Center on Budget and Policy Priorities

820 First Street NE, Suite 510
Washington, DC 20002

Tel: 202-408-1080
Fax: 202-408-1056

center@cbpp.org
www.cbpp.org

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OBAMA BUDGET INCLUDES MAJOR PLAN TO PRESERVE NEEDED AFFORDABLE HOUSING

Proposal Would Provide More Adequate and Sustainable Funding, Expand Housing Choices for Low-Income Families

by Will Fischer

The President's $350 million Transforming Rental Assistance (TRA) initiative, outlined in his fiscal 2011 budget, would enable local housing agencies and private owners to more easily preserve affordable housing, in part by giving them more adequate and sustainable funding to operate it. As a result, TRA would help preserve an estimated 300,000 affordable apartments (both publicly and privately owned) in its first year and more in later years. Most of these apartments house low-income elderly people and people with disabilities, and without TRA many of these units would eventually become uninhabitable or be lost as affordable housing in other ways.

In addition, TRA would make other improvements to rental assistance programs (including public housing) that would give families with housing subsidies the choice to rent housing in a wider range of neighborhoods, which would allow them better access to employment or educational opportunities. TRA also would streamline administration of these programs.

Public housing preservation: Of the 300,000 apartments that the Department of Housing and Urban Development (HUD) estimates TRA would reach during its first year, as many as 280,000 would be in public housing, which now assists 1.2 million units. The federal government has consistently provided less funding for public housing than agencies need to operate and occasionally renovate it. As a result, more than 165,000 public housing units have been demolished or otherwise removed from the available stock in the last 15 years, and the remaining units have a backlog of unmet renovation needs of at least $20 billion (and possibly considerably more).

To address this problem, TRA would give agencies the option to convert public housing units to a new type of long-term housing subsidy. That would help preserve the units for the long term in two main ways:

- *Sustainable funding levels.* Of the $350 million that the President has requested for TRA, $290 million would boost subsidies for underfunded public housing developments to a level that is adequate to sustain them in good condition over time.

- *Greater ability to leverage private investment.* The rules governing the new subsidies would allow housing agencies to more easily borrow private funds to perform needed renovations. HUD estimates that TRA would enable agencies to obtain $7.5 billion in private financing.

Preservation of private affordable housing: TRA would allow the private owners of units that are supported through three small rental assistance programs to convert about 20,000 such units to new long-term subsidies that would preserve the units as affordable housing. Under current law, subsidies for many of these units will end in the coming years because there currently is no adequate mechanism to extend their subsidy contracts.

Other improvements to rental assistance programs: TRA would make a number of other changes as well:

- *Giving residents more choice.* Currently, residents of public housing and most private subsidized developments lose their subsidy if they move. In developments converted under TRA, by contrast, a family that has lived in an apartment for a period of time — most likely a year — would be able to move using the first "tenant-based" voucher that becomes available in the Section 8 housing voucher program. (Families use these vouchers to rent a modest unit of their choice in the private market.) By providing greater choice to low-income families in this way, TRA can support other important policy goals, such as helping to re-employ jobless Americans by enabling them to move to pursue a job opportunity.

- *Helping voucher holders move to areas with greater opportunities.* To help families with tenant-based vouchers move to neighborhoods with lower poverty rates, TRA would provide funds to cover support services for families and outreach efforts and incentives to encourage landlords in such areas to rent to voucher holders. Today, voucher holders often struggle to rent housing in low-poverty areas, which tend to have less crime, better schools, and more jobs but also tighter rental markets.

- *Streamlining administration of rental assistance programs.* TRA would provide incentives for some of the 2,400 state and local agencies that administer vouchers to consolidate aspects of their programs. Agencies then could eliminate duplicative functions and achieve economies of scale. In addition, agencies serving larger geographic areas would be better positioned than agencies with small jurisdictions to help families choose from a range of neighborhoods.

While it should enact a version of TRA, Congress should not neglect other investments to help meet affordable housing needs. TRA's basic approach is sound, and it would help preserve valuable affordable housing (although some important details will not be filled in until HUD submits legislation to authorize the initiative, which it plans to do this spring). But TRA may not be appropriate for all subsidized units, and in any case the 300,000 conversions proposed for the first year will only reach a fraction of the subsidized housing stock. Congress will need to provide adequate resources for units that are *not* converted, including by fully funding operating subsidies for public housing and, at a minimum, avoiding cuts in public housing capital funding.

In addition, whether it adopts TRA or not, Congress should substantially expand the number of tenant-based vouchers. Such an expansion would strengthen the option to move that TRA would provide to residents of converted developments, since it would better assure that a tenant-based voucher would be available if a family wished to move. But independent of TRA, new vouchers are needed to address the large unmet need for housing assistance. This need is especially pressing during the current economic downturn, when unemployment and homelessness rates are unusually high.

TRA would serve as an important complement to another effort to strengthen HUD's rental assistance programs, the Section 8 Voucher Reform Act (SEVRA). SEVRA, which the House Financial Services Committee passed in July 2009, would establish a stable, efficient system for funding housing vouchers and streamline a number of rules governing vouchers and other forms of rental assistance. In its budget documents, HUD notes that enactment of parts of SEVRA is "integral" to TRA.

Preserving Needed Affordable Housing

More than a dozen HUD rental assistance programs help more than 4.6 million low-income families across the country afford housing. Generally, these programs provide subsidies that enable assisted families to rent decent housing while paying no more than 30 percent of their income for rent and utilities. More than 2.5 million assisted families live in apartments with ongoing "project-based" rental assistance — that is, subsidies tied to a particular public or privately owned housing development. (The box on page 5 summarizes HUD rental assistance programs.)

In recent decades, hundreds of thousands of public and private subsidized units have been lost. More than 165,000 public housing units have been demolished or otherwise removed from the stock without being replaced, often because the agency administering the units received inadequate funding to operate and occasionally renovate them, and the condition of the units consequently deteriorated. In addition, many private owners of subsidized units have opted to stop receiving subsidies, frequently because they determined it would be more profitable to charge market rents for the units.

The loss of these public and private subsidized units does not automatically reduce the number of low-income families receiving housing assistance, since most of the lost units are replaced with "tenant-based" Section 8 housing vouchers. These vouchers, which allow a family to rent a modest unit of its choice in the private market, are a highly effective form of housing assistance. But it would be unwise to allow large numbers of project-based units to be replaced with tenant-based vouchers, for several reasons:

- **Preserving private and public subsidized housing units can be the most cost-effective way to help low-income people afford housing.** Studies have found that tenant-based vouchers are more cost-effective than building *new* affordable housing.[1] But it often will be even more cost-effective to preserve an *existing* subsidized housing development in which the federal government and state and local agencies have already made substantial investments.[2]

- **Some public and other subsidized housing developments are located in neighborhoods where it would otherwise be hard for low-income people to rent housing.** Generally, tenant-based vouchers are more effective than other forms of housing assistance in helping families move to high-opportunity areas. However, some subsidized housing developments are located in areas that have low poverty rates, strong schools, and good access to jobs and transportation, but where it is difficult for a low-income family to rent housing even with a voucher. Frequently this is because there is little other moderately priced rental housing in the neighborhood. Moreover, these are generally neighborhoods where it would be difficult to develop new affordable housing, because community opposition is often strong and land costs may be high.

- **Some people are better served by having the option to live in project-based subsidized housing.** A substantial majority of the people served by public housing and private project-based subsidized housing are elderly or have disabilities. Many people in these groups successfully use vouchers to rent housing of their choice (and some strongly prefer to do so), but others have difficulty finding suitable housing because of mobility limitations and other factors. Some public and private subsidized developments are configured to accommodate people with mobility impairments and other special needs. It is important to preserve such developments so that they are available as an option for people who would struggle to use vouchers.

TRA would preserve subsidized housing by allowing housing agencies and private owners to convert subsidized housing units to a new form of rental assistance, which would provide long-term project-based subsidies designed to be adequate to sustain the units as affordable housing. (HUD's proposal does not specify many details of the rules that would govern the new subsidies, but indicates that those rules would combine features that have proven effective from two existing programs: project-based Section 8, and the separate project-based voucher component of the Section 8 voucher program.)

The 300,000 TRA conversions planned for the initiative's first year would be targeted on two categories of subsidized housing that, for different reasons, are especially vulnerable to loss:

- As many as 280,000 of the units would be in public housing developments, which have been placed in jeopardy by a history of chronic federal underfunding and a subsidy structure that makes it difficult to obtain private financing for needed renovation.[3]

- The remaining 20,000 units are predominantly privately owned and are assisted through several small subsidy programs. These programs lack adequate mechanisms to extend expiring subsidy contracts with the projects' owners and to provide the owners with incentives to continue participating, so these units face a particularly high risk of loss when current contracts expire.

Preserving Public Housing Units

TRA would help preserve public housing in two main ways. First, by providing subsidies similar to project-based vouchers and project-based Section 8, it would allow housing agencies to obtain more private financing (or obtain it on better terms) than existing public housing subsidies do. Agencies would have greater flexibility to use the annual subsidies and mortgages on the properties as collateral to obtain financing. In addition, lenders likely would perceive the subsidies as a more reliable means of repayment, because Congress has provided adequate funding more consistently for vouchers and project-based Section 8 than for public housing. HUD estimates that the first phase of TRA conversions would allow agencies to leverage about $7.5 billion in private investment.

Overview of HUD Rental Assistance Programs

HUD provides rental assistance to more than 4.6 million families through more than a dozen programs.

- **Section 8 Housing Vouchers** are administered by 2,400 state and local housing agencies, which pay the voucher subsidy to a private landlord. Most of the 2.1 million vouchers in use today are **tenant-based vouchers**, meaning that families can use them to rent a modest unit of their choice in the private market. Agencies may use up to 20 percent of their voucher funds for **project-based vouchers**, which must be used in a particular housing development.

- Under **Project-Based Section 8,** HUD provides subsidies to development owners, either directly or through an intermediary such as a state housing finance agency. Most of the 1.3 million project-based Section 8 units are owned by private or non-profit entities, but about 40,000 are owned by housing agencies that also administer public housing or vouchers.

- **Public housing** units are owned and operated by about 3,100 local (and in a few cases state) housing agencies, including about 1,500 agencies that also administer vouchers. Agencies receive federal subsidies to support public housing through the Public Housing Operating and Capital Funds. There are about 1.2 million public housing units across the country.

- The **Rent Supplement, Rental Assistance Payment** (RAP), and **Section 8 Moderate Rehabilitation** programs together subsidize about 54,000 largely private units. These programs are similar to project-based Section 8 but are subject to some distinct rules.

- Several other HUD programs provide rental assistance. The largest is **Section 202,** which provides ongoing project-based rental assistance to 107,000 units of housing for the elderly.

Second, TRA would modestly increase the annual subsidies provided to public housing developments. The two primary public housing funding streams, the operating fund and the capital fund, consistently provide less funding than is needed to maintain and operate public housing and carry out needed renovations. As a result, more than 165,000 units have been lost without being replaced since 1995, and public housing developments have accumulated a backlog of unmet renovation needs of about $20 billion (and perhaps considerably more).[4] TRA would increase funding for public housing units to a level that would be closer to the subsidies in the voucher and project-based Section 8 programs and should be adequate (in combination with expanded private financing) to carry out needed renovations and sustain the units over time.

In the current budgetary environment, it is unlikely that Congress will provide sufficient funding to address the bulk of the public housing capital backlog *except* through an approach that, like TRA, combines modestly higher annual subsidies with greater ability to leverage private funds.[5]

TRA conversion may not be appropriate for all public housing developments (and, in any case, only about one-fourth of public housing units would initially be converted under TRA), so the existing public housing funding streams will continue to play a central role in sustaining and renovating public housing. Thus, Congress should fully fund the Public Housing Operating Fund and, at a minimum, maintain the Public Housing Capital Fund appropriation at the 2010 level adjusted for inflation. The Administration's 2011 budget request appears to fully fund operating subsidies, based on information now available about the amount for which housing agencies likely will be eligible. But it proposes to cut capital funding by $500 million, to $2.0 billion.

Preserving Private Units in Small Rental Assistance Programs

TRA would also seek to convert about 20,000 units in privately owned developments assisted through three small programs established in the 1960s and 1970s: the Rent Supplement, Rental Assistance Payment (RAP) and Section 8 Moderate Rehabilitation (Mod Rehab) programs. The existing subsidy contracts for many of the units assisted through these programs will expire in the coming years, and there are not adequate mechanisms in place to extend the contracts and provide owners with incentives to continue to accept subsidies and rent their units to low-income families. Under TRA, owners could receive new long-term, renewable contracts that would replace the existing contracts, thus preserving the units as affordable housing. [6]

Conversion of rent supplement, RAP, and Mod Rehab units would also reduce the unnecessarily large number of programs used to provide federal rental assistance. The total number of units in these three programs is small (about 54,000).[7] If TRA is sustained for several years, it should be feasible to convert all of the units and to replace these programs entirely. This would reduce administrative burdens for HUD and complexity for companies or non-profit organizations that own properties that are assisted through multiple programs.

Expanding Choice for Low-Income Families

TRA also includes a series of measures to give low-income families greater flexibility in using housing subsidies in a wide range of neighborhoods, including areas with low poverty rates.

Giving Families in Project-Based Developments the Option to Move or Stay

TRA would expand the choices available to residents of converted project-based developments by allowing them to opt to move with the next tenant-based voucher that becomes available after they have lived in the development for a period of time. A new family that has been on the waiting list for assistance would then move into the vacated project-based unit. This "mobility option" is already available to tenants in project-based voucher developments, who are permitted to relocate after one year, but not to residents of public housing or developments subsidized through other programs.

Permitting families to choose whether to stay in project-based housing or use their subsidy to move elsewhere enables them to better match the location of their homes to the circumstances of their lives. It can allow, for example, a laid-off worker to relocate to pursue a job opportunity, a family with children to move near a grandparent who can provide child care, an elderly person or person with a disability to move near a medical facility that provides a particular type of care, or a domestic violence victim to flee an abuser — all without losing their subsidy.

Many public and private project-based developments provide living environments that are beneficial for low-income families; as noted above, some are located in high-opportunity neighborhoods or tailored to particular populations, and some match the needs of individual families for other reasons. By allowing families who wish to leave to do so, TRA's mobility option would free spaces in project-based developments for families who want to live there and for whom those developments provide particularly strong benefits. The mobility option thus allows the federal government to get more "bang for the buck" from both project-based and tenant-based subsidies, since it would mean that each type of subsidy would be more likely to go to a family for whom it would provide the greatest benefit.

In addition to giving families wider choices, the mobility option would impose a measure of discipline on a development's management. If a development were so unsafe or badly maintained that many tenants moved out after brief stays, management would face higher costs (to prepare units for new tenants and process paperwork related to turnover) and could also face lower rent revenue (since under the current project-based voucher program, payments cannot be made for a unit that has been vacant for more than 60 days, and it may be difficult to fill units in that time). HUD could also use the rate at which tenants choose to leave project-based developments to identify developments where conditions may be deteriorating and additional oversight may be needed.

Additional Tenant-Based Vouchers Would Strengthen Impact of Mobility Option

Congress could strengthen the mobility option by accompanying TRA with a substantial number of new tenant-based vouchers. The option would be beneficial even if the number of project-based tenants with the choice to move were relatively high compared to the number of tenant-based vouchers in a given area. But the project-based tenants then might have to wait for a voucher to become available, and unassisted families would have to wait longer to obtain tenant-based vouchers (because many of the available vouchers would go to project-based tenants).

The 300,000 conversions HUD proposes for the first year of TRA would be unlikely to create such an imbalance at the national level, since there would be close to seven tenant-based vouchers for each TRA unit. But those conversions could create imbalances in some local areas where the ratio of tenant-based vouchers to converted units happens to be lower. Providing added tenant-based vouchers would help the mobility option function more effectively in those areas. Moreover, if HUD expanded TRA to include many more units in later years, a large increase in the number of tenant-based vouchers would be needed.

Independent of TRA, there is a compelling case for Congress to provide a substantial number of new vouchers: currently, fewer than one in four eligible families receives any form of federal rental assistance. New vouchers would have a powerful effect in reducing homelessness and housing instability — problems that have major effects on children's health and development — and are particularly needed as families struggle to cope with poverty and joblessness during the current economic downturn.

Providing Services for Families and Incentives for Owners

Research shows that residing in areas of concentrated poverty can have harmful effects on families' well being, increasing the chances that they will become crime victims, lack adequate access to basic services and jobs, and be compelled to send their children to failing schools. Studies suggest that housing vouchers can enable families to move to low-poverty neighborhoods. But studies also suggest that vouchers are not nearly as effective as they could be in supporting such moves, and particularly in enabling families to stay in low-poverty areas once they have moved.

TRA would provide funds to enable agencies to implement policies designed to strengthen the voucher program in this regard. These would include services for families, such as counseling to help them find housing in higher-opportunity areas and support services to help them remain there, as well as outreach efforts and incentives to encourage owners in such areas to rent to voucher holders. These policies would benefit tenants in developments converted under TRA as well as other families seeking to move with a voucher.

Encouraging Agencies to Consolidate Program Administration

TRA would encourage agencies that administer both vouchers and public housing to switch from local to regional administration of vouchers, in two ways.[8] First, it would give agencies that consolidate aspects of their voucher programs preference to convert public housing units that they administer; the proposal sets aside some 130,000 of its 280,000 public housing conversions for agencies that carry out such consolidations. Second, TRA would provide funds to cover the upfront cost of consolidating programs, such as merging computer systems.[9]

Many vouchers today are administered by local agencies whose jurisdictions cover only small segments of metropolitan regions. For example, more than 30 agencies currently administer vouchers in the Albany, New York metropolitan area. The majority of these agencies administer fewer than 100 vouchers, and some as few as 20.

Consolidating voucher administration would yield a number of benefits. Most significantly, it would help agencies provide broader choices for families with vouchers. Agencies administering vouchers in small jurisdictions often have little capacity to help families find housing in another part of a metropolitan area or provide other assistance with cross-jurisdictional moves. Moreover, when a voucher holder moves from one jurisdiction to another, this can create costs or administrative burdens that can give agencies a strong incentive to discourage moves.

In addition, consolidation could reduce administrative costs by enabling agencies to eliminate duplicative functions and achieve economies of scale. It could also make it easier for agencies to coordinate services for housing assistance recipients with workforce development, social service, and other agencies administered at the state, regional, or county level. Finally, it could simplify participation in the voucher program for owners with multiple properties in an area, by providing a single point of contact rather than requiring them to deal with a number of different agencies.

TRA would also encourage the integration of agencies that administer public housing but not vouchers into a broader system that would support mobility for low-income families, by setting aside the remaining 150,000 TRA public housing conversions for public housing-only agencies. After conversion, these agencies would continue to own and operate the developments, but an existing voucher agency or some other entity would administer the subsidy and make tenant-based vouchers available to residents.

Consolidation Should Be Balanced Against Other Preservation Priorities

While the goals of streamlining voucher administration and integrating public housing-only agencies into a system that provides choice to tenants are important, they will need to be balanced against TRA's most important potential purpose — preservation of needed public housing.

Since the number of TRA conversions is limited, it would be desirable to target them on developments where they are most needed (because the development faces an imminent risk of loss) or where preservation would have the greatest benefit (for example, because the development is in a neighborhood with good schools and low crime but little affordable rental housing). HUD has not indicated that TRA would contain such targeting. Instead, HUD's budget documents propose that all public housing developments administered by agencies that undertake consolidation or administer only public housing will receive preference for conversion over all other developments.

This would bar use of TRA to preserve high-priority public housing developments that happen to be administered by agencies that do not consolidate their voucher programs — even if the agency is willing to consolidate but unable to do so because of lack of cooperation from neighboring agencies. To avoid this, it will be important that TRA's selection criteria consider other priorities along with consolidation.

Key Details of Plan Remain to Be Filled In

HUD has left many details of TRA open, some of which will have considerable bearing on the plan's effectiveness in preserving affordable housing. Two areas where there are important unanswered questions are discussed below. Legislation authorizing TRA, which HUD expects to submit to Congress by spring, should fill in many of the details.

Preserving Units Over the Long Term

The new subsidies under TRA would provide added resources to preserve public housing, but in theory, converting public housing to another form of assistance could also create new risks to the developments' long-term preservation.

Public ownership of public housing has insulated the developments from market pressures that have pushed private owners to opt out of other subsidy programs, and restrictions on agencies' ability to mortgage developments have largely prevented developments from being lost to foreclosure.

HUD has indicated that its plan will include measures to eliminate or minimize these risks. The agencies that now own public housing developments would continue to do so. And while agencies would be able to mortgage properties to obtain private loans, HUD has indicated that there would be protections to keep the risk of foreclosure to a *"de minimis"* level and to ensure that even if some properties are foreclosed upon, the new owners will be required to retain them as affordable housing. While this is encouraging, the specific nature of these protections will be crucial.

Rights of Residents

HUD budget documents commit to retaining some specific protections for residents in the wake of TRA conversions. For example, according to HUD, housing agencies and owners would be prohibited from using conversions as cause for evicting tenants, and tenant rent payments would continue to be determined using a formula similar to that in place today. As noted above, TRA would substantially expand tenant rights in one area, by giving public housing tenants an option to move without losing assistance.

It is not clear how TRA would affect other key rights and protections, however, including some that differ substantially among public housing, project-based vouchers, and project-based Section 8. For example, families in public housing have substantially stronger rights to establish resident organizations and provide input into management of their developments than families in developments assisted through other programs. This input can play an important role in improving the quality of a development. TRA consequently would provide more effective rental assistance if it incorporated some key resident participation requirements from public housing. HUD has not indicated whether it will propose this.

Conclusion

If enacted, the "Transforming Rental Assistance" proposal would be the most important new initiative to preserve federally subsidized housing in more than a decade. While key details remain to be filled in, TRA would preserve hundreds of thousands of affordable housing units and make other major improvements to the federal rental assistance programs. Congress should approve a version of the initiative to help avert the continued loss of needed affordable housing.

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[1] U.S. General Accounting Office, *Federal Housing Assistance: Comparing the Characteristics and Costs of Housing Programs,* 2002.

[2] For example, a 2008 CBPP analysis estimated that the cost of modestly rehabilitating and sustaining existing public housing over 30 years would be 8 percent less than the average cost of converting these units to tenant-based vouchers. Barbara Sard and Will Fischer, "Preserving Safe, High-Quality Public Housing Should Be a Priority of Federal Housing Policy," Center on Budget and Policy Priorities, October 2008, http://www.cbpp.org/cms/index.cfm?fa=view&id=655.

[3] According to HUD, initial conversions also could include some units that are subsidized through a program other than the voucher or public housing programs (such as project-based Section 8), but are administered by a state and local agency that also administers vouchers and/or public housing. HUD estimates that there are 40,000 such units around the country.

[4] A 2008 CBPP analysis estimated that $22 billion would be needed to rehabilitate public housing developments to a modest standard, and that if 100,000 units had to be replaced rather than rehabilitated, the total need would rise to about $32 billion. (Sard and Fischer, 2008, http://www.cbpp.org/cms/index.cfm?fa=view&id=655). In 2009, however, the amount of funds provided to address public housing capital needs exceeded the amount of new capital needs likely to have accumulated (largely as result of $4 billion in supplemental public housing capital funds provided as part of the 2009 American Recovery and Reinvestment Act). As a result, the amount needed to rehabilitate public housing has

likely fallen to about $20 billion, and the amount needed if 100,000 units are replaced has likely fallen to about $30 billion.

[5] Alternatively, Congress could seek to address the backlog of repair needs by increasing appropriations for upfront grants through the Public Housing Capital Fund. This approach has advantages, since upfront grants avoid the interest and transaction costs that accompany borrowing and would be appropriate for some developments (particularly those with only modest capital needs).

However, it would be unrealistic to rely on upfront grants to meet a large share of capital needs in public housing. Congress would need to nearly quadruple the $2.5 billion provided for the capital fund in 2010 in order to provide $7.5 billion in added funds (the amount HUD estimates TRA would make available in the first year through increased private financing). And in order to address the full backlog of $20 billion or more, this increased level of funding would need to be sustained for several years. Given the grim long-term fiscal outlook and increasing calls for restrictions on growth in federal funding for nondefense discretionary (i.e., non-entitlement) programs, the chances of such a large infusion of public housing funding appear remote.

While Congress did provide $4 billion in added public housing capital funds as part of the American Recovery and Reinvestment Act in 2009, that legislation was passed as an emergency measure to address the economic downturn, and consequently was not subject to the budget rules that apply to the regular appropriation process. It is possible that further economic recovery legislation will provide some additional funds for public housing; the House passed a jobs bill in December 2009 that included $1 billion for this purpose. But such emergency measures will be rare and are unlikely to provide more than a small share of the amount needed to address the public housing capital backlog.

[6] The largest project-based subsidy program, project-based Section 8, already has strong and sophisticated mechanisms to extend contracts and encourage owners to accept the extensions. While those mechanisms could be improved in some respects, TRA conversions are not needed to preserve those units.

[7] HUD's 2011 Congressional Budget Justifications report that as of 2009 there were 15,845 RAP units and 13,683 Rent Supplement units. The 54,000 figure also includes an estimated 25,000 Mod Rehab units. This excludes "Single-Room Occupancy" Mod Rehab units, which are administered separately from the main Mod Rehab program and would not be targeted for initial TRA conversions.

[8] Roughly 1,500 of the 3,100 agencies that administer public housing also administer vouchers. About 900 agencies administer vouchers but not public housing.

[9] The Administration's budget requests a total of $50 million for efforts to help voucher holders move to low-poverty areas and to cover costs of streamlining voucher administration.