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REPRESENTATIVE SCHAKOWSKY HAILS NEW HUD INITIATIVE TO AVERT LOOMING HOUSING CRISIS

WASHINGTON, D.C. U.S. Representative Jan Schakowsky (D-IL), a member of the Banking Committee's Housing and Community Opportunity Subcommittee, today hailed an initiative by Housing and Urban Development (HUD) Secretary Andrew Cuomo designed to avert a looming housing crisis.

The proposal would extend federal assistance to one million households whose federal subsidy is set to expire within the next five years. This could enable up to 700 seniors and family households in the 9th District and 41,437 in Illinois to remain in their homes.

Twenty-five years ago, the federal government contracted with private landlords to provide affordably priced housing to low and fixed income households. Two-thirds of the contracts are set to expire in the next five years. Due to a booming economy and other factors, some landlords can command higher rents in the private sector than the government subsidy leaving current tenants without a home. To combat this problem, HUD will use \$30 million, and more in subsequent years, to negotiate market rate contracts to encourage landlords to stay in the program.

Schakowsky, who joined the Secretary and members of the House and Senate at the news conference, said, "I applaud Secretary Cuomo for his efforts and creativity in attacking this emergency situation. If no action was taken to renew these contract, many families would have been priced out of their homes. But this is only the first step in our efforts to develop a successful and comprehensive affordable housing policy."

"Ensuring access to affordable housing to the people of my district and to those in need throughout the nation is a priority. The federal government must be an active participant in meeting the housing needs of seniors, low-income families, and persons with disabilities," Schakowsky added.