

1331 Fulton Mall
Fresno, California 93721

(559) 443-8400
TTY (800) 735-2929

www.fresnohousing.org

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CONTACT: Brandi Johnson, 559-457-4210

The Fresno Housing Authority prepares for possibility of government shutdown

FRESNO, CA – As the fiscal year comes to a close and the prospect of a government shutdown grows this week, HUD has informed some agencies that they should be prepared to cover any funding delays as a result of the end of the fiscal year and in the event that a Continuing Resolution cannot be passed by September 30.

HUD has already requested that the Fresno Housing Authority provide temporary gap funding in the amount of \$1.7 million dollars during the first week of October to cover Housing Assistance Payments to landlords participating in the Section 8 program. Fortunately, due to the prudent management and leadership of the Board of Commissioners, the Fresno Housing Authority is prepared and able to provide that funding out of the Authority's unrestricted operating reserves.

While delays in the passage of the Federal Budget are not uncommon, they have not resulted in an actual government shutdown since the 1996 Federal Budget negotiations. Pressure on Congressional representatives is continuing to increase and many expect that legislators will pass a Continuing Resolution in order to avoid the fiscal and political implications of not acting in time.

In the unlikely event that Congress fails to pass a Continuing Resolution prior to October 1 and a government shutdown ensues, the Fresno Housing Authority fully intends, to the best of its ability, to continue the core operations of providing services to residents, landlords and public partners. However, in the event that the government "shuts down", primary funders may be unable to authorize normal funding distributions due to the suspension of operations at the Federal level. While distributions will be released once legislation is adopted, there may be a need to utilize

short-term alternatives to essentially “cover” the funds held in suspense due to federal closure. Fortunately, the Fresno Housing Authority is in a position that will enable the agency to cover funding delays for a short period if a government shutdown does occur.

“Last night our Board of Commissioners authorized a line of credit that would enable the agency to continue operations in the event of a short term government shutdown,” said Preston Prince, CEO-Executive Director of the Fresno Housing Authority. “This is an unfortunate situation for all government agencies; I am proud of our Board and staff and thankful that we will be able to continue to serve our residents, work with our partners, and move forward with our mission to create and sustain vibrant communities throughout Fresno County.”