

**§ 4125. State preservation project assistance****(1) In general**

Upon application by a State or local housing authority (including public housing agencies), the Secretary of Housing and Urban Development may make available, from sources of assistance appropriated to preserve the low and moderate income status of projects with expiring Federal use restrictions, assistance to such State or local housing authorities for use in preventing the loss of housing affordable for low and moderate income families that is assisted under a State program under the terms of which the owner may prepay a State assisted or subsidized mortgage on such housing. The application of the State or local housing authority shall demonstrate to the Secretary that the total amount of incentives provided to the owner to induce the owner to preserve the low and moderate income status of the project shall not exceed the level of incentives which may be provided to a similarly situated project with expiring Federal use restrictions under subtitle B of title II of the Housing and Community Development Act of 1987 [12 U.S.C. 4101 et seq.].

**(2) Section 1437f**

Any assistance under section 1437f of title 42 made available pursuant to this section may be used (i) to supplement any assistance available on existing section 8 [42 U.S.C. 1437f] contracts, or (ii) to provide additional assistance to structures to ensure that all units occupied by tenants who are lower income families (as such term is defined in section 1437a(b) of title 42) pay rents not exceeding 30 percent of their adjusted incomes. Any project receiving assistance hereunder shall be subject to standards, inspections and sanctions established by the Secretary under section 222(d) of the Housing and Community Development Act of 1987 [12 U.S.C. 4112(d)]. Any such section 8 [42 U.S.C. 1437f] assistance shall be provided for a term and at the fair market rent levels or such higher levels used as applicable for eligible low-income housing that receives incentives under subtitle B of title II of the Housing and Community Development Act of 1987 [12 U.S.C. 4101 et seq.].

**(3) Restriction**

Assistance may be provided under this section only to State and local housing authorities that require any housing receiving such assistance to remain affordable for lower and moderate income tenants for the period during which assistance under this section is received.

(Pub. L. 101-625, title VI, §613(b), Nov. 28, 1990, 104 Stat. 4280; Pub. L. 102-550, title III, §317(b), Oct. 28, 1992, 106 Stat. 3772.)

## REFERENCES IN TEXT

The Housing and Community Development Act of 1987, referred to in pars. (1) and (2), is Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1815, as amended. Subtitle B of title II of the Act is classified generally to this subchapter (§4101 et seq.). For complete classification of this Act to the Code, see Short Title of 1988 Amendment note under section 5301 of Title 42, The Public Health and Welfare, and Tables.

## CODIFICATION

Section was enacted as part of the Cranston-Gonzalez National Affordable Housing Act, and not as part of the

Low-Income Housing Preservation and Resident Homeownership Act of 1990 which comprises this chapter.

## AMENDMENTS

1992—Par. (2). Pub. L. 102-550 substituted “222(d)” for “224(e)”.

SUBCHAPTER II—TECHNICAL ASSISTANCE  
AND CAPACITY BUILDING**§ 4141. Authority**

The Secretary of Housing and Urban Development may provide technical assistance and capacity building to further the preservation program established under this title.<sup>1</sup>

(Pub. L. 100-242, title II, §251, as added Pub. L. 102-550, title III, §312, Oct. 28, 1992, 106 Stat. 3766.)

## REFERENCES IN TEXT

This title, referred to in text, means title II of Pub. L. 100-242, as amended by Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4249, known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of this title and Tables.

**§ 4142. Purposes**

The purposes of this subchapter are—

(1) to promote the ability of residents of eligible low-income housing to meaningfully participate in the preservation process established by this title<sup>1</sup> and affect decisions about the future of their housing;

(2) to promote the ability of community-based nonprofit housing developers and resident councils to acquire, rehabilitate, and competently own and manage eligible housing as rental or cooperative housing for low- and moderate-income people; and

(3) to assist the Secretary in discharging the obligation under section 4110 of this title to notify potential qualified purchasers of the availability of properties for sale and to otherwise facilitate the coordination and oversight of the preservation program established under this title.<sup>1</sup>

(Pub. L. 100-242, title II, §252, as added Pub. L. 102-550, title III, §312, Oct. 28, 1992, 106 Stat. 3766.)

## REFERENCES IN TEXT

This title, referred to in pars. (1) and (3), means title II of Pub. L. 100-242, as amended by Pub. L. 101-625, title VI, §601(a), Nov. 28, 1990, 104 Stat. 4249, known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of this title and Tables.

**§ 4143. Grants for building resident capacity and funding predevelopment costs****(a) In general**

Assistance made available under this section shall be used for direct assistance grants to resi-

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