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FEATURE ARTICLES

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HOUSE APPROPRIATIONS COMMITTEE PASSES 2001 HUD/VA BILL

The House Committee on Appropriations passed the FY 2001 VA-HUD-Independent Agencies appropriations bill (H.R. 4635) on June 7. The bill now heads to the House floor for a vote. The Senate has not marked-up its version, although, the Senate Committee on Appropriations is expected to do so in the next couple of weeks.

The House Committee version makes very little changes to the original measure that was approved by the House Subcommittee on VA-HUD-IA on May 23. The Committee recommends funding

HUD at \$29.967 billion, a decrease of \$2.49 billion below the President's request, the same level approved by the Subcommittee. The Community Development Block Grant (CDBG) line item was modified this year by the Committee to show all programs, including the CDBG formula allocation, as set-asides within the overall account, and renamed the Community Development Fund. The Committee increased the formula funding for the CDBG program, from \$4.183 billion, the recommended level of the Subcommittee, to \$4.214 billion, an increase of \$31 million. Set-asides within the program remained the same. Please see the chart on the next page for a list of the set-asides approved within the program. The Committee decreased the Working Capital Fund set-aside from \$18 million (the level recommended by the Subcommittee) to \$15 million. This set-aside funds the development and operation of HUD's information systems (i.e., DGMS). The Section 107 grants have several set-asides, including: \$10 million for Historically Black Colleges and Universities, \$8 million for Community Outreach Partnerships Centers, \$3 million for Community Development Work Study, \$6.5 million for Hispanic-Serving Institutions Assisting Communities, \$7 million for Insular Areas, and an additional \$5 million for management information system support to be transferred to the Working Capital Fund. No funding is provided for CDBG technical assistance.

Like the Subcommittee, the Committee did not provide any funding for any new initiatives proposed in HUD's budget, such as the America's Private Investment Companies (APIC) initiative, the New Markets University Partnership pilot grants, the Regional Connections/Smart Growth initiative, the Native American Economic Development Access Center, the Mississippi Delta Region initiative, and the Center for Community and Interfaith Partnerships. Unlike the Subcommittee, the Committee provided funding for HUD's Office of Rural Housing and Economic Development. The

Committee recommended a funding level of \$20 million, a decrease of \$5 million from last year's appropriated level.

In terms of the HOME program, the Committee recommended formula funding for HOME at \$1.585, \$15 million dollars less than last year, and the same level recommended by the Subcommittee. The set-asides within HOME remained unchanged from what the Subcommittee had approved. The Committee recommended a funding level of \$1.02 billion for HUD's homeless assistance programs, the same level as in FY 2000, and the same level recommended by the Subcommittee. The Committee did agree to increase the amount available for technical assistance under HUD's homeless assistance programs from 1 percent to 1.5 percent. Of this amount, .5 percent will be transferred to HUD's Working Capital Fund. The Subcommittee had approved 1 percent for technical assistance, with .5 percent going to the Working Capital Fund.

Like the Subcommittee, the Committee recommended that all Shelter Plus Care renewal contracts for FY 2001, estimated at \$37 million dollars, be funded from HUD's Housing Certificate Fund, not the homeless assistance programs line item. NCDA and other national interest groups have supported this shift of funds.

Program	FY 2000 Enacted Level	House Appropriations Cmte. Recommended FY 2001 Level
Community Development Fund (a.k.a. CDBG Program)	\$4.781 billion	\$4.505 billion
<i>Set-asides:</i>		
CDBG formula allocation	Not a set-aside	\$4.214 billion
Native Americans	\$67 million	\$67 million
Housing Assistance Council	\$3 million	\$3 million
Natl. Am. Indian Housing Council	\$3 million	\$3 million
Section 107 grants	\$50 million	\$39.5 million
Self-Help Housing Oppt. Program	\$20 million	\$20 million
Natl. Comm. Dev. Initiative	\$20 million	\$23.45 million
Resident Opp. & Social Serv.	\$55 million	\$55 million
Neighborhood Initiatives	\$30 million	\$10 million
Youthbuild	\$43 million	\$45 million
Economic development initiatives	\$256 million	\$10 million
Section 108 Loan Guarantees Limit	\$1.261 billion	\$1.217 billion
Credit Subsidy	\$30 million	\$28 million
Working Capital Fund(IDIS/DGMS)	\$ -0-	\$15 million
HOME Program	\$1.6 billion	\$1.585 billion
<i>Set-asides:</i>		
Housing Counseling	\$15 million	\$15 million
Working Capital Fund	\$7 million	\$17 million
<i>Total Set-Asides</i>	\$22 million	\$32 million
Homeless Assistance Grants	\$1.02 billion	\$1.02 billion
Section 202 (elderly)	\$710 million	\$710 million
Section 811 (disabled)	\$205 million	\$201 million
Housing Certificate Fund	\$11.376 billion	*\$13.275 billion
Public Housing Operating Fund	\$3.138 billion	\$3.138 billion
Public Housing Capital Fund	\$2.9 billion	\$2.8 billion
Lead-Based Paint Reduction	\$80 million	\$80 million
HOPWA	\$232 million	\$232 million
HOPE VI	\$575 million	\$565 million
Rural Housing & Economic Dev.	\$25 million	\$20 million
Natv. Amer. Housing Block Grants	\$620 million	\$620 million
Drug Elimination Grants	\$310 million	\$300 million
Brownfields Redevelopment	\$25 million	\$20 million
Fair Housing	\$44 million	\$44 million

*This includes \$37 million for Shelter Plus Care renewals.

U.S. CONFERENCE OF MAYORS ADOPTS COMMUNITY DEVELOPMENT RESOLUTIONS

On Saturday June 10, 2000, at its Annual Conference, held in Seattle, Washington, the Community Development and Housing Committee of the U.S. Conference of Mayors adopted three resolutions that pertained to the CDBG program, the HOME program and one that addressed lead-based paint. It is important to note that NCDA staff had a key role in advising staff at the Conference on the specific issues that local community development agencies face in these key areas. These resolutions primarily address the need to continue the CDBG and HOME programs and to increase their funding levels. The lead-based paint resolution followed up on the Association's previously established position that dealt with the need for increased funding for lead hazard control and abatement as well as a phased in approach to implementing the regulation until such time as local governments can assess the true costs and the number and availability of contractors makes implementing this rule workable. To view each of these resolutions, please see the **Attachments** section of this issue of *The Washington Report*

LEAD-BASED PAINT UPDATE; NCDA MEETS WITH CONGRESSIONAL STAFF AND HUD

NCDA, NAHRO, ALHFA, and COSCDA have been meeting with Congressional staff and HUD officials in an effort to ameliorate the detrimental effects of HUD's final Lead-Based Paint regulation on the CDBG and HOME programs. In a meeting last week with HUD, the interest groups discussed problems with the regulation. The problems that NCDA and the other interest groups identified included: (1) the cost of the regulation and the effect of this increased cost on local CDBG and HOME funded rehabilitation and homeownership programs; (2) the fact that the rule applies to all housing units assisted

through CDBG and HOME, and not just units where children under the age of 6 reside; (3) the effect of the rule on the elderly, particularly the relocation issue; and (4) the lack of certified contractors in various portions of the country to carry out the lead-based paint activities under the rule.

Although no final agreements have been reached, HUD spoke broadly about possibly doing the following: (1) provide waivers to those jurisdictions which do not have certified contractors available to conduct the activities under the regulation; (2) consider applying the regulation to units only where children under the age of 6 reside until adequate funds are made available to local and state governments to fully implement the regulation to all housing units; and (3) work with the national interest groups in developing an accurate cost figure of the regulation that is reflective of actual costs that can then be taken to Congress to seek adequate funds for implementation of the regulation.

NCDA and the other interest groups want to work in good faith with HUD to ensure that the regulation is ameliorated in favor of local governments. In the meantime, NCDA urges its members to continue to contact their congressional members to ask for delay of the regulation until we receive reprieve in these areas. We have heard from Republican staff that it is critical to have bi-partisan support for our issues, so please contact your Democratic congressional members to seek support for our concerns. This is a very short congressional year. Congress plans to adjourn by the end of September, and they will be out of town the entire month of August, so little time remains to rally widespread congressional support for our concerns regarding the regulation. **PLEASE CONTACT YOUR CONGRESSIONAL MEMBERS TODAY TO VOICE THE ABOVE CONCERNS WITH THE REGULATION. GET YOUR SUB-RECIPIENTS INVOLVED IN THIS GRASSROOTS EFFORT! ASK THEM TO**

ALSO CONTACT CONGRESSIONAL MEMBERS ON THIS ISSUE. If you have any questions, please contact Vicki Watson at NCDA at 202-887-5532, or by e-mail at vicki@ncdaonline.org

On another note, the U.S. Conference of Mayors approved a resolution at their Annual Conference last week regarding the lead-based paint resolution that urges Congress to provide sufficient additional appropriations to implement the regulation without reducing the number of units assisted by CDBG or HOME. The resolution also asks HUD to modify the regulation in the following manner:

- prioritize units assisted with CDBG and HOME where children under the age of 6 reside and to temporarily exempt units where the elderly reside, and where no children are present, until such time as there is a new occupant, and
- assist communities with funds, training and technical assistance to develop a pool of trained and certified lead-based paint professionals and provide emergency temporary waivers where necessary while working on development of this pool.

FREDDIE MAC WILL HOLD PURCHASE...REHAB...REVITALIZE FORUMS

Freddie Mac will sponsor two forums again this year on the use of purchase-and-rehabilitation and in-fill construction programs as homeownership tools to stabilize and revitalize neighborhoods. The forums will be held in McLean, VA (outside of Washington, D.C.) on July 31, 2000, and in Jacksonville, FL on September 19, 2000. Interested participants must register by July 12th for the McLean Forum and by August 29th for the Jacksonville Forum. These one-day forums are free and will provide comprehensive information on financing

packages, in-fill housing, working with lenders, rehab/construction management, and keys to neighborhood revitalization success. The enclosed brochure provides information on the forums, including registration information.

HUD NEWS

HUD PROVIDES ONE LAST EXTENSION OF HOME IDIS DATA CLEAN-UP

HUD has extended the deadline for jurisdictions to clean-up their HOME data in IDIS to July 31, 2000. This will be the last extension. Beginning on August 1, 2000, HUD will put a hold on HOME funding to those jurisdictions that have not made an effort to clean-up their HOME data in IDIS. To date, 73 jurisdictions (down from 214 jurisdictions just a few weeks ago) have not begun their data clean-up effort. HUD will not hold up the HOME funds as long as the jurisdiction has contacted them and is making an effort to clean-up the data. NCDA has asked HUD to forward a list of the 73 jurisdictions, so that NCDA can contact member communities to see what problems they are encountering in cleaning up the data, and to communicate these issues to HUD.

Also, when you have finished cleaning up your data in IDIS, you need to contact HUD's Technical Assistance Unit at 1-800-273-2573. Do not contact your local HUD Field Office. We have been told by members that some of the field offices have not passed on this information to HUD Headquarters staff. Again, if any of you are having any problems, please contact Vicki Watson at 202-887-5532.

CDBG TIMELINESS CONFERENCES RESCHEDULED

Due to scheduling conflicts with HUD staff and other conferences, the three remaining timeliness conferences have been rescheduled.

July 20	Washington, DC Large Entitlements
August 17-18	Chicago, IL Regions 5-8
August 28-29	San Francisco, CA Regions 9-10

REGISTER NOW FOR HUD'S HOME CONFERENCES

HUD is sponsoring three HOME regional conferences this year. These conferences will examine PJ performance issues and provide information to improve local program operations. At each conference, participants will be able to choose among three concurrent tracks of workshops: Construction Management, Preserving Your Investment in Affordable Housing, and Building CHDO Capacity.

Up to three senior staff members from each PJ may attend the conference in their region. The registration fee for each conference is \$95.00 per person. The Eastern region conference will be held in Washington, D.C. on July 11-12; the Central region conference will be held in San Antonio, TX on September 19-20; and the Western region conference will be held in Berkeley, CA on November 14-15. The enclosed brochure provides registration information, as well as additional conference information. Register now! The conferences are filling up quickly.

NCDA NOTES

At the 2000 NCDA Annual Conference in New Orleans, the Board of Directors authorized substantial changes in the membership fee structure for receiving *The Washington Report*. To learn more about these important changes, please see the attached memo on **Electronic vs. Hard Copy Distribution of *The Washington Report*** from NCDA Executive Director, Chandra Western.

WE NEED YOUR HELP

Since the last Winter Meeting in January, NCDA staff have been making a concerted effort to attract advertising from community development and affordable housing technical assistance providers, as well as other kinds of professional service vendors related to housing and community development, onto the *NCDAonline* Yellow Pages. Unfortunately, we have not had much success thus far. Regardless, we are committed to making a success of this project. Therefore, in July, Romulus Johnson will be making another big push to communicate the benefits of advertising in the *NCDAonline* Yellow Pages to CD/affordable housing TA and professional services providers across the nation.

It would be a great help to us if members could contact Romulus Johnson via e-mail (romulus@ncdaonline.org), or telephone [(202) 887-5526], with any contact information about local or regional TA providers they have had positive experiences with. Who knows, if the service contractors did good work for you, chances are your colleagues can also benefit from their assistance. This really is a win, win situation for everyone: TA providers and vendors get great exposure and your fellow members get access to the kind of technical expertise that can help them run better programs and provide better service to the community. We strongly encourage and eagerly await your help with this important endeavor.

NCDA EXECUTIVE SYMPOSIUM: OCTOBER 12-15, 2000 TUCSON, ARIZONA

The 2000 NCDA Executive Symposium will be held in Tucson, AZ at the Westward Look Resort. Please contact Jan Shapin at CDTI in Newport (401-849-7053) for more details.

FEDERAL REGISTER NOTICES

June 12, 2000. FY 2000 Super Notice of Funding Availability (SuperNOFA); Extension of Application of Due Date for Regional Economic Development Projects.

On February 24, 2000, HUD published its Fiscal Year (FY) 2000 Super Notice of Funding Availability for HUD's Housing, Community Development, and Empowerment Programs and Section 8 Housing Voucher Assistance. This document extends the application due date to apply for funding for regional economic development projects under the Economic Development Initiative (EDI) to July 14, 2000. This application due date extension is only for the regional economic development project applications.

June 7, 2000. Tenant Participation in Multifamily Housing Projects. This rule enhances and expands the rights of tenants in HUD-insured and assisted housing to organize and participate in project operation. Pursuant to statutory changes enacted in 1998, the rule

expands the assistance programs in which tenants have rights to organize. The rule outlines examples of appropriate tenant organization activities that housing owners and managers must allow, and requires that tenants have input on certain management decisions.

JOB OPPORTUNITIES/ATTACHMENTS

To access the attachments below, please go to NCDAonline (<http://www.ncdaonline.org>).

- Board of Directors Meeting Minutes
- Community Development Committee Meeting
- Housing Committee Minutes
- Economic Dev. Committee Minutes
- Technology Committee Minutes
- U.S. Conference of Mayors Resolutions
- Memo. on Electronic v. Hard Copy
- Distribution of the *Washington Report*
- HOME 2000 Conference Information
- CPD Training Institute HOME Courses