Gulf Coast Hurricane Housing Recovery Act of 2007

[Section by Section (2/28/07)]

SHORT TITLE. Gulf Coast Hurricane Housing Recovery Act of 2007

TITLE 1. COMMUNITY DEVELOPMENT BLOCK GRANTS

Section 101. Flexibility of Federal Funds for Road Home Program. Provides that \$1.2 billion in FEMA Hazard Mitigation Grant Program (HMGP) funds previously made available to the Louisiana Recovery Authority (LRA) shall be made available under terms of the CDBG funds made available to the LRA and shall be deemed approved by HUD for such use. Also requires monthly reports by the LRA on the number of households assisted and other related information. Currently the LRA Road Home program proposes to combine CDBG and HMGP funds for homeowners to rehabilitate their homes and for purchase of homes for open space. HUD approved use of CDBG funds for this, but FEMA will not approve funds, based on the feature of the Road Home Program that provides incentives for homeowners to stay in the state. This provision would free up the HMGP funds for use.

Section 102. Elimination of Prohibition of Use for Match Requirement. *Permits all CDBG supplemental funds made available for Hurricanes Katrina, Rita, or Wilma to be used as a match for other federal programs (including FEMA).*

Section 103. Reimbursement of CDBG Amounts Used for Rental Housing Assistance. Authorizes appropriations, from previously appropriated FEMA supplemental Hurricane funds, for reimbursement of regular CDBG funds that cities or counties used to provide rental assistance for Katrina, Rita, or Wilma evacuees.

TITLE II. PUBLIC HOUSING

Section 201. Survey of Public Housing Residents. Requires HUD to provide for the conducting of a survey by an independent entity or organization of public housing residents residing in the Housing Authority of New Orleans (HANO) public housing units at the time Hurricane Katrina hit land, to determine whether they want to return to HANO public housing, and if so, when. The survey is to be done with the participation of HANO residents and resident councils, with a report detailing survey results to be submitted to Congress within 45 days of the bill's enactment. To exercise this right residents must give notice by August 1st and agree to return no later than October 1st.

Section 202. Right of Return for Previous Residents of Public Housing. Requires HANO to make available by August 1st the higher of 3,000 public housing units (or comparable units with comparable rent burden) or a sufficient number of units to accommodate residents that responded that they want to return. Pre-Katrina HANO public housing residents shall have a right to return to a HANO public housing unit (or comparable unit). HUD shall also provide relocation assistance for residents, and

provide a preference for projects where the resident previously lived, or if not possible, a preference for units in the same or adjoining census tract, or neighborhood.

Section 203. One-for-One Replacement of all Public Housing Units. Prohibits HANO from demolishing or disposing of any public housing unit unless a plan is in place to provide a public housing or comparable replacement unit with comparable affordability provisions to public housing units for each lost unit, and to implement right of return provisions. Plans shall involve the active participation of residents, resident councils, and City of New Orleans at every phase of the process, with opportunity for comment.

Section 204. Reports on Proposed Conversions of Public Housing Units. Requires HUD to send a report to Congress within 15 days of bill enactment identifying all public housing units located in areas impacted by Hurricanes Katrina and Rita, which have plans to transfer ownership to other entities or organizations. Relevant information is to be included for each proposal, including project name, number of units, new owner, income and rent provisions, affordability restrictions, and proposed date of transfer.

Section 205. Authorization of Appropriations for Repair and Rehabilitation. Authorizes such sums as are necessary to carry out repair and rehabilitation of HANO public housing units.

Section 206. Compliance of Existing Requests for Proposals. Subjects any existing request for qualification or proposal related to HANO public housing units to the provisions of this Title.

Section 207. Reports on Compliance. Requires HUD to submit to Congress within 30 days and thereafter quarterly a report on compliance with the provisions of this Title.

TITLE 3. DISASTER VOUCHER PROGRAM AND PROJECT-BASED RENTAL ASSISTANCE.

Section 301. Extension of DVP Program. Extends HUD Disaster Voucher Program (DVP) from September, 2007 through January 1, 2008. The DVP program, using funds previously appropriated from Hurricane supplemental bills, provides rental assistance to families living in areas impacted by Hurricanes Katrina and Rita who were voucher holders, public housing residents, families assisted under the Section 8 project-based program, and or homeless persons at the time of the hurricane. This extension will give appropriators time to work through DVP transition issues through the FY 2008 appropriations bill process.

Section 302. Clarification of Voucher Allocation Formula for Fiscal Year 2007. Provides further clarification that the Secretary <u>shall</u> make appropriate adjustments under the FY 2007 Continuing Resolution to provide adequate voucher funding for public housing agencies impacted by Hurricanes Katrina and Rita. The CR changed the voucher funding formula to base FY 2007 PHA funding on prior year's voucher leasing

and cost data. It included language that provides HUD with authority to make adjustments for Gulf state PHAs that had lower voucher expenditures last year, to ensure full voucher funding for those agencies. However, after enactment of the CR, HUD started raising concerns about whether it would use such authority. This provision would clarify that HUD should make such appropriate adjustments.

- Section 303. Preservation of Project-Based Housing Assistance Payments Contracts for Dwelling Units Damaged or Destroyed. Requires HUD to promptly review and approve all feasible proposals to restore Section 8 project-based assistance to projects damaged by Hurricanes Katrina or Rita, including proposals to transfer the contract to another site or owner. Proposals are to be submitted no later than October 1st.
- **Section 304. Tenant Replacement Vouchers for All Lost Units.** Requires HUD to provide, upon request of a public housing agency, tenant replacement vouchers for all public housing units and assisted housing units that are not brought back on line.
- Section 305. Voucher Assistance for Supportive Housing. Provides that 3,000 housing vouchers be made available to the State of Louisiana for the project-basing of vouchers for supportive housing units for seniors, disabled persons, and homeless persons, which may be made available through replacement vouchers identified in Section 304. Provision of such vouchers is a stated priority for Louisiana.
- **Section 306. Transfer of DVP Vouchers to Permanent Voucher Program.** Provides that upon the termination of the Disaster Voucher Program (DVP), permanent vouchers be made available for families in the DVP program, to be administered by the local housing agency in which each family is living at such time.
- **Section 307. Identification and Notification of DVP-Eligible Households Not Assisted.** Requires HUD to make a good faith effort to identify all households eligible for DVP assistance not currently receiving assistance and notify them or their rights for DVP assistance or their right, if available, to return to their previous assisted unit.

TITLE IV. DAMAGES ARISING FROM FEMA ACTIONS.

Section 401. Authorization of Appropriations to Reimburse Landlords for Damages Due to FEMA Management of City Lease Program. Authorizes appropriations for HUD to reimburse landlords from actual, documented damages incurred by such landlord as a result of FEMA's abrogation of commitments to reimburse communities for leases entered into under the Section 403 program.