COSCDA
Council of State Community Development Agencies

CD Aspects of 21st Century ROAD to Housing

2026 COSCDA ANNUAL CONFERENCE | MEMPHIS, TENNESSEE

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Agenda

- **Section 104**: Land Database Requirement
- **Section 204**: New Housing Construction
- **Pilot Programs**

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Section 104: Land Databases

- Title I, Section 104: Database of publicly owned land
- **Adds a new requirement** to Section 104(b) of the Housing and Community Development Act of 1974 (42 USC 5304)

"the grantee maintains, on a publicly accessible website, a searchable database that identifies all parcels of undeveloped land owned by the grantee."

- **Creates a new eligible activity** under Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305) to support the databases.

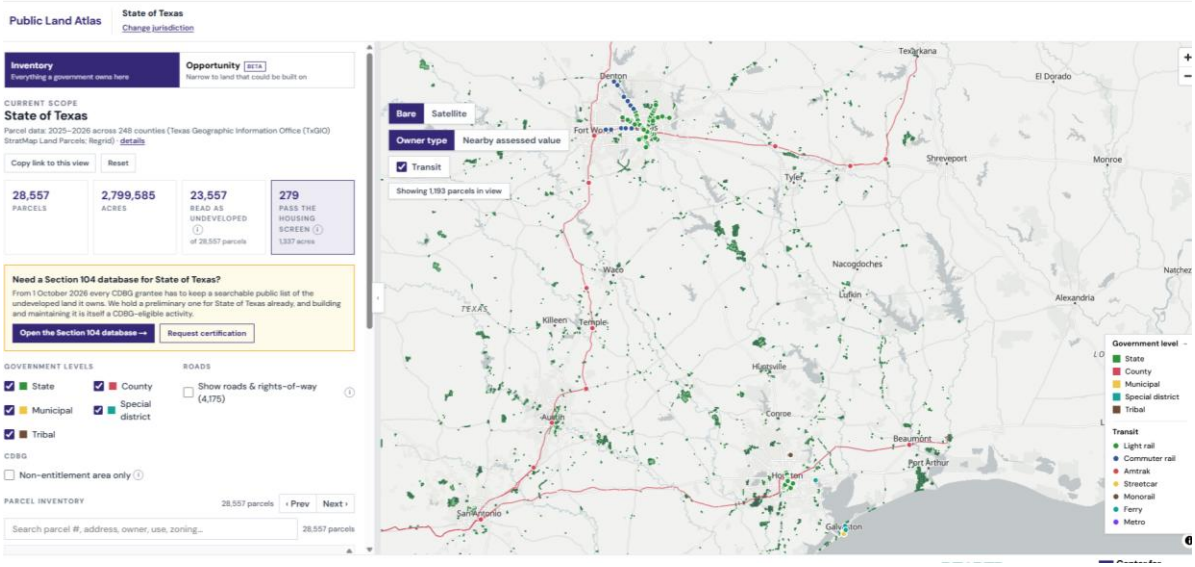
"the creation and maintenance of a database of land as required under section 104(b)(7)."

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Section 104 Implementation

- Effective date: **October 1, 2026**
  - This does not mean that CDBG recipients must have a compliant database by October 1, 2026.
  - COSCDA does not expect HUD to require proof of these databases until fiscal year 2027 grant agreements.
- HUD plans to publish guidance on this new requirement.
- State agencies should strategize about how they plan to meet this requirement prior to FY27 grant agreements.

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Public Land Atlas

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Section 104 State Actions

- ❑ Search existing resources
  - Web search
  - Likely state agencies
- ❑ Await guidance
- ❑ Draft Maximum Feasible Deference memo to define “undeveloped land owned by the grantee”

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Section 204: New Housing Construction

- Title II, Section 204: Addition of affordable housing construction as an eligible activity
- Creates a new eligible activity under Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305).

"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."

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Section 204: Implementation

- It appears that CDBG programs cannot use this new activity until FY27-funded projects. HUD will need to confirm the implementation timeline.

"The amendments made by this section shall apply with respect only to amounts appropriated after the date of enactment of this Act." (FY26 CDBG funds were already appropriated at the time ROAD became law)

- Note that the housing projects developed using this new activity are subject to **HOME program affordability requirements**. These requirements were also updated by ROAD.
- Note that these housing projects will also be subject to **BABA requirements**.

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CDBG Can Build Housing Now. How Much LIHTC Gap Financing Could the New Authority Create?



$660 million boost: Congress has authorized the Community Development Block Grant (CDBG) program to be used for new construction, potentially unlocking hundreds of millions of dollars for affordable housing nationwide.

- The CDBG program, which provides dollars to municipalities for community development work, formerly barred new affordable homebuilding (with limited exception), instead focusing on activities like acquisition and rehabilitation.
- If used as gap financing in conjunction with LIHTC, these newly authorized funds can add up to $660 million for new affordable multifamily construction, according to *TCA* analysis.

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Section 204 State Actions

- ❑ Discuss potential for use of this new activity with state agency partners
- ❑ Consider technical assistance that may be necessary for applicants

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Pilot Programs

ROAD includes several pilot grant programs that state agencies could apply for, if Congress decides to fund them.

- **Section 102**: Point-access block buildings
- **Section 202**: Whole-Home Repairs Act
- **Section 207**: Grants for planning and implementation associated with affordable housing
- **Section 210**: Revitalizing empty structures into desirable environments (RESIDE) Act
- **Section 304**: PRICE Act

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Whole-Home Repairs Act

- **"Whole-Home Repairs"** means modifications, repairs, or updates to home-owner or renter-occupied units to address:
  - A physical and sensory accessibility for individuals with disabilities and older adults
  - Habitability and safety concerns
  - Energy and water efficiency, resilience, and weatherization

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Whole-Home Repairs Act

- Provide grants to eligible home-owners to implement whole-home repairs ***not covered by other Federal home repair programs***
- Provide loans, which may be forgivable, to eligible landlords to implement whole-home repairs not covered by other Federal home repair programs for:
  - Individual affordable units
  - Public and common use areas within the property
  - Common structural elements

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Planning & Implementation Grants

- Implement and administer housing strategies and 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 plan**
- Implement and administer regulatory requirements and processes with respect to reformed zoning codes
- Increase the capacity to conduct housing inspections

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Planning & Implementation Grants

- Increase the capacity to reduce barriers to housing supply elasticity and housing affordability
- **Implement and administer local or regional plans for community development**
- Fund any planning to increase:
  - The availability of affordable housing and access to affordable housing
  - Access to public transportation
  - **Any location-efficient community development goals**

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"ROAD 2.0"



How could we **improve** the CDBG program?



Streamline requirements?



New eligible activities?

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