



## **NCD A Washington Report November 21, 2019**

### **Appropriations Update**

With the current continuing resolution (CR) expiring today, House and Senate leaders have agreed on another CR to keep the federal government funded through December 20. The President is expected to sign the measure. The CR is the second temporary spending bill passed since the fiscal year began on October 1. The measure gives appropriators more time to negotiate programmatic spending levels.

The Senate passed on October 31, 2019 a minibus package of four spending bills that included FY20 funding for the Transportation-HUD (THUD) spending bill. The measure provides level funding for CDBG (\$3.3 billion) and HOME (\$1.25 billion). This summer, the House passed its THUD spending bill which included an increase for both CDBG (\$3.6 billion) and HOME (\$1.750 billion). The House wrote and passed its funding measure prior to the bipartisan budget agreement so the House bills are written at a higher level than the Senate's, which were developed after the budget agreement. Although, both the House and the Senate have passed their versions of FY20 bills for THUD, a final, conferenced version depends on House and Senate leaders agreeing to topline numbers (302b allocations) for each of the 12 subcommittees. Once agreement is reached on the 302b allocations, negotiators can begin conferencing those bills that have been passed by both chambers. Offers are being exchanged but final agreement has not been reached.

### **Rep. Waters to Introduces Affordable Housing Bill; Additional Affordable Housing Funds for HOME and CDBG Included**

Rep. Maxine Waters (D-CA), Chair of the House Financial Services Committee introduced the [Housing as Infrastructure Act of 2019](#) today. The press release is available [here](#). NCD A and other groups worked with Rep. Waters' staff on the measure. The bill would authorize \$100 billion for federal affordable housing programs including additional funding for the HOME and CDBG programs. Because there is a severe shortage of affordable rental housing nationwide, the measure focuses primarily on the development, rehabilitation and preservation of affordable rental housing.

The measure would provide \$70 billion to HUD's Public Housing Capital Fund to repair and rehabilitate the nation's public housing stock. A portion of these funds would be distributed via competition to address lead hazards and other urgent health and safety issues in public housing. The Public Housing Capital Fund was zeroed out in the President's FY20 budget and has been severely underfunded over the past decade.

The bill would provide \$10 billion for CDBG to address affordable rental housing. Because the measure focuses on one aspect of CDBG – affordable housing, the funds would be distributed through a competition, not via formula, to focus on three primary activities: (1) the development and preservation of qualified affordable housing, including the construction of affordable housing; (2) the elimination or waiving of zoning requirements and other requirements that limit affordable housing development, including high density and multifamily development restrictions, off-street parking, and height limitations; and (3) transportation projects eligible for a grant through

the Department of Transportation. The measure defines “qualified affordable housing” as a housing development that is funded in part by assistance from HUD or the Department of Agriculture, consists of 5 or more units of which 20 percent or more are made available for rent by low-income families (80% or less of AMI) at a monthly rent amount that does not exceed 30 of the monthly adjusted income. The project must maintain a 30-year affordability period. States, local governments, and Indian tribes are eligible to apply for the funds. Fund awards would be based on the extent to which the applicant: (1) streamlines the process for development of qualified affordable housing; (2) eliminates or reduces impact fees; and (3) supplements the grant assistance with non-Federal funding sources. At the urging of NCD, the CDBG competition includes 15% for administration.

The measure would provide \$5 billion for the HOME program to be allocated through the regular HOME program (since the HOME program focuses solely on affordable housing there was no need to develop a competitive application). The measure provides \$5 billion for the Housing Trust Fund with a focus on prioritizing housing assistance for the homeless. The measure is expected to pass in the House. Senator Kamala Harris (D-CA) has introduced a similar measure in the Senate.

### **House Passes Legislation to Permanently Authorize the CDBG-DR Program**

The House voted this week to approve the [Reforming Disaster Recovery Act](#) (H.R. 3702). The passage of the legislation marked two years of work by the Disaster Housing Recovery Coalition (DHRC) of which NCD is a member. Introduced by Rep. Al Green (D-TX) and Ann Wagner (R-MO), the measure permanently authorizes HUD’s Community Development Block Grant – Disaster Recovery (CDBG-DR) Program. CDBG-DR provides funds to Presidentially declared disaster areas to rebuild housing and infrastructure. H.R. 3702 would ensure program funds reach communities more quickly after a disaster, creates a set-aside for disaster mitigation activities, creates a capacity-building and technical assistance set-aside for grantees, ensures greater data transparency, and helps ensure the program operates more consistently among all levels of government. The measure requires states to allocate resources equitably between housing and infrastructure and among homeowners, renters, and people experiencing homelessness.

#### H.R. 3702 Quick Facts

- Requires HUD to allocate CDBG-DR grants within 60 days
- CDBG-DR grantees must submit a disaster recovery plan to HUD within 90 days of notice of their allocation
- Requires data coordination among HUD, FEMA, SBA and other federal agencies on recovery needs.
- Requires HUD to develop a pre-certification program for local governments to allow them to receive CDBG-DR funds more quickly
- Requires grantees to have sound financial controls and procurement processes in place to ensure proper assistance to all eligible families, no duplication of benefits, timely expenditure of funds, and transparency of use of funds.
- Sets aside funding for capacity building and technical assistance, including assistance regarding contracting and procurement processes, to support grantees and subgrantees
- Sets aside funding for mitigation planning

Attention now moves to the Senate where Senators Brian Schatz (D-HI) and Todd Young (R-IN) have introduced similar bipartisan legislation ([S. 2301](#) – Reforming Disaster Recovery Act).

### **Legislation Introduced to Tighten Investments and Investor Reporting in Opportunity Zones**

On November 6, Senator Ron Wyden (D-OR) introduced [Opportunity Zone Reporting and Reform Act](#) (S. 2787), to modify the Opportunity Zone tax incentive. The bill would require Qualified Opportunity Funds to report on the activities funded through the zone and require investors in the zones to report separately to the IRS about their investments. More importantly, the bill would end Opportunity Zone designations for contiguous areas that are

not low-income; eliminating hundreds of opportunity zones in relatively wealthy neighborhoods. Wyden and others are concerned that investors will choose to invest in these zones over zones located in poorer communities that are struggling to attract new businesses and housing. The bill would also prohibit investments in residential rental property unless 50 percent of the units are both rent restricted and occupied by individuals whose incomes are 50 percent or less of area median income.

## **HUD NEWS**

### **David Woll**

The Senate Banking Committee held a nomination hearing earlier this week for David Woll fill the position of Assistant Secretary for the Office of Community Planning and Development (CPD). He is expected to be confirmed by the full Senate. President Trump nominated him to the position in July 2019. Mr. Woll has served as Principal Deputy Assistant Secretary for CPD since November 2018. Prior to serving at CPD, Woll served as an Assistant U.S. Attorney, Deputy General Counsel at HUD, and Senior Policy Advisor to the Governor of New Jersey, where he served as the state's compliance director for Superstorm Sandy relief efforts. In his testimony before the Senate Banking Committee, Mr. Woll said he would focus on the following priorities at CPD: (1) strengthening the CDBG-DR program; (2) housing unsheltered homeless; and (3) improving communication between HUD headquarters and field offices.

### **HUD Housing Counselor Certification Deadline is August 1, 2020**

HUD issued a [final rule](#) on December 14, 2016 that requires that housing counseling provided in connection with HUD programs (including CDBG and HOME) be provided by HUD-certified housing counselors. Housing counseling staff must be certified as a HUD Housing Counselor by **August 1, 2020**. Please go [here](#) for information on the certification process.

### **URA Modules**

HUD is in the process of developing several URA-focused online training modules. HUD has released [two modules](#): Module 1: URA Overview and Module 7: Temporary Relocation. Module 1 provides a basic overview of the URA requirements for HUD programs. Module 7 provides information on HUD requirements for temporary relocation, notice requirements, eligible reimbursable expenses and other helpful information. 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 8: Recordkeeping, Monitoring, and Corrective Action

## **NCDA NEWS**

### **Start Planning for National Community Development Week – April 13-18, 2020**

National Community Development Week is only five months away, so the time to start planning is now. National Community Development Week is designed to focus local attention on the CDBG and HOME programs. It provides an ideal opportunity for you to educate members of Congress and your community on the impacts of CDBG and HOME and the need for more funding. We will be seeking increased funding for CDBG and HOME in FY 2021 and your participation in National Community Development Week will help in those efforts. It is important that you reach out to your Congressional members to arrange a meeting with them (or their staff) during National Community Development Week or to invite them to tour your CDBG and HOME projects and to tour areas that need CDBG and HOME investment. A few early actions can increase the possibility that your member of Congress will attend your meeting or event.

- First, before the end of the year, decide what type of event you'd like to hold. You don't need a fully planned event, but figure out who will participate, what is the size of the event, where and when is the event, what is the focus, will the Senator/Representative be asked to make remarks, and will there be media? If the date and time of your event is flexible, you may be able to work with staff to better fit in the Senator's or Representative's schedule.
- Second, contact offices in early January. You'll need to identify who handles scheduling for your legislator and what is required by the office to submit a formal invitation. Start by calling your most local district office - phone numbers for district offices are available on the legislators' web sites. Some offices schedule exclusively through their DC office, so you may need to make several calls before you get in contact with the appropriate staffer. To contact House members, go to [www.house.gov](http://www.house.gov). To contact Senators, go to [www.senate.gov](http://www.senate.gov).
- Third, follow-up frequently. Schedulers are extremely busy and are constantly inundated with requests. Make sure yours gets the proper attention by contacting the scheduler frequently - initially twice a week but increase that to daily in the two weeks leading up to the event if you still have not received an answer. Make sure you ask the staffer handling your request what the best way to get in touch with him/her is and use those communication methods. If you are having trouble getting in touch with the person handling your request, leave messages with the office receptionist, too.
- Finally, don't get discouraged if members of Congress or their staff cannot attend your event. Work with the office on alternative ways they can participate - ask if they can issue a press release about your event, promote it on social media, or begin a scheduling request for a district work period later in the year. They may have other ideas on how they can participate, so be flexible.

#### **2020 Audrey Nelson Awards Application Deadline is December 13**

The 2020 Audrey Nelson Community Development Awards competition is open through **December 13**. 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>

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](mailto: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>

#### **Advanced CDBG/Underwriting**

February 17-19, 2020  
Deerfield Beach, FL

Please contact Heather Johnson at [hjohnson@ncdaonline.org](mailto:hjohnson@ncdaonline.org) regarding the above training courses or If your

community is interested in hosting a training course(s). We are in the process of scheduling our spring training.

### **2020 Winter Conference**

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><b>Program</b></i>	<i><b>FY19 Omnibus Spending Measure</b></i>	<i><b>President's FY20 Budget Proposal</b></i>	<i><b>House Approved Level</b></i>	<i><b>Senate Approved Level</b></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

