



Washington Update

JENNA POMPONI

DIRECTOR OF ADVOCACY & FEDERAL PROGRAMS

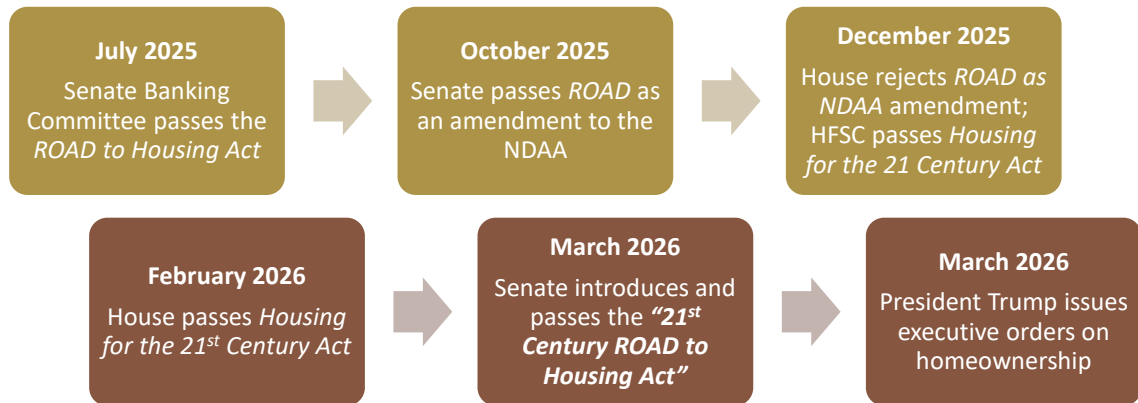
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Legislation Update

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21st Century ROAD to Housing Act



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What's in the bill?

The 21st Century ROAD to Housing Act includes nearly 40 sections categorized into 11 titles:

- Title I: Improving Financial Literacy
- Title II: Building More in America
- Title III: Manufactured Housing for America
- Title IV: Accessing the American Dream
- Title V: Program Reform
- Title VI: Veterans and Housing
- Title VII: Oversight and Accountability
- Title VIII: Coordination, Studies, and Reporting
- Title IX: Homeownership for Main Street America
- Title X: Central Bank Digital Currency
- Title XI: Miscellaneous

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Cross-Cutting

- Sec. 208 Unlocking Housing Supply through Streamlined and Modernized Reviews Act
- Sec. 209 Grants for Planning and Implementation Associated with Affordable Housing
- Sec. 210 Innovation Fund
- Sec. 801 HUD-USDA-VA Interagency Coordination Act

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Section 208

- **Title: Unlocking Housing Supply through Streamlined and Modernized Reviews Act**
- **What would it do?**
 - Senate description: “This section right-sizes the National Environmental Protection Act (NEPA) review for small and infill housing projects, which will simplify the review process and get projects to construction faster.”
 - Formally defines “infill project”
 - Makes some changes to the level of review triggered by certain housing activities. For example:
 - CENST – “Rehabilitation of 1-to-4 unit residential buildings, and existing housing related infrastructure, such as repairs or rehabilitation of existing wells, septics, or utility lines that connect to that housing.”
- **Aligns** with COSCDA’s Advocacy Priorities.

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Sec. 209

- **Title: Grants for Planning and Implementation Associated with Affordable Housing**
- **What would it do?**
 - Senate description: “This section authorizes a pilot program to offer competitive grants to assist state, local, and tribal governments with regional housing planning and community development activities.”
 - Five-year pilot program to support the development of housing plans.
 - State grantees can use funding to:
 - Implement and administer housing strategies and housing plans
 - Implement and administer any plans to increase housing choice, address disparities in housing needs, and provide greater access to opportunity
 - Fund any community investments that support goals identified in a housing strategy or housing plan
- **Neutral** to COSCDA’s Advocacy Priorities.

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Sec. 210

- **Title: Innovation Fund**
- **What would it do?**
 - Senate description: “This section authorizes a program to offer highly-flexible funding for communities that are building more housing supply, which can be used to improve community infrastructure and build housing.”
 - HUD must establish a grant program for eligible entities that have “increased their local housing supply.”
 - Funds only available to cities or urban counties.
 - Funds can be used for any eligible activity under CDBG and other uses.
- **Neutral** to COSCDA’s Advocacy Priorities.

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Sec. 801

- **Title:** HUD-USDA-VA Interagency Coordination Act
- **What would it do?**
 - Senate description: “This section directs HUD, USDA, and the VA to identify areas for collaboration to streamline and improve housing program implementation.”
 - HUD, USDA, and the VA must establish an MOU to “share relevant housing-related research and market data that facilitates evidence-based policymaking.”
 - Must also submit a report to Congress on opportunities for increased collaboration.
- **Aligns** with COSCDA’s Advocacy Priorities.

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Community Development

- Sec. 205 BUILD Now Act
- Sec. 206 Addition of Affordable Housing Construction as an Eligible Activity

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Sec. 205

- **Title: Build Now Act**
- What would it do?
 - Senate description: “This section creates a pilot program to incentivize housing development of all kinds in certain Community Development Block Grant (CDBG) participating jurisdictions.”
 - Calculates a “housing growth improvement rate” for CDBG grantees (**states excluded**)
 - Grantees *above* the median would receive bonus CDBG funding.
 - Grantees *below* the median would have their awards decreased by 10%.
- **Not Aligned** with COSCDA’s Advocacy Priorities.

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Sec. 206

- **Title: Addition of Affordable Housing Construction as an Eligible Activity**
- What would it do?
 - Senate description: “This section adds new construction as an eligible use under HUD’s CDBG program.”
 - Leaves the CBDO activity in place, but also **adds** a new activity under 42 U.S.C. 5305(a):
 - “the new construction of affordable housing, within the meaning given such term **under section 215 of the Cranston-Gonzalez National Affordable Housing Act** (42 U.S.C. 12745), and which shall not exceed 20 percent of the amounts allocated to the recipient.”
 - Would only apply to CDBG funding appropriated **after** enactment.
- **Aligns** with COSCDA’s Advocacy Priorities. (*Changes recommended*)

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Housing

- ☐ Sec. 502 HOME Investment Partnerships Reauthorization and Reform Act
- ☐ Sec. 212 RESIDE Act
- ☐ Sec. 203 Whole-Home Repairs Act

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Sec. 502

- **Title: HOME Investment Partnerships Reauthorization and Reform Act**
- What would it do?
 - Senate description: “This section reforms and reauthorizes the HOME Investment Partnerships Program. It makes critical updates to improve program administration and facilitate the construction of more affordable housing.”
 - Combination of the House and Senate HOME modernization bills
 - Eliminates the 24-month commitment deadline
 - Streamlines Section 3 requirements (state PJs would be excluded)
 - *No longer includes any language on BABA.*
- **Aligns** with COSCDA’s advocacy priorities.

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Sec. 212

- **Title: Revitalizing Empty Structures into Desirable Environments (RESIDE) Act**
- **What would it do?**
 - Senate description: “This section authorizes a pilot program within the HOME Investment Partnerships Program to cover vacant and abandoned buildings into attainable housing.”
 - If HOME funding exceeds \$1.35 billion, HUD “may” use up to \$100 million to create a pilot program to convert blighted buildings into housing
 - The pilot program is authorized for 5 years; HUD must issue a report after it ends
 - Any PJ can be eligible for these grants
- **Not Aligned** with COSCDA’s Advocacy Priorities



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Sec. 203

- **Title: Whole-Home Repairs Act**
- **What would it do?**
 - Senate description: “This section authorizes a pilot program to offer grants and forgivable loans to eligible recipients to holistically address home repair needs and health hazards to stabilize aging housing stock.”
 - Directs HUD to establish a pilot Whole-Home Repairs Program within a year of enactment.
 - Grants under this program would be for “whole-home repairs not covered by other Federal home repair programs” and “up to a maximum amount per unit”
 - Diverts up to \$30 million from the Office of Lead Hazard Control & Healthy Homes
- **Neutral** to COSCDA’s Advocacy Priorities



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Homelessness

- Sec. 505 Incentivizing Local Solutions to Homelessness
- Sec. 703 USICH Oversight

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Sec. 505

- **Title: Incentivizing Local Solutions to Homelessness**
- **What would it do?**
 - Senate description: “This section allows states and localities that receive Emergency Solutions Grant funding to request a waiver of the statutory 60 percent spending cap on emergency shelter beds and street outreach.”
 - Authorizes a 3-year period under which ESG grantees can request a waiver of the 60% cap
 - HUD has 60 days to either approve or deny the waiver request
- **Aligns** with COSCDA’s Advocacy Priorities

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Sec. 703

- **Title: United States Interagency Council on Homelessness (USICH) Oversight**
- **What would it do?**
 - Senate description: “This section requires USICH to provide an update the status of the plan to reduce homelessness in its annual planning process and requires annual USICH Congressional testimony.”
 - Requires USICH to submit and annual report to Congress and the President including:
 - The status of completion of the plan (defined in McKinney-Vento)
 - Any modifications that were made to the plan and the reasons for those modifications
 - Requires USICH to testify annually before Congress
- **Aligns** with COSCDA’s Advocacy Priorities

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Disaster Recovery

Sec. 501 Reforming Disaster Recovery Act

- **What would it do?**
 - Senate description: “This section permanently authorizes the CDBG-DR program and establishes the Office of Disaster Management and Resiliency within HUD to administer the program.”
 - Codifies the CDBG-DR program
 - Requires HUD to write regulations for the program, including the CDBG-DR formula
 - One of the longest sections of the bill (about 50 pages out of 300)
- **Aligns** with COSCDA’s Advocacy Priorities

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HUD Update

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Executive Orders on Homeownership

- ❑ Removing Regulatory Barriers to Affordable Home Construction
- ❑ Promoting Access to Mortgage Credit

“President Trump’s Executive Orders will help HUD deliver on his promise to provide economic relief to American families and make **homeownership** affordable again. Ending burdensome regulations and improving mortgage affordability supports increased housing supply and pushes affordable **homeownership** back within reach for American families.” –**Secretary Scott Turner**

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Removing Regulatory Barriers to Affordable Home Construction

- **HUD, Commerce, Transportation and FHFA:** “...consider eliminating unduly burdensome rules and reforming programs that constrain residential development and impede housing affordability, especially the construction of affordable single-family homes...”
 - Including HUD’s Pathways to Removing Obstacles to Housing Program (PRO Housing)
- **HUD, Agriculture, Energy, and FHFA:** “...take appropriate action to reform and, where appropriate, eliminate unduly burdensome or costly energy-efficiency, water-use, or alternative-energy requirements regarding housing, including manufactured housing...”
 - Including HUD’s Energy Efficiency Standards for new construction
- **NEPA:** “The Chairman of the Council on Environmental Quality shall provide guidance to executive departments and agencies on implementing NEPA, including through the establishment, adoption, or application of categorical exclusions, in a manner that maximally exempts or reduces burdens on housing construction...”

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Removing Regulatory Barriers to Affordable Home Construction (part 2)

- **Boosting Housing Affordability Through State and Local Regulatory Best Practices:** Within 60 days of this order, HUD “shall develop and promulgate a series of regulatory best practices for State and local governments to promote housing construction and affordability, including:
 - Streamlining permitting processes for housing developments
 - Curtailing mandates that increase housing construction costs (such as green-energy building requirements)
 - Re-examining restrictions on the use of manufactured or modular housing
 - Removing arbitrary limitations on residential housing development beyond urban centers
- **HUD and Treasury:** “shall also assess opportunities to coordinate the Opportunity Zone incentives described in subsection (a) of this section with the New Markets Tax Credit...”

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Regulations, Proposed Rules, Guidance

- ❑ **Section 3 Threshold Increase**
- ❑ **FY26 CoC NOFO** (June)
- ❑ **Upcoming?**
 - 2026 ConPlan / Action Plan guidance
 - CDBG Final Rule
 - SAVE system guidance
- ❑ **Proposed Rules:**
 - Work Requirements & Term Limits (for PHAs and PBRA owners)
 - Mixed Status (for Section 8 programs and public housing)
 - Disparate Impact Rule (fair housing)

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Questions?

Jenna Pomponi

Director of Advocacy & Federal Programs, COSCDA

jhampton@coscda.org

(202) 845-8154

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