

# United States Senate

## *The Affordable Housing Redevelopment Act*

*Senator Feinstein*

### **Need for Legislation**

- In California, more than 1.4 million units are needed to address the state's affordable housing shortage. Across the country, 7.4 million new affordable housing units are needed to serve the nation's low-income renter households.
- Due to financial burdens and loss of income resulting from the COVID-19 pandemic, millions of people in the United States are at risk of eviction or foreclosure, and the need for more affordable housing is expected to increase dramatically.
- In addition to making long-term investments in building new affordable housing in the United States, it is critically important to focus resources on more immediate solutions, such as acquiring and rehabilitating existing buildings.

### **What the Affordable Housing Redevelopment Act Would Do**

- Reauthorize the Neighborhood Stabilization Program to help state and local governments purchase blighted, vacant, abandoned, foreclosed, or surplus properties, and convert them into affordable housing. Eligible projects would include mixed-use development and conversions of non-residential office and retail properties.
  - All new units would serve households whose income does not exceed 120% of area median income, and at least 25% of housing must serve households whose income does not exceed 50% area median income. Long-term affordability requirements would apply in all cases.
- Authorize \$1.5 billion in discretionary appropriations to be allocated as a competitive grant program administered by the Department of Housing and Urban Development (HUD), up to 2% of which may be used to provide technical assistance to grantees.

### **Background: Neighborhood Stabilization Program**

- Established in the wake of the 2008 financial crisis, the Neighborhood Stabilization Program was created by Congress to help provide assistance to communities hit hard by the recession by funding the acquisition and rehabilitation of troubled residential properties. Since 2008, NSP funds have facilitated the construction and rehabilitation of more than 50,000 housing units, and generated \$1.8 billion in return income.

*If you would like more information, or to support the bill, please contact Ryan Williams in Senator Feinstein's office at ([Ryan\\_Williams@feinstein.senate.gov](mailto:Ryan_Williams@feinstein.senate.gov))*

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