



**FROM:** NCDA STAFF

**DATE:** May 5, 2011

**John Sasso Community Development Week Awards Due May 13**  
**NCDA Annual Conference – Cincinnati, OH – June 22-25**  
**NCDA HOME Basics Training – Austin, TX – July 18-20**

***FEATURED ARTICLES***

- ✓ ***FY12 Budget/Appropriations Update***
- ✓ ***Call to Action; Reach Out To Your Congressional Members***
- ✓ ***HUD NEWS – Healthy Homes Production Program Funding Available***
- ✓ ***NCDA NEWS – The Fight for FY12 Funding Begins; NCDA Forms CDBG Coalition; NCDA Provides Comments on HUD’s Regulatory Streamlining Notice; 2011 John Sasso Community Development Week Awards; 2011 Annual Conference; HOME Training Available***

**FY12 Budget/Appropriations Update**

After a two-week recess, Congress reconvened this week and will start focusing on the FY12 budget and spending bills.

The latest rumor regarding the FY12 budget is that congressional Republicans will condition their support for raising the borrowing limit (which is now set to expire on August 2) in exchange for a deal with Obama to lock in several years of spending caps. It’s not clear yet if those caps would be imposed just on domestic discretionary spending (including defense) or whether it will include some caps on entitlement spending (Medicare, Medicaid and Social Security). After being lambasted by their constituents during the latest two-week congressional recess, the House Republicans appear – in the short term – to be backing away from trying to make major changes to the entitlement programs in the FY12 budget.

With the House having passed its FY12 budget resolution (H. Con. Res. 34) on April 15, Senate Budget Committee Chairman, Kent Conrad (D-ND), plans to convene his committee next week to outline his budget plan. His plan calls for reducing the deficit by \$4 trillion over the next decade by raising taxes and through “modest” reductions to Medicare. Majority Leader Reid is still waiting to for a budget proposal from the “Gang of Six,” who have been meeting since December to craft a budget plan. The long-awaited proposal is expected to be released any day.

The House budget plan calls for reducing the federal deficit by \$6.2 trillion over the next decade by privatizing Medicare, repealing the Obama health-care law, reforming Social Security, lowering taxes on individuals and businesses, and returning non-defense discretionary spending to below 2008 levels and placing caps on the growth of discretionary spending. The President weighed in with his own deficit reduction plan on April 13. The plan would reform health care spending, discretionary programs, and increases taxes on the wealthy.

The group of congressional members appointed by Reid, Boehner, and Pelosi to work with the Administration to negotiate the FY12 budget held their first meeting today. The negotiators include Rep. Van Hollen (D-MD), Rep. Clyburn (D-SC), Rep. Cantor (R-VA), Senator Inouye (D-HI), Senator Kyl (R-AZ). Jack Lew, OMB Director, Gene Sperling, White House economic advisor, and Vice-President Joe Biden will also be involved in the discussions. The message that emerged after today's meeting is that "nothing is off the table and the glass is half full." Read from that what you may.

While these various negotiations take place, the FY12 appropriations process will move forward as expected, beginning with hearings and then committee mark-up of spending bills in the coming months.

### **Call to Action; Reach Out to Your Congressional Members**

The national interest groups – and CDBG grantees – must continue to keep pressure on congressional members in order to stave off deep cuts to CDBG and other HUD programs in FY12. Congressional members must hear from you on how the FY11 cuts will affect persons served by your CDBG program. Please reach out to your congressional members. The following congressional members serve on the appropriations subcommittee which decides funding for HUD programs, including CDBG. If you are located in their district or their state, it is imperative that they hear from you.

#### *House Subcommittee on Transportation-HUD*

Rep. Tom Latham (Chairperson) (R-IA)  
Rep. Frank Wolf (R-VA)  
Rep. John Carter (R-TX)  
Rep. Steven LaTourette (R-OH)  
Rep. Mario Diaz-Balart (R-FL)  
Rep. Charlie Dent (R-PA)  
Rep. Steve Womack (R-AR)  
Rep. Hal Rogers (R-KY)  
Rep. John Olver (Ranking Member) (D-MA)  
Rep. Ed Pastor (D-AZ)  
Rep. Marcy Kaptur (D-OH)  
Rep. David Price (D-NC)  
Rep. Norm Dicks (D-WA)

*Senate Subcommittee on Transportation-HUD*

Senator Patty Murray (Chairperson) (D-WA)  
Senator Barbara Mikulski (D-MD)  
Senator Herb Kohl (D-WI)  
Senator Richard Durbin (D-IL)  
Senator Patrick Leahy (D-VT)  
Senator Tom Harkin (D-IA)  
Senator Dianne Feinstein (D-CA)  
Senator Tim Johnson (D-SD)  
Senator Frank Lautenberg (D-NJ)  
Senator Mark Pryor (D-AR)  
Senator Susan Collins (Ranking Member) (R-ME)  
Senator Richard Shelby (R-AL)  
Senator Kay Bailey Hutchison (R-TX)  
Senator Lamar Alexander (R-TN)  
Senator Mark Kirk (R-IL)  
Senator Dan Coats (R-IN)  
Senator Jerry Moran (R-KS)  
Senator Roy Blunt (R-MO)  
Senator Ron Johnson (R-WI)

## **ACTIONS**

### **1. Meet with your congressional members**

- 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 area.

### **2. Invite your congressional members to tour your CD-funded projects**

### **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**

- Call the Capitol Hill switchboard at 202-224-3121 to reach your congressional member.
- Ask them to support CDBG in FY12.

**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/cdbgp petition.asp>

*CDBG Database*

NCDA has developed a database of activities that CDBG grantees have undertaken to support CDBG. 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 wrap up.

*Save CDBG Funding Petition*

NCDA has collected over 2,100 signatures from grantees, subrecipients, and beneficiaries from across the country for the Save CDBG Funding petition. The petition is located on the NCDA website at [www.ncdaonline.org/cdbgp petition.asp](http://www.ncdaonline.org/cdbgp petition.asp). Many states have very few or no signatures on the petition, so please get on board and ask your beneficiaries and sub-recipients to sign the petition. Our goal is to collect 10,000 signatures. We are using the petition in our advocacy efforts, so it's important that you be represented on the petition.

## HUD NEWS

### **Healthy Homes Production Program Funding Available**

HUD is seeking applications for its Healthy Homes Production Program. Applications are due to HUD by June 9. Grantees can apply for up to \$2 million dollars in FY11. The grants provide a 10% administrative fee. The grant also requires a 10% match; CDBG can be used as a match source. Grants are expected to be awarded by October 1 and will have a grant period of 36 months. For more information, go to Federal Register Docket No. FR-5500-N-03 or google the program name.

## NCDA NEWS

### **The Fight for FY12 Funding Begins; NCDA Forms CDBG Coalition**

The FY12 appropriations process is upon us and NCDA is once again rallying to save CDBG funding. NCDA and several other national interest groups met on Wednesday, May 4, to launch the first meeting of a new CDBG Coalition that consists of not only the local government groups, but national groups whose members receive CDBG public service dollars. We need to work together in a broader coalition to protect the program in FY12. The first meeting included representatives from the YWCA and Habitat for Humanity. The American Planning Association (APA) has also joined our efforts. We are also reaching out to the following groups to join the coalition (their members receive CDBG public service dollars): Boys and Girls Clubs, Feeding America, YMCA, Salvation Army, Catholic Charities, Meals on Wheels, Goodwill, American Red Cross, and Volunteers of America.

Both the YWCA and APA have been working to advocate for CDBG. The YWCA held a Capitol Hill Day on April 6 to support CDBG. YWCA members met with 75 congressional members, many of them Republican. APA also held a lobby day for CDBG in early April.

### *Actions*

The CDBG Coalition agreed on the following immediate actions for CDBG.

- The group will collectively meet with House appropriators. Visits should be wrapped up before May 20, in lieu of the letter Chairman Latham sent to his colleagues to have program priorities submitted by that date.
- Reach out to other national organizations to join the coalition.
- Develop a FY12 CDBG support letter for the groups to endorse at next week's meeting.
- Participate in NCDA's Save CDBG Funding petition.

The group will meet weekly to report on Hill visits and develop other strategies for protecting CDBG in FY12.

**NCDA Provides Comments on HUD's Regulatory Streamlining Notice**

Over the past few weeks, NCDA has been working with the National Association for County Community and Economic Development (NACCED) and the co-chairs of the NCDA community development subcommittee, economic development subcommittee, housing subcommittee, and the technology subcommittee to provide comments to HUD on regulatory streamlining. In particular, NCDA would like to thank Bob Gehret (Boston, MA), Scott Stevenson (LA County), and Patrick Sullivan for providing written comments. HUD issued a notice [FR-5506-N-01] on March 2 seeking comments from interested groups and grantees on recommendations for streamlining existing HUD regulations – across all programs. Our comments focused on the CDBG program, HOME program, and homelessness assistance programs. We also provided general comments regarding field office operations and HUD communication with grantees on policy and grant making.

Key Recommendations:

- Consistency among field offices. HUD must establish consistency in interpretation of program regulations and monitoring of grantees among its field offices through ongoing training and a third party review of regulatory interpretations.
- Development of a standard debriefing process for all HUD competitive grants.
- Grantee reporting must be streamlined and reduced. Grantees are reporting the same data in multiple systems, a process which is time consuming and unnecessary.
- The consolidated plan process must be simplified.
- Regulations imposing Section 3 impose requirements are ineffective and in need of streamlining.

Our comments provide specific policy recommendation in each of these areas. Please see the attached letter.

**2011 John Sasso Community Development Week Awards; Applications are Due by May 13**

As a means of recognizing community efforts to promote and celebrate National Community Development Week, NCDA is accepting nominations for the 2011 John Sasso CD Week Awards. The award recognizes the work of NCDA members who showcased the Community Development Block Grant (CDBG) Program during this year's CD Week which was held on April 25-30. 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 describing their CD Week activities. Activities which involved congressional members or attracted media attention will be given special consideration. 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
- HEARTH Act Rule Update
- HUD Update on CDBG, NSP,
- Consolidated Plan Streamlining Project
- Public Service
- Using CDBG to Remediate Brownfield Sites
- Regulatory Streamlining Roundtable with HUD
- Ten-Year Plan to End Homelessness
- CD Week Awards Luncheon
- Local Projects Tour

The deadline to make your hotel reservation is **May 26**. To view the conference agenda and to register, go to [www.ncdaonline.org](http://www.ncdaonline.org).

### **HOME Training**

NCDA will hold a three-day HOME Basic Course Training in Austin, TX on July 18-20. The course is appropriate for both new staff and "seasoned" employees. The course will cover the entire spectrum of the HOME program. The course will be enforced through in-class exercises and through a test on the last day. Participants will also be given a comprehensive course manual to use as a resource tool in their day-to-day operation of the HOME Program.

The training will be held at the Hyatt Regency Austin. NCDA has reserved a block of rooms at the rate of \$145 per night plus tax. Please contact the hotel at 888-421-1442 before **June 19** to receive this special rate. Be sure to reference the National Community Development Association. For the course brochure and to register for the course, go to [www.ncdaonline.org/home.asp](http://www.ncdaonline.org/home.asp)

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

<b>Program</b>	<b>FY10 Enacted Level</b>	<b>FY11 Enacted Level</b>	<b>FY12 President's Request</b>
Community Development Fund	\$4.450 billion	\$3.5 billion	\$3.804 billion
<i>Set-Asides:</i>			
Sustainable Communities	[\$150 million]	[\$100 million]	0
Catalytic Investment	\$0	\$0	0
Native American Block	[\$65 million]	[\$65 million]	[\$65 million]
University Community Fund	[\$25 million]	\$0	[\$23 million]
EDI Grants	[\$172.8 million]	\$0]	0
Neighborhood Initiatives	[\$22 million]	\$0	0
Rural Innovation Fund	[\$25 million]	\$0	[\$25 million]
Insular Areas	\$0	\$0	[\$7 million]
Formula Grants	\$3.990 billion	\$3.335 billion	\$3.684 billion
Section 108 Loan Guarantees	\$275 million	\$0	\$500 million
Brownfields	\$17.5 million	\$0	\$0
HOME Program	\$1.825 billion	\$1.606 billion	\$1.650 billion
Homeless Programs	\$1.865 billion	\$1.9 billion	\$2.372 billion
Housing Counseling	\$87.5 million	\$0	\$88 million
Lead Hazard Control	\$140 million	\$120 million	\$140 million
Section 202 for the Elderly	\$825 million	\$400 million	\$757 million
Section 811 for the Disabled	\$300 million	\$150 million	\$196 million
Fair Housing	\$72 million	\$72 million	\$72 million
Section 8 TBRA	\$16.3 billion	\$16.6 billion	\$16.3 billion
Section 8 Project-Based Assistance	\$8.5 billion	\$9.3 billion	\$9.4 billion
Public Housing Capital	\$2.5 billion	\$2.04 billion	\$2.04 billion
Public Housing Operating	\$4.775 billion	\$4.616 billion	\$4.829 billion
HOPE VI	\$135 million	\$35 million	\$0
Choice Neighborhoods	\$65 million	\$65 million	\$250 million
Native American Housing Block Grant	\$700 million	\$649 million	\$700 million
Native Hawaiian Housing Block Grant	\$13 million	\$13 million	\$10

Indian Housing Loan Guarantees	\$7 million	\$9 million	\$7 million
Native Hawaiian Loan Guarantees	\$1 million	\$1 million	\$10 million