

Calendar No. 716

111TH CONGRESS
2^D SESSION

S. 1619

To establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 6, 2009

Mr. DODD (for himself, Mr. MENENDEZ, Mr. MERKLEY, Mr. BENNET, Mr. AKAKA, Mr. SCHUMER, Ms. LANDRIEU, Mr. HARKIN, Mr. FRANKEN, Mr. LIEBERMAN, Mr. WYDEN, Mrs. GILLIBRAND, Mr. REED, Mr. LAUTENBERG, Mr. CARDIN, Mr. SPECTER, Mr. LEVIN, Mr. BROWN of Ohio, Mr. WARNER, Mr. DURBIN, Mr. SANDERS, Mrs. SHAHEEN, and Mr. CASEY) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

DECEMBER 19, 2010

Reported by Mr. DODD, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

A BILL

To establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, 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; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
 5 “Livable Communities Act of 2009”.

6 (b) **TABLE OF CONTENTS.**—The table of contents for
 7 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings.
- Sec. 3. Purposes.
- Sec. 4. Definitions.
- Sec. 5. Office of Sustainable Housing and Communities.
- Sec. 6. Interagency Council on Sustainable Communities.
- Sec. 7. Comprehensive planning grant program.
- Sec. 8. Sustainability challenge grant program.

8 **SEC. 2. FINDINGS.**

9 Congress finds the following:

10 (1) Demographic trends support the need for
 11 cooperation in land use planning and the develop-
 12 ment of housing and transportation. The population
 13 of the United States will grow from approximately
 14 307,000,000 people to approximately 439,000,000
 15 people during the period between 2009 and 2050, an
 16 increase of more than 40 percent.

17 (2) The demographic groups that are most like-
 18 ly to use public transportation are the groups that
 19 are projected to increase in size the most during the
 20 period between 2009 and 2025.

1 (3) By 2025, nearly 1 in every 5 people in the
2 United States will be 65 years of age or older.

3 (4) During the period between 1980 and 2000,
4 the growth of the largest 99 metropolitan areas in
5 the continental United States consumed 16,000,000
6 acres of rural land, or about 1 acre for every new
7 household.

8 (5) In 2007, traffic congestion caused people in
9 large and small metropolitan areas of the United
10 States to waste 4,200,000,000 hours in traffic and
11 to purchase an extra 2,800,000,000 gallons of fuel,
12 for a congestion cost of \$87,200,000,000. This rep-
13 represents a 5-fold increase in wasted time and cost
14 since 1982.

15 (6) The Energy Information Administration of
16 the Department of Energy forecasts that driving will
17 increase 59 percent between 2005 and 2030, far
18 outpacing the projected 23 percent increase in popu-
19 lation.

20 (7) According to the United States Census Bu-
21 reau, only 54 percent of households in the United
22 States have access to public transportation.

23 (8) In 2008, voters throughout the United
24 States approved State and local ballot initiatives
25 that supported public transportation 79 percent of

1 the time, even when it meant local taxes would be
2 raised or continued.

3 (9) Demographers estimate that as much as 30
4 percent of current demand for housing is for housing
5 in dense, walkable, mixed-use communities, and that
6 less than 2 percent of new housing is in this cat-
7 egory.

8 (10) The average household spends 19 percent
9 of its household budget on transportation, and some
10 very low-income households spend as much as 55
11 percent of the household budget on transportation.
12 Households with good access to public transpor-
13 tation spend only 9 percent of the household budget
14 on transportation, which increases the portion of the
15 household budget available for other critical house-
16 hold needs.

17 (11) The need for safe and affordable housing
18 is great. Fifty-four percent of renters spend more
19 than 30 percent of their income on housing costs,
20 and 29 percent of renters pay more than 50 percent
21 of their income for housing. In 2007, there was a
22 shortage of 2,800,000 units of affordable housing
23 for extremely low-income renter households.

24 (12) People who live in areas of compact devel-
25 opment (where housing, shopping, jobs, and public

1 transportation are in close proximity) drive 20 to 40
2 percent less than people who live in average develop-
3 ment patterns in the United States.

4 (13) When the effects of emissions savings from
5 passengers taking transit instead of driving and the
6 reduction in vehicle miles traveled due to the impact
7 of transit on land use are taken into account, public
8 transportation in the United States reduces carbon
9 dioxide emissions by nearly 37,000,000 metric tons
10 each year.

11 (14) Transportation accounts for 70 percent of
12 the oil consumed in the United States and nearly $\frac{1}{3}$
13 of carbon emissions in the United States come from
14 the transportation sector. Reducing the growth of
15 the number of miles driven and providing transpor-
16 tation alternatives through good planning and sus-
17 tainable development is a necessary part of the en-
18 ergy independence and climate change strategies of
19 the United States.

20 (15) A number of studies, reports, and articles
21 by organizations including the Environmental Pro-
22 tection Agency, the National Association of Realtors,
23 and the Transit Cooperative Research Project have
24 found that one of the keys to revitalizing and main-
25 taining the character of town centers and preserving

1 surrounding agricultural land in small and rural
2 communities is to prevent commercial and residen-
3 tial development on the outskirts of town, by pro-
4 moting integrated housing, economic, and transpor-
5 tation development in town centers.

6 (16) More than 1,600,000 rural households do
7 not have access to cars.

8 (17) The burden of transportation costs is espe-
9 cially heavy for low-income rural residents, because
10 residents of rural areas drive approximately 17 per-
11 cent more than residents of urban areas.

12 (18) Demand for public transportation in rural
13 and small town communities is growing. Between
14 2002 and 2005, ridership on small urban and rural
15 public transportation systems increased 20 percent.

16 (19) Poorly planned development in rural areas
17 can fragment agricultural and forest lands, pollute
18 waterways with surface water runoff, cause unneces-
19 sary environmental impacts, strain the capacity of
20 rural roads, and sap economic vitality from existing
21 “main street” commercial areas.

22 (20) Funding for integrated housing, transpor-
23 tation, energy, environmental, and economic develop-
24 ment and other land use planning efforts at the local

1 and regional levels is necessary to provide for sus-
2 tainable development and smart growth.

3 **SEC. 3. PURPOSES.**

4 The purposes of this Act are—

5 (1) to facilitate and improve the coordination of
6 housing, community development, transportation,
7 energy, and environmental policy in the United
8 States;

9 (2) to coordinate Federal policies and invest-
10 ments to promote sustainable development;

11 (3) to encourage regional planning for livable
12 communities and the adoption of sustainable devel-
13 opment techniques, including transit-oriented devel-
14 opment;

15 (4) to provide a variety of safe, reliable trans-
16 portation choices, with special emphasis on public
17 transportation and complete streets, in order to re-
18 duce traffic congestion, greenhouse gas emissions,
19 and dependence on foreign oil;

20 (5) to provide affordable, energy-efficient, and
21 location-efficient housing choices for people of all
22 ages, incomes, races, and ethnicities, and to make
23 the combined costs of housing and transportation
24 more affordable to families;

1 (6) to support, revitalize, and encourage growth
2 in existing communities, in order to maximize the
3 cost effectiveness of existing infrastructure and pre-
4 serve undeveloped lands;

5 (7) to promote economic development and com-
6 petitiveness by connecting the housing and employ-
7 ment locations of workers, reducing traffic conges-
8 tion, and providing families with access to essential
9 services;

10 (8) to preserve the environment and natural re-
11 sources, including agricultural and rural land and
12 green spaces; and

13 (9) to support public health and improve qual-
14 ity of life for the residents of and workers in com-
15 munities by promoting healthy, walkable neighbor-
16 hoods, access to green space, and the mobility to
17 pursue greater opportunities.

18 **SEC. 4. DEFINITIONS.**

19 In this Act, the following definitions shall apply:

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

23 (2) **CENSUS TRACT.**—The term “census tract”
24 means a small, relatively permanent statistical sub-
25 division of a county, delineated by a local committee

1 of census data users for the purpose of presenting
2 data.

3 (3) CHAIRPERSON.—The term “Chairperson”
4 means the Chairperson of the Interagency Council
5 on Sustainable Communities.

6 (4) COMPLETE STREET.—The term “complete
7 street” means a street that enables all travelers,
8 particularly public transit users, bicyclists, pedes-
9 trians (including individuals of all ages and individ-
10 uals with disabilities), and motorists, to use the
11 street safely and efficiently.

12 (5) COMPREHENSIVE REGIONAL PLAN.—The
13 term “comprehensive regional plan” means a plan
14 that—

15 (A) identifies land use, transportation,
16 community development, housing, economic de-
17 velopment, environmental, energy, and infra-
18 structure needs and goals in a region;

19 (B) provides strategies for meeting the
20 needs and goals described in subparagraph (A),
21 including strategies for—

22 (i) providing affordable, energy-effi-
23 cient, and location-efficient housing choices
24 for people of all ages, incomes, races, and
25 ethnicities;

1 (ii) reducing growth in vehicle miles
2 traveled, in order to reduce traffic conges-
3 tion and regional greenhouse gas emissions
4 from transportation;

5 (iii) encouraging economic competi-
6 tiveness and economic development; and

7 (iv) increasing the connectivity of the
8 region by increasing public transportation
9 ridership and improving access to trans-
10 portation alternatives; and

11 (C) prioritizes projects for funding and im-
12 plementation.

13 (6) CONSORTIUM OF UNITS OF GENERAL LOCAL
14 GOVERNMENTS.—The term “consortium of units of
15 general local governments” means a consortium of
16 geographically contiguous units of general local gov-
17 ernment that the Secretary determines—

18 (A) represents all or part of a metropolitan
19 statistical area or a micropolitan statistical
20 area;

21 (B) has the authority under State or local
22 law to carry out planning activities, including
23 surveys, land use studies, environmental or pub-
24 lic health analyses, and development of urban
25 revitalization plans; and

1 (C) has provided documentation to the
2 Secretary sufficient to demonstrate that the
3 purpose of the consortium is to carry out a
4 project using a grant awarded under this Act.

5 (7) COUNCIL.—The term “Council” means the
6 Interagency Council on Sustainable Communities es-
7 tablished under section 6.

8 (8) DEPARTMENT.—The term “Department”
9 means the Department of Housing and Urban De-
10 velopment.

11 (9) DIRECTOR.—The term “Director” means
12 the Director of the Office of Sustainable Housing
13 and Communities established under section 5.

14 (10) EXTREMELY LOW-INCOME FAMILY.—The
15 term “extremely low-income family”—

16 (A) means a family that has an income
17 that does not exceed—

18 (i) 30 percent of the median income in
19 the area where the family lives, as deter-
20 mined by the Secretary, with appropriate
21 adjustments for the size of the family; or

22 (ii) a percentage of the median income
23 in the area where the family lives, as deter-
24 mined by the Secretary upon a finding by
25 the Secretary that such percentage is nec-

1 necessary due to unusually high or low family
 2 incomes in the area where the family lives;
 3 and

4 (B) includes a family that includes a per-
 5 son with special needs, including an elderly per-
 6 son or a person with disabilities, as those terms
 7 are defined in section 3(b) of the United States
 8 Housing Act of 1937 (42 U.S.C. 1437a(b)).

9 (11) HIGH-POVERTY AREA.—The term “high-
 10 poverty area” means a census tract, or a group of
 11 contiguous census tracts, that has a poverty rate of
 12 20 percent or more.

13 (12) LIVABLE COMMUNITY.—The term “livable
 14 community” means a metropolitan, urban, suburban,
 15 rural, or neighborhood community that—

16 (A) provides safe and reliable transpor-
 17 tation choices;

18 (B) provides affordable, energy-efficient,
 19 and location-efficient housing choices for people
 20 of all ages, incomes, races, and ethnicities;

21 (C) supports, revitalizes, and encourages
 22 the growth of existing communities and maxi-
 23 mizes the cost effectiveness of existing infra-
 24 structure;

1 (D) promotes economic development and
2 economic competitiveness;

3 (E) preserves the environment and natural
4 resources;

5 (F) protects agricultural land, rural land,
6 and green spaces; and

7 (G) supports public health and improves
8 the quality of life for residents of and workers
9 in the community.

10 (13) LOCATION-EFFICIENT.—The term “loca-
11 tion-efficient” characterizes development, housing, or
12 neighborhoods that integrate land use, mixed-use
13 housing and commercial development, employment,
14 and transportation—

15 (A) to enhance mobility;

16 (B) to encourage transit-oriented develop-
17 ment;

18 (C) to encourage infill development and the
19 use of existing infrastructure; and

20 (D) to reduce growth in vehicle miles trav-
21 eled and the transportation costs and energy re-
22 quirements associated with ownership or rental
23 of a home.

24 (14) LOW-INCOME FAMILY.—The term “low-in-
25 come family”—

1 (A) has the same meaning as in section
2 3(b) of the United States Housing Act of 1937
3 (42 U.S.C. 1437a(b)); and

4 (B) includes a low-income family with a
5 person with special needs, including an elderly
6 person or a person with disabilities, as those
7 terms are defined section 3(b) of the United
8 States Housing Act of 1937 (42 U.S.C.
9 1437a(b)).

10 (15) METROPOLITAN PLANNING ORGANIZA-
11 TION.—The term “metropolitan planning organiza-
12 tion” has the meaning given that term in section
13 134(b) of title 23, United States Code, and section
14 5303(b) of title 49, United States Code.

15 (16) METROPOLITAN STATISTICAL AREA.—The
16 term “metropolitan statistical area” means a county
17 or group of counties that—

18 (A) is designated by the Office of Manage-
19 ment and Budget as a metropolitan statistical
20 area; and

21 (B) has 1 or more large population centers
22 with a population of not less than 50,000 and
23 adjacent territory with a high level of integra-
24 tion with the core.

1 (17) MICROPOLITAN STATISTICAL AREA.—The
2 term “micropolitan statistical area” means a county
3 or group of counties that—

4 (A) is designated by the Office of Manage-
5 ment and Budget as a micropolitan statistical
6 area; and

7 (B) has ~~1~~ or more large urban clusters
8 with a population of not less than 10,000 and
9 not more than 50,000.

10 (18) OFFICE.—The term “Office” means the
11 Office of Sustainable Housing and Communities es-
12 tablished under section 5.

13 (19) REGIONAL COUNCIL.—The term “regional
14 council” means a multi-service regional organization
15 with State and locally defined boundaries that is—

16 (A) accountable to units of general local
17 government;

18 (B) delivers a variety of Federal, State,
19 and local programs; and

20 (C) performs planning functions and pro-
21 vides professional and technical assistance.

22 (20) RURAL PLANNING ORGANIZATION.—The
23 term “rural planning organization” means a vol-
24 untary organization of local elected officials and rep-
25 resentatives of local transportation systems that—

1 (A) works in cooperation with the depart-
 2 ment of transportation (or equivalent entity) of
 3 a State to plan transportation networks and ad-
 4 vise officials of the State on transportation
 5 planning; and

6 (B) is located in a rural area—

7 (i) with a population of not less than
 8 5,000; and

9 (ii) that is not located in an area rep-
 10 resented by a metropolitan planning orga-
 11 nization.

12 ~~(21)~~ SECRETARY.—The term “Secretary”
 13 means the Secretary of Housing and Urban Develop-
 14 ment.

15 ~~(22)~~ STATE.—The term “State” means the sev-
 16 eral States, the District of Columbia, Puerto Rico,
 17 Guam, the Northern Mariana Islands, the Virgin Is-
 18 lands, American Samoa, and the Trust Territory of
 19 the Pacific Islands.

20 ~~(23)~~ SUSTAINABLE DEVELOPMENT.—The term
 21 “sustainable development” means a pattern of re-
 22 source use designed to create livable communities
 23 by—

24 (A) providing a variety of safe and reliable
 25 transportation choices;

1 (B) providing affordable, energy-efficient,
2 and location-efficient housing choices for people
3 of all income levels, ages, races, and ethnicities;

4 (C) supporting, revitalizing, and encour-
5 aging the growth of communities and maxi-
6 mizing the cost effectiveness of existing infra-
7 structure;

8 (D) promoting economic development and
9 economic competitiveness;

10 (E) preserving the environment and nat-
11 ural resources;

12 (F) protecting agricultural land, rural
13 land, and green spaces; and

14 (G) supporting public health and improv-
15 ing the quality of life for residents of and work-
16 ers in a community.

17 (24) TRANSIT-ORIENTED DEVELOPMENT.—The
18 term “transit-oriented development” means high-
19 density, walkable, mixed-use development (including
20 commercial development, affordable housing, and
21 market-rate housing) that is within walking distance
22 of and accessible to 1 or more public transportation
23 facilities.

1 (25) UNIT OF GENERAL LOCAL GOVERN-
 2 MENT.—The term “unit of general local govern-
 3 ment” means—

4 (A) a city, county, town, township, parish,
 5 village, or other general purpose political sub-
 6 division of a State; or

7 (B) a combination of general purpose polit-
 8 ical subdivisions, as determined by the Sec-
 9 retary.

10 (26) UNIT OF SPECIAL PURPOSE LOCAL GOV-
 11 ERNMENT.—The term “unit of special purpose local
 12 government”—

13 (A) means a division of a unit of general
 14 purpose government that serves a special pur-
 15 pose and does not provide a broad array of
 16 services; and

17 (B) includes an entity such as a school dis-
 18 trict, a housing agency, a transit agency, and a
 19 parks and recreation district.

20 (27) VERY LOW-INCOME FAMILY.—The term
 21 “very low-income family”—

22 (A) has the same meaning as in section
 23 3(b) of the United States Housing Act of 1937
 24 (42 U.S.C. 1437a(b)); and

1 ~~(B)~~ includes a very low-income family with
 2 a person with special needs, including an elderly
 3 person ~~or~~ a person with disabilities, as those
 4 terms are defined section ~~3~~(b) of the United
 5 States Housing Act of 1937 (42 U.S.C.
 6 1437a(b)).

7 ~~(28)~~ WORKFORCE HOUSING.—The term “work-
 8 force housing”²² means housing, the cost of which
 9 does not exceed ~~30~~ percent of—

10 ~~(A)~~ ~~120~~ percent of the median income in
 11 the area where the family lives, as determined
 12 by the Secretary, with appropriate adjustments
 13 for the size of family; or

14 ~~(B)~~ a percentage, as determined by the
 15 Secretary, of the median income in the area
 16 where the family lives, upon a finding by the
 17 Secretary that such percentage is necessary due
 18 to unusually high ~~or~~ low family incomes in the
 19 area where the family lives.

20 **SEC. 5. OFFICE OF SUSTAINABLE HOUSING AND COMMU-**
 21 **NITIES.**

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

1 (1) coordinate Federal policies and initiatives
2 that foster livable communities, including—

3 (A) encouraging sustainable development
4 at the State, regional, and local levels;

5 (B) encouraging the development of com-
6 prehensive regional plans;

7 (C) fostering energy-efficient communities
8 and housing;

9 (D) providing affordable, location-efficient
10 housing choices for people of all ages, incomes,
11 races, and ethnicities, particularly for low-, very
12 low-, and extremely low-income families; and

13 (E) working with the Federal Transit Ad-
14 ministration of the Department of Transpor-
15 tation to—

16 (i) encourage transit-oriented develop-
17 ment; and

18 (ii) coordinate Federal housing, com-
19 munity development, and transportation
20 policies;

21 (2) conduct research and advise the Secretary
22 on the research agenda of the Department relating
23 to sustainable development;

24 (3) provide administrative support for participa-
25 tion by the Secretary in the activities of the Council;

1 (4) implement and oversee the grant programs
2 established under this Act by—

3 (A) developing grant applications for each
4 grant program;

5 (B) promulgating regulations relating to
6 each grant program;

7 (C) selecting recipients of grants under
8 each grant program;

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

11 (E) developing technical assistance and
12 other guidance to assist recipients of grants and
13 potential applicants for grants under each grant
14 program;

15 (F) monitoring and evaluating the per-
16 formance of recipients of grants under each
17 grant program; and

18 (G) carrying out such other activities relat-
19 ing to the administration of the grant programs
20 under this Act as the Secretary determines are
21 necessary;

22 (5) provide guidance, information on best prac-
23 tices, and technical assistance to communities seek-
24 ing to adopt sustainable development policies and
25 practices;

1 (6) provide guidance and technical assistance to
2 communities seeking to prepare applications for the
3 comprehensive planning grant program under sec-
4 tion 7;

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

8 (8) coordinate with and conduct outreach to
9 other Federal agencies, including the Federal Tran-
10 sit Administration of the Department of Transpor-
11 tation and the Office of Smart Growth of the Envi-
12 ronmental Protection Agency, on sustainability
13 issues.

14 (b) DIRECTOR.—The head of the Office shall be the
15 Director of the Office of Sustainable Housing and Com-
16 munities.

17 (c) DUTIES RELATING TO GRANT PROGRAMS.—

18 (1) IN GENERAL.—The Director, in coordina-
19 tion with the Council or a working group established
20 by the Council under section 6(b)(6), shall carry out
21 the grant programs established under this Act.

22 (2) INTERIM WORKING GROUP.—During the pe-
23 riod between the date of enactment of this Act and
24 the date on which a memorandum of understanding
25 is signed under section 6(a)(7), in carrying out the

1 grant programs under this Act, the Secretary shall
 2 consult with an interim working group that includes
 3 the Secretary of Transportation, the Administrator
 4 of the Environmental Protection Agency (or the des-
 5 ignee of such Secretary or Administrator), and rep-
 6 resentatives from such other Federal agencies, de-
 7 partments, or offices, as the President may deter-
 8 mine.

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

11 (A) coordinate with the members of the
 12 Council to establish interagency and multidisci-
 13 plinary teams to provide technical assistance to
 14 recipients of and prospective applicants for
 15 grants under this Act;

16 (B) make contracts with third parties to
 17 provide technical assistance to grant recipients
 18 and prospective applicants for grants; and

19 (C) establish a technical assistance pro-
 20 gram for prospective applicants, particularly
 21 prospective applicants from smaller commu-
 22 nities, preparing to apply for grants under sec-
 23 tion 7.

24 ~~(d) REPORT ON HOUSING LOCATION AFFORDABILITY~~

25 INDEX.—

1 (1) STUDY.—The Director shall conduct a
2 study on—

3 (A) the development of a housing location
4 affordability index that includes housing and
5 transportation costs; and

6 (B) ways in which the affordability index
7 described in subparagraph (A) could be made
8 available to the public to inform consumers of
9 the combined costs of housing and transpor-
10 tation.

11 (2) REPORT.—Not later than 1 year after the
12 date of enactment of this Act, the Director shall
13 submit to the Committee on Banking, Housing, and
14 Urban Affairs of the Senate and the Committee on
15 Financial Services of the House of Representatives
16 a report on the study under paragraph (1).

17 (e) ~~REPORT ON INCENTIVES FOR ENERGY-EFFI-~~
18 ~~CIENT MORTGAGES AND LOCATION-EFFICIENT MORT-~~
19 ~~GAGES.—~~

20 (1) DEFINITIONS.—In this subsection—

21 (A) the term “energy-efficient mortgage”
22 means a mortgage loan under which the income
23 of the borrower, for purposes of qualification
24 for such loan, is considered to be increased by
25 not less than \$1 for each \$1 of savings pro-

1 jected to be realized by the borrower as a result
2 of cost-effective energy-saving design, construc-
3 tion, or improvements (including use of renew-
4 able energy sources, such as solar, geothermal,
5 biomass, and wind, super-insulation, energy-
6 saving windows, insulating glass and film, and
7 radiant barrier) for the home for which the loan
8 is made; and

9 (B) the term “location-efficient mortgage”
10 means a mortgage loan under which—

11 (i) the income of the borrower, for
12 purposes of qualification for such loan, is
13 considered to be increased by not less than
14 \$1 for each \$1 of savings projected to be
15 realized by the borrower because the loca-
16 tion of the home for which the loan is
17 made will result in decreased transpor-
18 tation costs for the household of the bor-
19 rower; or

20 (ii) the sum of the principal, interest,
21 taxes, and insurance due under the mort-
22 gage loan is decreased by not less than \$1
23 for each \$1 of savings projected to be real-
24 ized by the borrower because the location
25 of the home for which the loan is made will

1 result in decreased transportation costs for
2 the household of the borrower.

3 ~~(2) STUDY.—~~

4 ~~(A) IN GENERAL.—~~The Director shall con-
5 duct a study on incentives for encouraging lend-
6 ers to make, and homebuyers and homeowners
7 to participate in, energy-efficient mortgages and
8 location-efficient mortgages, including—

9 (i) fee reductions;

10 (ii) fee waivers;

11 (iii) interest rate reductions; and

12 (iv) adjustment of mortgage qualifica-
13 tions.

14 ~~(B) CONSIDERATIONS.—~~In studying the
15 incentives under subparagraph ~~(A)~~, the Sec-
16 retary shall consider the potential for lower risk
17 of default on energy-efficient mortgages and lo-
18 cation-efficient mortgages in comparison to
19 mortgages that are not energy-efficient or loca-
20 tion-efficient.

21 ~~(3) REPORT.—~~Not later than 1 year after the
22 date of enactment of this Act, the Director shall
23 submit to the Committee on Banking, Housing, and
24 Urban Affairs of the Senate and the Committee on

1 Financial Services of the House of Representatives
2 a report on the study under paragraph (2).

3 (f) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to the Secretary such
5 sums as may be necessary to carry out this section.

6 **SEC. 6. INTERAGENCY COUNCIL ON SUSTAINABLE COMMU-**
7 **NITIES.**

8 (a) ESTABLISHMENT OF COUNCIL.—

9 (1) ESTABLISHMENT.—There is established in
10 the executive branch an independent entity to be
11 known as the Interagency Council on Sustainable
12 Communities.

13 (2) MEMBERS.—

14 (A) IN GENERAL.—The members of the
15 Council are—

16 (i) the Secretary, the Secretary of
17 Transportation, and the Administrator of
18 the Environmental Protection Agency; and

19 (ii) such representatives from other
20 Federal agencies, departments, or offices
21 in the executive branch as the President
22 may prescribe.

23 (B) DESIGNEES.—

24 (i) IN GENERAL.—The head of a Fed-
25 eral agency described in subparagraph (A)

1 may select a designee to serve in the place
2 of the head of the Federal agency on the
3 Council.

4 (ii) QUALIFICATIONS.—The head of a
5 Federal agency that selects a designee
6 under clause (i) shall ensure that the des-
7 ignee has the appropriate experience and
8 authority to serve on the Council.

9 (C) PAY.—The members of the Council
10 shall serve with no additional pay.

11 (3) CHAIRPERSON.—

12 (A) CHAIRPERSON.—The Chairperson of
13 the Council shall be, in successive terms—

14 (i) the Secretary;

15 (ii) the Secretary of Transportation;

16 and

17 (iii) the Administrator of the Environ-
18 mental Protection Agency.

19 (B) DUTIES.—The Chairperson shall—

20 (i) set the time, date, and location of
21 each meeting of the Council; and

22 (ii) in consultation with the members
23 of the Council, set the agenda for each
24 meeting of the Council.

1 (C) TERM.—The Chairperson shall serve
2 for a term of 1 year.

3 (D) FIRST CHAIRPERSON.—The Secretary
4 shall be the first individual to serve as Chair-
5 person after the date of enactment of this Act.

6 (4) EXECUTIVE DIRECTOR AND STAFF.—

7 (A) EXECUTIVE DIRECTOR.—

8 (i) APPOINTMENT AND COMPENSA-
9 TION.—The Council shall appoint an Exec-
10 utive Director, who shall be compensated
11 at a rate not to exceed the rate of basic
12 pay for level V of the Executive Schedule
13 under section 5316 of title 5, United
14 States Code.

15 (ii) SENSE OF CONGRESS.—It is the
16 sense of Congress that the Council should
17 appoint an Executive Director not later
18 than 90 days after the date of enactment
19 of this Act.

20 (B) ADDITIONAL PERSONNEL.—With the
21 approval of the Council, the Executive Director
22 of the Council may appoint and fix the com-
23 pensation of such additional personnel as the
24 Executive Director determines are necessary to
25 carry out the duties of the Council.

1 (C) DETAILEES FROM OTHER AGENCIES.—

2 Upon request of the Council, the head of any
3 Federal agency may detail any of the personnel
4 of such agency to the Council to assist the
5 Council in carrying out its duties under this
6 section.

7 (D) EXPERTS AND CONSULTANTS.—With

8 the approval of the Council, the Executive Di-
9 rector of the Council may procure temporary
10 and intermittent services pursuant to section
11 3109(b) of title 5, United States Code.

12 (5) CONSULTATION WITH ADDITIONAL SECRE-
13 TARIES AND ADMINISTRATORS.—

14 (A) CONSULTATION.—In carrying out its
15 duties under this section, the Council may con-
16 sult with the heads of departments, agencies,
17 and offices in the executive branch, including
18 the Secretary of Energy, the Secretary of Edu-
19 cation, the Secretary of Agriculture, the Sec-
20 retary of Health and Human Services, the Sec-
21 retary of Commerce, the Chairman of the Coun-
22 cil on Environmental Quality, and the Director
23 of the White House Office of Urban Affairs.

24 (B) PARTICIPATION IN MEETINGS OF
25 COUNCIL.—The head of a department, agency,

1 or office with whom the Council consults under
2 subparagraph (A) may participate in a meeting
3 of the Council.

4 (C) INFORMATION SHARING.—The head of
5 each Federal agency shall make available to the
6 Council such information as may be necessary
7 for the Council to carry out its duties under
8 this section.

9 (6) MEETINGS.—The Council shall meet—

10 (A) not later than 90 days after the date
11 of enactment of this Act; and

12 (B) not less frequently than 3 times each
13 year.

14 (7) GOVERNANCE.—Not later than 120 days
15 after the date of enactment of this Act, the members
16 of the Council shall develop and sign a memorandum
17 of understanding that establishes rules relating to
18 the governance of the Council, including rules relat-
19 ing to the process by which decisions of the Council
20 are made.

21 (8) INCORPORATION OF WORK OF INTERIM
22 WORKING GROUP.—Any activities carried out by an
23 interim working group pursuant to section 5(e)(2)
24 shall be incorporated into the activities of the Coun-

1 eil, effective on the date the memorandum of under-
2 standing under paragraph (7) is signed.

3 (b) DUTIES OF THE COUNCIL.—The Council shall—

4 (1) ensure interagency coordination of Federal
5 policy on sustainable development;

6 (2) conduct outreach to nonprofit and for-profit
7 organizations and State and local governments to
8 build partnerships and knowledge relating to sus-
9 tainable development;

10 (3) ensure that the research agendas of depart-
11 ments and agencies of the Federal Government on
12 sustainable development are coordinated;

13 (4) establish a clearinghouse for guidance, best
14 practices, and other information for communities un-
15 dertaking activities relating to sustainable develop-
16 ment;

17 (5) coordinate an assessment by departments
18 and agencies of the Federal Government of impedi-
19 ments to sustainable development, including impedi-
20 ments created by Federal programs, and the devel-
21 opment of recommendations for methods for over-
22 coming such impediments; and

23 (6) coordinate with the Director on activities re-
24 lating to the grant programs established under this
25 Act, as described in section 5(a)(4), or establish a

1 working group to coordinate with the Director on
2 such activities.

3 (c) ~~REPORTS.~~—

4 (1) ~~ANNUAL REPORT.~~—Not later than 1 year
5 after the date of enactment of this Act, and annually
6 thereafter, the Council shall submit to the Com-
7 mittee on Banking, Housing, and Urban Affairs of
8 the Senate and the Committee on Financial Services
9 of the House of Representatives a report on the ac-
10 tivities and accomplishments of the Council.

11 (2) ~~RECOMMENDATIONS.~~—Not later than 1
12 year after the date of enactment of this Act, the
13 Council shall submit to the Committee on Banking,
14 Housing, and Urban Affairs of the Senate and the
15 Committee on Financial Services of the House of
16 Representatives a report that contains—

17 (A) an analysis of impediments to sustain-
18 able development; and

19 (B) recommendations for action by the
20 Federal Government on issues relating to sus-
21 tainable development.

22 (d) ~~STUDY OF FEDERAL ACTIONS.~~—Not later than
23 3 years after the date of enactment of this Act, the Comp-
24 troller General shall submit to the Committee on Banking,
25 Housing, and Urban Affairs of the Senate and the Com-

1 mittee on Financial Services of the House of Representa-
 2 tives a report that contains—

3 (1) an updated analysis of impediments to sus-
 4 tainable development, as described in subsection
 5 (e)(2)(A); and

6 (2) a description of actions taken by the Fed-
 7 eral Government to implement the recommendations
 8 made by the Council in the report under subsection
 9 (e)(2)(B).

10 (e) AUTHORIZATION OF APPROPRIATIONS.—There
 11 are authorized to be appropriated such sums as may be
 12 necessary to carry out this section.

13 **SEC. 7. COMPREHENSIVE PLANNING GRANT PROGRAM.**

14 (a) DEFINITIONS.—In this section—

15 (1) the term “eligible entity” means a partner-
 16 ship between a consortium of units of general local
 17 government and an eligible partner;

18 (2) the term “eligible partner” means—

19 (A) a metropolitan planning organization;
 20 a rural planning organization, or a regional
 21 council; or

22 (B) a metropolitan planning organization;
 23 a rural planning organization, or a regional
 24 council, and a State; and

1 (3) the term “grant program” means the com-
 2 prehensive planning grant program established
 3 under subsection (b).

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

8 (1) coordinate land use, housing, transpor-
 9 tation, and infrastructure planning processes across
 10 jurisdictions and agencies;

11 (2) identify potential regional partnerships for
 12 developing and implementing a comprehensive re-
 13 gional plan;

14 (3) conduct or update housing, infrastructure,
 15 transportation, energy, and environmental assess-
 16 ments to determine regional needs and promote sus-
 17 tainable development;

18 (4) develop or update—

19 (A) a comprehensive regional plan; or

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

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

25 (c) GRANTS.—

1 (1) AMOUNT OF GRANTS.—

2 (A) MICROPOLITAN STATISTICAL AREAS
3 AND SMALL METROPOLITAN STATISTICAL
4 AREAS.—The amount awarded under the grant
5 program to an eligible entity that represents all
6 or part of a micropolitan area, or a metropoli-
7 tan statistical area with a population of not
8 more than 200,000, may not exceed \$750,000.

9 (B) MID-SIZED METROPOLITAN STATIS-
10 TICAL AREAS.—The amount awarded under the
11 grant program to an eligible entity that rep-
12 resents all or part of a metropolitan statistical
13 area with a population of more than 200,000
14 and less than 500,000 may not exceed
15 \$1,500,000.

16 (C) LARGE METROPOLITAN STATISTICAL
17 AREAS.—The amount awarded under the grant
18 program to an eligible entity that represents all
19 or part of a metropolitan statistical area with a
20 population of 500,000 or more may not exceed
21 \$5,000,000.

22 (2) FEDERAL SHARE.—The Federal share of
23 the cost of a project carried out using a grant under
24 the grant program may not exceed 80 percent.

25 (3) AVAILABILITY OF FUNDS.—

1 (A) ~~IN GENERAL.~~—An eligible entity that
 2 receives a grant under the grant program
 3 shall—

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

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

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

18 (d) ~~APPLICATION.~~—

19 (1) ~~IN GENERAL.~~—An eligible entity that de-
 20 sires a grant under the grant program shall submit
 21 to the Director an application at such time and in
 22 such manner as the Director shall prescribe.

23 (2) ~~CONTENTS.~~—Each application shall con-
 24 tain—

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

3 (B) a budget for the project that includes
4 the anticipated Federal share of the cost of the
5 project and a description of the source of the
6 non-Federal share;

7 (C) a signed copy of a memorandum of un-
8 derstanding among local jurisdictions, includ-
9 ing, as appropriate, a State, units of general
10 purpose local government, units of special pur-
11 pose local government, metropolitan planning
12 organizations, rural planning organizations, and
13 regional councils that demonstrates—

14 (i) the creation of a consortium of
15 units of general local government;

16 (ii) a commitment to develop a com-
17 prehensive regional plan; and

18 (iii) a commitment to implement the
19 plan after it is developed;

20 (D) a certification that the eligible entity
21 has created, or will create not later than 1 year
22 after the date of the grant award, a regional
23 advisory board to provide input and feedback on
24 the development of the comprehensive regional
25 plan that includes, as appropriate, representa-

1 tives of a State, the metropolitan planning or-
2 ganization, the rural planning organization, the
3 regional council, public transportation agencies,
4 public housing agencies, economic development
5 authorities, other local governments, environ-
6 mental agencies, public health agencies, the
7 nonprofit community, the private sector, com-
8 munity-based organizations, citizen groups,
9 neighborhood groups, and members of the pub-
10 lic;

11 (E) a certification that the eligible entity
12 has solicited public comment on the contents of
13 the project description under subparagraph (A)
14 that includes—

15 (i) a certification that the eligible en-
16 tity has held 1 or more public hearings;

17 (ii) a description of the process for re-
18 ceiving public comment;

19 (iii) a summary of the comments re-
20 ceived; and

21 (iv) such other information as the Di-
22 rector may require;

23 (F) a description of how the eligible entity
24 will carry out the activities under subsection (f);
25 and

1 (G) such additional information as the Di-
 2 rector may require.

3 (c) SELECTION.—In evaluating an application for a
 4 grant under the grant program, the Director shall con-
 5 sider the extent to which the application—

6 (1) furthers the creation of livable communities;

7 (2) demonstrates the technical capacity of the
 8 eligible entity to carry out the project;

9 (3) demonstrates the extent to which the con-
 10 sortium has developed partnerships throughout an
 11 entire micropolitan or metropolitan statistical area,
 12 including, as appropriate, partnerships with the enti-
 13 ties described in subsection (d)(2)(D);

14 (4) demonstrates a commitment to—

15 (A) sustainable development;

16 (B) location-efficient and transit-oriented
 17 development;

18 (C) developing new capacity for public
 19 transportation and increasing ridership on pub-
 20 lic transportation;

21 (D) providing affordable, energy-efficient,
 22 and location-efficient housing choices for fami-
 23 lies of all ages, incomes, races, and ethnicities;

24 (E) creating and preserving long-term af-
 25 fordable, energy-efficient, and location-efficient

1 housing for low-, very low-, and extremely low-
2 income families;

3 (F) revitalizing communities, neighbor-
4 hoods and commercial centers supported by ex-
5 isting infrastructure;

6 (G) monitoring and improving environ-
7 mental quality, including air and water quality,
8 energy use, greenhouse gas emissions, and the
9 redevelopment of brownfields; and

10 (H) coordinating the provision of transpor-
11 tation services to elderly, disabled, and low-in-
12 come populations;

13 (5) demonstrates a plan for implementing a
14 comprehensive regional plan through regional infra-
15 structure investment plans and local land use plans;

16 (6) promotes diversity among the geographic re-
17 gions and the sizes of the population of the commu-
18 nities served by recipients of grants under this sec-
19 tion;

20 (7) promotes economic benefits;

21 (8) demonstrates that a Federal grant is nec-
22 essary to accomplish the project proposed to be ear-
23 ried out;

24 (9) has a high quality overall; and

1 ~~(10)~~ demonstrates such other qualities as the
2 Director may determine.

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

6 ~~(1)~~ Planning and coordinating across jurisdic-
7 tions in the region to develop a comprehensive re-
8 gional plan.

9 ~~(2)~~ Developing achievable goals and strategies
10 for carrying out the comprehensive regional plan, in-
11 cluding—

12 ~~(A)~~ land use, zoning, and other code re-
13 form, including reform of conservation zoning
14 in agricultural and other natural resource
15 areas;

16 ~~(B)~~ promoting efficient land use, mixed-
17 use development, and the preservation of agri-
18 cultural, green, and open space;

19 ~~(C)~~ increasing access to and ridership on
20 public transportation;

21 ~~(D)~~ the creation and preservation of work-
22 force housing and affordable housing for low-,
23 very low-, and extremely low-income families,
24 including housing with access to jobs and public
25 transportation;

1 (~~E~~) promoting economic development and
2 transit-oriented development;

3 (~~F~~) revitalizing communities; and

4 (~~G~~) promoting environmental protection
5 and public health and reducing greenhouse gas
6 emissions.

7 (~~3~~) Developing a plan that outlines feasible
8 steps for implementing the comprehensive regional
9 plan, including making interjurisdictional agree-
10 ments that provide for cooperative and coordinated
11 approaches to achieving the goals of the plan.

12 (~~4~~) Assessing projected regional population
13 growth or loss and demographic changes.

14 (~~5~~) Assessing how the regional population
15 growth or loss and demographic changes will impact
16 the need for housing, community development, and
17 transportation, including public transportation in the
18 region.

19 (~~6~~) Assessing the accessibility of job centers
20 within the region to public transportation facilities
21 and housing.

22 (~~7~~) Assessing transportation options in the re-
23 gion, including—

24 (~~A~~) public transportation options;

1 (B) options for people with low incomes;
2 people living in high-poverty areas; elderly peo-
3 ple; and people with disabilities; and

4 (C) any obstacles to providing access to lo-
5 cations that offer employment opportunities.

6 (8) Developing techniques to inform decision
7 makers on how growth of population and employ-
8 ment, development patterns, and investments in
9 transportation infrastructure are likely to affect
10 travel, congestion, air quality, and quality of life.

11 (9) Assessing the daily vehicle miles traveled in
12 the region and opportunities for reducing the growth
13 in daily vehicle miles traveled and traffic congestion.

14 (10) Assessing housing needs, including the
15 need for workforce housing and affordable housing
16 for low-, very low-, and extremely low-income fami-
17 lies, and the availability of housing in the region to
18 meet such needs.

19 (11) Assessing the need to create, preserve, and
20 improve long-term affordable housing for low-, very
21 low-, and extremely low-income families and families
22 that utilize workforce housing in areas that—

23 (A) are undergoing redevelopment or ear-
24 rying out transit-oriented development; and

1 (B) have access to services including trans-
2 portation (particularly public transportation),
3 neighborhood commercial centers, and medical
4 services.

5 (12) Assessing methods for lowering the com-
6 bined cost of housing and transportation for families
7 in the region, particularly for families that utilize
8 workforce housing and for low-, very low-, and ex-
9 tremely low-income families.

10 (13) Assessing existing infrastructure and in-
11 frastructure needs in the region, including projected
12 water needs and sources, the need for sewer infra-
13 structure, and the existence of flood plains.

14 (14) Assessing local land use and zoning poli-
15 cies and opportunities for revising or expanding such
16 policies to implement a comprehensive regional plan.

17 (15) Assessing the opportunity to revitalize ex-
18 isting communities, including infill development.

19 (16) Assessing environmental and public health
20 needs in the region and potential strategies for re-
21 ducing greenhouse gas emissions, improving air and
22 water quality, and remediating brownfield sites.

23 (17) Assessing projected loss of agricultural
24 and rural land and other green space in the region
25 to development, and methods to minimize such loss.

1 (18) Evaluating any tools or resources that are
2 available to address regional needs identified in an
3 assessment under any of paragraphs (4) through (7)
4 and (9) through (17) and to monitor progress in
5 meeting such needs, including any existing sources
6 of funding and any sources of funding that are lack-
7 ing.

8 (19) Implementing land use, zoning, and other
9 code reforms to promote location efficiency and sus-
10 tainable development.

11 (20) Other activities consistent with the pur-
12 poses of this Act, as determined by the Director.

13 (g) GRANT AGREEMENT.—Each eligible entity that
14 receives a grant under this section shall agree to establish,
15 in coordination with the Director, performance measures
16 that must be met at the end of each year in which the
17 eligible entity receives funds under the grant program.

18 (h) VIOLATION OF GRANT AGREEMENT.—If the Di-
19 rector determines that an eligible entity has not met the
20 performance measures established under subsection (g), is
21 not making reasonable progress toward meeting such
22 measures, or is otherwise in violation of the grant agree-
23 ment, the Director may—

24 (1) withhold financial assistance until the per-
25 formance measures are met; or

1 (2) terminate the grant agreement.

2 (i) SUSTAINABILITY CHALLENGE GRANTS.—An eligi-
3 ble entity that receives a grant under this section and has
4 created a comprehensive regional plan may apply for a
5 sustainability challenge grant under section 8.

6 (j) REPORTS REQUIRED.—

7 (1) ANNUAL REPORT.—Not later than 60 days
8 after the end of the first year after the grant agree-
9 ment is made under subsection (g), and each year
10 thereafter, an eligible entity that receives a grant
11 under this section shall submit to the Director a
12 progress report that contains—

13 (A) a description of any progress made to-
14 ward meeting the performance measures estab-
15 lished under subsection (g), including—

16 (i) a description of any partnership
17 created across policy and governmental ju-
18 risdictions and a description of any task
19 force or multiagency group established by
20 the eligible entity at the regional level; and

21 (ii) a description of—

22 (I) housing, land use, transpor-
23 tation, public transportation, energy,
24 infrastructure, and environmental
25 needs in the region; or

1 (II) the obstacles encountered
2 that prevented the eligible entity from
3 completing a comprehensive evalua-
4 tion of housing, land use, transpor-
5 tation, public transportation, energy,
6 infrastructure, and environmental
7 needs, and a date by which the eligible
8 entity expects to complete the evalua-
9 tion;

10 (B) a description of any planning goals for
11 the region that address housing, transportation,
12 public transportation, energy, infrastructure,
13 and environmental needs;

14 (C) a description of—

15 (i) a strategy for meeting the goals
16 described in subparagraph (B), including a
17 discussion of potential transportation,
18 housing, transit-oriented development, en-
19 ergy, infrastructure, or environmental ac-
20 tivities; or

21 (ii) the obstacles encountered that
22 prevented the eligible entity from com-
23 pleting a strategy for meeting the goals
24 identified under clause (i) and a date by

1 which the eligible entity expects to com-
2 plete the strategy; and

3 ~~(D)~~ any other information the Director
4 may require.

5 ~~(2)~~ FINAL REPORT.—Not later than 90 days
6 after the date on which the grant agreement under
7 subsection ~~(g)~~ expires, an eligible entity that receives
8 a grant under this section shall submit to the Direc-
9 tor a final report that contains—

10 ~~(A)~~ a description of a comprehensive re-
11 gional plan that includes specific projects that
12 will help meet housing, transportation, energy,
13 infrastructure, and environmental goals for the
14 region;

15 ~~(B)~~ a detailed description of how the plan
16 under subparagraph ~~(A)~~ meets the performance
17 measures established under subsection ~~(g)~~;

18 ~~(C)~~ a plan for next steps to be taken by
19 the eligible entity, including whether the eligible
20 entity intends to apply for a sustainability chal-
21 lenge grant under section 8; and

22 ~~(D)~~ any other information the Director
23 may require.

24 ~~(k)~~ AUTHORIZATION OF APPROPRIATIONS.—

1 (1) ~~AUTHORIZATION.~~—There are authorized to
 2 be appropriated to the Secretary for the award of
 3 grants under this section, ~~\$100,000,000~~ for each of
 4 fiscal years 2010 through 2013, to remain available
 5 until expended.

6 (2) ~~TECHNICAL ASSISTANCE.~~—The Director
 7 may use ~~2~~ percent of the amounts made available
 8 under this subsection for a fiscal year for technical
 9 assistance under section ~~5(e)(3)~~.

10 **SEC. 8. SUSTAINABILITY CHALLENGE GRANT PROGRAM.**

11 (a) ~~DEFINITIONS.~~—In this section—

12 (1) the term “eligible entity” means a partner-
 13 ship between a consortium of units of general local
 14 government and an eligible partner;

15 (2) the term “eligible partner” means—

16 (A) a metropolitan planning organization;
 17 a rural planning organization; or a regional
 18 council; or

19 (B) a metropolitan planning organization;
 20 a rural planning organization; or a regional
 21 council; and a State; and

22 (3) the term “grant program” means the sus-
 23 tainability challenge grant program established
 24 under subsection (b).

1 (b) SUSTAINABILITY CHALLENGE GRANT PROGRAM
2 ESTABLISHED.—The Director shall establish a sustain-
3 ability challenge grant program to make grants to eligible
4 entities to—

5 (1) promote integrated transportation, housing,
6 energy, and economic development activities carried
7 out across policy and governmental jurisdictions;

8 (2) promote sustainable and location-efficient
9 development; and

10 (3) implement projects identified in a com-
11 prehensive regional plan.

12 (c) GRANTS.—

13 (1) MICROPOLITAN STATISTICAL AREA OR
14 SMALL METROPOLITAN STATISTICAL AREA.—The
15 total amount awarded under this section to an eligi-
16 ble entity that represents all or part of a
17 micropolitan area, or a metropolitan area with a
18 population of not more than 200,000, may not ex-
19 ceed \$15,000,000.

20 (2) METROPOLITAN STATISTICAL AREAS BE-
21 TWEEN 200,000 AND 500,000.—The total amount
22 awarded under this section to an eligible entity that
23 represents all or part of a metropolitan statistical
24 area with a population of more than 200,000 and
25 less than 500,000 may not exceed \$35,000,000.

1 (3) ~~LARGE METROPOLITAN AREAS.~~—The total
2 amount awarded under this section to an eligible en-
3 tity that represents all or part of a metropolitan
4 area with a population of 500,000 may not exceed
5 \$100,000,000.

6 (4) ~~FEDERAL SHARE.~~—The Federal share of
7 the cost of a project under this section may not ex-
8 ceed 80 percent.

9 (5) ~~AVAILABILITY OF FUNDS.~~—

10 (A) ~~IN GENERAL.~~—An eligible entity that
11 receives a grant under the grant program
12 shall—

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

17 (ii) expend any funds received under
18 the grant program not later than 5 years
19 after the date on which the grant agree-
20 ment under subsection (g) is made.

21 (B) ~~UNOBLIGATED AMOUNTS.~~—After the
22 date described in subparagraph (A)(i), the Sec-
23 retary may award to another eligible entity, to
24 carry out activities under this section, any

1 amounts that an eligible entity has not obli-
2 gated under subparagraph (A)(i).

3 (d) APPLICATION.—An eligible entity that desires a
4 grant under this section shall submit to the Director an
5 application that contains—

6 (1) a copy of the comprehensive regional plan,
7 whether developed as part of the comprehensive
8 planning grant program under section 7 or devel-
9 oped independently;

10 (2) a description of the project or projects pro-
11 posed to be carried out using a grant under the
12 grant program;

13 (3) a description of any preliminary actions
14 that have been or must be taken at the local or re-
15 gional level to implement the project or projects
16 under paragraph (2), including the revision of land
17 use or zoning policies;

18 (4) a signed copy of a memorandum of under-
19 standing among local jurisdictions, including, as ap-
20 propriate, a State, units of general purpose local
21 government, units of special purpose local govern-
22 ment, metropolitan planning organizations, rural
23 planning organizations, and regional councils that
24 demonstrates—

1 (A) the creation of a consortium of units
2 of general local government; and

3 (B) a commitment to implement the activi-
4 ties described in the comprehensive regional
5 plan;

6 (5) a certification that the eligible entity has so-
7 licited public comment on the contents of the project
8 description under paragraph (2) that includes—

9 (A) a certification that the eligible entity
10 has held 1 or more public hearings;

11 (B) a description of the process for receiv-
12 ing public comment;

13 (C) a summary of the comments received;
14 and

15 (D) such other information as the Director
16 may require;

17 (6) a budget for the project that includes the
18 Federal share of the cost of the project or projects
19 requested and a description of the source of the non-
20 Federal share; and

21 (7) such additional information as the Director
22 may require.

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

1 (1) furthers the creation of livable communities;

2 (2) demonstrates the technical capacity of the
3 eligible entity to carry out the project;

4 (3) demonstrates the extent to which the eligi-
5 ble entity has developed partnerships throughout an
6 entire micropolitan or metropolitan statistical area,
7 including partnerships with units of special purpose
8 local government and public transportation agencies;

9 (4) demonstrates clear and meaningful inter-
10 jurisdictional cooperation and coordination of hous-
11 ing, transportation, and environmental policies and
12 plans;

13 (5) demonstrates a commitment to imple-
14 menting a comprehensive regional plan and docu-
15 ments action taken or planned to implement the
16 plan, including—

17 (A) rezoning or other changes to land use
18 controls to enable mixed-use, mixed-income de-
19 velopment;

20 (B) planned or proposed public transpor-
21 tation investments, including—

22 (i) financial contributions for capital
23 and operating costs of public transpor-
24 tation;

1 (ii) improvements for bicycle riders
2 and pedestrians;

3 (iii) action taken to increase the num-
4 ber of trips made using public transpor-
5 tation and bicycles and by walking; and

6 (iv) special efforts to address the
7 needs of elderly, disabled, and low-income
8 populations, including populations in rural
9 areas;

10 (C) investment in and actions relating to
11 plans or proposals for incentives, subsidies, or
12 requirements for developers to create and pre-
13 serve affordable housing, including—

14 (i) workforce housing and affordable
15 housing for low-income families, particu-
16 larly housing in mixed-income, location-ef-
17 ficient neighborhoods with transit-oriented
18 development and access to public transpor-
19 tation, employment, and commercial and
20 other services; and

21 (ii) affordable housing for very low-
22 and extremely low-income families, particu-
23 larly housing in mixed-income, location-ef-
24 ficient neighborhoods with transit-oriented
25 development;

1 (D) actions taken to promote transit-ori-
2 ented development, including plans or proposals
3 for zoning, or for incentives, subsidies, or re-
4 quirements for developers; and

5 (E) planned or proposed incentives, sub-
6 sidies, or requirements designed to preserve ag-
7 ricultural and rural land and other green space,
8 including planned or proposed programs for the
9 purchase of development rights;

10 (6) minimizes the Federal share necessary to
11 carry out the project;

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

16 (8) promotes location-efficient development
17 through—

18 (A) mixed-income, mixed-use residential
19 and commercial development that is accessible
20 to jobs and public transportation; or

21 (B) development that is pedestrian-friendly
22 and includes complete street projects;

23 (9) promotes diversity among the geographic re-
24 gions and the sizes of the population of the commu-

1 nities served by recipients of grants under this sec-
2 tion;

3 (10) demonstrates that a Federal grant is nec-
4 essary to accomplish the project or projects proposed
5 to be carried out;

6 (11) has a high quality overall; and

7 (12) demonstrates such other qualities as the
8 Director may determine.

9 (f) GRANT ACTIVITIES.—

10 (1) PLANNING ACTIVITIES.—An eligible entity
11 that receives a grant under the grant program may
12 use not more than 10 percent of the grant for plan-
13 ning activities.

14 (2) PROJECTS AND INVESTMENTS.—An eligible
15 entity that receives a grant under the grant program
16 shall carry out 1 or more projects that—

17 (A) are designed to achieve goals identified
18 in a comprehensive regional plan; and

19 (B) promote livable communities through
20 investment in—

21 (i) transit-oriented development;

22 (ii) transportation infrastructure and
23 facilities, including public transportation;
24 projects that improve access to public
25 transportation; structured parking near

1 public transportation, and complete street
2 projects;

3 (iii) short-term operating funds to ini-
4 tiate a demonstration of new public trans-
5 portation services;

6 (iv) promotion of employer-based com-
7 muter benefit programs to increase public
8 transportation ridership;

9 (v) promotion of trip reduction pro-
10 grams and the use of transportation alter-
11 natives;

12 (vi) creating or preserving affordable
13 housing for low-, very low-, and extremely
14 low-income families in mixed-income,
15 mixed-use neighborhoods with access to
16 public transportation;

17 (vii) brownfield redevelopment, or
18 other redevelopment of communities and
19 commercial areas, including the main
20 streets of small towns;

21 (viii) infrastructure maintenance and
22 improvement initiatives that support re-
23 gionally integrated planning and smart
24 growth;

25 (ix) energy efficiency retrofit projects;

1 ~~(x)~~ land banking for transit-oriented
2 development;

3 ~~(xi)~~ implementing land use, zoning,
4 and other code reforms to promote loca-
5 tion-efficient development and sustainable
6 development;

7 ~~(xii)~~ other economic development that
8 is part of the comprehensive regional plan;
9 and

10 ~~(xiii)~~ other activities consistent with
11 the purposes of this Act, as determined by
12 the Director.

13 ~~(g)~~ GRANT AGREEMENT.—Each eligible entity that
14 receives a grant under this section shall agree to establish,
15 in coordination with the Director, performance measures
16 and reporting requirements that must be met at the end
17 of each year in which the eligible entity receives funds
18 under the grant program.

19 ~~(h)~~ VIOLATION OF GRANT AGREEMENT.—If the Di-
20 rector determines that an eligible entity has not met the
21 performance measures established under subsection ~~(g)~~, is
22 not making reasonable progress toward meeting such
23 measures, or is otherwise in violation of the grant agree-
24 ment, the Director may—

1 (1) withhold financial assistance until the per-
2 formance measures are met; or

3 (2) terminate the grant agreement.

4 (i) REPORT ON THE SUSTAINABILITY CHALLENGE
5 GRANT.—

6 (1) IN GENERAL.—Not later than 90 days after
7 the date on which the grant agreement under sub-
8 section (g) expires, an eligible entity that receives a
9 grant under this section shall submit a final report
10 on the project to the Council.

11 (2) CONTENTS OF REPORT.—The report shall
12 include—

13 (A) a detailed explanation of the activities
14 undertaken using the grant, including an expla-
15 nation of the completed project and how it
16 achieves specific transit-oriented, transpor-
17 tation, housing, or sustainable community goals
18 within the region;

19 (B) a discussion of any obstacles encoun-
20 tered in the planning and implementation proe-
21 cess and how the eligible entity overcame the ob-
22 stacles;

23 (C) an evaluation of the success of the
24 project using the performance standards and
25 measures established under subsection (g), in-

1 including an evaluation of the planning and im-
2 plementation process and how the project con-
3 tributes to carrying out the comprehensive re-
4 gional plan; and

5 (D) any other information the Director
6 may require.

7 (3) INTERIM REPORT.—The Director may re-
8 quire an eligible entity to submit an interim report,
9 before the date on which the project for which the
10 grant is awarded is completed.

11 (j) AUTHORIZATION OF APPROPRIATIONS.—

12 (1) AUTHORIZATION.—There are authorized to
13 be appropriated to the Secretary for the award of
14 grants under this section, to remain available until
15 expended—

16 (A) \$750,000,000 for fiscal year 2011;

17 (B) \$1,250,000,000 for fiscal year 2012;

18 and

19 (C) \$1,750,000,000 for fiscal year 2013.

20 (2) TECHNICAL ASSISTANCE.—Of amounts
21 made available under this subsection, the Director
22 may use for technical assistance under section
23 5(e)(3) an amount that does not exceed the lesser
24 of—

1 ~~(A) 0.5 percent of the amounts made avail-~~
2 ~~able under this subsection for a fiscal year; and~~
3 ~~(B) \$2,000,000.~~

4 **SECTION 1. SHORT TITLE.**

5 *This Act may be cited as the “Livable Communities*
6 *Act of 2010”.*

7 **SEC. 2. FINDINGS.**

8 *Congress finds the following:*

9 (1) *Demographic trends support the need for co-*
10 *operation in land use planning and the development*
11 *of housing and transportation. The population of the*
12 *United States will grow from approximately*
13 *307,000,000 people to approximately 439,000,000 peo-*
14 *ple during the period between 2010 and 2050, an in-*
15 *crease of more than 40 percent.*

16 (2) *By 2025, nearly 1 in every 5 people in the*
17 *United States will be 65 years of age or older.*

18 (3) *During the period between 1980 and 2000,*
19 *the growth of the 99 largest metropolitan areas in the*
20 *continental United States consumed 16,000,000 acres*
21 *of rural land, or about 1 acre for every new house-*
22 *hold.*

23 (4) *In 2007, traffic congestion caused people in*
24 *large and small metropolitan areas of the United*
25 *States to waste 4,200,000,000 hours in traffic and to*

1 *purchase an extra 2,800,000,000 gallons of fuel, for a*
2 *congestion cost of \$87,200,000,000. This represents a*
3 *5-fold increase in wasted time and cost since 1982.*

4 *(5) The Energy Information Administration of*
5 *the Department of Energy forecasts that driving will*
6 *increase 59 percent between 2005 and 2030, far out-*
7 *pacing the projected 23-percent increase in popu-*
8 *lation.*

9 *(6) According to the United States Census Bu-*
10 *reau, only 54 percent of households in the United*
11 *States have access to public transportation, limiting*
12 *their transportation options.*

13 *(7) In 2008, voters throughout the United States*
14 *approved State and local ballot initiatives that sup-*
15 *ported public transportation 79 percent of the time,*
16 *even when it meant local taxes would be raised or*
17 *continued.*

18 *(8) Demographers estimate that as much as 30*
19 *percent of current demand for housing is for housing*
20 *in dense, walkable, mixed-use communities, and that*
21 *less than 2 percent of new housing is in this category.*

22 *(9) The average household spends 19 percent of*
23 *its household budget on transportation, and some very*
24 *low-income households spend as much as 55 percent*
25 *of the household budget on transportation. Households*

1 *with good access to public transportation spend only*
2 *9 percent of the household budget on transportation,*
3 *which increases the portion of the household budget*
4 *available for other critical household needs.*

5 (10) *The need for safe and affordable housing is*
6 *great. Fifty-four percent of renters spend more than*
7 *30 percent of their income on housing costs, and 29*
8 *percent of renters pay more than 50 percent of their*
9 *income for housing. In 2007, there was a shortage of*
10 *2,800,000 units of affordable housing for extremely*
11 *low-income renter households. An estimated 6,000,000*
12 *households live with moderate or severe housing condi-*
13 *tions, including heating, plumbing, and electrical*
14 *problems, and 24,000,000 households face significant*
15 *lead-based paint hazards.*

16 (11) *People who live in areas of compact devel-*
17 *opment (where housing, shopping, jobs, and public*
18 *transportation are in close proximity) drive 20 to 40*
19 *percent less than people who live in average develop-*
20 *ment patterns in the United States.*

21 (12) *When the effects of emissions savings from*
22 *passengers taking transit instead of driving and the*
23 *reduction in vehicle miles traveled due to the impact*
24 *of transit on land use are taken into account, public*
25 *transportation in the United States reduces carbon*

1 *dioxide emissions by nearly 37,000,000 metric tons*
2 *each year.*

3 (13) *Transportation accounts for 70 percent of*
4 *the oil consumed in the United States and nearly 1/3*
5 *of carbon emissions in the United States come from*
6 *the transportation sector. Reducing the growth of the*
7 *number of miles driven and providing transportation*
8 *alternatives through good planning and sustainable*
9 *development is a necessary part of the energy inde-*
10 *pendence and climate change strategies of the United*
11 *States.*

12 (14) *A number of studies, reports, and articles*
13 *by organizations including the Environmental Protec-*
14 *tion Agency, the National Association of Realtors,*
15 *and the Transit Cooperative Research Project have*
16 *found that one of the keys to revitalizing and main-*
17 *taining the character of town centers and preserving*
18 *surrounding agricultural land in small and rural*
19 *communities is to prevent commercial and residential*
20 *development on the outskirts of town, by promoting*
21 *integrated housing, economic, and transportation de-*
22 *velopment in town centers.*

23 (15) *More than 1,600,000 rural households do*
24 *not have access to cars.*

1 (16) *The burden of transportation costs is espe-*
2 *cially heavy for low-income rural residents, because*
3 *residents of rural areas drive approximately 17 per-*
4 *cent more than residents of urban areas.*

5 (17) *Demand for public transportation in rural*
6 *and small town communities is growing. Between*
7 *2002 and 2005, ridership on small urban and rural*
8 *public transportation systems increased 20 percent.*

9 (18) *Poorly planned development in rural areas*
10 *can fragment agricultural and forest lands, pollute*
11 *waterways with surface water runoff, cause unneces-*
12 *sary environmental impacts, strain the capacity of*
13 *rural roads, and sap economic vitality from existing*
14 *“main street” commercial areas.*

15 (19) *Funding for integrated housing, transpor-*
16 *tation, energy, environmental, and economic develop-*
17 *ment and other land use planning efforts at the local*
18 *and regional levels is necessary to provide for sustain-*
19 *able development and smart growth.*

20 (20) *Responsibilities related to health hazards in*
21 *housing are not clearly delineated among Federal*
22 *agencies. Categorical housing, health, energy assist-*
23 *ance, and environmental programs are narrowly de-*
24 *finied and often miss opportunities to address multiple*
25 *hazards in the same dwelling simultaneously. Ena-*

1 *bling Federal programs to embrace a comprehensive*
2 *healthy housing approach will require removing un-*
3 *necessary Federal statutory and regulatory barriers,*
4 *and creating incentives to advance the complementary*
5 *goals of environmental health, energy conservation,*
6 *and housing availability in relevant programs.*

7 **SEC. 3. PURPOSES.**

8 *The purposes of this Act are—*

9 *(1) to facilitate and improve the coordination of*
10 *housing, community development, transportation, en-*
11 *ergy, and environmental policy in the United States;*

12 *(2) to coordinate Federal policies and invest-*
13 *ments to promote sustainable development;*

14 *(3) to encourage regional planning for livable*
15 *communities and the adoption of sustainable develop-*
16 *ment techniques, including transit-oriented develop-*
17 *ment;*

18 *(4) to provide a variety of safe, reliable transpor-*
19 *tation choices, with special emphasis on public trans-*
20 *portation and complete streets, in order to reduce*
21 *traffic congestion, greenhouse gas emissions, and de-*
22 *pendence on foreign oil;*

23 *(5) to provide long-term affordable, accessible,*
24 *energy-efficient, and location-efficient housing choices*
25 *for people of all ages, incomes, races, and ethnicities,*

1 *and to make the combined costs of housing and trans-*
2 *portation more affordable to families;*

3 *(6) to support, revitalize, and encourage growth*
4 *in existing communities, in order to maximize the*
5 *cost-effectiveness of existing infrastructure and pre-*
6 *serve undeveloped lands;*

7 *(7) to promote economic development and com-*
8 *petitiveness by connecting the housing and employ-*
9 *ment locations of workers, reducing traffic congestion,*
10 *and providing families with access to essential serv-*
11 *ices;*

12 *(8) to preserve the environment and natural re-*
13 *sources, including agricultural and rural land and*
14 *green spaces; and*

15 *(9) to support public health and improve the*
16 *quality of life for the residents of, and workers in,*
17 *communities by promoting healthy, walkable neigh-*
18 *borhoods, access to green space, and the mobility to*
19 *pursue greater opportunities.*

20 **SEC. 4. DEFINITIONS.**

21 *In this Act, the following definitions shall apply:*

22 *(1) ACTIVE TRANSPORTATION.—The term “active*
23 *transportation” means modes of transportation pow-*
24 *ered solely by human energy, including bicycling and*
25 *walking.*

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

4 (3) *CENSUS TRACT.*—*The term “census tract”*
5 *means a small, relatively permanent statistical sub-*
6 *division of a county, delineated by a local committee*
7 *of census data users for the purpose of presenting*
8 *data.*

9 (4) *CHAIRPERSON.*—*The term “Chairperson”*
10 *means the Chairperson of the Interagency Council on*
11 *Sustainable Communities.*

12 (5) *COMPLETE STREET.*—*The term “complete*
13 *street” means a street that enables all travelers, par-*
14 *ticularly public transit users, bicyclists, pedestrians*
15 *(including individuals of all ages and individuals*
16 *with disabilities), and motorists, to use the street safe-*
17 *ly and efficiently.*

18 (6) *COMPREHENSIVE REGIONAL PLAN.*—*The term*
19 *“comprehensive regional plan” means a plan that—*

20 (A) *identifies land use, transportation, com-*
21 *munity development, housing, economic develop-*
22 *ment, environmental, energy, public health, and*
23 *infrastructure needs and goals in a region;*

1 (B) provides strategies for meeting the needs
2 and goals described in subparagraph (A), includ-
3 ing strategies for—

4 (i) providing long-term affordable, ac-
5 cessible, energy-efficient, and location-effi-
6 cient housing choices for people of all ages,
7 incomes, races, and ethnicities;

8 (ii) reducing growth in vehicle miles
9 traveled, in order to reduce traffic conges-
10 tion, oil consumption, and regional green-
11 house gas emissions from transportation;

12 (iii) encouraging economic competi-
13 tiveness and economic development;

14 (iv) increasing the connectivity of the
15 region by increasing public transportation
16 ridership, improving access to transpor-
17 tation alternatives, and effectively imple-
18 menting a coordinated human services
19 transportation plan; and

20 (v) preserving the environment and
21 natural resources; and

22 (C) prioritizes projects for funding and im-
23 plementation.

24 (7) 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, or*
8 *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 Sec-*
13 *retary sufficient to demonstrate that the purpose*
14 *of the consortium is to carry out a project using*
15 *a grant awarded under this Act.*

16 *(8) COORDINATED HUMAN SERVICES TRANSPOR-*
17 *TATION.—The term “coordinated human services*
18 *transportation” means transportation services con-*
19 *sistent with the coordinated public transportation-*
20 *human services transportation plans required under*
21 *chapter 53 of title 49, United States Code.*

22 *(9) COUNCIL.—The term “Council” means the*
23 *Interagency Council on Sustainable Communities es-*
24 *tablished under section 6.*

1 (10) *DEPARTMENT.*—The term “Department”
2 means the Department of Housing and Urban Devel-
3 opment.

4 (11) *DIRECTOR.*—The term “Director” means
5 the Director of the Office of Sustainable Housing and
6 Communities established under section 5.

7 (12) *EXTREMELY LOW-INCOME FAMILY.*—The
8 term “extremely low-income family” means a family
9 that has an income that does not exceed—

10 (A) 30 percent of the median income in the
11 area where the family lives, as determined by the
12 Secretary, with appropriate adjustments for the
13 size of the family; or

14 (B) a percentage of the median income in
15 the area where the family lives, as determined by
16 the Secretary upon a finding by the Secretary
17 that such percentage is necessary due to unusu-
18 ally high or low family incomes in the area
19 where the family lives.

20 (13) *HEALTHY HOUSING.*—The term “healthy
21 housing” means housing that is designed, constructed,
22 rehabilitated, and maintained in a manner that sup-
23 ports the health of the occupants of the housing.

24 (14) *HIGH-POVERTY AREA.*—The term “high-
25 poverty area” means a census tract, or a group of

1 *contiguous census tracts, that has a poverty rate of 20*
2 *percent or more.*

3 (15) *HOUSING-RELATED HEALTH HAZARD.*—*The*
4 *term “housing-related health hazard” means any bio-*
5 *logical, physical, or chemical source of exposure or*
6 *condition in, or immediately adjacent to, housing*
7 *that could adversely affect human health.*

8 (16) *INDIAN TRIBE.*—*The term “Indian tribe”*
9 *has the same meaning as in section 4 of the Native*
10 *American Housing Assistance and Self-Determination*
11 *Act of 1996 (25 U.S.C. 4103).*

12 (17) *INTEGRATED ACTIVE TRANSPORTATION NET-*
13 *WORK.*—*The term “integrated active transportation*
14 *network” means a network of facilities for active*
15 *transportation, including bicycle lanes, bikeways, bi-*
16 *cycle boulevards, pedestrian and bicycle trails, and*
17 *sidewalks that are coordinated to provide safe and*
18 *convenient connections to public transportation,*
19 *workplaces, schools, residences, businesses, recreation*
20 *areas, and other community activity centers.*

21 (18) *LIVABLE COMMUNITY.*—*The term “livable*
22 *community” means a metropolitan, urban, suburban,*
23 *or rural community that—*

24 (A) *provides safe, reliable, and accessible*
25 *transportation choices;*

1 (B) provides long-term affordable, accessible,
2 energy-efficient, and location-efficient housing
3 choices for people of all ages, incomes, races, and
4 ethnicities;

5 (C) supports, revitalizes, and encourages the
6 growth of existing communities and maximizes
7 the cost-effectiveness of existing infrastructure;

8 (D) promotes economic development and
9 economic competitiveness;

10 (E) preserves the environment and natural
11 resources;

12 (F) protects agricultural land, rural land,
13 and green spaces; and

14 (G) supports public health and improves the
15 quality of life for residents of, and workers in,
16 the community.

17 (19) LOCATION-EFFICIENT.—The term “location-
18 efficient” characterizes mixed-use development or
19 neighborhoods that integrate housing, commercial de-
20 velopment, and facilities and amenities including em-
21 ployment, healthcare and human services, educational
22 facilities, and transportation—

23 (A) to enhance mobility;

24 (B) to encourage transit-oriented develop-
25 ment;

1 (C) to encourage infill development and
2 maximize the use of existing infrastructure; and

3 (D) to reduce growth in vehicle miles trav-
4 eled and the transportation costs and energy re-
5 quirements associated with ownership or rental
6 of a home.

7 (20) *LOW-INCOME FAMILY*.—The term “low-in-
8 come family” has the meaning given that term in sec-
9 tion 3(b) of the United States Housing Act of 1937
10 (42 U.S.C. 1437a(b)).

11 (21) *METROPOLITAN PLANNING ORGANIZA-*
12 *TION*.—The term “metropolitan planning organiza-
13 tion” means—

14 (A) a metropolitan planning organization
15 described in section 134(b) of title 23, United
16 States Code; or

17 (B) a metropolitan planning organization
18 described in section 5303(b) of title 49, United
19 States Code.

20 (22) *METROPOLITAN STATISTICAL AREA*.—The
21 term “metropolitan statistical area” means a county
22 or group of counties that—

23 (A) is designated by the Office of Manage-
24 ment and Budget as a metropolitan statistical
25 area; and

1 (B) has 1 or more large population centers
2 with a population of not less than 50,000 and
3 adjacent territory with a high level of integra-
4 tion with the core.

5 (23) *MICROPOLITAN STATISTICAL AREA.*—The
6 term “micropolitan statistical area” means a county
7 or group of counties that—

8 (A) is designated by the Office of Manage-
9 ment and Budget as a micropolitan statistical
10 area; and

11 (B) has 1 or more large urban clusters with
12 a population of not less than 10,000 and not
13 more than 50,000.

14 (24) *NONCORE AREA.*—The term “noncore area”
15 means a county or group of counties that are not des-
16 ignated by the Office of Management and Budget as
17 a micropolitan statistical area or metropolitan statis-
18 tical area.

19 (25) *OLDER ADULT.*—The term “older adult”
20 means an elderly person, as defined in section 3(b) of
21 the United States Housing Act of 1937 (42 U.S.C.
22 1437a(b)).

23 (26) *OFFICE.*—The term “Office” means the Of-
24 fice of Sustainable Housing and Communities estab-
25 lished under section 5.

1 (27) *REGIONAL COUNCIL.*—*The term “regional*
2 *council” means a multi-service 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, and*
7 *local programs; and*

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

10 (28) *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 systems*
14 *that—*

15 (A) *works in cooperation with the depart-*
16 *ment of transportation (or equivalent entity) of*
17 *a State to plan transportation networks and ad-*
18 *vice officials of the State on transportation plan-*
19 *ning; and*

20 (B) *is located in a rural area—*

21 (i) *with a population of not less than*
22 *5,000; and*

23 (ii) *that is not located in an area rep-*
24 *resented by a metropolitan planning orga-*
25 *nization.*

1 (29) *SECRETARY*.—The term “Secretary” means
2 the Secretary of Housing and Urban Development.

3 (30) *STATE*.—The term “State” has the meaning
4 given that term by the Secretary, by rule.

5 (31) *SUSTAINABLE DEVELOPMENT*.—The term
6 “sustainable development” means a pattern of re-
7 source use designed to create livable communities
8 by—

9 (A) providing a variety of safe, reliable,
10 and accessible transportation choices, with spe-
11 cial emphasis on public transportation and com-
12 plete streets, in order to reduce traffic congestion,
13 greenhouse gas emissions, and oil consumption;

14 (B) providing long-term affordable, acces-
15 sible, energy-efficient, and location-efficient hous-
16 ing choices for people of all income levels, ages,
17 races, and ethnicities;

18 (C) supporting, revitalizing, and encour-
19 aging the growth of communities and maxi-
20 mizing the cost-effectiveness of existing infra-
21 structure;

22 (D) promoting economic development and
23 economic competitiveness;

24 (E) preserving the environment and natural
25 resources;

1 (F) protecting agricultural land, rural land,
2 and green spaces; and

3 (G) supporting public health and improving
4 the quality of life for residents of, and workers
5 in, a community.

6 (32) *TRANSIT-ORIENTED DEVELOPMENT*.—The
7 term “transit-oriented development” means high-den-
8 sity, walkable, location-efficient, mixed-use develop-
9 ment, including commercial development, affordable
10 housing, and market-rate housing, that is within
11 walking distance of and accessible to 1 or more public
12 transportation facilities.

13 (33) *UNIT OF GENERAL LOCAL GOVERNMENT*.—
14 The term “unit of general local government” means—

15 (A) a city, county, town, township, parish,
16 village, or other general purpose political sub-
17 division of a State; or

18 (B) a combination of general purpose polit-
19 ical subdivisions, as determined by the Sec-
20 retary.

21 (34) *UNIT OF SPECIAL PURPOSE LOCAL GOVERN-*
22 *MENT*.—The term “unit of special purpose local gov-
23 ernment”—

24 (A) means a division of a unit of general
25 purpose government that serves a special purpose

1 *and does not provide a broad array of services;*
2 *and*

3 *(B) includes an entity such as a school dis-*
4 *trict, a housing agency, a transit agency, and a*
5 *parks and recreation district.*

6 (35) *VERY LOW-INCOME FAMILY.*—*The term*
7 *“very low-income family” has the same meaning as*
8 *in section 3(b) of the United States Housing Act of*
9 *1937 (42 U.S.C. 1437a(b)).*

10 (36) *WORKFORCE HOUSING.*—*The term “work-*
11 *force housing” means housing, the cost of which does*
12 *not exceed 30 percent of—*

13 *(A) 120 percent of the median income in the*
14 *area where the family lives, as determined by the*
15 *Secretary, with appropriate adjustments for the*
16 *size of the family; or*

17 *(B) a percentage, as determined by the Sec-*
18 *retary, of the median income in the area where*
19 *the family lives, upon a finding by the Secretary*
20 *that such percentage is necessary due to unusu-*
21 *ally high or low family incomes in the area*
22 *where the family lives.*

1 **SEC. 5. OFFICE OF SUSTAINABLE HOUSING AND COMMU-**
2 **NITIES.**

3 (a) *OFFICE ESTABLISHED.*—*There is established in the*
4 *Department an Office of Sustainable Housing and Commu-*
5 *nities, which shall—*

6 (1) *coordinate Federal policies and initiatives*
7 *that foster livable communities—*

8 (A) *to encourage sustainable development at*
9 *the State, regional, and local levels;*

10 (B) *to encourage the development of com-*
11 *prehensive regional plans;*

12 (C) *to foster energy-efficient communities*
13 *and housing;*

14 (D) *to provide long-term affordable, acces-*
15 *sible, energy-efficient, healthy, location-efficient*
16 *housing choices for people of all ages, incomes,*
17 *racess, and ethnicities, particularly for low-, very*
18 *low-, and extremely low-income families; and*

19 (E) *to achieve other goals consistent with*
20 *the purposes of this Act;*

21 (2) *review Federal programs and policies to de-*
22 *termine barriers to sustainable communities and*
23 *make recommendations to promote sustainability in*
24 *the Department and throughout the Federal Govern-*
25 *ment;*

1 (3) *conduct research and advise the Secretary on*
2 *the research agenda of the Department relating to sus-*
3 *tainable development, in coordination with the Office*
4 *of Policy Development and Research of the Depart-*
5 *ment;*

6 (4) *provide support for participation by the Sec-*
7 *retary in the activities of the Council;*

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

10 (A) *developing grant applications for each*
11 *grant program;*

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

14 (C) *selecting recipients of grants under each*
15 *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 perform-*
23 *ance of recipients of grants under each grant*
24 *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 (6) provide guidance, information on best prac-
6 tices, and technical assistance to communities seeking
7 to adopt sustainable development policies and prac-
8 tices;

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

12 (8) work with the Federal Transit Administra-
13 tion of the Department of Transportation—

14 (A) to encourage transit-oriented develop-
15 ment; and

16 (B) to coordinate Federal housing, commu-
17 nity development, and transportation policies,
18 including the policies described in paragraph
19 (1); and

20 (9) coordinate with and conduct outreach to Fed-
21 eral agencies, including the Federal Transit Adminis-
22 tration of the Department of Transportation and the
23 Office of Smart Growth of the Environmental Protec-
24 tion Agency, on sustainability issues, including meth-
25 ods to reduce duplicative programs and improve the

1 *efficiency and effectiveness of programs within the De-*
2 *partment of Transportation, the Environmental Pro-*
3 *tection Agency, and the Department of Housing and*
4 *Urban Development.*

5 **(b) DIRECTOR.**—*The head of the Office shall be the Di-*
6 *rector of the Office of Sustainable Housing and Commu-*
7 *nities.*

8 **(c) DUTIES RELATING TO GRANT PROGRAMS.**—

9 **(1) IN GENERAL.**—*The Director, in coordination*
10 *with the Council or a working group established by*
11 *the Council under section 6(b)(6), shall carry out the*
12 *grant programs established under this Act.*

13 **(2) SMALL AND RURAL COMMUNITIES GRANTS**
14 **PROGRAM.**—*The Director shall coordinate with the*
15 *Council, or a working group established by the Coun-*
16 *cil under section 6(b)(6), and the Secretary of Agri-*
17 *culture to make grants to small and rural commu-*
18 *nities under section 7(c)(1)(A) and section 8(c)(1)(A).*

19 **(3) INTERIM WORKING GROUP.**—*During the pe-*
20 *riod between the date of enactment of this Act and the*
21 *date on which a memorandum of understanding is*
22 *signed under section 6(a)(7), in carrying out the*
23 *grant programs under this Act, the Secretary shall*
24 *consult with an interim working group that includes*
25 *the Secretary of Transportation, the Administrator of*

1 *the Environmental Protection Agency (or the designee*
2 *of such Secretary or Administrator), and representa-*
3 *tives from such other Federal agencies, departments,*
4 *or offices, as the President may determine.*

5 (4) *TECHNICAL ASSISTANCE FOR GRANT RECIPI-*
6 *ENTS AND APPLICANTS.—*

7 (A) *IN GENERAL.—The Director may—*

8 (i) *coordinate with the members of the*
9 *Council to establish interagency and multi-*
10 *disciplinary teams to provide technical as-*
11 *sistance to recipients of, and prospective ap-*
12 *plicants for, grants under this Act;*

13 (ii) *by Federal interagency agreement,*
14 *transfer funds to another Federal agency to*
15 *facilitate and support technical assistance;*
16 *and*

17 (iii) *make contracts with third parties*
18 *to provide technical assistance to grant re-*
19 *cipients and prospective applicants for*
20 *grants.*

21 (B) *RURAL AND SMALL COMMUNITIES*
22 *TECHNICAL ASSISTANCE.—In consultation with*
23 *the Council, the Director shall develop coopera-*
24 *tive arrangements with the Secretary of Agri-*
25 *culture, the Administrator of the Environmental*

1 *Protection Agency, and the Secretary of Trans-*
 2 *portation to provide technical assistance to small*
 3 *and rural communities applying for grants*
 4 *under section 7(c)(1)(A) or section 8(c)(1)(A).*

5 *(d) REPORT ON HOUSING LOCATION AFFORDABILITY*
 6 *INDEX.—*

7 *(1) STUDY.—The Director shall conduct a study*
 8 *on—*

9 *(A) the development of a housing location*
 10 *affordability index that includes both housing*
 11 *and transportation costs; and*

12 *(B) ways in which the affordability index*
 13 *described in subparagraph (A) could be made*
 14 *available to the public to inform consumers of*
 15 *the combined costs of housing and transpor-*
 16 *tation.*

17 *(2) REPORT.—Not later than 1 year after the*
 18 *date of enactment of this Act, the Director shall sub-*
 19 *mit to the Committee on Banking, Housing, and*
 20 *Urban Affairs of the Senate and the Committee on*
 21 *Financial Services of the House of Representatives a*
 22 *report on the study under paragraph (1).*

23 *(e) REPORT ON INCENTIVES FOR ENERGY-EFFICIENT*
 24 *MORTGAGES AND LOCATION-EFFICIENT MORTGAGES.—*

25 *(1) DEFINITIONS.—In this subsection—*

1 (A) *the term “energy-efficient mortgage”*
2 *means a mortgage loan under which the income*
3 *of the borrower, for purposes of qualification for*
4 *such loan, is considered to be increased by not*
5 *less than \$1 for each \$1 of savings projected to*
6 *be realized by the borrower as a result of cost-*
7 *effective energy-saving design, construction, or*
8 *improvements (including use of renewable energy*
9 *sources, such as solar, geothermal, biomass, and*
10 *wind, super-insulation, energy-saving windows,*
11 *insulating glass and film, and radiant barrier)*
12 *for the home for which the loan is made; and*

13 (B) *the term “location-efficient mortgage”*
14 *means a mortgage loan under which—*

15 (i) *the income of the borrower, for pur-*
16 *poses of qualification for such loan, is con-*
17 *sidered to be increased by not less than \$1*
18 *for each \$1 of savings projected to be real-*
19 *ized by the borrower because the location of*
20 *the home for which the loan is made will re-*
21 *sult in decreased transportation costs for the*
22 *household of the borrower; or*

23 (ii) *the sum of the principal, interest,*
24 *taxes, and insurance due under the mort-*
25 *gage loan is decreased by not less than \$1*

1 *for each \$1 of savings projected to be real-*
2 *ized by the borrower because the location of*
3 *the home for which the loan is made will re-*
4 *sult in decreased transportation costs for the*
5 *household of the borrower.*

6 (2) *STUDY.*—

7 (A) *IN GENERAL.*—*The Director shall con-*
8 *duct a study on incentives for encouraging lend-*
9 *ers to make, and homebuyers and homeowners to*
10 *participate in, energy-efficient mortgages and lo-*
11 *cation-efficient mortgages, including—*

12 (i) *fee reductions;*

13 (ii) *fee waivers;*

14 (iii) *interest rate reductions; and*

15 (iv) *adjustment of mortgage qualifica-*
16 *tions.*

17 (B) *CONSIDERATIONS.*—*In studying the in-*
18 *centives under subparagraph (A), the Secretary*
19 *shall consider—*

20 (i) *the potential for lower risk of de-*
21 *fault on energy-efficient mortgages and loca-*
22 *tion-efficient mortgages in comparison to*
23 *mortgages that are not energy-efficient or*
24 *location-efficient; and*

1 (ii) any other factors affecting the fea-
 2 sibility, affordability, and sustainability of
 3 energy-efficient mortgages and location-effi-
 4 cient mortgages.

5 (3) *REPORT.*—Not later than 1 year after the
 6 date of enactment of this Act, the Director shall sub-
 7 mit to the Committee on Banking, Housing, and
 8 Urban Affairs of the Senate and the Committee on
 9 Financial Services of the House of Representatives a
 10 report on the study under paragraph (2).

11 (f) *AUTHORIZATION OF APPROPRIATIONS.*—There are
 12 authorized to be appropriated to the Secretary such sums
 13 as may be necessary to carry out this section.

14 **SEC. 6. INTERAGENCY COUNCIL ON SUSTAINABLE COMMU-**
 15 **NITIES.**

16 (a) *ESTABLISHMENT OF COUNCIL.*—

17 (1) *ESTABLISHMENT.*—There is established in
 18 the executive branch an independent entity to be
 19 known as the Interagency Council on Sustainable
 20 Communities.

21 (2) *MEMBERS.*—

22 (A) *IN GENERAL.*—The members of the
 23 Council shall be—

1 (i) *the Secretary, the Secretary of*
2 *Transportation, and the Administrator of*
3 *the Environmental Protection Agency; and*

4 (ii) *such representatives from other*
5 *Federal agencies, departments, or offices in*
6 *the executive branch as the President may*
7 *prescribe.*

8 (B) *DESIGNEES.—*

9 (i) *IN GENERAL.—The head of a Fed-*
10 *eral agency described in subparagraph (A)*
11 *may select a designee to serve in the place*
12 *of the head of the Federal agency on the*
13 *Council.*

14 (ii) *QUALIFICATIONS.—The head of a*
15 *Federal agency that selects a designee under*
16 *clause (i) shall ensure that the designee has*
17 *the appropriate experience and authority to*
18 *serve on the Council.*

19 (C) *PAY.—The members of the Council shall*
20 *serve with no additional pay.*

21 (3) *CHAIRPERSON.—*

22 (A) *CHAIRPERSON.—The Chairperson of the*
23 *Council shall be, in successive terms—*

24 (i) *the Secretary;*

1 (ii) the Secretary of Transportation;

2 and

3 (iii) the Administrator of the Environ-
4 mental Protection Agency.

5 (B) DUTIES.—The Chairperson shall—

6 (i) set the time, date, and location of
7 each meeting of the Council; and

8 (ii) in consultation with the members
9 of the Council, set the agenda for each meet-
10 ing of the Council.

11 (C) TERM.—The Chairperson shall serve for
12 a term of 1 year.

13 (D) FIRST CHAIRPERSON.—The Secretary
14 shall be the first individual to serve as Chair-
15 person after the date of enactment of this Act.

16 (4) EXECUTIVE DIRECTOR AND STAFF.—

17 (A) EXECUTIVE DIRECTOR.—

18 (i) APPOINTMENT AND COMPENSA-
19 TION.—The Council shall appoint an Exec-
20 utive Director, who shall be compensated at
21 a rate not to exceed the rate of basic pay for
22 level V of the Executive Schedule under sec-
23 tion 5316 of title 5, United States Code.

24 (ii) SENSE OF CONGRESS.—It is the
25 sense of Congress that the Council should

1 *appoint an Executive Director not later*
2 *than 90 days after the date of enactment of*
3 *this Act.*

4 (B) *ADDITIONAL PERSONNEL.*—*With the*
5 *approval of the Council, the Executive Director*
6 *of the Council may appoint and fix the com-*
7 *ensation of such additional personnel as the*
8 *Executive Director determines are necessary to*
9 *carry out the duties of the Council.*

10 (C) *DETAILEES FROM OTHER AGENCIES.*—
11 *Upon request of the Council, the head of any*
12 *Federal agency may detail any of the personnel*
13 *of such agency to the Council to assist the Coun-*
14 *cil in carrying out its duties under this section.*

15 (D) *EXPERTS AND CONSULTANTS.*—*With*
16 *the approval of the Council, the Executive Direc-*
17 *tor of the Council may procure temporary and*
18 *intermittent services pursuant to section 3109(b)*
19 *of title 5, United States Code.*

20 (5) *CONSULTATION WITH ADDITIONAL SECRE-*
21 *TARIES AND ADMINISTRATORS.*—

22 (A) *CONSULTATION.*—*In carrying out its*
23 *duties under this section, the Council may con-*
24 *sult with the heads of departments, agencies, and*
25 *offices in the executive branch, including the Sec-*

1 *retary of Energy, the Secretary of Education, the*
2 *Secretary of Agriculture, the Secretary of Health*
3 *and Human Services, the Secretary of Com-*
4 *merce, the Secretary of the Interior, the Chair-*
5 *man of the Council on Environmental Quality,*
6 *and the Director of the White House Office of*
7 *Urban Affairs.*

8 *(B) PARTICIPATION IN MEETINGS OF COUN-*
9 *CIL.—The head of a department, agency, or of-*
10 *fice with whom the Council consults under sub-*
11 *paragraph (A) may participate in a meeting of*
12 *the Council.*

13 *(C) INFORMATION SHARING.—The head of*
14 *each Federal agency shall make available to the*
15 *Council such information as may be necessary*
16 *for the Council to carry out its duties under this*
17 *section.*

18 *(6) MEETINGS.—The Council shall meet—*

19 *(A) not later than 90 days after the date of*
20 *enactment of this Act; and*

21 *(B) not less frequently than 3 times each*
22 *year.*

23 *(7) GOVERNANCE.—Not later than 120 days after*
24 *the date of enactment of this Act, the members of the*
25 *Council shall develop and sign a memorandum of un-*

1 *derstanding that establishes rules relating to the gov-*
2 *ernance of the Council, including rules relating to the*
3 *process by which decisions of the Council are made.*

4 (8) *INCORPORATION OF WORK OF INTERIM WORK-*
5 *ING GROUP.—Any activities carried out by an in-*
6 *terim working group pursuant to section 5(c)(2) shall*
7 *be incorporated into the activities of the Council, ef-*
8 *fective on the date on which the memorandum of un-*
9 *derstanding under paragraph (7) is signed.*

10 (b) *DUTIES OF THE COUNCIL.—The Council shall—*

11 (1) *ensure interagency coordination of Federal*
12 *policy on sustainable development;*

13 (2) *conduct outreach to nonprofit and for-profit*
14 *organizations and State and local governments to*
15 *build partnerships and knowledge relating to sustain-*
16 *able development;*

17 (3) *with respect to sustainable development ef-*
18 *forts by departments and agencies of the Federal Gov-*
19 *ernment—*

20 (A) *coordinate the research agendas of the*
21 *departments and agencies, to consolidate or*
22 *eliminate overlapping or duplicative efforts; and*

23 (B) *review Federal sustainable housing pro-*
24 *grams at each department and agency, report the*
25 *results of the review on the website of the Council*

1 *not less than frequently than annually, and*
2 *make recommendations to Congress with respect*
3 *to the review;*

4 (4) *establish a clearinghouse for guidance, best*
5 *practices, and other information for communities un-*
6 *dertaking activities relating to sustainable develop-*
7 *ment;*

8 (5) *coordinate an assessment by departments*
9 *and agencies of the Federal Government of impedi-*
10 *ments to sustainable development, including impedi-*
11 *ments created by Federal programs, and the develop-*
12 *ment of recommendations for methods for overcoming*
13 *such impediments;*

14 (6) *coordinate with the Director on activities re-*
15 *lating to the grant programs established under this*
16 *Act, as described in section 5(a)(5), or establish a*
17 *working group to coordinate with the Director on*
18 *such activities;*

19 (7) *lead the Federal initiative to support healthy*
20 *housing and eradicate housing-related health hazards*
21 *by—*

22 (A) *reviewing, monitoring, and evaluating*
23 *Federal housing, health, energy, and environ-*
24 *mental programs and identifying areas of over-*
25 *lap and duplication that could be improved;*

1 (B) identifying best practices and model
2 programs, including practices and programs that
3 link services for low-income families and services
4 for health hazards;

5 (C) identifying best practices for finance
6 products, building codes, and regulatory prac-
7 tices;

8 (D) researching training programs and
9 work practices that can accurately assess hous-
10 ing-related health hazards;

11 (E) promoting collaboration among Federal,
12 State, local, and tribal agencies and non-govern-
13 mental organizations; and

14 (F) coordinating with all relevant Federal
15 agencies; and

16 (8) coordinate with the Director to develop com-
17 mon performance measures to assess the progress and
18 effectiveness of projects carried out using grants made
19 under this Act, including efforts to provide detailed
20 and in-depth analysis, data collection, and applica-
21 tion of rigorous methods of measuring and addressing
22 the impacts and outcomes of the projects, particularly
23 with respect to the extent to which the projects have—

1 (A) provided improved and efficient access
2 to jobs and other activities throughout metropoli-
3 tan areas and micropolitan areas and regions;

4 (B) reduced carbon emissions and petroleum
5 consumption associated with transportation on
6 per capita and vehicle-miles-traveled bases, and
7 made other environmental improvements, as de-
8 termined by the Council;

9 (C) increased energy efficiency in commu-
10 nities and housing;

11 (D) improved the availability and quality
12 of long-term affordable and location-efficient
13 housing for people of all income levels, particu-
14 larly in mixed-income neighborhoods with access
15 to public transportation;

16 (E) encouraged density and mixed-use de-
17 velopment within $\frac{1}{2}$ mile of transit stations in
18 regions with fixed guideway transit;

19 (F) increased the number of trips taken by
20 walking, biking, and transit in a region;

21 (G) encouraged location-efficient develop-
22 ment and the use of existing infrastructure in a
23 region; and

24 (H) prompted an increase in comprehensive
25 regional land use planning efforts, including the

1 *preservation of agricultural and rural land and*
2 *green spaces.*

3 (c) *REPORTS.*—

4 (1) *ANNUAL REPORT.*—*Not later than 1 year*
5 *after the date of enactment of this Act, and annually*
6 *thereafter, the Council shall submit to the Committee*
7 *on Banking, Housing, and Urban Affairs of the Sen-*
8 *ate and the Committee on Financial Services of the*
9 *House of Representatives a report that contains—*

10 (A) *a description of the activities and ac-*
11 *complishments of the Council;*

12 (B) *an evaluation of the development and*
13 *implementation of performance measures to*
14 *guide progress on cost-effective and outcome-ori-*
15 *ented investment and a description of possible*
16 *impediments to developing effective performance*
17 *measures; and*

18 (C) *recommendations, if any, for legislation*
19 *or other action necessary to eradicate housing-re-*
20 *lated health hazards.*

21 (2) *RECOMMENDATIONS.*—*Not later than 1 year*
22 *after the date of enactment of this Act, the Council*
23 *shall submit to the Committee on Banking, Housing,*
24 *and Urban Affairs of the Senate and the Committee*

1 *on Financial Services of the House of Representatives*
2 *a report that contains—*

3 *(A) an analysis of impediments to sustain-*
4 *able development; and*

5 *(B) recommendations for action by the Fed-*
6 *eral Government on issues relating to sustainable*
7 *development.*

8 *(d) STUDIES AND REPORTS.—*

9 *(1) GAO STUDY OF FEDERAL ACTIONS AND RE-*
10 *PORT.—Not later than 3 years after the date of enact-*
11 *ment of this Act, the Comptroller General shall sub-*
12 *mit to the Committee on Banking, Housing, and*
13 *Urban Affairs of the Senate and the Committee on*
14 *Financial Services of the House of Representatives a*
15 *report that contains—*

16 *(A) an updated analysis of impediments to*
17 *sustainable development, as described in sub-*
18 *section (c)(2)(A); and*

19 *(B) a description of actions taken by the*
20 *Federal Government to implement the rec-*
21 *ommendations made by the Council in the report*
22 *under subsection (c)(2)(B).*

23 *(2) COUNCIL STUDY ON SUSTAINABLE BUILDING*
24 *FEATURES AND INDOOR ENVIRONMENTAL QUALITY IN*
25 *HOUSING.—*

1 (A) *IN GENERAL.*—*The Council, in con-*
2 *sultation with Secretary of Energy, the Directors*
3 *of the National Institute of Standards and Tech-*
4 *nology, the Director of the Centers for Disease*
5 *Control and Prevention, the National Institute of*
6 *Environmental Health Sciences, and any other*
7 *Federal agency the Director determines is appro-*
8 *priate, shall conduct a detailed study of how sus-*
9 *tainable building features, such as energy effi-*
10 *ciency, in housing affect the quality of the indoor*
11 *environment, the prevalence of housing-related*
12 *health hazards, and the health of occupants.*

13 (B) *CONTENTS OF STUDY.*—*The study*
14 *under subparagraph (A) shall—*

15 (i) *investigate the effect of sustainable*
16 *building features on the quality of the in-*
17 *door environment and the prevalence of*
18 *housing-related health hazards;*

19 (ii) *investigate how sustainable build-*
20 *ing features, such as energy efficiency, in-*
21 *fluence the health of occupants; and*

22 (iii) *comprehensively evaluate the ef-*
23 *fects on indoor environmental quality.*

24 (C) *REPORT.*—*Not later than 3 years after*
25 *the date of enactment of this Act, the Council*

1 *shall submit to the Committee on Banking,*
 2 *Housing, and Urban Affairs of the Senate and*
 3 *the Committee on Financial Services of the*
 4 *House of Representatives a report on the results*
 5 *of the study under subparagraph (A).*

6 (e) *AUTHORIZATION OF APPROPRIATIONS.—There are*
 7 *authorized to be appropriated such sums as may be nec-*
 8 *essary to carry out this section.*

9 **SEC. 7. COMPREHENSIVE PLANNING GRANT PROGRAM.**

10 (a) *DEFINITIONS.—In this section—*

11 (1) *the term “eligible entity” means—*

12 (A) *a partnership between a consortium of*
 13 *units of general local government and an eligible*
 14 *partner; or*

15 (B) *an Indian tribe, if—*

16 (i) *the Indian tribe has—*

17 (I) *a tribal entity that performs*
 18 *housing and land use planning func-*
 19 *tions; and*

20 (II) *a tribal entity that performs*
 21 *transportation and transportation*
 22 *planning functions; and*

23 (ii) *the Secretary determines that the*
 24 *isolated location and land expanse of the*
 25 *Indian tribe require the Secretary to treat*

1 *the tribe as an eligible entity for purposes*
2 *of carrying out activities using a grant*
3 *under this section;*

4 (2) *the term “eligible partner” means—*

5 (A) *a metropolitan planning organization,*
6 *a rural planning organization, or a regional*
7 *council; or*

8 (B) *a metropolitan planning organization,*
9 *a rural planning organization, or a regional*
10 *council, and—*

11 (i) *a State;*

12 (ii) *an Indian tribe; or*

13 (iii) *a State and an Indian tribe; and*

14 (3) *the term “grant program” means the com-*
15 *prehensive planning grant program established under*
16 *subsection (b).*

17 (b) *COMPREHENSIVE PLANNING GRANT PROGRAM ES-*
18 *TABLISHED.—The Director shall establish a comprehensive*
19 *planning grant program to make grants to eligible entities*
20 *to carry out a project—*

21 (1) *to coordinate land use, housing, transpor-*
22 *tation, including coordinated human services trans-*
23 *portation, infrastructure, and environmental plan-*
24 *ning processes, across jurisdictions and agencies;*

1 (2) to identify potential regional partnerships
2 for developing and implementing a comprehensive re-
3 gional plan;

4 (3) to conduct or update housing, infrastructure,
5 transportation, energy, and environmental assess-
6 ments to determine regional needs and promote sus-
7 tainable development;

8 (4) to develop or update—

9 (A) a comprehensive regional plan; or

10 (B) goals and strategies to implement an
11 existing comprehensive regional plan; and

12 (5) to implement local zoning and other code
13 changes necessary to implement a comprehensive re-
14 gional plan and promote sustainable development.

15 (c) GRANTS.—

16 (1) DIVERSITY OF GRANTEES.—The Director
17 shall ensure geographic diversity among and adequate
18 representation from each of the following categories:

19 (A) SMALL AND RURAL COMMUNITIES.—El-
20 igible entities that represent all or part of a
21 noncore area, a micropolitan area, or a small
22 metropolitan statistical area with a population
23 of not more than 200,000.

24 (B) MID-SIZED METROPOLITAN COMMU-
25 NITIES.—Eligible entities that represent all or

1 *part of a metropolitan statistical area with a*
2 *population of more than 200,000 and not more*
3 *than 500,000.*

4 (C) *LARGE METROPOLITAN COMMUNITIES.—*
5 *Eligible entities that represent all or part of a*
6 *metropolitan statistical area with a population*
7 *of more than 500,000.*

8 (2) *AWARD OF FUNDS TO SMALL AND RURAL*
9 *COMMUNITIES.—*

10 (A) *IN GENERAL.—The Director shall*
11 *award not less than 15 percent of the funds*
12 *under the grant program to eligible entities de-*
13 *scribed in paragraph (1)(A).*

14 (B) *INSUFFICIENT APPLICATIONS.—If the*
15 *Director determines that insufficient approvable*
16 *applications have been submitted by eligible enti-*
17 *ties described in paragraph (1)(A), the Director*
18 *may award less than 15 percent of the funds*
19 *under the grant program to eligible entities de-*
20 *scribed in paragraph (1)(A).*

21 (3) *FEDERAL SHARE.—*

22 (A) *IN GENERAL.—Except as provided in*
23 *subparagraph (B), the Federal share of the cost*
24 *of a project carried out using a grant under the*
25 *grant program may not exceed 80 percent.*

1 (B) *INDIAN TRIBES.*—*In the case of an eli-*
2 *gible entity that is an Indian tribe, the Federal*
3 *share of the cost of a project carried out using*
4 *a grant under the grant program may be 100*
5 *percent.*

6 (C) *IN-KIND CONTRIBUTIONS.*—*For the pur-*
7 *poses of this section, in-kind contributions may*
8 *be used for all or part of the non-Federal share*
9 *of the cost of a project carried out using a grant*
10 *under the grant program.*

11 (4) *AVAILABILITY OF FUNDS.*—

12 (A) *IN GENERAL.*—*An eligible entity that*
13 *receives a grant under the grant program shall—*

14 (i) *obligate any funds received under*
15 *the grant program not later than 2 years*
16 *after the date on which the grant agreement*
17 *under subsection (g) is made; and*

18 (ii) *expend any funds received under*
19 *the grant program not later than 4 years*
20 *after the date on which the grant agreement*
21 *under subsection (g) is made.*

22 (B) *UNOBLIGATED AMOUNTS.*—*After the*
23 *date described in subparagraph (A)(i), the Sec-*
24 *retary may award to another eligible entity, to*
25 *carry out activities under this section, any*

1 *amounts that an eligible entity has not obligated*
2 *under subparagraph (A)(i).*

3 (d) *APPLICATION.—*

4 (1) *IN GENERAL.—An eligible entity that desires*
5 *a grant under this section shall submit to the Director*
6 *an application, at such time and in such manner as*
7 *the Director shall prescribe, that contains—*

8 (A) *a description of the project proposed to*
9 *be carried out by the eligible entity;*

10 (B) *a budget for the project that includes*
11 *the anticipated Federal share of the cost of the*
12 *project and a description of the source of the*
13 *non-Federal share;*

14 (C) *the designation of a lead agency or or-*
15 *ganization, which may be the eligible entity, to*
16 *receive and manage any funds received by the el-*
17 *igible entity under the grant program;*

18 (D) *a signed copy of a memorandum of un-*
19 *derstanding among local jurisdictions, including,*
20 *as appropriate, a State, a tribe, units of general*
21 *purpose local government, units of special pur-*
22 *pose local government, metropolitan planning or-*
23 *ganizations, rural planning organizations, and*
24 *regional councils that demonstrates—*

25 (i) *the creation of an eligible entity;*

1 (ii) a description of the nature and ex-
2 tent of planned collaboration between the el-
3 igible entity and any partners of the eligible
4 entity;

5 (iii) a commitment to develop a com-
6 prehensive regional plan; and

7 (iv) a commitment to implement the
8 plan after the plan is developed;

9 (E) a certification that the eligible entity
10 has—

11 (i) secured the participation, or made
12 a good-faith effort to secure the participa-
13 tion, of the public transportation agencies
14 and public housing agencies within the area
15 affected by the comprehensive regional plan
16 and the entities described in clause (ii); and

17 (ii) created, or will create not later
18 than 1 year after the date of the grant
19 award, a regional advisory board to provide
20 input and feedback on the development of
21 the comprehensive regional plan that in-
22 cludes, as appropriate, representatives of a
23 State, the metropolitan planning organiza-
24 tion, the rural planning organization, the
25 regional council, public transportation

1 *agencies, public housing agencies, economic*
2 *development authorities, Indian tribes, other*
3 *local governments, environmental agencies,*
4 *public health agencies, human services agen-*
5 *cies, area agencies on aging, the nonprofit*
6 *community, the private sector, community-*
7 *based organizations, citizen groups, neigh-*
8 *borhood groups, and members of the public,*
9 *including representatives of older adults,*
10 *persons with disabilities, and low-income*
11 *families;*

12 *(F) a certification that the eligible entity*
13 *has solicited public comment on the contents of*
14 *the project description under subparagraph (A)*
15 *that includes—*

16 *(i) a description of the process for re-*
17 *ceiving public comment relating to the pro-*
18 *posal; and*

19 *(ii) such other information as the Di-*
20 *rector may require;*

21 *(G) a description of how the eligible entity*
22 *will carry out the activities under subsection (f);*
23 *and*

24 *(H) such additional information as the Di-*
25 *rector may require.*

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

4 (e) *SELECTION.*—*In evaluating an application for a*
5 *grant under the grant program, the Director shall consider*
6 *the extent to which the application—*

7 (1) *furtheres the creation of livable communities;*

8 (2) *demonstrates the technical capacity of the eli-*
9 *gible entity to carry out the project;*

10 (3) *demonstrates the extent to which the consor-*
11 *tium has developed partnerships throughout an entire*
12 *region, including, as appropriate, partnerships with*
13 *the entities described in subsection (d)(1)(D);*

14 (4) *demonstrates a commitment to—*

15 (A) *sustainable development and location-ef-*
16 *ficient development;*

17 (B) *transit-oriented development, where ap-*
18 *propriate;*

19 (C) *developing new capacity for public*
20 *transportation and increasing ridership on pub-*
21 *lic transportation;*

22 (D) *providing long-term affordable, acces-*
23 *sible, energy-efficient, healthy, and location-effi-*
24 *cient housing choices for families of all ages, in-*
25 *comes, races, and ethnicities;*

1 (E) creating and preserving long-term af-
2 fordable, energy-efficient, healthy, and location-
3 efficient housing for low-, very low-, and ex-
4 tremely low-income families, particularly in
5 mixed-income neighborhoods;

6 (F) revitalizing communities, neighborhoods
7 and commercial centers supported by existing in-
8 frastructure;

9 (G) monitoring and improving environ-
10 mental quality, including air and water quality,
11 energy use, greenhouse gas emissions, and the re-
12 development of brownfields;

13 (H) coordinating the provision of transpor-
14 tation services and information about such serv-
15 ices to older adults, persons with disabilities,
16 and low-income families; and

17 (I) increasing trips made by bicycle and
18 walking through strategies including developing
19 integrated active transportation networks and
20 enacting and implementing complete street poli-
21 cies;

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

1 (6) *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 (7) *promotes economic benefits;*

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

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

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

16 (11) *has a high quality overall; and*

17 (12) *demonstrates such other qualities as the Di-*
18 *rector may determine.*

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

22 (1) *Planning and coordinating across jurisdic-*
23 *tions in the region to develop a comprehensive re-*
24 *gional plan.*

1 (2) *Developing achievable goals and strategies for*
2 *carrying out the comprehensive regional plan, includ-*
3 *ing—*

4 (A) *land use, zoning, and other code reform,*
5 *including reform of conservation zoning in agri-*
6 *cultural and other natural resource areas;*

7 (B) *promoting efficient land use, mixed-use*
8 *development, and the preservation of agricul-*
9 *tural, green, and open space;*

10 (C) *increasing access to and ridership on*
11 *public transportation, including safe, accessible*
12 *routes to public transportation;*

13 (D) *the creation and preservation of work-*
14 *force housing and affordable housing for low-,*
15 *very low-, and extremely low-income families,*
16 *including housing with access to jobs, public*
17 *transportation, and community services and*
18 *amenities and housing in mixed-income neigh-*
19 *borhoods;*

20 (E) *promoting economic development and*
21 *transit-oriented development, including co-loc-*
22 *ation of healthcare and human services;*

23 (F) *revitalizing communities;*

1 (G) promoting environmental protection,
2 public health, and healthy housing, and reducing
3 greenhouse gas emissions;

4 (H) increasing connectivity to healthcare
5 centers for people of all ages and abilities, with
6 particular focus on older adults, persons with
7 disabilities, and veterans; and

8 (I) increasing trips made by bicycle and
9 walking through strategies including developing
10 integrated active transportation networks.

11 (3) Developing a plan that outlines feasible steps
12 for implementing the comprehensive regional plan,
13 including making interjurisdictional agreements that
14 provide for cooperative and coordinated approaches to
15 achieving the goals of the plan.

16 (4) Developing a plan that adapts to changes in
17 population and demographics, including the adoption
18 of location-efficient land use plans and the adaptive
19 re-use of vacant and abandoned properties and under-
20 utilized properties.

21 (5) Assessing projected regional population
22 growth or loss and demographic changes.

23 (6) Assessing how the regional population growth
24 or loss and demographic changes will impact the need

1 *for housing, community development, and transpor-*
2 *tation, including public transportation in the region.*

3 (7) *Assessing the accessibility of job centers with-*
4 *in the region to public transportation facilities and*
5 *housing.*

6 (8) *Assessing transportation options in the re-*
7 *gion, including—*

8 (A) *public transportation options;*

9 (B) *options for creating integrated active*
10 *transportation networks to increase trips made*
11 *by bicycle and walking, including complete street*
12 *policies and procedures;*

13 (C) *options for people with low incomes,*
14 *people living in high-poverty areas, older adults,*
15 *and persons with disabilities;*

16 (D) *the effectiveness of coordinated human*
17 *services transportation in the region; and*

18 (E) *any obstacles to providing access to lo-*
19 *cations that offer employment opportunities.*

20 (9) *Assessing the daily vehicle miles traveled in*
21 *the region and opportunities for reducing the growth*
22 *in daily vehicle miles traveled and traffic congestion.*

23 (10) *Assessing housing needs, including the need*
24 *for workforce housing and long-term affordable hous-*
25 *ing for low-, very low-, and extremely low-income*

1 *families, and the availability of housing in the region*
2 *to meet such needs.*

3 *(11) Assessing the need to create, preserve, and*
4 *improve long-term affordable housing for low-, very*
5 *low-, and extremely low-income families and families*
6 *that utilize workforce housing in areas that—*

7 *(A) are undergoing redevelopment or car-*
8 *rying out transit-oriented development;*

9 *(B) have access to transportation (particu-*
10 *larly public transportation), jobs, educational fa-*
11 *cilities, neighborhood commercial centers, and*
12 *medical services; and*

13 *(C) are in mixed-income neighborhoods.*

14 *(12) Assessing methods for lowering the combined*
15 *cost of housing and transportation for families in the*
16 *region, particularly for families that utilize workforce*
17 *housing and for low-, very low-, and extremely low-*
18 *income families.*

19 *(13) Assessing existing water and sewer infra-*
20 *structure in the region, including projected water and*
21 *sewer needs and sources, the need for sewer infrastruc-*
22 *ture, and the existence of flood plains.*

23 *(14) Assessing local land use and zoning policies*
24 *and opportunities for revising or expanding such*
25 *policies to implement a comprehensive regional plan.*

1 (15) *Assessing the opportunity to revitalize exist-*
2 *ing communities, including infill development.*

3 (16) *Assessing environmental and public health*
4 *needs in the region and potential strategies for reduc-*
5 *ing greenhouse gas emissions, improving air and*
6 *water quality, and remediating brownfield sites.*

7 (17) *Assessing the impact of infrastructure on*
8 *quality of life and wellness, including access to rec-*
9 *reational facilities and active transportation opportu-*
10 *nities, such as trails, and the availability of nutri-*
11 *tious food.*

12 (18) *Assessing projected loss of agricultural and*
13 *rural land and other green space in the region to de-*
14 *velopment, and methods to minimize such loss.*

15 (19) *Developing techniques to inform decision-*
16 *makers on how changes in population and demo-*
17 *graphics and employment, development patterns, and*
18 *investments in transportation infrastructure are like-*
19 *ly to affect travel, congestion, air quality, and quality*
20 *of life.*

21 (20) *Implementing land use, zoning, and other*
22 *code reforms to promote location efficiency and sus-*
23 *tainable development.*

24 (21) *Assessing school siting policies and school*
25 *locations for opportunities to increase the proximity*

1 *of students to schools and increase the rate of walking*
2 *and bicycling to school.*

3 *(22) Other activities consistent with the purposes*
4 *of this Act, as determined by the Director.*

5 *(g) GRANT AGREEMENT.—Each eligible entity that re-*
6 *ceives a grant under this section shall agree to establish,*
7 *in coordination with the Director, performance measures,*
8 *reporting requirements, and any other requirements that*
9 *the Director determines are necessary, that must be met at*
10 *the end of each year in which the eligible entity receives*
11 *funds under the grant program.*

12 *(h) PUBLIC OUTREACH.—*

13 *(1) OUTREACH REQUIRED.—Each eligible entity*
14 *that receives a grant under the grant program shall*
15 *perform substantial outreach activities—*

16 *(A) to engage a broad cross-section of com-*
17 *munity stakeholders in the process of developing*
18 *a comprehensive regional plan, including low-in-*
19 *come families, minorities, older adults, and eco-*
20 *nomically disadvantaged community members;*
21 *and*

22 *(B) to create an effective means for stake-*
23 *holders to participate in the development and*
24 *implementation of a comprehensive regional*
25 *plan.*

1 (2) *FINALIZATION OF COMPREHENSIVE REGIONAL*
2 *PLAN.*—

3 (A) *IN GENERAL.*—*An eligible entity that*
4 *receives a grant under the grant program may*
5 *not finalize a comprehensive regional plan before*
6 *the eligible entity holds a public hearing to ob-*
7 *tain the views of citizens, public agencies, and*
8 *other interested parties.*

9 (B) *AVAILABILITY OF INFORMATION.*—*Not*
10 *later than 30 days before a hearing described in*
11 *subparagraph (A), an eligible entity shall make*
12 *the proposed comprehensive regional plan and*
13 *all information relevant to the hearing available*
14 *to the public for inspection during normal busi-*
15 *ness hours.*

16 (C) *NOTICE.*—*Not later than 30 days before*
17 *a hearing described in subparagraph (A), an eli-*
18 *gible entity shall publish notice—*

19 (i) *of the hearing; and*

20 (ii) *that the information described in*
21 *subparagraph (B) is available.*

22 (i) *VIOLATION OF GRANT AGREEMENT OR FAILURE TO*
23 *COMPLY WITH PUBLIC OUTREACH REQUIREMENTS.*—*If the*
24 *Director determines that an eligible entity has not met the*
25 *performance measures established under subsection (g), is*

1 *not making reasonable progress toward meeting such meas-*
2 *ures, is otherwise in violation of the grant agreement, or*
3 *has not complied with the public outreach requirements*
4 *under subsection (h), the Director may—*

5 (1) *withhold financial assistance until the re-*
6 *quirements under the grant agreement or under sub-*
7 *section (h), as applicable, are met; or*

8 (2) *terminate the grant agreement.*

9 (j) *REPORTS REQUIRED.—*

10 (1) *FIRST ANNUAL REPORT.—Not later than 60*
11 *days after the end of the first year after the grant*
12 *agreement is made under subsection (g), and each*
13 *year thereafter, an eligible entity that receives a grant*
14 *under this section shall submit to the Director a*
15 *progress report that contains—*

16 (A) *a description of any progress made to-*
17 *ward meeting the performance measures estab-*
18 *lished under subsection (g), including—*

19 (i) *a description of any partnership*
20 *created across policy and governmental ju-*
21 *risdictions and a description of any task*
22 *force or multiagency group established by*
23 *the eligible entity at the regional level; and*

24 (ii) *a description of—*

1 (I) *housing, land use, transpor-*
2 *tation, public transportation, energy,*
3 *infrastructure, and environmental*
4 *needs in the region; or*

5 (II) *the obstacles encountered that*
6 *prevented the eligible entity from com-*
7 *pleting a comprehensive evaluation of*
8 *housing, land use, transportation, pub-*
9 *lic transportation, energy, infrastruc-*
10 *ture, and environmental needs, and a*
11 *date by which the eligible entity ex-*
12 *pects to complete the evaluation;*

13 (B) *a description of any planning goals for*
14 *the region that address housing, transportation,*
15 *public transportation, energy, infrastructure,*
16 *and environmental needs;*

17 (C) *a description of—*

18 (i) *a strategy for meeting the goals de-*
19 *scribed in subparagraph (B), including a*
20 *discussion of potential transportation, hous-*
21 *ing, transit-oriented development, energy,*
22 *infrastructure, or environmental activities;*
23 *or*

24 (ii) *the obstacles encountered that pre-*
25 *vented the eligible entity from completing a*

1 *strategy for meeting the goals identified*
2 *under clause (i) and a date by which the el-*
3 *igible entity expects to complete the strat-*
4 *egy;*

5 *(D) a description of the process for solici-*
6 *ting public participation, and a description of*
7 *the efforts to reach affected populations and*
8 *stakeholders; and*

9 *(E) any other information the Director may*
10 *require.*

11 (2) *SUBSEQUENT ANNUAL REPORTS.—Except for*
12 *the first report required under paragraph (1), a re-*
13 *port submitted under paragraph (1) may be sub-*
14 *mitted in the form of an update, at the discretion of*
15 *the Director.*

16 (3) *FINAL REPORT.—Not later than 90 days*
17 *after the date on which the grant agreement under*
18 *subsection (g) expires, an eligible entity that receives*
19 *a grant under this section shall submit to the Director*
20 *a final report that contains—*

21 *(A) a description of a comprehensive re-*
22 *gional plan that includes specific projects that*
23 *will help meet housing, transportation, energy,*
24 *infrastructure, and environmental goals for the*
25 *region;*

1 (B) a detailed description of how the plan
2 under subparagraph (A) meets the performance
3 measures established under subsection (g);

4 (C) a plan for the next steps to be taken by
5 the eligible entity, including whether the eligible
6 entity intends to apply for a sustainability chal-
7 lenge grant under section 8; and

8 (D) any other information the Director may
9 require.

10 (k) **AUTHORIZATION OF APPROPRIATIONS.**—

11 (1) **AUTHORIZATION.**—*There are authorized to be*
12 *appropriated to the Secretary for the award of grants*
13 *under this section, to remain available until ex-*
14 *pended—*

15 (A) \$100,000,000 for fiscal year 2011; and

16 (B) \$125,000,000 for each of fiscal years
17 2012 through 2014.

18 (2) **TECHNICAL ASSISTANCE.**—*The Director may*
19 *use not more than 2 percent of the amounts made*
20 *available under this subsection for a fiscal year for*
21 *technical assistance under section 5(c)(4).*

22 **SEC. 8. SUSTAINABILITY CHALLENGE GRANT PROGRAM.**

23 (a) **DEFINITIONS.**—*In this section—*

24 (1) *the term “eligible entity” means—*

1 (A) a partnership between a consortium of
2 units of general local government and an eligible
3 partner; or

4 (B) an Indian tribe, if—

5 (i) the Indian tribe has—

6 (I) a tribal entity that performs
7 housing and land use planning func-
8 tions; and

9 (II) a tribal entity that performs
10 transportation and transportation
11 planning functions; and

12 (ii) the Secretary determines that the
13 isolated location and land expanse of the
14 Indian tribe require the Secretary to treat
15 the tribe as an eligible entity for purposes
16 of carrying out activities using a grant
17 under the grant program;

18 (2) the term “eligible partner” means—

19 (A) a metropolitan planning organization,
20 a rural planning organization, or a regional
21 council; or

22 (B) a metropolitan planning organization,
23 a rural planning organization, or a regional
24 council, and—

25 (i) a State;

1 (ii) an Indian tribe; or

2 (iii) a State and an Indian tribe; and

3 (3) the term “grant program” means the sustain-
4 ability challenge grant program established under
5 subsection (b).

6 (b) *SUSTAINABILITY CHALLENGE GRANT PROGRAM*

7 *ESTABLISHED.*—*The Director shall establish a sustain-*
8 *ability challenge grant program to make grants to eligible*
9 *entities to—*

10 (1) *promote integrated transportation, housing,*
11 *energy, infrastructure, environmental, and economic*
12 *development activities carried out across policy and*
13 *governmental jurisdictions;*

14 (2) *promote sustainable development and loca-*
15 *tion-efficient development; and*

16 (3) *implement projects identified in a com-*
17 *prehensive regional plan.*

18 (c) *GRANTS.*—

19 (1) *DIVERSITY OF GRANTEES.*—*The Director*
20 *shall ensure geographic diversity among and adequate*
21 *representation from each of the following categories:*

22 (A) *SMALL AND RURAL COMMUNITIES.*—*El-*
23 *igible entities that represent all or part of a*
24 *noncore area, a micropolitan area, or a small*

1 *metropolitan statistical area with a population*
2 *of not more than 200,000.*

3 *(B) MID-SIZED METROPOLITAN COMMU-*
4 *NITIES.—Eligible entities that represent all or*
5 *part of a metropolitan statistical area with a*
6 *population of more than 200,000 and not more*
7 *than 500,000.*

8 *(C) LARGE METROPOLITAN COMMUNITIES.—*
9 *Eligible entities that represent all or part of a*
10 *metropolitan statistical area with a population*
11 *of more than 500,000.*

12 *(2) AWARD OF FUNDS TO SMALL AND RURAL*
13 *COMMUNITIES.—*

14 *(A) IN GENERAL.—The Director shall*
15 *award not less than 15 percent of the funds*
16 *under the grant program to eligible entities de-*
17 *scribed in paragraph (1)(A).*

18 *(B) INSUFFICIENT APPLICATIONS.—If the*
19 *Director determines that insufficient approvable*
20 *applications have been submitted by eligible enti-*
21 *ties described in paragraph (1)(A), the Director*
22 *may award less than 15 percent of the funds*
23 *under the grant program to eligible entities de-*
24 *scribed in paragraph (1)(A).*

25 *(3) FEDERAL SHARE.—*

1 (A) *IN GENERAL.*—*Except as provided in*
2 *subparagraph (B), the Federal share of the cost*
3 *of a project carried out using a grant under the*
4 *grant program may not exceed 80 percent.*

5 (B) *INDIAN TRIBES.*—*In the case of an eli-*
6 *gible entity that is an Indian tribe, the Federal*
7 *share of the cost of a project carried out using*
8 *a grant under the grant program may be 100*
9 *percent.*

10 (4) *AVAILABILITY OF FUNDS.*—

11 (A) *IN GENERAL.*—*An eligible entity that*
12 *receives a grant under the grant program shall—*

13 (i) *obligate any funds received under*
14 *the grant program not later than 2 years*
15 *after the date on which the grant agreement*
16 *under subsection (g) is made; and*

17 (ii) *expend any funds received under*
18 *the grant program not later than 5 years*
19 *after the date on which the grant agreement*
20 *under subsection (g) is made.*

21 (B) *UNOBLIGATED AMOUNTS.*—*After the*
22 *date described in subparagraph (A)(i), the Sec-*
23 *retary may award to another eligible entity, to*
24 *carry out activities under the grant program,*

1 *any amounts that an eligible entity has not obli-*
2 *gated under subparagraph (A)(i).*

3 *(d) APPLICATION.—*

4 *(1) CONTENTS.—An eligible entity that desires a*
5 *grant under the grant program shall submit to the*
6 *Director an application, at such time and in such*
7 *manner as the Director shall prescribe, that con-*
8 *tains—*

9 *(A) a copy of the comprehensive regional*
10 *plan, whether developed as part of the com-*
11 *prehensive planning grant program under sec-*
12 *tion 7 or developed independently;*

13 *(B) a description of the project or projects*
14 *proposed to be carried out using a grant under*
15 *the grant program;*

16 *(C) a description of any preliminary ac-*
17 *tions that have been or must be taken at the local*
18 *or regional level to implement the project or*
19 *projects under subparagraph (B), including the*
20 *revision of land use or zoning policies;*

21 *(D) a signed copy of a memorandum of un-*
22 *derstanding among local jurisdictions, including,*
23 *as appropriate, a State, units of general purpose*
24 *local government, units of special purpose local*
25 *government, metropolitan planning organiza-*

1 *tions, rural planning organizations, and re-*
2 *gional councils that demonstrates—*

3 *(i) the creation of a consortium of*
4 *units of general local government; and*

5 *(ii) a commitment to implement the*
6 *activities described in the comprehensive re-*
7 *gional plan;*

8 *(E) a certification that the eligible entity*
9 *has solicited public comment on the contents of*
10 *the project or projects described in subparagraph*
11 *(B) that includes—*

12 *(i) a certification that the eligible enti-*
13 *ty made information about the project or*
14 *projects available and afforded citizens,*
15 *public agencies, and other interested parties*
16 *a reasonable opportunity to examine the*
17 *content of the project or projects and to sub-*
18 *mit comments;*

19 *(ii) a description of the process for re-*
20 *ceiving public comment, and a description*
21 *of the outreach efforts to affected popu-*
22 *lations and stakeholders;*

23 *(iii) a certification that the eligible en-*
24 *tity—*

1 (I) held a public hearing to obtain
2 the views of citizens, public agencies,
3 and other interested parties;

4 (II) made the proposed project
5 and all information relevant to the
6 hearing available for inspection by the
7 public during normal business hours
8 not less than 30 days before the hear-
9 ing under subclause (I); and

10 (III) published a notice informing
11 the public of the hearing under sub-
12 clause (I) and the availability of the
13 information described in subclause
14 (II); and

15 (iv) a summary of any comments re-
16 ceived, including an explanation of why
17 any such comments were or were not in-
18 cluded in the final application;

19 (F) a budget for the project that includes
20 the Federal share of the cost of the project or
21 projects requested and a description of the source
22 of the non-Federal share; and

23 (G) such additional information as the Di-
24 rector may require.

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

4 (e) *SELECTION.*—*In evaluating an application for a*
5 *grant under the grant program, the Director shall consider*
6 *the extent to which the application—*

7 (1) *furtheres the creation of livable communities;*

8 (2) *promotes sustainable development and loca-*
9 *tion-efficient development;*

10 (3) *demonstrates the technical capacity of the eli-*
11 *gible entity to carry out the project;*

12 (4) *demonstrates the extent to which the eligible*
13 *entity has developed partnerships throughout an en-*
14 *tire region, including partnerships with units of spe-*
15 *cial purpose local government and public transpor-*
16 *tation agencies;*

17 (5) *demonstrates clear and meaningful inter-*
18 *jurisdictional cooperation and coordination of hous-*
19 *ing, transportation, and environmental policies and*
20 *plans;*

21 (6) *demonstrates a commitment to implementing*
22 *a comprehensive regional plan and documents action*
23 *taken or planned to implement the plan, including—*

1 (A) rezoning or other changes to land use
2 controls to enable mixed-use, mixed-income devel-
3 opment;

4 (B) planned or proposed public transpor-
5 tation investments, including—

6 (i) financial contributions for capital
7 and operating costs of public transpor-
8 tation;

9 (ii) improvements for bicycle riders
10 and pedestrians, including complete street
11 policies and procedures and integrated ac-
12 tive transportation networks;

13 (iii) action taken to increase the num-
14 ber of trips made using public transpor-
15 tation and bicycles and by walking;

16 (iv) special efforts to address and plan
17 for the needs of older adults, persons with
18 disabilities, and low-income families, and to
19 address issues of rural isolation and accessi-
20 bility to community support and services
21 among such populations; and

22 (v) efforts to fully engage in a locally
23 developed, coordinated public transit and
24 human services transportation planning

1 *process under chapter 53 of title 49, United*
2 *States Code;*

3 *(C) actions taken to promote the sustain-*
4 *ability and viability of smaller cities, small*
5 *towns and rural areas, focusing on the historic*
6 *and unique downtown or main street areas of*
7 *such cities, towns, and areas, as applicable;*

8 *(D) investment in and actions relating to*
9 *plans or proposals for incentives, subsidies, or*
10 *requirements for developers to create and pre-*
11 *serve affordable housing, including—*

12 *(i) workforce housing and affordable*
13 *housing for low-income families, particu-*
14 *larly housing in mixed-income, location-effi-*
15 *cient neighborhoods with transit-oriented*
16 *development and access to public transpor-*
17 *tation, employment, and commercial and*
18 *other services; and*

19 *(ii) affordable housing for very low-*
20 *and extremely low-income families, particu-*
21 *larly housing in mixed-income, location-effi-*
22 *cient neighborhoods with transit-oriented*
23 *development;*

24 *(E) actions taken to promote transit-ori-*
25 *ented development, including plans or proposals*

1 *for zoning, or for incentives, subsidies, or re-*
2 *quirements for developers; and*

3 *(F) planned or proposed incentives, sub-*
4 *sidies, or requirements designed to preserve agri-*
5 *cultural and rural land and other green space,*
6 *including planned or proposed programs for the*
7 *purchase of development rights;*

8 *(7) minimizes the Federal share necessary to*
9 *carry out the project and leverages a significant*
10 *amount of State, local, or private resources;*

11 *(8) identifies original and innovative ideas to*
12 *overcoming regional problems, including local land*
13 *use and zoning (or other code) obstacles to carrying*
14 *out the comprehensive regional plan;*

15 *(9) promotes diversity among the geographic re-*
16 *gions and the size of the population of the commu-*
17 *nities served by recipients of grants under the grant*
18 *program;*

19 *(10) demonstrates a commitment to substantial*
20 *public input throughout the implementation process;*

21 *(11) demonstrates that a Federal grant is nec-*
22 *essary to accomplish the project or projects proposed*
23 *to be carried out;*

24 *(12) has a high quality overall; and*

1 (13) demonstrates such other qualities as the Di-
2 rector may determine.

3 (f) GRANT ACTIVITIES.—

4 (1) PLANNING ACTIVITIES.—An eligible entity
5 that receives a grant under the grant program may
6 use not more than 10 percent of the grant for plan-
7 ning activities.

8 (2) PROJECTS AND INVESTMENTS.—An eligible
9 entity that receives a grant under the grant program
10 shall carry out 1 or more projects that—

11 (A) are designed to achieve the goals identi-
12 fied in a comprehensive regional plan; and

13 (B) promote livable communities through
14 investment in—

15 (i) transit-oriented development;

16 (ii) transportation infrastructure and
17 facilities projects (including public trans-
18 portation projects) that improve access to
19 public transportation, intermodal transit
20 facilities that enhance regional mobility by
21 bringing together as many modes of trans-
22 port as possible, structured parking near
23 public transportation, integrated active
24 transportation networks, and complete street
25 projects;

1 (iii) short-term operating funds to ini-
2 tiate a demonstration of new public trans-
3 portation services;

4 (iv) promotion of employer-based com-
5 muter benefit programs to increase public
6 transportation ridership;

7 (v) promotion of trip reduction pro-
8 grams and the use of transportation alter-
9 natives;

10 (vi) creating or preserving affordable,
11 energy-efficient, and healthy housing for
12 low-, very low-, and extremely low-income
13 families in mixed-income, mixed-use neigh-
14 borhoods with access to public transpor-
15 tation;

16 (vii) adapting to changes in popu-
17 lation and demographics, including by
18 adopting location-efficient land use plans
19 and re-using vacant and abandoned prop-
20 erties and underutilized properties;

21 (viii) brownfield redevelopment, or
22 other redevelopment of communities and
23 commercial areas, including the main
24 streets of small towns;

- 1 *(ix) infrastructure maintenance and*
2 *improvement initiatives that support re-*
3 *gionally integrated planning and smart*
4 *growth;*
- 5 *(x) energy efficiency retrofit projects;*
- 6 *(xi) land banking for transit-oriented*
7 *development;*
- 8 *(xii) infrastructure maintenance, im-*
9 *provement and development that improve—*
- 10 *(I) quality of life and wellness,*
11 *including access to recreational facili-*
12 *ties and active transportation opportu-*
13 *nities, such as trails; and*
- 14 *(II) the availability of nutritious*
15 *food;*
- 16 *(xiii) implementing land use, zoning,*
17 *and other code reforms to promote location-*
18 *efficient development and sustainable devel-*
19 *opment;*
- 20 *(xiv) other economic development that*
21 *is part of the comprehensive regional plan;*
22 *or*
- 23 *(xv) other activities consistent with the*
24 *purposes of this Act, as determined by the*
25 *Director.*

1 (g) *GRANT AGREEMENT.*—*Each eligible entity that re-*
 2 *ceives a grant under the grant program shall agree to estab-*
 3 *lish, in coordination with the Director, performance meas-*
 4 *ures, reporting requirements, and any other requirements*
 5 *that the Director determines are necessary, that must be met*
 6 *at the end of each year in which the eligible entity receives*
 7 *funds under the grant program.*

8 (h) *VIOLATION OF GRANT AGREEMENT.*—*If the Direc-*
 9 *tor determines that an eligible entity has not met the per-*
 10 *formance measures established under subsection (g), is not*
 11 *making reasonable progress toward meeting such measures,*
 12 *or is otherwise in violation of the grant agreement, the Di-*
 13 *rector may—*

14 (1) *withhold financial assistance until the re-*
 15 *quirements under the grant agreement are met; or*

16 (2) *terminate the grant agreement.*

17 (i) *REPORT ON THE SUSTAINABILITY CHALLENGE*
 18 *GRANT.*—

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

24 (2) *CONTENTS OF REPORT.*—*The report shall in-*
 25 *clude—*

1 (A) a detailed explanation of the activities
2 undertaken using the grant, including an expla-
3 nation of the completed project and how it
4 achieves specific transit-oriented, transportation,
5 housing, or sustainable community goals within
6 the region;

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

11 (C) an evaluation of the success of the
12 project using the performance standards and
13 measures established under subsection (g), in-
14 cluding an evaluation of the planning and im-
15 plementation process and how the project con-
16 tributes to carrying out the comprehensive re-
17 gional plan; and

18 (D) any other information the Director may
19 require.

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

1 (j) *COMMUNITY ZONING AND LAND USE PLANNING*
2 *GRANT AND BUILDING CODE ENFORCEMENT GRANT PRO-*
3 *GRAM.*—

4 (1) *DEFINITION OF THE TERM “BUILDING CODE*
5 *ENFORCEMENT”.*—*In this subsection, the term “build-*
6 *ing code enforcement”*—

7 (A) *means the enforcement of any code*
8 *adopted by a State or local government that reg-*
9 *ulates the construction or maintenance of build-*
10 *ings and related facilities; and*

11 (B) *includes the enforcement of building*
12 *codes, electrical codes, energy codes, fire codes,*
13 *fuel gas codes, mechanical codes, plumbing codes,*
14 *zoning codes, property maintenance codes, and*
15 *wildland-urban interface codes.*

16 (2) *GRANT PROGRAM ESTABLISHED.*—*The Direc-*
17 *tor may award competitive grants under this sub-*
18 *section*—

19 (A) *to States, units of general local govern-*
20 *ment, and tribal authorities to fund local land*
21 *use, zoning, and building code updates to pro-*
22 *mote livable communities and sustainable devel-*
23 *opment; and*

1 (B) to units of general local government
2 and tribal authorities, to fund building code en-
3 forcement.

4 (3) *USE OF FUNDS.*—

5 (A) *IN GENERAL.*—A State, unit of general
6 local government, or tribal authority may use a
7 grant under paragraph (2)(A) for updating zon-
8 ing and building codes to support sustainable
9 communities and energy efficiency, including
10 through—

11 (i) the adoption of location-efficient
12 land use plans, development of master plans
13 or comprehensive plans that promote afford-
14 able housing co-located or well-connected
15 with retail and business development;

16 (ii) the development and implementa-
17 tion of local, corridor, or district plans and
18 strategies that promote livability;

19 (iii) revisions to zoning codes, ordi-
20 nances, building standards, or other laws to
21 remove barriers to sustainable development
22 and promote sustainable development and
23 mixed-use, mixed-income development;

24 (iv) revisions to building codes to pro-
25 mote energy-efficient rehabilitation and new

1 *construction to create affordable housing*
 2 *and healthy housing;*

3 *(v) strategies for creating or preserving*
 4 *affordable housing along existing or planned*
 5 *transit corridors; and*

6 *(vi) strategies to bring affordable hous-*
 7 *ing to areas that have few affordable hous-*
 8 *ing opportunities and are close to suburban*
 9 *employment centers.*

10 *(B) USE OF FUNDS FOR BUILDING CODE*
 11 *ENFORCEMENT.—*

12 *(i) IN GENERAL.—A unit of general*
 13 *local government or tribal authority may*
 14 *use a grant under paragraph (2)(B) for the*
 15 *enforcement of residential, energy, fire, and*
 16 *other building-related codes.*

17 *(ii) USE AS SUPPLEMENTAL FUND-*
 18 *ING.—A grant under paragraph (2)(B) may*
 19 *be used to supplement State or local fund-*
 20 *ing for the administration of building code*
 21 *enforcement. A grant described in this sub-*
 22 *paragraph may be used to increase staffing,*
 23 *provide staff training, increase staff com-*
 24 *petence and professional qualifications, or*
 25 *support individual certification or depart-*

1 *mental accreditation, or for capital expend-*
2 *itures specifically dedicated to the adminis-*
3 *tration of building-related codes.*

4 (4) *SELECTION CRITERIA FOR BUILDING CODE*
5 *ENFORCEMENT GRANTS.—*

6 (A) *IN GENERAL.—In selecting applicants*
7 *for grants under paragraph (2)(B), the Director*
8 *shall consider—*

9 (i) *the plan of the applicant to con-*
10 *tinue any services provided using a grant*
11 *under this subsection with fees or other rev-*
12 *enue, after grant funds are expended, as ap-*
13 *propriate;*

14 (ii) *the financial need of the building*
15 *code enforcement jurisdiction in which the*
16 *applicant is located; and*

17 (iii) *the ability of the building code en-*
18 *forcement department of the applicant to*
19 *work cooperatively with planning officials,*
20 *health departments, and other agencies to*
21 *improve community safety.*

22 (B) *BUILDING CODE ENFORCEMENT AU-*
23 *THORITY.—The Director may award a grant to*
24 *an applicant under paragraph (2)(B) only if the*
25 *Director determines that the applicant has the*

1 *authority to enforce building codes and regula-*
2 *tions and to collect fees for permits and inspec-*
3 *tions with respect to such codes and regulations.*

4 (5) *MAXIMUM AMOUNT OF GRANTS.*—*The amount*
5 *of a grant awarded under this subsection may not ex-*
6 *ceed—*

7 (A) *\$3,000,000 for a grant under paragraph*
8 *(2)(A); or*

9 (B) *\$1,000,000 for a grant under para-*
10 *graph (2)(B).*

11 (6) *FEDERAL SHARE.*—

12 (A) *IN GENERAL.*—*Except as provided in*
13 *subparagraph (C), the Federal share of the cost*
14 *of a project carried out using a grant under this*
15 *subsection may not exceed 80 percent.*

16 (B) *IN-KIND CONTRIBUTIONS.*—*In-kind con-*
17 *tributions may be used for the non-Federal share*
18 *of the cost of a project carried out using a grant*
19 *under this subsection.*

20 (C) *WAIVER.*—*The Director may award a*
21 *grant under this subsection for which the Federal*
22 *share of the cost of the project carried out using*
23 *the grant exceeds 80 percent, based upon the level*
24 *of economic distress of the jurisdiction seeking*
25 *the grant.*

1 (k) *AUTHORIZATION OF APPROPRIATIONS.*—

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

6 (A) *\$100,000,000 for fiscal year 2011;*

7 (B) *\$500,000,000 for fiscal year 2012;*

8 (C) *\$700,000,000 for fiscal year 2013; and*

9 (D) *\$900,000,000 for fiscal year 2014.*

10 (2) *TECHNICAL ASSISTANCE.*—*Of amounts made*
11 *available under this subsection for a fiscal year, the*
12 *Director may use for technical assistance under sec-*
13 *tion 5(c)(3) an amount that does not exceed the lesser*
14 *of—*

15 (A) *0.5 percent of the amounts made avail-*
16 *able under this subsection for the fiscal year; or*

17 (B) *\$2,000,000.*

18 (3) *COMMUNITY ZONING AND LAND USE PLAN-*
19 *NING GRANT AND BUILDING CODE ENFORCEMENT*
20 *GRANT PROGRAM.*—*Of amounts made available under*
21 *this subsection for a fiscal year, the Director may use*
22 *not more than \$50,000,000 for grants under sub-*
23 *section (j).*

1 **SEC. 9. REGENERATION PLANNING GRANT DEMONSTRATION PROGRAM.**
2

3 (a) *DEFINITIONS.—In this section, the following defini-*
4 *tions shall apply:*

5 (1) *ELIGIBLE ENTITY.—The term “eligible enti-*
6 *ty” means—*

7 (A) *a unit of general local government or*
8 *an Indian tribe that has experienced—*

9 (i) *a loss in population of at least 15*
10 *percent since 1970, as measured by data*
11 *from the most recent decennial census or*
12 *American Community Survey; or*

13 (ii) *prolonged population, income, and*
14 *employment loss resulting in substantial*
15 *levels of housing vacancy and abandonment*
16 *that are concentrated in more than one*
17 *neighborhood or geographic area within the*
18 *unit of general local government;*

19 (B) *a consortium of units of general local*
20 *governments in which the most populous unit of*
21 *general local government has experienced—*

22 (i) *a loss in population of at least 15*
23 *percent since 1970, as measured by data*
24 *from the most recent decennial census or*
25 *American Community Survey; or*

1 (ii) prolonged population, income, and
 2 employment loss resulting in substantial
 3 levels of housing vacancy and abandonment
 4 that are concentrated in more than one
 5 neighborhood or geographic area within the
 6 unit of general local government; or

7 (C) an entity described in subparagraph
 8 (A) or (B) and an eligible partner.

9 (2) *ELIGIBLE PARTNER.*—The term “eligible
 10 partner” means—

11 (A) a State;

12 (B) an Indian tribe;

13 (C) a community revitalization nonprofit
 14 agency with a city or regionwide area of focus;

15 (D) a consortium of community revitaliza-
 16 tion nonprofit agencies; or

17 (E) a consortium of local universities and
 18 colleges.

19 (3) *GRANT PROGRAM.*—The term “grant pro-
 20 gram” means the regeneration planning grant pro-
 21 gram established under subsection (b).

22 (4) *REGENERATION PLAN.*—The term “regenera-
 23 tion plan” means a plan that—

24 (A) integrates land use, economic develop-
 25 ment, housing, environmental, energy, food pro-

1 *duction, recreation, job and workforce develop-*
2 *ment, infrastructure, and transportation pro-*
3 *grams, policies, and projects to address the spe-*
4 *cial needs of an eligible entity;*

5 *(B) creates a community-driven vision and*
6 *action plan for reclaiming the most distressed*
7 *and abandoned areas of an eligible entity, stabi-*
8 *lizing transitional neighborhoods within an eli-*
9 *gible entity, and building on the strengths and*
10 *assets of the stable areas within an eligible enti-*
11 *ty;*

12 *(C) develops holistic strategies for meeting*
13 *the needs and goals of an eligible entity, includ-*
14 *ing strategies that—*

15 *(i) provide for the efficient and sus-*
16 *tainable use of land, structures, neighbor-*
17 *hoods, and resources within the community*
18 *or region;*

19 *(ii) increase the safety, value, stability,*
20 *and connectivity of neighborhoods;*

21 *(iii) develop green infrastructure strat-*
22 *egies to address environmental, energy,*
23 *recreation, and food systems needs; or*

1 (iv) encourage workforce development
2 and economic competitiveness through im-
3 plementation of regeneration activities.

4 (b) *REGENERATION PLANNING GRANT PROGRAM ES-*
5 *TABLISHED.—The Secretary shall establish a regeneration*
6 *planning grant program to make grants to eligible entities*
7 *to develop a regeneration plan, in accordance with the*
8 *grant agreement under subsection (e).*

9 (c) *GRANTS.—*

10 (1) *DIVERSITY OF GRANTEES.—The Secretary*
11 *shall ensure geographic diversity among and adequate*
12 *representation from smaller units of general local gov-*
13 *ernment, with populations of not more than 150,000,*
14 *and larger units of general local government, with*
15 *populations of more than 150,000, with population*
16 *measured by the most recent decennial census data or*
17 *American Community Survey, or in the case of con-*
18 *sortia of units of general local governments, consortia*
19 *in which the largest unit of general local government*
20 *has such a population. The Secretary shall prioritize*
21 *the distribution of regeneration planning grants to el-*
22 *igible applicants that have experienced significant*
23 *population loss due to large-scale employment losses*
24 *that have caused substantial levels of housing vacancy*
25 *and abandonment.*

1 (2) *FEDERAL SHARE.*—

2 (A) *IN GENERAL.*—*Except as provided in*
3 *subparagraph (B), the Federal share of the cost*
4 *of developing a regeneration plan under the*
5 *grant program may not exceed 80 percent.*

6 (B) *INDIAN TRIBES.*—*In the case of an eli-*
7 *gible entity that is an Indian tribe, the Federal*
8 *share of the cost of developing a regeneration*
9 *plan under the grant program may be 100 per-*
10 *cent.*

11 (C) *IN-KIND CONTRIBUTIONS.*—*In-kind con-*
12 *tributions may be used for the non-Federal share*
13 *of the cost of developing a regeneration plan*
14 *under the grant program.*

15 (3) *TECHNICAL ASSISTANCE FOR GRANT RECIPI-*
16 *ENTS AND APPLICANTS.*—*The Secretary may—*

17 (A) *establish a technical assistance program*
18 *for prospective applicants, particularly to appli-*
19 *cants from smaller communities (including dis-*
20 *tressed older industrial cities, rural commu-*
21 *nities, and first tier suburbs), preparing to*
22 *apply for grants under this section;*

23 (B) *make contracts with third parties to*
24 *provide technical assistance to grant recipients*

1 *and prospective applicants for grants under this*
2 *section; and*

3 *(C) coordinate to establish interagency and*
4 *multidisciplinary teams to provide technical as-*
5 *sistance to recipients of and prospective appli-*
6 *cants for grants under this section.*

7 *(4) AVAILABILITY OF FUNDS.—*

8 *(A) IN GENERAL.—An eligible entity that*
9 *receives a grant under the grant program shall—*

10 *(i) obligate any funds received under*
11 *the grant program not later than 2 years*
12 *after the date on which the grant agreement*
13 *under subsection (e) is made; and*

14 *(ii) expend any funds received under*
15 *the grant program not later than 4 years*
16 *after the date on which the grant agreement*
17 *under subsection (e) is made.*

18 *(B) UNOBLIGATED AMOUNTS.—After the*
19 *date described in subparagraph (A)(i), the Sec-*
20 *retary may award to another eligible entity, to*
21 *carry out activities under this section, any*
22 *amounts that an eligible entity has not obligated*
23 *under subparagraph (A)(i).*

24 *(d) APPLICATION.—*

1 (1) *IN GENERAL.*—*An eligible entity that desires*
2 *a grant under the grant program shall submit to the*
3 *Secretary an application at such time and in such*
4 *manner as the Secretary shall prescribe.*

5 (2) *CONTENTS.*—

6 (A) *IN GENERAL.*—*Each application sub-*
7 *mitted under this subsection shall contain a re-*
8 *generation plan.*

9 (B) *PLAN ELEMENTS.*—*The regeneration*
10 *plan required under subparagraph (A) shall in-*
11 *clude—*

12 (i) *a comprehensive land use plan that*
13 *reflects the population loss the community*
14 *or region has experienced, reflects future*
15 *population trends, including any antici-*
16 *pated further losses, using the most current*
17 *data available, and provides for the efficient*
18 *and sustainable use of land, structures,*
19 *neighborhoods, and resources within the*
20 *community or region;*

21 (ii) *a plan for creation of green infra-*
22 *structure to be set aside in the community*
23 *or region for recreation, open space, agri-*
24 *culture, park use, educational use, or pur-*

1 *poses related to future economic or residen-*
2 *tial development;*

3 *(iii) a detailed implementation strat-*
4 *egy for the plan, including modifications to*
5 *a comprehensive or master land use plan,*
6 *neighborhood plans, strategic demolition*
7 *plans, and zoning and building codes;*

8 *(iv) a plan for integrating related pro-*
9 *grams and strategies funded through other*
10 *sources, including Federal, State, local, and*
11 *private sources, into the implementation*
12 *strategy described in clause (iii);*

13 *(v) a plan to create new employment*
14 *opportunities, especially in areas directly*
15 *related to the implementation of the regen-*
16 *eration plan, including building*
17 *deconstruction, removal of buildings and in-*
18 *frastructure, creation of green infrastruc-*
19 *ture, environmental remediation, and long-*
20 *term employment in environmentally sus-*
21 *tainable activities, including urban agri-*
22 *culture, open space maintenance, and re-*
23 *newable energy production; or*

24 *(vi) any other element, as determined*
25 *appropriate or feasible by the Secretary.*

1 (e) *GRANT AGREEMENT.*—Each eligible entity that re-
2 ceives a grant under the grant program shall agree to estab-
3 lish, in coordination with the Secretary, annual reporting
4 requirements, and other requirements that the Secretary de-
5 termines are necessary that shall be met each year in which
6 the eligible entity receives funds under the grant program.

7 (f) *PUBLIC OUTREACH.*—

8 (1) *OUTREACH REQUIRED.*—Each eligible entity
9 that receives a grant under the grant program shall
10 perform outreach activities—

11 (A) to engage a broad cross-section of com-
12 munity stakeholders in the process of developing
13 a regeneration plan, including low-income fami-
14 lies, minorities, older adults, economically dis-
15 advantaged community members, affected citi-
16 zens, community groups and any others who
17 would be impacted by the adoption of a regen-
18 eration plan; and

19 (B) to create an effective means for stake-
20 holders to participate in the development and
21 implementation of a regeneration plan.

22 (2) *FINALIZATION OF REGENERATION PLAN.*—

23 (A) *IN GENERAL.*—An eligible entity that
24 receives a grant under the grant program may
25 not finalize a regeneration plan before the eligi-

1 *ble entity holds a public hearing to obtain the*
2 *views of citizens, public agencies, and other in-*
3 *terested parties.*

4 *(B) AVAILABILITY OF INFORMATION.—Not*
5 *later than 30 days before a hearing described in*
6 *subparagraph (A), an eligible entity shall make*
7 *the proposed regeneration plan and all informa-*
8 *tion relevant to the hearing available to the pub-*
9 *lic for inspection during normal business hours.*

10 *(C) NOTICE.—Not later than 30 days before*
11 *a hearing described in subparagraph (A), an eli-*
12 *gible entity shall publish notice—*

13 *(i) of the hearing; and*

14 *(ii) that the information described in*
15 *subparagraph (B) is available.*

16 *(g) VIOLATION OF GRANT AGREEMENT OR FAILURE TO*
17 *COMPLY WITH PUBLIC OUTREACH REQUIREMENTS.—If the*
18 *Secretary determines that an eligible entity has not met the*
19 *requirements established under subsection (e), is not making*
20 *reasonable progress toward meeting such measures, is other-*
21 *wise in violation of the grant agreement, or has not com-*
22 *plied with the public outreach requirements under sub-*
23 *section (f), the Secretary may—*

24 *(1) withhold financial assistance until the per-*
25 *formance measures are met; or*

1 (2) *terminate the grant agreement.*

2 (h) *AUTHORIZATION OF APPROPRIATIONS.—*

3 (1) *AUTHORIZATION.—There are authorized to be*
 4 *appropriated for regeneration planning grants under*
 5 *this section \$20,000,000 for each of fiscal years 2011*
 6 *through 2014.*

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

11 (i) *IMPLEMENTATION OF REGENERATION PLANS.—To*
 12 *the extent practicable, for a reasonable amount of time fol-*
 13 *lowing the full expenditure of a grant under this section,*
 14 *the Secretary shall ensure that each recipient of a grant*
 15 *under this section—*

16 (1) *establishes and maintains processes pro-*
 17 *viding for the continued implementation and periodic*
 18 *revision of regeneration plans; and*

19 (2) *submits to the Secretary such reports as the*
 20 *Secretary determines are necessary.*

21 **SEC. 10. INFRASTRUCTURE CREDIT FACILITY TO SUPPORT**
 22 **TRANSIT-ORIENTED DEVELOPMENT.**

23 (a) *DEFINITIONS.—In this section—*

24 (1) *the term “eligible applicant” means a State*
 25 *or local government;*

1 (2) *the term “eligible borrower” means—*

2 (A) *a governmental entity, authority, agen-*
3 *cy, or instrumentality;*

4 (B) *a corporation, partnership, joint ven-*
5 *ture, or trust on behalf of which an eligible ap-*
6 *plicant has submitted an application under sub-*
7 *section (c); or*

8 (C) *any other legal entity undertaking an*
9 *infrastructure development project on behalf of*
10 *which an eligible applicant has submitted an ap-*
11 *plication under subsection (c); and*

12 (3) *the term “project” means an infrastructure*
13 *development project that is used to support transit-*
14 *oriented development, including—*

15 (A) *property enhancement, including con-*
16 *ducting environmental remediation, park devel-*
17 *opment, and open space acquisition;*

18 (B) *improvement of mobility and parking,*
19 *including rehabilitating, or providing for addi-*
20 *tional, streets, transit stations, structured park-*
21 *ing, walkways, and bikeways; or*

22 (C) *utility development, including rehabili-*
23 *tating existing, or providing for new drinking*
24 *water, wastewater, electric, and gas utilities.*

1 (b) *INFRASTRUCTURE CREDIT FACILITY ESTAB-*
2 *LISHED.—The Secretary may make or guarantee loans*
3 *under this section to eligible borrowers for projects.*

4 (c) *APPLICATION.—*

5 (1) *IN GENERAL.—An eligible applicant may*
6 *submit to the Secretary an application for a loan or*
7 *loan guarantee under this section—*

8 (A) *to fund a project carried out by the eli-*
9 *gible applicant; or*

10 (B) *on behalf of an eligible borrower, to*
11 *fund a project carried out by the eligible bor-*
12 *rower.*

13 (d) *SELECTION CRITERIA.—*

14 (1) *IN GENERAL.—The Secretary may make a*
15 *loan or loan guarantee under this section for a project*
16 *that supports a transit-oriented development that—*

17 (A) *is part of a community-wide develop-*
18 *ment plan;*

19 (B) *promotes sustainable development; and*

20 (C) *ensures that not less than 15 percent of*
21 *any housing units made available through the*
22 *transit-oriented development are for lower-in-*
23 *come households.*

1 (2) *CONSIDERATIONS.—The Secretary shall select*
2 *the recipients of loans and loan guarantees under this*
3 *section based on the extent to which—*

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

7 (B) *the transit-oriented development sup-*
8 *ported by the project will create or preserve long-*
9 *term affordable housing units in addition to the*
10 *housing units required to be made available*
11 *under paragraph (1)(C);*

12 (C) *the project will facilitate and encourage*
13 *additional development or redevelopment in the*
14 *overall transit station area;*

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

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

19 (ii) *allow high-density, mixed-use de-*
20 *velopment near transit stations;*

21 (E) *the transit-oriented development sup-*
22 *ported by the project is part of a comprehensive*
23 *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 loans 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; or

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

19 (f) *INTEREST RATE.*—The Secretary shall establish an
20 interest rate for loans made or guaranteed under this sec-
21 tion with reference to a benchmark interest rate (yield) on
22 marketable Treasury securities with a maturity that is
23 similar to the loans made or guaranteed under this section.

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

4 (1) *35 years; or*

5 (2) *90 percent of the useful life of any project to*
6 *be financed by the loan, as determined by the Sec-*
7 *retary.*

8 (h) *MAXIMUM LOAN GUARANTEE RATE.*—

9 (1) *IN GENERAL.*—*The guarantee rate on a loan*
10 *guaranteed under this section may not exceed 75 per-*
11 *cent of the amount of the loan.*

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

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

23 (j) *NONSUBORDINATION.*—*A loan made or guaranteed*
24 *under this section may not be subordinated to the claims*

1 of any holder of an obligation relating to the project in the
2 event of bankruptcy, insolvency, or liquidation.

3 (k) *COMMENCEMENT OF REPAYMENT.*—The scheduled
4 repayment of principal or interest on a loan made or guar-
5 anteed under this section shall commence not later than 5
6 years after the date of substantial completion of the project.

7 (l) *REPAYMENT DEFERRAL FOR LOANS.*—

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

17 (2) *TREATMENT OF DEFERRED PAYMENTS.*—Any
18 payment deferred under this section shall—

19 (A) continue to accrue interest until fully
20 repaid; and

21 (B) be scheduled to be amortized over the re-
22 maining term of the loan.

23 (m) *AUTHORIZATION OF APPROPRIATIONS.*—There are
24 authorized to be appropriated for the cost of loans and loan
25 guarantees under this section—

1 (1) \$20,000,000 for each of fiscal years 2011 and
2 2012; and

3 (2) \$30,000,000 for each of fiscal years 2013 and
4 2014.

5 **SEC. 11. INELIGIBILITY OF INDIVIDUALS WHO ARE NOT**
6 **LAWFULLY PRESENT.**

7 No housing assisted using a grant under this Act may
8 be made available to an individual who is not lawfully
9 present in the United States. Nothing in this Act may be
10 construed to alter the restrictions or definitions under sec-
11 tion 214 of the Housing and Community Development Act
12 of 1980 (42 U.S.C. 1436a).

Calendar No. 716

11TH CONGRESS
2^D SESSION
S. 1619

A BILL

To establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

DECEMBER 19, 2010

Reported with an amendment