



## **NCDCA Washington Report December 19, 2019**

### **Appropriations Update; FY20 Spending Bills Close to Being Enacted; CDBG and HOME Receive Funding Increases**

Congress is on track to approve all 12 spending bills by December 20, the date the current continuing resolution expires. The bills are being packaged into two “mini-bus” bills. One package contains four bills -- Defense, Homeland Security, Commerce-Justice-Science and Financial Services. The second package contains the remaining eight spending bills, including the Transportation-HUD (THUD) spending measure. Our core programs – CDBG, HOME, and HUD’s Homeless Assistance Grants – all received funding increases. Because of the work of the CDBG Coalition, HOME Coalition, and grantees, CDBG and HOME both received their highest funding levels since FY11.

#### Highlights

- \$3.425 billion for CDBG, \$100 million increase in formula grants from FY19. An additional \$25 million is provided for a state pilot program providing supportive housing for persons recovering from substance abuse.
- \$1.35 billion for HOME, \$100 million increase in formula grants from FY19
- \$2.7 billion for HUD’s Homeless Assistance Grants, \$141 million increase from FY19; \$80 million of these funds will be targeted to youth homelessness
- \$410 million for the Housing Opportunities for People with AIDS (HOPWA) program, \$18 million increase
- \$300 million for Section 108, level funding from FY19
- \$202 million for the Section 811 Housing for People with Disabilities Program, \$80 million increase
- \$793 million for the Section 202 Housing for the Elderly Program, \$115 million increase
- \$2.869 billion for the Public Housing Capital Fund, an increase of \$94 million from last year
- \$4.549 for the Public Housing Operating Fund, a decrease of \$104 million
- \$12.5 billion for project-based rental assistance to renew all contracts
- \$23.8 billion for Housing Choice Vouchers, including \$21.5 billion for existing contract renewals
- \$25 million to maintain the Housing Choice Voucher Mobility Demonstration Program to assist low-income families with children move to higher opportunity neighborhoods
- \$290 million for the Office of Lead Hazard Control and Healthy Homes programs, increase of \$11 million

In addition, the spending bill includes language suspending the 24-month commitment deadline in the HOME Program through 2022, including for Community Housing Development Organizations (CHDOs). The National Flood Insurance Program would be extended through September 30, 2020 and the New Markets Tax Credit would be extended for another year.

Disagreement over funding of the border wall was the main item that delayed Congress in reaching a final agreement. In the end, the Administration and Congress agreed to leave border wall funding static at \$1.4 billion rather than provide \$8.6 billion as the President had requested. The deal does not stop President Trump from

shifting funds from other programs to pay for border wall funding as has happened in past years with the siphoning of billions from military construction projects.

## **Federal Agencies Plan Overhaul of the Community Reinvestment Act**

On December 13, the Federal Deposit Insurance Corporation (FDIC) and the Office of the Comptroller of the Currency (OCC) issued a [joint notice of rulemaking](#) to amend the Community Reinvestment Act (CRA). The FDIC and the OCC are accepting public comments on the proposal until 60 days after it is published in the Federal Register, which is expected to be shortly.

Enacted in 1977, the CRA requires lending institutions to provide credit and make investments in low- and moderate-income neighborhoods. The OCC issued an advanced notice of proposed rulemaking in August 2018 seeking recommendations for modernizing the CRA. According to the OCC, most of the commenters did not like the current CRA regulatory framework, saying it lacked objectivity, transparency, and fairness. In response to this feedback, the OCC and FDIC issued this joint notice of rulemaking to outline their proposal for strengthening the CRA regulatory framework. One of the more controversial proposals in the notice is the recommendation to change the rating system for community development investments. Under the current CRA evaluation rules, community development investments, including affordable housing investment, count for 25% of the entire CRA rating. The new proposal would eliminate this percentage and include community development investments as an overall goal in the evaluation process, which could lead to less investment in affordable housing activities.

## **Funding Available to Provide Housing Assistance to Victims of Human Trafficking**

The Department of Justice announced the availability of \$13.5 million in grants to provide housing assistance and supportive services to victims of human trafficking. States, units of local governments, and organizations are eligible to apply for the funding.

The funds can be used to support the following activities:

- Transitional housing (including operating expenses) to help transition into permanent housing
- Short-term housing assistance, including rent, security deposits, utilities, relocation costs
- Projects must also provide support services to help human trafficking victims locate permanent housing and employment

The application deadline is February 3, 2020. Please go [here](#) for more information on the grant. Please refer to the [notice](#) for more information on applying for the grant.

## **HUD NEWS**

### **Steve Johnson is Retiring on December 31, 2019**

Steve Johnson, Entitlement Communities Division Director at HUD, will officially retire on December 31, 2019. Steve has worked with HUD for 41 years with most of his time spent at HUD Headquarters in Washington, DC. Steve has been an incredible source of knowledge and a leader for the CDBG program and CDBG grantees. NCDCA recognized Steve's work history and contribution to the community development field with a special award at the NCDCA 50<sup>th</sup> Annual Conference in June. We will miss him greatly.

If you would like to reach out to Steve to wish him well before his retirement date, you can reach him at [steve.johnson@hud.gov](mailto:steve.johnson@hud.gov).

### **HUD Seeks Comments on Barriers to Affordable Housing Development**

HUD's Office of Policy Development and Research has released a [Request for Information \(RFI\)](#) seeking comments on barriers to affordable housing development. HUD issued the RFI in response to a request by the White House

Council on Eliminating Regulatory Barriers to Affordable Housing, which is led by HUD Secretary Carson and is charged with identifying ways to address barriers to affordable housing development. Comments are due to HUD by January 21, 2020. Please send your comments to [vwatson@ncdaonline.org](mailto:vwatson@ncdaonline.org) by January 10, 2020.

### **URA Proposed Rule Released**

The U.S. Transportation Department has released a [proposed rule](#) to amend and update regulations (49 CFR Part 24) pertaining to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). Planned revisions to the regulations include increasing relocation benefits, reducing the length of occupancy requirements, and streamlining the regulations. Comments are due on March 17, 2020. NCDA is accepting comments from members on the proposed rule. Please send your comments to [vwatson@ncdaonline.org](mailto:vwatson@ncdaonline.org) by February 28, 2020.

### **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**

### **NCDA Website Improvement Survey**

NCDA has developed a short survey to solicit feedback from members on improving the website. Please take a few minutes to complete the short [survey](#).

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

Congress recently approved increased funding for CDBG and HOME in the FY20 spending bill. This was the result of months of advocacy by the CDBG and HOME coalitions, and your efforts during National Community Development Week. We will seek further increased funding for the programs in FY21 and it is important that all NCDA members participate in the 2020 National Community Development Week effort.

National Community Development Week is only four months away, so the time to start planning is now. The sole purpose for National Community Development Week is to educate members of Congress and local officials on the impact of the CDBG and HOME programs locally and the *need* for more funding. It is important that you reach out to your Congressional offices now to seek their participation in National Community Development Week.

This year we are asking members to focus on two primary activities: (1) projects tour; and (2) meeting with Congressional district offices.

### Projects Tour

- Focus on areas that need CDBG/HOME investment. This will help make the case for increased program funding.
- Tour one or two CDBG/HOME funded projects to show the results of the programs.

### District Office Meetings

- Reach out to your Congressional members to arrange a meeting at their district office during National Community Development Week.

Contact congressional offices in January. Start by calling your local district office - phone numbers for district offices are available on the legislators' web sites (see below). Some offices schedule exclusively through their DC office, so you may need to make several calls before you get in contact with the appropriate scheduler. Ask the scheduler what is required by the office to submit a formal invitation for your Congressional member to participate in the projects tour. The scheduler can also arrange a meeting for you at the district office.

To contact House offices go to the following link:

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

To contact Senate offices, go to the following link:

[https://www.senate.gov/general/contact\\_information/senators\\_cfm.cfm](https://www.senate.gov/general/contact_information/senators_cfm.cfm)

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.

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.

### **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**

February 3-5, 2020

Smyrna, GA

#### **CDBG Subrecipient Management**

February 11-13, 2020

Roanoke, VA

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

February 18-20, 2020

Deerfield Beach, FL

#### **Advanced HOME/Underwriting**

March 3-5, 2020

Surprise, AZ

**HOME Basics**

July 28-30, 2020

Sacramento, CA

**Advanced CDBG/Underwriting**

August 19-21, 2020

Beloit, WI

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).

**2020 Winter Conference – January 29-31, Washington, DC**

The Winter Conference is almost sold out – only few registration slots remain. The conference registration fee is \$550 for members/\$650 for non-members through **December 30, 2019**. Please go [here](#) to register for the conference. 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 or go [here](#) to register online. Please contact Steve Gartrell at [sgartrell@ncdaonline.org](mailto:sgartrell@ncdaonline.org) with question.

The updated conference agenda is attached.

## 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>FY20 Final Approved Level</b></i>
CDBG Formula Grants	\$3.3 billion	\$0	\$3.4 billion
HOME Formula Grants	\$1.25 billion	\$0	\$1.35 billion
Homeless Assistance Grants	\$2.636 billion	\$2.599 billion	\$2.777 billion
Section 108	\$300 million	\$0	\$300 million
Choice Neighborhoods	\$150 million	\$0	\$175 million
HOPWA	\$393 million	\$330 million	\$410 million
Lead Based Paint Hazard Reduction	\$279 million	\$290 million	\$290 million
Elderly Housing (Section 202)	\$678 million	\$644 million	\$793 million
Housing for Persons with Disabilities (811)	\$184 million	\$157 million	\$202 million
Housing Choice Vouchers (Tenant- Based Rental Assistance)	\$20.3 billion	\$22.24 billion	\$21.5 billion
Project-Based Rental Assistance	\$11.347 billion	\$12.021 billion	\$12.170 billion
Public Housing Operating Fund	\$4.653 billion	\$2.86 billion	\$4.549 billion
Public Housing Capital Fund	\$2.775 billion	\$0	\$2.869 billion

