



NCDA Washington Report February 22, 2021

Congress Advances Budget Reconciliation for COVID-19 Relief

The Biden Administration is using the budget reconciliation process, which allows legislation to pass with a simple majority vote, to move its \$1.9 trillion COVID-19 relief measure also known as the American Rescue Plan. The package includes \$25 billion in housing relief (see below). The House and Senate passed their respective budget resolutions earlier this month, the first step in the budget reconciliation process. The authorizing committees have marked up their respective sections of the relief measure. The next step is for the House Budget Committee to assemble the various committee sections and mark-up the complete COVID-19 relief plan. This mark-up will be followed by House approval of the measure which is expected at the end of this week.

House Financial Services Committee Marks Up COVID-19 Relief Measure

Last week, various House committees advanced their sections of President Biden's American Rescue Plan including the House Financial Services Committee. The House Financial Services Committee approved \$25 billion for emergency rental assistance for the following uses:

- \$19.05 billion administered by the Treasury Department and allocated to states, territories, counties, and cities for emergency rental and utility assistance.
- \$5 billion for emergency Housing Choice Vouchers to provide housing to people experiencing or at risk of homelessness, survivors of domestic violence, and victims of human trafficking.
- \$100 million to help rural households living in USDA-subsidized properties pay rent.
- \$750 million for the Indian Housing Block Grant Program and the Indian Community Development Block Grant Program.
- \$100 million for NeighborWorks for housing counseling services to help renters, people experiencing homelessness, people at risk of homelessness, and others.

\$5 Billion for Homelessness Assistance Distributed Through HOME

The Committee also approved \$5 billion for homelessness assistance that would be distributed through the HOME program formula. The funds would be used to provide funds to state and local governments to finance supportive services, affordable housing, and the acquisition of non-congregate shelters (such as hotels) for people currently experiencing homelessness. The funds could also be used for regular HOME program activities. The deadline for grantees to spend the funds is September 30, 2025. Qualifying households include the homeless, people at-risk of homelessness, and people fleeing domestic violence/dating violence/human trafficking. The HOME program cost limits, commitment

requirements, matching requirements, and CHDO set-aside requirements would be waived. The administrative cap would be increased to 15%. Grantees could use up to 10% of their allocation for nonprofit/CHDO operating expenses. The funds were not distributed through the Emergency Solutions Grant (ESG) Program because of the slow spend down rate of the ESG-CV funds (only 2% of the funds have been spent to date).

The Committee also approved nearly \$10 billion to states, territories, and tribes for homeowner assistance to help homeowners struggling with mortgage payments, property taxes, property insurance, utilities, and other housing related costs.

The Committee also approved \$10 billion for the State Small Business Credit Initiative to establish or support loan participation programs, venture capital programs, collateral support programs, loan guarantee programs, and capital access programs. Up to \$2.5 billion would be used to support businesses owned and controlled by economically disadvantaged persons, including minority-owned businesses.

Treasury Department Releases New Emergency Rental Assistance Program FAQ

Today, the Department of the Treasury released a set of revised [FAQs](#) on the Emergency Rental Assistance Program. The revised FAQs supersede any previous FAQs. The FAQs provide information on program eligibility, documentation requirements, definitions, rental and utility assistance, outreach to landlords, and reporting and recordkeeping requirements.

The Treasury Department plans to co-host a webinar with HUD about the Emergency Rental Assistance Program soon. The Treasury Department is also working to develop full program guidance.

Eviction Moratoriums Extended

The Centers for Disease Control (CDC) extended its federal eviction moratorium through March 31. The original order was established on September 4, 2020 and extended through January 31, 2021. The Federal Housing Administration (FHA) has extended its single-family foreclosure and eviction moratoriums through June 30, 2021. The Federal Housing Finance Agency (FHFA) which oversees the GSEs (Freddie Mac, Fannie Mae) announced the GSEs are extending the moratoriums on single-family foreclosures and real estate owned evictions until March 31, 2021. Further, borrowers who have a GSE-backed mortgage and who are on a COVID-19 forbearance plan may be eligible for an additional extension of up to three months.

Homeowner Assistance Fund Legislation

Senators Jack Reed (D-RI), Patrick Leahy (D-VT), Sherrod Brown (D-OH) and other Senators introduced legislation (S. 254) that would create a \$75 billion Homeowner Assistance Fund to help homeowners struggling during the pandemic to pay their mortgages and utilities. The Fund would be administered by the Department of the Treasury and allocated through the states. The Senators are seeking to include language based off this bill in President Biden's American Rescue Plan to help protect homeowners from COVID-19 related financial hardships.

Neighborhood Homes Investment Act Legislation

Senators Ben Cardin (D-MD), Sherrod Brown (D-OH), Chris Coons (D-DE), Rob Portman (R-OH), Tim Scott (R-SC), and Todd Young (R-IN) have introduced the Neighborhood Homes Investment Act (S. 98). The legislation would establish a state administered tax credit to encourage the production of single-family housing and rehabilitation in distressed areas; areas that are marked by stagnant housing markets, foreclosures, blighted or vacant homes. The federal tax credit would cover the cost between building or renovating a home in these areas and the price at which they can be sold.

Senate Committee Advances the Nomination of Rep. Marcia Fudge

The Senate Banking Committee approved the nomination of Rep. Marcia Fudge (D-OH) to be the Secretary of the Department of Housing and Urban Development. The nomination now moves to the Senate floor for a final vote.

Biden Directs HUD to Examine Trump Administration’s Fair Housing Rules

On January 26, President Biden sent a memorandum to HUD directing the agency to examine the effects of the Trump Administration’s final rule on affirmatively furthering fair housing that went into on September 8, 2020. The rule reversed the Obama Administration’s 2015 fair housing rule that required grantees to develop an Assessment of Fair Housing. The memorandum directs HUD to take the necessary steps to implement the Fair Housing Act’s requirements. The memorandum does not directly change prior regulatory actions, but it directs HUD to “take all steps necessary to examine the effects” of earlier regulations.

HUD NEWS

New URA Training Modules

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) provides federal protections and assistance for people affected by the acquisition, rehabilitation, or demolition of real property for federally funded projects.

HUD has developed two new URA training modules. The first focuses on section 104(d) of the Housing and Community Development Act of 1974 and provides a basic overview of the key requirements that CDBG and HOME grantees need to follow. The second training module focuses on residential relocation requirements.

Please go to the following link to learn more about the HUD’s URA modules and take the training.

[URA the HUD Way - HUD Exchange](#)

NCDA NEWS

Upcoming Webinars

Section 108 Loans

March 9, 2021

2:00 pm ET

This webinar will provide an overview of HUD's Section 108 Loan Guarantee Program. Two communities will discuss their use of Section 108 loans.

Register [here](#).

Setting Up CV Activities in IDIS

March 18, 2021

2:00 pm ET

This webinar will provide information on setting up and funding activities in IDIS, with an emphasis on CDBG-CV and ESG-CV related activities. Please submit specific questions ahead of time to

sgartrell@ncdaonline.org

Register [here](#).

Upcoming Training

HOME Basics

Mondays and Wednesdays (3:00 pm – 5:30 pm ET)

March 1 – March 24

Register [here](#).

Cost: \$300 for members through March 19, 2021

IDIS Basics

Mondays and Wednesdays (2:00 pm – 4:30 pm ET)

April 5 – April 28

Register [here](#).

Cost: \$300 for members through March 19, 2021

Participate in National Community Development Week, April 5-9

National Community Development Week will be held April 5-9, 2021. This is a critical time for appropriations; work on the upcoming FY 2022 HUD funding bill will be in the initial stages. Over 13 percent of Congress is new to Washington and there are some new appropriations committee members, so it is imperative that you make an effort to reach out to your Congressional offices during National Community Development Week to provide a tangible link between the work funded through CDBG and HOME and community improvements in their states and districts.

National Community Development Week provides a perfect forum to cement the importance of CDBG and HOME in the minds of those in Washington. With the pandemic in place, we are asking all NCDA members to participate in a national social media messaging campaign during National Community

Development Week. Please see page 4 of the attached National Community Development Week Tool Kit for the daily social media messages.

For those of you who may want to focus on more activities during National Community Development Week, we are asking you to consider hosting a virtual meeting with your Congressional members and/or their staff and issue a proclamation recognizing CDBG, HOME, and National Community Development Week. Instructions for meeting with Congressional offices and sample proclamations are available in the attached Tool Kit.

Amaya Daniel, NCDAs intern, will begin reaching out to NCDAs members in the next week or so to ascertain your plans for National Community Development Week and to see how we can help you in the implementation of your activities.

Combined with the voices of your colleagues across the country, this could be one of the most impactful National Community Development Weeks to date. Please contact Vicki Watson at vwatson@ncdaonline.org for questions or assistance related to National Community Development Week.

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

<i>Program</i>	<i>FY20 Omnibus Spending Measure (12/23/2019)</i>	<i>President's FY21 Budget Proposal (2/10/2020)</i>	<i>House FY21 THUD Bill (7/31/2020)</i>	<i>Senate Appropriations Committee (11/10/2020)</i>	<i>Final FY21 Omnibus Spending Measure (12/21/2020)</i>
CDBG Formula Grants	\$3.4 billion	\$0	\$3.5 billion	\$3.425 billion	\$3.450 billion
HOME Formula Grants	\$1.350 billion	\$0	\$1.7 billion	\$1.375 billion	\$1.350 billion
Homeless Assistance Grants	\$2.777 billion	\$2.773 billion	\$3.415 billion	\$2.951 billion	\$3.0 billion
Section 108	\$300 million	\$0	\$300 million	\$300 million	\$300 million
Choice Neighborhoods	\$175 million	\$0	\$250 million	\$100 million	\$200 million
HOPWA	\$410 million	\$330 million	\$430 million	\$410 million	\$430 million
Lead Based Paint Hazard Reduction	\$290 million	\$360 million	\$340 million	\$360 million	\$360 million
Elderly Housing (Section 202)	\$793 million	\$853 million	\$893 million	\$853 million	\$855 million
Housing for Persons with Disabilities (811)	\$202 million	\$252 million	\$227 million	\$237 million	\$227 million
Housing Choice Vouchers (Tenant-Based Rental Assistance)	\$21.5 billion	\$18.8 billion	\$25.7 billion	\$22.891 billion	\$23.080 billion
Project-Based Rental Assistance	\$12.170 billion	\$12.6 billion	\$13.4 billion	\$12.653 billion	\$13.465 billion
Public Housing Operating Fund	\$4.549 billion	\$3.6 billion	\$4.649 billion	\$4.492 billion	\$4.839 billion

Public Housing Capital Fund	\$2.869 billion	\$0	\$3.18 billion	\$2.765 billion	\$2.765 billion
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