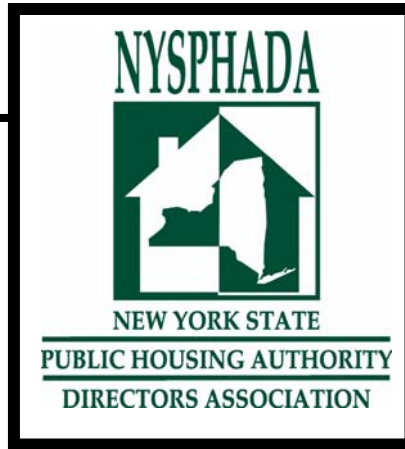


MEMBERS

Albany  
Amsterdam  
Auburn  
Batavia  
Binghamton  
Boonville  
Buffalo  
Canton  
Catskill  
Cohoes  
Cortland  
Dunkirk  
Elmira  
Geneva  
Gloversville  
Greenburgh  
Harriestown  
Herkimer  
Hoosick Falls  
Hornell  
Hudson  
Ilion  
Ithaca  
Jamestown  
Kenmore  
Kingston  
Lackawanna  
Little Falls  
Lockport  
Malone  
Massena  
Monticello  
Newark  
New Rochelle  
New York City  
Niagara Falls  
Norwich  
Olean  
Oneida  
Oneonta  
Plattsburgh  
Port Chester  
Potsdam  
Poughkeepsie  
Rensselaer  
Rochester  
Rome  
Schenectady  
Syracuse  
Tonawanda  
Tupper Lake  
Utica  
Watertown  
Watervliet  
West Carthage  
White Plains  
Wilna



SPRING 2009

**LEGISLATIVE and REGULATORY AGENDA**

The New York State Public Housing Authority Directors Association (NYSPHADA) represents 57 small, medium and large public housing authorities (phas), comprised of over 185,000 public housing units and over 100,000 Section 8 units across New York State. We thank you for your consideration of our views, and remain available to provide additional information at your request.

**NYSPHADA SUPPORTS THE FOLLOWING POSITIONS:**

**AMERICAN RECOVERY AND REINVESTMENT ACT:**

NYSPHADA is very appreciative of the \$4 billion in additional capital funds provided to public housing authorities nationwide in the American Recovery and Reinvestment Act. We thank you for allowing us the ability to fulfill some of our highest-priority, long-standing capital funding needs, as outlined in our five-year plans. We also commend the United States Department of Housing and Urban Development (HUD) for its swift release of the \$3 billion of these funds that are designated to be provided through formula allocation.

**FEDERAL FISCAL YEAR 2010 FUNDING:**

NYSPHADA respectfully urges fair and adequate Fiscal Year 2010 funding for public housing authorities. NYSPHADA joins the Public Housing Authorities Directors Association (PHADA), the National Association of Housing and Redevelopment Officials (NAHRO) and the Council of Large Public Housing Authorities (CLPHA) in support of the following Fiscal Year 2010 funding levels:

Public Housing Operating Fund:	\$5.5 billion
Public Housing Capital Fund:	\$5 billion
Housing Choice Vouchers:	\$16.5 billion
Safety and Security:	\$310 million
HOPE VI Program:	\$800 million
Service Coordinators for the Elderly and Disabled:	\$50 million
Resident Opportunity and Supportive Services Program:	\$55 million

We look forward to learning the particulars of the Administration's Proposed Fiscal Year 2010 HUD budget and will make more specific comments at that time.

### **OPERATING FUND:**

NYSPHADA advocates a \$5.5 billion funding level for the Operating Fund. This is the minimum funding level required annually for public housing authorities across the country to meet their operating needs.

HUD employs its own data and calculations, known as the Operating Fund Formula, to determine a pha's annual formula amount. The formula amount is the amount of operating subsidy a pha requires in order to fulfill its mission and serve properly its residents and communities. In spite of this objective formula, the Federal Government consistently provides only a portion, or proration, of the needed operating funds. In Fiscal Year 2008, public housing authorities received only 89% of what the formula determined was necessary. In Fiscal Year 2009, it is projected that the proration will be 89% or lower.

Rising fuel costs further strain the currently inadequate operating fund budgets. Furthermore, New York State public housing authorities are additionally burdened by State pension requirements, high insurance costs, and other State and local requirements. These unique factors are not taken into account by HUD's operating fund formula, although such inflexible costs are borne by the operating fund to the direct detriment of other operating fund needs. In order for public housing authorities to fulfill properly their mandates, operating funds must be provided at full formula funding levels.

### **CAPITAL FUND:**

NYSPHADA advocates a \$5 billion funding level and increased flexibility for the Capital Fund. The current backlog of unmet capital needs has been estimated at over \$30 billion. The new capital funds provided by the stimulus are gratefully received. However, long neglected capital fund projects remain in waiting. Capital fund monies not only create jobs and stimulate the local economy, but they often create energy savings that can reduce the stress on the operating fund. In addition, capital improvements strengthen the government's investment in its own existing infrastructure and preserve our Nation's affordable housing stock.

### **ENERGY SAVINGS:**

NYSPHADA is committed to continuing its efforts to reduce energy consumption levels, whether through the further development of energy consortiums or the participation in energy performance contracts. The practical implementation of such programs has proven to be challenging, particularly for small and medium-sized public housing authorities. We encourage Congress and the Administration to assist us in our shared mission of energy reduction, by allowing greater flexibility of existing funding streams and increasing incentives to encourage participation.

## **PUBLIC AND ASSISTED HOUSING PROGRAM REFORM:**

Funding flexibility, rent reform and reduction of regulatory burdens are essential changes needed for public housing authorities to continue to provide housing to the same number of families during today's economic conditions.

NYSPHADA supports the development of rent simplification proposals. Specifically, we support budget revenue neutral efforts to: encourage residents to increase their earned incomes; maintain housing affordability; and achieve real simplification. We also support the goals of HUD's existing Moving to Work Demonstration program, and believe this or a similar program should be expanded and strengthened.

NYSPHADA recognizes that funding for the Section 8 program requires a significant proportion of the Department of Housing and Urban Development budget. We support efforts to reform the Section 8 Housing Choice Voucher Program in order to provide a consistent funding policy, program flexibility and regulatory relief that will result in the same number of units funded, at a lesser cost to the government. Furthermore, many public housing authorities are no longer able to fund their allocated number of vouchers, due to the financial realities of the marketplace. We urge Congress to provide adequate monies for the Section 8 Housing Choice Voucher Program and its correlating administrative costs. Upon learning the specifics of the Administration's anticipated plan to address the inefficiencies of the Housing Choice Voucher program, we will comment further.

## **SAFETY and SECURITY:**

NYSPHADA urges new funding, at a minimum level of \$310 million, for initiatives to increase the safety and security of public housing authorities. Programs to increase the safety of our residents and communities include: pha-supported police, security guards, after-school programs, Boys & Girls Clubs, and adult education classes. These programs also create sustainable jobs while serving an important public policy purpose.

## **HOPE VI PROGRAM:**

NYSPHADA advocates an \$800 million funding level for the HOPE VI Program. HOPE VI enjoys wide bipartisan support and has been credited with changing the face of public housing in America. Funding criteria should be based upon a public housing authority's ability to leverage mixed finance dollars in order to decrease the heavy backlog of modernization needs.