

NCDA 2001 Annual Conference—Corpus Christi, TX

Community Development Program & Policy Committee Meeting Minutes

Thursday, May 24, 2001; 9:30-11:00 a.m.

The meeting was chaired by Scott Stevenson, CD Manager for the County of Los Angeles. Five issues were discussed during the meeting: 1) HUD'S FY 2002 Budget; 2) H.R. 1191, the Carrie Meek CDBG targeting legislation; 3) A HUD Update from Bob Duncan, Deputy Director of the HUD Office of Block Grant Assistance; 4) CDBG timeliness; 5) and suggestions from the committee on addressing President Bush's faith-based initiatives proposal and plans to reduce funding for the Section 108 loan guarantee program.

Forty-six members attended the meeting. A motion to approve the minutes from the Winter Community Development Committee Meeting was introduced and carried.

(1) Romulus Johnson, NCDA Legislative Counsel for Economic Development Programs and Policy, informed the Committee that according to the President's FY 2002 budget request, CDBG will be funded at \$4.4 billion and HOME at \$1.8 billion, with \$200 million set-aside for downpayment assistance. The only major change in the HUD CD program budget relative to FY 2001 is a \$600 million reduction in the loan authority for the Section Loan Guarantee program. Also, the White House has made no funding request for Round III EZs. NCDA is advocating for \$5 billion for CDBG and \$2 billion for HOME.

(2) Bob Duncan briefed the Committee on HUD operations. He made it clear that the Anti-pirating regulation is on hold indefinitely. Mr. Duncan also focused his remaining remarks on the implications of H.R. 1191 on local governments. Mr. Duncan reported that H.R. 1191 would have a major impact on the way most cities run their CDBG programs by substantially reducing their ability to engage in area benefit and economic development activities. Vicki Watson, NCDA's Senior Housing Counsel, reported that NCDA staff has met with Rep. Meek's staff, and that they indicate no willingness to make any changes to the legislation. Members were urged to contact their congressman to express their opposition to H.R. 1191.

(3/4) Bob Duncan also stressed to the committee that HUD intends to make timeliness enforcement a major priority in the coming year. Right now, at least 159 communities remain untimely according to HUD guidelines. The Department is developing a list of sanctions for those communities that have been habitual offenders. A very spirited discussion was had, among committee participants. A recommendation was made that NCDA staff offer technical assistance and peer to peer advising to member communities that find themselves on HUD's untimely list.

(5) Members were polled on what they felt about the Administration's new faith-based initiatives proposal, and how they would like the Association to respond to the cuts in the Section 108 program. No recommendations or opinions were offered.