

110TH CONGRESS  
2D SESSION

# H. R. 5937

To facilitate the preservation of certain affordable housing dwelling units.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 1, 2008

Mr. TOWNS (for himself, Mr. KING of New York, Mr. FRANK of Massachusetts, Ms. WATERS, and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To facilitate the preservation of certain affordable housing dwelling units.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PRESERVATION OF CERTAIN AFFORDABLE**  
4 **HOUSING DWELLING UNITS.**

5 (a) CONVERSION OF HUD CONTRACTS.—Notwith-  
6 standing any other provision of law, the Secretary of  
7 Housing and Urban Development may, at the request of  
8 the owner of the multifamily housing project to which Sec-  
9 tion 8 Project Number NY 913 VO 0018 and RAP Con-  
10 tract Number 012035NIRAP are subject, convert such

1 contracts to a contract for project-based rental assistance  
2 under section 8 of the United States Housing Act of 1937  
3 (42 U.S.C. 1437f).

4 (b) INITIAL RENEWAL.—

5 (1) ELIGIBILITY.—At the request of the owner  
6 made no later than 90 days prior to a conversion,  
7 the Secretary may, to the extent sufficient amounts  
8 are made available in appropriation Acts and not-  
9 withstanding any other law, treat the contemplated  
10 resulting contract as if such contract were eligible  
11 for initial renewal under section 524(a) of the Multi-  
12 family Assisted Housing Reform and Affordability  
13 Act of 1997 (42 U.S.C. 1437f note).

14 (2) REQUEST.—A request by the owner pursu-  
15 ant to paragraph (1) shall be upon such terms and  
16 conditions as the Secretary may require.

17 (c) RESULTING CONTRACT.—The resulting contract  
18 shall—

19 (1) be subject to section 524(a) of MAHRA (42  
20 U.S.C. 1437f note);

21 (2) be considered for all purposes a contract  
22 that has been renewed under section 524(a) of  
23 MAHRA (42 U.S.C. 1437f note) for a term not to  
24 exceed 20 years;

1           (3) be subsequently renewable at the request of  
2           the owner, under any renewal option for which the  
3           project is eligible under MAHRA (42 U.S.C. 1437f  
4           note);

5           (4) contain provisions limiting distributions, as  
6           the Secretary determines appropriate, not to exceed  
7           10 percent of the initial investment of the owner;

8           (5) be subject to the availability of sufficient  
9           amounts in appropriation Acts; and

10          (6) be subject to such other terms and condi-  
11          tions as the Secretary considers appropriate.

12          (d) INCOME TARGETING.—The owner shall be  
13          deemed to be in compliance with all income-targeting re-  
14          quirements under the United States Housing Act of 1937  
15          by serving low-income families, as such term is defined  
16          in the section 3(b)(2) of such Act (42 U.S.C.  
17          1437a(b)(2)).

18          (e) TENANT ELIGIBILITY.—Notwithstanding any  
19          other provision of law, each family residing in an assisted  
20          dwelling unit on the date of the conversion under this sec-  
21          tion, subject to the resulting contract under subsection  
22          (a), shall be considered to meet the applicable require-  
23          ments for income eligibility and occupancy.

24          (f) DEFINITIONS.—As used in this section—

1           (1) the term “assisted dwelling unit” means the  
2 dwelling units that, on the date of the conversion  
3 under this section, were subject to Section 8 Project  
4 Number NY 913 VO 0018 or RAP Contract Num-  
5 ber 012035NIRAP;

6           (2) the term “conversion” means the action  
7 under which Section 8 Project Number NY 913 VO  
8 0018 and RAP Contract Number 012035NIRAP be-  
9 come a contract for project-based rental assistance  
10 under section 8 of the United States Housing Act of  
11 1937 (42 U.S.C. 1437f) pursuant to subsection (a);

12           (3) the term “MAHRA” means the Multifamily  
13 Assisted Housing Reform and Affordability Act of  
14 1997 (42 U.S.C. 1437f note);

15           (4) the term “owner” means Starrett City As-  
16 sociates or any successor owner of the multifamily  
17 housing project to which Section 8 Project Number  
18 NY 913 VO 0018 and RAP Contract Number  
19 012035NIRAP are subject;

20           (5) the term “resulting contract” means the  
21 new contract after a conversion of Section 8 Project  
22 Number NY 913 VO 0018 and RAP Contract Num-  
23 ber 012035NIRAP to a contract for project-based  
24 rental assistance under section 8 of the United

1 States Housing Act of 1937 (42 U.S.C. 1437f) pur-  
2 suant to subsection (a); and

3 (6) the term “Secretary” means the Secretary  
4 of Housing and Urban Development.

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