

**The American Recovery and Reinvestment Act
Non-Tax Provisions Fact Sheet**

Program	Amount	How distributed	Timeline	Rules/Waivers & Other Notes
Public Housing Capital Funds	\$4B	<ul style="list-style-type: none"> • \$3B allocated according to 2008 capital funds distribution formula • \$1B awarded to PHAs competitively (priorities include: green retrofits, and projects that leverage private funding) • PHA's allocation to projects should prioritize: <ol style="list-style-type: none"> a. requests made within first 120 days; b. rehab vacant rental units; c. projects that are underway or part of the PHA capital plan. 	<ul style="list-style-type: none"> • Funds available until 9/30/2011 • Competitive allocation to PHAs by HUD must be made by 9/30/2009 • PHAs must obligate 100% of funds w/in 1yr of allocation • PHAs must spend 60% of funds w/in 2yrs of allocation and 100% of funds w/in 3yrs • If miss deadlines, HUD recaptures funds and redistributes to other PHAs 	<ul style="list-style-type: none"> • Funds can't be used for operating or rental assistance • Normal regs restricting capital funds to replacement housing are n/a • Funds should supplement NOT replace private funding • HUD may waive procurement requirements • 0.5% may be used for PHA admin costs
CDBG	\$1B	<ul style="list-style-type: none"> • Distributed according to 2008 CDBG distribution • Projects get priority if ask for funds w/in 120 days of availability 	<ul style="list-style-type: none"> • Funds available until 9/30/2010 	<ul style="list-style-type: none"> • HUD should establish regs to expedite the use of funds
NSP	\$2B	<ul style="list-style-type: none"> • Allocated competitively (unlike other NSP funds) • Allocated to states AND non-profits (unlike other NSP funds) • Criteria include: ① areas w/ the most foreclosures; ② ability to use funds w/in timeline; ③ capacity to execute projects; ④ aiding neighborhood stabilization; ⑤ additional factors established by HUD. 	<ul style="list-style-type: none"> • Funds available until 9/30/2010 • HUD must publish allocation criteria w/in 75 days • Applications due to HUD w/in 150 days of act enactment. • HUD must allocate all funds w/in 1 yr. • Grantees must spend 50% w/in 2yrs of availability & 100% w/in 3rs. 	<ul style="list-style-type: none"> • Unless otherwise stated, HERA* rules apply • Repeals HERA rule requiring profit recycling (for all NSP funds); • Clarifies landbank eligible use. • These funds may not be used to demolish public housing and only 10% can be used for demolition (unless HUD waives this limitation) • With these funds, redevelopment under eligible use (E) must be as housing. • 10% of these funds may be used for capacity building and local support • Additional tenant protections imposed if these funds used for acquisition

The American Recovery and Reinvestment Act / Non-Tax Provisions Fact Sheet (cont.)

Program	Amount	How distributed	Timeline	Rules/Waivers & Other Notes
HOME	\$2.25B	<ul style="list-style-type: none"> • Distributed to state housing credit agencies, as defined in §42, according to that state’s % of HOME funds. • HFAs award competitively according to QAP • Only projects awarded 2007, 2008, & 2009 LIHTCs are eligible; • Priority to projects to be completed w/in 3yrs 	<ul style="list-style-type: none"> • Funds available until 9/30/2011 • HFAs must commit 75% w/in 1yr • Projects must spend 75% w/in 2yrs, or distributed to other projects; • Projects must spend 100% w/in 3yrs, or distributed to other states. 	<ul style="list-style-type: none"> • For capital investments in LIHTC projects • HFAs provide asset management services at owner’s expense • These funds can be granted w/o reducing eligible basis • HFAs must give HUD access to info • HFAs must keep project info on-line.
Project Based Rental Assistance	\$2.25B	<ul style="list-style-type: none"> • \$2B available for additional rental assistance to projects receiving funds through §202 (12 USC 17012), § 811 (42 USC 8013), or §8 (42 USC 1427F) • \$250M available to eligible grantees for green retrofits • Projects ① need satisfactory management review record; ② be in compliance with performance standards, & ③ commit to at least 15 yrs of additional affordability 	<ul style="list-style-type: none"> • Green retrofit funds must be spent w/in 2yrs 	<ul style="list-style-type: none"> • Projects must comply with 40 USC 3141, et seq. (wage rate req’ts) • Office of Affordable Housing Preservation administers funds • HUD may share in cost savings of green retrofits

Other Notes:

- In all cases, HUD may waive normal program regulations in order to expedite use of funds, except for: fair housing, nondiscrimination, labor standards & environmental.
- **FHA credit extensions:** ① If 2009 credit limit would be less than 2008 limit, 2008 limit applies; ② If small area credit limit is less than larger area credit limit, HUD may increase limit to larger area limit
- Fannie & Freddie credit extensions: ① If 2009 credit limit would be less than 2008 limit, 2008 limit applies; ② may use larger-area underwriting standards for smaller areas.
- Native American Housing Block Grants: \$510M, distributed according to 2008 formula.
- **Homelessness Prevention Fund:** \$1.5B. These funds are awarded to states, local governments, and non-profits, pursuant to Section 412 of the McKinney-Vento Homelessness Assistance Act. The American Recovery and Reinvestment Act limits the uses for the additional funds it provides, including such uses as rental assistance and certain supportive services.

* As referenced above, the term “HERA” means the Housing and Economic Recovery Act of 2008, passed in July 2008.