

Housing Report Blurb:

Housing Report: October 31, 2007

Section 202 awards released, late HAP payments get hearing and congressional action, details from Orlando, housing trust fund legislation update, 2008 OCAFs published, Social Security increase announced and more.

Housing Report Send Date 10/30/07

What's New?

Section 202 & 811 Awards Released!

Last week, HUD released \$643 million in Section 202 and 811 grants including \$519 in new Section 202 PRAC grants to develop affordable housing for very low income seniors and \$125 million in Section 811 awards to housing for very low-income persons with disabilities. Despite the Administration's repeated attempts to reduce funding for both programs, Secretary Jackson stated that the "Administration is committed to making sure our senior citizens and people with disabilities have opportunities to find decent housing that they can afford," and that "neither group should ever have to worry about being able to find a safe place to live." The awards for both programs involve capital advanced for construction and project rental assistance to provide operating funds for the project. A state-by-state breakdown of individual awards is available on the HUD [website](#). Congratulations to all the members that received awards.

Policy

Larry Minnix Testifies Before Congress on Late HAP Payments and Congress Acts

AAHSA CEO Larry Minnix testified last week before House Financial Services Subcommittee on Housing and Community Opportunity on October 17, 2007 about the impact the U.S. Department of Housing and Urban Development's (HUD) payment delays have had on providers and residents. In his testimony, Minnix likened HUD's failure to request sufficient funding to cover payment contracts for a full year to the questionable practice of check "kiting". Several Committee members expressed dissatisfaction with HUD's inability to pay providers on time and there was wide bipartisan support for several of our proposed solutions to the problem. View the archived hearing and download AAHSA's written testimony here

http://www.house.gov/apps/list/hearing/financialsvcs_dem/ht1017073.shtml.

On October 25, 2007, Chairwoman Waters (CA-35th) introduced H.R. 3965 to extend the Mark-to-Market program and included several provisions to address the late HAP payment problems. Many of the ideas that were raised in AAHSA member's testimony and others were included in the legislation. In addition to requiring that HUD make payments by the first of the month, the bill directs HUD on how to deal with late payments. If payments cannot be made on time, HUD would be required to notify owners 10 days before the payment due day and let them know when to expect payment. When a payment is more than 10 days late, owners would be permitted to use replacement for reserves, residual receipts reserves or other project reserves to pay operating costs and debt service for the project. Payments more than 30 days late would require HUD to

pay simple interest, at a rate set by Treasury Department, on the amount of the monthly payment. For more information, please contact [Alayna Waldrum](#), (202) 508-9476.

Housing Policy Forum Highlights Housing with Services

The 2007 AAHSA Annual Meeting's Housing Policy Forum focused on the role of housing as the platform for the delivery of supportive services within the long term care continuum. Panelists included John Garvin, HUD Acting Director of Multifamily Housing, Tom Slemmer, AAHSA's new Chair and President of National Church Residences and Nancy Eldridge, Executive Director of Cathedral Square Corporation of Vermont. Slemmer and Eldridge, whose organizations are at the forefront of service delivery, discussed the exploding senior population in and the desire of seniors to stay in their homes as long as possible with the appropriate services made available at home. Slemmer, a member of AAHSA's Long Term Care Financing Cabinet, focused on the AAHSA's plan [[hyperlink](http://aahsa.org/advocacy/documents/2006_Finance_Plan.pdf) http://aahsa.org/advocacy/documents/2006_Finance_Plan.pdf] for financing future long term care needs. He stressed how the new insurance model is particularly relevant to housing members who every day are looking for ways to finance the supportive services delivered to residents. Nancy Eldridge shared Cathedral Square's [[hyperlink](http://www.cathedralsquare.org/) <http://www.cathedralsquare.org/>] successful examples of housing with supportive services including mixing Section 202 housing with low income housing tax credits in a setting that includes an adult day center, a wellness center and offices for the visiting nurse association of Burlington.

HUD Official John Garvin Addresses AAHSA Members in Orlando

Acting HUD Assistant Secretary for Multifamily Housing joined members in Orlando at the Housing Policy Forum. He was refreshingly candid about what HUD plans over the next 15 months and about HUD's problems related to late housing assistance payments. HUD plans to rewrite housing notices 02-16 and 04-21 and issue new guidance about prepayments and preservation of 202 developments, including written policy about reconfiguring efficiency units. Garvin also said that HUD is supportive of many of the provision in HR 2930, the Section 202 Supportive Housing for the Elderly Act of 2007, which is working its way through Congress. On the matter of late HAPs, on behalf of the Assistant Secretary Brian Montgomery and the administration, he apologized and said that HUD believes that their new system of short-funding contracts will work smoothly and prevent future gaps for fiscal year 08 with the funding that HUD requested from Congress. However, he also recognizes that the problem will re-occur next summer. They are still awaiting a contract by contract review of their funding needs. On late PRACs, he expressed dismay, but a willingness to look into any problems. He seems genuinely willing to respond to issues and questions; so for those with concerns and problems, please let your housing team know and we will get answers from John. For more information contact Nancy Libson at nlibson@aahsa.org or Alayna Waldrum at awaldrum@aahsa.org.

HR 2930 Moving Along

Now that the House Financial Services Committee has completed its work on HR 2930 (See the 9/28/07 Housing Report), the Section 202 Supportive Housing for the Elderly Act of 2007, the Committee will report the bill to the House floor for consideration. One hurdle remains, however, and that is the "scoring" of direct spending by the Congressional Budget Office. AAHSA has been working with the Committee staff to remedy the scoring issues and expect the

bill to come to the floor shortly. At this writing, the bill does have direct spending implications. If you are interested in the arcane and sometimes absurd, but required, “art” of CBO scoring, you can read the CBO scoring document at the CBO website <http://www.cbo.gov/ftpdocs/87xx/doc8737/hr2930.pdf>. We are currently waiting for the Senate companion bill to be introduced. For more information about HR 2930 contact Nancy Libson at nlibson@aahsa.org or Alayna Waldrum at awaldrum@aahsa.org.

National Housing Trust Fund Passes House, Moves to Senate

Legislation establishing a National Housing Trust Fund, HR 2895, has passed the House. Advocates have moved to the Senate to urge members to support a Senate version of the bill. According to the NHTF Campaign, the bill should be introduced before the end of the 2007 session. The draft Senate bill, which is currently being circulated for co-sponsors, includes the two dedicated funding sources that are in the House bill FHA and GSE reform. The Senate Banking Committee has passed FHA legislation, but it does include a provision directing new FHA revenues to be deposited into a National Affordable Housing Trust Fund. A GSE reform bill introduced by the minority, S1100, has not been in the Senate Banking Committee and does not include an Affordable Housing Fund. There is a majority bill in the works that will include an Affordable Housing Fund. More information on the Trust Fund Campaign, visit www.nhtf.org.

Operations

FEMA Announces Relocation Program for Hurricane Victims

The **Federal Emergency Management Agency** (FEMA) has announced a reimbursement program to provide relocation assistance to people displaced by Hurricanes Katrina and Rita. According to an August 25 FEMA map of households receiving housing assistance, people displaced by the 2005 hurricanes remain displaced in every state in the country. The FEMA relocation program will reimburse eligible applicants for relocation expenses up to \$4,000 that have been or will be incurred between August 29, 2005, and February 29, 2008. In order to receive assistance, households must not have reached the monetary cap on FEMA assistance of \$26,200 and must not have already received relocation assistance from any other state, federal or voluntary agency. For eligibility criteria and eligible cost information, see the FEMA relocation assistance fact sheet at <http://www.fema.gov/news/newsrelease.fema?id=41326>.

Social Security Announces 2.3 Percent Benefit Increase for 2008

Monthly Social Security and Supplemental Security Income benefits for more than 54 million Americans will increase 2.3 percent in 2008, the Social Security Administration announced on October 17. The 2.3 percent Cost-of-Living Adjustment (COLA) will begin with benefits that nearly 50 million Social Security beneficiaries receive in January 2008. Increased payments to more than 7 million Supplemental Security Income beneficiaries will begin on December 31. For a copy of the announcement, go to <http://www.socialsecurity.gov/pressoffice/pr/2008cola-pr.pdf>

SSA Data Matching

The SSA Data Matching process through the TRACS system is scheduled for shut-down at the end of calendar year 2007. After that date, all income verification will only be obtained through

the EIV system. You are encouraged to obtain EIV access and become comfortable with the EIV system as soon as possible. If you are experiencing any difficulties with the EIV system, please contact your Helpdesk personnel for assistance at (800) 767-7588.

HUD Publishes 2008 Operating Cost Adjustment Factors

On October 25, HUD published the 2008 Operating Cost Adjustment Factors (OCAFs). The OCAFs are for adjusting and/or establishing Section 8 rents under the Multifamily Assisted Housing Reform and Affordability Act of 1997 (MAHRA), as amended, and under the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (LIHPRHA) Projects assisted with Section 8 Housing Assistance Payments. These factors will be effective as of February 11, 2008. For full details and a state-by-state breakdown of OCAFs, http://www.hudclips.org/sub_nonhud/cgi/pdf/21020.pdf

New and Notable

AAHSA Staff Receives CASP Award

Coalition for Leadership in Aging Services (CLAS) selected Colleen Bloom, AAHSA Associate Director for Housing Operations, its Distinguished CASP Graduate Award. The Certified Aging Services Professional CASP program is a national professional certification program for aging services professionals, designed to educate and train service professionals involved in the management of assisted living facilities, continuing care retirement communities, senior housing, and other types of aging services. The award recognizes a graduate whose work in the field of retirement housing and long-term care has made a demonstrable difference in the programs with which they are associated. For more information on University of North Texas's CLAS/CASP program visit <http://www.unt.edu/aging/rhp/index.htm>