



FROM: NCDA STAFF

DATE: December 23, 2010

**HAPPY HOLIDAYS
NCDA 2011 WINTER CONFERENCE – JANUARY 19-21, 2011
CD WEEK IS APRIL 25-30, 2011; START PLANNING YOUR ACTIVITIES**

FEATURED ARTICLES

- ✓ ***Congress Passes Continuing Resolution Through March 4***
- ✓ ***Lame Duck Accomplishments***
- ✓ ***House Sets New Rules***
- ✓ ***Meet with Your Congressional Members; Start Planning Your CD Week Activities***
- ✓ ***Census Bureau Announces Census Counts; Apportionment***
- ✓ ***HUD NEWS – Automatic Cancellation of HOME IDIS Activities; FFATA Information Available; Using Section 3 Third Party Vendors; NSP Information***
- ✓ ***NCDA NEWS – NCDA 2011 Legislative and Policy Conference; Make Your Hotel Reservation by December 27, 2010; Advertise Your Internship Positions on the NCDA Website; Join NCDA on LinkedIn***

Congress Passes Continuing Resolution Through March 4

Unable to reach compromise on an omnibus appropriations measure that would have funded most federal programs at their FY10 level through September 30, 2011, the Senate punted and delivered a 10-week Continuing Resolution (CR) to the House, which approved the measure. The President signed the short-term CR yesterday. It keeps federal programs operating at their FY10 level through March 4, 2011.

Summary of the Continuing Resolution

- Funding would continue at FY10 enacted levels for most federal programs (HUD's programs would remain at FY10 levels).
- The CR provides funding at a rate approximately \$1.16 billion over the FY10 level.
- Freezes the pay of federal civilian employees for two calendar years starting in 2011.
- Ensures that HHS obligates the same amount for LIHEAP during the CR as it did during the same period in FY10.
- Increases funding for the Veterans Benefits Administration to \$2.1 billion, an increase of \$460 million over FY10 to support the efforts in reducing the processing times of

disability claims.

- Extends the FHA, GSE, and HECM loan limits for high cost areas through FY11.
- Allows the U.S. Interagency Council on Homelessness, which is responsible for coordinating federal policy relating to homelessness, to continue operating.
- Extends authority for current surface transportation programs to ensure that State departments of transportation and local transit agencies will be able to continue their ongoing infrastructure investments.
- Extends the TANF block grant and Child Care Entitlement to State programs at their current level through the duration of the CR.
- Extends for the duration of the CR the existing FEMA authority to provide technical and financial assistance to States and localities for pre-disaster hazard mitigation activities.

Lame Duck Accomplishments

While Congress did not approve a full-year continuing resolution, it did manage to pass several important bills before recessing for the Christmas holiday.

- repeal of “Don’t ask, Don’t tell”
- ratification of the new Start nuclear arms control treaty with Russia
- streamlined defense authorization bill
- assistance for 9/11 first responders
- FDA food safety bill
- tax relief bill which provides jobless benefits for 13 months

Included in the tax relief bill signed by the President on December 17, is an extension of the New Markets Tax Credit (NMTC) and an extension of the Gulf Opportunity (GO) Zone Low Income Housing Tax Credit, as follows:

- two-year extension of the NMTC at a level of \$3.5 billion per year
- two-year extension of the increase in the rehabilitation tax credit for property placed in service through the end of 2011 in the Gulf Opportunity Zone (Louisiana, Mississippi, Alabama)
- one-year extension of the placed-in-service date for GO Zone Housing Credit properties
- one-year extension of bonus depreciation for GO Zone property

The bill does not include funding for the National Housing Trust Fund.

The NMTC program, established by Congress in 2000, permits individual and corporate taxpayers to receive a credit against federal income tax for making qualified equity investments in Community Development Entities (CDEs). The CDE in turn uses the investments to make qualified investments in low-income communities. The credit has generated nearly \$19 billion in private capital for grocery stores, schools, commercial buildings, and other projects in low-income areas. The Gulf Opportunity Zone Tax Credits provide capital for low-income housing

and commercial and residential development in areas of Mississippi, Alabama, and Louisiana.

House Sets New Rules

The incoming Republican majority have revised the House rules on legislation in the following manner:

- committees will publish the hearing and markup attendance of all members
- each bill must be available online for three days before it's debated
- the "Gephardt" rule will be eliminated, which allowed for an automatic increase of the federal debt limit upon the adoption of the annual budget resolution

These rules will be officially adopted in two weeks when the Republicans take leadership of the House. In addition, the names of three committees will be changed: Education and Labor will be renamed Education and the Workforce, Science and Technology will become Science, Space and Technology, and the Standards of Official Conduct will be known officially as Ethics.

Meet with Your Congressional Members; Start Planning Your CD Week Activities

Next year's appropriations process will be a tough one for federal programs, including our core programs, CDBG and HOME. NCDA, along with the U.S. Conference of Mayors, National Association of Counties, National Association for County Community and Economic Development, Council of State Community Development Agencies, and the National Association of Housing and Redevelopment Officials, have formed a coalition to spur a grassroots effort among grantees to meet with their congressional members to educate them on the accomplishments of CDBG and HOME and work with grantees to celebrate National Community Development Week – April 25-30, 2011. The coalition will also work together on a national level to bring attention to CDBG and HOME through coordinated Hill visits, press briefings, and a major effort to measure the economic benefits of the CDBG program. The groups have been meeting over the past several weeks. Please find attached a draft copy of the 2011 National CD Week Guidebook. Please read the document and begin using it to contact your congressional members and frame your CD week activities. **Most importantly, please complete the Fact Sheet at the end of Guidebook and give it to your congressional members during your visits with them.** We urge all of our members to meet with their congressional members at least once in January or February, and again in March and April. If you cannot personally meet with them, please send the Fact Sheet to them, along with a letter urging them to support full funding of CDBG and HOME in FY12.

During NCDA's 2011 Winter Legislative and Policy Meeting in Washington, DC on January 19-21, 2011, time has been set-aside within the conference agenda to allow for conference participants to visit with their congressional representatives to seek support for CDBG and HOME. Please start now to schedule an appointment with your congressional members. Check with your local jurisdiction first to understand any policies, procedures or restrictions you must

follow before meeting with your congressional member, then contact your member to schedule an appointment. To reach your congressional member, contact the Capitol Hill switchboard at 202-224-3121. Once connected, ask to speak to the member's scheduler. This person keeps the member's calendar and sets all appointments. ***The Fact Sheet provided in the CD Week Guidebook will serve as your congressional talking points for the coming year.*** With the large turnover in the House, it is vital that you meet with your congressional member to voice support for CDBG and HOME. If you cannot meet with your congressional member during the NCDA Winter Conference, then plan to meet with them at their local district office in January or February, prior to the start of the congressional budget process.

Census Bureau Announces Census Counts; Apportionment

Article I, Section 2 of the U.S. Constitution calls for a census of the nation's population every 10 years to apportion the House seats among the States. The U.S. Census Bureau announced this week that the 2010 Census showed the resident population of the United States on April 1, 2010 was 308,745,538, an increase of nearly 10% over the 2000 resident population level of 281,421,906. According to the U.S. Census Bureau, the South and the West picked up the bulk of the population increase. The Northeast and Midwest grew slightly.

Apportionment

The State of Texas was the biggest winner, gaining four new House seats for a total of 36 House seats. The gain in House seats will also increase the number of electoral votes for Texas to 38. Florida gained two new House seats, bringing its total number to 27 House seats. Georgia, South Carolina, Arizona, Utah, Nevada, and Washington each gained one House seat. The biggest losers were New York and Ohio, which each lost two House seats, leaving New York with 27 electoral votes and Ohio with 16. Massachusetts, Pennsylvania, Michigan, Illinois, Iowa, Missouri, Louisiana, and New Jersey each lost one House seat. The House seats in the rest of the states remain unchanged. For the first time in its history, California did not gain a House seat after a census.

President Obama will transmit the apportionment counts to the 112th Congress during the first week of its regular session in January. The reapportioned Congress will be the 113th, which convenes in January 2013. Beginning in February and wrapping up by March 31, 2011, the Census Bureau will release demographic data to the States on a rolling basis so state governments can start the redistricting process.

HUD NEWS

Automatic Cancellation of HOME IDIS Activities

HOME IDIS activities that received an initial commitment of funds in IDIS more than 12 months ago, but have not had funds drawn down by the end of the 12 month period will be automatically cancelled by the system beginning on January 1, 2011 and at the beginning of each month thereafter. HUD's Office of Affordable Housing Programs released a *HOME FACTS* on this topic in June 2010 at

<http://www.hud.gov/offices/cpd/affordablehousing/library/homefacts/volumes/vol3no1.cfm>

FFATA Information Available

HUD has posted the following technical assistance information on the Federal Funding Accountability and Transparency Act Subreporting System to the following website
<http://www.comcon.org/programs/ffata.html>

- Q&A Document
- Presentation Slides from the Office of Block Grant Assistance webinar
- Recording from the Office of Block Grant Assistance webinar

According to HUD, some grantees are having difficulty locating their grants in this new system. HUD is working on resolving these issues.

Using Section 3 Third Party Vendors

Assistant Secretary for Fair Housing and Equal Opportunity, John Trasvina, issued a memo to all field offices alerting them that grantees are under no obligation to use any third party service provider to help them implement Section 3. It has recently come to HUD's attention that the National Association of Construction Contractors Cooperation (NACCC) has solicited grantees by issuing a press release announcing the *National Registry of HUD Section 3 Certified Business Concerns*. The organization is in no way affiliated with HUD and HUD cannot guarantee the services they provide.

NSP Information

Upcoming Webinar for NSP3 Grantees

HUD will hold a webinar for the 60 new NSP3 grantees on Thursday, January 6, from 2 - 4 pm EST. The webinar will discuss the NSP program rules and regulations and NSP program design.

NSP Problem Solving Clinic Materials are Now Available Online

HUD has posted the NSP problem solving clinic workshop and one-on-one materials to its NSP Learning Center. under Training Materials.

NSP Problem Solving Clinics

HUD will hold the following NSP Problem Solving Clinics in the coming months. The clinic locations and dates are as follows:

- Atlanta, GA, January 11-12
- Los Angeles, CA, January 19-20
- Orlando, FL, January 25-26
- Washington, DC, February 1-2

The clinics are one-day, but will be offered twice in the same city to allow more participation.

NSP1, NSP2, and NSP3 grantees can register up to five people. Travel costs to the clinics are an eligible administrative cost, according to HUD. All of the clinics will focus on the NSP program rules and DRGR and will focus on other issues (land banking, program design, marketing, sustainable underwriting for multifamily projects, managing scattered-site rental programs, structuring single-family properties), based on registration preference.

To register for a clinic, go to <http://hudnsphelp.info/index.cfm>

NCDA NEWS

NCDA 2011 Legislative and Policy Conference; Make Your Hotel Reservation by December 27, 2010

NCDA will hold its 2011 Legislative and Policy Conference in Washington, DC on January 19-21, 2011. Please make your hotel reservations by December 27 in order to receive the special NCDA rate of \$174.00 per night plus tax. To make your hotel reservation, contact the Washington Court Hotel at 202-628-2100 or 800-321-3010. Be sure to mention reservation ID: NCDA to receive the special room rate.

The conference will feature updates from HUD, offer informative sessions on a variety of topics, including Section 3/AFFH, grantee reporting, regional approaches to community development, NSP implementation, HUD's Economic Development Tool Kit, Using CDBG for Job Creation, a demonstration of the Census Bureau's American Fact Finder tool, among others. The agenda and registration form are attached. You can also register online at www.ncdaonline.org.

Advertise Your Internship Positions on the NCDA Website

NCDA's Membership Subcommittee created a student membership category within the NCDA membership structure earlier this year. The student membership category applies to college students, including graduate students. The annual membership fee is \$50.00 per student. Student members will receive the newsletter and access to the Jobs/Internships Board.

NCDA created the new membership category as a way of attracting young professionals into the community development profession and as a means of assisting students in locating internships and jobs in the community development field. With that being said, we strongly encourage members to post internships on the newly renamed NCDA Jobs/Internships Board on NCDA's website at www.ncdaonline.org and to encourage college students in your community to join the Association.

Join NCDA on LinkedIn

Thanks to former NCDA President, Steve Gartrell, members can now join the NCDA Community LinkedIn group, a free tool which allows NCDA members and alumni members to network with fellow CD professionals. We would like to invite you to join the NCDA Community LinkedIn groups.

If You Are Currently a Member of LinkedIn:

- (1) go to <http://www.linkedin.com>
- (2) search by “Group”
- (3) type in “NCDA”
- (4) click the button that reads “Join Group”

New LinkedIn Members:

- (1) join LinkedIn by going to <http://www.linkedin.com>
- (2) once you are registered, search by “Group”
- (3) type in “NCDA”
- (4) click the button that reads “Join Group”

Questions? Please contact Steve Gartrell at sgartrell1@gmail.com or 508-651-2592.

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

Program	FY10 Enacted Level	FY11 President's Proposed Funding Level	FY11 House Appropriations Level	FY11 Senate Appropriations Level
Community Development Fund	\$4.450 billion	\$4.380 billion	\$4.352 billion	\$4.450 billion
<i>Set-Asides:</i>				
Sustainable Communities Initiative	[\$150 million]	[\$150 million]	[\$150 million]	[\$150 million]
Catalytic Investment Competition	[\$0]	[\$150 million]	[\$0]	[\$0]
Native American Block Grant	[\$65 million]	[\$65 million]	[\$65 million]	[\$65 million]
University Community Fund	[\$25 million]	[\$25 million]	[\$25 million]	[\$25 million]
EDI Grants	[\$172.8 million]	[\$0]	[\$77.145 million]	[\$173 million]
Neighborhood Initiatives	[\$22 million]	[\$0]	[\$12.2 million]	[\$22 million]
Rural Innovation Fund	[\$25 million]	[\$0]	[\$25 million]	[\$25 million]
<i>Total Set-Asides</i>	<i>[\$265 million]</i>	<i>[\$390 million]</i>	<i>[\$354.4 million]</i>	<i>[\$460 million]</i>
Formula Grants	\$3.990 billion	\$3.990 billion	\$3.997 billion	\$3.990 billion
Section 108 Loan Guarantees	\$275 million	\$500 million	\$427 million	\$275 million
Brownfields	\$17.5 million	\$0	\$17.5 million	\$0
HOME Program	\$1.825 billion	\$1.650 billion	\$1.825 billion	\$1.825 billion
<i>Set-Asides:</i>				
Technical Assistance	[\$0]	[\$3 million]	[\$0]	[\$0]
Formula Grants	\$1.825 billion	\$1.647 billion	\$1.825 billion	\$1.825 billion
Homeless Programs	\$1.865 billion	\$2.055 billion	\$2.2 billion	\$2.055 billion
Housing Counseling	\$87.5 million	\$88 million	\$88 million	\$100 million
Lead Hazard Control	\$140 million	\$140 million	\$140 million	\$140 million
Self-Help and Assisted Homeownership Program (SHOP)	\$82 million	\$0	\$82 million	\$82 million
Section 202 for the Elderly	\$825 million	\$274 million	\$825 million	\$825 million
Section 811 for the Disabled	\$300 million	\$90 million	\$300 million	\$200 million
HOPWA	\$335 million	\$340 million	\$350 million	\$340 million

The Washington Report
December 23, 2010 – Page 9

Program	FY10 Enacted Level	FY11 President's Proposed Funding Level	FY11 House Appropriations Level	FY11 Senate Appropriations Level
Fair Housing	\$72 million	\$61 million	\$72 million	\$72 million
Section 8 TBRA	\$16.3 billion	\$19.5 billion	\$19.396 billion	\$19.396 billion
Section 8 Project-Based Assistance	\$8.3 billion	\$9.376 billion	\$9.382 billion	\$9.4 billion
Public Housing Capital	\$2.5 billion	\$2 .044 billion	\$2.5 billion	\$2.5 billion
Public Housing Operating	\$4.775 billion	\$4.829 billion	\$4.829 billion	\$4.8 billion
HOPE VI	\$135 million	\$0^	\$200 million	\$0^
Choice Neighborhoods	\$65 million	\$250 million	\$0	\$250 million
Energy Innovation Fund	\$100 million	\$0	\$0	\$0
Native American Housing Block Grant	\$700 million	\$578 million	\$700 million	\$700 million
Native Hawaiian Housing Block Grant	\$13 million	\$10 million	\$10 million	\$10 million
Indian Housing Loan Guarantees	\$7 million	\$9 million	\$9 million	\$9 million
Native Hawaiian Loan Guarantees	\$1 million	\$0	\$1 million	\$1 million

^HOPE VI replaced by the Choice Neighborhoods Initiative

*HUD programs are operating at FY 10 funding levels through March 4, 2011.