

Federal Housing Resources Guide

2012

Prepared by the Technical Assistance Collaborative, Inc.

TAC is experienced at using federal housing resources administered by the U.S. Department of Housing and Urban Development (HUD) to create solutions to meet the housing needs of homeless people and people with disabilities.

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. HUD is working to strengthen the housing market to bolster the economy and protect consumers; meet the need for quality affordable rental homes: utilize housing as a platform for improving quality of life; build inclusive and sustainable communities free from discrimination; and transform the way HUD does business. This guide highlights a few of the programs administered by HUD that are relevant to the housing needs of low-income people with disabilities including people who are homeless or at risk of homelessness.

Federal Housing Resources Guide

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Other Important Affordable Housing Resources

- [Section 811 Supportive Housing for Persons with Disabilities](#)
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PUBLIC HOUSING AGENCIES

A Public Housing Agency (PHA) is an organization that administers the Section 8 Housing Choice Voucher (HCV) program at the state or local level on behalf of HUD. These agencies have a direct contractual relationship with HUD. Most of these agencies are public housing authorities.

Public housing authorities are created by state laws to provide subsidized housing within their communities. They are public and corporate in structure, which means they are a part of municipal government, but they can act independently.

Housing authorities are governed by a Board of Commissioners. The members of the Board are either elected or appointed, usually for five-year terms. The Board of Commissioners appoints the Executive Director, who is responsible for the daily administration of the housing authority and its resources.

Public housing authorities have a process for developing public policy and providing opportunities for participation – such as the creation of the HUD-required [PHA Plan](#).

Public housing authorities are the most common and well-known administrators of the Housing Choice Voucher program. They are not required by HUD to run the HCV program; in fact, some housing authorities only administer federal public housing units and do not administer an HCV program. Although there are more than 3,000 public housing authorities across the country, at the present time there are approximately 2,600 housing authorities administering the HCV program. While the largest PHAs may administer 10,000 or more vouchers, over half of the housing authorities administer less than 250 vouchers.

For More Information:

[PHA Contact Information](#)

[PHA Profiles](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

PUBLIC HOUSING AGENCY PLAN (PHA PLAN)

Each PHA is required to complete a PHA Plan that describes the agency's overall mission for serving low-income and very low-income families, and the activities that will be undertaken to meet the housing needs of these families.

The PHA Plan is part of a federal policy to give PHAs increased flexibility to determine who will receive housing assistance (specifically federal public housing and Housing Choice Voucher Program assistance, and to decide which of the PHA's resources will be maintained, eliminated, or enhanced.

The PHA Plan includes a statement of the housing needs of low- and very low-income people in the community, and how the PHA will meet those needs. PHAs must develop this Plan in consultation with a Resident Advisory Board made up of the PHA's program participants. Federal law also requires that the PHA Plan be consistent with the community's Consolidated Plan.

For More Information:

[HUD's PHA Plan website](#)

[Affordable Housing in Your Community What You Need to Know! What You Need to Do!](#)

HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher Program (formerly known as Section 8) is one of the most successful federal housing programs funded by HUD. Through this program, individuals and families receive a "voucher" -- also referred to as a "subsidy" -- that can be used in housing of their choice that meets the program requirements. These subsidies are long-term and considered permanent housing.

The HCV program provides a subsidy to assist the household with monthly housing costs. This subsidy -- which is based on the cost of moderately priced rental housing in the community -- is provided by a Public Housing Agency under contract with HUD. The HCV household pays a portion of monthly housing costs that is based on the income of the household. The household's portion is usually -- but not always -- equal to 40 percent of its monthly adjusted income.

Households with incomes at or below 50 percent of area median income are eligible for the HCV program. However, according to federal law at least 75 percent of vouchers must go to households with incomes below 30 percent of the area median income.

The majority of Housing Choice Vouchers in the nation are tenant-based -- the voucher stays with the HCV participant household, even if the household moves to different housing units. Housing Choice Vouchers can also be used for project-based assistance -- subsidies that are committed to a specific unit in a building.

For More Information:

[Section 8 Made Simple](#)

[The Section 8 Project-Based Voucher Program: Creating New Housing Opportunities for People with Disabilities](#)

[Introduction to the Housing Choice Voucher Program](#) - Center on Budget and Policy Priorities

[HUD's information on the Housing Choice Voucher Program](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

HCV SET-ASIDE FOR PEOPLE WITH DISABILITIES AND OTHER SPECIAL NEEDS

Since 1997, Congress has been funding targeted voucher programs for people with disabilities and other special needs. These vouchers are considered part of the HCV program and are utilized in the same manner and must continue to be set aside for the specific target population even when the vouchers turn-over and are re-issued. These vouchers are provided through the following programs:

- Non Elderly People with Disabilities (NED) Vouchers
- Non Elderly People with Disabilities Category 2 Vouchers
- 5-Year Mainstream Housing Opportunities for Persons with Disabilities Vouchers
- Fair Share Vouchers targeted to people with disabilities
- Family Unification Program (FUP) Vouchers
- Veterans Affairs Supportive Housing (VASH) Vouchers

For More Information:

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

[HUD PIH Notice 2005-5: *New Freedom Initiative, Executive Order 13217: "Community-Based Alternatives for Individuals with Disabilities," and the Housing Choice Voucher Program*](#)

[Section 8 Made Simple](#)

NON-ELDERLY PEOPLE WITH DISABILITIES VOUCHERS

Since 1997, HUD has awarded Housing Choice Vouchers (HCVs) under different special purpose voucher program types to serve non-elderly persons with disabilities (NED). These programs included One-Year Mainstream Housing, Certain Developments, Designated Housing, Project Access and NED Category I—now collectively referred to as NED vouchers. All of these vouchers are targeted to non-elderly (i.e., under 62 years of age) people with disabilities.

In June, 2011 HUD published *PIH Notice 2011-32*, a critical document for ensuring the effective utilization of all NED vouchers. All PHAs will now be clear that, upon turnover, those vouchers must continue to be provided ONLY to non-elderly disabled households.

HUD also recently launched a website that provides useful information related to NED vouchers.

For More Information:

[PIH Notice 2011-32: Policies & Procedures for Special Purpose Housing Choice Vouchers for Non-Elderly](#)

[HUD NED voucher webpage](#)

[HUD NED Frequently Asked Questions](#)

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

[HUD PIH Notice 2005-5: *New Freedom Initiative, Executive Order 13217: "Community-Based Alternatives for Individuals with Disabilities," and the Housing Choice Voucher Program*](#)

[Section 8 Made Simple](#)

NON-ELDERLY PEOPLE WITH DISABILITIES CATEGORY 2 VOUCHERS

NED Category 2 vouchers enable non-elderly persons with disabilities currently residing in nursing homes or other healthcare institutions to transition into the community. These institutions include intermediate care facilities and specialized institutions that care for people with mental retardation, developmental disabilities, or mental illness. This NOFA was the outcome of collaborative efforts between HUD and the Department of Health and Human Services' (HHS) Centers for Medicare and Medicaid Services (CMS).

Awards for Category 2 vouchers were announced on January 6, 2011 and became effective February 1, 2011. 948 vouchers were awarded to 28 PHAs in 15 states.

For more information:

[HUD NED voucher webpage](#)

[HUD NED Frequently Asked Questions](#)

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

[*HUD PIH Notice 2005-5: New Freedom Initiative, Executive Order 13217: "Community-Based Alternatives for Individuals with Disabilities," and the Housing Choice Voucher Program*](#)

[Section 8 Made Simple](#)

5-YEAR MAINSTREAM HOUSING VOUCHERS

Five- year Mainstream vouchers are tenant-based Housing Choice Vouchers targeted to people with disabilities that are funded through the Section 811-funded program. PHAs receive 5-year contracts that are renewed from the Section 811 appropriation. Non-profit disability organizations also administer some of these vouchers. These Section 811-funded Mainstream vouchers are required to continue to be used by people with disabilities upon turnover.

This funding distinction is important **because these 811-funded vouchers should not be affected by any fiscal crisis in the HCV program**. PHAs must immediately re-issue all 811-funded Mainstream vouchers that may "turnover" to people with disabilities even if the PHA is not re-issuing HCV-funded "turnover" disability vouchers because of concerns about their HCV program funding.

For More Information:

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[Strategies to Help People with Disabilities Be Successful in the Housing Choice Voucher Program](#)

[HUD PIH Notice 2005-5: *New Freedom Initiative, Executive Order 13217: "Community-Based Alternatives for Individuals with Disabilities," and the Housing Choice Voucher Program*](#)

[Section 8 Made Simple](#)

FAIR SHARE VOUCHERS FOR PEOPLE WITH DISABILITIES

Fair Share Vouchers are conventional Housing Choice Vouchers (i.e., not targeted to any particular group) that were awarded by HUD to PHAs that applied through a competition between 2000 and 2002. As part of the competition PHA applications received more points from HUD if they agreed to use a minimum of 15% of their Fair Share vouchers for households with disabilities and additional points if they agreed to use at least 3% of the vouchers for people with disabilities with Medicaid Home and Community Based Waivers.

Fair Share vouchers are given to any household that met the HCV eligibility criteria and are not solely for people with disabilities. However, based on HUD's language, only people with disabilities should be considered eligible to receive the set-asides mentioned above.

- In Fiscal Year 2002, 218 PHAs received Fair Share vouchers. Of those, 169 set aside vouchers for people with disabilities. See the 2002 award winners chart.
- In Fiscal Year 2001, 475 PHAs received Fair Share vouchers. Of those, 422 set aside vouchers for people with disabilities. See the 2001 award winners chart.
- In Fiscal Year 2000, 499 PHAs received Fair Share vouchers. Of these, 224 agreed to provide these set-asides for people with disabilities. See the 2000 award winners chart.

TAC has tracked the Fair Share Voucher award winners, including the PHAs that opted to set aside vouchers for people with disabilities; and how many vouchers the PHA should minimally set-aside for people with disabilities.

For More Information:

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[Leveraging Medicaid: A Guide to Using Medicaid Financing in Supportive Housing](#)

FAMILY UNIFICATION PROGRAM VOUCHERS

The Family Unification program (FUP) is a program under which Housing Choice Vouchers are provided to families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, to the family from out-of-home care.

Youths between 18 and 21 years old who left foster care at age 16 or older and who do not have adequate housing are also eligible to receive housing assistance under FUP. A FUP voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 18 months.

PHAs are awarded FUP vouchers by HUD through a national competition. To be eligible, PHAs must have a strong partnership with the state or local Public Child Welfare Agency (PCWA) as evidenced by a comprehensive Memorandum of Understanding. PHAs administer the FUP Housing Choice Voucher rental assistance in conjunction with the PCWA, which is responsible for providing support services to the participating family or youth.

For More Information:

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[HUD Information on FUP](#)

[National Center for Housing and Child Welfare information on FUP](#)

HUD-VETERANS AFFAIRS SUPPORTIVE HOUSING VOUCHERS

The Veterans Affairs Supportive Housing (HUD--VASH) program combines HUD Housing Choice Voucher rental assistance for homeless veterans with case management and clinical services provided by the Veterans Affairs (VA) at its medical centers and in the community.

For More Information:

[TAC's Database of HCVs Set-Aside for People with Disabilities and Other Special Needs](#)

[HUD VASH information](#)

[HUD Notice PIH 2009-11 Project Basing HUD-VASH Vouchers](#)

[VASH PHA contacts](#)

PUBLIC HOUSING

Federal public housing is developed, owned, and operated by Public Housing Agencies (PHAs). There are approximately 1.3 million households living in public housing units, managed by approximately 3,300 PHAs.

Public housing tenants typically pay a limited percentage (usually 30 percent) of their income as rent to the PHA. HUD provides an operating subsidy to pay for the costs of operating and managing the housing not covered by tenant rents.

Each PHA has the discretion to establish selection preferences to reflect needs in its own community. These preferences must be included in the written PHA Plan.

PHAs must use income limits developed by HUD to determine income eligibility for public housing. Income limits vary by geographic area and a household may be eligible for the public housing units owned by one PHA but not owned by another PHA.

If the household is found eligible, the PHA checks landlord references and housing history. PHAs will deny admission to any household whose habits and practices may be expected to have a detrimental effect on other tenants or on the project's environment.

Elderly Only Designation

Beginning in 1992, the federal government enacted changes to federal housing laws that made it legal to restrict or exclude non-elderly people with disabilities (adults under age 62) from certain federal public housing.

On average, approximately 9,153 units of public housing have been designated as elderly only each year since designation first became legal. These units are no longer available to non-elderly people with disabilities.

A list of those PHAs that have submitted a plan to HUD to designate some of their [federal public housing units](#).

More information on the impact of Elderly Only designation on housing for non-elderly people with disabilities can be found in [*What's Wrong With This Picture? An Update on the Impact of Elderly Only Housing Policies on People with Disabilities*](#)

For More Information:

[HUD's Public Housing](#)

STATE AND LOCAL COMMUNITY DEVELOPMENT OFFICIALS

Many federal housing programs are administered by state and local housing and community development agencies – often called the Department of Housing, Community Affairs, Community Development, or Economic Development.

These agencies are allocated certain HUD funds via federal formulas. Housing officials at these agencies are responsible for deciding how these funds will be used in their state or locality within very broad parameters.

For More Information:

Fiscal Year [2012 Consolidated Plan Allocations](#)

[HUD's Consolidated Planning information](#)

[Piecing It All Together: Playing the Housing Game](#)

[State Housing Agencies - How They Can Help People with Disabilities](#)

CONSOLIDATED PLAN

The Consolidated Plan (ConPlan) is considered the "master plan" for affordable housing in local communities and states. It is a community-based strategic planning document mandated by federal law and administered through HUD. The ConPlan is also an application to HUD for specific housing and community development programs. It is intended by law to be a long-range planning document that describes housing needs, market conditions, and housing strategies, including an action plan for the investment of federal housing funds.

The ConPlan is prepared by all states and certain local government jurisdictions and submitted for approval by HUD. Programs covered by the ConPlan include:

- HOME
- Community Development Block Grant (CDBG)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Emergency Shelter Grant (ESG)
- Homelessness Prevention and Rapid Re-Housing program (HPRP)
- Neighborhood Stabilization Program (NSP)

For More Information:

Fiscal Year [2012 Consolidated Plan Allocations](#)

[HUD's Consolidated Planning information](#)

[Piecing It All Together: Playing the Housing Game](#)

[State Housing Agencies - How They Can Help People with Disabilities](#)

[Seizing the Moment](#)

COMMUNITY DEVELOPMENT BLOCK GRANT

The Community Development Block Grant (CDBG) program is a federal grant provided to certain "entitlement communities" (typically municipalities with populations over 50,000 and urban counties with populations over 200,000) and to all states.

To receive CDBG funds, each state/entitlement community must submit a Consolidated Plan to HUD describing how the CDBG resources will be used to meet local needs.

At least 70 percent of CDBG funds must be used to benefit low- and moderate-income.

CDBG funds can be used for the following housing activities:

- Housing rehabilitation (loans and grants to homeowners, landlords, non-profit organizations, developers)
- New housing construction (only if completed by non-profit organizations)
- Purchasing land and buildings
- Constriction of public facilities, such as shelters for homeless people
- Construction of neighborhood service centers or community buildings
- Code enforcement, demolition, and relocation funds for people displaced because of CDBG projects
- Making buildings accessible to the elderly and handicapped and Public services (capped at 15 percent of a jurisdiction's CDBG funds) such as vocational services for people with disabilities, health care, and childcare

For More Information:

Fiscal Year [2012 Consolidated Plan Allocations](#)

[CDBG regulations](#)

[HUD CDBG webpage](#)

EMERGENCY SOLUTIONS GRANT (ESG)

On May 20, 2009 President Obama enacted the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. The HEARTH Act will provide communities with new resources and better tools to prevent and end homelessness, including revamping the ESG program and changing its name from Emergency *Shelter* Grant to Emergency *Solutions* Grant.

The ESG program provides federal grants to states and localities based on a formula. To receive ESG funds, each state/entitlement community must submit a Consolidated Plan to HUD describing how the ESG resources will be used to meet local needs.

Eligible activities for use of ESG include:

- **Renovation/Rehabilitation or Conversion.** The renovation, major rehabilitation, or conversion of buildings for use as emergency shelters or transitional housing for the homeless. Renovated buildings must be used as shelters for 3 years, and a major rehabilitation or conversion project involves a 10-year commitment.
- **Social Services.** The provision of essential social services, including case management, physical and mental health treatment, substance abuse counseling, and childcare (not to exceed 30 percent of the total grant, unless waived by the HUD Secretary).
- **Operating Costs.** The payment of shelter operational costs, such as rent, maintenance, security, insurance, utilities, and furnishings (management staff costs not to exceed 10 percent of the total grant).
- **Homeless Prevention.** The development and implementation of homeless prevention activities, such as short-term and first-month's rent, eviction or foreclosure assistance, utility payments, security deposits, landlord-tenant mediation, and tenant legal services (not to exceed 30 percent of the total grant).
- **Grant Administration.** Grant administration (not to exceed 5 percent of the total grant).

For More Information:

[HUD's ESG page](#)

Fiscal Year [2012 Consolidated Plan Allocations](#)

[HUD ESG Fact Sheet](#)

HOME PROGRAM

The federal government created the HOME Investment Partnerships Program (HOME) in 1990 as a formula grant given to states and certain localities (known as “participating jurisdictions”) and states.

To receive HOME funds, each state/entitlement community must submit a Consolidated Plan to HUD describing how the HOME resources will be used to meet local needs.

Housing created with HOME funds must serve low- and very low-income individuals and families.

HOME funds can be used for the following housing activities:

- Rental housing production and rehabilitation loans and grants
- First-time homebuyer assistance
- Rehabilitation loans for homeowners
- Tenant-based rental assistance (2 year renewable subsidies)

For More Information:

Fiscal Year [2012 Consolidated Plan Allocations](#)

[HUD's HOME Program information](#)

[HUD's HOME Program: Can It Really Work for People with Disabilities?](#)

HOMELESSNESS PREVENTION AND RAPID RE-HOUSING PROGRAM

Authorized in 2009 as part of the American Recovery and Reinvestment Act, the Homelessness Prevention and Rapid Re-Housing Program (HPRP) was designed as a \$1.5 billion, time-limited three-year initiative to assist with the immediate needs of homeless people and help households at risk of homelessness to stabilize their living situations. Although HPRP has ended, many states and localities have continued providing similar assistance through using [ESG funds](#).

For More Information:

[HUD's Homelessness Resource Exchange HPRP website](#)

[The New Homelessness Prevention and Rapid Re-Housing Program](#)

HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Housing Opportunities for Persons with AIDS (HOPWA) is a federal grant aimed to provide housing assistance and supportive services for low income people living with HIV and AIDS.

HOPWA funds are awarded through the Consolidated Plan as a block grant to states and larger metropolitan areas based on the incidences of AIDS in these areas and competitively through an annual Notice of Funding Availability (NOFA).

Eligible activities for use of HOPWA funds include:

- Housing information and coordination services
- Acquisition, rehabilitation, and leasing of property
- Project-based or tenant-based rental assistance
- Homeless prevention activities
- Supportive services
- Housing operating costs
- Technical assistance
- Administrative expenses

For More Information:

[HUD HOPWA Page](#)

NEIGHBORHOOD STABILIZATION PROGRAM

The Neighborhood Stabilization Program (NSP) is a new HUD resource that can fund programs aimed at redeveloping foreclosed and abandoned properties for use as quality affordable housing.

NSP funds represent a highly targeted, one-time opportunity and must be spent within a specified timeframe. To receive NSP funds, each state/ community had to submit to HUD a Substantial Amendment to the relevant Consolidated Plan describing how the NSP resources will be used to meet local needs.

There are three different NSP programs:

1. **NSP1 and NSP 3** funds were distributed as formula block grants to each state and territory and certain local governments
2. **NSP2** funds were awarded as grants to states, local governments, and non-profit organizations on a competitive basis.

There are five eligible NSP activities:

1. Creation of financing mechanisms for purchase and redevelopment of foreclosed homes and residential properties
2. Programs aimed at purchasing and rehabilitating foreclosed homes and residential properties
3. Creation of Land Banks
4. Funding the demolition of blighted structures
5. Funding activities considered redevelopment, which allows NSP funds to be used to redevelop demolished and vacant properties

Income Targeting

NSP guidelines require each grantee to ensure that at least 25 percent of the funding is used for the purchase and redevelopment of abandoned or foreclosed properties that will benefit individuals or families whose incomes do not exceed 50 percent of the area median income (AMI). This guideline is sometimes referred to as the '25/50 targeting requirement.'

For More Information:

[Using the Neighborhood Stabilization Program to Help Create Permanent Supportive Housing](#)

[NSP Resource Exchange](#)

[HUD's NSP website](#)

[NSP: Innovative Development Strategies for Very Low-Income Housing](#)

CONTINUUM OF CARE PLANNING GROUPS

In 1994, HUD introduced the Continuum of Care (CoC) model to encourage communities to address the problems of housing and homelessness in a more coordinated, comprehensive, and strategic fashion. With the introduction of Continuum of Care planning, communities were encouraged to envision, organize, and plan comprehensive, long-term solutions to address the problem of homelessness. The strategic planning conducted through this process also forms the basis of a Continuum of Care plan and application to HUD for McKinney-Vento Homeless Assistance funds.

HEARTH Act

In May, 2009, President Obama signed into law a bill to reauthorize HUD's McKinney-Vento Homeless Assistance programs, known as the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act. The HEARTH Act codifies the CoC in law for the first time and provides administrative funds for agencies leading the CoC efforts. The law also puts additional responsibilities on the CoC to monitor HUD-funded homeless projects and coordinate with other planning groups in the community.

For More Information:

[CoC Local Contacts](#)

[CoC Maps and Reports](#)

[Homelessness Resource Exchange](#)

CONTINUUM OF CARE PROGRAM

In May, 2009, President Obama signed into law a bill to reauthorize HUD's McKinney-Vento Homeless Assistance programs. Known as the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, the Act makes numerous changes to HUD's homeless assistance programs including:

- Homelessness prevention will be significantly expanded.
- New incentives will place more emphasis on rapid re-housing, especially for homeless families.
- The existing emphasis on creating permanent supportive housing for people experiencing chronic homelessness will continue, although families could also be considered chronically homeless.
- Rural communities will have the option of applying under a different set of guidelines that offer more flexibility and more assistance with capacity building.

In addition to these changes, the HEARTH Act consolidated the three separate McKinney-Vento "legacy" homeless assistance programs ([Supportive Housing program](#), [Shelter Plus Care program](#), and [Section 8 Moderate Rehabilitation SRO program](#)) into a single grant program known as the Continuum of Care (CoC) Program. Each year, HUD awards CoC Program funding competitively to nonprofit organizations, States, and/or units of local governments.

It is important to note that these CoC programs can only assist people with disabilities who meet HUD's specific definition of "homeless" and cannot be used for those at risk of homelessness.

HUD issued the CoC Program interim rule on July 31, 2012, which governs the use of HUD homeless funds.

For More Information:

[HUD's Homelessness Resource Exchange](#)

[CoC program Interim Rule](#)

[Introductory Guide to the CoC Program](#)

MCKINNEY-VENTO LEGACY PROGRAMS

In May, 2009, President Obama signed into law a bill to reauthorize HUD's McKinney-Vento Homeless Assistance programs. Known as the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, the Act makes numerous changes to HUD's homeless assistance programs including consolidating the three separate McKinney-Vento homeless assistance programs ([Supportive Housing program](#), [Shelter Plus Care program](#), and [Section 8 Moderate Rehabilitation SRO program](#)) into a single grant program known as the [Continuum of Care \(CoC\) Program](#).

Before the HEARTH Act, these McKinney-Vento Homeless Assistance programs (now referred to as “legacy” programs) formed the backbone of local efforts intended to address the needs of homeless individuals and families, including the creation of new supportive housing. Over time, existing legacy programs will have the opportunity to transition to the new CoC Program, and the legacy programs will be phased out.

For More Information:

[HUD's Homelessness Resource Exchange](#)

[Introductory Guide to the CoC Program](#)

SECTION 8 MODERATE REHABILITATION SINGLE ROOM OCCUPANCY DWELLINGS PROGRAM

The Section 8 Mod Rehab SRO program provided a project-based rental subsidy for SRO units that house homeless individuals. HUD contracts with Public Housing Agencies (PHAs) to make rental assistance payments to landlords who complete moderate rehabilitation of their properties and then rent them to homeless individuals. The program does not provide financing for rehabilitation, but allows for a portion of the cost of the rehabilitation to be reflected in the rent levels allowed for the units. Funds are awarded through the Continuum of Care competition and renewed through the HCV appropriation.

On May 20, 2009 President Obama enacted the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. As a result of the HEARTH Act, no **new** SRO projects will be funded. Current SRO projects will continue to be renewed under the Multifamily Assisted Housing Reform and Affordability Act of 1997.

For More Information:

[SRO Program Fact Sheet](#)

[Understanding SRO](#)

SHELTER PLUS CARE

The Shelter Plus Care (S+C) Program provides permanent supportive housing for homeless persons with disabilities in connection with supportive services funded from sources outside the program.

S+C is a program designed to provide permanent housing and supportive services for homeless individuals and families with disabilities. The program allows for a variety of housing choices, and a range of supportive services funded by other sources, in response to the needs of the hard-to-reach homeless population with disabilities.

On May 20, 2009 President Obama enacted the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. As a result of the HEARTH Act, existing S+C projects will be renewed under the new [CoC Program](#). CoCs and eligible applicants will have the option of applying for new CoC funds to be used for permanent supportive housing for people with disabilities.

For More Information:

[Shelter Plus Care Fact Sheet](#)

[HUD's Homelessness Resource Exchange](#)

[HUD's Shelter Plus Care Online Resource Manual](#)

SUPPORTIVE HOUSING PROGRAM (SHP)

The Supportive Housing Program (SHP) provides supportive housing and/or supportive services to homeless persons. The SHP program can provide funding for outreach, intake and assessment, transitional housing, safe havens, and permanent supportive housing for persons with disabilities.

On May 20, 2009 President Obama enacted the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. As a result of the HEARTH Act, existing SHP projects will be renewed under the new [CoC Program](#). CoCs and eligible applicants will have the option of applying for new CoC funds to be used for activities previously provided through SHP.

For More Information:

[SHP Fact Sheet](#)

[HUD's SHP Desk Guide](#)

[HUD's Homelessness Resource Exchange](#)

STATE HOUSING FINANCE AGENCIES

State housing finance agencies (HFAs) are state-chartered authorities established to help meet the affordable housing needs of the residents of their states. Although they vary from state to state in their relationship to state government, most HFAs are independent entities that operate under the direction of a Board of Directors appointed by the Governor.

HFAs are responsible for administering a range of low-income housing financing programs. There is a state housing finance agency in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Typically state HFAs administer:

- Tax-exempt bond financing programs
- State housing trust funds
- Federal and state low-income housing tax credit programs
- Other federal and state housing programs

Some state governments may have two separate housing agencies that divide up the administration of these housing programs. For example, some state HFAs may administer the tax credit programs while the state housing and community development department administers the state housing trust fund programs.

For More Information:

[National Council of State Housing Agencies](#)

[State Housing Agencies - How They Can Help People with Disabilities](#)

QUALIFIED ALLOCATION PLAN

The Low Income Housing Tax Credit program requires states to develop a Qualified Allocation Plan (QAP) – describing how the LIHTC program will be utilized to meet the housing needs and housing priorities of the state. The QAP must be submitted to the Department of Treasury/IRS each year in order for the state to receive its LIHTC allocation.

The QAP is prepared by the state through a process that includes a public hearing to solicit the public's comments on high priority housing needs and on the strategies proposed by the state to address these needs. The QAP must also provide information on the competitive process that the state will administer to award tax credits as well as any priorities for funding, set-asides, or threshold requirements adopted by the state.

For More Information:

[Using the Low Income Housing Tax Credit Program to Create Affordable Housing for People with Disabilities](#)

[HUD- LIHTC Basics](#)

LOW INCOME HOUSING TAX CREDIT PROGRAM

The federal government created the Low Income Housing Tax Credit (LIHTC) program to encourage the development of new mixed-income rental housing that would benefit low-income households. At the federal level, the program is not administered by HUD, but rather by the Internal Revenue Service (IRS) within the Department of Treasury. Each year, the LIHTC program produces approximately \$6 billion of private investment in affordable housing.

Many types of rental housing can be developed using the LIHTC program including:

- Multifamily rental housing
- Mixed-use projects that include both rental housing and commercial space
- Single Room Occupancy (SRO) housing
- Scattered-sites that can be "bundled together" as one project

Unlike other federal housing programs, the LIHTC program is not a grant; rather, each year, specific dollar amount of tax credits are allocated to each state. Through a competitive process, states award these tax credits to specific affordable housing projects. The developer then sells the tax credits and uses the money to help finance the project.

For More Information:

[Using the Low Income Housing Tax Credit Program to Create Affordable Housing for People with Disabilities](#)

[HUD - LIHTC Basics](#)

[Housing Credit Policies in 2012 that Promote Supportive Housing](#)

SECTION 811 SUPPORTIVE HOUSING FOR PERSONS WITH DISABILITIES

The Section 811 Supportive Housing for Persons with Disabilities is a federal program that assists the lowest income people with the most significant and long-term disabilities to live independently in the community by providing affordable housing linked with voluntary services and supports. On January 4, 2011 President Obama signed bi-partisan legislation—The Frank Melville Supportive Housing Investment Act of 2010 – which includes important Section 811 reforms to stimulate the creation of thousands of new integrated Section 811 permanent housing units every year.

The reformed Section 811 program includes two different approaches to create permanent supportive housing **Modernized Capital Advance/Project Rental Assistance Contract (PRAC) option** and the **Project Based Rental Assistance (PRA) option**. Both options provide affordability for people with disabilities with the lowest incomes by: (1) ensuring that tenants pay no more than 30 percent of their adjusted income for rent; and (2) providing a long term operating subsidy contract from HUD (either a PRAC or Project Based Rental Assistance) to cover housing operating costs (i.e. property insurance, maintenance and repairs, owner-paid utilities, replacement reserves, etc) which cannot be covered by tenant rents.

The Federal FY12 Budget included funds for Section 811 PRA component only; HUD issued its first PRA NOFA for these funds in summer 2012.

For More Information:

[HUD Section 811 Information](#)

[TAC Resource Center on Supportive Housing](#)

SECTION 202 SUPPORTIVE HOUSING FOR THE ELDERLY

The Supportive Housing for the Elderly program (Section 202) helps expand the supply of affordable housing with supportive services for elderly people (age 62 and older). It provides low-income elderly people with options that allow them to live independently but in an environment that provides support activities such as cleaning, cooking, transportation, etc.

This program provides capital advances to finance the construction and rehabilitation of structures that will serve as supportive housing for very low-income elderly people and provides rent subsidies for the projects to help make them affordable. The capital advance does not have to be repaid as long as the project serves very low-income elderly persons for 40 years.

To be eligible for Section 202 funding, an applicant must be a private, non-profit organization with prior experience in housing or related social service activities. Government entities are not eligible for funding under this program. Applicants must submit an application for a capital advance in response to a HUD Notice of Fund Availability published in the Federal Register each year. Organizations that apply for Section 202 compete for program funds allocated to each individual HUD Field Office.

On December 21, 2010 important legislation was passed to reform and reinvigorate HUD's Section 811 program. Supportive Housing for the Elderly Act modifies the Section 202 Supportive Housing for the Elderly program. The bill, S. 118, provides the first update to the Section 202 program since its creation more than 50 years ago. It strengthens and modernizes how the program supports the development and preservation of housing for very low income seniors. Specifically, it

- Allows owners with the oldest segment of Section 202 properties, now over 40 years old, to refinance in order to modernize buildings or increase programming to help residents age in place.
- Allows owners to use any excess refinancing proceeds to increase accessibility and expand supportive services.
- Provides project-based rental subsidies through a new senior preservation assistance contract for currently unassisted residents in older Section 202 properties.
- Establishes a new use of funding under the Section 202 Assisted Living Conversion program for "Service Enriched Housing."

For more information:

[HUD's Section 202 Information](#)