

NCDA 2002 Winter Meeting, Washington, DC

**Economic Development Program and Policy Committee
Meeting Minutes for Thursday, January 24, 2002**

The meeting was chaired by Economic Development Program and Policy Committee Co-Chair Nancy Haney, Community Development Manager, City of Lubbock, Texas. The meeting was also attended by Committee Co-Chair Hazel Bhang, CDBG Administrator, City of Seattle, Washington.

Judy Sheahan of the United States Conference of Mayors provided a legislative update on HR 2869, the Small Business Liability Relief and Brownfields Revitalization Act. This important piece of legislation passed the House and Senate on December 20, 2001 and was signed into law by President Bush on January 11. HR 2869 authorizes \$1.25 billion for brownfields assessment and cleanup, with earmarks of \$200 million a year for cleanup and \$50 million annually for state and local assessment programs for fiscal 2002-2006. This legislation also exempts small businesses from Superfund cleanup costs if they did contribute to site toxicity.

Paul Webster (Director, Financial Management Division, CDBG Section 108 Loan Guarantee Program) provided a brief review of Section 108, with a focus on the program's credit standards. Paul Webster's briefing served as a preview to Friday's concurrent session entitled "Getting the Most Out of Section 108."

Jeff Falcusan, NCDA Legislative Counsel and Staff for Economic Development, provided an update on the status of the New Markets Tax Credit Program. The program, which resulted from the Community Renewal Tax Relief Act of 2000, allows eligible Community Development Entities (CDEs) to apply for allocations of tax credits. When equity investments are made in a CDE, investors will be able to claim a 5 percent credit on the investment amount for each of the first 3 years, and a 6 percent credit for each of the next 4 years. CDEs must in turn invest in businesses and organizations serving low-income communities. The Community Development Investment Fund is currently accepting applications for CDE certification; the application process for tax credit allocations will begin this spring.

No new motions or resolutions were entertained.