

United States Senate
WASHINGTON, DC 20510

April 16, 2007

The Honorable Patty Murray
The Honorable Christopher Bond
Subcommittee on Transportation, Housing and Urban Developments and Related Agencies
133 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairwoman Murray and Ranking Member Bond,

We are writing to respectfully request that you fund the Department of Housing and Urban Development (HUD) Section 202 program at \$750 million and the Section 811 program at \$240 million. This request is only a slight increase over the Fiscal Year 2007 enacted levels.

The Section 202 and 811 programs provide capital grants to non-profits and community organizations for the development of supportive housing and rental assistance for very low-income *seniors* and those with disabilities. Both programs provide supportive services coupled with housing to create a safe community and promote an independent life style. Many of those who currently live in Section 202 and 811 housing units are on fixed incomes and would not be able to bear the rising costs of health care, and housing on their own. With an estimated 8.4 million seniors struggling to survive on an annual income of less than \$10,000, it is clear that both of these programs must be a priority for the 110th Congress.

The Section 202 Supportive Housing for the Elderly program is the only HUD program that provides housing and supportive services exclusively for the low-income elderly. The Section 811 Supportive Housing for Persons with Disabilities program produces affordable and accessible housing exclusively for low-income disabled individuals. Cutting funding for the Section 811 program by 50 percent and for the Section 202 program by about 22 percent, as the President's Budget proposes, would significantly limit the amount of new units that can be created and exacerbate difficulties for elderly and disabled Americans seeking affordable housing as development costs continue to rise.

Specifically, in the FY08 budget proposal, the President recommended a cut to the Section 202 program by \$160 million and the Section 811 program by \$115 million under the FY07 levels. If these cuts were enacted, only 2,700 new units of section 202 housing and only about 1,100 new vouchers in the Section 811 program would be created. This stands in stark contrast to the findings of the congressionally mandated *Commission on Affordable Housing and Health Facility Needs for Seniors in the 21st Century*, which estimated that approximately 730,000 additional senior housing units will be needed by 2020 to address the housing needs of low-income seniors. While there are nearly 300,000 seniors living in 6,000 housing units in the nation, at least 10 seniors are on a section 202 waiting list for each unit that becomes available.

Congress should act now to plan appropriately for the increased demand that will exist for housing in the coming years and ensure that seniors and those with disabilities can find safe, affordable housing, at a cost they can afford on fixed incomes. While this funding would not completely meet the needs of the Section 202 and 811 programs and their recipients, it would be an important step in the right direction.

We respectfully request that you reject the President's proposed cuts and appropriate \$750 million for the Section 202 Supportive Housing for the Elderly Program and \$240 million for the Section 811 Supportive Housing for Persons with Disabilities program in FY2008.

Sincerely,



Herb Kohl



Gordon H. Smith



Susan M. Collins



Ken Salazar



Joseph I. Lieberman



Robert Menendez



Charles E. Schumer



Tom Harkin



Barack Obama



Sherrod Brown



Bernard Sanders



Carl Levin



Jack Reed



Richard Durbin



Maria Cantwell



Barbara Boxer



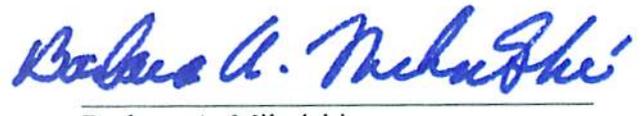
Norm Coleman



Benjamin Cardin



Debbie Stabenow



Barbara A. Mikulski



Edward Kennedy



Russ Feingold



Bill Nelson



Hillary Clinton



Johnny Isakson