

**Prepared Statement of Orlando J. Cabrera**

**Nominee to be Assistant Secretary for Public & Indian Housing,  
U.S. Department of Housing and Urban Development**

**Hearing before the United States Senate Committee on Banking,  
Housing and Urban Affairs**

**United States Senate**



**October 25, 2005**

Chairman Shelby, Ranking Member Sarbanes, Senator Martinez, a good friend who I greatly admire, and members of the Committee, thank you for allowing me the opportunity to address your Committee today.

First, I would like to thank President Bush and Secretary Jackson for giving me the opportunity to serve our country as Assistant Secretary for Public and Indian Housing. I am humbled at having been asked and honored to serve however I best may. I would also like to thank all of you for your time and graciousness in meeting with me these last few weeks. Hurricane Katrina has impacted all of our lives and I appreciate each of you accommodating me into your busy schedules.

I would also very much like to thank Governor Jeb Bush, first, for having appointed me Executive Director of Florida Housing, allowing me to serve the people of the State of Florida. I am grateful for all of his support.

I sit before you in profound gratitude of a lot of people. These people provided me with support and encouragement throughout my life, and particularly in the case of my parents, under sometimes difficult circumstances. I would likely not be here before you but for the constant love, support and counsel of all of them. First and foremost, I would like to thank my family, many of who are here today. I would like to particularly recognize and thank my wife Betty, my children Orly and Stefan, my parents Orlando and Carmen Cabrera, and my sister Rosemary for their constant support of my endeavors, whatever they have been. I would also like to thank the rest of my family and all of my friends for their encouragement of those endeavors. I wish I could mention all of them by name, but then we'd need to order cots and make arrangements for dinner and I don't know if everyone on the Committee likes Cuban food.

I have always had a home. I know how fortunate I am to actually make that statement, especially because my parents were exiles in and later immigrants to this country. Our home always had those things that we would like to think are provided to all people from their childhood through that day when one leaves and makes one's own home. Like my parents before us, when my wife and I started our lives together we initially rented and then purchased a home. We can affirmatively state that we have realized the American Dream of homeownership and we understand its importance to all Americans.

Our family's experience is what most Americans hope is prototypical. Nonetheless, I am keenly aware that not every American is on that same housing continuum that our family followed. As a former Director, Vice Chairman, Chairman, and finally Executive Director of Florida Housing, my work really focused on making that continuum more possible for all Floridians. During my tenure, we financed the construction of a lot of units for both homeownership and rental to make that continuum as accessible as it could be for Floridians.

While at Florida Housing, I had the honor to lead an organization that financed the construction of thousands of affordable housing units. Most of the units we financed went to Floridians earning 60 percent of area median income and below, and during my tenure we made great strides toward financing the construction of units for Floridians earning 30 percent of area median income and below. In my five-year involvement with Florida Housing, we developed more units for extremely low-income Floridians – those earning 30 percent of area median income and below – than had ever been developed in the previous 20 years, an achievement I'm very proud of.

Happenstance being what it is, I was Florida Housing's Executive Director during five hurricanes and one tropical storm. We responded to the needs created by those storms by realigning state subsidies in order to make funds available to local governments for storm recovery, making our federal subsidy available to fund tenant-based rental assistance and home repair, and by creating incentives for developers to construct units in storm affected areas as quickly as possible. By most accounts, we have been successful, but we still have a long way to go.

As unquestionable as our commitment to recovery from Katrina is – and hopefully Wilma will be kinder to us – the Office of Public and Indian Housing should address more day-to-day programmatic concerns. Public housing authorities hold a wealth of assets and ideas that are becoming more and more important to the sustainability of the continuum I mentioned above. If I may be indulged, my sense is that public housing authorities wish for greater flexibility to address the housing demands of their customers but, unlike housing finance agencies, feel constrained by the conflict between state and federal regulations. In many cases – this was certainly true in Florida – state laws encourage entrepreneurial activities by PHAs that federal regulations discourage, leaving PHAs in a quandary: do they test the bounds of regulation and risk regulatory reprimand from the

federal government or do they stay within the federal rubric and risk not meeting local political demands? If I am confirmed, my focus will be to provide as much clarity to PHAs as possible so that they may act more independently while maintaining fiscal soundness.

Finally, on the issue of Indian housing, the Office of Public and Indian Housing will reach out to the various tribes, interest groups, and corporations to ensure we are addressing their needs as well as we can. Ongoing outreach and maintaining strong relations with stakeholders will be a significant focus of our efforts with respect to Indian – and public – housing.

In closing, if confirmed, I look forward to serving our country, the President, Secretary Jackson, and HUD, by looking for answers and taking opportunities wherever we find them to make safe, decent, affordable housing available to all Americans.

Thank you, Mr. Chairman, Senator Sarbanes, and all members of the committee for your time and consideration of my nomination.