

113TH CONGRESS
2D SESSION

S. 2900

To create livable communities through coordinated public investment and streamlined requirements, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 18, 2014

Mr. MENENDEZ (for himself, Mr. REED, Mr. FRANKEN, Mr. SANDERS, Mr. BLUMENTHAL, Mr. LEAHY, Mr. WHITEHOUSE, Mr. SCHUMER, Ms. LANDRIEU, Mr. BENNET, Mrs. GILLIBRAND, and Mr. WYDEN) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To create livable communities through coordinated public investment and streamlined requirements, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Livable Communities
5 Act of 2014”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

1 (1) when rural, suburban, and urban commu-
2 nities plan transportation, housing, and water infra-
3 structure strategically it is estimated that these com-
4 munities could save nearly \$122,000,000,000 in in-
5 frastructure costs over the next 25 years;

6 (2) key Federal programs are missing a vital
7 opportunity to boost economic growth at the local
8 and regional level through better coordination of
9 housing, transportation, and related infrastructure
10 investments;

11 (3) Federal regulations and policies should sup-
12 port community efforts to implement and sustain
13 progress toward the achievement of locally defined
14 development goals, in terms of—

15 (A) geographic location and proximity to
16 existing resources;

17 (B) developing transportation choices that
18 serve the needs of all users and fit within the
19 context of the community; and

20 (C) maintaining structural and indoor en-
21 vironmental quality and minimizing health haz-
22 ards; and

23 (4) greater coordination of public investment
24 will provide direct support for immediate job cre-
25 ation and lay the groundwork for long-term resil-

1 ience and prosperity by leveraging significant private
2 sector and philanthropic investment to make the
3 most of Federal funding.

4 **SEC. 3. PURPOSES.**

5 The purposes of this Act are—

6 (1) to strengthen rural, suburban, and urban
7 economies by enabling communities to establish
8 goals for the future and to chart a course for achiev-
9 ing such goals;

10 (2) to promote local leadership by encouraging
11 communities to develop innovative solutions that re-
12 flect the unique economic assets and needs of the
13 communities;

14 (3) to maximize returns on Federal funding of
15 housing, transportation, and other infrastructure
16 projects through the coordination of Federal grant
17 programs, regulations, and requirements, by reduc-
18 ing the number of duplicative Federal programs and
19 improving the efficiency and effectiveness of pro-
20 grams and policies of the Department of Housing
21 and Urban Development, the Department of Trans-
22 portation, the Environmental Protection Agency,
23 and other Federal agencies, as appropriate; and

24 (4) to ensure that Federal funding supports lo-
25 cally defined long range development goals.

1 **SEC. 4. DEFINITIONS.**

2 In this Act, the following definitions shall apply:

3 (1) AFFORDABLE HOUSING.—The term “afford-
4 able housing” means housing, the cost of which does
5 not exceed 30 percent of the income of a family.

6 (2) COMPREHENSIVE REGIONAL PLAN.—The
7 term “comprehensive regional plan” means a plan
8 that—

9 (A) uses a cooperative, locally controlled,
10 and inclusive public engagement process to
11 identify needs and goals across a region and to
12 integrate related planning processes;

13 (B) prioritizes projects for implementation,
14 including healthy housing projects; and

15 (C) is tied to capital improvement pro-
16 grams and annual budgets.

17 (3) DEPARTMENT.—The term “Department”
18 means the Department of Housing and Urban De-
19 velopment.

20 (4) DIRECTOR.—The term “Director” means
21 the Director of the Office of Sustainable Housing
22 and Communities established under section 5.

23 (5) EXTREMELY LOW-INCOME FAMILY.—The
24 term “extremely low-income family” means a family
25 that has an income that does not exceed—

1 (A) 30 percent of the median income in
2 the area in which the family lives, as deter-
3 mined by the Secretary, with appropriate ad-
4 justments for the size of the family; or

5 (B) a percentage of the median income in
6 the area in which the family lives, as deter-
7 mined by the Secretary upon a finding by the
8 Secretary that such percentage is necessary due
9 to unusually high or low family incomes in the
10 area in which the family lives, with appropriate
11 adjustments for the size of the family.

12 (6) HEALTHY HOUSING.—The term “healthy
13 housing” means housing that is designed, con-
14 structed, rehabilitated, and maintained in a manner
15 that supports the health of the occupants of the
16 housing.

17 (7) HOUSING-RELATED HEALTH HAZARD.—The
18 term “housing-related health hazard” means any bi-
19 ological, physical, or chemical source of exposure or
20 condition in, or immediately adjacent to, housing
21 that could adversely affect human health.

22 (8) INDIAN TRIBE.—The term “Indian tribe”
23 has the meaning given that term in section 4 of the
24 Native American Housing Assistance and Self-De-
25 termination Act of 1996 (25 U.S.C. 4103).

1 (9) LIVABLE COMMUNITY.—The term “livable
2 community” means a metropolitan, urban, suburban,
3 or rural community that—

4 (A) provides safe, reliable, affordable, and
5 accessible transportation choices;

6 (B) provides long-term affordable, acces-
7 sible, energy-efficient, and location-efficient
8 housing choices for people of all ages, incomes,
9 races, and ethnicities;

10 (C) supports, revitalizes, and encourages
11 the growth of existing communities and maxi-
12 mizes the cost-effectiveness of existing infra-
13 structure;

14 (D) promotes economic development and
15 economic competitiveness;

16 (E) preserves the environment and natural
17 resources;

18 (F) protects agricultural land, rural land,
19 and green spaces; and

20 (G) supports public health and improves
21 the quality of life for residents of, and workers
22 in, the community.

23 (10) LOCATION-EFFICIENT.—The term “loca-
24 tion-efficient” characterizes mixed-use development
25 or neighborhoods that integrate housing, transpor-

1 tation choices, commercial development, and facili-
2 ties and amenities—

3 (A) to lower living expenses for working
4 families;

5 (B) to enhance mobility;

6 (C) to encourage private investment in
7 transit-oriented development; and

8 (D) to encourage private sector infill devel-
9 opment and maximize the use of existing infra-
10 structure.

11 (11) LOW-INCOME FAMILY.—The term “low-in-
12 come family” has the meaning given that term in
13 section 3(b) of the United States Housing Act of
14 1937 (42 U.S.C. 1437a(b)).

15 (12) METROPOLITAN PLANNING ORGANIZA-
16 TION.—The term “metropolitan planning organiza-
17 tion” means a metropolitan planning organization
18 described in section 134(b) of title 23, United States
19 Code or section 5303(b) of title 49, United States
20 Code.

21 (13) OFFICE.—The term “Office” means the
22 Office of Sustainable Housing and Communities es-
23 tablished under section 5.

1 (14) REGIONAL COUNCIL.—The term “regional
2 council” means a multiservice regional organization
3 with State and locally defined boundaries that is—

4 (A) accountable to units of general local
5 government;

6 (B) delivers a variety of Federal, State,
7 and local programs; and

8 (C) performs planning functions and pro-
9 vides professional and technical assistance.

10 (15) RURAL PLANNING ORGANIZATION.—The
11 term “rural planning organization” means a vol-
12 untary regional organization of local elected officials
13 and representatives of local transportation sys-
14 tems—

15 (A) that—

16 (i) works in cooperation with the de-
17 partment of transportation (or equivalent
18 entity) of a State to plan transportation
19 networks and advise officials of the State
20 on transportation planning; and

21 (ii) is located in a rural area—

22 (I) with a population of not less
23 than 5,000; and

1 (II) that is not located in an area
2 represented by a metropolitan plan-
3 ning organization; or

4 (B) that is a regional transportation plan-
5 ning organization, as defined in section 5303 of
6 title 49, United States Code.

7 (16) SECRETARY.—The term “Secretary”
8 means the Secretary of Housing and Urban Develop-
9 ment.

10 (17) STATE.—The term “State” has the mean-
11 ing given that term by the Secretary, by rule.

12 (18) TRANSIT-ORIENTED DEVELOPMENT.—The
13 term “transit-oriented development” means high-
14 density, walkable, and location-efficient mixed-use
15 development, including commercial development, af-
16 fordable housing, and market-rate housing, that is
17 within walking distance of and accessible to 1 or
18 more public transportation facilities.

19 (19) UNIT OF GENERAL LOCAL GOVERN-
20 MENT.—The term “unit of general local govern-
21 ment” means—

22 (A) a city, county, town, township, parish,
23 village, or other general purpose political sub-
24 division of a State; or

1 (B) a combination of general purpose polit-
 2 ical subdivisions, as determined by the Sec-
 3 retary.

4 (20) UNIT OF SPECIAL PURPOSE LOCAL GOV-
 5 ERNMENT.—The term “unit of special purpose local
 6 government”—

7 (A) means a division of a unit of general
 8 purpose government that serves a special pur-
 9 pose and does not provide a broad array of
 10 services; and

11 (B) includes an entity such as a school dis-
 12 trict, a housing agency, a transit agency, and a
 13 parks and recreation district.

14 (21) VERY LOW-INCOME FAMILY.—The term
 15 “very low-income family” has the meaning given
 16 that term in section 3(b) of the United States Hous-
 17 ing Act of 1937 (42 U.S.C. 1437a(b)).

18 **SEC. 5. OFFICE OF SUSTAINABLE HOUSING AND COMMU-**
 19 **NITIES.**

20 (a) OFFICE ESTABLISHED.—There is established in
 21 the Department an Office of Sustainable Housing and
 22 Communities, which shall—

23 (1) coordinate Federal policies that—

1 (A) encourage locally directed comprehen-
2 sive and integrated planning and development
3 at the State, regional, and local levels;

4 (B) encourage coordinated public invest-
5 ments through the development of comprehen-
6 sive regional plans;

7 (C) provide long-term affordable, acces-
8 sible, energy-efficient, healthy, and location-effi-
9 cient housing choices for people of all ages, in-
10 comes, races, and ethnicities, particularly for
11 low-, very low-, and extremely low-income fami-
12 lies; and

13 (D) achieve other goals consistent with the
14 purposes of this Act;

15 (2) review Federal programs and policies to de-
16 termine barriers to interagency collaboration and
17 make recommendations to promote the ability of
18 local communities to access resources in the Depart-
19 ment and throughout the Federal Government and
20 coordinate with and conduct outreach to Federal
21 agencies, including the Department of Transpor-
22 tation and the Environmental Protection Agency, on
23 methods to reduce duplicative programs and improve
24 the efficiency and effectiveness of programs within

1 the Department of Transportation, the Environ-
2 mental Protection Agency, and the Department;

3 (3) conduct research and advise the Secretary
4 on the research agenda of the Department relating
5 to coordinated development, in collaboration with the
6 Office of Policy Development and Research of the
7 Department;

8 (4) implement and oversee the grant programs
9 established under this Act by—

10 (A) developing the process and format for
11 grant applications for each grant program;

12 (B) promulgating regulations or guidance
13 relating to each grant program;

14 (C) selecting recipients of grants under
15 each grant program;

16 (D) creating performance measures for re-
17 cipients of grants under each grant program;

18 (E) developing technical assistance and
19 other guidance to assist recipients of grants and
20 potential applicants for grants under each grant
21 program;

22 (F) monitoring and evaluating the per-
23 formance of recipients of grants under each
24 grant program; and

1 (G) carrying out such other activities relat-
2 ing to the administration of the grant programs
3 under this Act as the Secretary determines are
4 necessary;

5 (5) provide guidance, information on best prac-
6 tices, and technical assistance to communities seek-
7 ing to adopt sustainable development policies and
8 practices;

9 (6) administer initiatives of the Department re-
10 lating to the policies described in paragraph (1), as
11 determined by the Secretary; and

12 (7) work with the Federal Transit Administra-
13 tion and the Federal Highway Administration of the
14 Department of Transportation and other offices and
15 administrations of the Department of Transpor-
16 tation, as appropriate—

17 (A) to encourage transit-oriented develop-
18 ment; and

19 (B) to coordinate Federal housing, commu-
20 nity development, and transportation policies,
21 including the policies described in paragraph
22 (1).

23 (b) DIRECTOR.—The head of the Office shall be the
24 Director of the Office of Sustainable Housing and Com-
25 munities.

1 (c) DUTIES RELATING TO GRANT PROGRAMS.—

2 (1) IN GENERAL.—The Director shall carry out
3 the grant programs established under this Act.

4 (2) SMALL AND RURAL COMMUNITIES GRANT
5 PROGRAM.—The Director shall coordinate with the
6 Secretary of Agriculture to make grants to small
7 and rural communities under sections 7 and 8.

8 (3) TECHNICAL ASSISTANCE FOR GRANT RE-
9 CIPIENTS AND APPLICANTS.—The Director may—

10 (A) coordinate with other Federal agencies
11 to establish interagency and multidisciplinary
12 teams to provide technical assistance to recipi-
13 ents of, and prospective applicants for, grants
14 under this Act;

15 (B) by Federal interagency agreement,
16 transfer funds to another Federal agency to fa-
17 cilitate and support technical assistance; and

18 (C) make contracts with third parties to
19 provide technical assistance to grant recipients
20 and prospective applicants for grants.

21 **SEC. 6. COMPREHENSIVE PLANNING GRANT PROGRAM.**

22 (a) DEFINITIONS.—In this section, the following defi-
23 nitions shall apply:

24 (1) CONSORTIUM OF UNITS OF GENERAL LOCAL
25 GOVERNMENTS.—The term “consortium of units of

1 general local governments” means a consortium of
 2 geographically contiguous units of general local gov-
 3 ernment that the Secretary determines—

4 (A) represents all or part of a metropolitan
 5 statistical area, a micropolitan statistical area,
 6 or a noncore area;

7 (B) has the authority under State, tribal,
 8 or local law to carry out planning activities, in-
 9 cluding surveys, land use studies, environmental
 10 or public health analyses, and development of
 11 urban revitalization plans; and

12 (C) has provided documentation to the
 13 Secretary sufficient to demonstrate that the
 14 purpose of the consortium is to carry out a
 15 project using a grant awarded under this Act.

16 (2) ELIGIBLE ENTITY.—The term “eligible enti-
 17 ty” means—

18 (A) a partnership between a consortium of
 19 units of general local government and an eligi-
 20 ble partner; or

21 (B) an Indian tribe, if—

22 (i) the Indian tribe has—

23 (I) a tribal entity that performs
 24 housing and land use planning func-
 25 tions; and

1 (II) a tribal entity that performs
2 transportation and transportation
3 planning functions; and

4 (ii) the Secretary determines that the
5 isolated location and land expense of the
6 Indian tribe require the Secretary to treat
7 the tribe as an eligible entity for purposes
8 of carrying out activities using a grant
9 awarded under this section.

10 (3) ELIGIBLE PARTNER.—The term “eligible
11 partner” means—

12 (A) a metropolitan planning organization,
13 a rural planning organization, or a regional
14 council; or

15 (B) a metropolitan planning organization,
16 a rural planning organization, or a regional
17 council, and—

18 (i) a State;

19 (ii) an Indian tribe;

20 (iii) a State and an Indian tribe; or

21 (iv) an institution of higher education.

22 (4) GRANT PROGRAM.—The term “grant pro-
23 gram” means the comprehensive planning grant pro-
24 gram established under subsection (b).

1 (5) NONCORE AREA.—The term “noncore area”
2 means a county or group of counties that are not
3 designated by the Office of Management and Budget
4 as a micropolitan statistical area or metropolitan
5 statistical area.

6 (b) COMPREHENSIVE PLANNING GRANT PROGRAM
7 ESTABLISHED.—The Director shall establish a com-
8 prehensive planning grant program to make grants to eli-
9 gible entities to carry out a project—

10 (1) to coordinate locally defined planning proc-
11 esses across jurisdictions and agencies;

12 (2) to identify regional partnerships for devel-
13 oping and implementing a comprehensive regional
14 plan;

15 (3) to conduct or update assessments to deter-
16 mine regional needs and promote economic and com-
17 munity development;

18 (4) to develop or update—

19 (A) a comprehensive regional plan; or

20 (B) goals and strategies to implement an
21 existing comprehensive regional plan and other
22 related activities; and

23 (5) to identify local zoning and other code
24 changes necessary to implement a comprehensive re-
25 gional plan and promote sustainable development.

1 (c) GRANTS.—

2 (1) DIVERSITY OF GRANTEES.—The Director
3 shall ensure geographic diversity among and ade-
4 quate representation from each of the following cat-
5 egories:

6 (A) SMALL AND RURAL COMMUNITIES.—
7 Eligible entities that represent all or part of a
8 noncore area, a micropolitan area, or a small
9 metropolitan statistical area with a population
10 of not more than 200,000.

11 (B) MID-SIZED METROPOLITAN COMMU-
12 NITIES.—Eligible entities that represent all or
13 part of a metropolitan statistical area with a
14 population of more than 200,000 and not more
15 than 500,000.

16 (C) LARGE METROPOLITAN COMMU-
17 NITIES.—Eligible entities that represent all or
18 part of a metropolitan statistical area with a
19 population of more than 500,000.

20 (2) AWARD OF FUNDS TO SMALL AND RURAL
21 COMMUNITIES.—

22 (A) IN GENERAL.—The Director shall—

23 (i) award not less than 15 percent of
24 the funds under the grant program to eli-

1 gible entities described in paragraph
2 (1)(A); and

3 (ii) ensure diversity among the geo-
4 graphic regions and the size of the popu-
5 lation of the communities served by recipi-
6 ents of grants that are eligible entities de-
7 scribed in paragraph (1)(A).

8 (B) INSUFFICIENT APPLICATIONS.—If the
9 Director determines that insufficient approvable
10 applications have been submitted by eligible en-
11 tities described in paragraph (1)(A), the Direc-
12 tor may award less than 15 percent of the
13 funds under the grant program to eligible enti-
14 ties described in paragraph (1)(A).

15 (3) FEDERAL SHARE.—

16 (A) IN GENERAL.—Except as provided in
17 subparagraph (B), the Federal share of the cost
18 of a project carried out using a grant under the
19 grant program may not exceed 80 percent.

20 (B) EXCEPTIONS.—

21 (i) SMALL AND RURAL COMMU-
22 NITIES.—In the case of an eligible entity
23 described in paragraph (1)(A), the Federal
24 share of the cost of a project carried out

1 using a grant under the grant program
2 may be 90 percent.

3 (ii) INDIAN TRIBES.—In the case of
4 an eligible entity that is an Indian tribe,
5 the Federal share of the cost of a project
6 carried out using a grant under the grant
7 program may be 100 percent.

8 (C) NON-FEDERAL SHARE.—

9 (i) IN-KIND CONTRIBUTIONS.—For
10 the purposes of this section, in-kind con-
11 tributions may be used for all or part of
12 the non-Federal share of the cost of a
13 project carried out using a grant under the
14 grant program.

15 (ii) OTHER FEDERAL FUNDING.—
16 Federal funding from sources other than
17 the grant program may not be used for the
18 non-Federal share of the cost of a project
19 carried out using a grant under the grant
20 program.

21 (4) AVAILABILITY OF FUNDS.—

22 (A) IN GENERAL.—An eligible entity that
23 receives a grant under the grant program
24 shall—

1 (i) obligate any funds received under
2 the grant program not later than 2 years
3 after the date on which the grant agree-
4 ment under subsection (g) is made; and

5 (ii) expend any funds received under
6 the grant program not later than 4 years
7 after the date on which the grant agree-
8 ment under subsection (g) is made.

9 (B) UNOBLIGATED AMOUNTS.—After the
10 date described in subparagraph (A)(i), the Sec-
11 retary may award to another eligible entity, to
12 carry out activities under this section, any
13 amounts that an eligible entity has not obli-
14 gated under subparagraph (A)(i).

15 (d) APPLICATION.—

16 (1) IN GENERAL.—An eligible entity that de-
17 sires a grant under this section shall submit to the
18 Director an application, at such time and in such
19 manner as the Director shall prescribe, that con-
20 tains—

21 (A) a description of the project proposed to
22 be carried out by the eligible entity;

23 (B) a budget for the project that includes
24 the anticipated Federal share of the cost of the

1 project and a description of the source of the
2 non-Federal share;

3 (C) the designation of a lead agency or or-
4 ganization, which may be the eligible entity, to
5 receive and manage any funds received by the
6 eligible entity under the grant program;

7 (D) a signed copy of a memorandum of
8 understanding among local jurisdictions, includ-
9 ing, as appropriate, a State, an Indian tribe,
10 units of general purpose local government, units
11 of special purpose local government, metropoli-
12 tan planning organizations, rural planning or-
13 ganizations, and regional councils that dem-
14 onstrates—

15 (i) the creation of an eligible entity;

16 (ii) a description of the nature and ex-
17 tent of planned collaboration between the
18 eligible entity and any partners of the eligi-
19 ble entity;

20 (iii) a commitment to develop a com-
21 prehensive regional plan; and

22 (iv) a commitment to implement the
23 plan after the plan is developed;

24 (E) a certification that the eligible entity
25 has—

1 (i) secured the participation, or made
2 a good-faith effort to secure the partici-
3 tion, of transportation providers and public
4 housing agencies within the area affected
5 by the comprehensive regional plan and the
6 entities described in clause (ii); and

7 (ii) created, or will create not later
8 than 1 year after the date of the grant
9 award, a regional advisory board to provide
10 input and feedback on the development of
11 the comprehensive regional plan that in-
12 cludes representatives of a State, the met-
13 ropolitan planning organization, the rural
14 planning organization, the regional council,
15 local jurisdictions, non-profit organizations,
16 and others, as deemed appropriate by the
17 eligible entity, given the local context of
18 the comprehensive planning effort;

19 (F) a certification that the eligible entity
20 has solicited public comment on the contents of
21 the project description under subparagraph (A)
22 that includes—

23 (i) a description of the process for re-
24 ceiving public comment relating to the pro-
25 posal; and

1 (ii) such other information as the Di-
2 rector may require;

3 (G) a description of how the eligible entity
4 will carry out the activities under subsection (f);
5 and

6 (H) such additional information as the Di-
7 rector may require.

8 (2) INDIAN TRIBES.—An eligible entity that is
9 an Indian tribe is not required to submit the certifi-
10 cation under paragraph (1)(E).

11 (e) SELECTION.—In evaluating an application for a
12 grant under the grant program, the Director shall con-
13 sider the extent to which the application—

14 (1) demonstrates that the applicant has or will
15 have the legal, financial, and technical capacity to
16 carry out the project;

17 (2) demonstrates the extent to which the con-
18 sortium has developed partnerships throughout an
19 entire region, including, as appropriate, partnerships
20 with the entities described in subsection (d)(1)(D);

21 (3) demonstrates integration with local efforts
22 in economic development and job creation;

23 (4) demonstrates a strategy for implementing a
24 comprehensive regional plan through regional infra-
25 structure investment plans and local land use plans;

1 (5) promotes diversity among the geographic re-
2 gions and the size of the population of the commu-
3 nities served by recipients of grants under this sec-
4 tion;

5 (6) demonstrates a commitment to seeking sub-
6 stantial public input during the planning process
7 and public participation in the development of the
8 comprehensive regional plan;

9 (7) demonstrates that a Federal grant is nec-
10 essary to accomplish the project proposed to be car-
11 ried out;

12 (8) minimizes the Federal share necessary to
13 carry out the project and leverages State, local, or
14 private resources; and

15 (9) demonstrates such other qualities as the Di-
16 rector may determine.

17 (f) ELIGIBLE ACTIVITIES.—An eligible entity that re-
18 ceives a grant under this section shall carry out a project
19 that includes 1 or more of the following activities:

20 (1) Coordinating locally defined planning proc-
21 esses across jurisdictions and agencies.

22 (2) Identifying potential regional partnerships
23 for developing and implementing a comprehensive
24 regional plan.

1 (3) Conducting or updating assessments to de-
2 termine regional needs, including healthy housing,
3 and promote economic and community development.

4 (4) Developing or updating—

5 (A) a comprehensive regional plan; or

6 (B) goals and strategies to implement an
7 existing comprehensive regional plan.

8 (5) Implementing local zoning and other code
9 changes necessary to implement a comprehensive re-
10 gional plan and promote sustainable development.

11 (g) GRANT AGREEMENT.—Each eligible entity that
12 receives a grant under the grant program shall agree to
13 establish, in coordination with the Director, performance
14 measures, reporting requirements, and any other require-
15 ments that the Director determines are necessary, that the
16 eligible entity shall meet at the end of each year in which
17 the eligible entity receives funds under the grant program.

18 (h) PUBLIC OUTREACH.—

19 (1) OUTREACH REQUIRED.—Each eligible entity
20 that receives a grant under the grant program shall
21 perform substantial outreach activities—

22 (A) to engage a broad cross-section of
23 community stakeholders in the process of devel-
24 oping a comprehensive regional plan, including
25 low-income families, minorities, older adults,

1 and economically disadvantaged community
2 members; and

3 (B) to create an effective means for stake-
4 holders to participate in the development and
5 implementation of a comprehensive regional
6 plan.

7 (2) FINALIZATION OF COMPREHENSIVE RE-
8 GIONAL PLAN.—

9 (A) IN GENERAL.—An eligible entity that
10 receives a grant under the grant program may
11 not finalize a comprehensive regional plan be-
12 fore the eligible entity holds a public hearing to
13 obtain the views of citizens, public agencies, and
14 other interested parties.

15 (B) AVAILABILITY OF INFORMATION.—Not
16 later than 30 days before a hearing described in
17 subparagraph (A), an eligible entity shall make
18 the proposed comprehensive regional plan and
19 all information relevant to the hearing—

20 (i) available to the public for inspec-
21 tion during normal business hours; and

22 (ii) available on a publically accessible
23 website.

1 (C) NOTICE.—Not later than 30 days be-
 2 fore a hearing described in subparagraph (A),
 3 an eligible entity shall publish notice—

4 (i) of the hearing; and

5 (ii) that the information described in
 6 subparagraph (B) is available.

7 (i) VIOLATION OF GRANT AGREEMENT OR FAILURE
 8 TO COMPLY WITH PUBLIC OUTREACH REQUIREMENTS.—

9 If the Director determines that an eligible entity has not
 10 met the performance measures established in the grant
 11 agreement under subsection (g), is not making reasonable
 12 progress toward meeting such measures, is otherwise in
 13 violation of the grant agreement, or has not complied with
 14 the public outreach requirements under subsection (h), the
 15 Director may—

16 (1) withhold financial assistance until the re-
 17 quirements under the grant agreement or under sub-
 18 section (h), as applicable, are met; or

19 (2) terminate the grant agreement.

20 (j) REPORT ON THE COMPREHENSIVE PLANNING
 21 GRANT.—

22 (1) IN GENERAL.—Not later than 90 days after
 23 the date on which the grant agreement under sub-
 24 section (g) expires, an eligible entity that receives a

1 grant under the grant program shall submit a final
2 report on the project to the Secretary.

3 (2) CONTENTS OF REPORT.—The report shall
4 include—

5 (A) a detailed explanation of the activities
6 undertaken using the grant, including an expla-
7 nation of the completed project and how it
8 achieves specific transit-oriented, transpor-
9 tation, housing, or sustainable community goals
10 within the region;

11 (B) a discussion of any obstacles encoun-
12 tered in the planning process and how the eligi-
13 ble entity overcame the obstacles;

14 (C) an evaluation of the success of the
15 project using the performance measures estab-
16 lished in the grant agreement under subsection
17 (g), including an evaluation of the planning
18 process and how the project contributes to car-
19 rying out the comprehensive regional plan; and

20 (D) any other information the Director
21 may require.

22 (3) INTERIM REPORT.—The Director may re-
23 quire an eligible entity to submit an interim report
24 before the date on which the project for which the
25 grant is awarded is completed.

1 (k) AUTHORIZATION OF APPROPRIATIONS.—

2 (1) AUTHORIZATION.—There are authorized to
3 be appropriated to the Secretary for the award of
4 grants under this section, to remain available until
5 expended—

6 (A) \$100,000,000 for fiscal year 2015; and

7 (B) \$125,000,000 for each of fiscal years
8 2016 through 2019.

9 (2) TECHNICAL ASSISTANCE.—The Director
10 may use not more than 2 percent of the amounts
11 made available under this subsection for a fiscal
12 year for technical assistance under section 5(c)(3).

13 **SEC. 7. COMMUNITY CHALLENGE GRANT PROGRAM.**

14 (a) DEFINITIONS.—In this section—

15 (1) the terms “consortium of units of general
16 local governments”, “eligible entity”, and “eligible
17 partner” have the meanings given those terms in
18 section 6; and

19 (2) the term “grant program” means the com-
20 munity challenge grant program established under
21 subsection (b).

22 (b) COMMUNITY CHALLENGE GRANT PROGRAM ES-
23 TABLISHED.—The Director shall establish a community
24 challenge grant program to make grants to eligible entities
25 to—

1 (1) promote integrated planning and invest-
2 ments across policy and governmental jurisdictions;
3 and

4 (2) implement projects identified in a com-
5 prehensive regional plan.

6 (c) GRANTS.—

7 (1) DIVERSITY OF GRANTEES.—The Director
8 shall ensure geographic diversity among and ade-
9 quate representation from eligible entities in each of
10 the categories described in section 6(e)(1).

11 (2) TERMS AND CONDITIONS.—Except as other-
12 wise provided in this section, a grant under the
13 grant program shall be made on the same terms and
14 conditions as a grant under section 6.

15 (3) EXPENDING FUNDS.—An eligible entity
16 that receives a grant under the grant program shall
17 expend any funds received under the grant program
18 not later than 5 years after the date on which the
19 grant agreement under subsection (g) is made.

20 (d) APPLICATION.—

21 (1) CONTENTS.—An eligible entity that desires
22 a grant under the grant program shall submit to the
23 Director an application, at such time and in such
24 manner as the Director shall prescribe, that con-
25 tains—

1 (A) a copy of the comprehensive regional
2 plan, whether developed as part of the com-
3 prehensive planning grant program under sec-
4 tion 6 or developed independently;

5 (B) a description of the project or projects
6 proposed to be carried out using a grant under
7 the grant program;

8 (C) a description of any preliminary ac-
9 tions that have been or must be taken at the
10 local or regional level to implement the project
11 or projects described under subparagraph (B),
12 including the revision of land use or zoning
13 policies;

14 (D) a signed copy of a memorandum of
15 understanding among local jurisdictions, includ-
16 ing, as appropriate, a State, units of general
17 purpose local government, units of special pur-
18 pose local government, metropolitan planning
19 organizations, rural planning organizations, and
20 regional councils that demonstrates—

21 (i) the creation of a consortium of
22 units of general local government; and

23 (ii) a commitment to implement the
24 activities described in the comprehensive
25 regional plan;

1 (E) a certification that the eligible entity
2 has solicited public comment on the contents of
3 the project or projects described in subpara-
4 graph (B) that includes—

5 (i) a certification that the eligible en-
6 tity made information about the project or
7 projects available and afforded citizens,
8 public agencies, and other interested par-
9 ties a reasonable opportunity to examine
10 the content of the project or projects and
11 to submit comments;

12 (ii) a description of the process for re-
13 ceiving public comment, and a description
14 of the outreach efforts to affected popu-
15 lations and stakeholders; and

16 (iii) a certification that the eligible en-
17 tity—

18 (I) held a public hearing to ob-
19 tain the views of citizens, public agen-
20 cies, and other interested parties;

21 (II) made the proposed project or
22 projects and all information relevant
23 to the hearing available for inspection
24 by the public during normal business

1 hours not less than 30 days before the
2 hearing under subclause (I); and

3 (III) published a notice informing
4 the public of the hearing under sub-
5 clause (I) and the availability of the
6 information described in subclause
7 (II);

8 (F) a budget for the project or projects
9 that includes the Federal share of the cost of
10 the project or projects requested and a descrip-
11 tion of the source of the non-Federal share; and

12 (G) such additional information as the Di-
13 rector may require.

14 (2) INDIAN TRIBES.—An eligible entity that is
15 an Indian tribe is not required to submit a memo-
16 randum of understanding under paragraph (1)(D).

17 (e) SELECTION.—In evaluating an application for a
18 grant under the grant program, the Director shall con-
19 sider the extent to which the application—

20 (1) demonstrates that the applicant has or will
21 have the legal, financial, and technical capacity to
22 carry out the project;

23 (2) demonstrates the extent to which the eligi-
24 ble entity has developed partnerships throughout an
25 entire region, including partnerships with units of

1 special purpose local government and transportation
2 providers;

3 (3) demonstrates clear and meaningful inter-
4 jurisdictional cooperation and coordination of hous-
5 ing (including healthy housing), transportation, and
6 environmental policies and plans;

7 (4) demonstrates a commitment to imple-
8 menting a comprehensive regional plan and docu-
9 ments action taken or planned to implement the
10 plan;

11 (5) minimizes the Federal share necessary to
12 carry out the project and leverages a significant
13 amount of State, local, or private resources;

14 (6) identifies original and innovative ideas to
15 overcoming regional problems, including local land
16 use and zoning (or other code) obstacles to carrying
17 out the comprehensive regional plan;

18 (7) promotes diversity among the geographic re-
19 gions and the size of the population of the commu-
20 nities served by recipients of grants under the grant
21 program;

22 (8) demonstrates a commitment to substantial
23 public input throughout the implementation process;

1 (9) demonstrates that a Federal grant is nec-
2 essary to accomplish the project or projects proposed
3 to be carried out; and

4 (10) demonstrates such other qualities as the
5 Director may determine.

6 (f) GRANT ACTIVITIES.—

7 (1) PLANNING ACTIVITIES.—

8 (A) IN GENERAL.—An eligible entity that
9 receives a grant under the grant program may
10 use not more than 10 percent of the grant for
11 planning activities.

12 (B) LIMITATION.—Activities related to the
13 updating, reform, or development of a local
14 code, plan, or ordinance to implement projects
15 contained in a comprehensive regional plan
16 shall not be considered planning activities for
17 the purposes of a grant under the grant pro-
18 gram.

19 (2) PROJECTS AND INVESTMENTS.—An eligible
20 entity that receives a grant under the grant program
21 shall carry out 1 or more projects that are designed
22 to achieve the goals identified in a comprehensive re-
23 gional plan.

24 (g) GRANT AGREEMENT.—Each eligible entity that
25 receives a grant under the grant program shall agree to

1 establish, in coordination with the Director, performance
2 measures, reporting requirements, and any other require-
3 ments that the Director determines are necessary, that the
4 eligible entity shall meet at the end of each year in which
5 the eligible entity receives funds under the grant program.

6 (h) VIOLATION OF GRANT AGREEMENT.—If the Di-
7 rector determines that an eligible entity has not met the
8 performance measures established under subsection (g), is
9 not making reasonable progress toward meeting such
10 measures, or is otherwise in violation of the grant agree-
11 ment, the Director may—

12 (1) withhold financial assistance until the re-
13 quirements under the grant agreement are met; or

14 (2) terminate the grant agreement.

15 (i) REPORT ON THE COMMUNITY CHALLENGE
16 GRANT.—

17 (1) IN GENERAL.—Not later than 90 days after
18 the date on which the grant agreement under sub-
19 section (g) expires, an eligible entity that receives a
20 grant under the grant program shall submit a final
21 report on the project to the Secretary.

22 (2) CONTENTS OF REPORT.—The report shall
23 include—

24 (A) a detailed explanation of the activities
25 undertaken using the grant, including an expla-

1 nation of the completed project and how it
2 achieves specific transit-oriented, transpor-
3 tation, housing, or sustainable community goals
4 within the region;

5 (B) a discussion of any obstacles encoun-
6 tered in the planning and implementation proc-
7 ess and how the eligible entity overcame the ob-
8 stacles;

9 (C) an evaluation of the success of the
10 project using the performance measures estab-
11 lished under subsection (g), including an eval-
12 uation of the planning and implementation
13 process and how the project contributes to car-
14 rying out the comprehensive regional plan; and

15 (D) any other information the Director
16 may require.

17 (3) INTERIM REPORT.—The Director may re-
18 quire an eligible entity to submit an interim report
19 before the date on which the project for which the
20 grant is awarded is completed.

21 (j) AUTHORIZATION OF APPROPRIATIONS.—

22 (1) AUTHORIZATION.—There are authorized to
23 be appropriated to the Secretary for the award of
24 grants under this section, to remain available until
25 expended—

1 (A) \$30,000,000 for each of fiscal years
2 2015 and 2016;

3 (B) \$35,000,000 for fiscal year 2017;

4 (C) \$40,000,000 for fiscal year 2018; and

5 (D) \$45,000,000 for fiscal year 2019.

6 **SEC. 8. CREDIT FACILITY TO SUPPORT TRANSIT-ORIENTED**
7 **DEVELOPMENT.**

8 (a) DEFINITIONS.—In this section, the following defi-
9 nitions shall apply:

10 (1) ELIGIBLE APPLICANT.—The term “eligible
11 applicant” means a State or local government.

12 (2) ELIGIBLE AREA.—The term “eligible area”
13 means the area within ½ mile of an existing or
14 planned major public transportation facility.

15 (3) ELIGIBLE BORROWER.—The term “eligible
16 borrower” means—

17 (A) a governmental entity, authority, agen-
18 cy, or instrumentality;

19 (B) a corporation, partnership, joint ven-
20 ture, or trust on behalf of which an eligible ap-
21 plicant has submitted an application under sub-
22 section (c); or

23 (C) any other legal entity undertaking an
24 infrastructure development project on behalf of

1 which an eligible applicant has submitted an
2 application under subsection (c).

3 (4) MAJOR PUBLIC TRANSPORTATION FACIL-
4 ITY.—The term “major public transportation facil-
5 ity” means—

6 (A) a fixed-guideway public transportation
7 station;

8 (B) a high speed rail or intercity rail sta-
9 tion connecting to public transportation;

10 (C) an intermodal facility connecting mul-
11 tiple public transportation lines; or

12 (D) a public transportation center located
13 in an area other than an urbanized area.

14 (5) PLANNED MAJOR PUBLIC TRANSPORTATION
15 FACILITY.—The term “planned major public trans-
16 portation facility” means a major public transpor-
17 tation facility for which—

18 (A) appropriate environmental reviews
19 have been completed; and

20 (B) funding for construction can be rea-
21 sonably anticipated.

22 (6) PROJECT.—The term “project” means an
23 infrastructure project that is used to support a tran-
24 sit-oriented development in an eligible area, includ-
25 ing—

1 (A) property enhancement, including con-
2 ducting environmental remediation, park devel-
3 opment, and open space acquisition;

4 (B) improvement of mobility, including re-
5 habilitating, or providing for additional, streets,
6 public transportation stations, structured park-
7 ing, walkways, and bikeways;

8 (C) utility development, including rehabili-
9 tating or relocating existing, or providing for
10 new drinking water, wastewater, electric, and
11 gas utilities; or

12 (D) community service facilities, such as
13 child care centers.

14 (7) PUBLIC TRANSPORTATION.—The term
15 “public transportation” has the meaning given that
16 term in section 5302 of title 49, United States Code.

17 (b) LOAN PROGRAM ESTABLISHED.—The Secretary,
18 in consultation with the Secretary of Transportation, may
19 make or guarantee loans under this section to eligible bor-
20 rowers for projects.

21 (c) APPLICATION.—

22 (1) IN GENERAL.—An eligible applicant may
23 submit to the Secretary an application for a loan or
24 loan guarantee under this section—

1 (A) to fund a project carried out by the eli-
2 gible applicant; or

3 (B) on behalf of an eligible borrower, to
4 fund a project carried out by the eligible bor-
5 rower.

6 (d) SELECTION CRITERIA.—

7 (1) IN GENERAL.—The Secretary may make a
8 loan or loan guarantee under this section for a
9 project that—

10 (A) is part of a community-wide develop-
11 ment plan, as defined by the Secretary;

12 (B) promotes sustainable development; and

13 (C) ensures that not less than 15 percent
14 of any housing units constructed or substan-
15 tially rehabilitated as part of transit-oriented
16 development supported by the project are af-
17 fordable over the long term to, and occupied at
18 time of initial occupancy by—

19 (i) renters with incomes at or below
20 60 percent of the area median income; or

21 (ii) homeowners with incomes at or
22 below 100 percent of the area median in-
23 come.

24 (2) CONSIDERATIONS.—The Secretary, in con-
25 sultation with the Secretary of Transportation, shall

1 select the recipients of loans and loan guarantees
2 under this section based on the extent to which—

3 (A) the transit-oriented development sup-
4 ported by the project will encourage increased
5 use of transit;

6 (B) the transit-oriented development sup-
7 ported by the project will create or preserve
8 long-term affordable housing units in addition
9 to the housing units required to be made avail-
10 able under paragraph (1)(C) or will provide
11 deeper affordability than required under para-
12 graph (1)(C);

13 (C) the project will facilitate and encour-
14 age additional development or redevelopment in
15 the overall public transportation station area;

16 (D) the local government has adopted poli-
17 cies that—

18 (i) promote long-term affordable hous-
19 ing; and

20 (ii) allow high-density, mixed-use de-
21 velopment near public transportation sta-
22 tions;

23 (E) the transit-oriented development sup-
24 ported by the project is part of a comprehensive
25 regional plan;

1 (F) the eligible borrower has established a
2 reliable, dedicated revenue source to repay the
3 loan;

4 (G) the project is not financially viable for
5 the eligible borrower without a loan or loan
6 guarantee under this section; and

7 (H) a loan or loan guarantee under this
8 section would be used in conjunction with non-
9 Federal resources to fund the project.

10 (e) ELIGIBLE SOURCES OF REPAYMENT.—A loan
11 made or guaranteed under this section shall be repayable,
12 in whole or in part, from dedicated revenue sources, which
13 may include—

14 (1) user fees;

15 (2) property tax revenues;

16 (3) sales tax revenues;

17 (4) other revenue sources dedicated to the
18 project by property owners and businesses; and

19 (5) a bond or other indebtedness backed by one
20 of the revenue sources listed in this paragraph.

21 (f) INTEREST RATE.—The Secretary shall establish
22 an interest rate for loans made or guaranteed under this
23 section with reference to a benchmark interest rate (com-
24 monly known as a “yield”) on marketable Treasury securi-

1 ties with a maturity that is similar to the loans made or
2 guaranteed under this section.

3 (g) MAXIMUM MATURITY.—The maturity of a loan
4 made or guaranteed under this section may not exceed the
5 lesser of—

6 (1) 35 years; or

7 (2) 90 percent of the useful life of any project
8 to be financed by the loan, as determined by the
9 Secretary.

10 (h) MAXIMUM LOAN GUARANTEE RATE.—

11 (1) IN GENERAL.—The guarantee rate on a
12 loan guaranteed under this section may not exceed
13 75 percent of the amount of the loan.

14 (2) LOWER GUARANTEE RATE FOR LOW-RISK
15 BORROWERS.—The Secretary shall establish a guar-
16 antee rate for loans to eligible borrowers that the
17 Secretary determines pose a lower risk of default
18 that is lower than the guarantee rate for loans to
19 other eligible borrowers.

20 (i) FEES.—The Secretary shall establish fees for
21 loans made or guaranteed under this section at a level that
22 is sufficient to cover all or part of the costs to the Federal
23 Government of making or guaranteeing a loan under this
24 section.

1 (j) NONSUBORDINATION.—A loan made or guaran-
2 teed under this section may not be subordinated to the
3 claims of any holder of an obligation relating to the project
4 in the event of bankruptcy, insolvency, or liquidation.

5 (k) COMMENCEMENT OF REPAYMENT.—The sched-
6 uled repayment of principal or interest on a loan made
7 or guaranteed under this section shall commence not later
8 than 5 years after the date of substantial completion of
9 a project.

10 (l) REPAYMENT DEFERRAL FOR LOANS.—

11 (1) IN GENERAL.—If, at any time after the
12 date of substantial completion of a project, the Sec-
13 retary determines that dedicated revenue sources of
14 an eligible borrower are insufficient to make the
15 scheduled loan repayments of principal and interest
16 on a loan made or guaranteed under this section, the
17 Secretary may, subject to criteria established by the
18 Secretary, allow the eligible borrower to add unpaid
19 principal and interest to the outstanding balance of
20 the loan.

21 (2) TREATMENT OF DEFERRED PAYMENTS.—

22 Any payment deferred under this section shall—

23 (A) continue to accrue interest until fully
24 repaid; and

1 (B) be scheduled to be amortized over the
2 remaining term of the loan.

3 (m) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated for the cost of loans and
5 loan guarantees under this section \$20,000,000 for each
6 of fiscal years 2015 through 2019.

7 **SEC. 9. HEALTHY HOMES.**

8 (a) FEDERAL INITIATIVE TO SUPPORT HEALTHY
9 HOUSING AND ERADICATE HOUSING-RELATED HEALTH
10 HAZARDS.—The Secretary, acting through the Director of
11 the Office of Healthy Homes and Lead Hazard Control
12 and in consultation with the Secretary of Energy, the Ad-
13 ministrator of the Environmental Protection Agency, the
14 Secretary of Agriculture, the Director of the National In-
15 stitute of Standards and Technology, the Director of the
16 National Institute of Environmental Health Sciences, and
17 the Director of the Centers for Disease Control, shall lead
18 the Federal initiative to support healthy housing and
19 eradicate housing-related health hazards by—

20 (1) reviewing, monitoring, and evaluating Fed-
21 eral housing, health, energy, and environmental pro-
22 grams and identifying areas of overlap and duplica-
23 tion that could be improved;

24 (2) identifying best practices and model pro-
25 grams, including practices and programs that link

1 services for low-income families and services for
2 health hazards;

3 (3) identifying best practices for finance prod-
4 ucts, building codes, and regulatory practices;

5 (4) researching training programs and work
6 practices that can accurately assess housing-related
7 health hazards;

8 (5) promoting collaboration among Federal,
9 State, local, and tribal agencies and non-govern-
10 mental organizations; and

11 (6) coordinating with all relevant Federal agen-
12 cies.

13 (b) ASSESSMENT.—The Secretary shall conduct a
14 collaborative, interagency assessment of best practices
15 for—

16 (1) coordinating activities relating to healthy
17 housing;

18 (2) removing unnecessary barriers to inter-
19 agency coordination in Federal statutes and regula-
20 tions; and

21 (3) creating incentives in programs of the Fed-
22 eral Government to advance the complementary
23 goals of improving environmental health, energy con-
24 servation, and the availability of housing.

1 (c) STUDY AND REPORT ON SUSTAINABLE BUILDING
2 FEATURES AND INDOOR ENVIRONMENTAL QUALITY IN
3 HOUSING.—

4 (1) STUDY.—The Secretary, in consultation
5 with the Secretary of Energy, the Director of the
6 National Institute of Standards and Technology, the
7 Director of the National Institute of Environmental
8 Health Sciences, the Director of the Centers for Dis-
9 ease Control, and any other Federal agency that the
10 Secretary determines is appropriate, shall conduct a
11 detailed study of how sustainable building features
12 in housing, such as energy efficiency, affect—

13 (A) the quality of the indoor environment;

14 (B) the prevalence of housing-related
15 health hazards; and

16 (C) the health of occupants of the housing.

17 (2) REPORT.—Not later than 3 years after the
18 date of enactment of this Act, the Secretary shall
19 submit to the Committee on Banking, Housing, and
20 Urban Affairs and the Committee on Appropriations
21 of the Senate and the Committee on Financial Serv-
22 ices and the Committee on Appropriations of the
23 House of Representatives a report containing the re-
24 sults of the study under paragraph (1).

1 (d) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated such sums as may be
3 necessary to carry out this section.

4 **SEC. 10. INELIGIBILITY OF INDIVIDUALS WHO ARE NOT**
5 **LAWFULLY PRESENT.**

6 (a) IN GENERAL.—No housing assisted using a grant
7 under this Act may be made available to an individual who
8 is not lawfully present in the United States.

9 (b) RULE OF CONSTRUCTION.—Nothing in this Act
10 may be construed to alter the restrictions or definitions
11 under section 214 of the Housing and Community Devel-
12 opment Act of 1980 (42 U.S.C. 1436a).

○