NCDA Washington Report

November 30, 2016

Election and Lame Duck Impacts on Community Development

Despite the strong anti-Washington sentiment that dominated the Presidential election, Americans largely chose to return their incumbent members of Congress to Capitol Hill. While the individual members will remain consistent, there are a number of changes to the dynamics both within Congress and Washington, DC as a whole that could impact community development issues.

Executive Branch

President-Elect Trump has given few indications on how he would address community development policy or how he will run his Department of Housing and Urban Development. In the days before the Thanksgiving holiday, President-Elect Trump tweeted that he was considering nominating former Republican presidential candidate and neurosurgeon Dr. Ben Carson, who has no formal experience in government or housing. The President-Elect has also appointed several people to his HUD "landing team," who will assist in forming the new HUD:

- John Bravacos, attorney and former HUD Regional Director for Region III
- Elvis Solivan, Philadelphia Parking Authority and former Director of Housing Advocacy for Philadelphia-based Liberty Resources
- Jimmy Kemp, President of the Jack Kemp Foundation
- Shawn Krause, Executive Vice President for Quicken Loans

Congress

Republicans retained majority of both the House and the Senate, though they did not pick up enough seats to reach the crucial filibuster-proof 60 seat majority. Largely due to retirements, 11 percent of Congress will be new to Capitol Hill in January.

Most of the new 115th Congress will look very familiar, but there is still work to be done to educate these incoming members and strengthen relationships with new members of committees that have jurisdiction over housing and community development issues. NCDA, in partnership with the CDBG Coalition, will be preparing a report for the new Congress outlining the importance and impact of CDBG. Additionally, the NCDA-led National Community Development Week during April 17-22 is the perfect opportunity for you to showcase the work you've done in your communities with CDBG.

House
Democrats chipped away at the Republicans' historic majority won in 2014, but were not able to pull off a long-shot upset at taking back the majority. At this point, the House is currently split 240-193 by Republicans, though two races will be decided by a run-off election in Louisiana on December 3 (one race is between two Republican candidates).

House Appropriations
The House Appropriations Committee will have a fair amount of turnover in the new Congress, with six members leaving Washington and the current chair term-limited out of his position. Three Republicans will leave Congress: David Jolly (R-FL), Scott Rigell (R-VA), and Ander Crenshaw (R-FL). Three Democrats will leave Congress: Sam Farr (D-CA), Chaka Fattah (D-PA), technically he left Congress over the summer), and Steve Israel (D-NY). Chairman Hal Rogers (R-KY) made it clear months ago that he has no intention of asking for a term-limit wavier to keep his top spot on the committee, and conventional wisdom is that Rodney Frelinghuysen (R-NJ) will take over. Ranking Member Nita Lowey (D-NY) is likely to stay on in her position.

Transportation, Housing and Urban Development leadership of Chair Mario Diaz-Balart (R-FL) and Ranking Member David Price (D-NC) is likely to remain the same in the 115th Congress. However, Chair Diaz-Balart is one of several Republicans who could take over as the head of the Budget Committee if the current Budget Committee Chair Tom Price (R-GA) is confirmed as Secretary of Health and Human Services.

House Financial Services
Between retirements and election losses, there will be significant turnover on the Financial Services Committee, largely from the majority. Republicans will see eight members leave the committee: Scott Garrett (R-NJ), Randy Neugebauer (R-TX), Mike Fitzpatrick (R-PA), Lynn Westmoreland (R-GA), Robert Hurt (R-VA), Stephen Fincher (R-TN), Marlin Stutzman (R-IN), and Frank Guinta (R-NH). Democrats only have three members leaving the committee: Ruben Hinojosa (D-TX), John Carney (D-DE), and Patrick Murphy (D-FL). Chairman Jeb Hensarling (R-TX) and Ranking Member Maxine Waters (D-CA) will likely remain in their positions. It's also believed the Housing and Insurance Chair Blaine Luetkemeyer (R-MO) and Ranking Member Emanuel Cleaver (D-MO) are likely to keep their positions.

Senate
The wave that Democrats were optimistic would propel them into the majority in the Senate never materialized and so far they have only managed to pick up two seats. The only outstanding Senate race, Louisiana, will be decided by a run-off election on December 3. As of today, the 115th Senate will be split 51-48 with a Republican majority.

Only six new Senators will be taking office in January: Kamala Harris (D-CA), Catherine Cortez Masto (D-NE), Tammy Duckworth (D-IL), Todd Young (R-IN), Chris Van Hollen (D-MD), and whoever is elected in Louisiana to replace the retiring Sen. David Vitter (R).

Appropriations Committee
Only two Senators on the Appropriations Committee will be departing Congress: Sen. Mark Kirk (R-IL) and current Ranking Member Barbara Mikulski (D-MD), who is retiring. Chairman Thad Cochran (R-MS) will remain chair in the 115th Congress and Sen. Patrick Leahy (D-VT) will take over the vacant Ranking

Member position. It is believed the current Transportation, Housing and Urban Development leadership of Chairwoman Susan Collins (R-ME) and Ranking Member Jack Reed (D-RI) will keep their jobs.

Banking, Housing and Urban Affairs

Similarly, the Banking, Housing and Urban Affairs Committee have only two members leaving Congress: Sen. Kirk and Sen. Vitter. The current Chairman Richard Shelby (D-AL) is term-limited in the position, so Sen. Mike Crapo (R-ID) is likely to take the top spot. Current Ranking Member Sherrod Brown (D-OH) will remain in his position. Unless the Housing, Transportation, and Community Development Subcommittee Chairman Tim Scott (R-SC) and Ranking Member Robert Menendez (D-NJ) shift to other subcommittees, they are likely to stay.

Lame Duck and FY 2017

The lame duck session is well underway and, at this point, has largely focused on party nominations for leadership positions in the new Congress. The clock is ticking on appropriations, with just 10 days until the current continuing resolution expires on December 9.

Prior to Thanksgiving, appropriations leadership signaled that they were looking to President-Elect Trump for direction on whether to move forward with finalizing spending during the lame duck or to delay final decisions until the new year and President-Elect Trump told lawmakers that he would prefer to make decisions on FY 2017 until he takes office.

Appropriators are now considering the length of an additional CR; most reports indicated a short-term spending bill would last until March 31, though now it appears a May deadline is possible to allow the Senate time to consider cabinet secretary nominations. A bill isn't expected to move until next week, cutting it close to the expiration of the current CR.

Combat Election Uncertainty - Plan a National Community Development Week Activity

The election of President-Elect Donald Trump and changes to Congress has recreated much uncertainty in Washington, but you can help preserve CDBG in this new Washington by highlighting the good work of the program during National Community Development Week.

In 2017, National Community Development Week will be held on April 17-22. This is a critical time for appropriations; work on the upcoming FY 2018 should be in the initial stages and it is possible that final decisions on FY 2017 will still need to be made. Over 11 percent of Congress will be new to Washington in January and it is likely that many appropriations committee members will be new, so it is imperative that you make a tangible link between the work funded through CDBG and improvements to your community.

Additionally, the White House and some HUD officials are likely to have never worked on housing and community development issues. Promoting the program as an integral part of HUD's mission will be critical to its long-term preservation in this new Administration. Highlighting CDBG could also boost the program if President-Elect Trump is planning to propose a large-scale infrastructure investment package.

National Community Development Week provides a perfect forum to cement the importance of CDBG in the minds of those in Washington. Projects can be showcased in a variety of ways depending on your capacity; even simple activities like writing a letter to your local newspaper and your lawmakers describing your project and the role CDBG played in making it happen can make a huge difference. Combined with the voices of your colleagues across the country, this could be one of the most impactful National Community Development Weeks to date.

It's up to you to help NCDA preserve CDBG - do your part by participating in National Community Development Week in 2017. Please contact Vicki Watson at vwatson@ncdaonline.org for questions or assistance related to National Community Development Week.

10-20-30 Anti-Poverty Plan

Rep. James Clyburn's (D-SC) "10-20-30" anti-poverty plan has been getting a lot of attention lately; House Speaker Paul Ryan (R-WI) has indicated his support for the approach. The "10-20-30" plan calls for 10 percent of federal funds to be directed to persistent poverty counties where at least 20 percent of the population has been living in poverty for 30 years. In a Harvard Joint Center for Housing Studies blog post, research assistant Sonali Mathur takes a deep dive into how the program would look if deep poverty is traced by census tracts or counties. The county-based approach results in a majority of persistent poverty areas being rural counties spread across 30 states (85% of these counties are in non-metropolitan areas); and this approach excludes many areas of extreme poverty in inner cities of urbanized areas. In comparison, when applied at the census tract level, which is a much smaller geography than a county, the "10-20-30" rule yields a much broader array of urban, suburban, and rural communities of extreme poverties with a broader representation across states.

Boomerang Buyers Returning to the Market

Foreclosures, short sales and bankruptcies remain on a family's credit score for at least seven years. According to Experian's analysis, these items will begin falling off the credit files of 2.5 million consumers between June 2016 and June 2017. Two-thirds of these households have strong credit scores, meaning they could qualify to become homeowners again. The study also found that families who experienced a short sale are rebounding at a higher rate than those who experienced a foreclosure.

Homelessness Declining According to HUD

On November 17, HUD released the 2016 Annual Homeless Assessment Report (AHAR) to Congress. The report highlights that on a single night in 2016, 549,928 people were experiencing homelessness in the United States, a 3 percent decrease from last year and a 14 percent decrease since the launching of Opening Doors in 2010. AHAR compiles data from the Point-in-Time counts that the Continuums of Care conduct across the country during the last ten days in January.

CDBG National Support Letter; Please Sign-On

The CDBG Coalition is continuing to collect signatures on its FY 2018 CDBG Support Letter, which seeks at least $3.3 billion for the program, an increase of $300 million above FY 2017 program funding levels. The letter is open to all local CDBG grantees and their sub recipients and program partners. Please sign-on to the letter and ask your sub recipients and program partners to add their support by signing on, too.

The letter is intended to garner grassroots support for CDBG – in every State and Congressional District served by the program. The letter will be distributed to members of Congress in the spring.

HUD Creates Monitoring Site for CPD Programs

HUD has launched CPD Programs Monitoring page on the HUD Exchange that provides a one-stop source for grantees to use in preparing for a HUD monitoring visit.

HOME Program Webinar: Allocating Costs

HUD will hold a webinar on December 13th at 1:00 pm ET to discuss the methods of allocating costs in the HOME program as covered in CPD Notice 16-15. To register for the webinar, please contact Sandy Patel at spatel@tdainc.org.

Web-Based Environmental Review Training

HUD's Office of Environment and Energy has developed a new web-based training module for grantees and sub-recipients to help them understand the various areas to be considered in conducting an Environmental Review.

RFP for the 2018 and 2019 Annual Conferences; Deadline is December 6

NCDA is seeking proposals from its members to host the 2018 and 2019 annual conference. NCDA is dedicated to providing professional development, best practices, and networking opportunities to its members through the delivery of top notch annual conferences. We are seeking hosts for the 2018 and 2019 (50th annual conference). The conference brings together the innovative, the informative, and the inquisitive to network, share, learn, and recognize excellence. Grantees from across the country attend the annual conference.

Conference Schedule
2018 – The preferred conference date is June 20-23, 2018
2019 – The preferred conference date is June 19-22, 2019

Please review the attached RFP requirements and "Things to Consider When Hosting a Conference" documents. Please submit completed proposals to sgartrell@ncdaonline.org by December 6, 2016. Selection of the host is based on: quality of the proposal; responsiveness to NCDA's conference requirements, including costs; ability to raise conference sponsorship funds; and ability to deliver specified items in the proposal.

2017 Audrey Nelson Award

NCDA is accepting applications for the 2017 Audrey Nelson Community Development Achievement Award. The award recognizes exemplary uses of CDBG funds. This year marks the 30th anniversary of the award and we encourage members to submit an application (attached). The submissions will be reviewed and rated by NCDA's Planning and Professional Development Subcommittee and the top five applicants will receive an award. The deadline to apply for the award is January 13, 2017.

2017 NCDA Winter Conference; General Registration Ends on January 20

The 2017 NCDA Winter Conference will be held February 15-17 in Washington, DC at the Holiday Inn Capitol Hill. General registration ends on January 20. The general registration fee is $500 for members and $550 for non-members. For those of you who registered during the early registration period, payment is due by December 9.

While the conference will provide legislative and policy updates, it is primarily focused on professional development. The agenda was developed based on member feedback and will focus on eight areas: community development, housing, planning, financial, technology/systems development, compliance, homelessness, and management.

Why You Should Attend. Why You Should Bring Staff.
- Professional development
- Learn the latest trends, best practices, and program regulations
- Hear directly from HUD and Congressional staff
- Network with peers

NCDA has reserved a block of rooms at the Holiday Inn Capitol Hill, 550 C Street, SW, Washington, DC at the rate of $199 per night plus tax **through January 13**. Reservations received after this date will be based on availability at the best available rate offered by the hotel. Book early! To make your reservation call 877-572-6951 and reference booking code N9D.

Need Onsite CDBG and HOME Training?

If you would like NCDA to provide on-site CDBG and HOME training to your staff, please contact Steve Gartrell at sgartrell@ncdaonline.org. A minimum of 25 people is required. The host is also required to provide the training space and a/v (screen, projector, mic). NCDA is in the process of developing a schedule of classes for 2017. Please review the attached RFP, if you are interested in hosting a class.

Save the Date for the NCDA Annual Conference: June 14-17 in Miami, FL

Join us in Miami for the 48th NCDA Annual Conference.

2017 NCDA 48th Annual Conference
Hyatt Regency Miami
June 14-17, 2017
Miami, FL

Early Registration Ends April 1, 2017: $450 members/$550 non-members
Conference Registration Form

To make your hotel reservation, please call 888-421-1442 and reference the NCDA Room Block to receive the special rate of $119.00 per night plus tax.

NCDA Has a New Mailing Address

NCDA has moved. Our new address is: 1775 Eye Street, NW, Suite 1500, Washington, DC 20006.

Please update your records and send all correspondence to this address. We have attached an updated W-9 for your records.

Department of Housing and Urban Development
Budget Chart

Program	FY16 Enacted Funding Level	President's FY17 Budget Request	Senate FY17 Request	House Appropriations Committee FY17 Request
CDBG Formula Grants	$3.0 billion	$2.8 billion	$3.0 billion	$3.0 billion
HOME Formula Grants	$950 million	$950 million	$950 million	$950 million
Homeless Assistance Grants	$2.25 billion	$2.664 million	$2.330 billion	$2.487 billion
Section 108	$300 million	$300 million	$300 million	$300 million
Choice Neighborhoods	$125 million	$200 million	$80 million	$100 million
HOPWA	$335 million	$335 million	$335 million	$335 million
Lead Based Paint Hazard Reduction	$110 million	$110 million	$135 million	$130 million
Elderly Housing (Section 202)	$433 million	$505 million	$505 million	$505 million
Housing for Persons with Disabilities (811)	$151 million	$154 million	$154 million	$154 million
Housing Counseling	$47 million	$47 million	$47 million	$55 million
Housing Choice Vouchers	$19.629 billion	$20.854 billion*	$20.432 billion**	$20.189 billion***
Project-Based Section 8	$10.62 billion	$10.816 billion	$10.901 billion	$10.901 billion
Public Housing Capital Fund	$1.9 billion	$1.865 billion	$1.925 billion	$1.900 billion
Public Housing Operating Fund	$4.5 billion	$4.569 billion	$4.675 billion	$4.500 billion

*includes $18.447 billion for voucher renewals, $110 million for tenant protection vouchers, $2 billion for administrative fees, $88 million for new/restored vouchers, and $110 million for Section 811 Mainstream Vouchers

**includes $18.355 billion for voucher renewals, $110 million for tenant-protection vouchers, $1.769 billion for administrative fees, $20 million for new/restored vouchers, and $110 million for Section 811 Mainstream Vouchers

***Includes $18.312 billion for voucher renewals, $110 million for tenant-protection vouchers, $1.650 billion for administrative fees, $7 million for new Tribal HUD-VASH vouchers, and $110 million for Section 811 Mainstream Vouchers.