

NCDA Washington Report July 14, 2020

House THUD Subcommittee Passes FY21 Spending Bill

The House kicked off the FY21 appropriations process last week with all 12 appropriations subcommittees passing their respective spending bills including passage of the Transportation, Housing and Urban Development, and Related Agencies (THUD) spending measure. The House Appropriations Committee is expected to approve the THUD measure later today. A summary of the bill is available <u>here</u>. The Senate has not released any FY21 spending bills.

The House THUD bill funds the Department of Housing and Urban Development (HUD) at \$50.6 billion, an increase of \$1.5 billion above the FY20 level and \$13.3 billion above the President's FY21 budget request. The measure provides robust increases to most HUD programs, including our core programs – CDBG and HOME, which the President had eliminated in his FY21 budget request.

The House bill provides \$3.5 billion for CDBG, an increase of \$100 million from last year. The HOME program is funded at \$1.7 billion, an increase of \$350 million. This is a victory for the CDBG Coalition and the HOME Coalition and other advocates given the strict spending caps on federal programs put in place by the Budget Control Act. The measure provides \$3.4 billion for the Homeless Assistance Grants, up from \$2.7 billion in FY20.

The measure provides enough funding to renew all existing rental assistance contracts. The measure provides \$25.739 billion for tenant-based rental assistance. Of this amount, \$22.8 billion would be used to renew all existing tenant-based rental assistance contracts. In addition, the bill provides \$250 million for new vouchers to assist the homeless and persons at risk of homelessness. This includes \$40 million for veterans and \$40 million for victims of domestic violence. The measure also provides \$310 million for Section 811 mainstream vouchers, \$25 million for family unification vouchers, and \$25 million for Veterans Affairs Supportive Housing (VASH) vouchers. The House bill provides \$13.4 billion to renew all project-based rental assistance contracts. This is an increase of \$311 million from last year.

The bill provides \$4.6 billion for the Public Housing Operating Fund, an increase of \$100 million from last year. The Public Housing Capital Fund receives \$3.18 billion, an increase of \$311 million. The measure provides \$227 for the Section 811 Housing for People with Disabilities Program, an increase of \$25 million, \$893 million for the Section 202 Housing for the Elderly Program, an increase of \$100 million, \$250 million for the Choice Neighborhoods Program, an increase of \$75 million, and \$430 million for the Housing for Persons with AIDS (HOPWA) Program, an increase of \$20 million.

Additional Funding for CDBG, HOME, Public Housing, Choice Neighborhoods

The measure also includes a separate supplemental infrastructure section which provides an additional \$75 billion for emergency infrastructure investments, including \$49 billion for housing investments. This includes \$24 billion for public housing capital repairs, \$300 million for Choice Neighborhoods, \$17.5 billion for HOME, and \$4 billion for CDBG. NCDA advocated for CDBG and HOME funding as part of future infrastructure legislation and we are pleased to see this funding in the bill.

Other Provisions

The measure includes the following legislative provisions.

- A provision to block the Administration's effort to prevent undocumented immigrants from accessing federally assisted housing.
- A provision to block HUD from moving forward with changes to the Equal Access Rule to allow shelter providers to establish policies limiting access for transgender people.
- A provision to block the U.S. Interagency Council on Homelessness from establishing policies to undermine the Housing First model, a successful model which has been used nationally to address chronic homelessness.

House Passes Infrastructure Bill; Funding for CDBG and HOME Included

On July 1, the House passed a \$1.5 trillion infrastructure package, the Moving Forward Act (H.R. 2). The measure provides funding for roads, bridges, schools, housing, community development, and broadband.

- The measure makes permanent the New Markets Tax Credit which is used to stimulate economic development in low-income communities.
- The bill temporarily increases the rehabilitation of historic buildings by temporarily increasing the Historic Housing Tax Credit.
- The bill creates a new state-administered Neighborhood Investment Tax Credit to encourage the rehabilitation of deteriorated homes and new home construction in distressed areas.
- The measure creates a preference in the Capital Investment Grants Program for transit projects to encourage the development of affordable housing near development sites.
- The measure expands the volume cap of the Low-Income Housing Tax Credit and makes other enhancements.

The measure includes the Housing is Infrastructure Act of 2020 introduced by House Financial Services Committee Chairwoman, Rep. Maxine Waters (D-CA), which includes funding for affordable housing and community development, including CDBG and HOME.

- \$70 billion for the Public Housing Capital Fund to address the backlog of physical repairs needed to public housing developments across the country.
- \$5 billion for the National Housing Trust Fund to support the creation, rehabilitation, and preservation of affordable housing for the lowest income households. Funds would be prioritized for the homeless or people at risk of homelessness.
- \$5 billion for the HOME Program

- \$2.5 billion for the Section 811 Supportive Housing Program for Persons with Disabilities which provides affordable housing with supportive services for low-income persons with disabilities.
- \$2.5 billion for the Section 202 Supportive Housing Program for the Elderly which provides affordable housing with supportive services for low-income elderly persons.
- \$10 billion for the CDBG program for the creation of affordable rental housing via a competitive process that would encourage applicants to remove local barriers to affordable housing development.

Please see the <u>section-by-section overview</u> for more information. The Senate is unlikely to pass infrastructure legislation this year.

HOME Program Reauthorization Bill Introduced

Rep. John Garamendi (D-CA) introduced a bill, the HOME Investment Partnerships Reauthorization Act of 2020 (H.R. 7312), on June 25, 2020 to increase the authorized funding levels for the HOME program. The measure sets an authorized funding level of \$5 billion for the program for 2021 and increases the amount by 5 percent annually through 2025.

The HOME Coalition, of which NCDA is a member, is in the initial stages of developing a set of statutory changes to the HOME program which we hope to have included in a future HOME reauthorization bill. These changes include an increase in the admin. cap and removal of the 24 month commitment deadline, among others.

House Passes Emergency Housing Pandemic Bill

On June 29, the House passed the Emergency Housing Protections and Relief Act of 2020 (H.R. 7301), to provide relief to renters and homeowners impacted financially by the coronavirus pandemic.

The moratorium on evictions from federally subsidized rental units will expire at the end of this month. The bill would extend the eviction moratorium to March 27, 2021 and expand it to protect *all* renters. The foreclosure moratorium would be extended for six months following enactment of the legislation and expanded to include *all* homeowners facing foreclosure.

The measure provides \$100 billion for emergency rental assistance to help people struggling to pay their rent and utilities. The funds would be allocated through the Emergency Solutions Grant (ESG) program, with 50% of the funds allocated through the regular ESG program formula and the remainder allocated via a new formula to be developed by HUD. At least 40% of the funds would be targeted to extremely low-income households (at or below 30% AMI).

The measure creates a \$75 billion state-administered Homeowner Assistance Fund to help homeowners pay their mortgage, utilities, taxes, and other housing related costs. The funding would be administered similar to the Hardest Hit Fund which was created in the aftermath of the 2008 housing crisis. At least 60% of the funds would be targeted to low-income homeowners (80% of AMI or below).

In addition, the measure includes additional resources for the following programs.

- \$3 billion for the Housing Choice Voucher program
- \$2 billion for the Public Housing Operating Fund
- \$1 billion for new tenant-based vouchers for the homeless and persons at-risk of homelessness and survivors of domestic violence.

The Senate is in recess until July 20 leaving little time to negotiate a bill with the House before the federal eviction moratoria expire. However, Senate Republicans are working on a coronavirus relief package. Negotiations with the House will start in earnest once the Senate plan is unveiled next week. The Senate measure is expected to include employment assistance, protection for businesses, and possibly another round of direct payments to individuals.

Federal Agencies Extend Foreclosure and Eviction Moratoria

The Federal Housing Finance Agency, the Federal Housing Administration, the Agriculture Department, and the Veterans Administration extended their single-family eviction and foreclosure moratoria through August 31.

HUD NEWS

Job Opportunities

The following HUD job opportunities are available.

- Supervisory Environmental Protection Specialist Chicago, IL
- Environmental Protection Specialist multiple locations
- Financial Analyst New York, NY
- CPD Specialist Washington, DC
- Affordable Housing Specialist Washington, DC
- CPD Specialist (CARES) Washington, DC

Please go <u>here</u> for more information.

COVID-19 Webinar Series for Small Grantees

HUD has developed a series of short webinars on COVID-19 response for small local governments. *The Responding to COVID-19* webinar series will consist of the following six sessions. Please go <u>here</u> to register.

- Responding to the Housing Challenges Posed by the Pandemic (Session 1) July 13, 2020
- Responding to the Housing Challenges Posed by the Pandemic (Session 2) TBD
- Addressing Challenges to the Health and Childcare Systems (Session 1) July 20, 2020
- Addressing Challenges to the Health and Childcare Systems (Session 2) TBD
- COVID-19 Recovery Strategies for Small Business Districts (Session 1) July 28, 2020
- COVID-19 Recovery Strategies for Small Business Districts (Session 2) TBD

HUD Publishes Sample Self-Certification of Income Form for HOME COVID-19 Implementation

The Office of Affordable Housing Programs has developed a <u>sample self-certification of income form</u> for Participating Jurisdictions to use in documenting annual income of persons who are unemployed due to COVID-19 and homeless people who are applying for admission to a HOME rental unit or to participate in an emergency HOME TBRA programs.

CPD Income Eligibility Calculator Updated

HUD has updated the <u>CPD Income Eligibility Calculator</u> to incorporate FY2020 income limits for CDBG, HOME, ESG, HOPWA and other CPD programs.

NCDA NEWS

Online Training Available

NCDA is pleased to offer the following online training.

CDBG Primer August 10 & 11 2:00 pm to 4:00 pm EDT each day \$100/members; \$150/non-members Please see the <u>agenda</u> for more information. Please go <u>here</u> to register. (Keep your registration confirmation message. It contains your password to access the training.

Coming by the End of the Year

Primer Courses (Two days/2 hours daily) IDIS Primer – August dates TBD HOME Primer – September 3 & 4 (Registration coming soon)

Basic Certificate Courses (Four weeks – Two days/week – 2 hours/day)

Attendees taking these courses have the option of taking an online exam during the week following the class. Attendees who pass the exam will receive a certificate.

- CDBG Basics September dates TBD
- Subrecipient Management Basics October Dates TBD
- HOME Basics November Dates TBD
- IDIS Basics December Dates TBD

Please contact Steve Gartrell at <u>sgartrell@ncdaonline.org</u> with any questions.

NCDA is Collecting CDBG and HOME Stories of Impact

https://www.surveymonkey.com/r/CDBGHOMEImpact

Template Outline

- Project Photos
 - o Before/after photos
- Project Location
 - City/State/Zip code
- o Key Numbers
 - $\circ \quad \text{Jobs created/retained}$
 - \circ Leveraging
 - Number of people benefitting
 - Number of moderate-income people benefitting (50-80% of AMI)
 - Number of low-income people benefitting (30-50% of AMI)
 - Number of extremely low-income people benefitting (below 30% of AMI)
- o Project Partners
- Project Description
- Loan/Grant Features
- Sources/Uses of Funds
- o Community Benefit
- Why CDBG? Why HOME?
- o Lessons Learned
- Contact Information

Department of Housing and Urban Development Budget Chart

Buuget Chart			
Program	FY20 Omnibus Spending Measure (12/23/2019)	President's FY21 Budget Proposal (2/10/2020)	House THUD Subcommittee Bill (7/8/2020)
CDBG Formula Grants	\$3.4 billion	\$0	\$3.5 billion
HOME Formula Grants	\$1.35 billion	\$0	\$1.7 billion
Homeless Assistance Grants	\$2.777 billion	\$2.77 billion	\$3.45 billion
Section 108	\$300 million	\$0	\$300 million
Choice Neighborhoods	\$175 million	\$0	\$250 million
HOPWA	\$410 million	\$330 million	\$430 million
Lead Based Paint Hazard Reduction	\$290 million	\$360 million	\$340 million
Elderly Housing (Section 202)	\$793 million	\$853 million	\$893 million
Housing for Persons with Disabilities (811)	\$202 million	\$252 million	\$227 million
Housing Choice Vouchers (Tenant-Based Rental Assistance)	\$21.5 billion	\$18.8 billion	\$25.7 billion
Project-Based Rental Assistance	\$12.170 billion	\$12.6 billion	\$13.4 billion
Public Housing Operating Fund	\$4.549 billion	\$3.6 billion	\$4.649 billion
Public Housing Capital Fund	\$2.869 billion	\$0	\$3.18 billion