

# HUD PERSPECTIVES FOR HOUSING WASHINGTON CONFERENCE



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# Traditional Mission of HUD

- Decent Home
- Suitable Living Environment
- Economic Development
- Free of Discrimination

# 2009

## Emerging HUD Themes

### 1. Promoting Energy Efficiency & Creating Green Jobs

- *Public Housing Capital Fund (\$4.0 billion)*
- *Native American Housing Block Grants (\$510 million)*
- *Assisted Housing Energy & Green Retrofit program (\$250 million)*
- *Lead Hazard Reduction/Healthy Homes (\$100 million)*

### 2. Unlocking the Credit Markets & Supporting “Shovel-Ready” Projects

- *Tax Credit Assistance Program (\$2.25 billion)*
- *Project Based Rental Assistance (\$2.0 billion)*

### 3. Mitigating the Effects of Foreclosures & Preventing Community Decline

- *Neighborhood Stabilization Program (NSP 2 - \$2 billion)*
- *Homelessness Prevention & Rapid Re-Housing (HPRP - \$1.5 billion)*
- *Community Development Block Grant (CDBG-R - \$1.0 billion)*

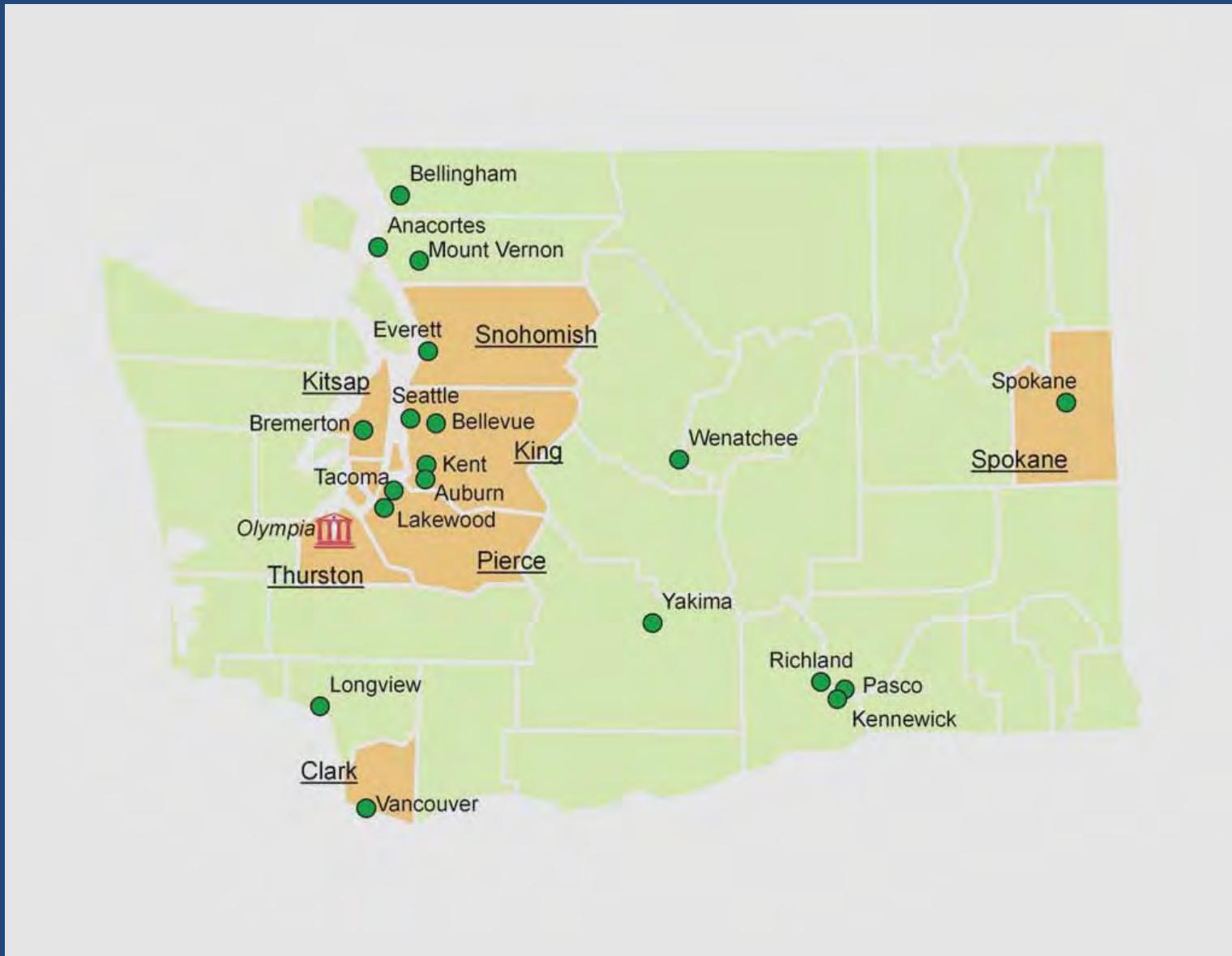
### 4. Promoting Sustainability Partnerships

- *HUD—DOT—EPA—DOE*

# 2009 Omnibus Budget

- Formula:
  - Community Development Block Grants (CDBG)
  - HOME Investment Partnerships (HOME)
  - Emergency Shelter Grants (ESG)
  - Housing Opportunities for Persons with AIDS (HOPWA)
- Competitive:
  - Continuum of Care (CoC)
  - Brownfields Economic Development Initiative (BEDI)
  - Rural Housing and Economic Development (RHED)
  - Self-help Homeownership Opportunity Program (SHOP)

# Consolidated Plan Communities



# Consolidated Plan Principles

- Fact Based Assessment of Need
- Strategic Plan
- Citizen Participation
- Enhanced Coordination
- Outcome Measurement and Evaluation

# Housing and Economic Recovery Act (HERA) July, 2008

- Neighborhood Stabilization Program (NSP)
  - \$2 billion
  - States, local governments and non-profits
  - Combat the effects of home foreclosures
  - Targeted to areas of greatest need
- State of Washington: \$28,159,290

# NSP in Washington

Activity	Housing Units	% of housing units	Amount	% Total Amount
Funding Mechanism	173	42%	\$10,643,473	38%
Purchase and rehab	157	38%	\$10,852,874	39%
Remove Blight	54	13%	\$ 630,365	2%
Redevelop vacant property	28	7%	\$ 2,388,344	8%
Administration			\$ 2,700,238	10%
Total	412	100%	\$27,215,294	97%
State Allocation			\$28,159,290	100%
Difference			\$ 943,996	3%

# Neighborhood Stabilization Program (NSP)

**Washington State: \$28,159,293**

Washington State Department of Commerce

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- Aberdeen
- Centralia
- Clark County
- Everett
- Federal Way
- Hoquiam
- Kelso
- Kent
- King County
- Kitsap County
- Lacey
- Lakewood
- Moses Lake
- Pasco
- Pierce County
- Seattle
- Snohomish County
- Spokane
- Spokane County
- Sunnyside
- Tacoma
- Toppenish
- Vancouver
- Walla Walla
- Wapato
- Yakima
- Yelm

# NSP 1 Eligible Uses

- Establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers
- Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties
- Establish land banks for homes and residential properties that have been foreclosed upon
- Demolish blighted structures
- Redevelop demolished or vacant properties as housing

# NSP 1 Issues

- Local Capacity
- Get TA Out to Localities
- 18 Month fund use

# American Recovery and Reinvestment Act of 2009



# HUD Implementation of the Recovery Act

- \$13.61 billion for HUD projects and programs

PROGRAM	FUNDING	DUE DATE
Neighborhood Stabilization Program NSP-2	\$1.09 billion nationally Competitive application	July 17, 2009
Homelessness Prevention	\$24.4 million Washington State	May 18, 2009
Community Development Block Grants - Recovery	\$16 million Washington State	June 5 for entitlements June 29 for state
Tax Credit Assistance Program	\$43 million to Washington State Housing Finance Commission	Approved

# Neighborhood Stabilization Programs

- **NSP 2** - \$1.93 billion awarded competitively
- Eligible applicants include state or local governments, non-profits, or consortium of non-profits
- Minimum request must be \$5 million and return to use 100 abandoned or foreclosed homes
- Application deadline is July 17, 2009
- <http://www.hud.gov/nsp>
- Headquarters Review Launched

# CDBG-R Priorities

- Preserving and creating jobs and promoting economic recovery
- Assisting those persons most impacted by the recession
- Providing investment needed to increase economic efficiency
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits,
- Minimizing or avoiding reductions in essential services,  
-or-
- Fostering energy independence

# CDBG-R ISSUES

- Davis Bacon Thresholds
- Recreation/Parks – Prudent Policy- Thanks

# CDBG-R Summary in Washington State

- 51 *approved* activities resulting in between 664 and 696 jobs throughout the state
- Types of Jobs:
  - Full-time, temporary construction positions; full-time professional; youth positions (AmeriCorps); part-time construction; training or teaching positions; case worker positions; and contractor positions

# Homelessness Prevention and Rapid Re-Housing Program (HPRP)

- \$1.5 billion nationwide
- \$24.4 million in WA (based on ESG formula)
- Provides temporary financial assistance and/or services as a bridge to long-term housing stability
- Level of funding equals HUD's entire annual homeless budget and adds targeted and essential resources
- <http://hudhre.info/HPRP>

# HPRP Grantees

Grantee	Allocation Amount
Washington State	\$11,126,387
Clark County	559,180
King County	1,863,675
<b>Pierce County</b>	<b>1,224,641</b>
Seattle	4,993,052
Snohomish County	1,262,714
Spokane	1,564,373
Spokane County	622,278
<b>Tacoma</b>	<b>1,182,824</b>
Vancouver	549,529
Total	\$24,399,124

# Tax Credit Assistance Program

- \$2.25 billion nationwide
- Allocation based on HOME formula
- \$43 million awarded to Washington State Housing Finance Commission
- Accelerate the production and preservation of affordable housing
- All funds must be expended by Feb. 2012
- Implementation underway

# Challenges Going Forward

- Get the Economic Stimulus rolling through the economy
- Create and retain jobs
- Acquire properties
- Rehab properties
- Stabilize neighborhoods
- Program accountability and compliance
- Reporting

# 2010 and Beyond at HUD

- Sustainability Infrastructure
- Move Transportation Choice
- Promote equitable affordable housing
- Coordinate Policy & Investment
- Support existing neighborhoods