



# Legislative Wrap-Up 2009: The Federal Government Steps Up

**T**he American Recovery and Reinvestment Act (ARRA), also known as the Economic Stimulus Bill, was signed into law on Feb. 17, 2009, by President Obama to boost the nation's employment and the economy. With housing remaining a top issue in the nation's overall economic recovery process, the ARRA provides several substantial affordable housing provisions. From the state and local government perspective, the two most significant programs are the Neighborhood Stabilization Program (NSP), which is funded from the Housing and Economic Recovery Act (HERA), and the Weatherization Assistance Program funded by the ARRA.

Florida is receiving \$541 million in NSP funds through direct allocation to 48 communities hardest hit by foreclosures and through an allocation of \$91 to 25 other communities administered through the Florida Department of Community Affairs. The Florida Housing Coalition is providing free technical assistance to all of the communities receiving NSP monies through the DCA.

In 2009, ARRA provides \$2 billion in additional funding nationwide for the NSP (known as NSP 2), which will include money for technical assistance and program implementation. The FHFC and the Florida

DCA are applying as a Consortium to have the Florida Housing Coalition provide technical assistance throughout the entire state. The technical assistance and the implementation funds from NSP 2 will be distributed on a competitive basis. Applications for NSP 2 implementation monies are due to HUD on July 17, 2009.

## Neighborhood Stabilization Program

Created by HERA in 2008, the Neighborhood Stabilization Program's (NSP) goal is to provide targeted emergency assistance to state and local governments to acquire and redevelop foreclosed and abandoned properties within their communities. To the greatest extent feasible, this redevelopment should provide green and long term affordable housing. Using community land trusts to purchase and steward these properties is a natural fit with the NSP program.



*The Florida Housing Coalition conducts workshops and site visits with local government staff and their private sector for profit and nonprofit partners*

## Weatherization Assistance Program

ARRA will also provide additional funding for direct spending on green initiatives and green tax incentives. At the top of ARRA's green building provisions is \$5 billion in funding for the Weatherization Assistance

Program (WAP). Florida is marked to receive more than \$175 million in weatherization funding, which will help reduce energy costs for Florida's low-income families by increasing the energy efficiency of their homes.

ARRA changes to the existing WAP include an increase in the maximum amount to be spent per dwelling unit to \$6,500 (up from \$2,500 in current program) and flexibility to serve up to 200 percent of the federal poverty guidelines (up from 150 percent in the current program). The WAP application sent from the DCA to the Department of Energy on May 12, 2009 includes a strategy to use Weatherization funds to preserve multifamily affordable housing in addition to single family homes. For further information regarding the NSP program or

the WAP program contact the Florida Department of Community Affairs at [www.dca.state.fl.us/](http://www.dca.state.fl.us/)

## Conclusion

While the federal stimulus monies for Florida are substantial, the programs funded by the federal government do not serve the same purposes or take the place of our excellent local and state housing trust fund programs, like SHIP and SAIL. Housing advocates will continue to pursue funding for those programs, while we work diligently to use these significant federal housing economic stimulus dollars in an expedient and effective manner to create green construction jobs, prevent homelessness, and improve housing for low income and extremely low income Floridians. **HNN**

## ADDITIONAL ARRA HOUSING MONIES ARE:

### Community Development Block Grant (CDBG)

\$64.5 billion to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income.

[www.hud.gov/recovery/cdblock.cfm](http://www.hud.gov/recovery/cdblock.cfm)

### Homelessness Prevention and Rapid Recovery Housing Program (HPRP)

\$1.5 billion to prevent individuals and families from becoming homeless and help those who are experiencing homelessness to be quickly re-housed and stabilized

[www.hud.gov/recovery/homeless-prevention.cfm](http://www.hud.gov/recovery/homeless-prevention.cfm)

### Elderly, Disabled and Section 8 Assisted Housing Energy Retrofit

\$89.9 million to return the program to full funding for the existing contracts.

[www.hud.gov/recovery/pbrassistance.cfm](http://www.hud.gov/recovery/pbrassistance.cfm)

### Public Housing Capital Funds

Competitive -

[www.hud.gov/recovery/phcapfundh.cfm](http://www.hud.gov/recovery/phcapfundh.cfm)

Formula - [www.hud.gov/recovery/phcfund.cfm](http://www.hud.gov/recovery/phcfund.cfm)

Formula FAQ -

[www.hud.gov/offices/pih/programs/ph/capfund/ocir/rcryact-faq.pdf](http://www.hud.gov/offices/pih/programs/ph/capfund/ocir/rcryact-faq.pdf)

### Low Income Housing Tax Credit

Grant money for "gap" called TCAP from HOME program. Exchange program called TCEP- both administered in Florida by the Florida Housing Finance Corporation. [www.floridahousing.org](http://www.floridahousing.org)

### Energy Efficiency and Conservation Block Grant and /State Energy Program

Both administered out of Governor's Energy Office

[www.eecbg.energy.gov/grantalloc.html](http://www.eecbg.energy.gov/grantalloc.html)

Resources and Information

HUD [www.hud.gov/recovery/](http://www.hud.gov/recovery/)

DOE [www.energy.gov/recovery/index.htm](http://www.energy.gov/recovery/index.htm)

### Legislative Wrap-Up 2009 Co-Authors



**MARK HENDRICKSON**, president of The Hendrickson Company, is a past Chair and serves as an Executive Committee member for the Florida Housing Coalition. He served as Executive Director of the Florida Housing Finance Agency from its inception in 1981 to 1994. As its first Chief Executive Officer, he led the way in creation of the Sadowski Act.



**JAIMIE ROSS**, is the Affordable Housing Director at 1000 Friends of Florida and the president of the Florida Housing Coalition. She initiated the Sadowski Coalition in 1991 and continues to facilitate the Sadowski Workforce Housing Coalition. today.