

**Calendar No. 689**111<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**S. 1481**

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

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**IN THE SENATE OF THE UNITED STATES**

JULY 21, 2009

Mr. MENENDEZ (for himself, Mr. JOHANNES, Mr. LIEBERMAN, Mr. MERKLEY, Mr. BROWN of Ohio, Mr. SCHUMER, Mr. BINGAMAN, Mr. SANDERS, and Mr. TESTER) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

DECEMBER 14, 2010

Reported by Mr. DODD, with amendments

[Omit the part struck through and insert the part printed in italics]

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**A BILL**

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; REFERENCES.**

2 (a) **SHORT TITLE.**—This Act may be cited as the  
3 “Frank Melville Supportive Housing Investment Act of  
4 ~~2009~~2010”.

5 (b) **REFERENCES.**—Except as otherwise expressly  
6 provided, wherever in this Act an amendment or repeal  
7 is expressed in terms of an amendment to, or repeal of,  
8 section 811 or any other provision of section 811, the ref-  
9 erence shall be considered to be made to section 811 of  
10 the Cranston-Gonzalez National Affordable Housing Act  
11 (42 U.S.C. 8013).

12 **SEC. 2. TENANT-BASED RENTAL ASSISTANCE THROUGH**  
13 **CERTIFICATE FUND.**

14 (a) **TERMINATION OF MAINSTREAM TENANT-BASED**  
15 **RENTAL ASSISTANCE PROGRAM.**—Section ~~811~~ is amend-  
16 ed—

17 (1) in subsection (b)—

18 (A) by striking the subsection designation  
19 and all that follows through the end of subpara-  
20 graph (B) of paragraph (2) and inserting the  
21 following:

22 “(b) **AUTHORITY TO PROVIDE ASSISTANCE.**—The  
23 Secretary is authorized to provide assistance to private  
24 nonprofit organizations to expand the supply of supportive  
25 housing for persons with disabilities, which shall be pro-  
26 vided as—

1           “~~(1)~~ capital advances in accordance with sub-  
2           section ~~(d)(1)~~, and

3           “~~(2)~~ contracts for project rental assistance in  
4           accordance with subsection ~~(d)(2)~~.”; and

5           (B) by striking “assistance under this  
6           paragraph” and inserting “Assistance under  
7           this subsection”;

8           ~~(2)~~ in subsection ~~(d)~~, by striking paragraph ~~(4)~~;  
9           and

10          ~~(3)~~ in subsection ~~(f)~~, by striking paragraph ~~(1)~~.

11          (b) RENEWAL THROUGH SECTION 8.—Section 811  
12 is amended by adding at the end the following new sub-  
13 section:

14          “(p) AUTHORIZATION OF APPROPRIATIONS FOR SEC-  
15 TION 8 ASSISTANCE.—

16           “(1) IN GENERAL.—There is authorized to be  
17           appropriated for tenant-based rental assistance  
18           under section 8(o) of the United States Housing Act  
19           of 1937 (42 U.S.C. 1437f(o)) for persons with dis-  
20           abilities in fiscal year 2009 the amount necessary to  
21           provide a number of incremental vouchers under  
22           such section that is equal to the number of vouchers  
23           provided in fiscal year 2008 under the tenant-based  
24           rental assistance program under subsection ~~(d)(4)~~ of  
25           this section (as in effect before the date of the enact-

1 ment of the Frank Melville Supportive Housing In-  
 2 vestment Act of 2009).

3 “(2) REQUIREMENTS UPON TURNOVER.—The  
 4 Secretary shall develop and issue, to public housing  
 5 agencies that receive voucher assistance made avail-  
 6 able under this subsection and to public housing  
 7 agencies that received voucher assistance under sec-  
 8 tion 8(o) of the United States Housing Act of 1937  
 9 (42 U.S.C. 1437f(o)) for non-elderly disabled fami-  
 10 lies pursuant to appropriation Acts for fiscal years  
 11 1997 through 2002 or any other subsequent appro-  
 12 priations for incremental vouchers for non-elderly  
 13 disabled families, guidance to ensure that, to the  
 14 maximum extent possible, such vouchers continue to  
 15 be provided upon turnover to qualified persons with  
 16 disabilities or to qualified non-elderly disabled fami-  
 17 lies, respectively.”.

18 **SEC. 2. TENANT-BASED RENTAL ASSISTANCE.**

19 (a) *RENEWAL THROUGH SECTION 8.*—Section  
 20 811(d)(4) is amended to read as follows:

21 “(4) *TENANT-BASED RENTAL ASSISTANCE.*—

22 “(A) *IN GENERAL.*—Tenant-based rental as-  
 23 sistance provided under subsection (b)(1) shall be  
 24 provided under section 8(o) of the United States  
 25 Housing Act of 1937 (42 U.S.C. 1437f(o)).

1           “(B) *CONVERSION OF EXISTING ASSIST-*  
2           *ANCE.—There is authorized to be appropriated*  
3           *for tenant-based rental assistance under section*  
4           *8(o) of the United States Housing Act of 1937*  
5           *(42 U.S.C. 1437f(o)) for persons with disabilities*  
6           *an amount not less than the amount necessary to*  
7           *convert the number of authorized vouchers and*  
8           *funding under an annual contributions contract*  
9           *in effect on the date of enactment of the Frank*  
10           *Melville Supportive Housing Investment Act of*  
11           *2010. Such converted vouchers may be adminis-*  
12           *tered by the entity administering the vouchers*  
13           *prior to conversion. For purposes of admin-*  
14           *istering such converted vouchers, such entities*  
15           *shall be considered a ‘public housing agency’ au-*  
16           *thorized to engage in the operation of tenant-*  
17           *based assistance under section 8 of the United*  
18           *States Housing Act of 1937 .*

19           “(C) *REQUIREMENTS UPON TURNOVER.—*  
20           *The Secretary shall develop and issue, to public*  
21           *housing agencies that receive voucher assistance*  
22           *made available under this subsection and to pub-*  
23           *lic housing agencies that received voucher assist-*  
24           *ance under section 8(o) of the United States*  
25           *Housing Act of 1937 (42 U.S.C. 1437f(o)) for*

1           *non-elderly disabled families pursuant to appro-*  
2           *priation Acts for fiscal years 1997 through 2002*  
3           *or any other subsequent appropriations for in-*  
4           *cremental vouchers for non-elderly disabled fami-*  
5           *lies, guidance to ensure that, to the maximum*  
6           *extent possible, such vouchers continue to be pro-*  
7           *vided upon turnover to qualified persons with*  
8           *disabilities or to qualified non-elderly disabled*  
9           *families, respectively.”.*

10           **(b) PROVISION OF TECHNICAL ASSISTANCE.**—*The Sec-*  
11           *retary is authorized to the extent amounts are made avail-*  
12           *able in future appropriations Acts, to provide technical as-*  
13           *sistance to public housing agencies and other administering*  
14           *entities to facilitate using vouchers to provide permanent*  
15           *supportive housing for persons with disabilities, help States*  
16           *reduce reliance on segregated restrictive settings for people*  
17           *with disabilities to meet community care requirements, end*  
18           *chronic homelessness, as “chronically homeless” is defined*  
19           *in section 401 of the McKinney-Vento Homeless Assistance*  
20           *Act (42 U.S.C. 11361), and for other related purposes.*

21           **SEC. 3. MODERNIZED CAPITAL ADVANCE PROGRAM.**

22           **(a) PROJECT RENTAL ASSISTANCE CONTRACTS.**—

23           Section 811 is amended—

24                   (1) in subsection (d)(2)—

1 (A) by inserting “(A) INITIAL PROJECT  
2 RENTAL ASSISTANCE CONTRACT.—” after  
3 “PROJECT RENTAL ASSISTANCE.—”;

4 (B) in the first sentence, by inserting after  
5 “shall” the following: “comply with subsection  
6 (e)(2) and shall”;

7 (C) by striking “annual contract amount”  
8 each place such term appears and inserting  
9 “amount provided under the contract for each  
10 year covered by the contract”; and

11 (D) by adding at the end the following new  
12 subparagraph:

13 “(B) RENEWAL OF AND INCREASES IN CON-  
14 TRACT AMOUNTS.—

15 “(i) EXPIRATION OF CONTRACT TERM.—

16 Upon the expiration of each contract term, sub-  
17 ject to the availability of amounts made avail-  
18 able in appropriation Acts, the Secretary shall  
19 adjust the annual contract amount to provide  
20 for reasonable project costs, ~~and any increases,~~  
21 including adequate reserves and service coordi-  
22 nators *as appropriate*, except that any contract  
23 amounts not used by a project during a con-  
24 tract term shall not be available for such ad-  
25 justments upon renewal.

1           “(ii) EMERGENCY SITUATIONS.—In the  
 2 event of emergency situations that are outside  
 3 the control of the owner, the Secretary shall in-  
 4 crease the annual contract amount, subject to  
 5 reasonable review and limitations as the Sec-  
 6 retary shall provide.”.

7           (2) in subsection (e)(2)—

8           (A) in the first sentence, by inserting be-  
 9 fore the period at the end the following: “, ex-  
 10 cept that, in the case of the sponsor of a project  
 11 assisted with any low-income housing tax credit  
 12 pursuant to section 42 of the Internal Revenue  
 13 Code of 1986 or with any tax-exempt housing  
 14 bonds, the contract shall have an initial term of  
 15 not less than 360 months and shall provide  
 16 funding for a term of 60 months”; and

17           (B) by striking “extend any expiring con-  
 18 tract” and insert “upon expiration of a contract  
 19 (or any renewed contract), renew such con-  
 20 tract”.

21           (b) PROGRAM REQUIREMENTS.—Section 811 is  
 22 amended—

23           (1) in subsection (e)—

1 (A) by striking the subsection heading and  
2 inserting the following: “PROGRAM REQUIRE-  
3 MENTS”;

4 (B) by striking paragraph (1) and insert-  
5 ing the following new paragraph:

6 “(1) USE RESTRICTIONS.—

7 “(A) TERM.—Any project for which a cap-  
8 ital advance is provided under subsection (d)(1)  
9 shall be operated for not less than 40 years as  
10 supportive housing for persons with disabilities,  
11 in accordance with the application for the  
12 project approved by the Secretary and shall,  
13 during such period, be made available for occu-  
14 pancy only by very low-income persons with dis-  
15 abilities.

16 “(B) CONVERSION.—If the owner of a  
17 project requests the use of the project for the  
18 direct benefit of very low-income persons with  
19 disabilities and, pursuant to such request the  
20 Secretary determines that a project is no longer  
21 needed for use as supportive housing for per-  
22 sons with disabilities, the Secretary may ap-  
23 prove the request and authorize the owner to  
24 convert the project to such use.”; and

1 (C) by adding at the end the following new  
2 paragraphs:

3 “(3) LIMITATION ON USE OF FUNDS.—No as-  
4 sistance received under this section (or any State or  
5 local government funds used to supplement such as-  
6 sistance) may be used to replace other State or local  
7 funds previously used, or designated for use, to as-  
8 sist persons with disabilities.

9 “(4) MULTIFAMILY PROJECTS.—

10 “(A) LIMITATION.—Except as provided in  
11 subparagraph (B), of the total number of dwell-  
12 ing units in any multifamily housing project  
13 (including any condominium or cooperative  
14 housing project) containing any unit for which  
15 assistance is provided from a capital grant  
16 under subsection (d)(1) made after the date of  
17 the enactment of the Frank Melville Supportive  
18 Housing Investment Act of ~~2009~~2010, the ag-  
19 gregate number that are used for persons with  
20 disabilities, including supportive housing for  
21 persons with disabilities, or to which any occu-  
22 pancy preference for persons with disabilities  
23 applies, may not exceed 25 percent of such  
24 total.

1           “(B) EXCEPTION.—Subparagraph (A)  
2           shall not apply in the case of any project that  
3           is a group home or independent living facility.”;  
4           and  
5           (2) in subsection (l), by striking paragraph (4).

6           (c) DELEGATED PROCESSING.—Subsection (g) of  
7 section 811 (42 U.S.C. 8013(g)) is amended—

8           (1) by striking “SELECTION CRITERIA.—” and  
9           inserting “SELECTION CRITERIA AND PROC-  
10          ESSING.—(1) SELECTION CRITERIA.—”;

11          (2) by redesignating paragraphs (1), (2), (3),  
12          (4), (5), (6), and (7) as subparagraphs (A), (B),  
13          (C), (D), (E), (G), and (H), respectively; and

14          (3) by adding at the end the following new  
15          paragraph:

16          “(2) DELEGATED PROCESSING.—

17                 “(A) In issuing a capital advance under sub-  
18                 section (d)(1) for any multifamily project (but not  
19                 including any project that is a group home or inde-  
20                 pendent living facility) for which financing for the  
21                 purposes described in the last sentence of subsection  
22                 (b) is provided by a combination of the capital ad-  
23                 vance and sources other than this section, within 30  
24                 days of award of the capital advance, the Secretary

1 shall delegate review and processing of such projects  
2 to a State or local housing agency that—

3 “(i) is in geographic proximity to the prop-  
4 erty;

5 “(ii) has demonstrated experience in and  
6 capacity for underwriting multifamily housing  
7 loans that provide housing and supportive serv-  
8 ices;

9 “(iii) may or may not be providing low-in-  
10 come housing tax credits in combination with  
11 the capital advance under this section; and

12 “(iv) agrees to issue a firm commitment  
13 within 12 months of delegation.

14 “(B) The Secretary shall retain the authority to  
15 process capital advances in cases in which no State  
16 or local housing agency ~~has applied to~~ *is sufficiently*  
17 *qualified to* provide delegated processing pursuant to  
18 this paragraph or no such agency has entered into  
19 an agreement with the Secretary to serve as a dele-  
20 gated processing agency.

21 “(C) *The Secretary shall—*

22 “(i) *develop criteria and a timeline to peri-*  
23 *odically assess the performance of State and local*  
24 *housing agencies in carrying out the duties dele-*

1           gated to such agencies pursuant to subparagraph  
2           (A); and

3           “(i) retain the authority to review and  
4           process projects financed by a capital advance in  
5           the event that, after a review and assessment, a  
6           State or local housing agency is determined to  
7           have failed to satisfy the criteria established pur-  
8           suant to clause (i).

9           “(D) An agency to which review and proc-  
10          essing is delegated pursuant to subparagraph (A)  
11          may assess a reasonable fee which shall be included  
12          in the capital advance amounts and may recommend  
13          project rental assistance amounts in excess of those  
14          initially awarded by the Secretary. The Secretary  
15          shall develop a schedule for reasonable fees under  
16          this subparagraph to be paid to delegated processing  
17          agencies, which shall take into consideration any  
18          other fees to be paid to the agency for other funding  
19          provided to the project by the agency, including  
20          bonds, tax credits, and other gap funding.

21          “(E) Under such delegated system, the Sec-  
22          retary shall retain the authority to approve rents  
23          and development costs and to execute a capital ad-  
24          vance within 60 days of receipt of the commitment  
25          from the State or local agency. The Secretary shall

1 provide to such agency and the project sponsor, in  
 2 writing, the reasons for any reduction in capital ad-  
 3 vance amounts or project rental assistance and such  
 4 reductions shall be subject to appeal.”.

5 (d) LEVERAGING OTHER RESOURCES.—Paragraph  
 6 (1) of section 811(g) (as so designated by subsection  
 7 (c)(1) of this section) is amended by inserting after sub-  
 8 paragraph (E) (as so redesignated by subsection (c)(2) of  
 9 this section) the following new subparagraph:

10 “(F) the extent to which the per-unit cost  
 11 of units to be assisted under this section will be  
 12 supplemented with resources from other public  
 13 and private sources;”.

14 (e) TENANT PROTECTIONS AND ELIGIBILITY FOR  
 15 OCCUPANCY.—Section 811 is amended by striking sub-  
 16 section (i) and inserting the following new subsection:

17 “(i) ADMISSION AND OCCUPANCY.—

18 “(1) TENANT SELECTION.—

19 “(A) PROCEDURES.—An owner shall adopt  
 20 written tenant selection procedures that are sat-  
 21 isfactory to the Secretary as (i) consistent with  
 22 the purpose of improving housing opportunities  
 23 for very low-income persons with disabilities;  
 24 and (ii) reasonably related to program eligibility  
 25 and an applicant’s ability to perform the obliga-

1           tions of the lease. Owners shall promptly notify  
2           in writing any rejected applicant of the grounds  
3           for any rejection.

4           “(B) REQUIREMENT FOR OCCUPANCY.—  
5           Occupancy in dwelling units provided assistance  
6           under this section shall be available only to per-  
7           sons with disabilities and households that in-  
8           clude at least one person with a disability.

9           “(C) AVAILABILITY.—Except only as pro-  
10          vided in subparagraph (D), occupancy in dwell-  
11          ing units in housing provided with assistance  
12          under this section shall be available to all per-  
13          sons with disabilities eligible for such occupancy  
14          without regard to the particular disability in-  
15          volved.

16          “(D) LIMITATION ON OCCUPANCY.—Not-  
17          withstanding any other provision of law, the  
18          owner of housing developed under this section  
19          may, with the approval of the Secretary, limit  
20          occupancy within the housing to persons with  
21          disabilities who can benefit from the supportive  
22          services offered in connection with the housing.

23          “(2) TENANT PROTECTIONS.—

24                 “(A) LEASE.—The lease between a tenant  
25                 and an owner of housing assisted under this

1 section shall be for not less than one year, and  
 2 shall contain such terms and conditions as the  
 3 Secretary shall determine to be appropriate.

4 “(B) TERMINATION OF TENANCY.—An  
 5 owner may not terminate the tenancy or refuse  
 6 to renew the lease of a tenant of a rental dwell-  
 7 ing unit assisted under this section except—

8 “(i) for serious or repeated violation  
 9 of the terms and conditions of the lease,  
 10 for violation of applicable Federal, State,  
 11 or local law, or for other good cause; and

12 “(ii) by providing the tenant, not less  
 13 than 30 days before such termination or  
 14 refusal to renew, with written notice speci-  
 15 fying the grounds for such action.

16 “(C) VOLUNTARY PARTICIPATION IN SERV-  
 17 ICES.—A supportive service plan for housing  
 18 assisted under this section shall permit each  
 19 resident to take responsibility for choosing and  
 20 acquiring their own services, to receive any sup-  
 21 portive services made available directly or indi-  
 22 rectly by the owner of such housing, or to not  
 23 receive any supportive services.”.

24 (f) DEVELOPMENT COST LIMITATIONS.—Subsection  
 25 (h) of section 811 is amended—

1 (1) in paragraph (1)—

2 (A) by striking the paragraph heading and  
3 inserting “GROUP HOMES”;

4 (B) in the first sentence, by striking “var-  
5 ious types and sizes” and inserting “group  
6 homes”;

7 (C) by striking subparagraph (E); and

8 (D) by redesignating subparagraphs (F)  
9 and (G) as subparagraphs (E) and (F), respec-  
10 tively;

11 (2) in paragraph (3), by inserting “established  
12 pursuant to paragraph (1)” after “cost limitation”;  
13 and

14 (3) by adding at the end the following new  
15 paragraph:

16 “(6) APPLICABILITY OF HOME PROGRAM COST  
17 LIMITATIONS.—

18 “(A) IN GENERAL.—The provisions of sec-  
19 tion 212(e) of the Cranston-Gonzalez National  
20 Affordable Housing Act (42 U.S.C. 12742(e))  
21 and the cost limits established by the Secretary  
22 pursuant to such section with respect to the  
23 amount of funds under subtitle A of title II of  
24 such Act that may be invested on a per unit  
25 basis, shall apply to supportive housing assisted

1 with a capital advance under subsection (d)(1)  
2 and the amount of funds under such subsection  
3 that may be invested on a per unit basis.

4 “(B) WAIVERS.—The Secretary ~~shall~~*may*  
5 provide for waiver of the cost limits applicable  
6 pursuant to subparagraph (A)—

7 “(i) in the cases in which the cost lim-  
8 its established pursuant to section 212(e)  
9 of the Cranston-Gonzalez National Afford-  
10 able Housing Act may be waived; and

11 “(ii) to provide for—

12 “(I) the cost of special design  
13 features to make the housing acces-  
14 sible to persons with disabilities;

15 “(II) the cost of special design  
16 features necessary to make individual  
17 dwelling units meet the special needs  
18 of persons with disabilities; and

19 “(III) the cost of providing the  
20 housing in a location that is accessible  
21 to public transportation and commu-  
22 nity organizations that provide sup-  
23 portive services to persons with dis-  
24 abilities.”.

1       (g) REPEAL OF AUTHORITY TO WAIVE SIZE LIMITA-  
2 TIONS.—Paragraph (1) of section 811(k) is amended—

3           (1) in paragraph (1), by striking the second  
4 sentence; and

5           (2) in paragraph (4), by striking “(or such  
6 higher number of persons” and all that follows  
7 through “subsection (h)(6))”.

8       (g) CONGRESSIONAL NOTIFICATION OF WAIVER.—Sec-  
9 tion 811(k)(1) is amended by adding the following after the  
10 second sentence: “Not later than the date of the exercise of  
11 any waiver permitted under the previous sentence, the Sec-  
12 retary shall notify the Committee on Banking, Housing,  
13 and Urban Affairs of the Senate and the Committee on Fi-  
14 nancial Services of the House of Representatives of the  
15 waiver or the intention to exercise the waiver, together with  
16 a detailed explanation of the reason for the waiver.”.

17       (h) MINIMUM ALLOCATION FOR MULTIFAMILY  
18 PROJECTS.—Subsection (1) of section 811, as amended by  
19 the preceding provisions of this Act, is further amended  
20 by inserting before paragraph (2) the following new para-  
21 graph: Paragraph (1) of section 811(l) is amended to read  
22 as follows:

23           “(1) MINIMUM ALLOCATION FOR MULTIFAMILY  
24 PROJECTS.—The Secretary shall establish a min-  
25 imum percentage of the amount made available for

1 each fiscal year for capital advances under sub-  
2 section (d)(1) that shall be used for multifamily  
3 projects subject to subsection (e)(4).”.

4 **SEC. 4. PROJECT RENTAL ASSISTANCE COMPETITIVE DEM-**  
5 **ONSTRATION PROGRAM.**

6 Section 811, as amended by the preceding provisions  
7 of this Act, is further amended—

8 (1) by redesignating subsections (k) through  
9 (n) as subsections (l) through (o), respectively; and

10 (2) by inserting after subsection (j) the fol-  
11 lowing new subsection:

12 “(k) PROJECT RENTAL ASSISTANCE-ONLY COMPETI-  
13 TIVE DEMONSTRATION PROGRAM.—

14 “(1) AUTHORITY.—The Secretary shall carry  
15 out a demonstration program under this subsection  
16 to expand the supply of supportive housing for non-  
17 elderly adults with disabilities, under which the Sec-  
18 retary shall make funds available for project rental  
19 assistance pursuant to paragraph (2) for eligible  
20 projects under paragraph (3). The Secretary shall  
21 provide for State housing finance agencies and other  
22 appropriate entities to apply to the Secretary for  
23 such project rental assistance funds, which shall be  
24 made available by such agencies and entities for  
25 dwelling units in eligible projects based upon criteria

1 established by the Secretary for the demonstration  
2 program under this subsection. The Secretary may  
3 not require any State housing finance agency or  
4 other entity applying for project rental assistance  
5 funds under the demonstration program to identify  
6 in such application the eligible projects for which  
7 such funds will be used, and shall allow such agen-  
8 cies and applicants to subsequently identify such eli-  
9 gible projects pursuant to the making of commit-  
10 ments described in paragraph (3)(B).

11 “(2) PROJECT RENTAL ASSISTANCE.—

12 “(A) CONTRACT TERMS.—Project rental  
13 assistance under the demonstration program  
14 under this subsection shall be provided—

15 “(i) in accordance with subsection  
16 (d)(2);

17 “(ii) under a contract having an ini-  
18 tial term of not less than 180 months that  
19 provides funding for a term 60 months,  
20 which funding shall be renewed upon expi-  
21 ration, subject to the availability of suffi-  
22 cient amounts in appropriation Acts.

23 “(B) LIMITATION ON UNITS ASSISTED.—

24 Of the total number of dwelling units in any  
25 multifamily housing project containing any unit

1 for which project rental assistance under the  
2 demonstration program under this subsection is  
3 provided, the aggregate number that are pro-  
4 vided such project rental assistance, that are  
5 used for supportive housing for persons with  
6 disabilities, or to which any occupancy pref-  
7 erence for persons with disabilities applies, may  
8 not exceed 25 percent of such total.

9 “(C) PROHIBITION OF CAPITAL AD-  
10 VANCES.—The Secretary may not provide a  
11 capital advance under subsection (d)(1) for any  
12 project for which assistance is provided under  
13 the demonstration program.

14 “(D) ELIGIBLE POPULATION.—Project  
15 rental assistance under the demonstration pro-  
16 gram under this subsection may be provided  
17 only for dwelling units for extremely low-income  
18 persons with disabilities and extremely low-in-  
19 come households that include at least one per-  
20 son with a disability.

21 “(3) ELIGIBLE PROJECTS.—An eligible project  
22 under this paragraph is a new or existing multi-  
23 family housing project for which—

1           “(A) the development costs are paid with  
2 resources from other public or private sources;  
3 and

4           “(B) a commitment has been made—

5                 “(i) by the applicable State agency re-  
6 sponsible for allocation of low-income hous-  
7 ing tax credits under section 42 of the In-  
8 ternal Revenue Code of 1986, for an allo-  
9 cation of such credits;

10                “(ii) by the applicable participating  
11 jurisdiction that receives assistance under  
12 the HOME Investment Partnership Act,  
13 for assistance from such jurisdiction; or

14                “(iii) by any Federal agency or any  
15 State or local government, for funding for  
16 the project from funds from any other  
17 sources.

18           “(4) STATE AGENCY INVOLVEMENT.—Assist-  
19 ance under the demonstration may be provided only  
20 for projects for which the applicable State agency re-  
21 sponsible for health and human services programs,  
22 and the applicable State agency designated to ad-  
23 minister or supervise the administration of the State  
24 plan for medical assistance under title XIX of the

1 Social Security Act, have entered into such agree-  
2 ments as the Secretary considers appropriate—

3 “(A) to identify the target populations to  
4 be served by the project;

5 “(B) to set forth methods for outreach and  
6 referral; and

7 “(C) to make available appropriate services  
8 for tenants of the project.

9 “(5) USE REQUIREMENTS.—In the case of any  
10 project for which project rental assistance is pro-  
11 vided under the demonstration program under this  
12 subsection, the dwelling units assisted pursuant to  
13 paragraph (2) shall be operated for not less than 30  
14 years as supportive housing for persons with disabil-  
15 ities, in accordance with the application for the  
16 project approved by the Secretary, and such dwelling  
17 units shall, during such period, be made available for  
18 occupancy only by persons and households described  
19 in paragraph (2)(D).

20 “(6) *DURATION OF DEMONSTRATION.*—*The Sec-*  
21 *retary may provide new project rental assistance con-*  
22 *tracts pursuant to the demonstration program estab-*  
23 *lished under this subsection for a period of not more*  
24 *than 5 years.*

1           “(67) REPORT.—Upon the expiration of the 5-  
 2           year period beginning on the date of the enactment  
 3           of the Frank Melville Supportive Housing Invest-  
 4           ment Act of 2009 set forth in paragraph (6), the Sec-  
 5           retary shall submit to the Congress a report describ-  
 6           ing the demonstration program under this sub-  
 7           section, analyzing the effectiveness of the program,  
 8           including the effectiveness of the program compared  
 9           to the program for capital advances in accordance  
 10          with subsection (d)(1) (as in effect pursuant to the  
 11          amendments made by such Act), and making rec-  
 12          ommendations regarding future models for assist-  
 13          ance under this section based upon the experiences  
 14          under the program.”.

15 **SEC. 5. TECHNICAL CORRECTIONS.**

16          Section 811 is amended—

17                 (1) in subsection (a)—

18                         (A) in paragraph (1), by striking “and” at  
 19                         the end;

20                         (B) in paragraph (2)—

21                                 (i) by striking “provides” and insert-  
 22                                 ing “makes available”; and

23                                 (ii) by striking the period at the end  
 24                                 and inserting “; and”; and

1 (C) by adding at the end the following new  
2 paragraph:

3 “(3) promotes and facilitates community inte-  
4 gration for people with significant and long-term dis-  
5 abilities.”;

6 (2) in subsection (c)—

7 (A) in paragraph (1), by striking “special”  
8 and inserting “housing and community-based  
9 services”; and

10 (B) in paragraph (2)—

11 (i) by striking subparagraph (A) and  
12 inserting the following:

13 “(A) make available voluntary supportive  
14 services that address the individual needs of  
15 persons with disabilities occupying such hous-  
16 ing;”; and

17 (ii) in subparagraph (B), by striking  
18 the comma and inserting a semicolon;

19 (3) in subsection (d)(1), by striking “provided  
20 under” and all that follows through “shall bear” and  
21 inserting “provided pursuant to subsection (b)(1)  
22 shall bear”;

23 (4) in subsection (f)—

24 (A) in paragraph (3)—

1 (i) in subparagraph (B), by striking  
2 “receive” and inserting “be offered”;

3 (ii) by striking subparagraph (C) and  
4 inserting the following:

5 “(C) evidence of the applicant’s experience  
6 in—

7 “(i) providing such supportive serv-  
8 ices; or

9 “(ii) creating and managing struc-  
10 tured partnerships with service providers  
11 for the delivery of appropriate community-  
12 based services;”;

13 (iii) in subparagraph (D), by striking  
14 “such persons” and all that follows  
15 through “provision of such services” and  
16 inserting “tenants”; and

17 (iv) in subparagraph (E), by inserting  
18 “other Federal, and” before “State”; and

19 (B) in paragraph (4), by striking “special”  
20 and inserting “housing and community-based  
21 services”;

22 (5) in subsection (g), in paragraph (1) (as so  
23 redesignated by section 3(c)(1) of this Act)—

24 (A) in subparagraph (D) (as so redesign-  
25 ated by section 3(c)(2) of this Act), by strik-

1 ing “the necessary supportive services will be  
2 provided” and inserting “appropriate supportive  
3 services will be made available”; and

4 (B) by striking subparagraph (E) (as so  
5 redesignated by section 3(c)(2) of this Act) and  
6 inserting the following:

7 “(E) the extent to which the location and  
8 design of the proposed project will facilitate the  
9 provision of community-based supportive serv-  
10 ices and address other basic needs of persons  
11 with disabilities, including access to appropriate  
12 and accessible transportation, access to commu-  
13 nity services agencies, public facilities, and  
14 shopping;”;

15 (6) in subsection (j)—

16 (A) by striking paragraph (4); and

17 (B) by redesignating paragraphs (5), (6),  
18 and (7) as paragraphs (4), (5), and (6), respec-  
19 tively;

20 (7) in subsection (l) (as so redesignated by sec-  
21 tion 4(1) of this Act)—

22 (A) in paragraph (1), by inserting before  
23 the period at the end of the first sentence the  
24 following: “, which provides a separate bedroom  
25 for each tenant of the residence”;

1 (B) by striking paragraph (2) and insert-  
2 ing the following:

3 “(2)(A) The term ‘person with disabilities’  
4 means a person who is 18 years of age or older and  
5 less than 62 years of age, who—

6 “(i) has a disability as defined in section  
7 223 of the Social Security Act,

8 “(ii) is determined, pursuant to regulations  
9 issued by the Secretary, to have a physical,  
10 mental, or emotional impairment which—

11 “(I) is expected to be of long-contin-  
12 ued and indefinite duration;

13 “(II) substantially impedes his or her  
14 ability to live independently; and

15 “(III) is of such a nature that such  
16 ability could be improved by more suitable  
17 housing conditions; or

18 “(iii) has a developmental disability as de-  
19 fined in section 102 of the Developmental Dis-  
20 abilities Assistance and Bill of Rights Act of  
21 2000.

22 “(B) Such term shall not exclude persons who  
23 have the disease of acquired immunodeficiency syn-  
24 drome or any conditions arising from the etiologic  
25 agent for acquired immunodeficiency syndrome. Not-

1 withstanding any other provision of law, no indi-  
2 vidual shall be considered a person with disabilities,  
3 for purposes of eligibility for low-income housing  
4 under this title, solely on the basis of any drug or  
5 alcohol dependence. The Secretary shall consult with  
6 other appropriate Federal agencies to implement the  
7 preceding sentence.

8 “(C) The Secretary shall prescribe such regula-  
9 tions as may be necessary to prevent abuses in de-  
10 termining, under the definitions contained in this  
11 paragraph, the eligibility of families and persons for  
12 admission to and occupancy of housing assisted  
13 under this section. Notwithstanding the preceding  
14 provisions of this paragraph, the term ‘person with  
15 disabilities’ includes two or more persons with dis-  
16 abilities living together, one or more such persons  
17 living with another person who is determined (under  
18 regulations prescribed by the Secretary) to be impor-  
19 tant to their care or well-being, and the surviving  
20 member or members of any household described in  
21 subparagraph (A) who were living, in a unit assisted  
22 under this section, with the deceased member of the  
23 household at the time of his or her death.”;

24 (C) by striking paragraph (3) and insert-  
25 ing the following new paragraph:

1           “(3) The term ‘supportive housing for persons  
2 with disabilities’ means dwelling units that—

3           “(A) are designed to meet the permanent  
4 housing needs of very low-income persons with  
5 disabilities; and

6           “(B) are located in housing that make  
7 available supportive services that address the  
8 individual health, mental health, or other needs  
9 of such persons.”;

10          (D) in paragraph (5), by striking “a  
11 project for”; and

12          (E) in paragraph (6)—

13           (i) by inserting after and below sub-  
14 paragraph (D) the matter to be inserted by  
15 the amendment made by section 841 of the  
16 American Homeownership and Economic  
17 Opportunity Act of 2000 (Public Law  
18 106–569; 114 Stat. 3022); and

19           (ii) in the matter inserted by the  
20 amendment made by subparagraph (A) of  
21 this paragraph, by striking “wholly owned  
22 and”; and

23          (8) in subsection (m) (as so redesignated by  
24 section 4(1) of this Act)—

1 (A) in paragraph (2), by striking “sub-  
 2 section (c)(1)” and inserting “subsection  
 3 (d)(1)”; and

4 (B) in paragraph (3), by striking “sub-  
 5 section (c)(2)” and inserting “subsection  
 6 (d)(2)”.

7 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

8 Subsection (n) of section 811 (as so redesignated by  
 9 section 4(1) of this Act) is amended to read as follows:

10 “(n) AUTHORIZATION OF APPROPRIATIONS.—There  
 11 is authorized to be appropriated for each of fiscal years  
 12 ~~2009 through 2012~~*2011 through 2015* the following  
 13 amounts:

14 “(1) CAPITAL ADVANCE/PRAC PROGRAM.—For  
 15 providing assistance pursuant to subsection (b), such  
 16 sums as may be necessary.

17 “(2) DEMONSTRATION PROGRAM.—For car-  
 18 rying out the demonstration program under sub-  
 19 section (k), such sums as may be necessary to pro-  
 20 vide 2,500 incremental dwelling units under such  
 21 program in fiscal year ~~2009~~*2011* and 5,000 incre-  
 22 mental dwelling units under such program in each of  
 23 fiscal years ~~2010, 2011, and 2012~~*2012, 2013, 2014,*  
 24 *and 2015.*”.

1 **SEC. 7. NEW REGULATIONS AND PROGRAM GUIDANCE.**

2 Not later than the expiration of the 180-day period  
3 beginning on the date of the enactment of this Act, the  
4 Secretary of Housing and Urban Development shall issue  
5 new regulations and guidance for the program under sec-  
6 tion 811 of the Cranston-Gonzalez National Affordable  
7 Housing Act for supportive housing for persons with dis-  
8 abilities to carry out such program in accordance with the  
9 amendments made by this Act.

10 **SEC. 8. GAO STUDY.**

11 The Comptroller General of the United States shall  
12 conduct a study of the supportive housing for persons with  
13 disabilities program under section 811 of the Cranston-  
14 Gonzalez National Affordable Housing Act (42 U.S.C.  
15 8013) to determine the adequacy and effectiveness of such  
16 program in assisting households of persons with disabil-  
17 ities. Such study shall determine—

18 (1) the total number of households assisted  
19 under such program;

20 (2) the extent to which households assisted  
21 under other programs of the Department of Housing  
22 and Urban Development that provide rental assist-  
23 ance or rental housing would be eligible to receive  
24 assistance under such section 811 program; and

25 (3) the extent to which households described in  
26 paragraph (2) who are eligible for, but not receiving,

1 assistance under such section 811 program are re-  
2 ceiving supportive services from, or assisted by, the  
3 Department of Housing and Urban Development  
4 other than through the section 811 program (includ-  
5 ing under the Resident Opportunity and Self-Suffi-  
6 ciency program) or from other sources.

7 Upon the completion of the study required under this sec-  
8 tion, the Comptroller General shall submit a report to the  
9 Congress setting forth the findings and conclusions of the  
10 study.



Calendar No. 689

11<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**S. 1481**

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**A BILL**

To amend section 811 of the Cranston-Gonzalez National Affordable Housing Act to improve the program under such section for supportive housing for persons with disabilities.

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DECEMBER 14, 2010

Reported with amendments