

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
2006 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>
2004 Appropriation	\$250,570	...	-\$1,478	\$249,092	\$46,845 ^a	\$1,798
2005 Appropriation/Request	240,000	328,584 ^b	-1,920	566,664	240,464	255,000
2006 Request	<u>119,900</u>	<u>326,200</u>	...	<u>446,100</u>	<u>119,900</u>	<u>258,000</u>
Program Improvements/Offsets	-120,100	-2,384	+1,920	-120,564	-120,564	+3,000

a/ Reflects obligations only from fiscal year 2004 appropriations.

b/ Includes transfer of prior year balances of \$126.3 million from Housing for the Elderly program.

Summary Statement

An appropriation of \$119.9 million is proposed for Housing for Persons with Disabilities for fiscal year 2006; \$118 million less than enacted for fiscal year 2005 net of rescission. Included in this amount is an estimated \$5 million to renew expiring Project Rental Assistance Contracts (PRAC) under the Housing for Persons with Disabilities program; \$34.4 million for amendments, grant renewals or to provide vouchers to persons with disabilities to find housing in the private market; \$80 million for renewal of the mainstream vouchers; and \$450 thousand for transfer to the Working Capital Fund for information technology in fiscal year 2006.

Initiatives

The 2006 Budget proposes to terminate grant funding for the new construction of facilities. Funding that remains is targeted to Section 8-type vouchers.

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>2004 Budget Authority</u>	<u>2003 Carryover Into 2004</u>	<u>2004 Total Resources</u>	<u>2004 Obligations</u>	<u>2005 Budget Authority</u>	<u>2004 Carryover Into 2005</u>	<u>2005 Total Resources</u>	<u>2006 Request</u>
Disabled (Grants and PRAC)	\$172,183	...	\$172,183	\$5,010	\$147,125	\$292,351	\$439,476	\$34,450
Disabled PRAC Renewal .	1,538	...	1,538	1,060	2,330	1,200	3,530	5,000
PIH Disabled - Mainstream Vouchers (Tenant-Based) .....	...	...	...	...	9,920	318	10,238	...
Renewal of Mainstream Vouchers (Tenant-Based)	60,294	...	60,294	40,308	49,600	20,105	69,705	80,000
PIH Voucher Amendment .	...	...	...	...	28,659	14,610	43,269	...
Deferred	14,610	...	14,610	...	[-14,610]	...	...	...
Working Capital Fund ..	<u>467</u>	<u>...</u>	<u>467</u>	<u>467</u>	<u>446</u>	<u>...</u>	<u>446</u>	<u>450</u>
Total Housing for Persons with Disabilities (Section 811)	249,092	...	249,092	46,845	238,080	328,584	566,664	119,900

<u>FTE</u>	<u>2004 Actual</u>	<u>2005 Estimate</u>	<u>2006 Estimate</u>
Headquarters	13	15	14
Field	<u>123</u>	<u>122</u>	<u>114</u>
Total	136	137	128

Housing for Persons with Disabilities (Section 811)

**HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)**

Disabled (Grants and PRAC)	<u>Amount</u>
2004 Appropriation	\$172,183
2005 Appropriation	147,125
2006 Request	<u>34,450</u>
Program Improvements/Offsets	-112,675

Disabled (Grants and PRAC)	<u>Units</u>
2004 Appropriation	1,389
2005 Appropriation	1,371
2006 Request	<u>334</u>
Program Improvements/Offsets	-1,037

Proposed Actions

For fiscal year 2006, the Department is proposing \$34.4 million for the Housing for Persons with Disabilities program which 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 \$34.4 million will be used for amendments, grant renewals, or to provide vouchers to persons with disabilities to find housing in the private market. Housing for Persons with Disabilities program is designed to meet the special physical needs of disabled individuals and to accommodate the provision of supportive services.

Housing for Persons with Disabilities (Section 811)

**HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)**

Disabled PRAC Renewal	<u>Amount</u>
2004 Appropriation	\$1,538
2005 Appropriation	2,330
2006 Request	<u>5,000</u>
Program Improvements/Offsets	+2,670

Disabled (PRAC Renewal)	Units
2004 Appropriation	465
2005 Appropriation	481
2006 Request	<u>757</u>
Program Improvements/Offsets	+276

Proposed Actions

The Department is proposing \$5 million for the renewal of 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 funding agreement, PRAC contracts are renewed for 1-year terms.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)

PIH Disabled - Mainstream Vouchers (Tenant-Based)	<u>Amount</u>
2004 Appropriation .....	...
2005 Appropriation	\$9,920
2006 Request	<u>...</u>
Program Improvements/Offsets	-9,920

PIH Disabled - Mainstream Vouchers (Tenant-Based)	<u>Units</u>
2004 Appropriation	0
2005 Appropriation	1,234
2006 Request	<u>0</u>
Program Improvements/Offsets	-1,234

Proposed Actions

The Department is not requesting funding for fiscal year 2006 for incremental mainstream vouchers. However, if excess funds remain after renewal and amendment of existing contracts, then vouchers will be provided to persons with disabilities.

Housing for Persons with Disabilities (Section 811)

**HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)**

Renewal of Mainstream Vouchers (Tenant-Based)	<u>Amount</u>
2004 Appropriation	\$60,294
2005 Appropriation	49,600
2006 Request	<u>80,000</u>
Program Improvements/Offsets	+30,400

Renewal of Mainstream Vouchers (Tenant-Based)	<u>Units</u>
2004 Appropriation	6,640
2005 Appropriation	7,835
2006 Request	<u>11,061</u>
Program Improvements/Offsets	+3,226

Proposed Actions

The Department is proposing \$80 million for the renewal or 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)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)

PIH Voucher Amendment	<u>Amount</u>
2004 Appropriation .....	...
2005 Appropriation	\$28,659
2006 Request	<u>...</u>
Program Improvements/Offsets	-28,659

Proposed Actions

The Department is not requesting funding for fiscal year 2006 for Voucher Amendments.

Housing for Persons with Disabilities (Section 811)

**HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)**

Working Capital Fund	<u>Amount</u>
2004 Appropriation	\$467
2005 Appropriation	446
2006 Request	<u>450</u>
Program Improvements/Offsets	+4

Proposed Actions

No less than \$450 thousand is included for the Working Capital Fund for developing and maintaining information technology systems related to Federal housing activities.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Program Offsets
(Dollars in Thousands)

Deferred	<u>Amount</u>
2004 Appropriation	\$14,610
2005 Appropriation .....	...
2006 Request	<u>...</u>
Program Improvements/Offsets .....	...

Proposed Actions

The fiscal year 2004 funding of \$14.6 million was deferred until fiscal year 2005 for PIH Voucher Amendments.

**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	
		2004 Plan	2004 Actual	2005 Plan	2006 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	94.7%	95.5%	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)

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

The 2006 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, [~~\$250,570,000~~] *\$119,900,000 to remain available until expended*: Provided, That ~~\$450,000~~ shall be transferred to the Working Capital Fund: Provided further, That of the amount provided under this heading [~~\$28,890,000~~] *\$80,000,000* shall be for amendments {to existing} *or renewal of* tenant-based assistance contracts {entered into prior to fiscal year 2004 (only one amendment authorized for any such contract)}: Provided further, That of the amount provided under this heading, *\$5,000,000 may be made available for the renewal of project rental assistance contracts*: [the Secretary may make available up to \$10,000,000 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 five years in duration.

[Title II of the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2004, is amended under this heading by striking the fourth proviso and inserting "Provided further, That all section 811 balances outstanding, as of September 30, 2003, shall be transferred to the appropriation under this heading."] *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:

Adds language to include inspections and inspection related activities by Real Estate Assessment Center for section 811 capital advance projects.

Housing for Persons with Disabilities (Section 811)

HOUSING
HOUSING FOR PERSONS WITH DISABILITIES (SECTION 811)
Crosswalk of 2004 Availability
(Dollars in Thousands)

<u>Budget Activity</u>	<u>2004 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2004 Resources</u>
Disabled (Grants and PRAC)	\$173,205	-\$1,022	...	...	...	\$172,183
Disabled PRAC Renewal	1,547	-9	...	...	...	1,538
PIH Disabled - Mainstream Vouchers (Tenant-Based) .....	...	...	...	...	...	...
Renewal of Mainstream Vouchers (Tenant-Based)	60,652	-358	...	...	...	60,294
PIH Voucher Amendment .....	...	...	...	...	...	...
Deferred	14,696	-86	...	...	...	14,610
Working Capital Fund	<u>470</u>	<u>-3</u>	<u>...</u>	<u>...</u>	<u>...</u>	<u>467</u>
Total	250,570	-1,478	...	...	...	249,092

Housing for Persons with Disabilities (Section 811)

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

<u>Budget Activity</u>	<u>2005 President's Budget Request</u>	<u>Congressional Appropriations Action on 2005 Request</u>	<u>2005 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2005 Resources</u>
Disabled (Grants and PRAC)	\$147,207	\$148,311	-\$1,186	[\$125,178] ^a	\$292,351 ^a	\$439,476
Disabled PRAC Renewal	2,349	2,349	-19	[722] ^a	1,200	3,530
PIH Disabled - Mainstream Vouchers (Tenant-Based)	49,069	10,000	-80	[318] ^a	318	10,238
Renewal of Mainstream Vouchers (Tenant-Based)	50,000	50,000	-400	[119] ^a	20,105	69,705
PIH Voucher Amendment .....	...	28,890	-231	[14,610] ^a	14,610	43,269
Deferred .....	...	...	...	[-14,610] ^b	...	...
Working Capital Fund	<u>75</u>	<u>450</u>	<u>-4</u>	<u>...</u>	<u>...</u>	<u>446</u>
Total Changes	248,700	240,000	-1,920	[126,337]	328,584	566,664

a/ Reprogramming column reflects \$126.3 prior year balances transferred from Housing for the Elderly per fiscal year 2005 Appropriations Act (P.L. 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 Appropriation.