PRESERVATION WORKING GROUP

July 19, 2013

Chairwoman Barbara Mikulski Appropriations Committee The Capitol S-128 Washington, DC 20510

Chairwoman Patty Murray
Transportation, Housing and Urban
Development Appropriations
138 Dirksen Senate Office Building
Washington, DC 20510

Vice Chairman Richard Shelby Appropriations Committee The Capitol S-128 Washington, DC 20510

Ranking Member Susan Collins Transportation, Housing and Urban Development Appropriations 138 Dirksen Senate Office Building Washington, DC 20510

Dear Chairwoman Mikulski, Chairwoman Murray, Vice Chairman Shelby and Ranking Member Collins,

The Preservation Working Group is writing in support of S. 1243, the Transportation, Housing and Urban Development Appropriations bill. Given the budgetary constraints facing the Committee, Chairwoman Murray and Ranking Member Collins crafted a bill that provides funding to ensure that households that are relying on HUD's rental assistance will continue to receive assistance and help preserve and maintain the existing rental housing stock.

As a national network of nonprofits, tenant advocates and state and local housing agencies, PWG is dedicated to the preservation and development of federally assisted multifamily affordable housing. PWG members utilize a variety of HUD's programs to ensure that low-income households have safe, decent and affordable housing.

S. 1243 provides \$10.7 billion for the Project-Based Section 8 program, which provides critical rental assistance to support more than 1 million affordable apartments across the country. The funding level for this program is critical to renew expiring rental assistance contracts, make timely payments to owners and maintain the physical and financial integrity of properties.

In addition, the bill provides \$150 million for Tenant Protection Vouchers (TPVs) that are provided to tenants in properties that are being converted to long-term contracts under the Rental Assistance Demonstration (RAD) program, tenants facing possible displacement because of property disposition or owner opt-outs of Section 8 contracts. We urge the Senate to restore the set-aside in the TPV account to provide vouchers to tenants in properties that are facing mortgage maturity or other expiring use restrictions.

Finally, the bill makes key modifications to the RAD program to facilitate the conversion of expiring Rent Supplement and Rental Assistance Payment (RAP) contracts to long-term project based Section 8 contracts or project-based voucher contracts. To date, HUD has approved the conversion of over 3,000 units with this authority and has received 152 letters of interest covering 11,000 units, or almost half of the Rent Supp/RAP inventory across the country. Clearly, the demand for this program necessitates the extension for an additional two years as proposed by S. 1243.

S. 1243 passed out of the Senate Appropriations Committee with bipartisan support. Passing a HUD funding bill that provides adequate levels of funding for affordable housing and community

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development programs is critical to maintaining affordable apartments for low-income households across the country. We urge the full Senate to pass this important legislation because of its support for HUD funding.

Sincerely,

1000 Friends of Florida

ACTION-Housing, Inc.

California Housing Partnership

Coalition for ECONOMIC SURVIVAL

Coastal Enterprises, Inc (Maine)

CSH (Corporation for Supportive Housing)

The Community Builders

Community Economic Development Assistance Corporation

Community Housing Partners

Enterprise Community Partners

Florida Housing Coalition

Housing Assistance Council

LeadingAge

Local Initiatives Support Corporation

Lutheran Services in America

National Alliance of HUD Tenants

National Council of State Housing Finance Agencies

National Housing Conference

National Housing Law Project

National Housing Trust

National Low Income Housing Coalition

Network for Oregon Affordable Housing

Maine Affordable Housing Coalition

Mercy Housing, Inc.

Ohio Capital Corporation for Housing

Preservation of Affordable Housing, Inc.

Stewards of Affordable Housing for the Future

Tenants & Neighbors