

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. letter	John Hobson to POTUS re HUD budget (partial) (1 page)	11/12/1998	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Molly Brostrom
OA/Box Number: 8399

FOLDER TITLE:

FY 98 Budget

2012-0326-S

kc745

RESTRICTION CODES**Presidential Records Act - [44 U.S.C. 2204(a)]**

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

THE WHITE HOUSE
WASHINGTON

DATE: 11/21/96

MEMORANDUM FOR Carol Rasco

FROM: JIM DORSKIND
SPECIAL ASSISTANT TO THE PRESIDENT
DIRECTOR OF CORRESPONDENCE
AND PRESIDENTIAL MESSAGES

SUBJECT: Petitions from Various Constitution

I attach an example of 50 petitions that we received regarding an issue in which you might be interested.

If you have any questions, I can be reached at 65460.

raise HUD's budget

Withdrawal/Redaction Marker

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50 [001]

November 12, 1996

Bill Clinton
The White House
Washington D.C. 20500

Dear Mr. President:

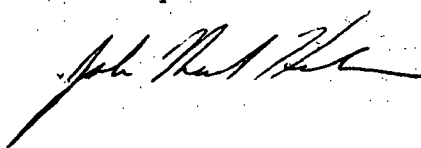
I respectfully but urgently ask that your Administration propose a fiscal year 1998 budget for the U.S. Department of Housing and Urban Development (HUD) that will be sufficient to fund HUD activities at their current (FY 1997) levels, as well as address the strain on low income housing and community development that will be triggered by the passage of welfare reform.

The budgetary demands in fiscal year 1998 will be significant for housing and community development for three reasons. First, a large increase in new budget authority is required to renew expiring Section 8 housing contracts. Without expanded resources this will crowd out funding to core housing and community development programs. Second, the shift to a new system of income assistance will strain community resources at the very time that those exiting welfare will need jobs and stable housing. Finally, these two increases on the demand side will occur when the supply of funding from HUD is already seriously strained, having taken disproportionate cuts during the last Congress.

Your Administration has made a commitment to build a bridge to the 21st Century. This bridge must be built upon a strong foundation of economically viable and stable communities. Such communities do not develop unaided, and the federal role is a critical one.

I believe that adequate funding for HUD is essential to the survival of our nation's communities and to the well-being of our most vulnerable residents. I urge you to propose and vigorously support expanded funding for HUD's vital programs.

Sincerely,



John Mark Hobson

P6(b)(6)

Solon OH 44139

Campaign for Housing and Community Development Funding

November 4, 1996

Dear Friend:

America faces an acute housing crisis--for every household that currently receives federal housing assistance, there are two eligible households that receive no assistance. Moreover, for the first time in a generation, the federal government is providing no new housing subsidies. In fact, new laws are causing a reduction in the overall supply of federally subsidized housing. These trends will be further compounded by welfare reform, which will strain the household budgets of millions of poor families as they struggle to achieve self-sufficiency without any guarantee of federal support.

Now--more than ever--it is imperative that we fight for a HUD budget with enough funding to meet these overwhelming needs. In the next two months, crucial decisions will be made at the White House that will impact the Fiscal Year 1998 HUD budget (October 1997 - September 1998). We ask you to join our nationwide effort and send a strong message to President Clinton, urging him to provide adequate resources for affordable housing.

We urge you to take the following steps:

- ▶ **Endorse the attached sign-on letter to President Clinton.** The letter urges him to provide adequate funding for the HUD budget in Fiscal Year 1998. Please fax or mail the endorsement back to the Center for Community Change **by November 22, 1996**. Fax: (202) 333-5462. Address: 1000 Wisconsin Avenue NW, Washington, DC 20007.
- ▶ **Circulate the attached sign-on letter among your network,** and urge others to endorse it **by November 22, 1996.**
- ▶ **Conduct a letter-writing campaign** to Franklin Raines, the Director of the Office of Management and Budget (OMB), urging him to provide adequate HUD funding (a sample letter is attached).. The Director of OMB is a key decision-maker in the Administration, who has final approval on the budget that the President sends to Congress. Commit to mail 10 letters to Director Raines **by November 22, 1996.**

Thank you for participating in this national fight for affordable housing. When the 105th Congress convenes in January, we will need to take our message to the Capitol as well. We hope you will also write to your Senators and Representative and urge them to adequately fund HUD.

Sincerely,

Campaign for Housing and Community Development Funding Steering Committee:

McAuley Institute ♦ National Alliance to End Homelessness ♦ National Housing Conference ♦ NETWORK ♦ Center for Community Change ♦ National Low Income Housing Coalition ♦ National Neighborhood Coalition ♦ National Association of Housing and Redevelopment Officials ♦ National League of Cities ♦ Local Initiatives Support Corporation ♦ SEEDCO ♦ U.S. Catholic Conference

Dear Mr. President:

The undersigned organizations and individuals respectfully but urgently ask that you propose a Fiscal Year 1998 budget for the Department of Housing and Urban Development (HUD) that funds HUD activities at their current (FY 1997) levels, and also addresses the new burdens welfare reform will place on impoverished Americans with severe housing needs.

America faces an acute housing crisis--for every household that currently receives federal housing assistance, there are two eligible households that receive no assistance. Moreover, for the first time in a generation, the federal government is providing no new housing subsidies. In fact, new laws are causing a reduction in the overall supply of federally subsidized housing. These trends will be further compounded by welfare reform, which will strain the household budgets of millions of poor families as they struggle to achieve self-sufficiency without any guarantee of federal support.

The budgetary demands in Fiscal Year 1998 will be significant for housing and community development for three reasons. First, a large increase in budget authority (\$9.5 billion) is required to renew currently expiring Section 8 housing contracts. Without expanded budget authority, Section 8 renewals will crowd out funding for other core housing and community development programs. Second, the shift to a new system of income assistance will strain community resources at the very time that those exiting welfare will need new jobs and stable housing. Finally, these two increases on the demand side follow deep reductions to HUD's budget, which was disproportionately cut during this session of Congress.

You have made a commitment to build a bridge to the Twenty-First Century. This bridge must be built upon a strong foundation of economically viable and stable communities. Such communities do not develop unaided, and the federal role is a critical one.

The undersigned national, state and local organizations and individuals believe that adequate funding for HUD is essential to the survival of our nation's communities and to the well-being of our most vulnerable residents. We urge you to propose and vigorously support expanded funding for HUD's vital housing and community development programs.

Sincerely,

____ Yes, I agree to endorse the above letter.

____ Yes, I will circulate this letter and secure additional endorsements by 11/22/96.

____ Yes, I will write my own letter and generate 10 letters to Budget (OMB) Director Raines by 11/22/96.

NAME _____

ORGANIZATION _____

ADDRESS _____

CITY _____ STATE _____ ZIP _____

PHONE (____) _____ FAX (____) _____

**Fax by 11/22/96 to: (202) 333-5462 or mail to: Lisa Ranghelli, Center for Community Change,
1000 Wisconsin Avenue NW, Washington, DC 20007. Phone: (202) 342-0567, x 356.**

E-mail: hn0688@handsnet.org

Campaign for Housing and Community Development Funding

SAMPLE LETTER

NOTE to Letter Writers: *Please write the letter on a piece of blank paper. You may add your comments to the sample letter below, but KEEP LETTERS SHORT. Sign the letter, put it in an envelope & write the address on the envelope. Mail the letter.*

1. **Write this letter on a blank piece of paper. Add any personal comments you want. Sign it, and write in your home address. Print Clearly!**

November 4, 1996

Dear Franklin Raines,

I am a voter and I support federal low-income housing programs. I want you to give HUD's budget enough money to continue current services and to renew all currently expiring Section 8 Contracts. If you don't, many people in my community could lose their homes.

Will you help? Please write back.

Sincerely,

Name; _____
Address; _____
City; _____ State: _____ Zip: _____

2. **Address your blank envelope to:**

Franklin Raines
White House Budget Director
Office of Management & Budget
OEOB, Room 252
Washington, D.C. 20503

3. **Write your home address on the envelope as the letter's return address. Place the letter in the envelope and mail it.**

10/29/96 12:50 OFFICE OF SECRETARY → 94567028 NO.107 004



**FY 1998 Budget Request
September 19, 1996**

HUD Goals and Mission

I Continue the Legacy

- **Reduce homelessness**
- **Transform Public & Assisted Housing**
- **Enhance Homeownership Opportunities**
- **Reduce Racial Barriers**
- **Empower America's Communities**
- **Create a "Community-First" Cabinet Agency**

II Address Section 8 Renewals

Reduce Homelessness

Accomplishments

- Increased funding from \$571 million in FY93 to \$1.1 billion in FY95
- Serving 14 times the number of individuals than in 1993
- Implemented a "continuum of care" strategy which moves beyond meeting emergency housing needs to helping homeless persons move off the streets and into transitional or permanent housing and self-sufficiency
- Assisted 345 communities with 823 transitional and permanent housing providers; up from 129 cities and 215 providers in the previous four years

**Community Planning & Development
(Budget Authority in Millions)**

	FY1996 Enacted	FY1997 Request	FY1997 Likely Enacted	FY1998 Request	Difference Request to 1997
Homeless	\$823	\$1,120	\$823	\$1,120	\$297
HOPWA	\$171	\$196	\$196	\$215	\$44

Transform Public Housing Accomplishments

Changing the Physical Landscape

- **Committed \$3.2 billion to tear down and replace 30,000 dilapidated units**
- **Repealed one-for-one replacement rule; reformed modernization program**
- **62 participating cities, 145 affected developments**
- **At least 80% of demolished units will be replaced with hard units and Section 8 certificates**

Cracking Down on Bad Management

- **Reduced number of large troubled PHAs from 22 in 1993 to only 12 today**
- **Have taken action on remaining 12 troubled PHAs**
 - **3 under HUD control (e.g. Chicago, New Orleans)**
 - **6 innovative partnerships with mayors (e.g. Philadelphia, Detroit)**
 - **3 court-appointed receivers (e.g. Washington, D.C)**

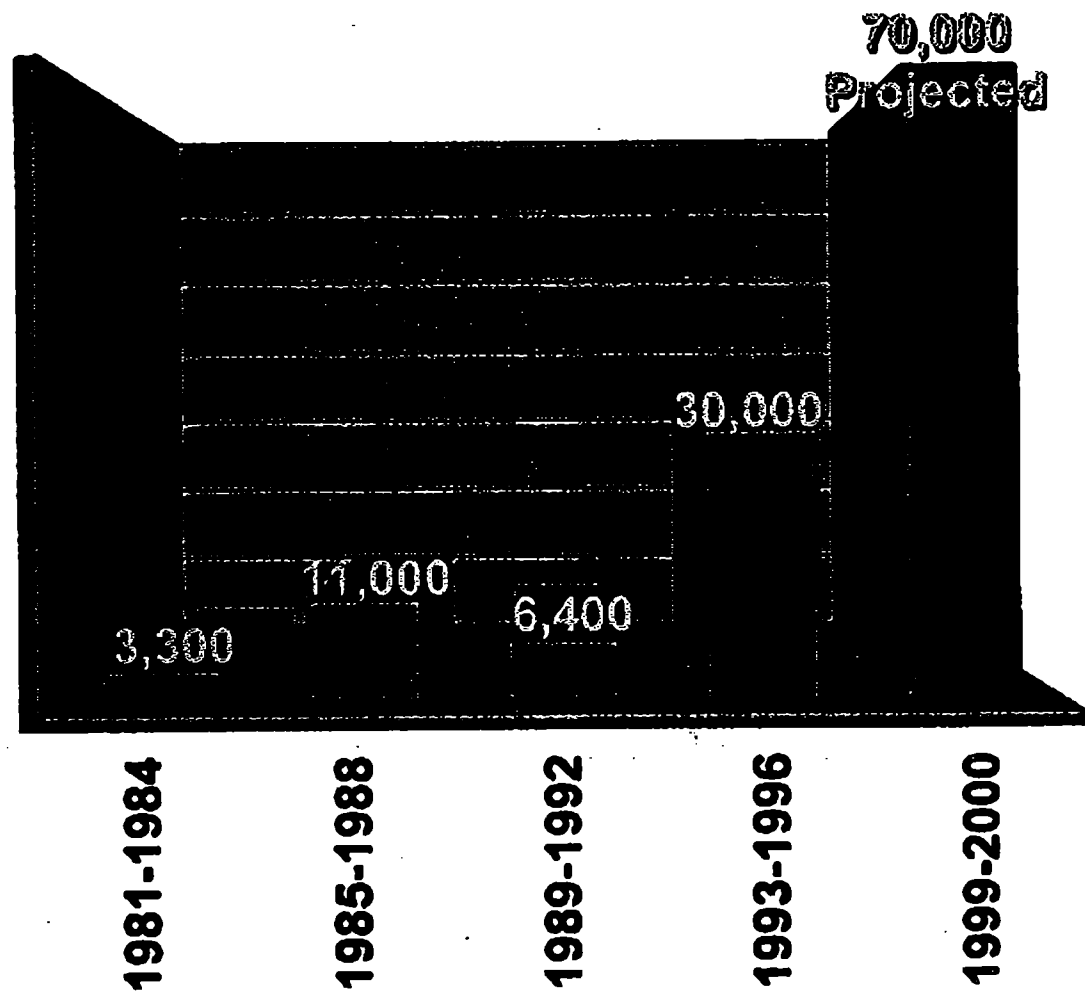
Rewarding Work and Self-sufficiency

- **Repeated federal preferences, reformed rent rules, Initiated Campus of Learners**

Cracking Down on Crime

- **Implemented Operation Safe Home – 8,000 arrests, confiscation of thousands of drugs and weapons**
- **Enforcing tougher tenant screening and eviction procedures with One Strike and You're Out guidelines**

Bringing Down the Nation's Worst Public Housing and Replacing It with Quality Affordable Homes



Transforming Public Housing (Budget Authority in Millions)

	FY1996 Enacted	FY1997 Request	FY1997 Likely Enacted	FY1998 Request	Difference Request to FY1997
Operating Funding	\$2,800	\$2,900	\$2,900	\$3,217	\$317
Capital Funding	\$2,660	\$3,150	\$2,700	\$3,089	\$589
HOPE VI & Replacement	\$480	\$650	\$550	\$500*	- \$50
Drug Elimination Grants	\$290	\$340	\$290	\$360	\$70
Operation Safe Home	\$3	\$5	\$5	\$22	\$17

* 20,000 replacement certificates requested in Housing Certificate Fund.

Enhance Homeownership Opportunities Accomplishments

The President's economic program helped increase the national homeownership rate to a 15-year high; last year's increase grew at the fastest rate in 30 years. From 1993-1996, home ownership rate grew from 64.5% to 65.4%, helping 4.4 million Americans become homeowners.

HUD Homeownership Efforts

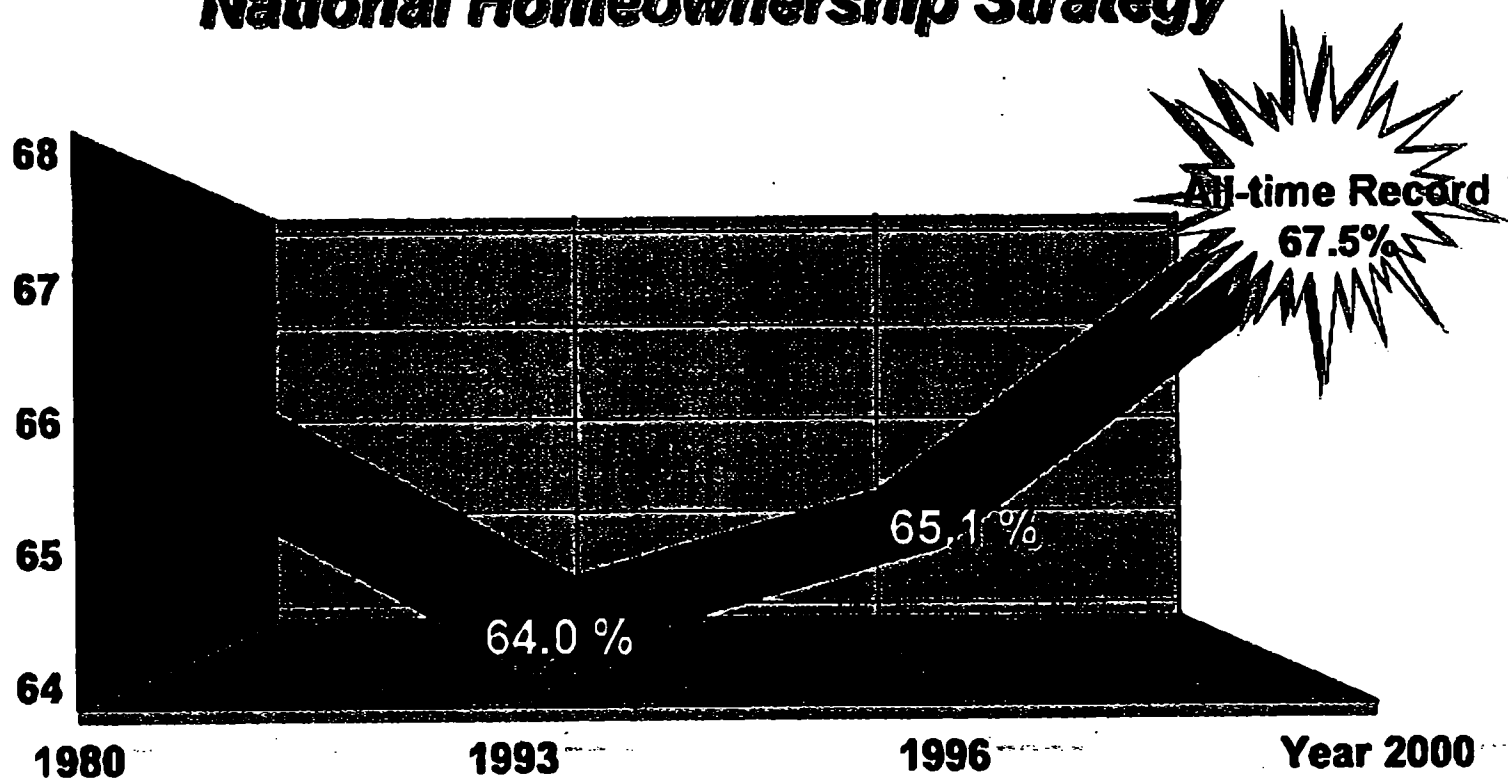
- **Forged unprecedented partnership with 58 key public and private sector organizations to help 8 million Americans become homeowners**
- **Approved the sale of 4,000 units of public housing to residents from 1993-1995
25,000 new public housing homeowners by the year 2000**
- **Streamlined HOME, helping an additional 23,300 families become homeowners in the past year (serving the same number of families in one year as the previous two and a half combined)**
- **Revamped FHA to better meet the needs of today's consumers**

cut the cost of financing mortgages by \$800

cut approval time for mortgage insurance from 6-8 weeks to a day

Enhancing Homeownership Opportunities

National Homeownership Strategy



**Enhancing Homeownership
(Budget Authority in Millions)**

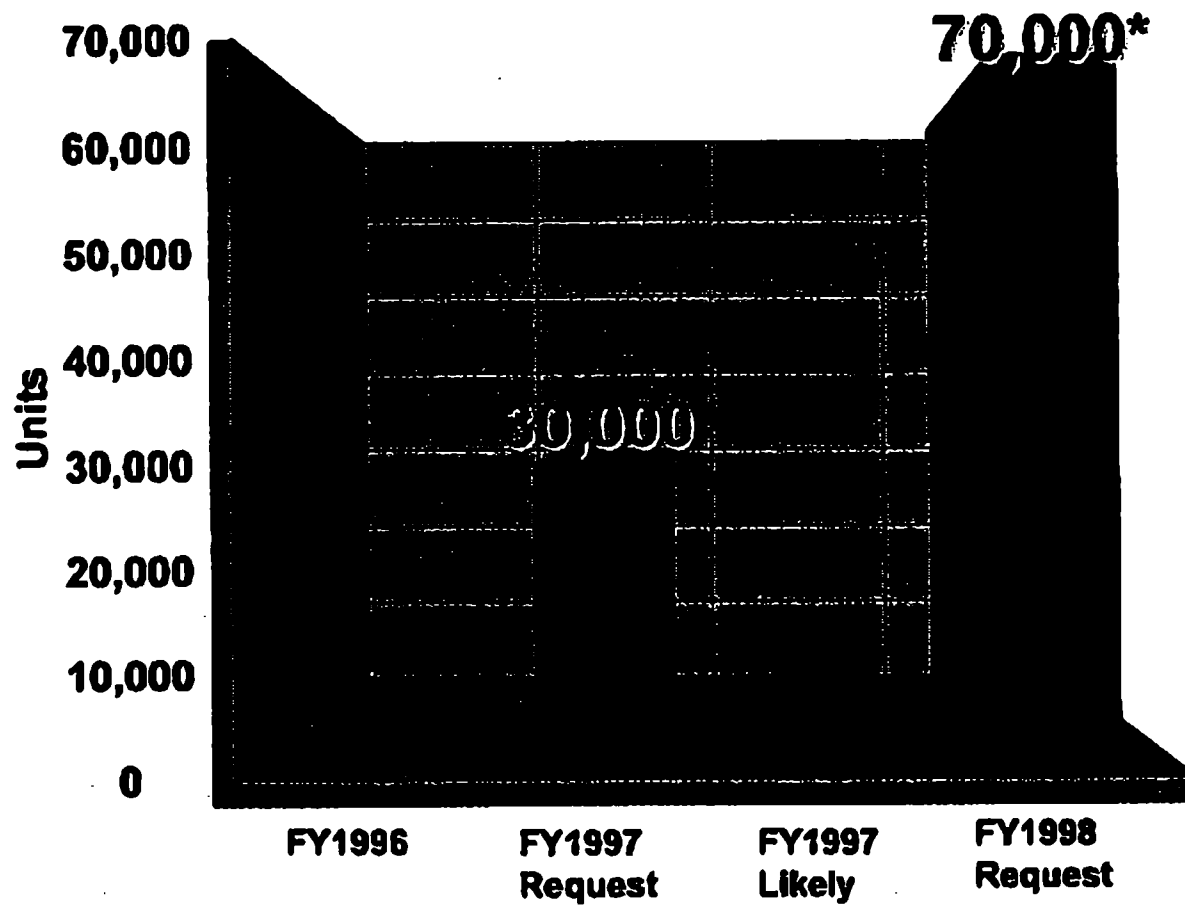
	FY1996 Enacted	FY1997 Request	FY1997 Likely Enacted	FY1998 Request	Difference Request to FY1997
GNMA Commitment Authority	\$110,000	\$110,000	\$110,000	\$130,000	\$20,000
FHA Commitment Authority	\$110,000	\$110,000	\$110,000	\$110,000	---
Housing Counseling	\$12	\$15	\$15	\$50	\$35

**Assisting families Through New Section 8
Worst case Housing Needs growing**

- **Definition: Households paying either more than 50% of their income for rent or living in substandard housing**
- **Increased by 1.1 million households from 1978 to 1991**
- **Increased by almost 400,000 households from 1991 to 1993**
- **In 1993, 4 out of 5 households lived in adequate and uncrowded housing
-- affordability was their only problem**

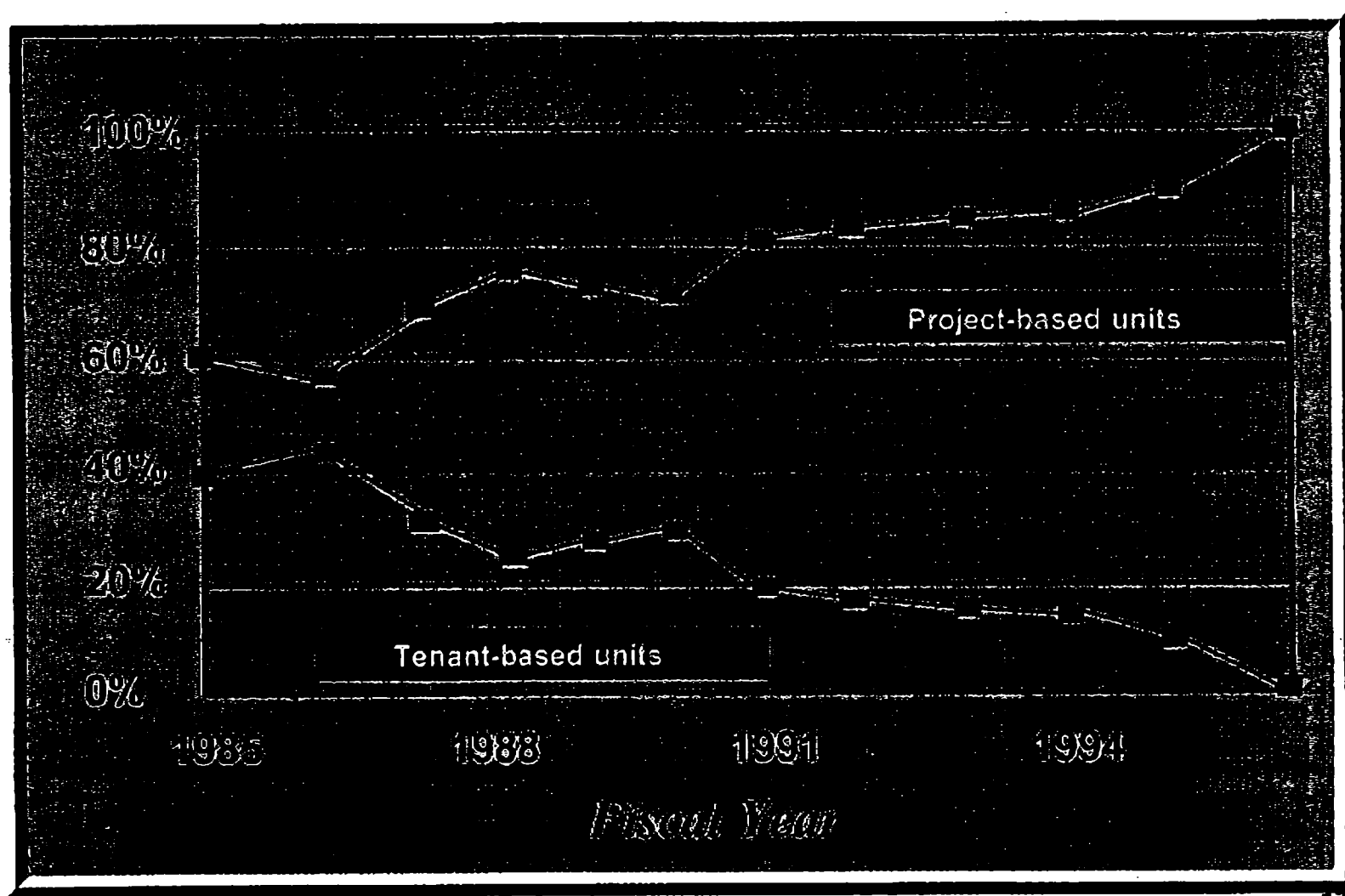
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Assisting Families Through New Section 8



* 30,000 certificates for new State and local welfare programs; 15,000 for permanent housing for the homeless; 15,000 for adults with disabilities; and 10,000 for portability and litigation settlements.

Trends in Rental Assistance



Transform Assisted Housing

Accomplishments

Restoring fiscal soundness to FHA Fund

- **Reduced multifamily mortgage inventory by 50 percent since FY 1992**
- **Reduced single family inventory to a 10 year low by FY 1995**
- **Reduced loss reserves by 29% since FY 1992**
- **Sold over 46,000 mortgages for 1.3 billion in savings**
- **Received clean audit of FHA in 1994, first time since 1974**

Restoring physical and financial health of apartment buildings

- **SWAT effort yielded over 130 enforcement actions on negligent landlords**

Providing Incentives for tenants to become self sufficient

- **Created Neighborhood Networks - computer learning centers that link residents to job training and educational opportunities**

Streamline FHA

- **Instituted new automated system for administering Section 8 program**

FY 1998 Budget

- **Addresses long-standing problems in 8,600 FHA-insured, Section 8 multifamily housing properties through Multifamily Portfolio Reengineering**
- **Provides 38,000 certificates to protect tenants**

Reduce Racial Barriers

Accomplishments

- **Entered into 83 Fair Lending Best Practices agreements with mortgage lenders**
- **Resolved 17 major civil rights law suits against the Department, primarily involving segregation and discriminatory practices in public housing**
- **Published joint federal policy on discrimination in lending to provide clear and unified interpretation of the laws with which lenders must comply**
- **Streamlined FHIP, reducing costs and funding cycle time from 131 weeks to 36 weeks**
- **Made information on lending patterns (HMDA data) available to advocates and consumers via Internet**

EY 1998 Budget

- ✓ • **Doubles FHIP funding, to \$30 million, to assist in fair housing enforcement, education and outreach**
- ✓ • **Maintains \$15 million for FHAP to support over 90 State and local fair housing enforcement agencies**
- ✓ • **Provides \$76 million in Section 8 regional counseling**

Empowering America's Communities Accomplishments

Empowerment Zones

- **72 urban empowerment zones and enterprise zones in place**
- **Leveraged approximately \$2 billion in private investment**

Economic Development Initiative

- **\$370 million in EDI has leveraged \$2 billion in private capital**
- **Created or retained an estimated 70,000 jobs in 112 communities**

Consolidated Plan

- **Reduced 12 forms for a grant application into one consolidated plan**
- **Funded through Youthbuild almost 250 local projects and served thousands of disadvantaged youth in construction-related apprenticeships and educational training programs**

Empowering America's Communities (Budget Authority in Millions)

	FY1996 Enacted	FY1997 Request	FY1997 Likely Enacted	FY1998 Request	Difference Request to FY1997
Empowerment Zones	---	\$200	---	\$200	\$200
Economic Development Initiative	\$50	\$100	---	\$500	\$500
Brownfields	*	*	---	\$100	\$100
Homeownership Zones	*	\$110	\$20	\$150	\$130
Youthbuild	\$20	\$40	\$40	\$100	\$60

* Eligible under EDI