



FY2025 Advocacy Priorities

as approved by COSCDA's board of directors (November 2023)

Funding

Cross-Cutting

Reinforce HUD capacity and technical assistance: COSCDA urges no less than \$173 million for FY25 to hire and retain staff for HUD's Office of Community Planning and Development (HUD CPD)

- HUD's ability to act and respond effectively to program oversight corresponds to their staffing.
- The agency has experienced tremendous loss of staff with a decline of 30% over the last decade¹.
- Pending retirements will cause additional staffing challenges: over half of HUD's workforce is eligible for retirement in the next five years².
- COSCDA calls on Congress to reverse staff losses and renew additional full-time equivalents at HUD CPD; we request no less than \$173 million which aligns with HUD's fiscal year (FY) 2024 budget request³.

Enhance information collection and reporting through targeted resources to HUD CPD's IT development

- HUD utilizes technology platforms to support information collection and reporting – the Integrated Disbursement and Information System, Disaster Recovery Grant Reporting System, and Homeless Management Information System.
- Constant issues with IT platforms present unnecessary delays, inefficiencies as cited by HUD and HUD OIG⁴.
- Updates are needed to improve the user experience reducing time and administrative support required for information input and access.

¹ U.S. Department of Housing and Urban Development – Office of the Inspector General. [Top Management Challenges Facing HUD in FY2023](#). November 8, 2022.

² U.S. Department of Housing and Urban Development. [FY2022 – 2026 HUD Strategic Plan](#). March 28, 2022.

³ U.S. Department of Housing and Urban Development. FY2024 Budget. Congressional Justification. [Program Office Salaries and Expenses. Office of Community Planning and Development](#). March 2023.

⁴ U.S. Department of Housing and Urban Development – Office of the Inspector General. [Top Management Challenges Facing HUD in FY2023](#). November 8, 2022.

- COSCDA urges targeted resources for these system upgrades through HUD's IT Development and Enhancement Fund.

Community Development

COSCDA recommends \$4.2B for CDBG to promote community-led projects and services especially for vulnerable & disadvantaged populations

- The Community Development Block Grant (CDBG) program directs federal funds for local needs across public infrastructure, housing, economic development, & related areas critical to social and economic standing.
- CDBG supports low- and moderate-income populations; from 2005 to 2022, the program aided 1.7 million households via housing development and assistance; supported public services for 980 million beneficiaries; assisted 609 million persons through infrastructure developments; and contributed to 521,432 created or retained jobs⁵.
- CDBG is often combined with other funding to accommodate projects and services; it has a great return on investment with every dollar of CDBG leveraging on average \$2.80 from other public and private sources in 2021, amounting to \$2.4 billion of additional funds⁶.
- Despite its success, declining resources impair CDBG's effectiveness and availability; the program's annual funding has receded significantly since 2001⁷ with CDBG formula grants receiving \$3.3 billion in the final FY2023 appropriations legislation, a cut of \$150 million from FY21⁸.
- A decline in annual funding means communities have less ability to accommodate projects and services. Combined with rising costs and increased administrative requirements, level funding is not adequate to sustain improvements essential to health, safety, and quality of life. Community reinvestment will be required to address accelerating needs in housing, homelessness, natural disasters, and infrastructure. Through specific local-led initiatives, CDBG offers direct investment to facilitate community-led improvements⁹.

⁵ U.S. Department of Housing and Urban Development. FY2024 Budget. [Congressional Justification – Community Development Fund](#). March 28, 2023.

⁶ Ibid.

⁷ CDBG Coalition. [CDBG Impact and Funding Need](#). July 2019.

⁸ P.L. 116-260. [FY2021 Consolidated Appropriations Act](#). Enacted December 27, 2020.

⁹ CDBG Coalition. [Improving Lives and Strengthening Communities](#). April 2022.

Housing

COSFDA urges \$2.5B for HOME to expand affordable housing

- Housing shortages - due to the lack of available homes and aging housing stock - have drastically raised demand for safe, accessible homes; to meet this need, HOME invests in housing production and preservation for low-income households.
- Since 1992, HOME has constructed and rehabilitated more than 1.35 million units of affordable housing; the program has also supported over 399,000 low-income households with rental assistance¹⁰.
- HOME has an excellent return-on-investment; every dollar leverages \$4.76 in other public and private investment¹¹.
- Program resources continue to support tens of thousands of homes every year however available funds fall short; in 2021, 39 state-administered HOME programs reported \$697 million in requests compared to \$480 million committed through available funds¹²; municipalities also experience an over-subscription of the program.
- HOME is a significant resource for gap financing of affordable housing¹³; as construction and labor costs have accelerated combined w. demand for housing, HOME serves as a key supporting federal resource to complete projects.
- The program was last authorized at \$2.1 billion in FY1994; HOME has only secured \$2B in one annual funding cycle (FY2004) since and is currently 25% below its FY2010 appropriated level (\$1.825 billion)¹⁴.

Strengthen investment to the Housing Trust Fund and increase housing access for extremely low-income populations

- The National Housing Trust Fund (HTF) was established in the 2008 HERA to expand housing access for extremely low-income households; since its first allocation in 2016, HTF has facilitated development of nearly 4,587 units of housing¹⁵; HTF has been a successful model for serving individuals at lowest incomes who are not as well supported through other programs.
- The program often matches related investments including HOME and Low Income Housing Tax Credit (LIHTC) programs and proves to be an excellent investment - every dollar of HTF leverages another \$9.61 from public and private sources¹⁶.

¹⁰ HUDExchange. [HOME National Production Report](#). September 30, 2023.

¹¹ Ibid.

¹² National Council of State Housing Agencies. [2022 State HFA Factbook](#).

¹³ U.S. Department of Housing and Urban Development. FY2024 Budget. [Congressional Justification – HOME Investment Partnerships](#). March 2023.

¹⁴ Congressional Research Service. [An Overview of the HOME Investment Partnerships Program](#). January 4, 2021.

¹⁵ HUDExchange. [HTF National Production Report](#). September 30, 2023.

¹⁶ Ibid.

- The nation’s continued housing crisis is especially challenging for extremely low-income families and individuals experiencing higher rates of housing instability than the general population.
- COSCDA encourages renewed investment in HTF through a revised assessment of mortgage purchases backed by the Federal Housing Finance Agency (FHFA).

Homelessness

COSDA urges \$3.9B for Homeless Assistance Grants to aid individuals experiencing homelessness through targeted outreach and assistance; as allowed by statute¹⁷, \$600m of this amount should be directed to Emergency Solutions Grants (ESG)

- Homeless Assistance Grants (HAGs) provide critical resources for individuals experiencing housing instability; among the programs funded is Emergency Solutions Grants (ESGs) providing flexible funding to services and facilities¹⁸.
- As of January 2022, 582,462 people were experiencing homelessness in the U.S. The rate of homelessness has increased 6% since 2017 and 40% of individuals experiencing homelessness are unsheltered. The number of cost-burdened households which pay more than 50% of their income on housing is 7.1 million, 25% higher than 2007¹⁹.
- Homeless Assistance Grants have made a considerable difference in addressing homelessness throughout the country and across communities - urban, suburban, and rural; though considerable increases to the account have aided response, growing needs exist across housing and supportive services.
- Further support to homelessness efforts is needed with resources applied adequately across various programs within HAGs; less than 10% of available funds were directed to ESG in FY2023 (\$290 million)²⁰ and further reinvestment will advance assistance to individuals and families without stable housing.

¹⁷ Congressional Research Service. [The HUD Homeless Assistance Grants: Programs Authorized by the HEARTH Act](#). August 30, 2017.

¹⁸ HUD Exchange. [Emergency Solutions Grants Program](#).

¹⁹ National Alliance to End Homelessness. [State of Homelessness: 2023 Edition](#).

²⁰ P.L. 117-328. [Consolidated Appropriations Act, 2023](#). Enacted December 29, 2022.

Expand housing vouchers to help more families and individuals secure stable housing

- Rental costs have increased substantially; over a two-year period from 2021 to 2023, rents have risen by 15%²¹.
- Before the pandemic, only 1 in 4 households which qualified for assistance receive housing vouchers; as of 2018, 11.2 million households were severely cost-burdened with more than half of their budget going to housing costs²².
- Vouchers provide necessary support for low-income households facing eviction, homelessness, or other housing instability.
- Additional resources are needed to sustain the level of existing vouchers and promote additional assistance for households facing housing insecurity.

Disaster Recovery

Annual funding is recommended to accommodate planning and capacity building in post-disaster recovery activities

- The U.S is challenged by both increased intensity and occurrence of severe weather; from 2011 to 2021, more than 90 percent of U.S. counties experienced a major weather-related event²³.
- Ongoing delays in federal assistance significantly impair recovery efforts – most significant is the lag time between emergency housing support from the Federal Emergency Management Agency (FEMA) and HUD assistance.
- Resources directed in the immediate aftermath of major disasters would facilitate a more rapid recovery:
 - Ongoing funding offers HUD the ability to deploy on-site technical assistance providers to jurisdictions impacted by major disasters.
 - Initial resources to grantees would support planning, capacity, and technical assistance needs earlier in disaster response separate from grantee administrative activities/costs.
 - Additionally, initial federal assistance should also be directed to address housing needs sooner avoiding long-term displacement of residents; for example, an advanced award would accommodate housing needs ahead of full grant awards.

²¹ USA Today. [Rents are rising across the US](#). July 23, 2023.

²² Center for Budget and Policy Priorities. [More Housing Vouchers: Most Important Step to Help More People Afford Stable Homes](#). May 13, 2021.

²³ The Guardian. [Weather disasters hit 90% of US counties in last 11 years, report finds](#). November 16, 2022.

Housing and Urban Development

Cross-Cutting

Promote streamlined administration of federal compliance standards

- Federally financed projects are consistently supported by various funding including multiple federal sources.
- HUD programs adhere to several compliance standards such as environmental, labor, and relocation; although addressing the same intent and goals, HUD's processes to meet compliance operate separately from other federal entities.
- Considerable administrative costs are incurred and project timelines extended in completing review on federal standards; greater alignment between agencies would save time and costs associated with projects supported by multiple federal entities.
- HUD-invested projects and programs would greatly benefit from alignment of federal standards specifically through allowance on adoption of other federal agency reviews on labor, procurement, and relocation; in 2021, HUD updated its guidance on environmental review processes allowing adoption of other agency reviews to meet requirements under the National Environmental Policy Act (NEPA)²⁴ and similar adjustments may promote streamlined compliance.

Implement Affirmatively Furthering Fair Housing (AFFH) responsive to state actions in small and rural communities

- AFFH was established as a part of the 1968 Civil Rights Act to address inequalities and segregated communities; HUD is underway in restoring the policy under an interim rule published in June 2021²⁵.
- States have been challenged in facilitating AFFH and determining how to apply HUD resources to meet the policy's goals.
- A draft tool for states was released in 2016 however was insufficient²⁶.
- Alongside the expected release of a final AFFH rule, adequate support is needed to comply with the policy including training, tools, & technical assistance specific to state implementation.

²⁴ U.S. Department of Housing and Urban Development – Office of Environment and Energy. [NEPA Adoption FAQ](#). September 2021.

²⁵ HUD Office of Fair Housing and Equal Opportunity. [Restoring Affirmatively Furthering Fair Housing Definitions and Certifications Final Rule](#). June 2021.

²⁶ U.S. Department of Housing and Urban Development. [Assessment of Fair Housing Tool for States and Insular Areas](#). September 28, 2016.

Revise NEPA compliance policy to streamline environmental review process

- Separate requirements on environmental reviews across different programs, namely including CDBG-DR and HTF, pose considerable challenges for program administrators; for instance, mitigation actions allowed on project sites for HOME investment does not have the same option for prospective HTF-supported properties therefore eliminating the site for consideration - although similar program activities and goals, HOME follows 24 CFR Part 58 whereas HTF adheres to Part 50²⁷.
- HUD has released draft guidance allowing for adoption of other agency environmental reviews²⁸; the new directive aligns HUD with the National Environmental Policy Act (NEPA) rule issued in July 2020²⁹.
- COSCDA requests ongoing engagement on aligning environmental reviews both within HUD, especially between HOME and HTF, and projects supported by HUD and other federal agencies.
- Additionally, it is recommended that HUD allow adoption of environmental reviews produced by the lead funding source where funding is subject to NEPA; sufficient guidance from HUD to this accommodation is critical to aiding this process.

Assess Davis Bacon effectiveness and impact on project development

- Federal labor standards through Davis Bacon ensure fair wages are met for laborers on federal-funded projects and services, including CDBG and HOME-supported activities.
- Program administrators and stakeholders experience considerable challenges in documentation requirements which can prove burdensome to contractors in obtaining individual information on employees.
- As a new Davis Bacon rule is forthcoming, additional focus is warranted on how to streamline procedures and promote efficiency determining fair wages on HUD-supported developments.
- Monitoring is also valuable to inform HUD and Department of Labor stakeholders.

Strengthen interagency partnerships and coordination of federal programs

- HUD CPD programs are often invested with other federal sources including Agriculture, Economic Development Administration, Federal Emergency Management Agency, Treasury, and Health and Human Services.

²⁷ U.S. Department of Housing and Urban Development. [HTF Environmental Provisions](#).

²⁸ U.S. Department of Housing and Urban Development – Office of Environment and Energy. [NEPA Adoption FAQ](#). September 2021.

²⁹ Council on Environmental Quality. [Update to the Regulations Implementing the Procedural Provisions of the National Environmental Policy Act](#). July 16, 2020.

- The ability to align program eligibility and requirements assists targeted populations and communities in access and use of federal resources.
- COSCDA encourages greater cross-agency exchange to advance mutual goals of individual agencies and programs; both headquarters and regional staff participation is recommended.

Ensure compliance in state delivery of HUD funds: Build America, Buy America and Violence Against Women Act

- The Buy America domestic procurement and VAWA policies went into effect recently for HUD programs.
- As alignment is underway, states seek proactive guidance and resources to direct compliance with these new mandates.
- States offer their partnership with HUD to promote practical and efficient approaches to meet these requirements.

Community Development

Elevate CDBG's role as critical financing for community growth and outcomes

- CDBG often serves as critical gap financing for a wide array of projects and services.
- The array of eligible program activities addresses housing, infrastructure, economic development, services, and related areas essential to community economic and social standing.
- For program stakeholders, reinforced training and resources are needed to continue progress in these key community activities.
- HUD's increased promotion of CDBG alongside other public and private capital will further opportunities to use the program for transformative developments.

Housing

Promote resources and regulations to advance housing infrastructure through HOME & HTF

- HOME and HTF advance housing opportunities for low-income households; housing matters to community well-being, as well as economic and social outcomes, especially for vulnerable populations
 - Additional study and promotion of tools and project examples under HOME and HTF would further housing access for health, safety, and community stability.
 - COSCDA encourages regulations responsive to ongoing program needs, training and technical assistance aimed at empowering stakeholders, and increased administrative

caps for both HOME and HTF to properly facilitate capacity needed for program implementation; this includes waivers & flexibilities, training, and tools to adequately administer HOME American Rescue Plan Act funds (HOME-ARP) as well as timely training, technical assistance, and guidance for National Standards for the Physical Inspection of Real Estate (NSPIRE) & Housing Opportunity through Modernization Act (HOTMA) implementation.

Homelessness

Support additional funds for ESG to address critical gaps in homeless assistance

- ESG dedicates resources to state and local efforts to connect people experiencing homelessness to permanent supportive housing.
- The HEARTH Act allows up to 20% of Homeless Assistance Grants for ESG however the program has fallen below this level in each year since the legislation was enacted³⁰.
- Since Hearth's enactment, Congress has dedicated additional resources to Homeless Assistance Grants; the maximum amount eligible to be directed to ESG has not been fulfilled during this span and most recently, in FY2021, only \$290 million (9%) of HAGs total funding was targeted to ESG³¹.
- Additional funds for ESG ensures states and localities have critical capacity and resources needed to adequately support homeless populations.

Increase available use of Emergency Solutions Grants for existing shelters

- In recent years, HUD has increased emphasis on rapid rehousing with no additional resources for existing shelters; at the same time, affordable housing for populations under 30% area median income (AMI) is severely limited.
- Emergency shelters have been level-funded for several years as many states are capped at pre-2010 amounts for shelter activities; during this time, operating costs have grown with staffing, training, and related needs.
- Challenges continue for shelters and their staff in assisting populations especially during the recent pandemic.
- Removal of the cap on emergency shelters under ESG would allow grantees the ability to better assist front-line outreach, services, and associated support in the homeless assistance system.

³⁰ HUD Homeless Assistance Grants. [Programs Authorized by the HEARTH Act](#).

³¹ P.L. 116-220. [Consolidated Appropriations Act of 2021](#). Enacted December 27, 2020.

Advance coordination between PHAs and CoCs

- Partnerships are vital to uplifting populations experiencing homelessness and HUD has encouraged relationship-building between CoCs and Public Housing Authorities to facilitate stronger network of housing and support services.
- Though efforts continue, gaps remain for CoCs to engage with PHAs; challenges to further collaboration include PHA's limited resources and extensive wait lists.
- A 2014 HUD study highlights PHA's activities in serving homeless populations and may serve as key guidance on future actions³².
- Incentives directed to PHA to engage with CoCs may lead to increased partnership and participation in serving homeless populations.

Integrate homelessness data with related supportive services

- Client details on health, income, and other pertinent information provides key background to properly assist persons experiencing homelessness.
- Information can be difficult to obtain and connect with Homeless Management Information Systems or other platforms used by ESG administrators.
- Further challenges exist for homeless providers in accessing information on clients with previous history of domestic violence (Violence Against Women Act) as well as veterans (Veterans Administrative Supportive Housing).
- Enhanced data sharing between homeless providers and other supportive services is critical to improving outcomes with reducing homelessness; states have communicated goals with HUD on better data collection and access³³.

Disaster Recovery

Align environmental review standards for coastal and inland risk areas

- 22 CFR Part 55 directs HUD guidance on environmental review procedures in floodplain management³⁴.
- While the policy typically doesn't allow development in many high-risk areas, exemptions do exist for developments in coastal areas; the same allowance is not permitted for inland, non-coastal floodways.

³² U.S. Department of Housing and Urban Development – Office of Policy Development and Research. [Study of PHAs' Efforts to Serve People Experiencing Homelessness](#). February 2014.

³³ Council of State Community Development Agencies. [Improving Access to Homelessness Data](#). October 2021.

³⁴ U.S. Department of Housing and Urban Development. Code of Federal Regulations. [24 CFR Part 55: Floodplain Management and Protection of Wetlands](#). April 2014.

- Projects cannot be accommodated in mountainous areas due to this prohibition and inability to invoke exemptions afforded to similar developments in coastal areas.
- Exemptions allowed for inland floodways can be important to driving investment in rebuilding homes and infrastructure for non-coastal floodways; specifically, a request to remove §55.1(c)(1), eliminating the word “coastal” from the exceptions listed in §55.1(c), and modifying Table 1 in §55.11.
- FEMA applies a reasonable standard to environmental reviews for floodplain management which may inform HUD’s update.

Ensure data is accessible and timely for effective disaster response and recovery

- State and local administrators of HUD resources rely on data provided by FEMA, SBA, & HUD to support disaster recovery and mitigation by informing Unmet Needs Assessments and survivor outreach.
- Access to client and community-specific data is made available through the computer matching agreement (CMA) and data sharing agreement (DSA)³⁵.
- Data sharing between FEMA and HUD, as well as HUD and their grantees/prospective grantees, should facilitate timely transfer of data to grantees and prospective grantees.
- COSCDA asks HUD and federal partners to assess gaps, remove burdensome requirements, and promote more efficient data access to improve timeliness in recovery activities.

Extend current administrative waivers to planning and housing-related activities in the immediate aftermath of disasters

- Waivers extended by HUD to states and localities extensively aid disaster recovery and mitigation.
- Certain flexibilities could be provided which allow activities to begin much sooner in the aftermath of disaster events.
- COSCDA requests HUD to enhance its waivers to advance administration of housing and planning activities referenced in recent federal register notices.
- Similar to streamlined access of administrative funds, additional waivers aimed at more immediate housing reconstruction would reduce the time involved to restore homes.

³⁵ U.S. Department of Housing and Urban Development. [Overview of Computer Matching Agreements and Data Sharing Agreements for CDBG-DR and CDBG-MIT Grantees](#). Current as of June 16, 2022.

Congress

Cross-Cutting

Improve Davis Bacon labor standards responsive to modern construction practices and developments

- The Davis Bacon and Related Acts (DBRA) directs prevailing wages on construction projects assisted by federal funding³⁶.
- HUD-funded projects must adhere to DBRA which involves compliance between federal, state, and local grantees as well as sub-recipients and contractors.
- DBRA applies on projects of \$2,000 or more; the threshold was established in 1931 and proves irrelevant to modern construction costs.
- Due to its administrative burden especially for small businesses, COSCDA encourages lawmakers to revise the project threshold to a level more responsive to modern construction costs.

Community Development

Modernize CDBG Responsive to Local Needs in the 21st Century

- Community Development Block Grants provide a significant resource for communities to address social and economic needs of residents especially vulnerable and disadvantaged populations; the program's wide range of uses allows communities to adapt funding to meet priorities specific to their locality.
- While the program has facilitated numerous infrastructure projects, services, businesses, and related initiatives and entities over nearly fifty years, improvements are now needed to promote further use of resources to local-based challenges in the 21st Century.
- States direct program funding to aid small and rural communities; program updates would be advantageous in directing more support to these important but continually neglected places in our country.
 - Update the program's authorization level to at least \$12 billion annually
 - Enhance administrative capacity and technical assistance for rural communities by raising the state's admin/TA cap to 6%
 - Ease state budget constraints by increasing the administrative match threshold to every dollar over the first \$500,000 matched by state funds
 - Broaden CDBG's impact by making eligible fair housing activities and construction of new housing
- Legislative action through program reauthorization is necessary to advance these reforms.

³⁶ Department of Labor. Davis Bacon and Related Acts. Wage and Hour Division. [Fact Sheet #66](#). March 2022.

- CDBG is an effective tool to address social and economic issues unique to communities; Congress should emphasize revitalizing CDBG instead of creating new initiatives which redirect funds away from the formula program.

Housing

Promote HOME reforms to advance housing access and opportunity

- Affordable housing is increasingly limited or non-existent throughout the country; from 2021 to date, new records were set with demand far outpacing available units especially for low-income households³⁷³⁸³⁹.
- The HOME Investment Partnerships program (HOME) is the lead federal program dedicated to expanding the number of housing units for low-income persons; the program was created through the Cranston-Gonzalez Act of 1990⁴⁰ and last reauthorized by the Housing and Community Development Act of 1992⁴¹.
- Though the program has proven successful in developing over 1.35 million housing units since 1992⁴², issues exist which inhibit its ability to facilitate further affordable housing opportunities.
- Congress should revamp the program and accommodate changes relevant to housing development in the 21st century.
 - Update HOME's authorization level and dedicate more resources for affordable housing
 - Remove the commitment deadline which restricts use of program funds to accommodate development opportunities
 - Update the CHDO set-aside and broaden to include other non-profits
 - Increase the program's administrative cap to 15%
 - Invoke one national standard in HOME property inspections
 - Modernize the HOME qualification standard ensuring program funds can be adequately managed and targeted to maximize housing development
- Legislative action is required for improvements in program design and use; states strongly recommend reauthorization of the HOME program.

³⁷ Globe St.com. [There is a severe shortage of rental housing at every price point now](#). October 8, 2021.

³⁸ Forbes. [Supply Of Affordable Homes Posts Record Gain as Mortgage Forbearance Ends](#). November 4, 2021.

³⁹ Joint Center for Housing Studies of Harvard University. [The State of the Nation's Housing 2023](#).

⁴⁰ P.L. 101-625. [Cranston Gonzalez National Affordable Housing Act](#). Enacted on November 28, 1990.

⁴¹ P.L. 102-550. [Housing and Community Development Act of 1992](#). Enacted on October 28, 1992.

⁴² U.S. Department of Housing and Urban Development. [HOME National Production Report](#). September 30, 2023.

Enhance the Housing Trust Fund to promote housing for vulnerable populations

- Stable and affordable housing remains out of reach for millions with housing insecurity especially affecting very low- and extremely low-income households.
- The National Housing Trust Fund (HTF) established in 2008 directs funds to states for affordable housing development aimed at persons and families with ongoing and significant housing instability; the program is funded through an annual assessment from the Federal Housing Agency on mortgage receipts.
- With resources only available since 2016, the program has a demonstrated effect in advancing housing production and access.
- Program reforms will enhance use of HTF funding for housing needs
 - An updated administrative cap to support sufficient administrative capacity and technical assistance (increase the cap to 15%)
 - Increase resources for affordable housing development through a revised assessment on the sale volume of Fannie Mae and Freddie Mac's new mortgage purchases (increase the basis points from .042 to .1 – 4.2% to 10%)
 - Eliminate the commitment deadline which has proven burdensome and untenable to affordable housing investment (HTF grantees must currently commit funds to a development within two years; funding cannot be recaptured nor reassigned if a project fails or experiences changes to the scope of work)
 - Environmental reviews can be better accommodated by extending allowance of HTF to adopt Part 58 or similar review process – current implementation through Part 50 significantly limits project investment with sites ineligible for investment and no mitigation activities allowed
- Congress can further support housing production for low-income households through the above HTF reforms to modernize program implementation and response.

Advance Low-Income Housing Tax Credits for affordable housing development

- Affordable housing development is significantly boosted by the Low-Income Housing Tax Credit (LIHTC); from 1986 to 2021, the housing credit has supported the preservation and construction of 3.74 million homes with 8 million low-income households served and \$688 billion in wages and earned income generated⁴³.
- An expansion on the LIHTC – including restoring a 12.5 percent cap which expired in 2021⁴⁴ - would contribute to further housing production.

⁴³ The Action Campaign. [Low-Income Housing Tax Credit – Impact in the United States](#). 2023.

⁴⁴ The Action Campaign. [The Affordable Housing Credit Improvement Act](#). 2023.

- The *Affordable Housing Credit Improvement Act* would maintain the tax credit’s effectiveness and expand its reach to serve hard-to-reach populations including youth and victims of human trafficking.
- As widespread housing insecurity continues and our national housing crisis severely impacts extremely low-income households, Congress should immediately adopt legislation to maintain and improve LIHTC for future housing development.

Homelessness

Strengthen administrative capacity and technical assistance for homelessness programs

- CoC and ESG have served as successful resources in state and local efforts on homelessness.
- Administrative constraints such as staffing and training have significantly impeded program assistance to persons experiencing homelessness.
- To address lingering gaps in staff and related administrative support, homelessness providers have relied increasingly on temporary positions; as a result, staffing has been inconsistent and less reliable than permanent, full-time staff.
- Amid the growing demands in addressing homelessness, further budgetary flexibility is necessary to assemble and maintain adequate grantee capacity and technical support; new administrative expense caps set at ten percent are strongly recommended for CoC, ESG and Housing for Persons with AIDS (HOPWA) programs.

Revise statutory requirements for more effective and efficient program delivery

- While CoC and ESG accommodate activities critical to homelessness response, many program requirements prove administratively burdensome and unresponsive to program implementation.
- In 2020, HUD issued a series of waivers for ESG in response to the COVID-19 pandemic⁴⁵; the 18 individual waivers improved efficiency of program resources for more effective support to assisted populations.
- HUD’s waiver authority is limited and these flexibilities have elapsed; HUD only has the ability to allow assistance beyond the Fair Market Rent cap.
- COSCDA encourages Congress to extend these waivers while further assessment is underway to streamline ESG policies and procedures; for example, a reduction or suspension of the match requirement would enable states and localities to pivot funds for investment to meet homelessness needs responsive to their jurisdictions.
 - More information is detailed in COSCDA’s 2022 [memorandum](#) to HUD

⁴⁵ HUD. [Waivers and flexibilities provided to ESG in response to COVID-19](#). September 1, 2020.

- Further, COSCDA encourages an update to the CoC competition from an annual to a biennial process reducing the time and resources involved in applying for federal funds; HUD has included this request in its budget request⁴⁶ & the allowance is included in the Senate’s FY24 Transportation-Housing and Urban Development appropriations measure⁴⁷.

Disaster Recovery

Improve federal response for communities recovering from disaster events

- Major disaster events continue to upend lives and cripple communities devastating homes, business, and essential facilities.
- Federal response in disaster recovery is directed through the HUD Community Development Fund with the first supplemental appropriations provided 30 years ago; despite its lengthy history of facilitating activities with \$100 billion allocated to date⁴⁸, the CDBG-Disaster Recovery (CDBG-DR) program has never been authorized and faces continued challenges due to the program’s temporary status.
- Codification is necessary for resources to reach affected communities more expediently and effectively; additional changes will improve how recovery funding can be targeted to maximize assistance to communities in recovery and resiliency.
- CDBG-DR grantees strongly urge congressional approval of the *Reforming Disaster Recovery Act* to improve federal assistance to post-disaster rebuilding efforts⁴⁹.
- The following changes to the legislation would further respond to disaster recovery and expedite assistance for people and communities in need (further details [here](#)):
 - Maintain the Low-to-Moderate Income (LMI) beneficiary thresholds on individual benefit activities (housing and economic recovery) while providing flexibility on the LMI threshold for infrastructure projects that broadly serve and protect citizens in impacted areas
 - Allow adoption of other agency reviews for environment, labor, relocation, and procurement standards
 - Develop certification processes accordingly in regards to grantee experience and ability to manage federal disaster recovery resources

⁴⁶ U.S. Department of Housing and Urban Development. FY2024 Budget Request – Congressional Justification Homeless Assistance Grants. March 2023. https://www.hud.gov/sites/dfiles/CFO/documents/2024_CJ_Program_-_HAG.pdf.

⁴⁷ 118th Congress. S.2437. [Making appropriations for the Departments of Transportation, and Housing and Urban Development, and related agencies for the fiscal year ending September 30, 2024, and for other purposes](#). Section 253. July 2023.

⁴⁸ U.S. Department of Housing and Urban Development. [CDBG-DR Active Grants & Grantee Contact Information](#). 1992-2023.

⁴⁹ 118th Congress. S.1686. [Reforming Disaster Recovery Act](#). Introduced May 2023.

Extend the Disaster Recovery & Reform Act to leverage other resources and address gaps in disaster response

- The Disaster Recovery & Reform Act of 2018 offers state and local programs the ability to satisfy Small Business Administration (SBA) loan repayment using CDBG-DR as financing; this provision expired on October 5, 2023⁵⁰.
- State, local and other funds are often not available or prohibited from being used for this purpose.
- CDBG-DR's ability to address subsidized loan product has been an effective in supporting disaster survivors.
- As DRRRA proves beneficial to current operations, COSCDA requests an extension of the legislation to continue this important and relevant assistance to disaster victims.

Expand flexibility for FEMA's Individual Assistance to direct more meaningful, encompassing, and immediate support to disaster survivors

- Post-disaster recovery poses significant challenges for impacted people and communities including navigating available assistance.
- Current duplication of benefits (DOB) standards under the Stafford Act present added burdens to residents especially those with minimum income or assets.
- Between addressing the requirements of FEMA's DOB calculations and meeting immediate needs for their families, LMI households face enormous pressure to access available aid.
- COSCDA urges expanded flexibility of FEMA Individual Assistance (IA) grants by ending the requirement that IA funds be used exclusively for permanent home repairs, addressing immediate recovery needs such as temporary housing solutions (home repairs) and vehicles for work/education/healthcare.

⁵⁰ P.L. 115-254. [Disaster Recovery & Reform Act of 2018](#) (as a part of the Federal Aviation Administration Act of 2018). Enacted October 5, 2018.