



Housing Plus Services

Section 811 Supportive Housing for People with Disabilities

- Request for FY11 Appropriations: \$300 million for the Section 811 program
- Enact Legislation S. 1481, the Frank Melville Supportive Housing Investment Act of 2009

Background:

HUD's Section 811 program provides 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. HUD is proposing to eliminate the program's capital advance grants and continue only the rental assistance for existing contracts. Both the capital advance and rental assistance portions of the program need to be funded at the FY10 level of \$300 million in order to continue to produce units for extremely vulnerable persons with disabilities.

S. 1481, legislation to reform the Section 811 program, was introduced in July 2009 by Senator Robert Menendez (D-NJ). The House already passed H.R. 1675, in July of 2009. The legislation, which could create 5,000 new units of permanent supportive housing each year, a significant increase over the current production rate, would a) streamline bureaucratic program barriers and permit use of other capital for units, b) transfer the Mainstream Voucher program to the Section 8 program, and c) create an innovative PRAC-only Demonstration to triple the number of units produced.

Section 202 Supportive Housing for the Elderly

- Request for FY11 Appropriations: \$825 million for the Section 202 program
- Enact Legislation S. 118, Section 202 Supportive Housing for the Elderly Act of 2009

Background:

HUD's Section 202 program provides capital grants and ongoing operating subsidy, through PRACs, to nonprofits to build, maintain and run affordable housing for very low income people who are elderly. HUD is proposing to eliminate the program's capital grants and continue only the rental assistance for existing contracts. Both the capital advance and rental assistance portions of the program need to be funded at the FY10 level of \$825 million in order to continue to produce units for extremely vulnerable people who are elderly.

S. 118, legislation to reform the Section 202 program, the Section 202 Supportive Housing for the Elderly Act of 2009, was introduced in January 2009 by Senator Herb Kohl (D-WI). The companion bill, H.R. 4868, the Section 202 Supported Housing for the Elderly Act of 2010, was introduced in the House by Representative Barney Frank (D-MA) in March of 2010 as part of a larger housing preservation bill.

The bill would improve Section 202 development and preservation of affordable, supportive senior housing units by streamlining processes and encouraging increased participation in the program by not-for-profit developers, private lenders, investors and state and local funding agencies.

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McKinney-Vento Homeless Assistance Programs

- Request for FY11 Appropriations: \$2.4 billion for McKinney-Vento Homeless Assistance Grants

Background:

Legislation to reauthorize and amend the McKinney-Vento Homeless Assistance Act was passed by Congress in the summer of 2009. The "Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009," consolidated the separate McKinney-Vento homeless assistance programs (the Supportive Housing Program, Shelter Plus Care, Moderate Rehabilitation/Single Room Occupancy) into a single Continuum of Care Program and codified the Continuum of Care planning process. The legislation also requires that the federal government develop a new plan to end homelessness by May, 2010, which is currently being drafted by the federal Interagency Council on Homelessness. HUD is currently mid way through developing the regulations that will govern the new Homeless Assistance initiatives.

In order to maximize the ability to create new permanent supported housing resources under HEARTH, Homeless Assistance will need to be funded at \$2.4 billion.

Housing Opportunities for Persons With AIDS (HOPWA)

- Request for FY11 Appropriations: \$410 million for Housing Opportunities for Persons with AIDS

Background:

The HOPWA program has received small funding increases for several years and the President has proposed funding the program at \$335 million in FY11. However, there are an estimated 125,000 people with unmet need that the program is unable to serve because of insufficient funds. Funding HOPWA at \$410 million would reduce waiting lists, assist communities in developing new housing for low income people, provide housing assistance for people currently only receiving traditional medical assistance, and provide support services to help people retain housing.

Section 3

- Support introduction of the Earnings and Living Opportunities act to strengthen Section 3

Background:

HUD is demonstrating efforts to strengthening the Section 3 program that requires 30% of new hires and 10% contracts from certain HUD funded projects to be directed at low and very low income households by implementing new enforcement and monitoring efforts. Representative Nydia Velazquez (D-NY) is expected to introduce legislation that will increase the enforcement efforts and impact of the program. The Velazquez bill would create a stand-alone Section 3 office at HUD, mandate that recipients of HUD funding designate or hire staff to coordinate Section 3 compliance, clarify which funding recipients and employment activities are covered, and direct HUD to implement sanctions for non-compliance. The draft legislation would also expand residents covered by Section 3 to include all recipients of HUD housing assistance. It is important for legislators to know about the efforts to strengthen the program and the upcoming legislation.