

Housing Task Force 2014 Report

HUD Section 811 Project-Based Rental Assistance (PRA) Demonstration Program

Funding for HUD Section 811 PRA program continues to be a major priority for the Housing Task Force. For FY 2013 and FY 2014, HUD issued a Notice of Funding Availability (NOFA) in early 2014 that combined funding provided under the FY 2014 Continuing Resolutions into a single NOFA totaling \$120 million (approximately \$100 million from FY 2013 and \$20 million from FY 2014). 34 states and DC submitted applications under this competition in May (including 7 new states that did not apply in the first competition in 2012). The Technical Assistance Collaborative (TAC) projects that this competition will produce 3,000 - 4,500 new permanent supportive housing units. The HUD NOFA specifies "the primary purpose of this program is to identify, stimulate, and support innovative state-level strategies that will transform and increase housing for extremely low-income persons with disabilities while also making available appropriate support and services" funded through State Medicaid long-term supports and services. By contrast, the "old" 811 capital advance program during its final round of funding in FY 2010 and 2011 produced only 948 units of PSH. More information on the 811 PRA awards is available at: http://811resourcecenter.tacinc.org

FY 2015 Appropriations

Despite the success of the HUD Section 811 PRA Demonstration program, the FY 2015 Omnibus Appropriations bill does not include increases put forward in President Obama's budget proposal. The President's budget called for a \$25 million increase for the HUD Section 811 Project-Based Rental Assistance (PRA) program – boosting funding to \$160 million. Instead, the FY 2015 Omnibus bill allocates only \$135 million for 811, just enough to fund renewal of rent subsidies for the roughly 30,000 existing 811 PSH units. The President's budget also sought \$301 million in additional funding for development of new permanent supportive housing (PSH) under the McKinney-Vento Homeless Assistance Act. These new funds were projected to continue the program on a trajectory to end chronic homelessness by 2017. Unfortunately, the FY 2015 Omnibus bill funded only \$30 million of this proposal, barely enough funding to renew the operating subsidies associated with existing PSH units in both programs, or \$1.862 billion. The FY 2015 Omnibus does include an additional \$75 million in funding for new rental vouchers for supportive housing for veterans experiencing homelessness under the VASH program.

Section 811 Proposed Rule

In October, HUD issued a Notice of Proposed Rulemaking (NPRM) on the Section 811 program. This was in response to statutory changes enacted as part of the Frank Melville Supportive Housing Investment Act of 2010. In December, the Housing Task Force submitted comments on the NPRM that can be viewed at: <u>http://www.c-c-d.org/fichiers/Proposed-Rule-CCD-Housing-Task-Force-Final-Comments.pdf</u>

Fair Housing

On September 26, HUD issued a new Affirmatively Furthering Fair Housing (AFFH) Assessment Tool. This tool provides guidance to states and localities on their obligations to ensure that federal housing further the goals of furthering fair housing and addressing discrimination, including the needs of people with disabilities. The Housing and Rights Task Forces submitted joint comments to HUD that includes recommendations on the obligations of states to use the AFFH assessment process to meet their obligations for community integration under Title II of the ADA and Olmstead. The CCD comments can be viewed at: <u>http://www.c-c-d.org/fichiers/CCD-AFFH-</u>Assessment-Tool-Comments-11-25-14.pdf

National Housing Trust Fund (NHTF)

On December 11, the regulator of Fannie Mae and Freddie Mac ordered the mortgage companies to begin turning over hundreds of millions of dollars to a pair of affordable housing trust funds deigned to spur the development of affordable rental housing targeted to extremely low-income households, including single adults living with Supplemental Security Income (SSI) and Social Security Disability (SSDI). These funds, including the NHTF were authorized in Congress back in 2008. However, the funding mechanism for the funds, a tap on the operating budgets of Fannie Mae and Freddie Mac has been suspended since 2009. Now that these mortgage giants have returned to profitability, the suspension on payments is being lifted starting in 2016. Based on figures from 2013, the NHTF could receive as much as \$500 when the first payments are made. Why is this important to CCD? The rental housing that will be financed by the NHTF must be targeted to households at or below 30% of area median income. Single adults living with significant disabilities dominate this population – adults on SSI are on average at 18% of AMI. This investment in affordable rental housing for extremely low-income households is the largest federal investment in decades. More information on the NHTF and the December 11 announcement is available at: <u>http://nlihc.org/press/releases/5420</u>

Anticipated 2015 Priorities

- FY 2016 HUD appropriations
- Possible FY 2015 competition for the HUD Section 811 PRA Demonstration program
- Housing related Olmstead initiatives
- Publication of Priced Out in 2014

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