(b)(1) Not more than 15 loans may be guaranteed under subsection (a), of which not more than five such loans may be guaranteed during the 3-year period beginning on the date of the enactment of this subchapter.

(2) A guarantee of a loan under subsection (a) shall be in an amount that is not less than the amount necessary to sell the loan in a commercial market.

(3) Not more than an aggregate amount of $100,000,000 in loans may be guaranteed under subsection (a).

(c) A loan may not be guaranteed under this subchapter unless, before closing such loan, the Secretary has approved the loan.

(d)(1) The Secretary shall enter into contracts with a qualified nonprofit organization, or other qualified organization, that has experience in underwriting transitional housing projects to obtain advice in carrying out this subchapter, including advice on the terms and conditions necessary for a loan that meets the requirements of section 2052 of this title.

(2) For purposes of paragraph (1), a nonprofit organization is an organization that is described in paragraph (3) or (4) of subsection (c) of section 501 of the Internal Revenue Code of 1986 and is exempt from tax under subsection (a) of such section.

(e) The Secretary may carry out this subchapter in advance of the issuance of regulations for such purpose.

(f) The Secretary may guarantee loans under this subchapter notwithstanding any requirement for prior appropriations for such purpose under any provision of law.

(g) Notwithstanding any other provision of law, a multifamily transitional housing project that is funded by a loan guaranteed under this subchapter may accept uncompensated voluntary services performed by any eligible entity (as that term is defined in section 2011(d) of this title) in connection with the construction, alteration, or repair of such project.

(Added Pub. L. 105–368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3342, § 3772; renumbered § 2051 and amended Pub. L. 107–95, § 5(d)(1), (2)(B), Dec. 21, 2001, 115 Stat. 918; Pub. L. 108–454, title IV, § 402(a), Dec. 10, 2004, 118 Stat. 3615.)

REFERENCES IN TEXT

The date of the enactment of this subchapter, referred to in subsec. (b)(1), is the date of enactment of Pub. L. 105–368, which was approved Nov. 11, 1998.

Section 501 of the Internal Revenue Code of 1986, referred to in subsec. (d)(2), is classified to section 501 of Title 26, Internal Revenue Code.

AMENDMENTS

2004—Subsec. (g). Pub. L. 108–454 added subsec. (g).

2001—Pub. L. 107–95, § 5(d)(1), renumbered section 3772 of this title as this section.

Subsec. (d)(1). Pub. L. 107–95, § 5(d)(2)(B), substituted ''section 2052 of this title'' for ''section 3773 of this title''.

EFFECTIVE DATE

Subchapter effective Oct. 1, 1998, see section 602(f) of Pub. L. 105–368, set out as an Effective Date of 1998 Amendment note under section 2106 of this title.

§ 2052. Requirements

(a) A loan referred to in section 2051 of this title meets the requirements of this subchapter if each of the following requirements is met:

(1) The loan—

(A) is for—

(i) construction of, rehabilitation of, or acquisition of land for a multifamily transitional housing project described in subsection (b), or more than one of such purposes; or

(ii) refinancing of an existing loan for such a project; and

(B) may also include additional reasonable amounts for—

(i) financing acquisition of furniture, equipment, supplies, or materials for the project; or

(ii) in the case of a loan made for purposes of subparagraph (A)(i), supplying the organization carrying out the project with working capital relative to the project.

(2) The loan is made in connection with funding or the provision of substantial property or services for such project by either a State or local government or a nongovernmental entity, or both.

(3) The maximum loan amount does not exceed the lesser of—

(A) that amount generally approved (utilizing prudent underwriting principles) in the consideration and approval of projects of similar nature and risk so as to assure repayment of the loan obligation; and

(B) 90 percent of the total cost of the project.

(4) The loan is of sound value, taking into account the creditworthiness of the entity (and the individual members of the entity) applying for such loan.

(5) The loan is secured.

(6) The loan is subject to such terms and conditions as the Secretary determines are reasonable, taking into account other housing projects with similarities in size, location, population, and services provided.

(b) For purposes of this subchapter, a multifamily transitional housing project referred to in subsection (a)(1) is a project that—

(1) provides transitional housing to homeless veterans, which housing may be single room occupancy (as defined in section 8(n) of the United States Housing Act of 1937 (42 U.S.C. 1437f (n)));

(2) provides supportive services and counselling services (including job counselling) at the project site with the goal of making such veterans self-sufficient;

(3) requires that each such veteran seek to obtain and maintain employment;

(4) charges a reasonable fee for occupying a unit in such housing; and

(5) maintains strict guidelines regarding sobriety as a condition of occupying such unit.

(c) Such a project—

(1) may include space for neighborhood retail services, other commercial activities, or job training programs; and

(2) may provide transitional housing to veterans who are not homeless and to homeless individuals who are not veterans if—

(A) at the time of taking occupancy by any such veteran or homeless individual, the transitional housing needs of homeless veterans in the project area have been met;

(B) the housing needs of any such veteran or homeless individual can be met in a manner that is compatible with the manner in which the needs of homeless veterans are met under paragraph (1); and

(C) the provisions of paragraphs (4) and (5) of subsection (b) are met.

(d) In determining whether to guarantee a loan under this subchapter, the Secretary shall consider—

(1) the availability of Department of Veterans Affairs medical services to residents of the multifamily transitional housing project; and

(2) the extent to which needs of homeless veterans are met in a community, as assessed under section 107 of Public Law 102–405.

(Added Pub. L. 105–368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3343, § 3773; renumbered § 2052 and amended Pub. L. 107–95, § 5(d)(1), (2)(C), Dec. 21, 2001, 115 Stat. 918; Pub. L. 108–454, title IV, § 402(b), Dec. 10, 2004, 118 Stat. 3616.)

REFERENCES IN TEXT

Section 107 of Public Law 102–405, referred to in subsec. (d)(2), is set out as a note under section 527 of this title.

AMENDMENTS

2004—Subsec. (c)(1). Pub. L. 108–454 substituted ''services, other commercial activities,'' for ''services''.

2001—Pub. L. 107–95, § 5(d)(1), renumbered section 3773 of this title as this section.

Subsec. (a). Pub. L. 107–95, § 5(d)(2)(C), substituted ''section 2051 of this title'' for ''section 3772 of this title'' in introductory provisions.

§ 2053. Default

(a) The Secretary shall take such steps as may be necessary to obtain repayment on any loan that is in default and that is guaranteed under this subchapter.

(b) Upon default of a loan guaranteed under this subchapter and terminated pursuant to State law, a lender may file a claim under the guarantee for an amount not to exceed the lesser of—

(1) the maximum guarantee; or

(2) the difference between—

(A) the total outstanding obligation on the loan, including principal, interest, and expenses authorized by the loan documents, through the date of the public sale (as authorized under such documents and State law); and

(B) the amount realized at such sale.

(Added Pub. L. 105–368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3344, § 3774; renumbered § 2053, Pub. L. 107–95, § 5(d)(1), Dec. 21, 2001, 115 Stat. 918.)

AMENDMENTS

2001—Pub. L. 107–95 renumbered section 3774 of this title as this section.

§ 2054. Audit

(a) During each of the first 3 years of operation of a multifamily transitional housing project with respect to which a loan is guaranteed under this subchapter, there shall be an annual, independent audit of such operation. Such audit shall include a detailed statement of the operations, activities, and accomplishments of such project during the year covered by such audit. The party responsible for obtaining such audit (and paying the costs therefor) shall be determined before the Secretary issues a guarantee under this subchapter.

(b) After the first three years of operation of such a multifamily transitional housing project, the Secretary may provide for periodic audits of the project.

(Added Pub. L. 105–368, title VI, § 601(a), Nov. 11, 1998, 112 Stat. 3345, § 3775; amended Pub. L. 106–117, title VII, § 712, Nov. 30, 1999, 113 Stat. 1584; renumbered § 2054, Pub. L. 107–95, § 5(d)(1), Dec. 21, 2001, 115 Stat. 918.)

AMENDMENTS

2001—Pub. L. 107–95 renumbered section 3775 of this title as this section.

1999—Pub. L. 106–117 designated existing provisions as subsec. (a) and added subsec. (b).

SUBCHAPTER VII—OTHER PROVISIONS

§ 2061. Grant program for homeless veterans with special needs

(a) ESTABLISHMENT.—The Secretary shall carry out a program to make grants to health care facilities of the Department and to grant and per diem providers in order to encourage development by those facilities and providers of programs for homeless veterans with special needs.

(b) HOMELESS VETERANS WITH SPECIAL NEEDS.—For purposes of this section, homeless veterans with special needs include homeless veterans who are—

(1) women, including women who have care of minor dependents;

(2) frail elderly;

(3) terminally ill; or

(4) chronically mentally ill.

(c) FUNDING.—(1) From amounts appropriated to the Department for ''Medical Services'' for each of fiscal years 2007 through 2012, $5,000,000 shall be available for each such fiscal year for the purposes of the program under this section.

(2) The Secretary shall ensure that funds for grants under this section are designated for the first three years of operation of the program under this section as a special purpose program for which funds are not allocated through the Veterans Equitable Resource Allocation system.

(Added Pub. L. 107–95, § 5(a)(1), Dec. 21, 2001, 115 Stat. 913; amended Pub. L. 109–461, title VII, § 706, Dec. 22, 2006, 120 Stat. 3440; Pub. L. 112–37, § 13, Oct. 5, 2011, 125 Stat. 397.)

AMENDMENTS

2011—Subsec. (c)(1). Pub. L. 112–37 substituted ''2012'' for ''2011''.

2006—Subsec. (c)(1). Pub. L. 109–461 substituted ''Medical Services'' for ''Medical Care'' and ''fiscal years 2007 through 2011'' for ''fiscal years 2003, 2004, and 2005''.

STUDY OF OUTCOME EFFECTIVENESS OF GRANT PROGRAM FOR HOMELESS VETERANS WITH SPECIAL NEEDS

Pub. L. 107–95, § 7, Dec. 21, 2001, 115 Stat. 919, required the Secretary of Veterans Affairs to conduct a study of