



**House Financial Services**  
**Housing and Community Opportunity Subcommittee**  
**Testimony of Diane Randall, Partnership for Strong Communities**  
**June 20, 2008**

My name is Diane Randall, and I am the executive director of the Partnership for Strong Communities, a Hartford, Connecticut based housing policy organization. Thank you for the opportunity to testify before you today regarding H.R. 5772, the Frank Melville Supportive Housing Investment Act of 2008.

The changes to the Section 811 program proposed in H.R. 5772 offer valuable improvements that will have life-changing impact on thousands of vulnerable citizens in the United States by creating new opportunities for permanent supportive housing in mixed income communities.

In Connecticut, we have a robust and dedicated cadre of state agency leadership, housing developers and social service providers who have a demonstrated track record in building and managing permanent supportive housing that combines affordable housing for people with disabilities with extremely low incomes with available social services that foster independence through employment and other social services. Our statewide advocacy campaign, Reaching Home, has goal of creating 10,000 units of permanent supportive housing in ten years, and we count on every resource available from federal and state governmental sources to private philanthropic contributions to make this happen. The proposed changes to Section 811 in this Act will help us achieve our goal.

The Project Related Rental Assistance Contract (PRAC) proposed as a demonstration component of H.R. 5772 is particularly compelling as an effective tool to couple with existing capital resources for development such as federal Low Income Housing Tax Credits and the HOME program in order to provide operating subsidies that will make the housing affordable for people who live on very restricted incomes.

In my capacity as chair of the CT Housing Finance Authority's Mortgage Committee, I am aware of the severe competition for Low Income Housing Tax Credits to produce affordable rental housing. Most of the developments that receive tax credits target people at 60% of Area Median Income (AMI). Without project-based rental assistance, it is virtually impossible to develop housing for individuals living at 30% or below of AMI using the tax credit program. Everyone in our state who relies on social security for their income is below 30% of AMI. We have successfully used tax credits to produce supportive housing for people with disabilities at 30% or below of median income by securing a set aside of rental assistance from our state Department of Social Services.

H.R. 5772 moves the Section 811 program in line with best practices in community and housing development by promoting housing that includes both populations of people with

disabilities and without disabilities in multi-family housing, which we believe fosters independence.

Another important feature of H.R. 5772 would transfer the Mainstream tenant based rental assistance vouchers and all future incremental vouchers for people with disabilities to the Section 8 Housing Choice Voucher program. The requirement to reissue vouchers for non-elderly people with disabilities on turnover to qualified non-elderly disabled families is made permanent, applying to all vouchers issued by HUD since 1992.

Another key feature is the change to allow PRAC to renew for five years to pay for supportive services and service coordinators as well as project costs. It also realizes the need for emergency increases for conditions outside of owner's control.

We also support the amendments clarifying supportive housing as permanent and "person with disabilities" to be consistent with HUD's definition. Although it is clear that some people living in supportive housing move out as they become less reliant on services, the availability of the housing to be a "permanent home" rather than a place of transition has a remarkable impact on the stability and health of tenants.

Finally, I want to thank Representatives Murphy and Biggert for naming this effort to increase the supply of permanent supportive housing after Frank Melville. It has been my privilege to work closely with the Melville Charitable Trust for over a decade. Mr. Melville, his wife, Alan Melville, and their entire family have dedicated millions of dollars in philanthropic giving to ending the root causes of homelessness and supporting the systemic changes that allow people with psychiatric disabilities and other chronic health conditions achieve stability and recovery.

The Frank Melville Supportive Housing Investment Act of 2008 includes provisions that are not only significant to making this program more workable but also to increasing housing and community opportunities for thousands of Americans.