

Proposed Changes

White Paper – Consolidated Plan Improvement Initiative

Introduction:

These are some of the ideas currently under consideration by CPD for changes to the Consolidated Plan process as part of the Consolidated Plan Improvement Initiative. The earlier work of the steering committee and the various working groups are reflected in some of these proposals. The ideas presented here should not be viewed as the final product of our collaborative effort. The pilots are still underway and we expect to see some changes arising from their efforts. Streamlining the Consolidated Plan and making it more results oriented, as we were charged to do in the President's Management Agenda, is an ongoing effort and we should view this paper as one stage in a continuing process.

Statutory:

- **Eliminate submission of Community Development Plan – Repeal Section 104(m)**

Section 104(m) of the Housing and Community Development Act of 1974 as amended (basic CDBG legislation – Statement of Activities and Review) was added by Congressman Kanjorski in anticipation of a jobs creation bill. Unlike Section 104(b) that requires applicants to list nonhousing activities they intend to undertake, section 104(m) requires them to list activities they may or may not undertake at some point in the future. Eliminating section 104(m) would give citizens and others a truer picture of what the grantee was preparing to do with the funding and not cloud the picture with items not being funded currently or that may never be funded.

- **Request Statutory Authority to Conduct a Demonstration on Alternatives to the Consolidated Plan**

The Secretary would be granted statutory authority to permit a limited number of Consolidated Plan grantees to use alternative means of planning but not necessarily in the form or manner currently prescribed by the statutes. This would permit the Secretary to waive the current requirements under 105 of National Affordable Housing Act (Cranston-Gonzalez National Affordable Housing Act – Comprehensive Affordable Housing Strategy) and 104 of the Housing and Community Development Act of 1974 as amended (basic CDBG legislation – Statement of Activities and Review) in order to test other means of meeting the goals. This demonstration would be conducted for a period of years (to be determined) and with a limited number of grantees chosen by the Secretary. A strong evaluation component would need to be included.

Regulatory

- **Limit submission of nonhousing community development plan to statutory requirement**

The current statute only states that each CDBG recipient must prepare and submit a description of its priority nonhousing community development needs eligible for assistance in such form as HUD by regulation prescribes. We propose to change the regulatory requirement to eliminate “dollars to address” that jurisdictions do not find useful. Grantees would only be required to submit priority nonhousing community development needs and short-term and long-term objectives under this change.

- **Require annual action plan include goals for the number of families to be provided affordable housing**

The CHAS statute requires jurisdictions to identify the number of families to whom the jurisdiction will provide affordable housing as defined in section 215 using funds made available. The CHAS regulation previously contained a provision requiring the jurisdiction to “specify one-year goals for the number of families to be assisted, by tenure type, under each activity specified with funds already on hand, including program income, and those funds to be available during the Federal fiscal year covered by the annual plan.” (24 CFR 91.21(a)(v)) This would make the annual action plan submission more results oriented and focus more attention on how formula grant funds are used to provide affordable housing.

HUD would identify a format for the action plan that would clearly identify how the activities that are being funded with CPD formula grant funds implement the allocation priorities identified in the strategic plan. The allocation priorities for housing would be standardized by collecting housing information for the four CPD formula programs using a standardized tabular format, (i.e. assistance to renters vs. owners). Summary information for housing and community development activities could then be aggregated in a consistent manner across programs.

- **Clarify the regulations to include chronic homelessness as part of the strategic plan**

The regulation at 91.215 would be clarified to include specific references in the consultation, market analysis, strategic plan, and action plan sections dealing with efforts being undertaken to address chronic homelessness as part of the grantee’s plan to address homelessness. The Secretary has made ending chronic homelessness by 2012 a priority. This change will bring the Consolidated Plan more in line with current Administration and Congressional focus on the problem.

- **Outcomes for Neighborhood Revitalization Strategy Areas**

The regulation at 91.215(e)(2) would be clarified to include a requirement that the strategy must specify measurable outcomes and benchmarks. This would help demonstrate how the Consolidated Plan can be more results or outcome oriented.

- **Clarification of submission requirements**

The current statute allows HUD to establish such dates and manner for the submission of housing strategies. Two changes are under consideration. The first change clarifies that a summary of the citizen participation and consultation process must be submitted on an annual basis together with the action plan and certifications. The second change indicates the housing and homeless needs assessment, housing market analysis, and strategic plan sections must be submitted at least once every five years, or at such time as jointly agreed upon by HUD and the jurisdiction. This would allow jurisdictions the flexibility to submit and update plans in a manner that facilitates orderly program management. Some jurisdictions could submit and update plans in a manner that is more consistent with time periods used for cooperation agreements or the availability of data.

- **Clarification that specific objectives must identify proposed outcomes**

This change would clarify 91.215 to identify proposed accomplishments and outcomes the jurisdiction hopes to achieve over a specified time period.

- **Elimination of obsolete and redundant public housing provisions**

Obsolete and redundant sections related to public housing would be eliminated to bring the Consolidated Plan regulations in line with the public housing regulations. These include references to the Comprehensive Grant program and organizational relationships between the jurisdiction and public housing agency.