

Community and Economic Development

2022 Summer Board and Leadership Meeting
Atlanta, GA

**Omni Atlanta Hotel at CNN Center** 

Thursday, July 28, 2022 1:30-3:00 p.m.



# **Summer Board & Leadership**Meeting

**Agenda: Community and Economic Development Federal Advocacy Committee** 

Omni CNN Atlanta (100 CNN Center NW)

Room: Maple AB

Thursday, July 28, 2022

1:30 - 5:00 p.m.

12:15 p.m. –	JOINT LUNCH		
1:15 p.m.	Atrium Terrace A		
	The Honorable Vince Williams, President, National League of Cities  Mayor, City of Union City, Georgia		
	The Honorable José Alvarez Regional Administrator, Southeast Region, U.S. Department of Housing and Urban Development		
	The Honorable Jon Ossoff (Video) Senator, United States Senate		
	The Honorable Christopher Coes, Assistant Secretary for Transportation Policy, US Department of Transportation		
1:30 p.m. – 1:45 p.m.	WELCOME, INTRODUCTIONS AND MEETING OVERVIEW  Maple AB		
	The Honorable Sharon Weston Broome, Chair Mayor-President, City of Baton Rouge, LA		
	Mayor Broome will welcome committee members and provide an overview of the agenda.		
1:45 p.m. – 2:10 p.m.	FEDERAL ADVOCACY UPDATE		
-	Mike Wallace		
	Legislative Director for Housing, Community, and Economic Development, National League of Cities		
	Committee members will hear an update on timely and pressing issues before Congress and the Administration.		

2:10 p.m. –	CED POLICY AND RESOLUTIONS DISCUSSION		
2:30 p.m.	Mike Wallace		
	Legislative Director for Housing, Community, and Economic Development, National League of Cities		
	Committee members will review recommendations for amending the National Municipal Policy and CED Committee Resolutions.		
2:30 p.m. –	RESEARCH AND RESOURCE UPDATE		
3:00 p.m.	Lauren Lowery Program Director, Housing and Community Development Center for City Solutions, National League of Cities		
	Jenn Steinfeld Director, Entrepreneurship & Economic Development Center for City Solutions, National League of Cities		
	Committee members will hear about the latest research, reports, guides, and technical assistance programs available from NLC to help local leaders achieve good community and economic development outcomes.		
3:00 p.m. –	ICE CREAM SOCIAL BREAK		
3:20 p.m.	Ice Cream Social for all Advocacy Committees.		
3:20 p.m. – 5:00 p.m.	STATE AND FEDERAL POLICY PROPOSALS ON ZONING AND LAND USE POLICIES: A Joint CED and FAIR Committee Policy Discussion		
	The Honorable José Alvarez     Regional Administrator, Southeast Region, U.S. Department of Housing and Urban Development		
	Samyukth (Sam) Shenbaga     Managing Director, Community Development Group, Atlanta Regional     Council		
	Larry Hanson     CEO and Executive Director, Georgia Municipal Association.		
	Mike Wallace     Legislative Director for Housing, Community, and Economic Development,     National League of Cities		
	Local authority over land uses and zoning ordinances have become a critical subject for both parties in Congress for perceived limitations related to housing and economic growth. Several bipartisan proposals have been introduced that would impact or pre-empt local authority over land-use decisions. The White House has also indicated support for zoning reform.		

	NLC policy strongly opposes federal preemption of local authority over land use, but it does not address the other types of federal incentives that could impact local control without preempting it. This discussion will take place to analyze current NLC policy and decide if committee members want to provide more nuanced direction for NLC to respond to such proposals.		
5:00 p.m.	CLOSING AND ADJOURN		
	The Honorable Sharon Weston Broome, Chair Mayor-President, City of Baton Rouge, LA  The Honorable Matt Orlando, Chair Councilmember, City of Chandler, AZ		
6:00 p.m. – 8:30 p.m.	JOINT EVENING EVENT Georgia Municipal Association Offices 201 Pryor St. SW Atlanta, GA  Buses will load outside of the Omni, along International Boulevard on the Motor Lobby in the South Tower, starting at 5:30 p.m. and will run on rotation from 6 p.m8:30p.m.		

#### Other Events of Note:

- Joint Welcome Reception: Wednesday, July 27, 5:00 6:30 p.m.
- Mobile Workshop (pre-registration required): Friday, July 29, 8:00 a.m. 12:00 p.m.

#### **Additional Resources:**

White House Embraces Federal Zoning Reform Provision

- "<u>Unlocking Possibilities</u>" is a proposed competitive federal grant program to provide federal funding, technical assistance, and support for communities and states to incentivize "rethinking outdated zoning and codes."
- Reconciliation Bill Funding Could Help Localities Fight Exclusionary Zoningyimby act

YIMBY Act, the Yes In My Backyard Act, encourages communities to eliminate discriminatory land-use policies and remove barriers that prevent the production of needed housing in communities throughout the United States.

• Senator Young (R-IN) Reintroduces Yes In My Backyard Act to Encourage Communities to Cut Regulations and Increase Housing Supply

Housing Supply and Affordability Act, would give planners and communities access to new funding and technical assistance to overhaul local rules that continue to stymie housing supply and availability.

- <u>Klobuchar, Portman, Kaine Introduce Bipartisan Legislation to Address Nationwide</u> Housing Shortage
- Up for Growth Overview

Build More Housing Near Transit Act, which better positions planners to coordinate transit, housing, jobs, and land use.

• Schatz, Braun Introduce Bipartisan Bill To Build More Affordable Housing, Address America's Growing Housing Crisis

Left-leaning "The Atlantic" and Libertarian "Reason" have both promoted the argument to end zoning:

- Cancel Zoning
- Abolish Zoning—All of It

#### American Planning Association

- Grappling with the Racist Legacy of Zoning
- Three Bold Proposals for Zoning Reform
- Land-Use Characteristics Contributing to Region-Wide Housing Inequities

#### **Upcoming CED Committee Meetings:**

November 16, 3-5 p.m. – Kansas City

Don't forget to register for <u>City Summit!</u>
Kansas City, Missouri
November 16-19, 2022

#### NLC POLICY DEVELOPMENT AND ADVOCACY PROCESS

As a resource and advocate for more than 19,000 cities, towns and villages, the National League of Cities (NLC) brings municipal officials together to influence federal policy affecting local governments. NLC adopts positions on federal actions, programs and proposals that directly impact municipalities and formalizes those positions in the <u>National Municipal Policy</u> (NMP), which guides NLC's federal advocacy efforts.

NLC divides its advocacy efforts into seven subject areas:

- Community and Economic Development
- Energy, Environment and Natural Resources
- Finance, Administration and Intergovernmental Relations
- Human Development
- Information Technology and Communications
- Public Safety and Crime Prevention
- Transportation and Infrastructure Services

For each of the seven issue areas, a Federal Advocacy Committee advocates in support of NLC's federal policy positions. Members of each committee are appointed by the NLC President and serve for one calendar year.

#### **Federal Advocacy Committees**

Federal Advocacy Committee members are responsible for advocating on legislative priorities, providing input on legislative priorities, and reviewing and approving policy proposals and resolutions. Additionally, Committee members engage in networking and sharing of best practices.

Federal Advocacy Committees are comprised of local elected and appointed officials from NLC member cities. NLC members must apply annually for membership to a Federal Advocacy Committee. The NLC President makes appointments for chair, vice chairs, and general membership. In addition to leading the Federal Advocacy Committees, those appointed as committee chairs also serve on NLC's Board of Directors during their leadership year.

At the Congressional City Conference, Federal Advocacy Committee members are called upon to advocate for NLC's legislative priorities on Capitol Hill, as well as develop the committee's agenda and work plan for the year. Committee members meet throughout the year to further the plan, hear from guest presenters, discuss advocacy strategies and develop specific policy amendments and resolutions. At the City Summit, committee members review and approve policy proposals and resolutions. These action items are then forwarded to NLC's Resolutions Committee and are considered at the Annual Business Meeting, also held during the City Summit.

#### **Adv**ocacy

Throughout the year, committee members participate in advocacy efforts to influence the federal decision-making process, focusing on actions concerning local governments and communities. During the Congressional City Conference, committee members have an opportunity, and are encouraged, to meet with their congressional representatives on Capitol Hill. When NLC members are involved in the legislative process and share their expertise and experiences with Congress, municipalities have a stronger national voice, affecting the outcomes of federal policy debates that impact cities and towns.

#### **NLC National Municipal Policy**

The following provisions from the FAIR NMP Chapter and the CED NMP Chapter are most relevant to the question of federal policy proposals that could impact local land use and zoning decisions.

## FINANCE, ADMINISTRATION AND INTERGOVERNMENTAL RELATIONS (2022)

#### FAIR 1.03 Intergovernmental Relations (A) Mandates

#### A. Mandates

The federal government must not initiate laws, rules and regulations, or take other actions and activities that will mandate action on the part of local governments.

If the federal government does initiate laws, rules and regulations, the federal government must provide reimbursement funds to compensate local governments for such mandates. Any reimbursement program should deliver funding directly to the unit of government incurring the costs.

Cost-benefit and risk assessments of current federal programs, regulations, and policies (e.g., tax policy) must be conducted to determine their adverse cost, structural, and intergovernmental impacts on local governments.

Cost-benefit and risk assessment statements must be added to all proposed legislation, rules, and regulations. Assessment of proposed rules and regulations must be completed by Congress prior to enactment and/or enforcement. NLC encourages cities to separately display the costs of state and federally mandated programs in their budgeting and reporting.

Local governments should be able to prioritize their resources to achieve the greatest risk reduction for the funds available.

The federal government should incorporate flexibility into federal and state regulatory processes because of variable local conditions. The federal government should avoid "one-size-fits-all" regulatory approaches to municipalities. While enforcement should be objective it should also take into account local conditions through the use of such mechanisms as variance/waiver procedures and locally-developed alternate compliance plans.

Local government should be afforded the opportunity for greater participation in the legislative and regulatory process. In developing and revising regulations, the federal government shall consider the impact of these regulations on municipal governments and shall reimburse municipal governments whenever these federal mandates impose significant new cost.

Municipal elected officials and governments should participate as partners in the development of federal regulations that have a significant impact on state and local government. Laws

restricting entities subject to regulation from participating in consultative processes with federal agencies to make regulations workable should be prohibited. Such exemptions will help ensure that elected state and local officials participate at an early stage in the development of federal regulations.

## FAIR 1.03 Intergovernmental Relations (G) Preemption of Municipal Regulatory Authority

#### G. Preemption of Municipal Regulatory Authority

The federal government shall not preempt municipal regulatory powers based on the police power of the state; however, when a clear and compelling need arises, the Congress must clearly express its intent to preempt, and accompany any such proposals with a timely intergovernmental impact analysis, including estimated costs. Local elected officials cannot manage or guide the financial condition, character and personality, public health and safety, environmental protection or encourage the local self-determination of cities and towns without basic regulatory controls.

NLC opposes federal regulations or statutes that require retroactive compliance by municipal government.

## FAIR 1.03 Intergovernmental Relations (H) Scope of Federal Regulation of Cities

#### H. Scope of Federal Regulation of Cities

The scope of federal intergovernmental regulations should be reduced and new regulations should be issued only when a clear and convincing case has demonstrated the necessity of federal regulations. In any event, federal regulation of cities should be confined to insuring individual political and civil rights, to providing for national defense, to regulating interstate commerce in resolving interstate disagreements, and to assuring the fiscal and programmatic integrity of federal grants and contracts. In all cases, maximum municipal flexibility and authority should be preserved.

In reviewing existing regulation of cities, the federal government should not use cross-over sanctions – sanctions permitting the use of federal money in one program to influence state and local policy in another as a compliance technique, should consult with states and cities on regulations involving preemption of local authority or joint standard setting, and should simplify and standardize cross-cutting requirements – federal grants used to establish certain conditions that extend to all activities supported by federal funds, regardless of their source.

#### **COMMUNITY AND ECONOMIC DEVELOPMENT (2022)**

#### CED 3.06 Housing (C) § 9 (Fair Housing and Local Zoning Authority)

9. Fair Housing and Local Zoning Authority

a. NLC Opposes Housing Discrimination

NLC supports vigorous enforcement of comprehensive federal laws and policies that will ensure and require a wide range of housing opportunities for all persons in the community of their choice. NLC supports and encourages the uniform enforcement of the Fair Housing Act and its Amendments ("FHAA") to eliminate housing discrimination based on race, color, sex, religion, family status, national origin, and disability. It is essential that Congress make adequate federal funding available to meet these Fair Housing goals.

#### b. Communities Must Maintain Local Authority

NLC supports the FHAA and also supports local authority to enact and administer local land use laws that are "non-discriminatory" – providing for uniform application and "reasonable accommodation" to uphold a compelling public interest.

Equal housing opportunities and land use authority for local governments are not incompatible policies. Communities must be able to provide adequate facilities and services to meet the demands of proposed development. The federal government must not restrict or withhold its funds due to zoning issues unless a court has ruled, at the conclusion of a litigated case, that a zoning law enacted was in violation of anti-discrimination laws.

c. A Regional Approach to "Fair Share" Housing – Building and Zoning Codes NLC urges the federal government to encourage comprehensive planning, regional cooperation, and timely implementation of innovative strategies that expand housing opportunities for everyone.

NLC encourages the federal government to provide financial incentives for implementing "fair share" arrangements across a region. NLC recognizes the responsibility of communities to provide their "fair share" of housing opportunities for low and moderate-income people. The social and economic challenges to building adequate and sufficient housing for everyone may be met more efficiently and effectively when approached regionally, rather than competing across jurisdictions.

NLC supports practical and long-term means to resolve these important issues regarding the scope of city authority relating to the siting and operation of group homes. Current HUD and Department of Justice regulations regarding disabled residents and children do not address how local governments can determine if residents in group homes are a threat to

public safety and provide no guidance on how a municipality can respond to threats to public safety until an actual incident occurs.

#### CED 3.07 Land Use (A) (*Principles*)

#### A. Principles

Local communities must be able to control land use and zoning issues, and the federal government must respect these local code and land use plans.

However, NLC acknowledges that some legitimate national policy interests may override local interests in land use matters. These factors include protecting land with natural and renewable resources, enforcing federal fair housing laws, mitigating for natural disasters, and coordinating transportation needs with land use decisions to minimize air quality concerns. Under those circumstances, the federal government must:

- Work closely with local governments to achieve that balance; and
- Provide financial incentives, technical assistance, and information to aid local communities in satisfying these national interests.

#### CED 3.07 Land Use (B) (Goals)

#### B. Goals

Land and its uses are powerful issues for many people. The different levels of government must carefully balance individual property rights with responsible land stewardship. NLC's land use policies are anchored by the following vision:

- NLC supports federal construction and procurement policies that promote the goals of comprehensive land use planning and minimize the harm on local communities.
- The federal government must encourage local land use that is well-planned, utilizing a regional approach that protects the environment and that supports historic preservation.
- Federal policies must encourage local planning that creates and preserves sustainable communities and a strong quality of life, safeguards economic health, and fairly assigns costs and responsibilities.
- Federal policies must respect local authority and land use decisions. NLC opposes any federal, state, county or any other non-municipal government unilaterally making local land use decisions. Local government should have the opportunity to develop responsible land use plans and policies by themselves within the context of general federal, state, and regional goals.
- Because land use is related to many of today's pressing public policy issues, any federal policy addressing land use should include economic development, transportation, affordable housing, "brownfields" reclamation, wetlands preservation, infrastructure improvements, regional cooperation, historic preservation and revitalization, in addition to zoning and planning.

#### CED 3.07 Land Use (C) § 2 (Social Responsibility)

- 2. Social Responsibility
  - a. Regional and Comprehensive Land Use Planning

NLC supports federal programs that provide financial and technical assistance to local governments for land use planning and coordination of planning with related activities, especially those mandated by the federal government (e.g., economic development, environmental protection, transportation) and those including energy conservation and natural disaster mitigation dimensions to this coordinated planning.

NLC also supports federal programs that provide incentives for local officials to cooperate with regional and sub-regional planning organizations. (See also FAIR Chapter)

#### b. Metropolitan Environmental Design

The federal government, in cooperation with local officials, should encourage improved metropolitan environmental design by:

- Ensuring sufficient federal funds for design management activities in communities;
- Requesting that federal agencies involved in physical development in cities evaluate the social, economic, and cultural effects of completed projects in metropolitan areas;
- Promoting more federally-funded research into the effects that well-designed and locally-designed development can have on the metropolitan community;
- Increasing the local government's role in the planning and siting of federal construction projects to promote design excellence and good design practices; and
- Discouraging federal subsidies that enable large commercial developments to locate on the fringes of metropolitan areas, thus contributing to sprawl.

#### CED 3.07 Land Use (C) § 4 (Land Use and Growth Management)

- 4. Land Use and Growth Management
  - a. Local Decision Making about Growth

The federal government must support local determinations of livability policies and must not implement policies that hamper a local government's ability to control growth and land use. Growth is inevitable in many communities. Local governments face challenges to cultivate a planned growth process that preserves a strong quality of life, safeguards economic health, and fairly assigns costs and responsibilities. The tough, practical issues revolve around choices, costs, and unintended consequences of unplanned growth, commonly referred to as sprawl.

#### b. Encouraging Planned Growth

The federal government should, however, encourage local governments to use planned growth strategies, through technical assistance and training, as well as financial incentives. NLC supports planned growth, including housing development and/or regional land use planning, for the purpose of sustaining and improving the vitality and quality of life in our nation's communities. Likewise, NLC opposes unplanned growth and further disinvestment in center city areas that undercuts the vitality of existing developed places. Such policies lead to unnecessary consumption of valuable open space, agricultural land, and government resources.

#### c. Promoting Sustainable Communities

In cooperation with state and local governments, the federal government must promote the concept of sustainability to guide local community development activities and prevent draining limited energy and natural resources to meet today's needs at the expense of future generations. Unplanned growth could result in loss of environmentally sensitive areas like wetlands, wildlife habitats, flood plains, unique geological formations, coastal zones, and renewable resource lands, as well as prime agricultural lands, steep slopes, forest and grazing lands, energy sources, watersheds and aquifers. (See also EENR Chapter)

To meet national sustainable goals, the federal government must:

- Promote land development that permits appropriate integration of living, working, shopping, recreation, transportation, communications, education, and natural resources;
- Provide continued funding to revitalize distressed areas, including federal tax incentives to encourage housing and business development in those areas;
- Encourage "in-fill" redevelopment of neglected urban/suburban areas to discourage unplanned growth;
- Identify financial tools and technical resources that help broaden the development choices available to communities;
- Provide relevant information for communities to support their efforts to grow in ways that ensure a high quality of life and strong, sustainable economic and physical growth;
- Provide incentives for communities to work together to meet the challenges and embrace the opportunities presented by growth;
- Eliminate or modify federal policies and regulations that encourage unplanned growth;
- Maintain a strong appreciation for sustainability in community and economic development and housing policies and program implementation (*see also EENR Chapter*); and
- Encourage thorough coordination of transportation policy with land use and economic development, as with "transit-oriented

development." Transportation and infrastructure are critical influences on land use. (See also TIS Chapter)

#### **CED RESOLUTIONS**

NLC resolutions are annual statements of position that sunset at the end of the calendar year unless action is taken. The committee must review each of the 2022 resolutions that originated in the CED Committee to determine recommendations for 2023. The committee has the following options:

- 1. Renew the resolution for the coming year (with or without edits)
- 2. Incorporate the resolution into permanent policy; or
- 3. Let the resolution expire.

The CED resolutions that were approved for 2022 at the City Summit with NLC staff recommendations for 2023 are:

Resolution	NLC Staff Recommendation
NLC RESOLUTION #19	Renew
SUPPORTING A FEDERAL AGENDA FOR LOCAL ECONOMIC DEVELOPMENT, ECONOMIC MOBILITY, AND ENTREPRENEURSHIP	
NLC RESOLUTION #20	Incorporate the resolution into
URGING THE DEVELOPMENT OF CRITERIA FOR NEIGHBORHOOD PREFERENCE AS AN ANTI-DISPLACEMENT TOOL	permanent policy
NLC RESOLUTION #21	Incorporate the resolution into permanent policy
URGING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO ENACT SAFEGUARDS AGAINST ABUSES IN CONTRACTS FOR DEEDS	permanent policy
NLC RESOLUTION #22	Renew
SUPPORTING THE NEED FOR PUBLIC TRANSPARENCY SURROUNDING INSTALLATION SCORING FROM PAST ROUNDS OF BASE REALIGNMENT AND CLOSURE	
NLC RESOLUTION #23	Renew
SUPPORTING A NATIONAL AGENDA FOR U.S. HOUSING INVESTMENT AND OPPORTUNITY	
NLC RESOLUTION #24	Incorporate the resolution into
ENDORSING THE RECOMMENDATIONS OF NLC'S NATIONAL HOUSING TASK FORCE REPORT "HOMEWARD BOUND, THE ROAD TO AFFORDABLE HOUSING"	permanent policy

#### SUPPORTING A FEDERAL AGENDA FOR LOCAL ECONOMIC DEVELOPMENT, ECONOMIC MOBILITY, AND ENTREPRENEURSHIP

WHEREAS, cities are the engine of our nation's economy. From infrastructure like roads and water to parks and libraries, to workforce development centers and business support, to law enforcement and emergency services; cities create the conditions that drive new business, spur innovation, and attract talent and investment; and

WHEREAS, NLC's indicates America's cities and towns are prioritizing economic recovery and addressing declines related to the COVID-19 pandemic; and

WHEREAS, the federal government has an essential role to play – in cooperation with local leaders – to help address the social, economic and fiscal challenges weighing on the nation's cities; and

WHEREAS, local entrepreneurs and small businesses lead a majority of economic growth and are essential stakeholders in the success of neighborhoods, help create a community's sense of place, and serve as a vital link to connect communities to the larger, global economy; and

WHEREAS, successful neighborhood revitalization requires effective plans for both community development and economic development; and

WHEREAS, the Community Reinvestment Act (CRA), a landmark civil rights law passed in 1977 to end discrimination in America's banking and housing markets, remains a critical tool for both community and economic development that ensures regulated financial institutions have continuing and affirmative obligations to help meet the credit needs of the local communities in which they are chartered; and

WHEREAS, working with Congress, the President has an opportunity to partner with local officials to renew and reinvigorate federal economic development policies and programs that local entrepreneurs have increasingly been unable to access; and

WHEREAS, in many cases federal programs and policies created in response to the great recession have remained static and increasingly inaccessible or irrelevant to small businesses and local entrepreneurs at the center of today's urban growth and revitalization; and

WHEREAS, high federal regulatory barriers to accessing capitol in both public programs and the private market are one reason why racial and ethnic wealth gaps have grown since the great recession (Pew); and

WHEREAS, NLC supported the formation of the bipartisan House Entrepreneurship Caucus, which will serve as a forum for policy discussions and collaboration to address the most pressing issues facing entrepreneurs throughout the country. The caucus will seek to analyze new business

formation trends and form a wide-ranging strategy to boost entrepreneurship growth, ensuring new business ventures continue to create jobs and drive innovation.

**NOW, THEREFORE, BE IT RESOLVED** that NLC urges federal investment and support for economic mobility and opportunity, regional economic development, local entrepreneurship, community banking and community development financial institutions, and direct federal investment in distressed and underserved communities; and

**BE IT FURTHER RESOLVED** that NLC supports the bipartisan House and Senate Entrepreneurship Caucuses and urges growth in their membership; and

**BE IT FURTHER RESOLVED** that the federal government can make an immediate and enormously positive impact on local economies by acting on the following five areas:

**BE IT FURTHER RESOLVED 1.)** that NLC urges federal lawmakers to help local entrepreneurs by supporting policies that result in a supportive ecosystem for entrepreneurship. To that end, Congress should:

- Create an Entrepreneurs Extension Partnership to connect startups with the basic resources needed to create and grow their businesses locally.
- Establish an Office of Entrepreneurship within the Small Business Administration to broaden eligibility for SBA support beyond the types of businesses traditionally supported.
- Launch a network of non-equity based, "revenue first" accelerators for new businesses that fall within a grey area where they are too risky for traditional banks and not risky enough for venture capitalists.

**BE IT FURTHER RESOLVED 2.)** that NLC urges the federal government improve equity and economic mobility by modernizing the Community Reinvestment Act (CRA) to increase public accountability of banks to serve every community. To that end, federal regulators should:

- Update CRA assessment areas to include areas with considerable bank lending and deposit gathering outside of bank branch networks.
- Improve public data around community development lending and investments in order to provide greater clarity to lenders about what qualifies for CRA and to help identify areas around the country in need of greater community development lending and investing.
- Federal regulators should not adopt a one-ratio or single-metric approach to CRA exams and should not adjust bank asset thresholds solely for making exams easier for banks to pass, or otherwise dilute attention to LMI borrowers and communities.

**BE IT FURTHER RESOLVED 3.)** that NLC urges federal lawmakers to increase the pace of economic development by continuing on the path of regulatory reform that reduces barriers to development. To that end, Congress should:

• Establish a shot-clock on federal agencies making rulings and determinations on local governments to expedite the federal decision-making processes; and to provide for the certainty that project partners and project finance require; and

• Appoint an independent Intergovernmental Ombudsman at each cabinet level agency to

serve as point of contact for state and local elected officials and serve as a facilitator at times of intergovernmental impasse; and

**BE IT FURTHER RESOLVED 4.)** that NLC urges federal lawmakers make economic mobility a federal priority. To that end, Congress should:

- Restore full funding for the Community Development Block Grant Program, which serves as the first line of defense against local neighborhood decline and has been the bridge for countless families to the middle class; and
- Authorize significant annual increases in funding for economic development grants for cities and towns through the U.S. Economic Development Administration; and
- Enact the broadest possible definition of economic development to permit EDA grant funding for innovative programs at the intersection of economic development and education, workforce, and infrastructure; and
- Elevate the office of Economic Development Integration at U.S. EDA to fill the role of central integrator of all federal economic development programs across federal agencies to streamline and simplify city access to those programs; and
- Support greater offerings of technical assistance and capacity building at federal agencies tasked with economic development, including HUD, EDA, and USDA, for small and mid-sized cities and towns to create and fill economic development positions within municipal governments or to support NGO partners assisting local governments; and

**BE IT FURTHER RESOLVED 5.)** that NLC urges federal lawmakers remain focused on workforce development. Specifically, Congress should:

- Create a workforce planning and development grant jointly administered by the U.S. Departments of Commerce, HUD, and Labor to help cities create a streamlined workforce plan to foster economic mobility by focusing on the education, apprenticeship, and housing needs of those seeking to move up the income ladder; and
- Support federal programs and efforts, such as ban the box initiatives, that assist with reintegration of ex-offenders into the workforce, and that ensure applicants with a criminal history have a fair opportunity to compete for Federal jobs.

## URGING THE DEVELOPMENT OF CRITERIA FOR NEIGHBORHOOD PREFERENCE AS AN ANTI-DISPLACEMENT TOOL

WHEREAS, federal Fair Housing Act does not allow for any lender, landlord, or housing provider to institute policies or practices that could negatively affect a protected class (race, color, religion, national origin, sex, disability, and familial status); and

WHEREAS, many cities have the affirmative duty to further the Fair Housing Act which includes but not limited to anti-displacement mechanisms; and

WHEREAS, many cities have communities with diverse population of many races, colors, and national origin who have often chosen to live in communities that are like their own race, color, or national origin; and

WHEREAS, in many cities, certain communities, primarily communities of color, are facing gentrification leading to displacement of longtime residents to less desirable areas of the city or displaced entirely from the community; and

WHEREAS, in many communities facing gentrification by market and unaffordable housing, the only source of new housing affordable to the low-income residents is government subsidized housing; and

WHEREAS, the Fair Housing Act does not allow any preference to be given to residents of gentrifying communities being displaced upon the construction of a new housing affordable to low-income residents of that community; and

WHEREAS, if the residents could have preference to these better and safer affordable housing structures recently developed in their communities, the residents would be able to vacate the deteriorating structures which are the only ones they can afford, allowing for the redevelopment of the properties; and

WHEREAS, cities have a legitimate interest in protecting long-term residents as long-term residents are often engaged positively in the community, provide community stability, and stability often lends to less crime; and

WHEREAS, neighborhood/community preference is a very powerful anti-displacement tool which operation (interpretation) of the Fair Housing Act has taken away from municipalities.

**NOW, THEREFORE, BE IT RESOLVED** that NLC urges the Secretary of the Department of Housing and Urban Development ("HUD") give municipalities guidance as to how a Fair Housing marketing plan can be set up with a neighborhood preference that will be acceptable to the department; and

**BE IT FURTHER RESOLVED** that such guidance can include demographic parameters such as percentage of minorities in a neighborhood, percentage of displacement over the last five years, fair market rent as a percentage of low-income residents and a percentage limit of the local preference.

## URGING THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO ENACT SAFEGUARDS AGAINST ABUSES IN CONTRACTS FOR DEEDS

WHEREAS, the subprime home mortgage crisis damaged housing affordability across the country and caused disproportionate harm in African-American communities, resulting in the loss of forty percent of non-home-equity wealth. Moreover, home-equity wealth, which dropped nineteen percent during the crisis, has declined by an additional thirteen percent in the years since the crisis; and

WHEREAS, over three million families have entered into a Contract for Deed to purchase a home due to the inaccessibility of the traditional mortgage market; and

WHEREAS, a Contract for Deed is a seller finance method to purchase a home where the seller retains the legal title to the property until the homebuyer finishes paying all principal payments and interest owed under the contract. Contracts for Deeds are principally used by low-income homebuyers who are unable to obtain a traditional mortgage or financing because of poor credit ratings, inadequate income or other issues; and

WHEREAS, bad actors can abuse Contracts for Deeds to allow the seller to avoid health and safety regulations, and crucial repairs to the property, while transferring the burden of property taxes, property insurance, and repairs to the homebuyer; and

**WHEREAS**, in comparison to renting, the homebuyer must pay more per month for the property under Contracts for Deeds, make a larger upfront payment, and take better care of the premises, because the homebuyer is working toward ownership. However, sellers that abuse Contract for Deeds rarely end up transferring the title to the prospective homebuyer; and

WHEREAS, Contracts for Deeds are often consummated between the homebuyer and the seller without the benefit of a title search and title insurance, government regulatory protections and standardized legal documents in many states including Texas, Illinois, Michigan, Minnesota, West Virginia, South Dakota, Ohio, South Carolina, and Florida; and

WHEREAS, the proliferation and abuse of Contracts for Deeds presents the risk of creating yet another large drain on African-American wealth comparable in impact to the housing finance abuses that brought about the 2007-2009 subprime crisis; and

WHEREAS, the National Black Caucus of Local Elected Officials, a constituency group of the National League of Cities, has endorsed this resolution; and also, strongly condemns the use of Contracts for Deeds to exploit low-income homebuyers.

**NOW, THEREFORE, BE IT RESOLVED** that the National League of Cities urges the U.S. Department of Housing and Urban Development, the U.S. Department of Veterans Affairs, and the Rural Housing Service of the U.S. Department of Agriculture to enact regulations and

safeguards against predatory uses of Contracts for Deeds, and to protect consumers from the practice of using Contracts for Deeds to unjustly evict families from their homes.

# SUPPORTING THE NEED FOR PUBLIC TRANSPARENCY SURROUNDING INSTALLATION SCORING FROM PAST ROUNDS OF BASE REALIGNMENT AND CLOSURE

WHEREAS, the strength of the United States Armed Services is a matter of critical national security; and

WHEREAS, the communities surrounding the military installations throughout the United States have a symbiotic relationship with the installations; and

WHEREAS, communities are engaging in efforts to build collaborative networks to support the needs of active duty and transitioning military personnel, their families, Veterans, and members of the reserve and National Guard through Community Veteran Engagement Boards (CVEBs), Points of Light Foundation's Community Blueprint program, and the U.S. Department of Defense's Employer Support of the Guard and Reserve (ESGR) program; and

WHEREAS, realignment and closure of those installations will have a significant economic effect upon the communities surrounding the installations; and

WHEREAS, previous rounds of base realignment and closure resulted in installations and the surrounding communities being scored on specific criteria; and

WHEREAS, providing communities surrounding military installations with scoring criteria and prioritization from previous rounds of base realignment and closure will assist them in making necessary changes to better prepare their communities against potential closure of an adjacent installation; and

WHEREAS, 52 cities that are a part of NLC's Military Communities Council (MCC) represent the communities adjacent to military installations.

**NOW, THEREFORE BE IT RESOLVED** that the National League of Cities (NLC) urges Congress and the Department of Defense to provide the criteria and scoring of installations and surrounding communities from previous rounds of base realignment and closure to allow communities to better prepare themselves against potential closure of the installation and to work closely with the installations to improve low scoring criteria.

## SUPPORTING A NATIONAL AGENDA FOR U.S. HOUSING INVESTMENT AND OPPORTUNITY

WHEREAS, America's cities are the strength of the nation – communities of neighborhoods where people live, work, learn, and play; and

WHEREAS, every American deserves a decent home in a suitable living environment with adequate financial stability to maintain it; and

WHEREAS, affordable housing contributes to the economic vitality of our communities and local economic regions as a vehicle for creating jobs and increasing municipal tax bases; and

WHEREAS, there is an irreplaceable role for the federal government in addressing our nation's housing needs; and

WHEREAS, research demonstrates that inadequate housing is linked to issues including unemployment, rising health care costs, public safety challenges, and poor academic performance; and

**WHEREAS**, the demand for affordable housing far outpaces the supply in the United States, as wages have not kept pace with rising home values over the period following the subprime mortgage crisis; and

WHEREAS, <u>data</u> shows that in no state, metropolitan area, or county can a worker earning the federal minimum wage or prevailing state minimum wage afford a two-bedroom rental home at fair market rent by working a standard 40-hour week; and

WHEREAS, three out of four households eligible for federal housing assistance receive none; and

WHEREAS, on any given night, there are in excess of 560,000 Americans experiencing homelessness, meaning they are sleeping outside, in an emergency shelter, or in a transitional housing program; and

WHEREAS, NLC supports the bipartisan coalition "MAYORS AND CEOS FOR US HOUSING INVESTMENT", and welcomes all city leaders and CEOs to consider joining the coalition as common stakeholders in expanding housing opportunities and ending homelessness; and

WHEREAS, NLC supports the national, multi-sector housing campaign "OPPORTUNITY STARTS AT HOME", a long-term, multi-sector campaign to meet the rental housing needs of the nation's lowest income people.

**NOW, THEREFORE, BE IT RESOLVED** that NLC urges the President and Congress to work with city leaders to end homelessness and ensure that the lowest-income and most vulnerable households have the opportunity for safe, decent, affordable housing; and

**BE IT FURTHER RESOLVED** that NLC urges Congress to bridge the funding gap between rents and income for extremely low-income households through rental assistance programs, including supporting a mechanism to address the acceptance of federal rental assistance vouchers; and

**BE IT FURTHER RESOLVED** that NLC urges the federal government to work with local governments to expand the stock of affordable housing and workforce housing; and

**BE IT FURTHER RESOLVED** that NLC urges Congress to restore and improve funding for neighborhood and household stabilization to provide emergency assistance to avert housing instability, homelessness, and neighborhood decline.

# ENDORSING THE RECOMMENDATIONS OF NLC'S NATIONAL HOUSING TASK FORCE REPORT "HOMEWARD BOUND, THE ROAD TO AFFORDABLE HOUSING"

WHEREAS, in cities, towns, and villages across the country, demand for affordable housing is far outpacing supply. According to property data provider Attom Data, home prices are rising faster than wages in 80% of U.S. markets. And according to the National Low Income Housing Coalitions annual report on housing affordability, Out of Reach, there is no county in America where a renter working 40 hours a week, and earning minimum wage, can afford a two-bedroom apartment without spending more than 30% of their income on housing; and

WHEREAS, unmet demand for safe, healthy, affordable housing is reaching crisis levels for local governments in both urban and rural areas. According to the Housing Assistance Council, of the nation's most rural counties, none with towns of more than 10,000 residents, approximately one quarter have seen a sizeable increase in the number of households this decade spending at least half their income on housing; and

WHEREAS, in response to the housing crisis, former Mayor Karen Freeman-Wilson, Gary, Indiana, announced the formation of the National Housing Task Force in November 2018, under the leadership of chair Muriel Bowser, mayor of Washington, D.C.; and

**WHEREAS**, the National Housing Task Force was comprised of 18 local elected officials representing a diversity of city sizes, geography, and market types - plus the executive directors of two state municipal leagues. The task force was charged to develop a set of policy recommendations for local governments and the federal government; and

**WHEREAS**, the Housing Task Force developed a federal/local housing platform consisting of five policy recommendations for the federal government, and five policy recommendations for local governments; and

**WHEREAS**, the National Housing Task Force Housing released the report <u>Homeward Bound</u>: <u>The Road to Affordable Housing</u>. The report is a call for action on the ten federal/local policy recommendations based on evidence that housing stability is a prerequisite for economic mobility, job security, and health and well-being.

**NOW, THEREFORE BE IT RESOLVED** that the National League of Cities congratulates and applauds the members of the National Housing Task Force for their work and participation; and

**BE IT FURTHER RESOLVED** that the National League of Cities endorses the findings and recommendations of NLC's National Housing Task Force Report "Homeward Bound, the Road to Affordable Housing; and

**BE IT FURTHER RESOLVED** that the National League of Cities urges federal lawmakers to advance the following five priorities:

- 1. Immediately stabilize and stem the loss of public and affordable housing.
- 2. Enact a long-term housing bill that provides ten years of funding certainty for pilot programs advancing housing for all.
- 3. Support innovation and modernization of land-use and planning at the local and regional level.
- 4. Fix inequities in housing development and the housing finance system.
- 5. Support scalable innovation and financing for cities, towns and villages.

## **BE IT FURTHER RESOLVED** that the National League of Cities makes the following five recommendations to local governments:

- 1. Establish local programs by combining funding and financing streams to support housing goals.
- 2. Modernize local land use policies, including zoning and permitting, to rebalance housing supply and demand.
- 3. Identify and engage broadly with local stakeholders; and coordinate across municipal boundaries, to develop a plan to provide housing opportunities for all.
- 4. Support the needs of distinct sub-populations including the homeless, seniors and persons with conviction histories.
- 5. Prioritize equitable outcomes in housing decision as it is an essential component for success.