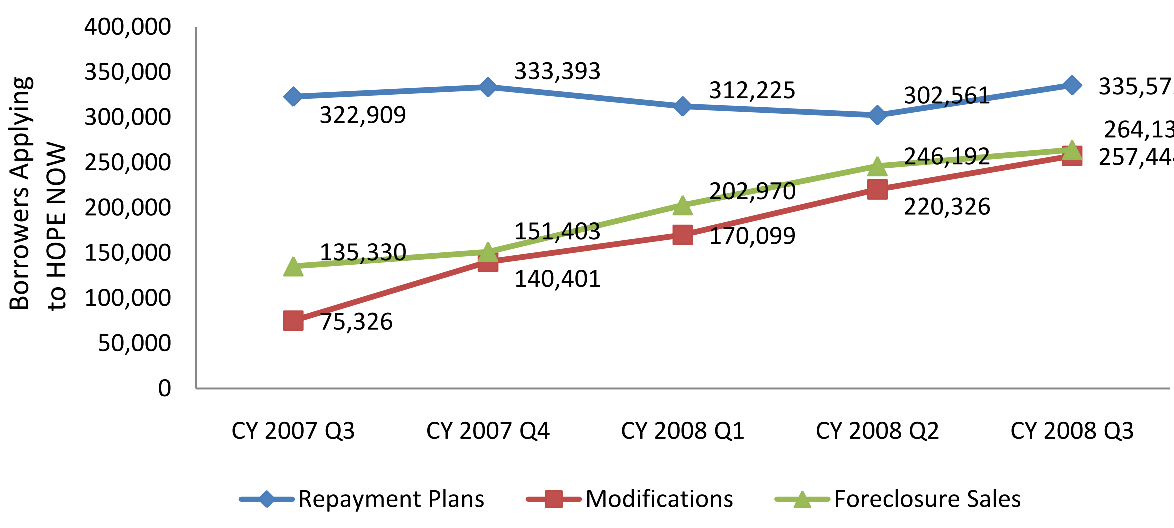
FHA's role in improving homeownership opportunities is tracked by the volume of FHA insured loans. During FY 2008, FHA endorsed new mortgage insurance for over 1.2 million single family mortgages, including 111,661 Home Equity Conversion Mortgages (HECM), representing $177 billion of new mortgage endorsements and potential liability. Of the new endorsements in FY 2008, 77.9 percent were to first time homebuyers, with 31.2 percent being made to minorities.

The financial stability of the Mutual Mortgage Insurance fund is a major concern of HUD and the Congress. To ensure the stability of this fund, Congress has mandated a minimum level for the capital ratio, currently set at 2.0 percent. The capital ratio is defined as the ratio of estimated economic value of the Fund to outstanding insurance-in-force. The capital ratio has consistently exceeded this minimum requirement, and was 6.4 percent in FY 2007. In FY 2008, HUD again surpassed the minimum level, though this ratio decreased significantly to 3.0 percent. The estimated economic value of the fund decreased significantly with the forecast of expected house price declines due to the declining housing market. Conversely, the total MMI insurance-in-force increased significantly due to the volume of new endorsements.

Housing Counseling

In FY 2008 over 2,000,000 homeowners (about 70 percent of those who have sought counseling) avoided foreclosure through HOPE NOW. HOPE NOW is a private, independent coalition for counseling troubled homeowners regarding refinancing or restructuring their loans to avoid foreclosure. This expanded HUD's Housing Counseling outreach activities significantly as the coalition began to assist affected homeowners. In the chart below, based on national data from HOPE NOW, the Repayment Plans and the Modifications together represent homeowners who have avoided foreclosure through workout plans made with HOPE NOW assistance.

Borrower Loan Workout Plans and Foreclosures
(Calendar Quarterly Data)



Many foreclosures are being prevented without a major restructuring of debt, and many lenders are willing to take actions to keep homeowners solvent. HOPE NOW counselors are all HUD intermediaries and are approved by HUD to provide Housing Counseling.

Multifamily Insurance

This year, the FHA endorsed mortgage insurance for 647 new multifamily housing loans (70,914 units) and 8 new healthcare facilities, representing a FY 2008 total of $4.17 billion of new insurance coverage, bringing the totals to 11,931 multifamily housing loans and 81 healthcare facilities. Although the number of multifamily endorsements fell short of the FY 2008 goal to insure 750 multifamily projects, the results still represent a significant achievement in light of the major economic downturn impacting our country.

Project Based Rental Assistance (Section 8)

Section 8 was named for the section of the U.S. Housing Act of 1937 under which the original subsidy program was authorized, and differs from the Housing Choice Voucher program (described in the PIH section of this report) in that the assistance is not provided to individual families, but is instead attached to multifamily housing properties to ensure that these properties remain affordable to low income families. In FY 2008, approximately 1.3 million units were provided Section 8 assistance.

Housing For The Elderly (Section 202) and Housing For The Disabled (Section 811)

The goals for Section 202 and Section 811 were combined in FY 2008. The target was to reach initial closing on 200 projects. The actual number closed was 224 projects, which resulted in an additional 4,560 Section 202 units and 1,137 Section 811 units, bringing the total to 142,046 units assisted in the Sections 202 and 811 programs.

For the Section 8, 202, and 811 Programs, ensuring the quality and viability of subsidized housing is a major commitment of the Department, and HUD has established a goal to monitor the physical and financial condition of insured and assisted multifamily housing projects. As of the end of FY 2008, 93 percent of 31,497 assisted properties met physical condition standards. This result fell short of the FY 2008 target by 2.0 percentage points.

GINNIE MAE

Primary Focus: Increase Homeownership Opportunities

Major Programs: Mortgage-Backed Securities Guarantees

FY 2008 Budget Authority:
Gross Budget Authority: $8.25 Million for Salaries and Expenses
Commitment Authority: $258.3 Billion
Mortgage-Backed Securities Income and Interest Income: $1.0 Billion
Ginnie Mae Securities Outstanding: $576.8 Billion
Authorized Staffing: 69 Full Time Equivalent

Performance Indicators:
Number of Measures: 4 Number Met: 3 Number Missed: 1

MISSION

To expand affordable housing in America by linking global capital markets to the nation's housing markets.

MAJOR PROGRAMS

(*http://www.ginniemae.gov/*)

Under the umbrella of HUD's efforts to promote affordable homeownership, the Government National Mortgage Association, commonly known as Ginnie Mae, has been effectively working in the secondary housing market to channel funds to lenders, enhancing the availability of funds for new mortgages and reducing the mortgage interest rates consumers pay.

In the current uncertain environment of the housing and financial crisis due to mortgage foreclosures, Ginnie Mae is strong and stable. Ginnie Mae securitizes loans that are insured by FHA, VA, USDA, and PIH (HUD). Thus, it is able to offer investors a Mortgage Backed Security (MBS) that is backed by the full faith and credit of the United States government. Not only are the underwriting standards for these loans very high, but the backing gives Ginnie Mae an edge in times of market insecurity

FY 2008 PERFORMANCE RESULTS

Ginnie Mae exceeded its major goal for FY 2008 of securitizing at least 93.5 percent of eligible single family, fixed-rate FHA loans, by securitizing 96.9 percent. The organization also exceeded its goals for securitizing at least 95 percent of FHA multifamily mortgages and 84 percent of Veterans Affairs single family, fixed-rate loans.

Ginnie Mae experienced a rise in the level of MBS issuance from $85.0 billion in FY 2007 to $220.6 billion in FY 2008, increasing its market share from 4 percent to 19 percent, at least partially due to the current financial crisis in the nation.

PUBLIC AND INDIAN HOUSING

Primary Focus: Promote Decent Affordable Rental Housing

Major Programs: Section 8 Tenant-Based Rental Assistance, Public Housing Operating and Capital Funds, and Indian and Native Hawaiian Housing Block Grants and Loan Guarantee Funds

FY 2008 Budget Authority:
Gross Budget Authority: $23.3 Billion
Authorized Staffing: 1,513 Full Time Equivalent

Performance Indicators:
Number of Measures: 11 Number Met: 11 Number Missed: 0

MISSION

To ensure safe, decent, and affordable housing for low-income households.

MAJOR PROGRAMS

(http://www.hud.gov/offices/pih/)

- ***Section 8 Housing Choice Vouchers*** provide a cost-effective means for delivering decent, safe, and affordable housing to low-income families. These vouchers assist eligible families to obtain housing in the private market, and in a neighborhood of their choosing.

- **Public Housing Operating Funds** assist PHAs in meeting public housing project and management expenses, such as administration, routine maintenance, anti-crime and anti- drug activities, resident participation in management, insurance costs, energy costs, and other costs.

- **Public Housing Capital Funds** provide grants to finance capital improvements, including the development, financing, and modernization of public housing developments and for management improvements. Additionally, a PHA may borrow funds from the private markets, pledge a portion of its future year annual capital funds, subject to the availability of appropriations, and then repay the financing as they receive their capital funds.

- **HOPE VI, Section 184 Loan Guarantee Program, Section 184A Loan Guarantee program for Native Hawaiians, and the homeownership option under the Housing Choice Voucher, Family Self-Sufficiency, and Moving to Work programs** each focus on a particular housing program delivery constituency.

FY 2008 PERFORMANCE AND FINANCIAL RESULTS

Section 8 Housing Choice Vouchers
HUD provided assistance to approximately 2.1 million households through vouchers administered by more than 2,400 PHAs. HUD has noted an increase in the PHAs utilization rate of vouchers provided by the Department from 90.0 percent in FY 2006, to 91.7 percent in FY 2007, and to 93.3 percent in FY 2008. Although this is an improvement, HUD still expects much greater utilization of these funds. To achieve improved utilization in the future, HUD plans to continue outreach to PHAs and to link future administrative fee payments to PHA leasing levels.

Public Housing Operating Funds
Operating Funds are provided to over 3,100 PHAs, supporting approximately 1.1 million units of assisted housing, to assist them in meeting public housing project and management expenses. The "Public Housing Cost Study" recommended a transition to asset management to increase the focus and accountability of PHAs for each of their individual public housing properties as a valuable low-rent real estate asset. FY 2008 was the second year of the new Operating Fund formula, which requires conversion to asset management. Asset management includes adoption of project-based budgeting, accounting, and asset management to align PHA accounting and management practices to those used by private industry for PHAs with 400 or more units. At the end of FY 2008, 99

percent of PHAs in this category had implemented asset-based accounting and had completed the conversion to asset management, exceeding the goal by 60 percent. The physical condition of PHAs, like multifamily housing projects, is very important to HUD and thus is monitored very closely. As of September 30, 2008, the percentage of public housing units meeting HUD's physical condition standards was 84.5 percent, substantially meeting the goal of 85.0 percent. Once the Department has completed the transition to asset management, the physical condition goal will be tracked on a property level versus on a PHA level.

Public Housing Capital Funds

During FY 2008, over 3,100 PHAs were recipients of public housing capital funds, with an average grant amount up to $750,000, to finance capital improvements including the development, financing, and modernization of public housing developments and for management improvements. Also, HUD's Office of Capital Improvements approved approximately $504 million of leveraged funds through the Capital Fund Financing Plan. This approval provided 15 PHAs with funding to modernize and develop public housing, thus protecting and enhancing the affordable housing stock.

COMMUNITY PLANNING AND DEVELOPMENT

Primary Focus: Strengthen communities and expand economic and community development opportunities for low- and moderate-income households

Major Programs: Community Development Block Grants, Special Needs Assistance, and Affordable Housing

FY 2008 Budget Authority:
Gross Budget Authority: $21.3 Billion
CPD Core Programs: $7.6 Billion
CPD Disaster Relief: $13.7 Billion
Authorized Staffing: 777 Full Time Equivalent

Performance Indicators:
Number of Measures: 19 Number Met: 15 Number Missed: 4

MISSION

To develop viable communities by promoting integrated approaches that expand economic opportunities for low- and moderate-income persons, and provide decent housing with a suitable living environment.

MAJOR PROGRAMS

(http://www.hud.gov/offices/cpd/)

- ***Community Development Block Grant (CDBG)*** program provides grants to units of general and local government and states for the funding of local community development programs. CDBG also provides disaster recovery assistance to states impacted by hurricanes and other disasters such as hurricanes Katrina, Rita and

Wilma of 2005 and Gustav and Ike of 2008, the 2008 Mid-western states' floods, as well as emergency assistance to state and local governments to use for the redevelopment of abandoned and foreclosed homes and residential properties.

Ninety six percent of the 2005 appropriated funds for hurricanes Katrina, Rita and Wilma were allocated to the states of Louisiana and Mississippi, with Louisiana receiving $13.4 billion and Mississippi $5.5 billion. Of the total awarded to Louisiana, 75 percent of the monies are designated for the Road Home program. Fifty percent of the funds awarded to Mississippi is for the Homeowner Program, which is designed to provide financial assistance to homeowners that were outside the flood plains. In addition to the Gulf Coast hurricane disasters of 2005, Congress appropriated $300 million in emergency disaster assistance in 2008 for the appropriated $6.5 billion as enacted for disaster relief, long-term revitalization in federally declared disaster areas affected by hurricanes (including Ike and Gustav), floods, and other natural disasters occurring during 2008.

The Housing and Economic Recovery Act of 2008 provided $3.92 billion for the Neighborhood Stabilization Program (NSP) in emergency assistance to state and local governments to use for the redevelopment of abandoned and foreclosed homes and residential properties. Further details are available on HUD's website at (http://www.hud.gov/nsp).

- ***Special Needs Assistance Programs*** focus on assisting in the reduction of homelessness in the Nation by funding programs to help persons who are homeless by offering permanent supportive housing. Special needs efforts also involve housing opportunities for low-income persons living with HIV/AIDS (also known as HOPWA). (http://www.hud.gov/offices/cpd/aidshousing/programs/index.cfm)

- ***Affordable Housing Programs*** such as the HOME Investment Partnerships (http://www.hud.gov/offices/cpd/affordablehousing/programs/home/), Self-Help Homeownership Opportunity (http://www.hud.gov/offices/cpd/affordablehousing/programs/shop/), and Homeownership Zones (http://www.hud.gov/offices/cpd/affordablehousing/programs/hoz/) programs provide federal resources directly to the state and local level for use in the development of affordable housing units, or to assist income-eligible households in purchasing, rehabilitating, or renting safe and decent housing.

- ***Other CDBG Programs*** provide financial and technical assistance to local communities to develop and implement their own economic development and community revitalization strategies.

FY 2008 PERFORMANCE RESULTS

Community Development Block Grants (CDBG)
(http://www.hud.gov/offices/cpd/communitydevelopment/programs/index.cfm)
During FY 2008, CDBG grantees (Entitlement and State Programs) expended approximately $4.3 billion in grant funds for programs and activities such as housing ($1.1 billion), economic development ($343 million), public improvements ($1.4 billion), public services ($466 million), and others ($1 billion). The percentage of CDBG entitlement and state CDBG funds that are used to directly benefit low- and moderate-income persons is a key indicator for the Department, as it supports the overall goal of the CDBG program, i.e., that funds principally benefit low- and moderate-income persons. In FY 2008, the share of CDBG entitlement and state CDBG funds that benefited low- and moderate-income persons averaged 95.6 percent, exceeding the goal of 90 percent.

In FY 2008, Louisiana provided $7.1 billion to 118,335 Road Home applicants while Mississippi provided $1.7 billion to 23,651 Homeowner Program applicants. The Road Home program is designed to provide compensation to citizen homeowners affected by Hurricanes Katrina or Rita for damages of their homes, and is administered by the State of Louisiana. The Homeowner *Program* is designed to provide assistance to homeowners of Mississippi that were outside of the flood plains.

Special Needs Assistance Programs *(http://www.hud.gov/offices/cpd/homeless/index.cfm)*
In FY 2008, HUD exceeded its targeted assistance goals to reduce the effects of chronic homelessness. The Department achieved 75.1 percent of formerly homeless persons remaining in permanent housing for at least six months, achieving a 5 percent increase above the target of 71.5 percent. Similar progress was evidenced in transitional housing, wherein 71.1 percent of homeless persons moved from transitional housing into permanent housing. This is an increase of 7.6 percentage points, or 12 percent increase above the 63.5 percent target for FY 2008. Employment of homeless persons exiting permanent housing increased by 2.9 percentage points, or 15 percent, from its targeted goal of 19 percent, thereby yielding 21.9 percent for FY 2008. Approximately 21,405 households received support through HOPWA's permanent housing projects, 40,805 households received benefits to reduce risks of homelessness under the short-term and transitional housing projects, and 35,253 eligible persons benefited under housing assistance leveraged from other state, local or private sources operating under the community's HIV housing efforts.

Affordable Housing Programs *(http://www.hud.gov/offices/cpd/affordablehousing/index.cfm)*
During FY 2008, 642 Participating Jurisdictions used HOME funds to complete 30,999 new homebuyer units and/or directly assist homebuyer households. Additionally, 384 American Dream Down Payment Initiative (ADDI) recipients received funds to complete 4,209 new homebuyer units and/or directly assist first-time homebuyer households.

FAIR HOUSING AND EQUAL OPPORTUNITY

Primary Focus: Create Equal Housing Opportunities

Major Programs: Fair Housing Assistance Program, Fair Housing Initiatives Program and Enforcement

FY 2008 Budget Authority:
Gross Budget Authority: $50 Million
Authorized Staffing: 583 Full Time Equivalent

Performance Indicators:
Number of Measures: 7 Number Met: 6 Number Missed: 1

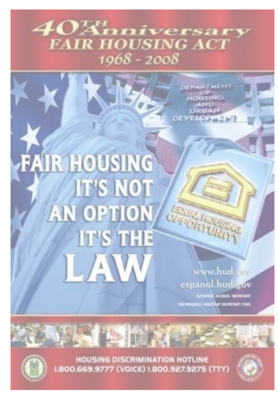
MISSION

To create equal housing opportunities by enforcing laws including the Federal Fair Housing Act that prohibit discrimination in housing on the basis of race, color, religion, sex, national origin, disability, familial status, and age.

MAJOR PROGRAMS

(http://www.hud.gov/offices/fheo/)

- ***Fair Housing Assistance Program*** reduces discrimination and unfair practices by increasing public awareness of fair housing laws, housing discrimination, lending discrimination and predatory lending, as well as educating the public about what they can do and where to go for assistance.



- ***Fair Housing Initiatives Program*** provides a fair, effective, expeditious, and efficient fair housing complaint process essential to maintaining the public's confidence that victims of housing discrimination will receive relief from discriminatory housing practices and that violators will be disciplined.

FY 2008 PERFORMANCE RESULTS

Fair Housing Assistance Program

In FY 2008, the Department completed 60 percent of new complaints filed within 100 days, exceeding its goal by 5 percent. HUD also exceeded its goals related to "aged" cases during the year. The Department did not achieve its goal related to Fair Housing Assistance Program agencies closing 53 percent of fair housing complaints referred by HUD within 100 days, closing only 50 percent.

Fair Housing Initiatives Program
HUD has continued to surpass its education and awareness goals, conducting 1,783 education and outreach events during FY 2008, 1,483 more than the target. These events reached nearly 300,000 people, 120,000 more than their target.

HUD investigates complaints of housing discrimination, including discriminatory lending complaints, at no cost to individuals who believe they have experienced discrimination. To learn more go to *(http://www.hud.gov/offices/fheo/complaint-process.cfm)*.

OTHER ORGANIZATIONS IN HUD

Healthy Homes and Lead Hazard Control *(http://www.hud.gov/offices/lead/)*
The elimination of lead poisoning in children as a major public health problem by 2010 is one of the President's and Secretary's priorities. In the 1990 to 1994 time period, the number of children with elevated blood lead levels was 890,000. As of the end of FY 2008, that number was 215,000. This effort is the responsibility of the Office of Healthy Homes and Lead Hazard Control. With an FY 2008 appropriation of $145 million, this Office directs programs that address the health and safety needs of homes, including the Lead Hazard Control Program and the Healthy Homes Initiative, and enforcing lead safety regulations.

Faith Based and Community Initiatives *(http://www.hud.gov/offices/fbci/)*
The Center for Faith-Based and Community Initiatives' goal is to implement the President's vision of a compassionate community, where faith-based and community organizations work with government to help the needy in a more effective manner. One of the key principles is that all groups, whether religious or secular, should compete on a level playing field when applying for federal funds. As a result, an important part of the Center's work is empowering faith-based and community organizations to apply for HUD grants. One of the Center's activities is to assist organizations to obtain federal grants through grant writing training sessions. In FY 2008, 68 training sessions were held, 38 more than the goal.

OTHER SUPPORT OFFICES
In addition to the program offices described above, HUD has the following support organizations. More extensive and detailed information for these offices can be found at their respective links, as well as in the full PAR.

The Office of Administration *(http://www.hud.gov/offices/adm/)*
The Office of the Chief Financial Officer *(http://www.hud.gov/offices/cfo/)*
The Office of the Chief Information Officer *(http://www.hud.gov/offices/cio/)*
The Office of the Chief Procurement Officer *(http://www.hud.gov/offices/cpo/)*
The Office of Field Policy and Management *(http://www.hud.gov/offices/fpm/)*
The Office of Congressional and Intergovernmental Relations
(http://www.hud.gov/offices/cir/)

The Office of Departmental Operations and Coordination (*http://www.hud.gov/directory/dirodoc.cfm*)
The Office of General Counsel (*http://www.hud.gov/offices/ogc/*)
The Office of Inspector General (*http://www.hud.gov/offices/oig/*)
The Office of Policy Development and Research (*http://www.huduser.org/*)
The Office of Public Affairs (*http://www.hud.gov/news/index.cfm*)

MANAGEMENT CHALLENGES AND PERFORMANCE

Conditions which can either hinder or threaten to hinder HUD's mission include the economy, demographic and social trends, the physical environment, and internal organization and management limitations. (A thorough discussion of this topic can be found in the full PAR in the sections titled "**Risks, Trends, and Factors Affecting Goals," "Inspector General's Summary of Management and Performance Challenges," and "Management and Performance Challenges – HUD Management Perspectives**.")

HUD's Inspector General reported six management challenges the Department faced in FY 2008. As discussed in the following sections, four of these challenges are being addressed as initiatives of the President's Management Agenda (PMA), and the other two challenges – the "nations' financial crisis" and "victims of natural disasters" – are being addressed through HUD-specific initiatives.

Human Capital Management

HUD's management recognizes the challenges in the management of human capital and in implementing the three main initiatives of its Strategic Human Capital Management Plan: be "mission-focused," maintain a "high quality workforce," and conduct "effective succession planning." Both the Office of Personnel Management and the Office of Management and Budget have recognized HUD's progress in this area by scoring HUD as "Green" on the PMA's Human Capital initiative for the 3rd quarter of FY 2008. One of the greatest challenges HUD and other federal agencies face is the fact that more than 58 percent of HUD's aging workforce will be eligible to retire within three years. Workforce planning is hindered by a lack of funding for maintaining requested full-time equivalent staffing levels and adequately training and developing HUD staff. The requirement to fund salary increases without corresponding increases in annual appropriations worsens the funding gap. Along with succession planning, employee surveys, and a centralized training strategy, which are helpful in upgrading staff capabilities, HUD is refining and strengthening the use of risk-based program monitoring techniques in order to better assure adequate program oversight and accountability with available resources.

Financial Management Systems

HUD's OIG has raised specific management challenge issues in this area, including: the implementation of the HUD Integrated Financial Management Information Project (HIFMIP), the need for improved financial system security and other controls, and adequate funding for system development to upgrade or replace antiquated systems applications. HUD recognizes the need to modernize its core financial system, and the challenge of having and maintaining strong internal controls over financial systems and financial reporting. HUD has already implemented new financial systems at FHA and Ginnie Mae, addressing previously identified weaknesses. The contract for a

Shared Service Provider/Systems Integrator to modernize the financial system for the rest of HUD was scheduled for award during the first quarter of FY 2009 as the next step under the HIFMIP. In the interim, HUD's ability to produce timely, accurate financial statements and essential financial data has not been deterred by the lack of a modern core financial system. OMB has recognized HUD's progress on the Improving Financial Performance initiative of the PMA by scoring HUD's status as "Green." Specifically, OMB recognized HUD's use of financial information by managers for decision making. HUD's Financial Data Mart has over 400 users, primarily those who are responsible for financial decision-making, with over 530 web-based or broadcast reports, mostly financial in nature. HUD has resolved the two OIG identified material weaknesses identified in the FY 2007 financial audit related to the Home Equity Conversion Mortgage (HECM) program. In response to the IG's concerns about system security controls, in FY 2008, HUD obtained sufficient audit record storage capacity, established an audit reduction and report generation capability, ensured that security audit log events are monitored, analyzed, reported and followed-up, and restricted access to log files to those whose job function requires that access.

FHA Single-Family Management

HUD's challenge in this area is to demonstrate that it is managing against the potential losses that threaten the rapidly growing portfolio of more than $450 billion in single-family mortgages while enabling millions of first-time borrowers, minority, low-income, elderly, and other underserved households to realize the benefits of homeownership. With the collapse of the credit industry, partially due to the national subprime mortgage crisis that came to a head in FY 2008, the value of FHA's reserves are being diminished by increasing default rates, while the increased use of FHA to insure new and refinanced loans is increasing the exposure of those reserves to future risk. While HUD's capital reserve ratio of 3.0 percent is still above the congressionally required limit of 2.0 percent, HUD must maintain a watchful eye on future risk relative to the increasing portfolio of single-family mortgages. FHA is striving to conduct the actions noted by the IG including performing a formal, systematic annual risk assessment of its programs and administrative functions, planning and conducting ongoing management control reviews, establishing an overall strategy regarding its risk-based monitoring of program activities and participants, and identifying corrective actions required to improve its management controls in a timely manner.

Public and Assisted Housing Administration

While much progress has been made in strengthening controls over this program area, HUD remains challenged in providing sufficient monitoring of public housing agencies and assisted multifamily housing projects to assure they are fully and properly utilizing program funds to provide quality housing to eligible households at the correct subsidy levels.

As of June 30, 2008, indicators of public housing agency use of Section 8 voucher program funds and voucher utilization rates showed that the 2,335 public housing agencies have accumulated $1.9 billion in excess funds since 2005, of which $1.4 billion is classified as unusable under current program rules. While HUD has noted an increase in the utilization rate from 90.0 percent in FY 2006, to 91.7 percent in FY 2007, and to 93.3 percent in FY 2008, efforts are needed to remove statutory barriers and improve program management to increase utilization. HUD plans to continue to work with the Congress on legislative changes and to increase outreach to PHAs with linkage of future PHA administrative fee payments to leasing levels.

HUD has taken a number of actions to enhance its monitoring efforts during FY 2008, and also set and communicated clear measurable goals and corrective actions for further reducing improper rental housing assistance payment, and for improving public and assisted housing conditions. HUD also is implementing regulatory changes to the public housing operating subsidy program to move public housing agencies towards more effective asset management practices and greater energy efficiency. PHAs will be able to reduce operating costs, retain savings, and take advantage of financial incentives and strategies for reducing utility consumption. HUD is also addressing this challenge by conducting on-site reviews at PHAs and multifamily projects, developing an Operating Subsidy Review Guide, training staff, developing automated tools to be used by field office staff, completing a review of all operating subsidy calculations, and providing increased access to, and use of, the Enterprise Income Verification (EIV) System to validate tenant income.

Of the actions listed above, EIV is one of the most notable and successful. EIV has allowed HUD to improve its verification of tenant income for households receiving rental assistance to ensure the fair allocation of resources. Under-reporting of wages, social security benefits, and unemployment income, and failure of assisted housing providers to verify reported income have historically been two main causes of improper payments. The expansion of the Enterprise Income Verification system in FY 2008 will eliminate the majority of these kinds of improper payments and HUD anticipates improved results will begin to be reported in the FY 2009 PAR.

The Nation's Financial Crisis

A major challenge to the Department is a result of the credit and financial crisis. The enacting of several laws in response to this crisis has impacted HUD profoundly and requires significant resources to implement the laws, including the **Housing and Recovery Act of 2008 (HERA),** that have been enacted. HERA restructured the oversight of Government-Sponsored Enterprise (GSE) corporate giants Fannie Mae and Freddie Mac, which were placed under conservatorship in September 2008, and established a $300 billion HOPE for Homeowners program to help qualified homeowners avoid foreclosure. Other programs/actions developed by HUD include:

- ***Technology Open To Approved Lenders (TOTAL)*** scorecard for automating underwriting approval;
- ***HOPE NOW Alliance*** of counselors, servicers, lenders, and other groups to help homeowners experiencing financial distress with in-depth counseling on debt management, credit, and foreclosure prevention; and
- ***FHASecure***, which helps homeowners with subprime Adjustable Rate Mortgages (ARMs) to refinance into affordable, fixed-rate, FHA loans.

HERA established the **Neighborhood Stabilization Program** that provides $3.92 billion of emergency assistance grants under CDBG to stabilize communities harmed by concentrated foreclosures by acquiring and redeveloping foreclosed properties that would otherwise trigger further abandonment and blight.

The **Home Equity Conversion Mortgage (HECM)** or "reverse mortgage" program promotes "aging in place" as well as supplemental income for elderly homeowners by allowing them to tap into home equity. The HECM program endorsed 111,661 reverse mortgages in FY 2008, raising the total since the program's inception to 454,745 loans.

Victims of Natural Disasters

In 2005, HUD responded quickly to assist the victims affected by hurricanes Katrina, Rita and Wilma, to help meet temporary housing needs of displaced households, assess the impacts on HUD-supported housing, and plan the long-term recovery of the devastated region. While HUD's response was immediate and comprehensive, it also recognized that the enormous amount of relief funds creates the potential for fraud and abuse. The CPD Disaster Recovery Assistance Division was provided an influx of disaster funding beginning in FY 2005 and continuing into FY 2008 to address the hurricane disaster recoveries. In total, HUD has oversight of approximately $30 billion in disaster supplemental funding. Management recognizes the program vulnerability, and the need for oversight of disaster funds. To address such concerns, in FY 2008, CPD awarded a contract to examine grantee oversight of the Gulf Coast disaster recovery funds by assessing the design and execution of the program delivery structure and internal controls for the States of Louisiana and Mississippi. Funding for these states comprises more than 90 percent of the $19 billion in Gulf Coast disaster recovery funds.

The contractor's report suggested best-practices and recommended more stringent monitoring protocols over disaster recovery funds to reduce program vulnerabilities. Action on a number of recommendations was already underway because the issues had previously been identified as General. Additionally, CPD recognizes the shortcomings of staffing, support, and systems and is proposing funding in the FY 2010 budget to address them.

PRESIDENT'S MANAGEMENT AGENDA

In FY 2002, the Office of Management and Budget (OMB) published the President's Management Agenda (PMA), as set forth by President George W. Bush, to implement government reform that is citizen-centered, results-oriented, and market based.

INDEPENDENT AUDITOR'S REPORT [EXCERPTS]

The Office of Inspector General (OIG) of HUD performed an independent financial audit for FY 2008. The subsequent information below is a brief summary of the audit. External accounting firms conducted independent audits of GNMA and FHA. Audit results provide an important indication of the financial performance, reliability, and management of the public funds entrusted to HUD. The result of this audit represents the ninth consecutive year that HUD has received an unqualified or "clean" audit opinion.

Audit Opinion: Unqualified or "Clean"

2000	2001	2002	2003	2004	2005	2006	2007	2008
✓	✓	✓	✓	✓	✓	✓	✓	✓

The HUD OIG's concluded opinion is stated below. A copy of the full audit report and HUD's response can be found on (http://www.hud.gov/offices/oig/reports/index.cfm): In our opinion, based on our audit and the reports of other auditors, for the accompanying fiscal years 2008 and 2007, the principal financial statements present fairly, in all material respects, the financial position of HUD as of September 30, 2008 and 2007 and its net costs, changes in net position, and budgetary resources for the fiscal years then ended, in conformity with accounting principles generally accepted in the United States of America.

Financial Audit Findings

Attainment of an unqualified opinion is a high-water mark for any organization. In HUD's case, this is even more noteworthy because the audit noted the elimination of the two material weaknesses which were first identified in the prior year financial audit. The elimination of these two material weaknesses, i.e., FHA's Home Equity Conversion Mortgage Systems (HECM) Risk Assessment, and the HECM Credit Subsidy Cash Flow Model, was accomplished due to tremendous efforts of HUD staff.

Management Assurances

HUD's management is responsible for establishing and maintaining effective internal controls and financial management systems that meet the objectives of the Federal Managers' Financial Integrity Act of 1982 (FMFIA), Sections 2 and 4. HUD conducted its assessment of the effectiveness of its internal control over the efficiency and effectiveness of operations and compliance with applicable laws and regulations in accordance with OMB Circular A-123, and with A-123 Appendix A, and based on the results of this evaluation, can provide reasonable assurance that its internal control was operating effectively and that no material weaknesses were found in the design or operations of the internal controls over financial reporting.

In addition, the Federal Financial Management Improvement Act (FFMIA) requires federal agencies to implement and maintain financial management systems that are in substantial compliance with federal financial management systems requirements, federal accounting standards, and the United States Government Standard General Ledger at the transaction level. HUD provides reasonable assurance that its financial management systems substantially comply with FFMIA for FY 2008.

FINANCIAL STATEMENTS [EXCERPTS]

Following are excerpted tables from selected financial reports that provide an overview of HUD's financial position. An analysis of HUD's financial condition can be found in "Section 1: Management's Discussion and Analysis" of the full FY 2008 PAR.

Summarized Financial Data

(Dollars in Millions)

	2008	2009
Total Assets	$125,036	$111,074
Total Liabilities	$30,521	$20,360
Net Position	$94,515	$90,714
FHA Insurance-In-Force	$573,196	$399,960
Ginnie Mae Mortgage-Backed Securities Guarantees	$576,800	$427,600
Other HUD Program Commitments	$57,027	$65,472

Consolidated Balance Sheet (condensed)

As of September 30, 2008 and 2007

(Dollars in Millions)

ASSETS	**2008**	**2007**
Total Intragovernmental Assets	$114,106	$100,324
Credit Program Receivables and Related Foreclosed Property	9,565	9,567
Other Assets	1,366	1,183
TOTAL ASSETS	**$125,036**	**$111,074**
LIABILITIES		
Total Intragovernmental Liabilities	$7,274	$9,272
Loan Guarantees	19,613	7,551
Other Governmental Liabilities	3,634	3,537
TOTAL LIABILITIES	**$30,521**	**$20,360**
NET POSITION		
Unexpended Appropriations - Earmarked (Note 18)	($376)	($376)
Unexpended Appropriations	66,832	54,871
Cumulative Results of Operations - Earmarked (Note 18)	14,089	13,266
Cumulative Results of Operations	13,970	22,953
TOTAL NET POSITION	$94,515	$90,714
TOTAL LIABILITIES AND NET POSITION	**$125,036**	**$111,074**

Figures may not add to totals because of rounding.

Homes & Communities
U.S. Department of Housing and Urban Development

HUD is organized in 10 Regions. Each Region is managed by a Regional Director, who also oversees the Regional Office. Each Field Office within a Region is managed by a Field Office Director, who reports to the Regional Director. Staff who answers the main office telephone will be able to respond to or direct your calls to the appropriate person.

HUD's OFFICE DIRECTORY

State	Office Name/Address	Manager	Phone/ Fax	Region/Regional Office
AK	Anchorage Field Office 3000 C. Street Suite 401 Anchorage, AK 99503	COLLEEN K. BICKFORD Field Office Director	(907) 677-9800 Fax: (907) 677-9803 TTY: (907) 677-9825 Email	Region X Seattle WA
AL	Birmingham Field Office 950 22nd St North Suite. 900 Birmingham, AL 35203-5302	CINDY YARBROUGH Field Office Director	(205) 731-2617 Fax (205) 731-2593 Email	Region IV Atlanta GA
AR	Little Rock Field Office 425 West Capitol Avenue Suite 1000 Little Rock, AR 72201-3488	ALICE RUFUS Field Office Director	(501) 324-5931 Fax (501) 324-6142 Email	Region VI Ft. Worth TX
AZ	**Phoenix Field Office One N. Central Avenue Suite 600 Phoenix, AZ 85004**	**REBECCA FLANAGAN Field Office Director**	**(602) 379-7100 Fax (602) 379-3985 Email**	**Region IX San Francisco CA**
AZ	**Tucson Field Office 160 North Stone Avenue Tucson, AZ 85701-1467**	**PHYLLIS LIM Field Office Director**	**(520) 670-6000 Fax (520) 670-6207 Email**	**Region IX San Francisco CA**
CA	**San Francisco Regional Office 600 Harrison St. 3rd Floor San Francisco, CA 94107-1300**	**CAROLINE H. KREWSON Deputy Regional Director**	**(415) 489-6400 Fax (415) 489-6419 Email**	**Region IX San Francisco CA**
CA	**Fresno Field Office 855 M Street Suite 970 Fresno, CA 93721**	**ROLAND SMITH Field Office Director**	**(559) 487-5033 Fax (559) 487-5191 Email**	**Region IX San Francisco CA**
CA	**Los Angeles Field Office 611 W. Sixth Street Suite 800 Los Angeles, CA 90017**	**RAY BREWER Field Office Director**	**(213) 894-8000 Fax (213) 894-8110 Email**	**Region IX San Francisco CA**

CA	**Sacramento Field Office John E. Moss Federal Building Room 4-200 650 Capitol Mall Sacramento, CA 95814**	**CYNTHIA L. ABBOTT Field Office Director**	**(916) 498-5220 Fax (916) 498-5262 Email**	**Region IX San Francisco CA**
CA	**San Diego Field Office Symphony Towers 750 B Street Suite 1600 San Diego, CA 92101-8131**	**FRANCIS X. RILEY Field Office Director**	**(619) 557-5310 Fax (619) 557-5312 Email**	**Region IX San Francisco CA**
CA	**Santa Ana Field Office Santa Ana Federal Building Room 7015 34 Civic Center Plaza Santa Ana, CA 92701-4003**	**RAY BREWER Acting Field Office Director**	**(714) 796-5577 Fax (714) 796-1285 Email**	**Region IX San Francisco CA**
CO	Denver Regional Office 1670 Broadway, 25th Floor Denver, CO 80202	DEBORAH GRISWOLD Deputy Regional Director	(303) 672-5440 Fax (303) 672-5004 Email	Region VIII Denver CO
CT	Hartford Field Office One Corporate Center 20 Church Street 19th Floor Hartford, CT 06103-3220	JULIE FAGAN Field Office Director	(860) 240-4800 Fax (860) 240-4850 Email	Region I Boston MA
DC	Washington, DC Field Office 820 First Street NE Suite 300 Washington, DC 20002-4205	JOHN E. HALL Field Office Director	(202) 275-9200 Fax (202) 275-9212 Email	Region III Philadelphia PA
DE	Wilmington Field Office 920 King Street Suite 404 Wilmington, DE 19801-3016	DIANE LELLO Field Office Director	(302) 573-6300 Fax (302) 573-6259 Email	Region III Philadelphia PA
FL	Miami Field Office 909 SE First Avenue Miami, FL 33131	ARMANDO FANA Field Office Director	(305) 536-5678 Fax (305) 536-5765 Email	Region IV Atlanta GA
FL	Jacksonville Field Office Charles E. Bennett Federal Building 400 W. Bay Street, Suite 1015 Jacksonville, FL 32202	J. NICHOLAS SHELLEY Field Office Director	(904) 232-2627 Fax (904) 232-3759 Email	Region IV Atlanta GA
FL	Orlando Field Office 3751 Maguire Boulevard Room 270 Orlando, FL 32803-3032	PAUL C. AUSLEY, JR. Field Office Director	(407) 648-6441 Fax (407) 648-6310 Email	Region IV Atlanta GA
FL	Tampa Field Office 500 Zack Street Suite 402 Tampa, FL 33602	KAREN JACKSON SIMS Field Office Director	(813) 228-2026 Fax (813) 228-2431 Email	Region IV Atlanta GA
GA	Atlanta Regional Office 40 Marietta Street Five Points Plaza Atlanta, GA 30303-2806	PAT HOBAN-MOORE Deputy Regional Director	(404) 331-5001 Fax (404) 730-2392 Email	Region IV Atlanta GA

HI	**Honolulu Field Office** **500 Ala Moana Blvd.** **Suite 3A** **Honolulu, HI 96813-4918**	**GORDAN FURUTANI** **Field Office Director**	**(808) 522-8175** **Fax** **(808) 522-8194** **Email**	**Region IX** **San Francisco CA**
IA	Des Moines Field Office 210 Walnut Street Room 239 Des Moines, IA 50309-2155	BRUCE RAY Field Office Director	(515) 284-4512 Fax (515) 284-4743 Email	Region VII Kansas City KS
ID	Boise Field Office Plaza IV, Suite 220 800 Park Boulevard Boise, Idaho 83712-7743	WILLIAM JOLLEY Field Office Director	(208) 334-1990 Fax (208) 334-9648 Email	Region X Seattle WA
IL	Chicago Regional Office Ralph Metcalfe Fed Building 77 West Jackson Boulevard Chicago, IL 60604-3507	BEVERLY BISHOP Deputy Regional Director	(312) 353-5680 Fax (312) 886-2729 Email	Region V Chicago IL
IL	Springfield Field Office 500 W. Monroe St., Suite 1 SW Springfield, IL 62704	JOHN W. MEYERS Field Office Director	(217) 492-4120 Fax (217) 492-4154 Email	Region V Chicago IL
IN	Indianapolis Field Office 151 North Delaware Street Suite 1200 Indianapolis, IN 46204-2526	JOHN HALL Field Office Director	(317) 226-6303 Fax (317) 226-6317 Email	Region V Chicago IL
KS	Kansas City Regional Office 400 State Avenue Room 507 Kansas City, KS 66101-2406	GENE LIPSCOMB Deputy Regional Director	(913) 551-5462 Fax (913) 551-5469 Email	Region VII Kansas City KS
KY	Louisville Field Office 601 West Broadway Louisville, KY 40202	KRISTA MILLS Field Office Director	(502) 582-5251 Fax (502) 582-6074 Email	Region IV Atlanta, GA
LA	New Orleans Field Office Hale Boggs Federal Building 500 Poydras Street, 9th Floor New Orleans, LA 70130	MARVEL ROBERTSON Field Office Director	(504) 589-7201 Fax (504) 589-7266 TTY: (504) 589-7277 Email	Region VI Ft. Worth TX
LA	Shreveport Field Office 401 Edwards Street Room 1510 Shreveport, LA 71101-5513	MARTHA SAKRE Field Office Director	(318) 226-7030 Fax (318) 676-3506 Email	Region VI Ft. Worth TX
MA	Boston Regional Office 10 Causeway Street Room 301 Boston, MA 02222-1092	KRISTINE FOYE Deputy Regional Director	(617) 994-8200 Fax (617) 565-6558 Email	Region I Boston MA
MD	Baltimore Field Office 5th Floor 10 South Howard Street Baltimore, MD 21201-2505	JAMES KELLY Field Office Director	(410) 962-2520 Fax (410) 209-6670 Email	Region III Philadelphia PA
ME	Bangor Field Office 202 Harlow Street - Chase Building Suite 101 Bangor, ME 04401-4919	WILLIAM D. BURNEY Field Office Director	(207) 945-0467 Fax (207) 945-0533 Email	Region I Boston MA

MI	Detroit Field Office 477 Michigan Avenue Detroit, MI 48226-2592	LANA J. VACHA Field Office Director	(313) 226-7900 Fax (313) 226-5611 Email	Region V Chicago IL
MI	Flint Field Office Phoenix Building 801 South Saginaw, 4th Floor Flint, Michigan 48502	Vacant Field Office Director	(810) 766-5112 Fax (810) 766-5122 Email	Region V Chicago IL
MI	Grand Rapids Field Office Trade Center Building 50 Louis Street, N.W. Grand Rapids, MI 49503-2633	LOUIS M. BERRA Field Office Director	(616) 456-2100 Fax (616) 456-2114 Email	Region V Chicago IL
MN	Minneapolis Field Office Kinnard Financial Center 920 Second Avenue South Minneapolis MN 55402	DEXTER SIDNEY Field Office Director	(612) 370-3000 Fax (612) 370-3220 Email	Region V Chicago IL
MO	St. Louis Field Office 1222 Spruce Street Suite3207 St. Louis, MO 63103-2836	JAMES HEARD Field Office Director	(314) 539-6583 Fax (314) 539-6384 Email	Region VII Kansas City KS
MS	Jackson Field Office McCoy Federal Building 100 W. Capitol Street Room 910 Jackson, MS 39269-1096	CASSANDRA TERRY Field Office Director	(601) 965-4757 Fax (601) 965-4773 Email	Region IV Atlanta GA
MT	Helena Field Office 7 W 6th Ave Helena, MT 59601	TOM FRIESEN Field Office Director	(406) 449-5050 Fax (406) 449-5052 Email	Region VIII Denver CO
NC	Greensboro Field Office Asheville Building 1500 Pinecroft Road Suite 401 Greensboro, NC 27407-3838	CHRISTIAN STEARNS Field Office Director	(336) 547-4001 Fax (336) 547-4138 Email	Region IV Atlanta GA
ND	Fargo Field Office 657 2nd Avenue North Room 366 Fargo, ND 58108	JOEL MANSKE Field Office Director	(701) 239-5136 Fax (701) 239-5249 Email	Region VIII Denver CO
NE	Omaha Field Office Edward Zorinsky Federal Building 1616 Capitol Avenue Suite 329 Omaha, NE 68102-4908	CLIFTON JONES Field Office Director	(402) 492-3101 Fax (402) 492-3150 Email	Region VII Kansas City KS
NH	Manchester Field Office Norris Cotton Federal Building 275 Chestnut Street 4th Floor Manchester, NH 03101	GREG CARSON Field Office Director	(603) 666-7510 Fax (603) 666-7667 Email	Region I Boston MA
NJ	Newark Field Office One Newark Center 13th Floor Newark, NJ 07102-5260	DIANE JOHNSON Field Office Director	(973) 622-7900 Fax (973) 645-2323 Email	Region II New York NY

NJ	Camden Field Office Bridgeview Building 2nd floor 800-840 Cooper Street Camden, NJ 08102-1156	DIANE JOHNSON Acting Field Office Director	(856) 757-5081 Fax (856) 757-5373 Email	Region II New York NY
NM	Albuquerque Field Office 625 Silver Avenue SW Suite 100 Albuquerque, NM 87102	ELVA CASTILLO Field Office Director	(505) 346-6463 Fax (505) 346-6704 Email	Region VI Ft. Worth TX
NV	**Las Vegas Field Office 300 S. Las Vegas Blvd. Suite 2900 Las Vegas, 89101-5833**	**KEN LOBENE Field Office Director**	**(702) 366-2100 Fax (702) 388-6244 Email**	**Region IX San Francisco CA**
NV	**Reno Field Office 745 West Moana Lane Suite 360 Reno, Nevada 89509-4932**	**TONY RAMIREZ Field Office Director**	**(775) 824-3703 Fax (775) 784-5005 Email**	**Region IX San Francisco CA**
NY	New York Regional Office 26 Federal Plaza Suite 3541 New York, NY 10278-0068	JOANNA ANIELLO Deputy Regional Director	(212) 264-8000 Fax (212) 264-3068 Email	Region II New York NY
NY	Albany Field Office 52 Corporate Circle Albany, NY 12203-5121	ROBERT SCOFIELD Field Office Director	(518) 464-4200 Fax (518) 464-4300 Email	Region II New York NY
NY	Buffalo Field Office Lafayette Court 2nd Floor 465 Main Street Buffalo, NY 14203-1780	STEPHEN BANKO Field Office Director	(716) 551-5755 Fax (716) 551-5752 Email	Region II New York NY
NY	Syracuse Field Office 128 E. Jefferson Street Syracuse, NY 13202	ROBERT SCOFIELD Acting Field Office Director	(315) 477-0616 Fax (315) 477-0196 Email	Region II New York NY
OH	Columbus Field Office 200 North High Street Columbus, OH 43215-2463	THOMAS LEACH Field Office Director	(614) 469-2540 Fax (614) 469-2432 Email	Region V Chicago IL
OH	Cincinnati Field Office 632 Vine St. Fifth Floor Cincinnati, OH 45202	JAMES CUNNINGHAM Field Office Director	(513) 684-3451 Fax (513) 684-6224 Email	Region V Chicago IL
OH	Cleveland Field Office 1350 Euclid Avenue Suite 500 Cleveland, OH 44115-1815	DOUGLAS W. SHELBY Field Office Director	(216) 522-4058 Fax (216) 522-4067 Email	Region V Chicago IL
OK	Oklahoma City Field Office 301 NW 6th Street Suite 200 Oklahoma City, OK 73102	JERRY HYDEN Field Office Director	(405) 609-8509 Fax (405) 609-8588 Email	Region VI Ft. Worth TX

OK	Tulsa Field Office Williams Center Tower II 2 West Second Street Suite 400 Tulsa, OK 74103	RONALD MILES Field Office Director	(918) 292-8900 Fax (918) 292-8993 Email	Region VI Ft. Worth TX
OR	Portland Field Office 400 SW 6th Avenue Suite700 Portland, OR 97204-1632	ROBERTA ANDO Field Office Director	(971) 222-2600 Fax (971) 222-0357 Email	Region X Seattle
PA	Philadelphia Regional Office The Wanamaker Building 100 Penn Square, East Philadelphia, PA 19107-3380	BRENDA LAROCHE Deputy Regional Director	(215) 656-0500 Fax (215) 656-3445 Email	Region III Philadelphia PA
PA	Pittsburgh Field Office 339 Sixth Avenue Sixth Floor Pittsburgh, PA 15222-2515	CHERYL E. CAMPBELL Field Office Director	(412) 644-6428 Fax (412) 644-4240 Email	Region III Philadelphia PA
PR	San Juan Field Office 235 Federico Costa Street Suite 200 San Juan, PR 00918	MICHAEL COLON Field Office Director	(787) 766-5400 Fax (787) 766-5995 Email	Region IV Atlanta GA
RI	Providence Field Office 121 South Main Street Suite 300 Providence, RI 02903-7104	NANCY SMITH Field Office Director	(401) 277-8300 Fax (401) 277-8398 Email	Region I Boston MA
SC	Columbia Field Office 1835 Assembly Street 13th Floor Columbia, SC 29201-2480	JIM CHAPLIN Field Office Director	(803) 765-5592 Fax (803) 253-3043 Email	Region IV Atlanta GA
SD	Sioux Falls Field Office 4301 West 57th Street Suite 101 Sioux Falls, SD 57108	SHERYL MILLER Field Office Director	(605) 330-4223 Fax (605) 330-4428 Email	Region VIII Denver CO
TN	Nashville Field Office 235 Cumberland Bend Suite 200 Nashville, TN 37228-1803	WILLIAM DIRL Field Office Director	(615) 736-5600 Fax (615) 736-7848 Email	Region IV Atlanta GA
TN	Knoxville Field Office 710 Locust Street, SW Suite 300 Knoxville, TN 37902-2526	MARK BREZINA Field Office Director	(865) 545-4370 Fax (865) 545-4569 Email	Region IV Atlanta GA
TN	Memphis Field Office 200 Jefferson Avenue Suite 300 Memphis, TN 38103-2389	JOHN GEMMILL Field Office Director	(901) 544-3367 Fax (901) 544-3697 Email	Region IV Atlanta GA
TX	Ft. Worth Regional Office 801 Cherry Street, Unit #45 Suite 2500 Ft. Worth, TX�76102	C. DONALD BABERS Deputy Regional Director	(817) 978-5965 Fax (817) 978-5567 Email	Region VI Ft. Worth TX

TX	Dallas Field Office 525 Griffin Street Room 860 Dallas, TX 75202-5032	BOB W. COOK Field Office Director	(214) 767-8300 Fax (214) 767-8973 Email	Region VI Ft. Worth TX
TX	Houston Field Office 1301 Fannin Suite 2200 Houston, TX 77002	EDWARD L. PRINGLE Field Office Director	(713) 718-3199 Fax (713) 718-3225 Email	Region VI Ft. Worth TX
TX	Lubbock Field Office 1205 Texas Avenue Room 511 Lubbock, TX 79401-4093	MIGUEL RINCON Field Office Director	(806) 472-7265 Fax (806) 472-7275 Email	Region VI Ft. Worth TX
TX	San Antonio Field Office One Alamo Center 106 South St. Mary's Street, Suite 405 San Antonio, Texas 78205-3625	RICHARD LOPEZ Field Office Director	(210) 475-6806 Fax (210) 472-6804 Email	Region VI Ft. Worth TX
UT	Salt Lake City Field Office 125 South State Street Suite 3001 Salt Lake City, UT 84138	DWIGHT A. PETERSON Field Office Director	(801) 524-6070 Fax (801) 524-3439 Email	Region VIII Denver CO
VA	Richmond Field Office 600 East Broad Street Richmond, VA 23219-4920	WILLIAM P. MILES Field Office Director	(804) 771-2100 Fax (804) 822-4984 Email	Region III Philadelphia PA
VT	Burlington Field Office 159 Bank Street 2nd Floor Burlington, VT 05401	MICHAEL MCNAMARA Field Office Director	(802) 951-6290 Fax (802) 951-6298 Email	Region I Boston MA
WA	Seattle Regional Office 909 First Avenue Suite 200 Seattle, WA 98104-1000	MARTHA DILTS Deputy Regional Director	(206) 220-5101 Fax (206) 220-5108 Email	Region X Seattle WA
WA	Spokane Field Office US Courthouse Building 920 W. Riverside, Suite 588 Spokane, WA 99201-1010	WILLIAM FATTIC Field Office Director	(509) 368-3200 Fax (509) 368-3209 Email	Region X Seattle WA
WI	Milwaukee Field Office 310 West Wisconsin Avenue Room1380 Milwaukee, WI 53203-2289	DELBERT REYNOLDS Field Office Director	(414) 297-3214 Fax (414) 297-3947 Email	Region V Chicago IL
WV	Charleston Field Office 405 Capitol Street Suite 708 Charleston, WV 25301-1795	PETER MINTER Field Office Director	(304) 347-7000 Fax (304) 347-7050 Email	Region III Philadelphia PA
WY	Casper Field Office 150 East B Street Room 1010 Casper, WY 82601-1969	DANBERRY CARMON Field Office Director	(307) 261-6250 Fax (307) 261-6245 Email	Region VIII Denver CO

ADDITIONAL WEBSITES

For more information, visit the following websites:

www.hud.gov

www.espanol.hud.gov

www.fha.gov

www.hud.gov/recovery

www.makinghomeaffordable.gov

Acknowledgement

There were several Region IX staff members who played an integral role in the development of the Region IX Annual Report for Fiscal Years 2008 - 2009. Everyone involved were goal oriented, results driven, and worked as a team with a "YES WE CAN" attitude.

Rev. 08/25/09 GB