Elderly Housing Coalition

Sam's Hsg

Let's discuss

March 9, 1999

The Honorable Rick A. Lazio
U.S. House of Representatives
2444 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Lazio:

The Elderly Housing Coalition has met regularly in Washington, DC for over a decade, and is comprised of national organizations and individuals interested in providing suitable and affordable housing to our nation's elderly population. Coalition members meet monthly for information sharing and strategic planning on collaborative activities.

We are writing to express our strong support for recently introduced legislation, *H.R. 202 "Preserving Affordable Housing for Seniors into the 21st Century Act,"* and to urge you to sign-on as a co-sponsor to this meaningful legislative proposal that reaffirms America's commitment to provide affordable housing to many of our most vulnerable citizens.

This bill reauthorizes both the Section 202 Supportive Housing for the Elderly Program and the Section 811 Supportive Housing for Persons with Disabilities Program. The bill would also allow conversion of older debt-laden Section 202 housing to the revised capital advance program, and would help reduce the pressure on federal obligations for Section 8 rental assistance to those facilities. In addition, the bill enables other common sense reforms of the Section 202 and Section 811 programs.

We cannot overstate the importance of this legislation. As you consider other legislative proposals affecting the health care, income and security needs of older persons, we urge you to consider the critical need to house our low-income senior population in an appropriate manner that is both cost-effective and compassionate.

We urge you to add your name as a co-sponsor to H.R. 202, and ask you or your staff to contact Joe Ventrone or Sean Cassidy of the Housing Subcommittee staff at 225-6634. Attached is a copy of a "Dear Colleague" letter recently circulated by original sponsors of the bill.

Thank you for your time and consideration.

Sincerely,

American Association of Homes and Services for the Aging
American Seniors Housing Association
Association of Jewish Aging Services
B'nai B'rith
Catholic Health Association
Coan & Lyons
Enterprise Senior Ventures, Inc.
Evangelical Lutheran Church in America
Lutheran Services in America
National Association of State Units on Aging
National Caucus and Center on Black Aged
National Council of Senior Citizens
National Council on the Aging
National Leased Housing Association
National Low Income Housing Coalition
National Multi-Housing Council
Public Housing Authorities Directors Association
Volunteers of America

U.S. HOUSE OF REPRESENTATIVES

COMMITTEE ON BANKING AND FINANCIAL SERVICES

ONE HUNDRED SIXTH CONGRESS

2129 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515–6050

March 18, 1999

PRESERVE AFFORDABLE HOUSING FOR SENIORS

Dear Colleague:

We are writing to invite you to consider cosponsoring H.R. 202, "Preserving Affordable Housing for Senior Citizens into the 21st Century."

Last month, the Housing and Community Opportunity subcommittee held the first in a series of hearings on the bill. We were warned of an approaching crisis of affordable housing for seniors if we fail to prepare for the "coming of a gray dawn." With our rapidly aging population, by the year 2020 one in every six Americans will be 65 years of age or older. Even today, according to the U.S. Department of Housing and Urban Development (HUD) only one-third of low-income seniors in need of affordable housing actually receive federal housing assistance. This problem will become more acute as the number of Americans over 65 years of age increases to an estimated 53 million in the next twenty years.

Our bill will help prepare for this future by preserving the existing affordable housing for more than 250,000 seniors across the country. We would modernize the affordable housing program for seniors, provide greater self-sufficiency, and more importantly, peace of mind and security for the future of hundreds of thousands of older Americans. The bill also provides common sense reforms to the senior housing program as well as the section 811 affordable housing program for persons with disabilities.

As introduced, H.R. 202 would convert the principal unpaid loan balance owed by nonprofit providers on pre-1990 senior housing developments to capital grants, the financing mechanism used since 1990. The bill would simultaneously reduce the associated project-based rental assistance, much of which had been required for outstanding debt service, thus helping us deal with future needs for project-based rental assistance renewals These renewal needs would reach $3 billion annually by 2015 without reform.

H.R. 202 as introduced likely would save money over the long term, but would have resulted in an initial upfront cost, thus requiring a waiver from procedural requirements under the Budget Reform Act of 1990. As a result of recent discussions with the Congressional Budget Office and the House Budget Committee, we believe we have found a way to proceed without such a requirement and actually achieve annual savings or, at least, budget neutrality. This would be accomplished by an annual forgiveness of mortgage payments matched by an annual reduction of project-based rental assistance. We will continue to perfect the legislation in anticipation of Committee consideration as early as this Summer.

Our proposal is supported by the American Association of Homes and Services for the Aging, AARP, B'nai B'rith, the National Alliance for the Mentally Ill and other senior and disabled persons groups. Attached on the reverse is a letter from the Elderly Housing Coalition, a consortium of over 20 senior and vulnerable population advocacy groups, supporting our proposal which has been send to all Members of the House. Please contact Sean Cassidy of the Housing Subcommittee staff at 225-6634 if you have any questions regarding the legislation, or Richard Scott of the Subcommittee staff if you would like to cosponsor our proposal.

Sincerely,

Jim

James A. Leach
Chairman

Rick

Rick Lazio
Chairman, Subcommittee on Housing
and Community Opportunity