NCDA Washington Report

August 31, 2015

Senate Amendment Would Strip CDBG Funding From Some States and Localities; Reach Out to Your Senators Now

Introduced by Senator David Vitter on July 21, S. 1814 – Stop Sanctuary Cities Act – would withhold certain funding from States and jurisdictions that do not comply with federal enforcement laws pertaining to the reporting and detention of undocumented immigrants. S. 1814 was due to be marked-up in early August but was put off until September 10. The measure initially denied sanctuary cities from receiving Justice Assistance Grant (JAG) funding. However, on August 5, Vitter and Senator Charles Grassley (R-IA), Chairman of the Senate Judiciary Committee, offered a substitute amendment that added CDBG, Community Oriented Policing Services (COPS), and State Criminal Alien Assistance Program (SCAAP) funding to the mix of programs that would be denied sanctuary cities. S. 1814 defines a sanctuary city as a State or local jurisdictions which (1) has a policy that prohibits or restricts sending to, or receiving from the Department of Homeland Security (DHS) information regarding the citizenship or immigration status, lawful or unlawful, of any individual, or (2) fails to comply with a detainer request or a DHS notification request about the release from custody of an alien.

The CDBG Coalition has launched a letter in opposition to the amendment which will be sent to the full Senate Judiciary Committee later this week. We urge you to reach out to your Senators at http://www.senate.gov and urge them to reach out to Senators Vitter and Grassley to drop the amendment. Please do this **before September 10**, the date the bill will be marked-up. Please feel free to contact Vicki Watson at 540-656-9552 with any questions.

The Campaign for Housing and Community Development Funding (CHCDF), of which NCDA is a member, is circulating a sign-on letter urging members of the Senate Judiciary Committee to reject the Vitter-Grassley amendment. The deadline for signing on is Tuesday, **September 6**. The letter is open to national, state, and local groups. Please go to http://nlihc.org/issues/participation/cdbg-letter to sign on to the letter.

On July 23 the House passed H.R. 3009, a bill that would strip COPS, JAG, and SCAAP, but not CDBG funding from sanctuary cities. H.R. 3009 defines a sanctuary city as a state or political subdivision of a state that has in effect any law or policy that "prohibits State or local law enforcement officials from gathering information regarding the citizenship or immigration status, lawful or unlawful, of any individual."

Reach out to your local Attorney's office or Mayor/County Executive to learn if your jurisdiction falls within the definition of sanctuary city, as defined by S. 1814 above.

Over 1,500 Groups Sign On in Support of HOME Funding; Continued Advocacy Needed

Over 1,500 national, state, and local organizations and governments, including NCDA and many of its members, signed a letter in support of $1.06 billion for the HOME Program in FY16. The HOME Coalition spearheaded the letter which was sent to Congressional leaders as well as the House and Senate Appropriations and Budget Committees.

Call your Congressional Members and ask them to support no less than $1.06 billion for HOME in FY16; ask them to oppose the draconian cuts proposed by the Senate Appropriations Committee which would provide just $66 million for the program in FY16.

Appropriations Update

Congress returns from their long August recess on September 7 with a laundry list of items to complete before September 30, the end of the federal fiscal year. Included in that list are approval of the 12 spending bills that provide FY16 funding for federal agencies. With only a handful of legislative days available to complete their work, it looks like Congress is, once again, headed toward a short-term Continuing Resolution (CR) that will likely last through early December. Though funding the government through appropriations bills is so-called regular order, the last time Congress actually passed all 12 spending bills on time was 1997.

In good news, a government shutdown appears to be off the table, at least for Senate Majority Leader Mitch McConnell (R-KY), who recently said, "I can't tell you what will finally end up in or out of any government funding resolution. I can tell you without fear of contradiction there will be no government shutdown." Congress was b

Besides work on the spending bills, Congress needs to make headway on a six-year reauthorization of the highway bill. Senate Democrats want to implement some tax reform measures to pay for a six-year highway bill. Mainly, Democrats want to use overseas corporate tax reform to force companies to repatriate profits in overseas bank accounts to pay for the highway bill, reduce existing corporate tax rates, and provide at least one year of relief from sequestration – the automatic cuts Congress enacted three years ago.

Majority Leader McConnell isn't sold on this plan and wants the highway bill to move on a separate track from tax reform and go through a conference negotiation with a companion House bill. Moving tax reform and the highway bill on separate tracks will deprive Senate Democrats of the highway bill's offsets and corporate tax reform as options to pay for busting the budget caps for non-defense spending increases. That strategy would leave entitlement reform as the most viable way to pay for increasing the budget caps for defense and non-defense discretionary spending and Senate Democrats will not go this route, leaving a CR as the only viable option for moving forward.

Pundits see Congress working on a longer-term CR at the end of the year that will include major legislative items such as extending expiring tax provisions, raising the debt ceiling, and permanent funding for the highway bill. A CR is good news for CDBG and HOME as it will likely provide level funding from the previous year and prevent the 93% cut to the HOME program that was approved by the Senate Appropriations Committee.

The Budget Control Act enacted four years ago required across-the-board spending sequestration spending caps for a decade if Congress couldn't locate debt reduction elsewhere. The FY16 House and Senate spending bills have to abide by these spending caps. NCDA and other national groups are part of

NDD United which has been urging Congress to lift the spending caps so that housing and community development programs and other non-defense discretionary spending can be funded fairly in FY16. NDD United has been trying since 2011 to put a human face on the budget fight and urge lawmakers to get rid of sequestration altogether. NDD United is currently circulating a sign-on letter to dispose of the spending caps. National, State, and local groups can add their names to the letter by going to http://nlihc.org/issues/participation/ndd_letter. We urge you to sign on to this letter by the COB, **September 1**.

CDBG Coalition Survey Re-Opened

The CDBG Coalition survey on "The Impact of the CDBG Cuts" has been re-opened to allow more grantees to complete it. The survey will remain open through **October 30**. The results will be combined with the survey results obtained earlier this year for use in next year's CDBG advocacy efforts. The survey has been shortened (deleting previous questions pertaining to CDBG disaster relief) in an effort to reduce the completion time from 1 hour down to 30 minutes. Please read through the survey first to compile any information that may be needed before starting it. It may be helpful to assign one staff person to collect and enter the information into the survey.

The information derived from the survey is extremely important to the Coalition's advocacy efforts to protect CDBG funding, so it is critical that NCDA members complete the survey. NAHRO is taking the lead on the survey on behalf of the CDBG Coalition, so if you have any questions, please reach out to Jenny Hsu at jhsu@nahro.org. The survey is available at the following link.

https://www.surveymonkey.com/r/CDBGSurveyAugust2015

HUD NEWS

HUD Releases Guidance for CDBG Grantees on Grant Based Accounting

Beginning with the 2015 allocations, CDBG, HOME, and HOPWA grant funds will be committed and disbursed in IDIS on a grant-specific basis; meaning grantees will fund activities and make disbursements from specific grant years. Grant funds are already committed and disbursed in IDIS on a grant specific basis for ESG. The first-in, first-out (FIFO) method will continue to be used for grant years 2014 and earlier.

HUD's Office of Block Grant Assistance has developed the guidance to help CDBG grantees transition from the FIFO method to grant-specific accounting in IDIS. The guidance details how IDIS has been modified to implement the grant-specific accounting method and the impact of these changes on CDBG grantees, including program income. The guidance is available at the following link.

https://www.hudexchange.info/resources/documents/CDBG-Guidance-Grant-Based-Accounting.pdf

The guidance walks you through the IDIS screen changes. Likewise, similar guidance has been prepared for the HOPWA program (attached) and the Office of Affordable Housing Programs issued information on the HOME IDIS grant-based accounting changes in the June 2015 issue of *HOME Facts*, available at the following links.

https://www.hudexchange.info/resources/documents/HOME-FACTS-Vo6-No2-HOME-IDIS-Grant-Based-Accounting.pdf

https://www.hudexchange.info/resources/documents/HOPWA-Guidance-Grant-Based-Accounting.pdf

NCDA will hold a Grant Based Accounting workshop with HUD staff to discuss these and other changes during its Winter Conference, January 20-22, 2016.

Promise Zones Notice Released

A third and final round of Promise Zone designations is currently in the selection process planning stage with announcements of the designees expected in spring 2016. HUD is soliciting public comments on the proposed selection process, criteria, and submissions for the third round of the Promise Zone Initiative through the attached notice. Comments are due by September 25. In addition to providing comments on the proposed selection process, criteria, and submissions for the third round of the Promise Zones Initiative, commenters are encouraged to address any or all of a series of additional questions that focus on program access, program focus, technical assistance, the Promise Zone web site, communication with HUD, and data collection, research and evaluation.

Affordable Housing Preservation Clinics

HUD's Office of Multifamily Housing Programs will hold a series of one-day preservation clinics for owners of Section 236 and Section 202 Direct Loan properties and their partners. The clinics will provide guidance on preserving these projects, addressing structural integrity, and financial viability. NCDA's members may want to attend to learn more about the preservation of these important housing resources in their communities. To register for the clinics, go to:

https://www.hudexchange.info/news/hud-multifamily-affordable-housing-preservation-clinics/

Scheduled Clinics (Registration is Now Open):
New York, NY – September 9
Boston, MA – September 29

Save the date for the following clinics (Registration is Not Open Yet):
San Francisco Bay Area – October 20
Los Angeles, CA – October 22
Chicago, IL – November 3
Washington, DC – December 9

More information to follow on these locations (The dates for the clinics have not been set):
Columbus, OH
Jacksonville, FL
Atlanta, GA

New IDIS FAQs Available

HUD has published a new set of IDIS FAQs on the following issues: administration; funding; grants; plans, projects, and activities; and reports. To view the questions/answers, go to

https://www.hudexchange.info/idis/faqs/

NCDA NEWS

NCDA Provides Comments on the AFFH Tool

HUD published a notice on July 16 seeking a second round of comments on a revised draft AFFH Assessment Tool for CPD entitlement grantees and consortia – either alone or jointly with other local governments or PHAs – to complete an Assessment of Fair Housing (AFH) under the AFFH rule. An initial draft of the Assessment Tool was published on September 16, 2014 for a 60-day comment period.

In the coming weeks and months, HUD will continue to provide guidance and additional resources via the HUD Resource Exchange AFFH website at https://www.hudexchange.info/programs/affh/.

NCDA provided comments on the draft Assessment Tool, which included the following:

(1) HUD needs to provide additional resources and regulatory reform to help local governments meet their fair housing requirements and needs. The complex nature of the data and the sheer number of data elements puts an undue burden on local jurisdictions whose budgets have already been cut significantly over the past ten years.
(2) The collection of information required by the Tool will impose a significant burden on small grantees. HUD needs to reduce the scope of the information collection for small grantees.
(3) HUD should make the AFH Tool available to CPD grantees as a template to be completed and submitted in IDIS, similar to current Con Plan submissions.
(4) Option B of the revised assessment Tool appears to be a better choice over Option A as it provides discrete lists of contributing factors for each section of the analysis and seems less redundant than Option A.

The comment letter is attached. In addition, several CDBG Coalition members (NAHRO, NCDA, NACCED, and NALHFA) sent a letter to HUD outlining our major concerns with the Tool. That letter is also attached.

NCDA Provides Comments on the Emergency Solutions Grants (ESG) Interim Rule

On December 5, 2011, HUD published an ESG interim rule, establishing the new requirements for the program as warranted by the enactment of the HEARTH Act which changed the name of the program from the Emergency Shelter Grants Program to the Emergency Solutions Grants Program and broadened the emergency shelter and homelessness prevention activities of the program and added short-term and medium-term rental assistance and services to the list of eligible activities. The interim rule took effect on January 4, 2012, and the public comment period for the interim rule ended on February 3, 2012. On June 3, 2015, HUD decided to re-open public comment on the interim rule to seek broader input on implementation of the interim rule before it becomes a final rule. Comments were due on August 3, 2015. NCDA would like to thank the following members for providing comments on the interim rule: Kate Budd (Clark County, WA), Bob Gehret (Boston, MA), Sean Glennon (Quincy, MA), Sheryl Kenny (Arlington, TX), Nancy Robbins (Tulsa, OK), and Becky Wade (Knoxville, TN). These comments formed the basis for NCDA's letter to HUD. The comments were endorsed by the U.S. Conference of Mayors, National Association of Counties, and National Association for County Community and Economic Development. The 20-page comment letter is attached.

Fall Training Courses

Please go to http://ncdaonline.org/CDBG.asp to register for the courses.

CDBG Basics: Training for Practitioners
September 28-30, 2015
Providence, RI
Fee: $250 members/$350 non-members

Advanced CDBG: Managing an Effective Program (1-1/2 days); CDBG/HOME Underwriting (1/2 day) -
These courses are offered together in a two-day block.
October 26-27, 2015
Little Rock, AR
Fee: $250 members/$300 non-members

Advanced CDBG: Managing an Effective Program (1-1/2 days); CDBG/HOME Underwriting (1/2 day) -
These courses are offered together in a two-day block.
November 17-18, 2015
Providence, RI
Fee: $250 members/$300 non-members

Plan to Attend One of NCDA's Fall Regional Conferences

NCDA Regions I, IV, and VI will hold their annual conferences this Fall. We encourage you to attend as it provides important information and networking opportunities, particularly for those communities unable to travel to NCDA's annual and winter conferences.

Region IV
September 16-18, 2015
Doubletree by Hilton Hotel – 315 4th Avenue North
Nashville, TN
Hotel registration, go to http://doubletree.hilton.com/en/dt/groups/personalized/B/BNADUDT-NCD-20150915/index.jhtml?WT.mc_id=POG
For more information contact John Callow, NCDA Region IV President, at jcallow@murfreesborotn.gov.

Region VI
October 26-28, 2015
Little Rock Marriott – 3 Statehouse Plaza
Little Rock, AR
Room rate: $89 plus tax; Register by October 9 to receive this special rate
Register online at http://ncdaregionvi.weebly.com/
For more information contact Matt Jennings, NCDA Region VI President, at mjennings@fortsmithar.gov.

Region I
November 19-20, 2015
Providence Biltmore
Providence, RI
Room rate: $131 plus tax
The agenda and registration will be posted to the Region I website at http://ncdaregion1.yolasite.com/
For more information, contact Anne Marie Belrose, NCDA Region I President, at annemarie.belrose@boston.gov.

Save the Date: 2016 Winter Conference – January 20-22

The 2016 NCDA Winter Conference will be held on January 20-22 at the Holiday Inn Capitol Hill in Washington, DC. We are putting the finishing touches on the draft agenda, but conference topics will include: grant based accounting, CDBG economic development underwriting, disaster planning and preparedness, working with developers on LIHTC projects, HUD regulation and policy update, legislative update, COFAR Implementation, AFFH, CDBG Coalition overview, the ACS, and many others.

NCDA is instituting a new tiered registration system, as follows. **Register early!** Go to http://ncdaonline.org/events/Winter16_Regform.asp to register for the conference.

Registration Fee Schedule

Early Registration (register by October 30)
Members: $400
Non-Members: $450

Payment Deadline: December 1, 2015; Payment received after this date will incur a $50 late fee.

General Registration (October 31 – January 3)
Members: $450
Non-Members: $500

Payment Deadline: January 15, 2016; Payment received after this date will incur a $50 late fee.

Late Registration (registrations received after January 4)
Members: $550
Non-Members: $600

Payment Deadline: January 20, 2016; Payment received after this date will incur a $50 late fee.

Group Discounts
When three or more persons attend from any single community, each person receives a $50 discount.

Electronic Invoicing and Payment

In an effort to provide efficient processing of invoices, persons registering for one of NCDA's training courses and conferences, will automatically receive an invoice upon registering online. This system is in place for the Winter Conference and will soon be in place for the training courses. Very soon, registrants will also have the availability to pay by credit card online or on-site at the conferences and training courses.

Department of Housing and Urban Development
Budget Chart

Program	FY15 Enacted Funding Level	President's FY16 Budget Request	House Appropriations Committee	Senate Appropriations Committee
CDBG Formula Grants	$3.0 billion	$2.8 billion	$3.0 billion	$2.9 billion
HOME Formula Grants	$900 million	$1.060 million	$900 million	$66 million
Homeless Assistance Grants	$2.135 billion	$2.480 billion	$2.185 billion	$2.235 billion
Section 108	$500 million	$500 million	$300 million	$300 million
Choice Neighborhoods	$80 million	$250 million	$20 million	$65 million
HOPWA	$330 million	$332 million	$332 million	$330 million
Lead Based Paint Hazard Reduction	$110 million	$120 million	$75 million	$110 million
Elderly Housing (Section 202)	$420 million	$455 million	$414 million	$420 million
Housing for Persons with Disabilities (811)	$135 million	$177 million	$152 million	$137 million
Housing Counseling	$47 million	$60 million	$47 million	$47 million
Housing Choice Vouchers	$19.304 billion	$21.123 billion	$18.15 billion	$19.934 billion
Project-Based Section 8	$9.730 billion	$10.760 billion	$10.254 billion	$10.826 billion
Public Housing Capital Fund	$1.875 billion	$1.970 billion	$1.681 billion	$1.742 billion
Public Housing Operating Fund	$4.440 billion	$4.600 billion	$4.440 billion	$4.5 billion