



**FROM:** NCDA STAFF

**DATE:** March 29, 2011

**National Community Development Week is April 25-30, 2011**  
**John Sasso Community Development Week Awards**  
**NCDA Annual Conference – Cincinnati, OH – June 22-25, 2011**  
**NCDA is Accepting Bid Proposals to Host the 2012 or 2013 Annual Conference**

***FEATURED ARTICLES***

- ✓ *Appropriations Update*
- ✓ *House Passes Bill to Rescind NSP3 Funding*
- ✓ *RSC Members Introduce Bill to Cut Means-Tested Federal Programs; CDBG, HOME Included*
- ✓ *Bill to Authorize HUD's Choice Neighborhoods Initiative Introduced in the Senate*
- ✓ *HUD NEWS – Meeting with the Assistant Secretary Marquez; HOME 20<sup>th</sup> Anniversary Celebration*
- ✓ *NCDA NEWS – National Community Development Week: April 25-30, 2011; 2011 John Sasso Community Development Week Awards; 2011 Annual Conference; CDBG and HOME Training Available; 2012 and 2013 Conference Bid Proposals*

**Appropriations Update**

*NCDA Action; Senate Meetings*

NCDA and its national partners continue to meet with Senate staff on CDBG funding for FY11 and FY12. In our meetings, Senate staff have told us that they are receiving a lot of communication from local governments on preserving CDBG funding. Good work! We have also provided them with one-year action plans, fact sheets, and a chart of how much CDBG will be reduced in their State, if the House proposed cuts and the Administration's proposed cuts take place. While the Senate Republicans we have met with support CDBG, they are united in their desire to see more federal cuts and also united in not supporting one program over another. This includes not signing on to any letters that support full funding of any particular program (e.g., the CDBG support letter sponsored by Senator Leahy).

*Leahy Letter*

NCDA worked closely with Senator Leahy's office to spearhead a CDBG support letter through the Senate. Twenty-nine Democrats signed the letter, which wrapped-up last Thursday. The

letter seeks full funding of CDBG in FY11 – \$3.984 billion. The Leahy letter provides a good foundation for support of CDBG funding in the Senate. Senator Leahy is well-respected among his peers, so his leadership in sponsoring such a letter carries a great deal of weight.

#### *CDBG Database*

NCDA has developed a database of activities that CDBG grantees have undertaken to support full funding of CDBG in FY11 and FY12. The database is available at <http://www.ncdaonline.org/cdbgdatabase.asp>. We urge you to take a look at the various news articles, resolutions, letters, fact sheets, and press events that have taken place thus far across the country to protect CDBG funding. We also ask you to send in your activities to [vicki@ncdaonline.org](mailto:vicki@ncdaonline.org) to post to the database. The database provides good examples of activities that can be duplicated and undertaken in any community to support CDBG funding. For those of you who haven't sponsored any activities or reached out to your congressional members on CDBG, there is still time. We urge you to do so! NCDA plans to continue its grassroots campaign well into July when the FY12 appropriations process is expected to be wrapped up.

#### *Save CDBG Funding Petition*

About a month ago, NCDA posted a petition to Save CDBG Funding to its website at [www.ncdaonline.org/cdbgp petition.asp](http://www.ncdaonline.org/cdbgp petition.asp). We have collected nearly 600 signatures from grantees, subrecipients, and beneficiaries from across the country. North Carolina leads the way with the most signatures collected so far, followed by Missouri. The following groups have agreed to join the petition as a sponsor: U.S. Conference of Mayors, National Association of Counties, National League of Cities, National Association of Local Housing Finance Agencies, National Association for County Community and Economic Development, Council of State Community Development Agencies, and Rebuilding America. As a sponsor, the groups will market the petition to their membership. The petition will be given to congressional appropriators during the FY12 appropriations process – which is expected to be even more tough than FY11 for CDBG. It will help tremendously in our advocacy efforts for the program. If you have not already done so, please sign the petition and urge your subrecipients and beneficiaries to sign on, too.

#### *FY11 Appropriations*

With half of FY11 almost over, federal departments and grantees are still waiting for FY11 funding levels. Congress approved another temporary Continuing Resolution (H.J. Res 48). The President signed the measure on March 18. This CR will last three weeks and will fund the government through April 8. The CR includes \$6 billion in spending cuts – \$3.5 billion from programs and \$2.6 billion in earmarks, but housing and community development programs were largely spared. The only HUD program affected was the Brownfields Economic Development Initiative – or BEDI. The program was terminated for FY11, a cut of \$17.5 billion.

Vice-President Biden has been tapped by President Obama to lead the spending discussions on behalf of the White House. He is expected to meet with OMB Director, Jack Lew, and House and Senate leaders this week to begin to forge a final compromise on FY11 spending. The latest word is the Administration and Senate Democrats will offer up to \$30 billion in cuts for FY11

(including the cuts that have been made in the previous two resolutions). Conservative House Republicans want \$60 billion in cuts, so \$30 billion is a fair offer given the fiscal year is halfway over. House Tea Party members will hold a rally on the Capitol Hill steps this week to push for deeper cuts.

### *Next Steps*

The national interest groups – and CDBG grantees – must continue to keep pressure on Senate Republicans as well as some Senate Democrats who are seeking higher cuts to the overall federal budget – McCaskill (D-MO), Manchin (D-WV), Pryor (D-AR), Nelson (D-NE). We need you to continue your grassroots efforts to protect CDBG funding. We've heard from many of you and the activities that are occurring at the local level are outstanding. It is important that you (or your local elected official) meet with your senators – and bring a beneficiary along with you. Senators want and need to hear directly from you on how CDBG is working in their communities and how people will be affected by program cuts. While FY11 spending discussions are wrapping up, FY12 spending discussions will begin soon. Congress will be in recess, April 18 - May 1, and we need you to meet with your senators on CDBG during this time period. We urge you to invite them to your CD week events and activities. If they're unable to participate in your CD week activities, ask for a brief meeting in their district office – or invite them to your office for a one-on-one discussion on CDBG. The April recess is a crucial period before FY12 appropriations begin to be hammered out. The information your senators receive from you on CDBG prior during this period is critical to the funding recommendation for CDBG in FY12.

## **ACTIONS**

### **1. Meet with your Senators as soon as possible**

- Contact their Washington, DC office at [www.senate.gov](http://www.senate.gov). District office phone numbers are located on your Senator's website
- Bring a subrecipient or beneficiary, or both, with you “to put a face to the cuts” and to make the case for CDBG.
- You may want to coordinate your meeting with other CDBG grantees in your State.

The U.S. Conference of Mayors has developed a database which shows how much cities will lose if their current allocation is cut by 7.5% (the Administration's proposal) or by 62.5% (the House proposal). Please go to <http://www.usmayors.org/cdbg/> to access this information. Please share this information with your congressional delegation. Please bring your most recent one-year action plan and CAPER to your meeting.

### **2. Ask Your Congressional Members to Participate in CD Week**

Reach out to your congressional members now and ask them to participate in your 2011 National Community Development Week activities. National Community Development Week will be

celebrated April 25-30.

**3. Activate Your Subrecipients and Beneficiaries**

Ask them to attend congressional visits with you. Ask them to send letters of support for the program along with stories of how the cuts will affect them. Ask them to sign the CDBG petition on NCDA's website.

**4. Contact Your Local Press**

Work with your local press to develop a positive story on CDBG. Invite your local press to visit your CDBG-funded projects. Hold a press conference with your mayor, subrecipients, and beneficiaries. Send in an op-ed piece to your local paper. Please use the example developed by John Callow (Murfreesboro, TN) at <http://www.ncdaonline.org/CDBG%20Op-Ed%20piece.doc>

**5. Call Congress**

If you are unable to meet with your congressional members, please call them to voice your support for full funding – \$3.99 billion – in FY11 and FY12. Go to [www.house.gov](http://www.house.gov) and [www.senate.gov](http://www.senate.gov) or call the Capitol Hill switchboard at 202-224-3121.

**6. Send Letters of Support for CDBG**

Use the sample letter at <http://www.ncdaonline.org/sample%20letter.pdf> and the fact sheet at <http://www.ncdaonline.org/CDBG%20Fact%20Sheet.doc>

**7. Sign the CDBG Petition**

NCDA has posted a petition on its website to save CDBG funding. Please sign the petition and have your subrecipients and beneficiaries do the same. To sign the petition, go to <http://www.ncdaonline.org/cdbgpetition.asp>

**House Passes Bill to Rescind NSP3 Funding**

On March 16, the House passed the Neighborhood Stabilization Program (NSP) Termination Act (H.R. 861). The previous week the House also passed two additional bills to end federal foreclosure programs, the Federal Housing Administration (FHA) Refinance Program Termination Act (H.R. 830) and the Emergency Mortgage Relief Program Termination Act (H.R. 836). All three bills have been referred to the Senate Committee on Banking, Housing and Urban Affairs, but the Senate is not expected to take any action on the bills.

The Neighborhood Stabilization Program Termination Act would rescind all unobligated balances of the \$1 billion provided in the third round of NSP funding. The intent of the bill is mute, since HUD has virtually obligated 99% of NSP3 through signed contracts with grantees. Furthermore, the Senate is not expected to take action on the House bill, ensuring its demise.

**RSC Members Introduce Bill to Cut Means-Tested Federal Programs; CDBG, HOME Included**

Our friends at the Republican Study Committee (RSC), have come up with another not-so

brilliant idea to cut federal programs. Rep. Jim Jordan (R-OH), Chair of the RSC, along with two other RSC members – Rep. Tim Scott (R-SC) and Rep. Scott Garrett (R-NJ) – have introduced a bill (H.R. 1167 – the Welfare Reform Act of 2011) that would reduced funding for “means-tested” federal programs to their FY07 spending levels. Numerous federal programs are targeted in the bill including Section 8, public housing, HOME, CDBG, homeless assistance grants, Section 202 housing for the elderly, Section 811 housing for the disabled, LIHEAP, earned income tax credit, refundable child credit, temporary assistance to needy families, food stamps, school lunch program, WIC, pell grants, job corps, youthbuild, social services block grant, community services block grant, and headstart, to name a few.

These programs would be cut to their FY2007 level and then adjusted for inflation on an annual basis thereafter; ensuring that the programs grow very little year-by-year. The reduction would take place only when the national unemployment rate dips below 6.5%.

The bill has been referred to various committees with jurisdiction over the programs outlined in the bill. There is a good chance the House will pass the bill, but the Democratically-controlled Senate will not introduce a companion bill.

**Bill to Authorize HUD’s Choice Neighborhoods Initiative Introduced in the Senate**

Senator Robert Menendez (D-NJ) introduced S. 624 on March 17 to permanently authorize HUD’s Choice Neighborhoods Initiative. S. 624 is a companion bill to the House version (H.R. 762) introduced by Rep. Maxine Waters (D-CA) in February. S. 624 has been referred to the Senate Committee on Banking, Housing and Urban Affairs.

The Choice Neighborhoods Initiative will replace HOPE VI, which primarily focused on transforming public housing developments. Choice Neighborhoods will focus on transforming entire neighborhoods through local, State, and federally-coordinated partnerships that will concentrate on improving public and assisted housing, education, transportation, and economic opportunities for neighborhood residents.

In FY10, Congress authorized HUD to use \$65 million of the HOPE VI appropriations for a Choice Neighborhoods demonstration. HUD recently announced the seventeen communities which will receive funding under the \$4 million planning grant component of the initiative and the six finalists for the \$61 million implementation grant.

HUD is requesting \$250 million for its Choice Neighborhoods Program in FY12. According to HUD, this appropriation level will provide competitive Implementation Grants in the range of \$35 - \$45 million to transform 5-7 neighborhoods. Up to \$25 million of the allocation will be made available for competitive Planning Grants to initiate comprehensive neighborhood planning around distressed assisted and/or public housing.

## HUD NEWS

### **Meeting with the Assistant Secretary Marquez**

NCDA, along with several other industry groups, met with Mercedes Marquez on March 23 to hear updates from HUD staff on several fronts, including the following:

#### *Consolidated Plan Streamlining Project*

HUD will have a data lounge; an interactive forum at the upcoming HOME 20<sup>th</sup> Anniversary Conference for grantees to provide feedback on some aspects of the consolidated plan streamlining project. HUD is working with a small group of six grantees to test changes being contemplated to the consolidated plan. HUD is focused on developing PHA data sets for CPD grantees to use in their con plans. Ultimately, HUD would like for CPD/PIH grantees to undertake joint planning, but if grantees aren't willing to do so, these data sets will be made available for grantees to use in their consolidated plans.

HUD will update NCDA members – and request feedback – on the consolidated plan project during the NCDA Annual Conference in Cincinnati, OH. The session is scheduled for Thursday, June 23, from 1:30 pm to 2:30 pm

#### *AFFH Rule*

The Secretary has formed a Fair Housing Council within HUD to concentrate on developing a proposed rule on affirmatively furthering fair housing. All departments within HUD are represented on the Council, including Community, Planning and Development and Public and Indian Housing. CPD has volunteered to play a major role in producing the rule. HUD will hold a listening session with industry groups (including NCDA) some time in the future to gather their input on how the rule should be structured and the content. A draft rule will tentatively be available in the Fall of 2011.

#### *SAFE Act Rule*

Good news for grantees, we have been assured by HUD that the final SAFE Act regulation will exempt local governments from the SAFE Act requirements. States, PHAs, and non-profit organizations will also be exempt from the requirements. The final rule is at the Office of Management and Budget for clearance and should be released soon.

This exemption is a culmination of many months of advocacy on the part of NCDA and other industry groups.

### **HOME 20<sup>th</sup> Anniversary Celebration**

The HOME 20<sup>th</sup> Anniversary Conference will be held May 2-4, 2011 in Washington, DC. To register for the conference, go to [www.hometa.info](http://www.hometa.info).

## NCDA NEWS

### **National Community Development Week: April 25-30, 2011**

National Community Development Week is fast approaching. Congress will be in recess this week, so remember to invite them to your CD Week activities (e.g., tour of CDBG-funded projects, ribbon-cutting, coffee or lunch with CDBG subrecipients and beneficiaries, etc.). The National CD Week Guidebook is posted to the NCDA website. Please use the guide as a resource tool in planning your CD Week activities. Hopefully, your CD Week activities are well in the planning stages. With this year being an especially difficult budget year for CDBG, we need you to conduct CD Week activities.

NCDA is in the process of creating a database of 2011 National CD Week activities for its membership. Please share any materials that you have created for the 2011 CD Week campaign to post to the database. Please send your CD Week materials to [vicki@ncdaonline.org](mailto:vicki@ncdaonline.org).

### **2011 John Sasso Community Development Week Awards**

As a means of recognizing community efforts to promote and celebrate National Community Development Week, NCDA is announcing its annual John Sasso CD Week Awards. The award recognizes the work of NCDA members who showcase the Community Development Block Grant (CDBG) Program; its importance and value in the community; how it has been used to help low- and moderate-income families; how CDBG has been leveraged; how it has transformed lives (e.g., but for CDBG, this family could not have... or this project could not have...); how partnerships have been formed; media outreach; and participation of your local, State, and national lawmakers in celebrating the program.

To be eligible for consideration of an award, communities must be a member of NCDA and must provide an essay of 1,000 words or less emphasizing the points mentioned above. Essays are due to NCDA by the close of business on May 13, 2011. NCDA will select the winners by May 20, 2011. Winners will be notified no later than May 27, 2011.

The awards will be presented at the John A. Sasso National Community Development Week Award luncheon on June 24, 2011 in Cincinnati, OH during the 2011 NCDA Annual Conference. Please submit your 1000-word essay, along with the contact name, address, phone number, and e-mail address to: National Community Development Association, 522 21<sup>st</sup> Street, NW, Suite 200, Washington, DC 20006. Please call 202-293-7587 with any questions.

If you are selected to receive an award, presentations will be limited to five minutes, including audio-visual presentations.

### **2011 Annual Conference**

The 2011 NCDA Annual Conference will be held in Cincinnati, OH on June 22-25. The conference will feature the following sessions:

- Job Production Strategies
- NCDA's Project with the Robert Wood Johnson Foundation to combat childhood obesity
- Affordable Housing Preservation
- Construction Management
- HOME Rule Update
- HEARTH Act Rule Update
- HUD Update on CDBG, NSP,
- Consolidated Plan Streamlining Project
- Public Service
- Cincinnati CDBG and HOME Projects
- Choice Neighborhoods Overview
- Using CDBG to Remediate Brownfield Sites
- Economic Development Roundtable with HUD
- Ten-Year Plan to End Homelessness
- CD Week Awards Luncheon
- Local Projects Tour

To view the conference agenda and to register, go to [www.ncdaonline.org](http://www.ncdaonline.org).

#### **CDBG and HOME Training Available**

**CDBG Basics Training – Oakland, CA:** The CDBG Basics Training will take place on April 11-13 at the Oakland Marriott City Center, located at 1001 Broadway, Oakland, CA 94607. Please go to [www.ncdaonline.org/cdbg.asp](http://www.ncdaonline.org/cdbg.asp) for more information on the training and to complete the registration form. To make your room reservation, contact the hotel directly at 800-991-7249. Ask for the National Community Development Association room block. The cost of the training is \$250 for members and \$350 for non-members.

**HOME Basics Training – Orlando, FL:** The HOME Basics Training will take place on May 9-11 at the Rosen Plaza Hotel, located at 9700 International Drive, Orlando, FL 32819. NCDA has reserved a block of rooms at the rate of \$104 per night plus tax. Please go to [www.ncdaonline.org/home.asp](http://www.ncdaonline.org/home.asp) for more detailed information on the training and to complete the registration form. Please make your hotel reservation on or before April 11, 2011 to receive the special room rate. To make your reservation, contact the hotel at 407-996-1735 or 800-366-9700. Ask for the National Community Development Association-NCDA HOME Basics Course Training room block. The cost of the training is \$275 for members and \$375 for non-members.

**HOME Basics Training – Austin, TX:** This training will take place on July 18-20, 2011 in Austin, TX. The hotel contract is being finalized. The course information, hotel information, and registration form will be posted to [www.ncdaonline.org/home.asp](http://www.ncdaonline.org/home.asp) within the next week. For questions, contact [vicki@ncdaonline.org](mailto:vicki@ncdaonline.org)

#### **2012 and 2013 Conference Bid Proposals**

NCDA is accepting bid proposals from member cities/counties to host the 2012 or the 2013

NCDA Annual Conference. Proposals are due to NCDA on or before Friday, April 29, 2011.  
Go to <http://www.ncdaonline.org/documents/AnnualConferenceBidProposal2012-2013.pdf>

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

<b>Program</b>	<b>FY10 Enacted Level</b>	<b>FY11 House Approved Level (2/19/11)</b>	<b>FY11 Senate Committee Level (111<sup>th</sup> Congress)</b>	<b>FY12 President's Request</b>
Community Development Fund	\$4.450 billion	\$1.500 billion	\$4.450 billion	\$3.804 billion
<i>Set-Asides:</i>				
Sustainable Communities	[\$150 million]	\$0	[\$150 million]	0
Catalytic Investment	\$0	\$0	\$0	0
Native American Block	[\$65 million]	\$0	[\$65 million]	[\$65 million]
University Community Fund	[\$25 million]	\$0	[\$25 million]	[\$23 million]
EDI Grants	[\$172.8 million]	\$0	[\$173 million]	0
Neighborhood Initiatives	[\$22 million]	\$0	[\$22 million]	0
Rural Innovation Fund	[\$25 million]	\$0	[\$25 million]	[\$25 million]
Insular Areas	\$0	\$0	\$0	[\$7 million]
<i>Total Set-Asides</i>	<i>[\$265 million]</i>	\$0	<i>[\$460 million]</i>	<i>[\$120 million]</i>
Formula Grants	\$3.990 billion	\$1.500 billion	\$3.990 billion	\$3.684 billion
Section 108 Loan Guarantees	\$275 million	\$0	\$275 million	\$500 million
Brownfields	\$17.5 million	\$0	\$0	\$0
HOME Program	\$1.825 billion	\$1.650 billion	\$1.825 billion	\$1.650 billion
<i>Set-Asides:</i>				
Technical Assistance	[\$0]	[\$0]	[\$0]	[\$0]
Insular Areas	[\$0]	[\$0]	[\$0]	[\$3 million]
Formula Grants	\$1.825 billion	\$1.650 billion	\$1.825 billion	\$1.647 billion
Homeless Programs	\$1.865 billion	\$1.865 billion	\$2.055 billion	\$2.372 billion
Housing Counseling	\$87.5 million	\$0	\$100 million	\$88 million
Lead Hazard Control	\$140 million	\$120 million	\$140 million	\$140 million
Self-Help and Assisted Homeownership Program	\$82 million	\$27 million	\$82 million	\$0
Section 202 for the Elderly	\$825 million	\$238 million	\$825 million	\$757 million
Section 811 for the Disabled	\$300 million	\$90 million	\$200 million	\$196 million
HOPWA	\$335 million	\$335 million	\$340 million	\$335 million

<b>Program</b>	<b>FY10 Enacted Level</b>	<b>FY11 House Approved Level (2/19/11)</b>	<b>FY11 Senate Committee Level (111<sup>th</sup> Congress)</b>	<b>FY12 President's Request</b>
Fair Housing	\$72 million	\$72 million	\$72 million	\$72 million
Section 8 TBRA	\$16.3 billion	\$19.396 billion	\$19.396 billion	\$19.223 billion
Section 8 Project-Based Assistance	\$8.3 billion	\$9.376 billion	\$9.4 billion	\$9.429 billion
Public Housing Capital	\$2.5 billion	\$2.5 billion	\$2.5 billion	\$2.4 billion
Public Housing Operating	\$4.775 billion	\$4.829 billion	\$4.8 billion	\$3.962 billion
HOPE VI	\$135 million	\$0	\$0 <sup>^</sup>	\$0
Choice Neighborhoods	\$65 million	\$0	\$250 million	\$250 million
Energy Innovation Fund	\$100 million	\$0	\$0	\$0
Native American Housing Block Grant	\$700 million	\$500 million	\$700 million	\$700 million
Native Hawaiian Housing Block Grant	\$13 million	\$0	\$10 million	\$0
Indian Housing Loan Guarantees	\$7 million	\$0	\$9 million	\$7 million
Native Hawaiian Loan Guarantees	\$1 million	\$0	\$1 million	\$10 million

<sup>^</sup>HOPE VI replaced by the Choice Neighborhoods Initiative

\*HUD programs are operating at FY 10 funding levels under a continuing resolution that lasts through April 8, 2011. Negotiations are underway to complete a final FY11 spending bill by that date.

