



## **Housing and Community Development:** **Key Federal Investments in 21<sup>st</sup> Century Infrastructure**

NCDA and COSDA welcome renewed federal support for infrastructure especially in community-led activities. As Congress considers actions to address the national infrastructure gap, we recommend increased investment in HUD – Community Planning and Development (CPD) programs. The activities supported by CPD provide both immediate and sustained results while empowering localities to direct resources towards their top priorities. In applying additional resources to housing and community development needs, we ask attention specifically in the following areas:

### **Target investments to communities through CPD formula programs**

CPD programs deliver critical resources to address various state and local needs. For instance, approximately a third of total CDBG funds from 2005-20 supported public improvements including roads, public facilities, and water systems. Similarly, HOME and HTF dedicate the majority of its funding to the development and preservation of affordable housing. The weakness of these programs has not been their inability to appropriately target funds to project needs; instead, the levels of annual program funding have been insufficient to meet demand leaving tremendous gaps unaddressed in communities nationwide.

Alterations or further directives to programs would hinder both effectiveness and distribution of resources. Additional requirements or changes therein for CDBG, HOME, and HTF would result in adjustments to program administration increasing capacity needs and extending project timelines. Further, limitations on eligible activities diminishes the ability of communities to use available funds for their greatest infrastructure priorities.

**A reinvestment in the annual formula programs ensures federal resources are available and accessible across the country to support affordable housing, utility development, and related projects.**

### **Streamline administration promoting efficiency in project delivery**

While CPD programs have effectively supported wide-ranging community-led projects, requirements exist which often slow delivery of funds. Further flexibility in program administration is warranted to promote resources efficiently to community needs. Recent waivers have been provided during the COVID-19 crisis which have benefitted program administration and sustained activities in pandemic recovery. Likewise, as infrastructure development relies on resources and coordination among various stakeholders, policies and procedures should be responsive to meet different project development needs. **Congress should afford grantees additional flexibility in program administration through increased waiver authority under HUD.**

## **Facilitate federal coordination to align programs and improve project results**

CPD programs often serve as gap funding to help projects become financially solvent. At the local level, project administrators identify available funding sources for development. The same type of coordination among federal agencies could similarly aid project outcomes. Increased collaboration among agencies would better target resources and align programs to meet community goals. **Since available funding through agencies including Transportation, Commerce, Agriculture, and HUD support the same type of infrastructure development, engagement across federal entities could enhance program design and administration leading to better project outcomes.**

### ABOUT:

The [National Community Development Association](#) (NCDA) is a national association committed to assisting local government agencies achieve high quality, locally responsive programs for making communities better places in which to live, particularly for low- and moderate-income people. NCDA member agencies administer HUD federal community development, affordable housing, and homelessness resources.

The [Council of State Community Development Agencies](#) (COSCDA) is a national association dedicated to advancing state actions on community development, homelessness, affordable housing, disaster recovery, and economic development. COSCDA members administer programs funded by the U.S. Department of Housing and Urban Development – Office of Community Planning and Development (HUD-CPD).