

108TH CONGRESS  
1ST SESSION

# H. R. 1614

To reauthorize the HOPE VI program for revitalization of severely distressed public housing and to provide financial assistance under such program for main street revitalization or redevelopment projects in smaller communities to support the development of affordable housing for low-income families in connection with such projects, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2003

Mr. LEACH (for himself, Mr. WATT, Mr. DAVIS of Alabama, and Ms. HARRIS) introduced the following bill; which was referred to the Committee on Financial Services

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## A BILL

To reauthorize the HOPE VI program for revitalization of severely distressed public housing and to provide financial assistance under such program for main street revitalization or redevelopment projects in smaller communities to support the development of affordable housing for low-income families in connection with such projects, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “HOPE VI Program  
3 Reauthorization and Small Community Mainstreet Reju-  
4 venation and Housing Act of 2003.”

5 **SEC. 2. HOPE VI PROGRAM REAUTHORIZATION.**

6 (a) SELECTION CRITERIA.—Section 24(e)(2) of the  
7 United States Housing Act of 1937 (42 U.S.C.  
8 1437v(e)(2)) is amended—

9 (1) by striking the matter preceding subpara-  
10 graph (A) and inserting the following:

11 “(2) SELECTION CRITERIA.—The Secretary  
12 shall establish criteria for the award of grants under  
13 this section and shall include among the factors—”;

14 (2) in subparagraph (B), by striking “large-  
15 scale”;

16 (3) in subparagraph (D), by inserting “and on-  
17 going implementation” after “development”;

18 (4) in subparagraph (H), by striking “and” at  
19 the end;

20 (5) by redesignating subparagraph (I) as sub-  
21 paragraph (M); and

22 (6) by inserting after subparagraph (H) the fol-  
23 lowing new subparagraphs:

24 “(I) the extent to which the applicant can  
25 commence and complete the revitalization plan  
26 expeditiously;

1           “(J) the extent to which the plan mini-  
2 mizes temporary or permanent displacement of  
3 current residents of the public housing site who  
4 wish to remain in or return to the revitalized  
5 community;

6           “(K) the extent to which the plan sustains  
7 or creates more project-based housing units  
8 available to persons eligible for public housing  
9 in markets where there is demand for the main-  
10 tenance or creation of such units;

11           “(L) the extent to which the plan gives to  
12 existing residents priority for occupancy in  
13 dwelling units in the revitalized community;  
14 and.”.

15       (b) AUTHORIZATION OF APPROPRIATIONS.—Para-  
16 graph (1) of section 24(m) of the United States Housing  
17 Act of 1937 (42 U.S.C. 1437v(m)(1)) is amended by in-  
18 serting before the period at the end the following: “and  
19 such sums as may be necessary for each of fiscal years  
20 2004 and 2005”.

21       (c) EXTENSION OF PROGRAM.—Section 24(n) of the  
22 United States Housing Act of 1937 (42 U.S.C. 1437v(n))  
23 is amended by striking “September 30, 2004” and insert-  
24 ing “September 30, 2005”.

1 **SEC. 3. HOPE VI GRANTS FOR ASSISTING AFFORDABLE**  
 2 **HOUSING THROUGH MAIN STREET**  
 3 **PROJECTS.**

4 (a) PURPOSES.—Section 24(a) of the United States  
 5 Housing Act of 1937 (42 U.S.C. 1437v(a)) is amended  
 6 by adding after and below paragraph (4) the following:  
 7 “It is also the purpose of this section to provide assistance  
 8 to smaller communities for the purpose of facilitating the  
 9 development of affordable housing for low-income families  
 10 that is undertaken in connection with a main street re-  
 11 talization or redevelopment project in such communities.”.

12 (b) GRANTS FOR ASSISTING AFFORDABLE HOUSING  
 13 DEVELOPED THROUGH MAIN STREET PROJECTS IN  
 14 SMALLER COMMUNITIES.—Section 24 of the United  
 15 States Housing Act of 1937 (42 U.S.C. 1437v) is amend-  
 16 ed—

17 (1) by redesignating subsection (n) as sub-  
 18 section (o); and

19 (2) by inserting after subsection (m) the fol-  
 20 lowing new subsection:

21 “(n) GRANTS FOR ASSISTING AFFORDABLE HOUSING  
 22 DEVELOPED THROUGH MAIN STREET PROJECTS IN  
 23 SMALLER COMMUNITIES.—

24 “(1) AUTHORITY AND USE OF GRANT  
 25 AMOUNTS.—The Secretary may make grants under  
 26 this subsection to smaller communities. Such grant

1 amounts shall be used by smaller communities only  
2 to provide assistance to carry out eligible affordable  
3 housing activities under paragraph (3) in connection  
4 with an eligible project under paragraph (2).

5 “(2) ELIGIBLE PROJECT.—For purposes of this  
6 subsection, the term ‘eligible project’ means a  
7 project that—

8 “(A) the Secretary determines, under the  
9 criteria established pursuant to paragraph (3),  
10 is a main street project;

11 “(B) is carried out within the jurisdiction  
12 of smaller community receiving the grant; and

13 “(C) involves the development of affordable  
14 housing that is located in the commercial area  
15 that is the subject of the project.

16 “(3) MAIN STREET PROJECTS.—The Secretary  
17 shall establish requirements for a project to be con-  
18 sidered a main street project for purposes of this  
19 section, which shall require that the project—

20 “(A) has as its purpose the revitalization  
21 or redevelopment of a historic or traditional  
22 commercial area;

23 “(B) involves investment, or other partici-  
24 pation, by the government for, and private enti-

1           ties in, the community in which the project is  
2           carried out; and

3           “(C) complies with such historic preserva-  
4           tion guidelines or principles as the Secretary  
5           shall identify to preserve significant historic or  
6           traditional architectural and design features in  
7           the structures or area involved in the project.

8           “(4) ELIGIBLE AFFORDABLE HOUSING ACTIVI-  
9           TIES.—For purposes of this subsection, the activities  
10          described in subsection (d)(1) shall be considered eli-  
11          gible affordable housing activities, except that—

12           “(A) such activities shall be conducted  
13           with respect to affordable housing rather than  
14           with respect to severely distressed public hous-  
15           ing projects; and

16           “(B) eligible affordable housing activities  
17           under this subsection shall not include the ac-  
18           tivities described in subparagraphs (B) through  
19           (F) or (J) through (L) of subsection (d)(1).

20           “(5) MAXIMUM GRANT AMOUNT.—A grant  
21           under this subsection for a fiscal year for a single  
22           smaller community may not exceed \$1,000,000.

23           “(6) CONTRIBUTION REQUIREMENT.—A smaller  
24           community applying for a grant under this sub-  
25           section shall be considered an applicant for purposes

1 of subsection (c) (relating to contributions by appli-  
2 cants), except that—

3 “(A) such supplemental amounts shall be  
4 used only for carrying out eligible affordable  
5 housing activities; and

6 “(B) paragraphs (1)(B) and (3) shall not  
7 apply to grants under this subsection.

8 “(7) APPLICATIONS AND SELECTION.—

9 “(A) APPLICATION.—Pursuant to sub-  
10 section (e)(1), the Secretary shall provide for  
11 smaller communities to apply for grants under  
12 this subsection, except that the Secretary may  
13 establish such separate or additional criteria for  
14 applications for such grants as may be appro-  
15 priate to carry out this subsection.

16 “(B) SELECTION CRITERIA.—The Sec-  
17 retary shall establish selection criteria for the  
18 award of grants under this subsection, which  
19 shall be based on the selection criteria estab-  
20 lished pursuant to subsection (e)(2), with such  
21 changes as may be appropriate to carry out the  
22 purposes of this subsection.

23 “(8) COST LIMITS.—The cost limits established  
24 pursuant to subsection (f) shall apply to eligible af-

1       fordable housing activities assisted with grant  
2       amounts under this subsection.

3               “(9) INAPPLICABILITY OF OTHER PROVI-  
4       SIONS.—The provisions of subsections (g) (relating  
5       to disposition and replacement of severely distressed  
6       public housing), (h) (relating to administration of  
7       grants by other entities), and (i) (relating to with-  
8       drawal of funding) shall not apply to grants under  
9       this subsection.

10              “(10) REPORTING.—The Secretary shall require  
11       each smaller community receiving a grant under this  
12       subsection to submit a report regarding the use of  
13       all amounts provided under the grant.

14              “(11) DEFINITIONS.—For purposes of this sub-  
15       section, the following definitions shall apply:

16                      “(A) AFFORDABLE HOUSING.—The term  
17       ‘affordable housing’ means rental or home-  
18       ownership dwelling units that—

19                              “(i) are made available for initial oc-  
20       cupancy subject to the same rules regard-  
21       ing level of income and income mix as  
22       dwelling units in public housing projects  
23       assisted with a grant under this section;  
24       and

1           “(ii) are subject to the same rules re-  
2           garding occupant contribution toward rent  
3           or purchase and terms of rental or pur-  
4           chase as dwelling units in public housing  
5           projects assisted with a grant under this  
6           section.

7           “(B) SMALLER COMMUNITY.—The term  
8           ‘smaller community’ means a unit of general  
9           local government (as such term is defined in  
10          section 102 of the Housing and Community De-  
11          velopment Act of 1974 (42 U.S.C. 5302))  
12          that—

13                 “(i) has a population of 30,000 or  
14                 fewer; and

15                 “(ii)(I) may not be not served by a  
16                 public housing agency; or

17                 “(II) is served by a single public hous-  
18                 ing agency, which agency administers 100  
19                 or fewer public housing dwelling units.”.

20          (c) ANNUAL REPORT.—Section 24(l) of the United  
21 States Housing Act of 1937 (42 U.S.C. 1437v(l)) is  
22 amended—

23                 (1) in paragraph (3), by striking “; and” and  
24                 inserting “, including a specification of the amount

1 and type of assistance provided under subsection  
2 (n);”;

3 (2) by redesignating paragraph (4) as para-  
4 graph (5); and

5 (3) by inserting after paragraph (3) the fol-  
6 lowing new paragraph:

7 “(4) the types of projects funded, and number  
8 of affordable housing dwelling units developed with,  
9 grants under subsection (n); and”.

10 (d) FUNDING.—Section 24(m) of the United States  
11 Housing Act of 1937 (42 U.S.C. 1437v(m)) is amended  
12 by adding at the end the following new paragraph:

13 “(3) SET-ASIDE FOR MAIN STREET HOUSING  
14 GRANTS.—Of the amount appropriated pursuant to  
15 paragraph (1) for any fiscal year, the Secretary shall  
16 provide up to 5 percent for use only for grants  
17 under subsection (n).”.

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