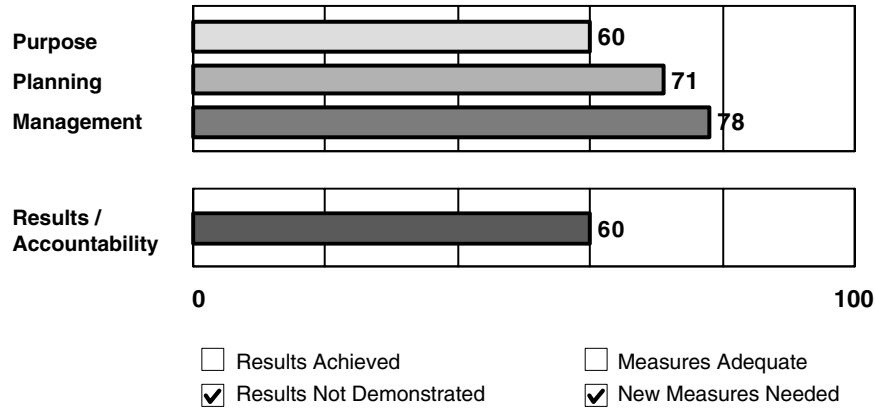


Program: *Multifamily Housing Direct Loans and Rental Assistance*

Agency: *Department of Agriculture*

Bureau: *Rural Housing Service*



Key Performance Measures

Year Target Actual

Measure	Year	Target	Actual
Long-term Measure: Measures under development			
Annual Measure: Number of new and rehabilitated units provided	2000	5,181	6,616
	2001	4,830	7,089
	2002	7,200	7,284
	2003	5,800	
Annual Measure: Number of households able to continue receiving rental assistance because of a renewed contract agreement	2000	41,800	38,489
	2001	42,800	39,159
	2002	42,330	39,454
	2003	42,330	

Rating: *Results Not Demonstrated*

Program Type: *Mixed*

Program Summary:

USDA's multifamily housing programs provide: (1) loans for construction of facilities, and (2) rental assistance. USDA generally lends to private developers, financing both the construction and rehabilitation of rural rental housing for very low-income, elderly, and handicapped rural residents. The loans are subsidized down to 1% to ensure that the overall operating costs remain low, so that the property will be affordable to low-income rural residents. Additionally, rental assistance grants are provided in 5-year contracts to owners of USDA-financed rural multifamily housing projects. The funding allows the owners to 'buy down' the rent of very low-income tenants, so that the tenants pay no more than 30% of their income for housing.

The assessment found that the multifamily housing programs are generally well-run. Other PART findings include:

1. Although the program achieves what it was designed to do, it is inefficient in that funds needed to show an effect on the problem to the economy as a whole would be prohibitively expensive.
2. USDA collects data and uses this data in its management of the program effectively.
3. The annual performance measures adequately guide the agency.
4. The long-term goal needs to be more strategic and focused.

The Administration will:

1. Improve and develop better annual goals. Even though the multifamily housing program is currently achieving its annual goals, it can create additional measurements that directly tie to its decisions on how to manage the funds they receive.
2. Develop adequate long-term goals that measure outcomes.

Program Funding Level (in millions of dollars)

<u>2002 Actual</u>	<u>2003 Estimate</u>	<u>2004 Estimate</u>
749	740	770