



February 4, 2022

The Honorable Marcia Fudge
U.S. Department of Housing and Urban Development
451 7th Street, SW
Washington, DC 20410

Dear Secretary Fudge,

Federal funding through the U.S. Department Housing and Urban Development (HUD) is key to state and local activities in strengthening communities, promoting housing opportunities, and bettering quality of life for our nation's vulnerable and underserved populations. HUD resources complement the extensive work of states primarily focused on helping small and rural communities address priority needs in housing, infrastructure, business improvement, and public services. The [Council of State Community Development Agencies](#) (COSCAR) promotes state-led programs supported by HUD's Office of Community Planning and Development (HUD-CPD). Through considerable thought and engagement with COSCAR's leadership, our association has finalized its [fiscal year \(FY\) 2023 advocacy priorities](#). We offer these recommendations to accommodate HUD's program development and welcome continued partnership to advance mutual goals in housing and community development.

Our priorities are divided into three sections. Funding priorities attend to the annual appropriations process and inform both HUD and Congress on COSCAR's recommended annual funding levels for each HUD-CPD program. The HUD administrative priorities offer suggestions to improve program outcomes through agency-led regulatory and related reforms. Lastly, legislative priorities are provided aimed at program updates via congressional directives. Together, the priorities combine to address state and local needs in resource development and program administration.

On funding priorities, we recommend top-line spending for the Community Development Block Grant (CDBG) (\$4.2 billion), Homeless Assistance Grants (HAGs) (\$3.5 billion), and HOME Investment Partnerships (HOME) (\$1.9 billion) programs. Additionally, we support annual funding to HUD's Disaster Recovery and Special Issues Division (HUD-DRSI) for administration and technical assistance associated with the CDBG-Disaster Recovery (CDBG-DR) and Mitigation (CDBG-MIT) programs.

COSCAR also offers program-specific and cross-cutting recommendations for enhanced delivery of resources. Across all programs, requests included enhanced tools and training for grantees as well as further study on labor standards and Section 3 requirements. Although individual to each program, additional recommendations are offered to streamline administration, complement state and local program delivery, and improve coordination of HUD resources with similar programs across federal government.

Legislative recommendations include statutory reforms to CDBG, HOME, CDBG-DR, and Housing Trust Fund (HTF). The reforms intend to promote administrative capacity, expedite delivery of funds, modernize processes responsive to on-the-ground needs, and renew funding to HUD-CPD programs.

Thank you for your leadership in ushering HUD through this uncertain and challenging time. We are grateful for your commitment to better housing, stronger communities, and improved outcomes for disadvantaged populations. COSCDA extends its support in contributing to HUD's future endeavors and look forward to this important work ahead.

Sincerely,

A handwritten signature in cursive script, appearing to read "Dianne E. Taylor".

Dianne E. Taylor
Executive Director