

**Housing and Community Development Network of New Jersey  
New Jersey Advocacy Network to End Homelessness**

**Help Strengthen Our Communities**

**1. Maintain Rental Assistance Vouchers for very low income workers and people on fixed income:**

**Problem:** The Section 8 rental assistance voucher program is the only vehicle to help very low-income (e.g. under 30% of median income or earning under \$25,000 per year for a family of four) working people and people on fixed incomes afford the high housing costs in New Jersey. A person on SSI receives \$583 per month and a family of three on TANF receives \$424 per month. Over one third of the jobs in NJ pay less than \$25,000 per year. There are an estimated 60,000 people on waiting lists for the Section 8 program in New Jersey.

**Background:** In the 110<sup>th</sup> Congress, the Section 8 Voucher Reform Act, H.R. 1851, passed the House. This bill included a long list of important and positive reforms including the distribution of voucher funds to administering agencies, simplification of rents, voucher portability, replacement vouchers for lost project-based assistance, project-based vouchers, fair market rents, rent burdens, inspections, the moving to work/housing innovation program and the family self-sufficiency program. H.R. 1851 also authorized 20,000 new vouchers per year for a four year period. Similar legislation is likely to be introduced in the 111<sup>th</sup> Congress.

On April 2, forty-three Members of Congress, led by Representatives Jerold Nadler (D-NY) and Nydia Velazquez (D-NY), sent a letter to House appropriators urging full funding for tenant- and project-based Section 8 renewal funding in FY10 and for 200,000 new Section 8 housing choice vouchers. Congress members Rush Holt and Chris Smith from New Jersey signed this letter.

**Action:** Secure passage of The Section 8 Voucher Reform Act in the Senate. Fully fund contract renewals for section 8 project based vouchers, ensuring renewal of all housing choice vouchers and provide 200,000 new vouchers a year for five years.

**2. Strengthen our economy by producing an adequate supply of both workforce and supportive housing:**

**Problem:** New Jersey is one of the most expensive states in the nation to rent a two-bedroom apartment. More than a quarter of a million low and moderate-income New Jersey residents have severe housing needs which is defined as paying over 50% of their income on housing. However, only about 5,000 affordable homes a year are built in the state. HUD's annual worst case housing needs report stated that "worsening shortages of housing affordable and available to extremely-low-income renters...show the underlying gap between demand and supply continues."

**Background:** The National Affordable Housing Trust Fund Act with dedicated sources of funding could over the next ten years produce, preserve and/or rehabilitate 1.5 million affordable homes

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over the next 10 years. At least 75% of the funds will be for housing for households that are extremely low income, earning less than 30% of the area's median income. The current foreclosure crisis has left the Trust Fund without a dedicated source of funding. President Obama has proposed \$1 billion in funding in HUD's FY10 budget proposal for the National Affordable Housing Trust Fund. On April 2nd both the Senate and House concurred with this when they approved their budget resolutions for next year.

**Action:** Establish a dedicated source to fund the National Affordable Housing Trust Fund to produce or preserve 1.5 million homes over the next 10 years.

### **3. Create a real program to end homelessness:**

**Problem:** There is no place in New Jersey where the fair market rent for a one-bedroom apartment is affordable to someone working full-time earning under \$25,000 per year, receiving SSI or TANF. Additionally cuts in funding for CDBG, public housing and Section 8 vouchers mean less capital to develop new supportive housing, less rental assistance to rapidly re-house homeless people, and fewer units of both public and other affordable housing available to prevent households with very low incomes from becoming homeless. This has resulted in a record number of New Jersey residents becoming homeless. Unless these cutbacks are reversed — and these programs are strengthened in coming years — community plans to end homelessness are not likely to succeed in meeting their goals.

**Background:** Bills to reauthorize and amend the McKinney-Vento Homeless Assistance Act have been introduced in both the House and the Senate on April 2nd. H.R 1877 and S. 808, the "Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009," were introduced in the House by Representative Gwen Moore (D-WI) and by Senator Jack Reed (D-RI) in the Senate. The bills are identical, and are very similar to legislation that passed the House overwhelmingly last October.

The Substance Abuse and Mental Health Services Administration (SAMHSA) within the Department of Health and Human Services (HHS) is an important program to address the supportive service needs of the homeless. An increase in resources for services is needed to overcome HUD's preference for funding housing capital needs over services and barriers to mainstream programs, such as Medicaid, welfare, Medicare, and general substance abuse and mental health services funds.

#### **Actions:**

- Secure passage of legislation to reauthorize McKinney-Vento program. The legislation must ensure that certain provisions designed to better serve homeless families and homeless people with disabilities, increase funds for prevention, and focus on permanent housing solutions to homelessness are included in the bill.

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- Secure passage of legislation to reauthorize SAMHSA to pay for supportive services for individuals and families in long term homelessness. Appropriate \$120 million in the Labor/HHS Appropriations Bill for homeless programs for mental health and substance abuse treatment services linked to supportive housing.

#### **4. Fully fund HUD housing programs.**

**Problem:** In past years there has been an underfunding of essential housing programs. Homelessness is expanding across the country. The number of Americans who receive rent subsidies remains stuck at about one fourth of those eligible. The stock of housing affordable to those at the bottom of the income scale due to disability, poor education, or disappearing jobs continues to deteriorate. Jobs in the building trades remain in short supply. The building blocks of community development and affordable housing help ensure the future sustainability of many communities and encourage critically needed private sector investment and business growth. A serious effort to rebuild these important resources is necessary.

**Action:** Support the substantial increase in HUD funding included in the new Administration's budget outline that begins to address severe hardship faced by too many Americans and the communities in which we all live.

Specific actions include:

- HUD budget appropriate \$5.5 billion for the public housing operating fund,
- \$5 billion for the public housing capital fund,
- \$8 billion for project-based Section 8 contract renewals,
- \$16.5 billion for the renewal of existing tenant-based Section 8 housing choice vouchers, and
- \$4.5 billion for the Community Development Block Grant program in FY10.

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