



FOR IMMEDIATE RELEASE

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For More Information:

Daniel Farrell
Executive Director
Allentown Housing Authority
1339 W. Allen St.
Allentown, Pa. 18102
610-439-8919
dfarrell@allentownhousing.org

**Allentown Housing Authority Warns That Sequester Cuts Could Bring
Long-Term Consequences To Public Housing, City Neighborhoods**

*Waiting Lists, Background Checks, Property Maintenance All Affected By Reduced
Funding*

Allentown, Pa. -- The prolonged effects of federal spending cuts mandated by the 2013 sequester are already creating significant problems for the Allentown Housing Authority (AHA) and could mean consequences for neighborhoods surrounding its public housing communities, if left unabated, housing officials said this week.

AHA, already working with a four- to five-year waiting list for both traditional public housing and the Housing Choice Voucher Program (HCVP), which provides rent subsidies that let eligible families to rent from participating independent landlords, has already lost about \$570,000 from its normal \$9.4 million federal HCVP allocation, said Executive Director Daniel R. Farrell.

“That’s about 80 families over the next year that we won’t be able to help,” Farrell said, explaining that the typical Allentown subsidy is about \$600 per month per family. “That’s a half-million dollars that is not going into the community, not going to pay mortgages, not going to pay city taxes and not going to other local businesses. That’s money that is usually spent here, not sent away to somewhere else.”

In addition, the cuts will eventually force AHA to scale back many other programs it conducts that help keep public housing communities such as Cumberland Gardens and Little Lehigh safe and secure for both tenants and neighbors, Farrell said.

“We have the same regulatory burden we have always had, but we have fewer staff members to meet it,” Farrell said. “That makes it harder to meet those goals and HUD (the U.S. Dept. of Housing and Urban Development) is in the same boat. That means enforcement must become more selective.”

Among the local programs in jeopardy are AHA’s funding for additional police coverage in both Cumberland Gardens and Little Lehigh and the criminal background checks the authority now performs on all applicants. Building and site maintenance will also suffer, Farrell said.

“Do we stop doing the criminal background checks and stick with just the mandated sex offender and methamphetamine(operator) background checks?” Farrell asked. “Do we simply clean our apartments between tenants rather than paint them and perform the other ongoing maintenance we have always done? These are things that not only make for safer communities for us, but help keep the entire city safer and more secure.”

Farrell – and the AHA – are not alone. The Housing Alliance of Pennsylvania and the Pennsylvania Association of Housing and Redevelopment Authorities are also expressing concern about the long-term impacts of the sequester-imposed budget cuts.

“Every housing authority in the state is trying to figure out how to cope with the sudden and dramatic cuts from Washington,” said Housing Alliance of Pennsylvania Executive Director Liz Hersh. “Some have stopped issuing housing vouchers, while others are putting off maintenance or planned rehab projects.”

The cuts come at an especially difficult time because while the economy has been recovering those hurt deepest by the recession lag behind in digging their way out. Pennsylvania’s unemployment rate stood at 8.2 percent in January, the last month for which state statistics are available. The number of unemployed workers actually climbed in the most recent report.

Housing authorities receive almost all of their funding from the federal government. They manage two main programs: vouchers, which families can use to pay most of their rent on a privately-owned home, and homes that are managed by housing authorities themselves. The severe cuts will affect both programs.

“Unfortunately, effective strategies for reducing homelessness and helping struggling families are being jeopardized as a result of sequestration,” said Frank Aggazio, President of the Pennsylvania Association of Housing and Redevelopment Agencies (PAHRA) and Executive Director of the Allegheny County Housing Authority. “By handcuffing housing authorities, redevelopment agencies and private advocates, these cuts are making it extremely difficult to fulfill our mission of providing safe, affordable housing for Pennsylvanians threatened by homelessness or poverty.”

Farrell said federal mandates on the housing authorities require them to accept tenants regardless of income levels, unlike private landlords, and the decreasing funding will make it more difficult for AHA and other authorities to evict problem tenants who commit or instigate crimes in the community. It will also have an effect on improvement efforts such as the ongoing rehabilitation and reconstruction of Cumberland Gardens, he said.

“Now maybe we don’t replace an inefficient boiler or a leaky window. Less work gets done, and we already have a backload,” Farrell said.

“Instead of getting an improved Cumberland Gardens, you get a patch-and-paint Cumberland Gardens,” he continued. “We have worked hard to make sure our properties are an asset to the community, not just a way-station or warehouse for the poor. The (sequester) was a very impersonal way to do things. There was no weighing of the ramifications.”

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The mission of the Allentown Housing Authority is to develop and manage quality affordable housing for low income households, provide fair housing opportunities, and positively impact the quality of life for residents in our community. We have been providing, safe, decent and affordable housing for low-income families, senior citizens and disabled residents of the Allentown region since 1937. To learn more about the Allentown Housing Authority, its programs and its properties, please go to <http://allentownhousing.org/>