



Secretary Shaun Donovan announced the U.S. Department of Housing and Urban Development (HUD) FY2010 budget last week, and at \$46.344 billion it is an eight percent increase over the FY2009 budget.

The announcement reflects a shift in direction for housing policy from the past administration, with a renewed emphasis on rental housing. In a teleconference with reporters, the Secretary commented that "we have had a housing policy focused almost exclusively on homeownership at the expense and/or neglect of rental housing as a part of the national housing policy."

Some key measures contained in the FY2010 budget proposal support the commitment to rental housing. They include:

- \$1.8 billion increase in effective funding for the Housing Choice (Section 8) Voucher program, the most effective and quickest tool to assist the lowest income families,
- \$1 billion contribution toward the National Housing Trust Fund, created in Housing and Economic Recovery Act of 2008, to build, rehabilitate and preserve 1.5 million units of rental housing over ten years for the lowest income families. Originally, this Fund was to be capitalized through proceeds from Fannie Mae and Freddie Mac, but the credit crisis and the government takeover of those institutions eliminated that option,
- Full funding of the Community Development Block Grant (CDBG) program through a \$550 million increase,
- Targeted investments in energy conservation and initiatives to support efforts that integrate transportation, housing and land use planning in a way that maximizes choices for communities, lowers transportation costs and improves quality of life were also included.

To review the proposed FY2010 HUD budget go to:

<http://www.hud.gov/budgetsummary2010/fy10budget.pdf>