



NCDCA Washington Report

October 18, 2019

Appropriations Update

Congress is back in session and continues to work on finalizing FY20 funding for the Department of Housing and Urban Development (HUD) and other federal agencies. Prior to adjourning for the recent two-week recess period, Congress approved a Continuing Resolution (CR) that extends funding at current levels through November 21.

The CR provides congressional leaders with six weeks to agree on final FY20 appropriations bills that adhere to overall spending levels approved in the budget deal that was resolved in July. Appropriations leaders are now in negotiations to reconcile the House spending bills (which were drafted prior to the budget deal) with the Senate spending bills. Once agreement is reached on a top-line number (known as the 302(b) allocation) for each subcommittee, the subcommittee chairpersons and ranking members will come together to work out differences in individual program numbers.

Congress has several options to move the spending bills before the CR expires on November 21. First, it could simply pass a full-year CR that would carry current spending levels forward through September 30, 2020. Second, Congress could assemble the remaining appropriations bills, including THUD, into a series of small spending packages, referred to as “mini-buses.” Third, Congress could package all the remaining spending bills into one “omnibus” bill as has been done in recent years.

If the spending bills are not wrapped-up by November 21, Congress will need to pass another short-term CR to complete their negotiations. It is critical that Congress approve a THUD bill as soon as possible because HUD cannot award FY20 funding to grantees until a full-year bill is in place.

House Appropriations Committee Power Struggle

House Appropriations Committee Chair, Nita Lowey (D-NY), announced last week that she will retire at the end of her term in 2020. Lowey was first elected to Congress in 1988. She became the first woman to chair the House Appropriations Committee and has brought much passion and defense of federal programs that serve low-income people, including HUD’s programs, to the position.

Immediately after Lowey’s announcement, Representatives Rosa DeLauro (D-CT) and Marcy Kaptur (D-OH) announced they would run for the position. Rep. David Price (D-NC) has signaled his interest, too; although, his interest is more exploratory at this point. Price currently chairs the Transportation-Housing

and Urban Development Subcommittee while DeLauro chairs the Labor-Health and Human Services-Education Subcommittee and Kaptur chairs the Energy-Water Subcommittee. All three have a great deal of appropriations experience and service in Congress, with Kaptur being the longest serving member. All have a record of working with their colleagues across the aisle and working closely with House leaders. Most importantly, all three are very supportive of HUD's programs. DeLauro is close to House Speaker Nancy Pelosi, so this may give her the edge. The reelection process will take a while to play out so we will likely see other House members run for the position.

NCDA Recommends CDBG and HOME Statutory Changes

NCDA's Community Development Subcommittee and Housing Subcommittee worked together over the past several weeks to develop the following series of statutory recommendations for the CDBG and HOME programs to make the programs work better for grantees. Please see the attached document for a full description of each recommendations.

- Add new construction of housing as an eligible CDBG program activity
- Designate fair housing as an eligible CDBG program activity
- Align the CDBG labor standards (residential rehab) threshold with the HOME program
- Amend the CDBG statute to include a provision that sets the CDBG non-residential construction threshold at \$100,000
- Increase the HOME administrative cap to 15%
- Eliminate the HOME CHDO set-aside OR make it optional
- Make permanent the 24-month commitment deadline suspension
- Make the HOME program leasing requirements more flexible to assist the homeless

The U.S. Conference of Mayors endorsed the recommendations. The recommendations have been sent to Congressional authorizers for consideration. Please reach out to your Congressional Members to urge support of these recommendations.

Proposed Legislation Would Add Additional Reporting Requirements to the Con Plan

[H.R. 4351](#), the Yes in My Backyard Act (YIMBY), was introduced by Representatives Denny Heck (D-WA), Trey Hollingsworth (R-IN), Mike Quigley (D-IL), Jaime Herrera Beutler (R-WA), Lacy Clay, Jr. (D-MO) and Virginia Foxx (R-NC) last month. A similar measure, [S. 1919](#), was introduced in the Senate in June by Senators Todd Young (R-IN) and Brian Schatz (D-HI). Senators Cory Booker (D-NJ) and Rep. James Clyburn (D-SC) are expected to introduce somewhat similar legislation in the future.

The measures would require CDBG grantees to report in the Consolidated Plan whether they have enacted inclusionary land use policies to encourage housing development. If the grantee has not enacted such policies, they must include a plan in the Consolidated Plan for adopting such policies. Such policies include enacting high-density single-family and multifamily zoning, reducing minimum lot size, reducing the impact of historic preservation on housing production, expanding by-right multifamily zoned areas, allowing manufactured homes in areas zoned for single-family residential homes, reducing minimum lot size, creating transit-oriented development zones, and other policies. The Senate measure also adds legalizing short-term home rentals and legalizing home-based businesses to the list of

inclusionary land use policies. NCDA has requested meetings with the bill sponsors to discuss our concerns with the legislation which include: (1) loss of CDBG funds if the reporting requirements are not met; and (2) undue administrative burden of the reporting requirements on CDBG grantees, particularly small grantees.

HUD NEWS

CPD Monitoring Handbook Update

The [CPD Monitoring Handbook](#) has been updated in the following areas. Please be sure to use this updated version for all future monitoring activities.

Chapter 2: Management of Monitoring Activities – updates language regarding corrective actions to more accurately reflect statutory and regulatory language pertaining to noncompliance

Chapter 7: HOME Investment Partnerships Program (HOME) – this chapter has been comprehensively updated and redesigned to include changes from the most recent final rule

Chapter 25: Relocation and Real Property Acquisition – includes changes from the most recent HUD guidance

Relocation and Acquisition Modules

HUD is in the process of developing several URA-focused online training modules. [Module 1: URA Overview](#) is now available. It provides a basic overview of URA requirements for HUD programs and projects. The following modules will be available soon.

Module 2: Section 104(d) Overview

Module 3: URA Planning and Budgeting

Module 4: URA Real Property Acquisition

Module 5: URA Residential Relocation

Module 6: URA Nonresidential Relocation

Module 7: URA Temporary Relocation

Module 8: Recordkeeping, Monitoring, and Corrective Action

HUD Releases Shutdown Contingency Plan

HUD has released an updated [Contingency Plan](#) that provides operational guidance to grantees in case of a government shutdown. Please see pages 14-16 for the Office of Community Planning and Development's (CPD) programs.

Highlights

- CPD grantees will be able to drawdown obligated CDBG, HOME, HOPWA and Homeless Assistance Grants in IDIS.

- HUD will recall CPD employees intermittently to respond to drawdown requests where further action or review is needed.
- CPD will review and approve environmental requests for release of funds where a previously scheduled closing would be impacted.
- CPD will make sure grantees have access to eLOCCS, IDIS and DRGR (resetting and assigning new passwords and troubleshooting issues where approved grantees are unable to access the system).
- The Ask A Question (AAQ) Help Desk will be open. Responses that require staff review or approval will be delayed until the shutdown is over.

HOPWA Webinar – November 7

CPD will hold a webinar on November 7, 2019 for HOPWA grantees, project sponsors, and stakeholders. The webinar will provide updates on the impact and status of HOPWA formula modernization including future funding projections. Please go [here](#) to register for the webinar.

Subrecipient Setup Requirements in IDIS for FY 2019 ESG Grants

Emergency Solutions Grants (ESG) Program grantees are required to identify their subrecipient organizations and corresponding funding amounts in the IDIS for each activity, including the administration activity (if applicable). According to HUD, grantees that are in the process of setting up FY 2019 activities in IDIS should confirm that IDIS setup is accurate before drawing any FY 2019 ESG funds. For step-by-step instructions on how to add/edit subrecipients at the IDIS Activity funding level, please review section 6.2 of the [Using IDIS Online for the ESG Program](#).

HUD Releases New Opportunity Zones Website

HUD has developed an [Opportunity Zones website](#) that provides information for investors, local leaders and others on Opportunity Zones. The site also includes an interactive map of the 8,764 Opportunity Zones. The website also provides completed action items from each White House Opportunity and Revitalization Council member agency.

HUD Issues Report on CDBG Partnership Challenges

As a requirement of the Consolidated Appropriations Act of 2019, the Office of Block Grant Assistance developed a [report](#) that provides information on the opportunities and challenges for partnerships between CDBG grantees and non-profit organizations. The report cites the need for more CDBG funding and better coordination of programs and resources at the federal level to help local communities navigate the broad range of public assistance available to them.

OAHP Jobs Available

HUD's Office of Affordable Housing Programs currently has two Affordable Housing Specialist positions open in the Program Policy Division advertised at the GS 11/12/13 level. The application deadline is October 28. Please go [here](#) for more information.

NCDA NEWS

NCDA 2020 Audrey Nelson Awards Application Now Open

The 2020 Audrey Nelson Community Development Awards competition is now open. We encourage members to apply for this prestigious award which recognizes outstanding community development projects and programs across the country. NCDA created the award 33 years ago in honor of NCDA's first Deputy Executive Secretary, Audrey Nelson. Audrey was the first Deputy Executive Secretary of NCDA. She grew up in an inner-city Chicago neighborhood which was a target area for the local Model Cities Program, a precursor to the CDBG program. Her intense commitment to her neighborhood, her local program efforts, and her drive to serve low-income people was cut short by death from cancer at the age of 29. NCDA is proud continue these awards in honor of Audrey. The award application is available at the following link.

<https://www.surveymonkey.com/r/GGKX2VQ>

The application deadline is **December 13, 2019**. NCDA's Planning and Professional Development Subcommittee will rate and rank the applications. The five highest ranked applications will receive the award. Winners will be recognized during a special awards luncheon on January 31, 2020 during the NCDA Winter Conference. Please contact Vicki Watson at vwatson@ncdaonline.org with any questions.

Upcoming NCDA Training

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

CDBG Basics

October 29-31, 2019
Durham, NC

CDBG Basics

November 5-7, 2019
Dubuque, IA

Advanced CDBG/Underwriting

February 17-19, 2020
Deerfield Beach, FL

Please contact Heather Johnson at hjohnson@ncdaonline.org regarding the above training courses or If your community is interested in hosting a training course(s).

2020 Winter Conference Registration is Now Open

NCDA will hold its 2020 Winter Legislative, Policy, and Professional Development Meeting in Washington, DC on January 29-31. The conference registration fee is \$450 for members/\$550 for non-members through **November 30, 2019**. The rates will increase to \$550 for members/\$650 for non-members after this date, so register early. The conference will be held at the Holiday Inn Capitol, 550 C

Street, SW, Washington, DC within proximity to the Hill and HUD headquarters. The hotel rate is \$165.00 per night plus tax. The deadline for making your hotel reservation is **Friday, January 3, 2020**. You can make your reservations by calling 877-572-6951 and referencing group name and booking code NC4. Please go to the following link to register for the conference and the pre-conference training. The draft agenda will be posted to the NCDA website (ncdaonline.org) next week.

<https://ncdaonline.regfox.com/2020-winter-meeting>

Pre-Conference Training

As part of the conference registration fee, the following free one-day training will be provided to conference registrants on Tuesday, January 27.

- IDIS Primer (new course)
- Advanced HOME Program Primer
- Advanced CDBG Primer

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

<i>Program</i>	<i>FY19 Omnibus Spending Measure</i>	<i>President's FY20 Budget Proposal</i>	<i>House Approved Levels</i>	<i>Senate Appropriations Committee Level</i>
CDBG Formula Grants	\$3.3 billion	\$0	\$3.6 billion	\$3.3 billion
HOME Formula Grants	\$1.25 billion	\$0	\$1.750 billion	\$1.250 billion
Homeless Assistance Grants	\$2.636 billion	\$2.599 billion	\$2.8 billion	\$2.761 billion
Section 108	\$300 million	\$0	\$300 million	\$300 million
Choice Neighborhoods	\$150 million	\$0	\$300 million	\$100 million
HOPWA	\$393 million	\$330 million	\$410 million	\$330 million
Lead Based Paint Hazard Reduction	\$279 million	\$290 million	\$290 million	\$290 million
Elderly Housing (Section 202)	\$678 million	\$644 million	\$804 million	\$696 million
Housing for Persons with Disabilities (811)	\$184 million	\$157 million	\$259 million	\$184 million
Housing Choice Vouchers (Renewals)	\$20.3 billion	\$22.24 billion	\$21.4 billion	\$21.5 billion
Project-Based Section 8	\$11.347 billion	\$12.021 billion	\$12.590 billion	\$12.560 billion
Public Housing Operating Fund	\$4.653 billion	\$2.86 billion	\$4.753 billion	\$4.650 billion
Public Housing Capital Fund	\$2.775 billion	\$0	\$2.855 billion	\$2.855 billion

