

**National Community Development Association
Minutes of the June 12, 2002 Housing Committee Meeting
Providence, RI.**

The meeting was chaired by Nancy Remington (East Providence, RI). The meeting was called to order at 10:30 a.m. The committee accepted and approved the minutes of the January 24, 2002 meeting.

Vicki Watson and Jeff Falcusan provided the committee with a legislative update which covered appropriations and authorizing legislation for HUD's housing programs. The update focused on the following areas: an overview of the Millennial Housing Committee Report, released on May 30, 2002, an overview of H.R. 3995 – The Housing Affordability Act of 2002 (NCDA's HOME production proposal is included as Section 101 of Title I of the bill), an update of the emergency supplemental bill (which includes a \$50 million rescission to the HOME program and a \$300 million rescission to Section 8), an overview of H.R. 4205 – The Affordable Housing Improvement Act – introduced by Rep. Carrie Meek (D-FL) on April 18 (the bill would allow jurisdictions to transfer their unused Section 8 funds to their HOME program or Public Housing Capital Fund), an overview of S. 2573 – The Community Partnership to End Homelessness Act – introduced by Senator Jack Reed (D-RI) on May 23 (the bill streamlines HUD's homeless assistance programs), an overview of the U.S. Conference of Mayors' national housing policy agenda (in your conference packets), a recent hearing on the Federal response to lead-based paint poisoning, and an update on HUD's effort to streamline the Consolidated Plan.

Cliff Taffet, Deputy Director of the Office of Affordable Housing at HUD Headquarters, provided the following information to the committee regarding the HOME program.

- (1) HUD has drafted statutory language to create the American Dream Downpayment Program [President Bush's initiative to increase homeownership]. Rep. Rogers (R-MI) introduced the bill in the House on April 16, 2002. Senator Wayne Allard (R-CO) introduced a companion bill in the Senate on June 5, 2002. Rep. Rogers' bill has been included as an amendment to H.R. 3995 – The Housing Affordability Act of 2002 -- and will likely be enacted this year; however, it will not be enacted by June 30, 2002, the time limit set by Congress in the FY 2002 VA-HUD Appropriations bill. The \$50 million appropriated for the program reverts back to the HOME program if the program is not enacted by this date, if it is not rescinded by Congress for use in appropriations.

Cliff also informed the committee that HUD will release several notices on the HOME program this year, including: (1) a revised CHDO notice; (2) a notice on land trusts; and (3) a notice on the difference between a facility and a housing project.

- (2) HUD staff will work on a proposed rule to the HOME program this year. The proposed rule will be released in the Fall. In addition, HUD continues to push some small statutory changes to the HOME program, including: (1) the elimination of the 30-day eviction notice. HUD would like the date of the termination to be based on State or local law; and (2) allow PJs to submit match performance based on their program year, rather than the federal fiscal year. *[NCDA also supports these changes]*
- (3) HUD plans to provide extensive training on the HOME program this year in the following areas: monitoring, program management, combining HOME with tax credits and other funding sources,

performance and productivity, lead-based paint, non-profits and CHDOs, and mixed-income financing and projects. Information on these courses have been forwarded to HOME grantees. [In addition, the training is posted to NCDA's website at www.ncdaonline.org]

At the January 24, 2002, Housing Committee meeting, committee members requested NCDA staff to conduct a survey of NCDA's HOME grantees to solicit their feedback on the need to increase the HOME administrative fee. The issue of increasing the fee has been raised on several occasions by different members. A written survey was developed and forwarded to NCDA's members. Jeff provided an overview of the HOME Administration Survey results to the committee [see attached]. The survey participants overwhelmingly support an increase in the HOME administrative fee up to 20%. The committee approved a motion to send a recommendation to NCDA's Board of Directors to approve, as a legislative policy position for NCDA, an increase in the HOME administrative level from 10% to 20%.

Vicki provided a quick update on NCDA's HOME technical assistance activities under the NAHTI Contract. These activities include continued HOME training – both basic training and advanced training - to NCDA's members. NCDA will complete its CHDO Training Manual for Participating Jurisdictions by the Fall, in time to hold training sessions at the Region I and Region VI meetings.

There being no other business, the meeting adjourned at 12 noon.