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SCHAKOWSKY JOINS SECRETARY CUOMO TO ANNOUNCE POLICY TO MAKE HOUSING MORE AFFORDABLE FOR LOW INCOME RENTERS

100,000 UNITS WILL BECOME AFFORDABLE TO SECTION 8 VOUCHER HOLDERS IN CHICAGO

WASHINGTON, D.C. - At a news conference today, U.S. Representative Jan Schakowsky (D-IL) and other members of Congress applauded the announcement by Secretary of Housing and Urban Development (HUD) Andrew Cuomo that will make housing more affordable for many low-income families.

Because of today's economic prosperity, rents have surged by more than 15 percent in Chicago over the past four years and, as a result, many families who use Section 8 vouchers cannot afford to pay current market price. Secretary Cuomo announced that HUD will increase the value of Section 8 vouchers so that families will not be priced out of their homes in tight housing markets like Chicago. This proposal will only apply to housing markets where families are having difficulty finding housing that qualifies for Section 8.

"Over the past few years, we have seen what a booming economy can do: record employment, budget surpluses as far as the eye can see, and homeownership at an all time high. We've also witnessed the consequences of this economy on low-income families: skyrocketing monthly rents, evictions, and 5.4 million families with worst case housing needs," said Schakowsky, a member of the Banking Subcommittee on Housing and Community Opportunity.

"I applaud Secretary Cuomo for this latest action because it will help ensure that many families in Chicago will not be forced out of their homes and neighborhoods. This proposal means that rental voucher holders can afford to live in more expensive housing which, with today's housing prices, probably means their current residence," Schakowsky added.

Specifically, today's rule would provide for targeted increases in the "Fair Market Rents" that are used to determine the level of subsidy under Section 8. HUD will calculate subsidy levels based on the cheapest 50 percent of all rental units in Chicago and other areas instead of the cheapest 40 percent. In Chicago, this means that the current subsidy of \$788 for a two-bedroom unit will increase to \$848. As a result, the number of affordable Section 8 housing could increase by 100,000 units in Chicago. Nationally, the pool of housing could increase by 1.4 million units.

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"As the price of housing increases, we need to provide more assistance so families are not kicked out of their homes. Today's action is a significant step that proves that we

have the resources and the will to help families live in safe and suitable neighborhoods," Schakowsky said.