

October 24, 2016

The Honorable Thad Cochran  
Chair, Committee on Appropriations  
U.S. Senate  
Washington, DC 20510

The Honorable Barbara Mikulski  
Vice Chair, Committee on Appropriations  
U.S. Senate  
Washington, DC 20510

The Honorable Harold Rogers  
Chair, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Nita Lowey  
Ranking Member, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairman Cochran, Vice Chairwoman Mikulski, Chairman Rogers, and Ranking Member Lowey:

The undersigned national organizations support eligibility for Section 202 senior affordable properties with Project Rental Assistance Contracts (PRACs) to participate in the Rental Assistance Demonstration (RAD) program, as approved by the Senate in its Fiscal Year 2017 appropriations bill for the Department of Housing and Urban Development (HUD).

RAD for PRAC will help the nation ensure PRAC-assisted homes are preserved to meet the needs of today's and tomorrow's lowest income seniors.

More than 131,000 seniors live in the affordable apartments served by this program, but many of the properties are over 20 years old and in need of repairs and upgrades to serve an aging population. On average, these seniors have annual household incomes of \$13,300 and pay \$297 a month toward their housing costs. If it weren't for the housing made available by the 202/PRAC program, these seniors would not have access to decent, affordable housing. Severely cost burdened senior households spend much less on health care, food, transportation, and other critical needs than their non-cost burdened peers, and are at great risk of becoming homeless.

Unlike Section 8-assisted housing developments, PRAC communities are unable to access the resources needed for renovation and preservation of these homes well into the future. Currently, PRAC properties cannot take on debt and leverage external financing to meet capital needs. Through the RAD program, a PRAC sponsor could leverage needed preservation financing to replace building systems and update interiors.

Existing PRAC properties are urgently in need of recapitalization, and the RAD program is a proven platform for allowing HUD-assisted affordable properties to access commercial capital for upgrades. Early users of the RAD program have already leveraged over \$2.5 billion to replace outdated kitchens and baths, install energy and water efficient appliances, and make other critical improvements to preserve aging public housing resources.

We urge inclusion of the RAD for PRAC expansion, and the Senate bill's \$4 million to facilitate preservation of PRAC properties after RAD conversion, in the final Fiscal Year 2017 HUD appropriations bill.

Sincerely,

Aging Life Care Association™  
AHEPA Management Company, Inc.  
American Hellenic Educational Progressive Association  
BRIDGE Housing  
California Housing Partnership  
Coalition for Affordable and Rural Housing  
CSH  
Daughters of Penelope  
Enterprise Community Partners  
Evangelical Lutheran Church in America  
Grounded Solutions Network  
Institute of Real Estate Management  
Justice in Aging  
LeadingAge  
Local Initiatives Support Corporation  
National Affordable Housing Management Association  
National Apartment Association  
National Association For Hispanic Elderly  
National Association of Area Agencies on Aging (n4a)  
National Association of Housing Cooperatives  
National Association of Social Workers (NASW)  
National Church Residences  
National Coalition for the Homeless  
National Committee to Preserve Social Security and Medicare  
National Community Reinvestment Coalition (NCRC)  
National Development Council  
National Health Care for the Homeless Council  
National Housing Conference  
National Housing Law Project  
National Housing Trust  
National Leased Housing Association  
National Low Income Housing Coalition  
National Multifamily Housing Council  
Network for Oregon Affordable Housing  
Preservation of Affordable Housing, Inc.  
Retirement Housing Foundation  
Stewards of Affordable Housing for the Future  
The Association of Jewish Family and Children's Agencies  
The Jewish Federations of North America  
The National Consumer Voice for Quality Long-Term Care  
The Salvation Army, National Headquarters  
Union for Reform Judaism  
Volunteers of America  
Women's Institute For A Secure Retirement