



## **PRESS RELEASE – May 20, 2009**

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### **Advocates Celebrate Victory on Affordable Housing and Homeless Prevention Issues!!**

*President Obama Signs Into Law New Foreclosure Protections & Homeless Prevention Measures*

Providence—Local affordable housing and homeless prevention advocates celebrate the passage of federal legislation that addresses both homelessness prevention issues and the foreclosure crisis. Advocates were quick to highlight that renters whose landlords fall into foreclosure will have immediate protections once the bill is signed into law. Both the RI Coalition for the Homeless and Housing Action Coalition of RI reacted with excitement at the passing of the *Helping Families Save Their Homes Act of 2009* which was passed by both the House and Senate this week and is scheduled to be signed by President Obama on May 20th. It includes a measure to reauthorize the housing and shelter programs of the McKinney-Vento Homeless Assistance Act - the first and still only major legislation addressing homelessness, for the first time in 17 years. It also includes a measure to protect the rights of renters in foreclosure - a major step that will help prevent them from becoming homeless.

The foreclosure measure will protect renters whose landlords fall into foreclosure and will provide new protections from evictions. The act will provide renters whose landlords have lost their properties to foreclosure the right to stay in the home for 90 days after the foreclosure or through the term of their lease unless the property is sold to someone who will occupy the home. The bill will also provide similar protections to housing voucher holders. The renter protection provisions go into effect as soon as the bill is signed and expire at the end of 2012. In most states, renters get little or no notice to vacate their homes upon their landlords' foreclosures. The new federal protections preempt state law unless a state provides a greater level of renter protections at foreclosure.

The National Low Income Housing Coalition (NLIHC) estimates that 40% of the households who lose their homes because of foreclosure are renters. The national foreclosure and unemployment crisis has hit Rhode Islanders particularly hard. Rhode Island Housing reports that Rhode Island's foreclosure rate ranks tenth in the country. Additionally, Rhode Island has one of the highest unemployment rates in the nation. Advocates have seen first-hand how the unemployment and foreclosure crisis have exacerbated the barriers low income renters have encountered in their search for safe, quality, affordable housing.

“The *Helping Families Save Their Homes Act* goes a long way in ensuring that Rhode Island tenants at-risk can keep a roof over their head,” stated Brenda Clement, Executive Director for Housing Action Coalition of RI and Board member of NIHC. “We will continue to work on a state level to strengthen and build upon this foundation to ensure protection for tenants, the innocent victims of the foreclosure crisis.”

The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, introduced by Rhode Island’s own Senator Jack Reed, reauthorizes the McKinney-Vento programs administered by the U.S. Department of Housing and Urban Development. The bill will make a number of important improvements to the McKinney Act programs including:

- Set the authorization level at \$2.2 billion for the HUD McKinney programs (FY09 appropriations are approximately \$1.677 billion)
- Rename and amend the Emergency Shelter Grant program to allow nonprofits to provide a broader range of services, including short- and medium-term rental assistance, utility payments, housing relocation and stabilization services, and other services to keep people in housing or to move them quickly into housing. Families living doubled up would be eligible to receive services funded by this section
- Allow nonprofits in rural areas to serve doubled up households as well as households who meet HUD's definition of homelessness
- Expand the definition of homelessness to include unaccompanied youth and homeless families with children and youth who have a long-term history of housing instability and can be expected to continue to experience instability due to disabilities, substance abuse disorders, history of abuse, or multiple barriers to employment; as well as families living doubled up, living in motels or hotels or other housing and who are facing eviction within 14 days
- Expand the responsibilities of the U.S. Interagency Council on Homelessness to require the Council to develop a national plan to end homelessness and to work to eliminate laws and policies that criminalize homelessness

“We applaud Senator Jack Reed for being a national leader on the issues of homelessness and affordable housing,” states Jim Ryczek, Executive Director of the RI Coalition for the Homeless. “The HEARTH Act is a much needed remedy as it provides the flexibility and innovation needed to address the dire economic times we are facing and the new problems of foreclosure and family homelessness that we are experiencing. This bill will make a tremendous impact in our ability, here in Rhode Island, to assist those who are becoming homeless due to foreclosure, eviction, and unemployment.”

In highlighting Rhode Island’s need for the federal legislation, Ryczek points to a newly released report authored by Dr. Eric Hirsch, and released by HousingWorks RI, that shows while in 2007-2008 there was some success in reducing the

number of individuals experiencing homelessness, the last six months have shown a troubling reversal of this positive gain. Data from the RI Homeless Management

Information System shows that shelter use was 43% higher in February 2009 than that in February 2008. The reasons given for shelter use clearly reflect the impact of the current economic crisis – higher unemployment and foreclosure rates. The number of shelter residents who cited foreclosure as their reason for becoming homeless has quadrupled in the last 8 months as compared to the previous year.

“It is a major victory for all Rhode Islanders,” concludes Clement. “These issues affect us all and therefore, we all benefit when we address the issues of affordable housing and homelessness.”

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#### **About the Rhode Island Coalition for the Homeless**

The Rhode Island Coalition for the Homeless (RICH) was founded in 1988 with the mission to promote and preserve the dignity and quality of life for men, women and children, by pursuing comprehensive and cooperative solutions to the problems of homelessness and lack of affordable housing. RICH accomplishes its mission through advocacy, education, collaboration, technical assistance and direct services provided to homeless individuals and families.

#### **About the Housing Action Coalition of Rhode Island**

The Housing Action Coalition of Rhode Island is a broad-based low-income housing advocacy organization. Housing Action Coalition’s mission is to promote public policy initiatives to preserve and increase affordable housing opportunities in the state and raise public awareness on issues related to affordable housing.