



HUD Accomplishments Fact Sheet

Building the American Dream and Strengthening Communities

Housing and Urban Development (HUD) Secretary Mel Martinez has made great progress on implementing President Bush’s housing agenda. Since his appointment in 2001, Secretary Martinez has focused on four priorities: expanding homeownership, especially among minorities; improving access to affordable housing, free from discrimination; strengthening communities, with a special focus on ending chronic homelessness; and addressing the internal management issues that he inherited at HUD.

In just two years, HUD is closer to meeting its promise of becoming an agent of empowerment, compassion and opportunity. Our work is guided by our determination to make government more responsive and accountable, with an insistence on measurable results. HUD’s key accomplishments include:

<i>Increase Homeownership</i>	<i>Promote Affordable Housing</i>
<ul style="list-style-type: none"> • Announced the goal of creating 5.5 million new minority homeowners by 2010 and unveiled <i>America’s Homeownership Challenge</i>, which calls on the public and the private sectors to work together to achieve this goal. • Hosted the first <i>White House Conference on Increasing Minority Homeownership</i> at which HUD launched its <i>Blueprint for the American Dream Partnership</i> -- an unprecedented public/private initiative harnessing the resources of the government with those of the housing industry to increase homeownership opportunities. • Proposed the \$200 million <i>American Dream Downpayment Initiative</i> to help 40,000 low-income families annually make the move into homeownership. • Unveiled a major effort to reform the Real Estate Settlement Procedures Act (RESPA), aimed at making the homebuying process less expensive and less complicated for consumers. • Permitted up to one year’s worth of Section 8 rental vouchers to be applied toward a downpayment on a home, thereby empowering 550 low-income families to become homeowners. • Endorsed 1.3 million FHA single-family mortgages, surpassing the national goal of 1.1 million endorsements. • Provided a record \$329 billion in mortgage capital for the FHA, Veterans Affairs (VA) and other housing programs. • Stepped up efforts to combat predatory lending by targeting unscrupulous lenders, pooling the resources of the federal government and helping agencies work together to fight abusive lending practices. • Developed 16 rules to address deceptive or fraudulent lending practices, including the new Appraiser Watch program, improvements to the Credit Watch program that will identify problem loans and lenders earlier on, new standards for home inspectors, and a proposed rule to prohibit property “flipping” in FHA programs. • Reduced to 19 from 44 the minimum number of basis points that issuers of federally guaranteed mortgages must set aside for servicing, a move that will cut the cost of federally insured mortgages and increase homeownership rates. • Provided \$20 million in homebuyer education to assist future homebuyers in the process of buying, and keeping, a home. • Boosted homeownership opportunities for police officers and teachers by improving management controls over HUD’s Officer Next Door and Teacher Next Door home sales programs. 	<ul style="list-style-type: none"> • Proposed a single-family affordable housing tax credit that will provide developers with \$1.7 billion for building an estimated 200,000 affordable new homes in distressed areas over the next five years. • Made commitments for 201 new construction or substantially rehabilitated projects, with over 39,000 units totaling \$2.8 billion in mortgage loans. • Initiated a 25 percent increase in the per-unit limits for FHA multifamily mortgage insurance programs. • Placed the FHA multifamily insurance program on a stable, break-even footing. • Lowered the mortgage insurance premium from 80 basis points to 57 basis points, saving individual developers \$25,000 annually in mortgage insurance costs – savings that can be passed on to property residents. • Unveiled the Regulatory Barriers Clearinghouse, a Web-based system that encourages builders and developers to share ideas for overcoming regulatory barriers that too often block affordable housing production. • Preserved affordable housing in New York City through an unprecedented \$168 million partnership with the local government to rehabilitate more than 500 properties. • Initiated reforms to improve the delivery of affordable housing units and to hold HUD, as well as past grantees and new applicants, accountable for project readiness and performance. • Reformed the HOPE VI program to encourage accountability and project readiness to better revitalize severely distressed public housing properties. • Reduced the HUD inventory of Real Estate Owned (REO) properties by almost 50 percent. • Increased fair housing enforcement by completing 1,010 enforcement activities, or 126 percent of the stated target of 800. • Reduced the percentage of aged fair housing complaints from 85 percent to 29 percent of total inventory. • Expanded initiatives and partnerships aimed at increasing accessible housing opportunities for persons with disabilities and promoting design and construction requirements for accessibility in all multifamily housing, including apartment buildings, condominiums and cooperatives. • Educated and trained housing industry professionals on their responsibilities to provide accessible housing to persons with disabilities. • Awarded a grant of nearly \$900,000 to the International Code Council to ensure that more apartments, condominiums and other housing are built to be accessible to people with disabilities.

Strengthen Communities

- Awarded \$2.7 billion in funding to the Empire State Development Corporation and the Lower Manhattan Development Corporation to provide assistance for property and businesses damaged by, and economic revitalization related to, the September 11 terrorist attacks. An additional \$700 million was provided through the President's emergency fund.
- Provided housing assistance to 187,390 households, an increase of 8.7 percent over the 2001 level of assistance.
- Encouraged economic development and affordable housing through HUD's Community Renewal Initiative. The 41 Renewal Communities and eight new Empowerment Zones created will have access to \$22 billion in tax relief to create jobs, grow businesses, promote renewal and build houses.
- Reactivated the Interagency Council on Homelessness to better coordinate the efforts of 18 federal agencies in addressing the needs of homeless persons and set the national goal of ending chronic homelessness by the end of the decade.
- Announced the largest amount of homeless assistance in the nation's history, more than \$1.1 billion to fund thousands of local housing and service programs around the country.
- Announced the *Colonias Gateway Initiative*, which seeks to develop affordable housing and infrastructure, and foster economic opportunity in the *colonias*, and approved 52 policy recommendations to enhance the management, coordination and delivery of HUD programs/services in the Southwest Border Region (SWBR), *colonias* and migrant/farmworker communities.
- Worked with the U.S. Department of Justice to enforce a prompt eviction policy for those who engage in drug activity on or near public housing properties.
- Awarded nearly \$95 million to protect children and families from health and safety hazards in the home, a \$26 million increase since Martinez took office.
- Initiated Operation LEAP (Lead Action Elimination Program) to leverage additional private sector resources for lead hazard control, such as manufacturer donations of lead-free building components, no interest or low interest lead-based paint home improvement loans, and temporary housing for those who need to be relocated during lead abatement.
- Conducted an exhaustive review of HUD regulations to identify barriers to faith-based participation in department programs and proposed the removal of unwarranted restrictions, making it clear that faith-based organizations receiving HUD funds have every right to hold, express and practice their faith, so long as they do not use HUD funds to support inherently religious activities.
- Authorized approximately 3,100 local housing agencies to institute an "open-door policy" for faith-based organizations to provide social services to public housing residents.
- Conducted an exhaustive review of HUD regulations to identify barriers to faith-based participation in department programs and launched broad-based consultations on appropriate legal standards for church/state interaction.
- Improved lines of communication and information sharing with faith-based and community groups by, among other actions, creating the first CD-ROM of all SuperNOFA (Notice of Funding Availability) materials, including program descriptions, grant applications and a message from the Secretary.

Improve Management, Accountability and Ethics

- Initiated full implementation of the President's Management Agenda for agency reform.
- Launched a new Management Plan process, initiated for FY 2002, to provide a unifying means for HUD organizations to produce strong, integrated results and to improve overall compliance, standards and efficiencies.
- Expanded ethics training and review processes, while increasing ethics enforcement activities.
- Took aggressive enforcement action against participants in HUD programs who engage in fraud or otherwise fail to follow applicable requirements.
- Launched a major President's Management Agenda effort to reduce the \$3 billion in subsidy errors in HUD rental assistance programs.
- Published the second in an ongoing series of periodical studies to measure the accuracy of income and rent determinations in all HUD rental subsidy programs.
- Terminated HUD's drug elimination program that duplicated the work of other Cabinet Departments.
- Developed and implemented a new general ledger system for FHA, as a first step in a multiyear plan to replace FHA's commercial accounting system with an integrated financial management system that fully complies with federal budgeting, accounting and system requirements.
- Completed a major enterprise-wide realignment resulting in a streamlined organization with fewer organizational layers.
- Drafted HUD's first Human Capital Management Plan to address the human capital issues facing the Department.
- Prepared the requirements for a Comprehensive Workforce Analysis, which is vital to successful succession planning, the carrying out of mission-critical functions and addressing skill gaps/deficiencies in mission-critical occupations.
- Completed a Resource Estimation and Allocation Process (REAP) baseline for estimating resource requirements and prioritizing staffing allocations by program and office.
- Implemented the enhanced HUD Intern Program, designed to maintain a constant flow of promising, talented individuals into HUD's workforce.
- Expanded training programs through HUD's Training Academy and launched HUD's Virtual University (HVU) that provides HUD employees with over 1,600 Internet courses.
- Developed in advance of most federal agencies the Department's first E-Government Strategic Plan.
- Increased the emphasis on awarding performance-based service contracts (PBSC); HUD awarded \$75.3 million in PBSC obligations in 2001 and \$80.4 million in 2002.
- Developed and implemented in advance of most federal agencies a comprehensive Departmental Continuity of Operations Program (COOP) to ensure that critical HUD programs and services are provided during any national emergency or catastrophic event.