



July 28, 2025

The Honorable Todd Young  
United States Senate  
185 Dirksen Senate Office Building  
Washington, DC 20515

The Council of State Community Development Agencies (COSCDA) and the National Community Development Association (NCDAA) recognize the intent of the *Identifying Regulatory Barriers to Housing Act* (formerly the *YIMBY Act*). However, the reporting requirements proposed in the bill would further increase the burden of managing Community Development Block Grant (CDBG) programs and would not meaningfully remove barriers to housing development. COSCDA and NCDAA cannot support this bill in its current form. We welcome further engagement and alternative approaches to zoning and land-use reform.

#### **CDBG Planning and Reporting Requirements**

The reporting requirements proposed in this bill would incorporate land-use and related activities in the five and three-year consolidated plan (ConPlan) to the Dept. of Housing and Urban Development (HUD). As program managers, state and local CDBG administrators would be responsible for providing this information. We urge you to consider the following:

*CDBG program managers already submit extensive ConPlans, Action Plans, and CAPERs.* The amount of data collection and paperwork required to complete current documentation is already overly burdensome. Many states and local governments retain designated reporting teams or hire outside consultants solely to complete reports such as the Consolidated Plan (ConPlan) and the Consolidated Annual Performance and Evaluation Report (CAPER). Adding the zoning and land use questions outlined in this bill would further contribute to the unnecessary amount of paperwork required to manage the CDBG program.

*CDBG administrative funds are already stretched thin.* The amount of administrative funds available is insufficient for the work involved in meeting existing CDBG program requirements. There is a significant financial burden attached to implementing a heavily regulated program with a strained administrative cap. As staffing costs have increased and the amount of CDBG funding has stagnated at \$3.3 billion. The administrative cap for State grantees has remained at 3%, leading to a drastic reduction in the buying power of administrative funds. State grantees must also meet administrative requirements with strained budgets. CDBG program managers cannot handle the additional requirements proposed in this legislation without additional administrative funding. Program managers must prioritize administrative tasks that are central to the operations of the CDBG programs.

*State CDBG grantees are not equipped to report on zoning laws.* The CDBG program works through two divisions – the entitlement program which directly supports metropolitan areas and large, urban counties and the non-entitlement or “small cities” program which provides CDBG grants to state agencies. States distribute their CDBG grants to localities in small and rural jurisdictions. Efforts to report on the zoning laws of every subrecipient in a state’s CDBG program would be extremely burdensome—even infeasible—and could lead to costly program delays.

### **Alternative Approaches to Zoning and Land-Use Reform**

COSCD and NCDA proposed alternatives to zoning and land-use reform in past letters responding to the YIMBY Act, including:

*Activate HUD’s Office of Policy Development & Research (PD&R) to investigate local land use policies.* Office personnel are positioned to explore how housing development is impacted by local processes. Existing data may be available to inform policymakers and agency leadership on which practices either pose obstacles or best accommodate building and preserving housing units. Such an examination could better inform stakeholders of what changes to make at the local level to increase housing supply moving forward.

*Provide technical assistance and incentives to help communities change their current practices.* Revisions to local policies only happen through meaningful engagement with communities. For example, Congress awarded \$185 million in Pathways to Removing Obstacles (PRO) Housing grants to states and local communities that are actively taking steps to remove barriers to affordable housing.

- The Montana Department of Commerce, a COSCD member, received \$7 million for land use updates, public engagement, and data analysis. Funding will incentivize affordable housing development and support homeownership.
- Detroit, Michigan, an NCDA member, received a PRO Housing grant to complete an update to the city’s zoning ordinance to accommodate and encourage increased production and preservation of affordable housing.
- Iowa City, Iowa, another NCDA member, plans to identify and remove barriers to affordable housing, including land use and parking standards, using PRO Housing funds.

COSCD and NCDA were pleased to see the Senate Banking, Housing, and Urban Affairs Committee include the *Housing Supply Frameworks Act* as Section 203 of the *ROAD to Housing Act of 2025* passed in the committee by a bipartisan vote of 24-0. The Housing Supply Frameworks Act directs HUD to develop best practice frameworks for zoning and land-use policies, helping communities identify and overcome barriers to housing development. We urge Senator Young and other sponsors of the *Identifying Regulatory Barriers to Housing Act* to follow a similar approach to land use reform, rather than adding to the administrative burden of managing a CDBG program.

Please reach out if we can share further insight on CDBG and how the program promotes affordable housing as well as improvements which can be made to the program. We welcome

your continued partnership on affordable housing and community development issues. Contact Vicki Watson ([vwatson@ncdaonline.org](mailto:vwatson@ncdaonline.org)) with NCDA or Tess Hembree ([thembree@coscda.org](mailto:thembree@coscda.org)) with COSCDA for more information.

Sincerely,

*Vicki Watson*

Vicki Watson, Executive Director  
National Community Development Association (NCDA)

A handwritten signature in black ink, appearing to read 'Tess Hembree', with a stylized, cursive script.

Tess Hembree, Executive Director  
Council of State Community Development Agencies (COSCDA)