



**FROM: NCD A STAFF**

**DATE: January 10, 2010**

### ***FEATURED ARTICLES***

- ✓ ***Congress Passes Consolidated Appropriations Bill***
- ✓ ***Senator Chris Dodd (D-CT) Announces His Retirement***
- ✓ ***HUD NEWS – FY10 CDBG Allocations; Jobs Reporting Guidance for Recovery Act Programs; IDIS On Line Training for CDBG Grantees Announced***
- ✓ ***NCD A NEWS – Updated 2010 Winter Conference Agenda and Registration; Upcoming NCD A CDBG Training***

### **Congress Passes Consolidated Appropriations Bill**

Congress lumped the unfinished FY10 spending bills (except for Defense, which was passed later as a stand-alone bill) into H.R. 3288 – Fiscal Year 2010 Consolidated Appropriations Act. The measure was passed out of conference on December 8. President Obama signed the bill on December 18, 2009.

Congress provided \$4.450 billion to the Community Development Fund. Of this amount, \$3.990 billion is allocated to CDBG formula grants, an increase of \$347 million from FY09. According to HUD, CDBG grantees will receive, on average, a 7% increase from their FY09 allocation.

The remainder of the \$4.450 billion went to fund the following set-asides:

- \$173 million for Economic Development Initiatives (EDI) (special projects)
- \$22 million for HUD neighborhood initiatives (HUD special projects)
- \$65 million for CDBG grants to Indian tribes.
- \$25 million for the Rural Innovation Fund
- \$25 million for the University Community Fund
- \$150 million for the Sustainable Communities Initiative

Congress inserted \$150 million within the Community Development Fund for a new initiative, the Sustainable Communities Initiative, to improve regional planning efforts around integrated housing and transportation projects. Of the \$150 million provided to the initiative, \$100 million will be used to fund a Regional Integrated Planning Grant program to support the linkage of

transportation and land use planning; \$40 million will be allocated to a new Community Challenge Planning Grant program to foster reform and reduce barriers to sustainable communities; and \$10 million will be used to fund a joint research effort between HUD and the Department of Transportation.

Congress provided \$6 million for the Section 108 loan guarantee program to subsidize loan guarantees of \$275 million, the same level as last year. The Brownfields Economic Development Initiative (BEDI) received \$17.5 million, a boost of \$7.5 million from last year.

Congress provided \$1.825 billion for the HOME formula grants, an increase of \$25 million from last year. No set-asides were funded within the program. HUD's homeless assistance programs received \$1.865 billion for FY10, an increase of \$188 million. The Housing for Persons with AIDS Program (HOPWA) received \$335 million for FY10, an increase of \$25 million from last year.

Housing Counseling was funded at \$87.5 million, an increase of \$22 million from last year, with \$13.5 million awarded to HUD-certified housing counseling agencies located in the 100 metropolitan statistical areas with the highest rates of home foreclosures.

Fair housing activities funded at \$72 million, an increase of \$19 million. Lead Hazard Reduction Program received \$140 million, the same level as last year, with \$20 million allocated to the Healthy Homes Initiative.

Congress approved \$16.339 billion for renewals of expiring section 8 tenant-based rental assistance, an increase of \$1.3 billion, and \$8.3 billion for tenant-based section 8 renewals, an increase of \$1.4 billion. Congress funded the Public Housing Capital Fund Program at \$2.5 billion, an increase of \$50 million, and the Public Housing Operating Fund at \$4.775 billion, an increase of \$325 million.

The HOPE VI Program, which revitalizes severely distressed public housing, received \$200 million for FY10. Of this amount, \$65 million is set-aside for the creation the Choice Neighborhoods Initiative. The Obama Administration requested \$250 million for the initiative in its FY10 budget. NCDA is highly supportive of the initiative's focus to transform distressed housing (both public and HUD-assisted housing) and the surrounding neighborhoods into sustainable mixed-income neighborhoods. Besides public housing authorities, local governments, non-profit organizations, and for-profit organizations will be eligible to apply for program funding. NCDA has advocate that non-profit and for-profit organizations be required to apply in conjunction with the local government or public housing authority and not as a stand-alone applicant, due to capacity concerns.

#### *National Housing Trust Fund*

Funding for the National Housing Trust Fund (NHTF) was included in the Jobs for Main Street Act of 2010, approved by the House on December 16, 2009. The Senate is expected to take up

the bill when it reconvenes later this month. The bill provides \$1 billion for the NHTF and \$65 million in funding for project-based vouchers to be distributed in conjunction with the NHTF.

### **Senator Chris Dodd (D-CT) Announces His Retirement**

Senator Christopher Dodd (D-CT), Chairman of the prestigious Senate Committee on Banking, Housing, and Urban Affairs, stunned Washington and the nation by announcing his retirement when his term expires this year. Dodd has served in the Senate for the past 35 years and has been an ardent champion of affordable housing and community development programs – including CDBG and HOME. As Chairman of the Committee on Banking, he introduced sweeping legislation this past Fall to reform the nation's financial regulatory system. The legislation is still pending in the Senate, but will likely be enacted this year. He most recently introduced the Livable Communities Act of 2009 (S. 1619) on August 6, 2009 to improve the coordination of housing, community development, transportation, and energy through comprehensive regional planning grants. The legislation establishes an Office of Sustainable Housing and Communities within HUD and an Interagency Council on Sustainable Communities. It also establishes two new grant programs: (1) Comprehensive Planning Grant Program; and (2) Challenge Grant Program, both of which would be competitively allocated to local governments and local planning organizations.

## **HUD NEWS**

### **FY10 CDBG Allocations**

HUD anticipates completing the FY10 CDBG formula allocations by the end of January or early February. It would be at least 30 days after that before HUD Field Offices will be in a position to begin issuing grant agreements for grantees who have already submitted their Action Plans. On average, grantees will see a 7% increase in their allocations from last year.

### **Jobs Reporting Guidance for Recovery Act Programs**

On Friday, December 18, the Office of Management and Budget (OMB) issued revised guidance on how to count and report jobs. The memo, M-10-08, can be found on OMB's website at: [http://www.whitehouse.gov/omb/assets/memoranda\\_2010/m10-08.pdf](http://www.whitehouse.gov/omb/assets/memoranda_2010/m10-08.pdf)

Instructions for grantees begin with part 2 of the memo, on page 10. The memo makes several changes from the June 22, 2009 OMB guidance regarding job counting.

- Grantees will report on jobs created or retained for that quarter only, based on all hours worked during that quarter. Jobs reporting will no longer be cumulative over the life of the grant. The instructions for computing jobs on a quarterly basis have been simplified and clarified.
- The guidance provides definitions of jobs considered to be created or retained. A job is to be counted as created or retained only if the wages or salaries are either paid for or will be reimbursed with Recovery Act funds.
- Where an activity is funded by multiple funding sources, the job creation/retention figures funding are to be prorated based on the proportion of the activity funded with

Recovery Act funds.

- Beginning February 2, 2010, grantees will be able to make corrections of all data submitted in FederalReporting.gov for the recently ended quarter which is being reported on (December 31, 2009).

On January 6, 2010, HUD held a webcast to go over the changes with grantees. This webcast has been archived and can be viewed at <http://www.hud.gov/webcasts/index.cfm>

### **IDIS On Line Training for CDBG Grantees Announced**

The Office of Block Grant Assistance is offering 40 two-day IDIS Online training sessions across the country. These sessions will provide instructions for navigating through the new system and will include policy and programmatic guidance for reporting in IDIS Online. Topics will include activity funding, drawdowns, activity set-up, accomplishment reporting, the new IDIS Online reports function, and new system features. The training agenda and schedule of sessions is attached. According to HUD, due to limited resources, these sessions will be able to accommodate only one representative grantee. Additional grantee staff who are interested in receiving the training will be placed on a waiting list and will be notified if space becomes available. A registration website is now available at <http://www.CDBGIDISTraining.org>

### **NCDA NEWS**

#### **2010 Winter Conference Agenda and Registration Information Posted to Website**

The 2010 NCDA Winter Conference will be held at The Washington Court Hotel in Washington, DC on January 20-22, 2010. The Winter Conference is the perfect opportunity to hear about upcoming policy and budgetary issues and hear directly from HUD staff on program updates. The conference fee is \$400 for members and \$450 for non-members. Members receive a \$25 discount if two members attend from a single community and a \$50 discount if three or more persons attend from a single community. Registration must be paid by check (NCDA is not set-up to accept credit cards) and must be made payable to NCDA.

Besides a congressional update and news from HUD, the conference will feature the following:

- CRA and Fair Lending Training
- Training on OMB Circulars
- One-on-One Session with HUD Officials on CDBG-R and NSP Issues
- Plenary Session on the Office of Inspector General (OIG) Audits
- Plenary Session on Affirmatively Furthering Fair Housing and Section 3
- Plenary Session on the New Continuum of Care Program and HPRP Implementation
- Plenary Session on CDBG, HOME, ARRA Reporting
- Session on CDBG Program Timeliness
- Plenary Session on the Choice Neighborhoods Initiative and the Sustainable

- Communities Initiative – both new HUD initiatives
- Economic Development Roundtable (Section 108, BEDI, EZs/ECs)
- 2010 Census
- IDIS Update (at the Technology Subcommittee Meeting)

A copy of the updated draft agenda is attached to this newsletter and is also available online at <http://www.ncdaonline.org>. You can also register for the conference online. NCDA has sold out its hotel room block at the Washington Court Hotel; however, please contact Karen Parker at 202-293-7587 for further information on nearby hotels.

### **Upcoming NCDA CDBG Training**

NCDA will hold an Advanced CD Training in Seattle, WA on May 10-11, 2010. The registration and hotel information will be posted to the NCDA website by the end of January. NCDA is also planning a Basic CDBG Course for Austin, TX in April. Details to follow. For questions on the training, please contact Vicki Watson at [vicki@ncdaonline.org](mailto:vicki@ncdaonline.org)

### **Attachments**

- 2010 Updated NCDA Winter Conference Draft Agenda and Registration Form
- IDIS OnLine for CDBG Grantees Agenda
- IDIS OnLine for CDBG Grantees Training Schedule

## U.S. Department of Housing and Urban Development Budget Chart

Program	FY09 Enacted Level	FY10 Enacted Level
Community Development Fund	\$3.9 billion	\$4.450 billion
<i>Set-Asides:</i>		
Native American Block Grant	[\$65 million]	[\$65 million]
EDI Grants	[\$165 million]	[\$172.8 million]
Technical Assistance	[\$5 million]	\$0
Neighborhood Initiatives	[\$19 million]	[\$22 million]
Working Capital Fund	[\$3 million]	\$0
Sustainable Communities Initiative	\$0	[\$150 million]
Rural Innovation Fund	\$0	[\$25 million]*
University Community Fund	\$0	[\$25 million]**
<i>Total Set-Asides</i>	<i>\$257 million</i>	<i>\$265 million</i>
<b>Formula Grants</b>	<b>\$3.643 billion</b>	<b>\$3.990 billion</b>
Section 108 Loan Guarantees	\$275 million	\$275 million
Brownfields	\$10 million	17.5 million
HOME Program	\$1.825 billion	\$1.825 billion
<i>Set-Asides:</i>		
Housing Counseling	\$0	\$0
Technical Assistance	[\$12 million]	\$0
Working Capital Fund	[\$4.2 million]	\$0
ADDI	\$0	\$0
<i>Total Set-Asides</i>	<i>\$16.2 million</i>	<i>\$0</i>
<b>Formula Grants</b>	<b>\$1.80 billion</b>	<b>\$1.825 billion</b>
Homeless Programs	\$1.677 billion	\$1.865 billion
Housing Trust Fund	\$0	\$0^^
Housing Counseling	\$65 million	\$87.5 million
Lead Hazard Control	\$140 million	\$140 million
Self-Help and Assisted Homeownership Program (SHOP)	\$64 million	\$82 million
Section 202 for the Elderly	\$765 million	\$825 million
Section 811 for the Disabled	\$250 million	\$300 million
HOPWA	\$310 million	\$335 million
Fair Housing	\$53.5 million	\$72 million
Section 8 TBRA	\$15 billion	\$16.3 billion

Section 8 Project-Based Assistance	\$6.868 billion	\$8.3 billion
<b>Program</b>	<b>FY09 Enacted Level</b>	<b>FY10 Enacted Level</b>
Public Housing Capital	\$2.45 billion	\$2.5 billion
Public Housing Operating	\$4.45 billion	\$4.775 billion
HOPE VI	\$100 million	\$200 million^
Energy Innovation Fund	\$100 million	\$100 million
Native American Housing Block Grant	\$645 million	\$700 million
Native Hawaiian Housing Block Grant	\$10 million	\$13 million
Indian Housing Loan Guarantees	\$9 million	\$7 million
Native Hawaiian Loan Guarantees	\$1 million	\$1 million

\*The Rural Innovation Fund was funded out of HUD's Policy Development and Research account in FY09.

\*\*The University Community Fund was funded out of HUD's Policy Development and Research account in FY09.  
 Consolidates grants to institutions of higher learning funded under Section 107 including HBCUs, Alaska Native serving institutions, Native Hawaiian institutions, tribal colleges and universities, and Hispanic serving institutions

^\$65 million is set-aside for the Choice Neighborhoods Initiative

^^Funding for the National Housing Trust Fund is expected to be attached to the Jobs bill moving through Congress.