

## Highlights of H.R. 1, the American Recovery and Reinvestment Act of 2009

- **Neighborhood Stabilization Program**

**\$2 billion.** Funds will be distributed by competition and eligible entities are States, units of local government, and nonprofit entities or consortia of nonprofit entities which may submit proposals in partnership with for profit entities. Criteria for grantees must be published within 75 days of enactment; applications will be due to HUD within 150 days of enactment. Restrictions regarding program income have been repealed. 10% of the funds (\$200 million) may be used by the Secretary for grantees for capacity building of and support for local communities receiving NSP funds.

- **Green HUD Assisted Housing**

**\$250 million** to owners of HUD assisted housing for energy and green retrofit investments. \$1 billion of the Public Housing Capital Fund will be available specifically for energy retrofit improvements (see below).

- **HOME**

**\$2.25 billion** for LIHTC gap funding through HOME. The gap funding will be sent to state LIHTC agencies (even if they are not state PJs), according to the HOME formula, and under LIHTC rules regarding rent, tenant income, use restrictions, and other relevant regulations where the LIHTC rules differ from the HOME rules. Not less than 75 percent of funds must be committed within one year, 75 percent of the funds must be expended within two years, and 100 percent of the funds must be expended within 3 years.

- **Community Development Financial Institutions**

**\$100 million** to immediately provide capital to qualified community development financial institutions (CDFIs) to invest in the development of underserved communities.

- **Public Housing Capital Fund**

**\$4 billion** for building repair and modernization. \$3 billion will be distributed by the same formula used in fiscal year 2008; \$1 billion will be distributed by competition for projects that leverage private sector funding or financing for energy retrofit improvements.

- **Section 8 Project-based Rental Assistance**

**\$2 billion** for full-year payments to owners receiving Section 8 project-based rental assistance.

- **Community Development Block Grant**

**\$1 billion** for community and economic development projects including housing and services for those communities hit hard by tough economic times. Funds will be distributed to grantees that received funding in fiscal year 2008.



- **Emergency Shelter Grants**

**\$1.5 billion** for homeless prevention activities, which will likely be sent out to states, cities and local governments through the emergency shelter grant formula. The funding will be used for prevention activities, which include: short or medium-term rental assistance, first and last month's rental payment, or utility payments.

- **Weatherization Assistance Program**

**\$5 billion** to help low-income families reduce their energy costs by weatherizing their homes.

- **Native American Housing Block Grants**

**\$510 million.** \$255 million will be distributed by the same formula used in fiscal year 2008 and shall be used for new construction, acquisition, rehabilitation including energy efficiency and conservation, and infrastructure development; \$255 million will be distributed by competition.

- **Energy Efficiency and Conservation Grants (through Dept of Energy)**

**\$6.3 billion** to help state and local governments make investments that make them more energy efficient and reduce carbon emissions.

- **Rural Housing Programs (USDA Section 502)**

**\$200 million** to support \$11.5 billion in loans that will provide an estimated 105,000 very low to moderate-income rural households the opportunity of homeownership or avoid the risk of foreclosure.

### **Highlights of Tax Programs:**

- **Exchange of LIHTC authority for grants**

Allow state LIHTC agencies to exchange all of their 2008 and earlier unused allocations and 40 percent of their 2009 allocations for cash at 85 cents on the LIHTC dollar. Before developers may access the funding derived from exchanged authority, states must determine that exchanging the authority would increase the total amount of funds available to produce affordable rental housing, and the developers with LIHTC awards must demonstrate good faith efforts in attempting to secure investment for the LIHTC awards.

- **Increase in NMTC volume**

Increase the NMTC volume in 2008 and 2009 by **\$1.5 billion** each for a total of \$5 billion each year. Only organizations that already applied in 2008 (both applicants who did not receive an allocation and those who were not awarded the full amount for which they applied) will be eligible for the extra \$1.5 billion of 2008 authority.