



NCD Washington Report March 1, 2019

Status of Appropriations

FY19 Appropriations Completed

The FY19 appropriations process was completed earlier this month when Congress lumped the remaining spending bills for HUD and other federal agencies without approved funding into one large omnibus bill (H.J. Res. 21 – Consolidated Appropriations Act of 2019). The President signed the measure, averting a partial government shutdown. The measure provides \$44.2 billion for HUD, a 4% increase from FY18 and \$12 billion more than the Administration's request.

Highlights:

- \$3.3 billion for CDBG – maintaining the increase provided to the program in FY18. The Administration's FY19 budget proposal eliminated funding for CDBG.
- \$300 million for Section 108 – level funding from FY18. The Administration's FY19 budget proposal eliminated funding for Section 108.
- \$1.250 billion for HOME – a decrease of \$112 million from FY18. Like CDBG, the Administration's FY19 budget proposal eliminated funding for HOME.
- The measure includes language that extends HOME's 24-month commitment deadline suspension through 2021 and makes CHDOs eligible for the suspension, too. NCD and other groups advocated for these provisions.
- \$2.6 billion for HUD's homeless assistance programs, \$123 million increase from FY18. At least \$280 million (\$10 million increase) must be allocated to the Emergency Solutions Grant Program. Provides \$50 million for rapid re-housing projects and services for victims of domestic violence, dating violence, and stalking. Provides \$7 million for the national homeless data analysis project. Provides \$80 million for projects in up to 25 communities (including 8 rural communities) to demonstrate how a comprehensive approach to serving homeless youth can reduce homelessness
- \$150 million for Choice Neighborhoods. The Administration's FY19 budget eliminated funding for this program. At least \$75 million must be made available to public housing agencies. Up to \$5 million will be made available for comprehensive local implementation plans.
- Fully funds all tenant- and project-based rental assistance

- \$25 million for a new voucher mobility demonstration aimed at helping low-income families move to higher-income neighborhoods.
- \$250 million for Treasury's CDFI Fund – level funding from FY18

FY20 Appropriations

The annual budget and appropriation process start with the release of the President's annual budget request to Congress. This normally takes place the first Monday in February; however, the Administration will release its FY20 budget proposal in two phases: March 11 – President's budget message, top priorities, and summary tables released; March 18 – line-item budget document released. This delay will further confine an already tight budget and appropriations schedule.

Budget Control Act

The 2011 Budget Control Act (BCA) put in place annual spending limits (or caps) on discretionary programs (including HUD's programs) that limit the amount of federal funding available for appropriations. In past years, Congressional appropriators and the White House reached agreement on lifting the spending caps and will need to do so for FY20 spending, otherwise the programs will face stark cuts. Congress has not yet started negotiations on the budget caps.

Send a Funding Request to Your Congressional Members

Once the President's budget has been released, the House and Senate Transportation, Housing and Urban Development (THUD) subcommittees will hold hearings with HUD Secretary Ben Carson and begin marking up the FY20 spending bills in March/April. It is crucial that you reach out to your Congressional Members to request that they prioritize funding for CDBG and HOME in the FY20 THUD spending bill. NCDA and the CDBG Coalition are seeking \$3.8 billion for CDBG in FY20, an increase of \$500 million from FY19. The HOME Coalition is seeking \$1.5 billion for HOME in FY20, an increase of \$250 million from FY19. Make sure to include these levels in your funding request. Given the tight spending limits and the unknown level that the THUD subcommittees will receive, it is imperative that we make a hard push for increased funding for CDBG and HOME early. Sending a request to your Congressional Members will ensure that CDBG and HOME funding is made a priority in the House and Senate THUD spending bills.

The best way to do this is to send an e-mail to your Congressional Member. Please go to the following links to access your Congressional Members web page. The e-mail link is usually located at the very bottom of the page under Contact or E-mail. Please use the following message.

<https://www.senate.gov>

<https://www.house.gov/representatives/find-your-representative>

Sample E-Mail Message

Topic line: FY20 CDBG/HOME Funding

Message: As your constituent, I am writing to ask you to support \$3.8 billion for the Community Development Block Grant (CDBG) Program and \$1.5 billion for the HOME Investment Partnerships (HOME) Program in your FY 2020 request letter to the Appropriations Committee and the Subcommittee on Transportation, HUD and Independent Agencies. Both programs provide important resources to my community and more funding is needed to improve and provide affordable housing, improve local infrastructure, and provide services to the elderly, youth and other vulnerable populations.

House Financial Services Committee Hearing on Homelessness

The House Financial Services Committee held a [hearing](#) on February 13 on "Homeless in America." Committee Chair Maxine Waters (D-CA) will reintroduce her [bill](#) from 2016 that provides more than \$13 billion over five years to federal homelessness programs.

Bi-Partisan Voucher Mobility Bill Enacted

A bi-partisan voucher mobility bill previously introduced by Representatives Emanuel Cleaver (D-MO) and Sean Duffy (R-WI) (Housing Choice Voucher Mobility Demonstration Act of 2019) was included in the FY19 omnibus spending measure and signed by the President. The measure provides \$25 million for a demonstration program that would encourage Section 8 voucher holders to move from lower-income areas to “higher opportunity areas” with access to better schools, transportation and other services. HUD must now work on the program regulations.

HUD NEWS

Commitment of HOME Funds

HUD's Office of Affordable Housing Programs released [information](#) this week reiterating how Participating Jurisdictions (PJs) must commit funds in their HOME Investment Trust Fund local accounts. The information is based on the HOME Program Commitment Requirement Interim Final Rule, published on December 2, 2016.

1. PJs must record the amount of funds deposited into their HOME local account in IDIS in intervals not to exceed 30 days.
2. IDIS will automatically assign each local account receipt to the PJ's current program year.
3. HOME regulations provide PJs with three options to commit local account funds:
 - a. Commit local account funds from the current program year to existing projects identified in the current Annual Action Plan (AAP);
 - b. Accumulate the local funds received during the current program year and including the total uncommitted amount in the following year's AAP; or
 - c. Any combination thereof
4. Beginning with FY 2016 HOME allocations, IDIS will no longer permit a PJ to fund activities with its current Treasury account funds until after all local account funds earned in the prior program year have been fully committed. This does not apply to CHDO reservation funds, however. PJs may commit CHDO reservation funds at any point in time prior to the expenditure deadline.
5. If an activity is funded with both HOME Treasury account funds and local account funds, IDIS will require the local account funds to be fully disbursed before the Treasury account funds can be drawn down.

HUD Releases Notice on Submitting Consolidated Plans and Action Plans for FY 2019

[Notice CPD-19-01](#) provides information to grantees on submitting their FY 2019 Consolidated Plans and Action Plans to HUD. Most importantly, grantees are advised not to submit their plans until they have received notification from HUD of their FY 2019 allocations. As with past notices, this notice contains waivers for CDBG and HOME grantees to incur pre-award costs in certain circumstances prior to the submission of their plans. This year's notice provides interim guidance for grantees wishing to incorporate assistance for designated Opportunity Zones into their Consolidated Plan process.

LMI Summary Data Notice

The LMI Summary Data (LMISD) notice, [CPD Notice 19-02](#), was released earlier this month. The data is used to qualify Low/Moderate-Income area benefit activities in CDBG. Highlights of the notice include the following:

- The new LMISD will go into effect on *April 1, 2019*. The data can be used to qualify *all new* area-benefit activities as of April 1, 2019.
- The new LMISD is based on the American Community Survey (ACS) 2011-2015 5-year estimates (2015 ACS). It replaces the prior LMISD based on the ACS 2005-2010 data (2010

ACS). The notice provides a transition policy for circumstances where prior 2010 ACS LMISD may continue to be used.

- The notice explains how to use the LMISD to demonstrate compliance for LMA activities.
- The notice announces the publication of margin of error data for all geographies in the LMISD, including all census places and block groups, and provides instructions for use.
- HUD will set a 5-year publication schedule for other geographic data used for reporting race/ethnicity, disability, and age of beneficiaries, as well as poverty data used to qualify certain activities for assistance.
- The notice provides instructions for reporting LMA activities in IDIS.
- The LMISD 2011-2015 [page](#) provides detailed data sets that may be used for qualifying area benefit activities.
- The Low/Moderate area [page](#) explains everything a grantee needs to know about qualifying area benefit activities and which data set to use.

HUD Releases CDBG IDIS FAQs

Earlier this month, HUD released a set of CDBG IDIS [FAQs](#) that provides guidance on the following topics.

- Change in activity's matrix code
- Set-up a CDBG project
- Remove a duplicate CDBG project
- Revise CDBG vouchers drawn from the wrong grant year
- Determine the activity to enter on the Program Income (PI) receipt
- Make adjustments on the PR26 CDBG Financial Summary Report
- Verify expenditures from the PR26 CDBG Financial Summary Report

You can submit further IDIS questions [here](#).

NCDA NEWS

National Community Development Week

National Community Development Week will be held on April 22-26, 2019. This year's theme is "CDBG and HOME Make Communities Better Places to Live and Work." Please use **#CDWeek2019** in your social media outreach. Please use the attached Tool Kit to plan, implement and market your National Community Development Week events and activities.

National Community Development Week is designed to focus local as well as national attention on the CDBG and HOME programs. It provides an ideal opportunity to educate members of Congress and your

community on CDBG and HOME and the importance of both programs to the community. We are seeking increased funding for CDBG (\$3.8 billion) and HOME (\$1.5 billion) in FY 2020 and your participation in National Community Development Week helps our efforts to increase program funding. National Community Development Week will occur during a critical time when Congress is making decisions about spending levels, so ensure you're a part of the conversation by hosting a National Community Development Week activity and inviting your Congressional Members (or their staff) to participate. The following video created by NCDA provides you with important information and advice for reaching out to your Congressional Members in the coming year, particularly to invite them to participate in National Community Development Week and to schedule meetings in their district office to share information on your CDBG and HOME programs to push for increased funding in FY20.

<https://www.dropbox.com/s/pkmfgtu3tyarpe7/NewCongressNCDA.mp4?dl=0>

CDBG Coalition

The CDBG Coalition is seeking \$3.8 billion for CDBG in FY20, an increase of \$500 million. The Coalition launched a national CDBG support letter that will be sent to Congressional leaders. We need grantees to sign-on to the letter by **March 8**. Please go to the following link to add your agency to the letter. Please invite your program subrecipients and other local partners to sign-on to the letter, too.

<https://data.ncdaonline.org/cdbgletter.asp>

The House and Senate CDBG Dear Colleague letters will be ready in the next week or so and we will need you to reach out to your Congressional Members to urge them to sign on to the letters.

The Coalition launched a CDBG Needs Survey to help in our efforts to increase program funding this year. The survey closes today, so please take a few minutes to complete it.

CDBG Needs Survey

<https://www.surveymonkey.com/r/QLMCMRR>

The Coalition will start meeting with THUD subcommittee members on March 11. We are seeking CDBG and HOME projects to share with the THUD members. If your Congressional Member serves on the House or Senate THUD subcommittee (see attached list), please send a project example to vwatson@ncdaonline.org by **March 8**. Please include the following information: amount of CDBG and or HOME funds, other project funding, population served, type of project, impact of the project on the beneficiaries and the community, project photo, other information you deem important.

NCDA 50th Anniversary

NCDA invites you to help us celebrate our 50th anniversary by attending the 50th NCDA Annual Conference in Jacksonville, FL. The conference will be held at the Omni Hotel on June 19-22. Conference registration is now open. **Early conference registration ends on April 1**. The registration fee is \$550 for members and \$650 for non-members. The fee will increase after April 1 to \$650/members and \$750/non-members, so please register early. Please note, registration cancellations received after June 1, 2019 will be charged 50% of the registration fee.

50th Annual Conference Registration Link

<https://ncdaonline.regfox.com/jacksonville-2019-50th-anniversary-ncda-annual-conference>

NCDA has reserved a block of rooms at the rate of \$91.00 per night plus tax **through June 1**. Please go [here](#) to make your hotel reservation or call 1-800-843-6664.

The draft conference agenda is attached. If you are interested in participating as a speaker or moderator, please contact vwatson@ncdaonline.org. Please contact Steve Gartrell at sgartrell@ncdaonline.org with any questions concerning conference registration or the hotel.

Upcoming NCDA Training

NCDA is pleased to offer the following training in the coming months. Please go to the following link to obtain course information and to register: <https://ncdaonline.org/training>

HOME Basics

March 4-6

Anaheim, CA

CDBG Advanced

March 19-21

Columbus, OH

CDBG-DR (Disaster Recovery)

March 28-29

Jacksonville, NC

CDBG Basics

April 9-11

Santa Rosa/Sonoma County, CA

Managing CDBG Subrecipients

May 21-23

Boise, ID

Advanced HOME/Underwriting (coming soon)

July 17-19

Columbus, GA

Managing CDBG Subrecipients (coming soon)

August 6-8

Santa Rosa/Sonoma County, CA

Advanced HOME/Underwriting (coming soon)

September 18-20

Fort Worth, TX

Please contact Rita Pribyl at rpribyl@ncdaonline.org with any questions regarding the above training courses or If you are interested in hosting a training course in your community.

**Department of Housing and Urban Development
Budget Chart**

<i>Program</i>	<i>FY18 Omnibus Spending Measure</i>	<i>President's FY19 Budget Proposal</i>	<i>FY19 Omnibus Spending Measure</i>
CDBG Formula Grants	\$3.3 billion	\$0	\$3.3 billion
HOME Formula Grants	\$1.362 billion	\$0	\$1.25 billion
Homeless Assistance Grants	\$2.513 billion	\$2.383 billion	\$2.636 billion
Section 108	\$300 million	\$0	\$300 million
Choice Neighborhoods	\$150 million	\$0	\$150 million
HOPWA	\$375 million	\$330 million	\$393 million
Lead Based Paint Hazard Reduction	\$230 million	\$145 million	\$279 million
Elderly Housing (Section 202)	\$678 million	\$563 million	\$678 million
Housing for Persons with Disabilities (811)	\$229.6 million	\$132 million	\$184 million
Housing Counseling	\$55 million	\$45 million	\$50 million
Housing Choice Vouchers	\$22.015 billion	\$20.550 billion	\$20.3 billion
Project-Based Section 8	\$11.515 billion	\$11.147 billion	\$11.347 billion
Public Housing Operating Fund	\$4.550 billion	\$2.975 billion	\$4.653 billion
Public Housing Capital Fund	\$2.750 billion	\$0	\$2.775 billion

