

**National Community Development Association
Minutes of the May 23, 2001 Housing Committee Meeting
Corpus Christi, TX**

The meeting was chaired by Nancy Remington (East Providence, RI), Housing Committee co-chair. Nancy called the meeting to order at 11:05 a.m.. George Hovorka (Fall River, MA) motioned to approve the minutes of the January 18 Housing Committee meeting and Gavin Morgan (Victoria, TX) seconded the motion. The minutes were approved unanimously.

Legislative and Regulatory Update

Vicki Watson provided a legislative and regulatory update to the committee on actions regarding HUD's housing programs. The update included: an update on the FY 2002 VA-HUD-IA appropriations bill, implementation of HUD's lead-based paint regulation, the development of a housing production program, the newly formed Millennial Housing Commission, and new housing bills introduced in Congress during this session.

Housing Production Proposal

Vicki outlined NCDA's housing production proposal, which was jointly developed with the U.S. Conference of Mayors, National Association of Counties, National Association of Local Housing Finance Agencies, and National Association for County Community Economic Development. The proposal builds upon the HOME program as the vehicle for spurring new affordable housing production, seeking an additional \$2 billion to fund a HOME Plus component that would provide grants or loans for new construction, substantial rehabilitation, and preservation of affordable rental housing. The proposal would target 25% of the funds to extremely low-income households (those households at 30 percent of area median income or below) and would tie federal Section 8 subsidies to units created for these households. The following housing committee members served on a subcommittee that provided initial comments on the proposal. These members included: Nancy Haney (Lubbock, TX); Barbara Van Der Loop (Irving, TX); Leona Plough (Columbia, SC); Emily Nottingham (Tucson, AZ); Renee Ramey (Garland, TX) and Bob Gehret (Boston, MA). NCDA and the other interest groups will work on developing the statutory language for the program in the coming weeks and shop it around on the Hill for potential sponsors this summer.

Millennial Housing Commission

Last fall, Congress created the Millennial Housing Commission to help them fashion proposals to improve housing opportunities across the country. The 22-member Commission is mandated with preparing a final report by March 2002, with a set of recommendations for improving housing policy nationwide. Many in Washington, D.C., including HUD Secretary Martinez, is awaiting the final report to make housing-related recommendations. The Commission forwarded a solicitation letter to NCDA last month, as well as to hundreds of other national interest groups, seeking comments on a variety of

housing topics. NCDA will work with the membership in crafting a response to the Commission by the June 29 deadline. Vicki provided the committee with the Commission's web site, which is <http://www.mhc.gov>. Vicki encouraged members to forward their own direct responses to the Commission as well as participate in their upcoming field hearings, the dates and locations of which are posted on the web site.

HUD Update and Q & A Roundtable

Mimi Kolesar, Director of HUD's Office of Affordable Housing Programs, provided the committee with an update on the HOME program.

Training

Regarding upcoming HOME training, Mimi informed the committee that HUD has contracted with ICF Consulting to deliver several "Building HOME" courses across the country this year. The courses will start this fall. In addition, ICF Consulting will deliver at least four training sessions on HUD's lead-based paint regulation to CDBG and HOME grantees.

\$200 Million Set-Aside within HOME

Mimi informed the committee that HUD staff have been trying to reach a compromise with the Office of Management and Budget (OMB) on the \$200 million set-aside within the HOME program that is proposed within the FY 2002 budget. HUD staff have developed a proposal whereby each participating jurisdiction would be required to spend 11.5% on homebuyer assistance over a five year period. According to Mimi, currently only about 10% of the participating jurisdictions do not use their HOME funds for homebuyer assistance. The assistance has to be for first-time homebuyers only. The proposal is now at OMB awaiting their approval.

Uniform Relocation Act

Mimi has been working with officials at the Department of Transportation (DOT) to gain some relief for HOME participating jurisdictions under the Uniform Relocation Act (URA). DOT has agreed to exempt downpayment assistance from the URA. URA now requires that tenants be given URA benefits and that a notice be given to the seller. This new agreement would eliminate the notification requirement to the seller and the relocation benefits for tenants. DOT has offered HUD the opportunity to draft the regulation.

HOME Proposed Rule

HUD will release a proposed rule on the HOME program later this fall. HUD will work with NCDA and other national interest groups to develop the rule.

Vicki Watson asked the committee their opinion of increasing the admin. cap for entitlements under HOME, since several members had raised this issue. The committee asked Vicki to conduct a survey of NCDA's membership to garner their feedback on this issue.

The meeting adjourned at 12:35 p.m.