

Benefits of Project-Based Rental Assistance (PBRA)



The project-based Section 8 program provides rental assistance for 1.2 million low- and extremely low-income households across the country, with an average income of less than \$12,000 per year. 56% of these households are home to someone with a disability or who is elderly.

Project-Based Rental Assistance



Project-Based Section 8, administered by HUD, provides private owners of multifamily housing with a long-term project-based rental assistance contract to make units affordable.

Tenant-Based Rental Assistance



Tenant-based Section 8 vouchers, commonly known as Housing Choice Vouchers, are provided directly to very low-income residents to find an affordable home in the private market.

VS

With both kinds of assistance, low-income residents pay 30% of their income for rent and the federal government provides the difference. According to HUD, all federal rental assistance only serves 25% of the low-income residents who are eligible for it.

Top 6 Reasons America Needs PBRA

1. Privately owned properties with project-based Section 8 assistance **generate \$460 million in property taxes** for local municipalities annually and directly support 55,000 jobs.

The PBRA portfolio **leverages more than \$17 billion in private financing and equity**. Failing to renew these contracts would create uncertainty in the finance and lending industries and destroy important public-private partnerships.

2.

3. 56% of project-based Section 8 properties are insured by the Federal Housing Administration (FHA). With an estimated unpaid FHA insured debt of over \$13.5 billion, **without Section 8 rental assistance, these projects will be unable to continue debt payments, and the FHA would be left paying the tab.**

Many owners of PBRA properties provide valuable supportive services that **help reduce taxpayer expenditures in Medicaid, Medicare, and healthcare services**. Private property owners without project-based assistance and residents with vouchers do not have access to these services unique to properties with project-based assistance.

4.

5. More than 50% of project-based Section 8 tenants are elderly or persons with disabilities, rely on Supplemental Security Income (SSI) and have few other economic resources. On the maximum federal monthly SSI payment of \$733 (2015), a recipient can afford rent of only \$220/month. **There is not a single county in the U.S. where even a modest efficiency apartment is affordable (NLIHC, 2015).**

Renewing PBRA contracts is cost-effective relative to the cost of tenant-based assistance. The current cost of renewing tenant-based rental assistance contracts is \$9,363 per unit per year while **the cost of renewing PBRA contracts is less**, at \$8,852 per unit per year (HUD, FY17).

6.

Without federal housing assistance, at least 68 of every 100 currently assisted families would have worst case housing needs. It is likely that over 810,000 families currently occupying assisted units would have worst case housing needs if their assistance was withdrawn (HUD, 2011).