

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
2007 Summary Statement and Initiatives
(Dollars in Thousands)

| HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811) | <u>Enacted/ Request</u> | <u>Carryover</u> | <u>Supplemental/ Rescission</u> | <u>Total Resources</u> | <u>Obligations</u> | <u>Outlays</u> |
|--|-----------------------------|------------------------|-------------------------------------|----------------------------|--------------------|----------------|
| 2005 Appropriation | \$240,000 | \$333,997 ^a | -\$1,920 | \$572,077 | \$296,333 | \$307,303 |
| 2006 Appropriation/Request | 239,000 | 275,744 | -2,390 | 512,354 | 239,000 | 258,000 |
| 2007 Request | <u>118,800</u> | <u>273,354</u> | <u>...</u> | <u>392,154</u> | <u>118,800</u> | <u>260,000</u> |
| Program Improvements/Offsets | -120,200 | -2,390 | +2,390 | -120,200 | -120,200 | +2,000 |

a/ Includes recaptures of \$5 million and transfer of prior year balances of \$126.3 million from the Housing for the Elderly program pursuant to Public Law 108-447.

Summary Statement

An appropriation of \$118.8 million is proposed for Housing for Persons with Disabilities for fiscal year 2007. This funding level assumes 3-year Project Rental Assistance Contracts (PRAC). Included in this amount is an estimated \$13.2 million for new capital grants and associated PRAC; \$15 million to renew expiring PRAC; \$14.9 million Mainstream Voucher; \$74.7 million for the renewal of existing mainstream vouchers and voucher amendments; and \$990 thousand for transfer to the Working Capital Fund for information technology in fiscal year 2007.

Initiatives

There are no new initiatives proposed in this program.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Summary of Resources by Program
(Dollars in Thousands)

| <u>Budget Activity</u> | <u>2005 Budget Authority</u> | <u>2004 Carryover Into 2005</u> | <u>2005 Total Resources</u> | <u>2005 Obligations</u> | <u>2006 Budget Authority/ Request</u> | <u>2005 Carryover Into 2006</u> | <u>2006 Total Resources</u> | <u>2007 Request</u> |
|---|------------------------------|---------------------------------|-----------------------------|-------------------------|---------------------------------------|---------------------------------|-----------------------------|---------------------|
| Disabled (Grants and PRAC) | \$146,125 | \$297,764 | \$443,889 | \$200,682 | \$140,364 | \$243,207 | \$383,571 | \$13,210 |
| Disabled PRAC Renewal/Amendment | 3,330 | 1,200 | 4,530 | 3,431 | 13,383 | 1,099 | 14,482 | 15,005 |
| PIH Disabled - Mainstream Vouchers (Tenant-Based) | 9,920 | 318 | 10,238 | ... | 4,950 | 10,238 | 15,188 | 14,850 |
| PIH Amendment/Renewal of Mainstream Vouchers (Tenant-Based) | 78,259 | 34,715 | 112,974 | 91,774 | 77,517 | 21,200 | 98,717 | 74,745 |
| Working Capital Fund .. | <u>446</u> | <u>...</u> | <u>446</u> | <u>446</u> | <u>396</u> | <u>...</u> | <u>396</u> | <u>990</u> |
| Total | 238,080 | 333,997 | 572,077 | 296,333 | 236,610 | 275,744 | 512,354 | 118,800 |

NOTE: Fiscal year 2004 funding was deferred until fiscal year 2005 for PIH voucher amendments per the fiscal year 2005 Continuing Resolution Appropriation.

| <u>FTE</u> | <u>2005 Actual</u> | <u>2006 Estimate</u> | <u>2007 Estimate</u> |
|--------------------|--------------------|----------------------|----------------------|
| Headquarters | 15 | 15 | 16 |
| Field | <u>128</u> | <u>117</u> | <u>132</u> |
| Total | 143 | 132 | 148 |

Housing for Persons with Disabilities (Section 811)

**HOUSING
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Program Offsets
(Dollars in Thousands)**

| Disabled (Grants and PRAC) | <u>Amount</u> |
|------------------------------------|----------------------|
| 2005 Appropriation | \$146,125 |
| 2006 Appropriation/Request | 140,364 |
| 2007 Request | <u>13,210</u> |
| Program Improvements/Offsets | -127,154 |

| Disabled (Grants and PRAC) | <u>Units</u> |
|------------------------------------|------------------------|
| 2005 Appropriation | 1,173 |
| 2006 Appropriation | 927 |
| 2007 Request | <u>0</u> ^{a/} |
| Program Improvements/Offsets | -927 |

a/ It is difficult to estimate the number of units for new construction due to the uncertainty of PRAC renewal and amendment requirements.

Proposed Actions

For fiscal year 2007, the Department is proposing \$13.2 million for the Housing for Persons with Disabilities program which was authorized by Section 811 of the Cranston-Gonzales National Affordable Housing Act to provide eligible non-profit organizations with new capital grants and associated Project Rental Assistance Contracts. Funding necessary for inspections, property disposition and amendments to prior year awards is included in this category.

The proposed funding continues to support housing options for persons with disabilities. The program adds to the cumulative efforts to provide high quality housing assistance choices to low- and very low-income persons with disabilities and to provide models of successful elderly housing assistance in this area.

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Program Offsets
(Dollars in Thousands)

| Disabled PRAC Renewal/Amendment | <u>Amount</u> |
|--|----------------------|
| 2005 Appropriation | \$3,330 |
| 2006 Appropriation/Request | 13,383 |
| 2007 Request | <u>15,005</u> |
| Program Improvements/Offsets | +1,622 |

| Disabled (PRAC Renewal) | <u>Units</u> |
|------------------------------------|---------------------|
| 2005 Appropriation | 1,635 |
| 2006 Appropriation | 3,115 |
| 2007 Request | <u>4,245</u> |
| Program Improvements/Offsets | +1,130 |

Proposed Actions

The Department is proposing \$15 million for renewal and amendment to Project Rental Assistance Contracts (PRAC). These funds are used to cover the difference between what the residents pay for rent (based on 30 percent of their adjusted income) and the HUD-approved expense to operate the project. After the initial 5-year funding agreement (agreements are proposed for 3 years in the fiscal years 2006 and 2007 budgets), PRACs are renewed for 1-year terms. Amendments are provided for PRAC contracts that are within their original term, but which have exhausted available funding. These contracts are funded until their anniversary date or to the termination date.

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Program Offsets
(Dollars in Thousands)

| PIH Disabled - Mainstream Vouchers (Tenant-Based) | <u>Amount</u> |
|---|---------------|
| 2005 Appropriation | \$9,920 |
| 2006 Appropriation/Request | 4,950 |
| 2007 Request | <u>14,850</u> |
| Program Improvements/Offsets | +9,900 |

| PIH Disabled - Mainstream Vouchers (Tenant-Based) | <u>Units</u> |
|---|--------------|
| 2005 Appropriation | 1,234 |
| 2006 Appropriation | 130 |
| 2007 Request | <u>400</u> |
| Program Improvements/Offsets | +270 |

Proposed Actions

The Department is proposing up to \$14.9 million for incremental mainstream vouchers in fiscal year 2007. Actual funding levels and whether there will be an award competition will depend on ongoing programmatic requirements and recaptures.

Housing for Persons with Disabilities (Section 811)

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Program Offsets
(Dollars in Thousands)

| PIH Amendment/Renewal of Mainstream Vouchers (Tenant-Based) | <u>Amount</u> |
|--|----------------------|
| 2005 Appropriation | \$78,259 |
| 2006 Appropriation/Request | 77,517 |
| 2007 Request | <u>74,745</u> |
| Program Improvements/Offsets | -2,772 |
| | |
| PIH Amendment/Renewal of Mainstream Vouchers (Tenant-Based) | <u>Units</u> |
| 2005 Appropriation | 6,640 |
| 2006 Appropriation | 11,061 |
| 2007 Request | <u>11,327</u> |
| Program Improvements/Offsets | +266 |

Proposed Actions

The Department is proposing \$74.7 million for the renewal and amendment of mainstream vouchers (tenant-based) for persons with disabilities. After the initial funding, the tenant-based units are renewed for 1-year terms.

Housing for Persons with Disabilities (Section 811)

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Program Offsets
(Dollars in Thousands)

| Working Capital Fund | <u>Amount</u> |
|------------------------------------|----------------------|
| 2005 Appropriation | \$446 |
| 2006 Appropriation/Request | 396 |
| 2007 Request | <u>990</u> |
| Program Improvements/Offsets | +594 |

Proposed Actions

The Department is proposing \$990 thousand for the Working Capital Fund for developing and maintaining information technology systems.

Housing for Persons with Disabilities (Section 811)

**HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Performance Measurement Table**

| Program Name: HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811) | | | | | |
|---|---|--------------------|-------------|------------------|-----------|
| Program Mission: Housing for Persons with Disabilities was authorized by Section 811 of the Cranston-Gonzalez National Affordable Housing Act to provide eligible non-profit organizations with capital advances and rental assistance to provide housing for disabled individuals. The capital advances will be used to finance the acquisition, acquisition with rehabilitation, construction, reconstruction, or rehabilitation of housing intended for use for persons with disabilities. Housing for Persons with Disabilities is designed to meet the special physical needs of disabled individuals and to accommodate the provision of supportive services. | | | | | |
| Performance Indicators | Data Sources | Performance Report | | Performance Plan | |
| | | 2005 Plan | 2005 Actual | 2006 Plan | 2007 Plan |
| The share of assisted and insured privately owned multifamily properties that meet HUD established physical standards are maintained at no less than 95 percent. | MF Program Office and Annual Performance Plan | 95% | 96% | 95% | 95% |
| For households living in assisted and insured privately owned multifamily properties, the share of properties that meets HUD's financial management compliance is maintained at no less than 95 percent. | MF Program Office and Annual Performance Plan | 95% | 98% | 95% | 95% |
| Increase that availability of affordable housing for the elderly and persons with disabilities by bringing 250 projects to initial closing under Sections 202 and 811. | MF Program Office and Annual Performance Plan | 250 | 303 | 250 | 250 |

Explanation of Indicators

Nearly two million households headed by an elderly individual or a person with a disability receive HUD rental assistance that provides them with the opportunity to afford a decent place to live and often helps them to live independent lives. The Housing for Persons with Disabilities program continues to enable persons with disabilities to live in mainstream environments. These indicators will measure the success of this program by examining whether service-enriched housing increases the satisfaction of persons with disabilities with their units, developments, and neighborhoods.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Justification of Proposed Changes in Appropriations Language

The 2007 President's budget includes proposed changes in the appropriation language listed and explained below. New language is italicized and underlined, and language proposed for deletion is bracketed.

For capital advance contracts, including amendments to capital advance contracts, for supportive housing for persons with disabilities, as authorized by section 811 of the Cranston-Gonzalez National Affordable Housing Act, for project rental assistance for supportive housing for persons with disabilities under section 811(d)(2) of such Act, including amendments to contracts for such assistance and renewal of expiring contracts for such assistance for up to a 1-year term, and for supportive services associated with the housing for persons with disabilities as authorized by section 811(b)(1) of such Act, and for tenant-based rental assistance contracts entered into pursuant to section 811 of such Act, [\$239,000,000] \$118,800,000, to remain available until September 30, [2009] 2010: Provided, That [\$400,000] \$990,000 shall be transferred to the Working Capital Fund: Provided further, That up to \$30,690,000 shall be for expansion of existing levels of housing assistance, including up to \$14,850,000 for incremental tenant-based rental assistance (which assistance is 5 years in duration) and up to \$15,840,000 for new capital advance project rental assistance contracts: Provided further, That of the amount provided under this heading [\$78,300,000] up to \$74,745,000 shall be for amendments or renewal of tenant-based assistance contracts [entered into prior to fiscal year 2005 (only one amendment authorized for any such contract): Provided further, That of the amount provided under this heading, the Secretary may make available up to \$5,000,000 for incremental tenant-based rental assistance, as authorized by section 811 of such Act (which assistance is 5 years in duration)]: Provided further, That all tenant-based assistance made available under this heading shall continue to remain available only to persons with disabilities: Provided further, That the Secretary may waive the provisions of section 811 governing the terms and conditions of project rental assistance and tenant-based assistance, except that the initial contract term for such assistance shall not exceed 5 years in duration: Provided further, That amounts made available under this heading shall be available for Real Estate Assessment Center inspections and inspection related activities associated with section 811 capital advance projects.

Explanation of Changes:

The account is restructured to highlight funding for expansion of existing housing assistance levels as contrasted with on-going operations.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Crosswalk of 2005 Availability
(Dollars in Thousands)

| <u>Budget Activity</u> | <u>2005 Enacted</u> | <u>Supplemental/ Rescission</u> | <u>Approved Reprogrammings</u> | <u>Transfers</u> | <u>Carryover</u> | <u>Total 2005 Resources</u> |
|--|---------------------|-------------------------------------|------------------------------------|------------------|------------------------|-------------------------------------|
| Disabled (Grants and PRAC) | \$147,311 | -\$1,186 | [\$125,178] ^a | ... | \$297,764 ^a | \$443,889 |
| Disabled PRAC Renewal/Amendment | 3,349 | -19 | [722] ^a | ... | 1,200 | 4,530 |
| PIH Disabled - Mainstream Vouchers (Tenant-Based) | 10,000 | -80 | [318] ^a | ... | 318 | 10,238 |
| PIH Amendment/Renewal of Mainstream Vouchers (Tenant-Based) | 78,890 | -631 | [119] ^a | ... | 34,715 | 112,974 |
| Working Capital Fund | <u>450</u> | <u>-4</u> | <u>...</u> | <u>...</u> | <u>...</u> | <u>446</u> |
| Total | 240,000 | -1,920 | [126,337] | ... | 333,997 | 572,077 |

a/ Approved Reprogrammings column reflects \$126.3 million prior year balances transferred from the Housing for the Elderly program per fiscal year 2005 Appropriations (PL 108-447). Carryover reflects actual carryover of \$202.2 million from fiscal year 2004 and \$126.3 million of prior year balances transferred.

b/ Fiscal year 2004 funds deferred until fiscal year 2005 for PIH voucher amendments per the fiscal year 2005 Continuing Resolution Appropriations.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Crosswalk of 2006 Changes
(Dollars in Thousands)

| <u>Budget Activity</u> | 2006 President's Budget Request | Congressional Appropriations Action on 2006 Request | 2006 Supplemental/ Rescission | <u>Reprogrammings</u> | <u>Carryover</u> | Total 2006 <u>Resources</u> |
|--|--|--|-------------------------------------|-----------------------|------------------|--------------------------------|
| Disabled (Grants and PRAC) | \$150,300 | \$141,867 | -\$1,503 | ... | \$243,207 | \$383,571 |
| Disabled PRAC Renewal/Amendment | 5,000 | 13,433 | -50 | ... | 1,099 | 14,482 |
| PIH Disabled - Mainstream Vouchers (Tenant-Based) | 5,000 | 5,000 | -50 | ... | 10,238 | 15,188 |
| PIH Amendment/Renewal of Mainstream Vouchers (Tenant-Based) | 78,300 | 78,300 | -783 | ... | 21,200 | 98,717 |
| Working Capital Fund | <u>400</u> | <u>400</u> | <u>-4</u> | <u>...</u> | <u>...</u> | <u>396</u> |
| Total | 239,000 | 239,000 | -2,390 | ... | 275,744 | 512,354 |