

IMMEDIATE PRESS RELEASE: HOUSING AUTHORITY OF THE COUNTY OF MONTEREY MAY NOT HAVE TO TERMINATE HUNDREDS OF SECTION 8 HOUSING CHOICE VOUCHER HOLDERS DUE TO FEDERAL FUNDING SHORTFALLS FOR THE SECTION 8 PROGRAMS –BUT CLIENTS WILL BE IMPACTED BY HAVING TO PAY A LARGER PORTION OF THE RENT

7/31/2009

Congressional Officials acknowledged that the Federal Funding Shortages for the U.S. Department of Housing and Urban Development (HUD) Section 8 Housing Choice Housing Voucher Program (HCV) will likely force many Public Housing Authorities to reduce the currently issued vouchers to a level that can be funded by the federal funds available. HACM has had two major meetings with HUD addressing the local effects of the NATIONWIDE shortfall. While Congressional leaders are monitoring the situation, they have stated they cannot do anything now for the immediate shortfall, but they are trying to secure adequate funds for the FY2010 budget for the Section 8 Housing Choice Voucher program. Unfortunately, though some funding shortfall for the current year was addressed from the extremely limited HUD Contingency Fund, the best HUD could do was to fund the those PHAs immediately and critically affected, but only at the 50% or less of the total need due to the limited contingency funds. Over 900 funding appeals have been filed across the nation by PHAs, the HACM was one of the first to appeal. In coordination with HUD, HACM has implemented HUD's recommendations and direction to immediately reduce the "Payment Standard." This means the clients we currently serve in the Section 8 HCV program will have to personally pay a greater portion of the rent to make up the difference between the Federal Housing Assistance Payments and their portion of the rent effective 1 September, 2009. This action will affect the majority of the clients. However, this action must be done so that HACM may not have to terminate any vouchers currently issued.

Other actions HACM has already implemented to minimize the potential number of tenant HCV terminations: denying portability of vouchers to higher cost counties, working with the HOUSING RESOURCE CENTER and County Social Services (if funding is available) to help clients affected by the increased rents to access temporary funding to assist with the rental shortfall for 3 to 4 months (if they qualify) and allowing attrition to reduce the number of vouchers currently funded. This program is an earmarked Federally Funded program and other program monies cannot be used to support

the Section 8 HCV Program.

HUD has been working with this Public Housing Agency as well as with 900 other PHAs to minimize the impact of the Federal Funding shortfall. If HUD finds additional funding for the HACM, hopefully terminations will not have to be an option. This Public Agency is considering all housing program options available to minimize the negative affect to our clients.

**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**