

# PREFACE

By Shaun Donovan | Secretary of the U.S. Department of Housing and Urban Development

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For decades, having a decent, safe place to call home has been a cornerstone of opportunity in America – a place where we can raise our families, connect to our communities, and pursue opportunities for a better life for ourselves and our children. But as the National Low Income Housing Coalition shows with this report, for too many Americans that opportunity is out of reach, as families confront a wide gap between the cost of housing and their ability to pay for it.

And in the wake of the worst economic downturn since the Great Depression, that gap has only grown. We all know the devastating effect this crisis has had on our most vulnerable families and communities. This was confirmed by the results of HUD's *Worst Case Housing Needs Survey*, which showed an increase of 20 percent in worst case needs between 2007 and 2009, the largest increase in the survey's history.

But as this year's *Out of Reach* report demonstrates, the crisis has had an even more profound impact in certain markets. In rural areas and other places with high rates of unemployment, depressed incomes have widened the affordability gap. Conversely, regions with stronger economies are also feeling the pinch – as foreclosures throw more families into the rental market and drive up rates in communities that traditionally have less rental housing.

This perfect storm of growing need and rising costs is why it is more important than ever that we provide a supply of affordable rental homes at the scale that families require and in the places that need them.

That's why, through the Recovery Act, the Obama Administration invested \$4 billion to make urgent public housing repairs and prevented or ended homelessness for more than 1.2 million people. And by saving the Low Income Housing Tax Credit, it preserved a critical tool to relieve pressure on the rental market more broadly.

Collectively, these steps and others have not only allowed HUD to increase the number of families served each year since 2009 – perhaps more importantly, they have helped put the Federal government back in the affordable housing business.

Still, given that we have lost 150,000 homes from our nation's affordable housing stock in the last 15 years—and the estimated \$26 billion capital needs backlog facing our public housing program—the job isn't done.

That's why I'm proud HUD's proposed FY13 budget makes renewing rental assistance for over 5.4 million families our top priority. Even in a tough budget year, it protects families that were hardest hit by the recession and maintains our commitment to the core rental programs that serve them. And at the same time we will be testing new strategies to preserve publicly-owned homes for future generations through our Rental Assistance Demonstration, the budget also requests \$1 billion for the National Affordable Housing Trust Fund to provide the consistent, flexible, and transparent funding we need to build more affordable housing. Together, these efforts will build or preserve more than 70,000 affordable rental homes.

Tools like these represent important progress in the fight to ensure that vulnerable families have access to quality housing they can afford. And as this report shows us, we have a long way to go before we can reach that goal. But with the help of partners like NLIHC, we can preserve, improve and expand access to quality affordable housing – and put the dream of a safe, decent home within reach for every American who needs it.

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