To authorize a grant program for the development and implementation of housing supply and affordability plans, and for other purposes.

A BILL

To authorize a grant program for the development and implementation of housing supply and affordability plans, and for other purposes.

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Housing Supply and Affordability Act”.

4 SEC. 2. LOCAL HOUSING POLICY GRANT PILOT PROGRAM.

5 (a) DEFINITIONS.—In this section:
(1) **DEPARTMENT.**—The term “Department” means the Department of Housing and Urban Development.

(2) **COST-BURDENED HOUSEHOLD.**—The term “cost-burdened household” means a household that spends not less than 30 percent of the income of the household on housing.

(3) **ELIGIBLE ENTITY.**—The term “eligible entity” means a State, a political subdivision of a State, a coalition of States or political subdivisions of States, an Indian Tribe, or a Native Hawaiian organization that—

(A) demonstrates, with respect to the area under the jurisdiction of the State, political subdivision, coalition, Indian Tribe, or organization—

(i) rising housing costs or a reasonable expectation that housing costs will rise in the area; and

(ii) a housing supply shortage;

(B) if applying for a planning grant—

(i) intends to develop, or is in the process of developing, a housing policy plan; and
(ii) demonstrates an intent to use a portion of the planning grant to engage with community stakeholders and housing practitioners in developing a housing policy plan; and

(C) if applying for an implementation grant—

(i) has adopted and plans to implement, or is in the process of implementing, a housing policy plan; and

(ii) demonstrates the engagement of community stakeholders and housing practitioners in developing the housing policy plan.

(4) HOUSING POLICY PLAN.—The term “housing policy plan” means a comprehensive plan of an eligible entity to, with respect to the area under the jurisdiction of the eligible entity—

(A) increase the housing supply in the area, while avoiding the displacement of the residents of the area;

(B) increase the affordability of housing in the area; and

(C) reduce barriers to housing development in the area.
(5) IMPLEMENTATION GRANT.—The term “implementation grant” means a grant awarded under subsection (c).

(6) INDIAN TRIBE.—The term “Indian Tribe” has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

(7) NATIVE HAWAIIAN ORGANIZATION.—The term “Native Hawaiian organization” has the meaning given the term in section 2 of the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001).

(8) PLANNING GRANT.—The term “planning grant” means a grant awarded under subsection (b).

(9) SECRETARY.—The term “Secretary” means the Secretary of Housing and Urban Development, acting through the Assistant Secretary for Community Planning and Development, in coordination with—

(A) the Office of Economic Resilience of the Office of Community Planning and Development of the Department;

(B) the Office of Policy Development and Research of the Department;
(C) the Office of Fair Housing and Equal
Opportunity of the Department;

(D) the Office of Housing of the Depart-
ment; and

(E) the Office of Public and Indian Hous-
ing of the Department.

(10) STATE.—The term “State” means any
State of the United States, the District of Columbia,
the Commonwealth of Puerto Rico, the Virgin Is-
lands, Guam, American Samoa, the Commonwealth
of the Northern Mariana Islands, and any possession
of the United States.

(b) PLANNING GRANTS.—The Secretary may award
grants on a competitive basis to eligible entities for the
purpose of developing and evaluating housing policy plans.

(e) IMPLEMENTATION GRANTS.—The Secretary may
award grants on a competitive basis to eligible entities for
the purpose of implementing housing policy plans.

(d) RURAL AREA MINIMUM.—The Secretary shall
award not less than 10 percent of the funds awarded to
eligible entities under this section to eligible entities lo-
cated in rural areas.

(e) APPLICATIONS.—

(1) IN GENERAL.—An eligible entity desiring a
grant under this section shall submit to the Sec-
Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to an eligible entity that—

(A) has or is likely to develop a housing policy plan that will—

(i) improve housing supply, affordability, and accessibility for all individuals of every race and income level;

(ii) reduce barriers to affordable housing development; and

(iii) avoid the displacement of residents by new housing developments in the area under the jurisdiction of the eligible entity;

(B) in developing or implementing a housing policy plan, intends to leverage and efficiently use funds from—

(i) another Federal, State, or local assistance program relating to housing; or

(ii) a private funding source;

(C) intends to—
(i) increase the supply and affordability of housing that is located—
   (I) near local transit options; and
   (II) in areas in which a significant or expanding supply of jobs or demand for employment is concentrated;
   (ii) coordinate with local transportation and workforce agencies in accomplishing the increase described in clause (i); and
   (iii) where appropriate, coordinate policy development for, and analysis and implementation of, the housing policy plan of the eligible entity at a regional scale to achieve a more equitable distribution of affordable housing across jurisdictional boundaries; or
   (D) is a coalition of States or political subdivisions of States.

(3) SCORING.—The Secretary shall base the degree of priority given to an eligible entity that satisfies 1 or more subparagraphs under paragraph (2) on a scoring system established by the Secretary.

(f) HOUSING POLICY PLAN GUIDANCE.—
(1) IN GENERAL.—The Secretary shall issue guidance that includes recommended policies, strategies, and reforms for eligible entities to adopt in housing policy plans to—

(A) improve the elasticity of housing supply;

(B) expand the supply and affordability of housing;

(C) reduce barriers to housing development; and

(D) meaningfully reduce housing segregation by income and race.

(2) POLICIES.—The guidance issued under paragraph (1) shall include recommendations for policies, strategies, and reforms to—

(A) encourage and support the repurposing of land or structures for housing development;

(B) allow for a greater variety of housing types;

(C) revise land use policies to allow for the development of more housing;

(D) streamline approval processes for housing development;

(E) provide financial incentives to support affordable housing development; and
(F) support inclusive engagement with
community members relating to reforms to ex-
pand housing supply.

(3) AREAS.—The guidance issued under para-
graph (1) shall include recommendations for policies,
strategies, and reforms for urban, suburban, and
rural areas.

(g) MATCHING REQUIREMENT.—

(1) IN GENERAL.—Subject to paragraph (3), an
eligible entity that receives a grant under this sec-
tion shall provide non-Federal contributions in an
amount equal to the amount of the grant.

(2) ELIGIBLE MATCHING FUNDS.—If an eligible
entity uses funds from another Federal assistance
program relating to housing in developing or imple-
menting a housing policy plan for which the eligible
entity also receives a grant under this section, any
non-Federal contribution made by the eligible entity
as part of that Federal assistance program shall be
counted towards the requirement under paragraph
(1).

(3) REDUCED MATCHING REQUIREMENT.—
Based on the available resources of an eligible enti-
ty, the Secretary may reduce the amount of non-
Federal contributions required to be provided by the eligible entity under paragraph (1).

(h) USE OF FUNDS.—

(1) PLANNING GRANTS.—An eligible entity receiving a planning grant shall use funds from the planning grant to finance activities to help develop and evaluate a housing policy plan for the area under the jurisdiction of the eligible entity, including—

(A) quantifying existing and projected housing needs for households of every income level, including extremely low-income families, as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b));

(B) documenting the characteristics of—

(i) the housing in the area;

(ii) the households of the area, including cost-burdened households; and

(iii) housing underproduction in the area;

(C) developing strategies to increase the housing supply and the variety of housing types in the area to satisfy the housing needs of the population of the area;
(D) analyzing population and employment trends in the area and documenting projections of those trends;

(E) considering strategies to minimize displacement of low-income families, as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)), as a result of re-development in the area;

(F) providing for participation and input from community members, community groups, local builders, local realtors, nonprofit housing advocates, and local religious groups; and

(G) creating a schedule of programs and actions to implement the recommendations of the housing policy plan, including a plan for adopting actions through a local implementing ordinance or another regulatory process, such as a land use plan or a comprehensive plan.

(2) IMPLEMENTATION AND PLANNING GRANTS.—An eligible entity receiving a grant under this section shall use a portion of the funds from the grant to submit the report required under subsection (j)(1).

(i) LEARNING NETWORK.—
(1) IN GENERAL.—Not later than 1 year after
the date on which the Secretary awards the first
planning grant or implementation grant under this
section, the Secretary shall establish a learning net-
work to—

(A) facilitate problem-solving relating to
the development and implementation of housing
policy plans; and

(B) disseminate best practices and effec-
tive strategies and policies to improve local
housing supply and affordability.

(2) ACCESSIBILITY.—The learning network es-
tablished under paragraph (1) shall be accessible
to—

(A) eligible entities that receive a grant
under this section; and

(B) eligible entities that submit an application
under subsection (e).

(j) REPORTS AND STUDY.—

(1) GRANT RECIPIENT REPORTS.—Not later
than 180 days after the date on which an eligible en-
tity receives a grant under this section, and not less
frequently than quarterly thereafter for a 3-year pe-
period, the eligible entity shall submit to the Secretary
a report that includes—
(A) a description of the expenditures the eligible entity has made with funds from the grant;

(B) for an eligible entity receiving a planning grant, a summary of the progress of the eligibility entity towards finalizing a housing policy plan; and

(C) for an eligible entity receiving an implementation grant, data relating to the success of the implementation of the housing policy plan of the eligible entity.

(2) Secretary study and report.—

(A) In general.—Not later than 5 years after the date of enactment of this Act, the Secretary shall conduct a study on—

(i) the impact of implementation grants and planning grants on the areas under the jurisdiction of eligible entities receiving those grants; and

(ii) successful strategies from housing policy plans that were impactful in—

(I) expanding the housing supply; and

(II) increasing the quantity of quality and affordable housing, while
avoiding the displacement of the resi-
dents of an area.

(B) REPORT.—Not later than 1 year after
the date on which the Secretary completes the
study required under subparagraph (A), the
Secretary shall submit to the appropriate com-
mittees of Congress a report on the study.

(k) APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be
appropriated, and there are appropriated, to the
Secretary, out of any money in the Treasury not
otherwise appropriated, $300,000,000 for each of
fiscal years 2022 through 2026 to carry out this
Act.

(2) EMERGENCY DESIGNATION.—

(A) IN GENERAL.—The amounts provided
by this section are designated as an emergency
requirement pursuant to section 4(g) of the
Statutory Pay-As-You-Go Act of 2010 (2
U.S.C. 933(g)).

(B) DESIGNATION IN SENATE.—In the
Senate, this section is designated as an emer-
gency requirement pursuant to section 4112(a)
of H. Con. Res. 71 (115th Congress), the con-
current resolution on the budget for fiscal year 2018.