

Section 811 Supportive Housing for People with Disabilities Section 202 Supportive Housing for the Elderly

Request for Appropriations in FY10:

- \$275 million for the Section 811 program
- \$800 million for the Section 202 program

Request for Authorizing Legislation:

- Enact H.R. 1675, the Frank Melville Supportive Housing Investment Act of 2008
- Enact S. 118, Section 202 Supportive Housing for the Elderly Act of 2008

Issue Summary:

HUD's Section 811 and 202 programs provide capital grants and ongoing operating subsidy, through Project Rental Assistance Contracts (PRACs), to nonprofits to build, maintain and run affordable housing for very low income people with disabilities and very low income elderly people.

Both the Section 811 and 202 programs need increased appropriations in FY10 so that more units can be produced for these vulnerable populations.

Legislation to reform the Section 811 program, H.R. 1675, was introduced in March by Representatives Christopher Murphy (D-CT) and Judy Biggert (R-IL).

The legislation, which could create 5,000 new units of permanent supportive housing each year, has three components:

- streamlining bureaucratic barriers in the Section 811 program and permitting use of other capital for units
- transferring the Mainstream Voucher program to the Section 8 program
- an innovative Project Rental Assistance Contract (PRAC)-only Demonstration Program that will triple the number of units produced by the Section 811 program

Legislation to reform the Section 202 program, S. 118, the Section 202 Supportive Housing for the Elderly Act of 2008, was introduced in January by Senator Herb Kohl (D-WI).

The bill would improve how the Section 202 program works to develop and preserve affordable, supportive senior housing by streamlining processes and encouraging increased participation in the Section 202 program by not-for-profit developers, private lenders, investors and state and local funding agencies.