

IMMEDIATE PRESS RELEASE: Housing Authority of the County of Monterey (HACM) Triages with U.S. Department of Housing and Urban Development (HUD) on Section 8 Housing Choice Voucher Program Funding Shortfall

7/1/2009

The U.S. Department of Housing and Urban Development (HUD) has formed a triage team to work with local Public Housing Authorities (PHAs) that have been affected by the nationwide funding shortfall in the Section 8 Housing Choice Voucher Program. The Housing Authority of the County of Monterey (HACM) and other PHAs nationwide have communicated directly with HUD and the U.S. Congress regarding these funding reductions. HUD and the U.S. Congress are well aware of the impact that this funding shortfall will have on our families if additional funding is not made available. HUD previously notified PHAs that \$100 million in set aside funds were available to address shortfalls related to a limited number of circumstances. HACM applied for funds under this set aside. On June 30, HUD conducted a televised conference to notify PHAs that due to the receipt of over 900 applications for these funds, the approved applications would likely be funded at 50% of need. In addition, HUD indicated that additional funding beyond the \$100 million set aside would not be available. In lieu of additional funding, HUD provided guidance regarding program reduction options. The options offered included denying portability of vouchers, establishing minimum tenant payments, increasing the portion of rent paid by the tenants, and potentially reducing the number of families served. All PHAs were advised to consider the options available to them to address their funding shortfalls. The HACM has considered and implemented the majority of the options and it is apparent the federal funding set aside for the shortfall will not allow full funding of the shortfall crisis, forcing many PHAs, such as the HACM, to reduce the vouchers currently issued. That will be a crisis for all of us in this County and across the Nation. This Public Agency is considering all housing program options available to minimize the negative affect to our clients.

HACM is reviewing the program reduction options provided by HUD, as it awaits notification on its application for set aside funds. HACM will keep the public informed on a weekly basis to the press and HACMs press release will be available on its Web-site: www.hamonterey.org

