

March 3, 2011

Estimated Public Housing Capital Fund Cuts in Hawaii Under House GOP Bill

The 2011 funding proposal (H.R. 1) that the House of Representatives passed on February 19 would reduce public housing capital funding by nearly \$1.1 billion, or 43 percent, compared to the 2010 level. This cut would prevent local housing agencies from carrying out needed repairs to public housing developments, such as replacing boilers or fixing roofs. As a result, it would:

- Cause living conditions to deteriorate for over one million vulnerable families that live in public housing;
- Eliminate or prevent creation of jobs in the hard-hit residential construction sector;
- Increase future federal costs by deferring improvements that would reduce energy consumption or avoid more expensive damage down the road (for example, by patching a leaky roof);
- Risk creating blight that would lower property values in surrounding neighborhoods; and
- Permit some developments to deteriorate to the point where they must be demolished, squandering decades of federal and local investment and eliminating badly needed affordable housing.

In Hawaii, 34 percent of households in public housing are elderly and 20 percent are disabled.* The House plan would cut \$5.7 million from Hawaii’s housing agency, as shown below.

Housing Agency	Number of Public Housing Units	Estimated Capital Fund Cut Under H.R. 1
Hawaii Public HA	5,302	\$5,713,000

* HUD defines a household as “elderly” if the head or spouse of the head is 62 or older, and as “disabled” if the head or spouse of the head has a disability. The percentage of disabled households shown here includes only non-elderly disabled households.

Note: Estimated cuts are relative to the 2010 funding level, and assume that agencies will be eligible for the same percentage share of capital funds in 2011 as they were in 2010. Unit counts show the total number of public housing units administered by the agency according to the most recent publicly available HUD data. A small portion of the units in these data (likely less than 5 percent nationally) are in the process of being demolished, sold, or otherwise taken out of use as public housing.