### Calendar No. 716

111TH CONGRESS 2D 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 for
- 7 this Act is as follows:
  - Sec. 1. Short title; table of contents.
  - Sec. 2. Findings.
  - Sec. 3. Purposes.
  - Sec. 4. Definitions.
  - See. 5. Office of Sustainable Housing and Communities.
  - See. 6. Interagency Council on Sustainable Communities.
  - Sec. 7. Comprehensive planning grant program.
  - See. 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
- 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
- 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.
  - (4) During the period between 1980 and 2000, the growth of the largest 99 metropolitan areas in the continental United States consumed 16,000,000 acres of rural land, or about 1 acre for every new household.
    - (5) In 2007, traffic congestion caused people in large and small metropolitan areas of the United States to waste 4,200,000,000 hours in traffic and to purchase an extra 2,800,000,000 gallons of fuel, for a congestion cost of \$87,200,000,000. This represents a 5-fold increase in wasted time and cost since 1982.
    - (6) The Energy Information Administration of the Department of Energy forecasts that driving will increase 59 percent between 2005 and 2030, far outpacing the projected 23 percent increase in population.
    - (7) According to the United States Census Bureau, only 54 percent of households in the United States have access to public transportation.
    - (8) In 2008, voters throughout the United States approved State and local ballot initiatives that supported public transportation 79 percent of

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

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

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

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

(12) People who live in areas of compact development (where housing, shopping, jobs, and public

transportation are in close proximity) drive 20 to 40 percent less than people who live in average development patterns in the United States.

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

(14) Transportation accounts for 70 percent of the oil consumed in the United States and nearly ½ of carbon emissions in the United States come from the transportation sector. Reducing the growth of the number of miles driven and providing transportation alternatives through good planning and sustainable development is a necessary part of the energy independence and climate change strategies of the United States.

(15) A number of studies, reports, and articles by organizations including the Environmental Protection Agency, the National Association of Realtors, and the Transit Cooperative Research Project have found that one of the keys to revitalizing and maintaining the character of town centers and preserving

surrounding agricultural land in small and rural communities is to prevent commercial and residential development on the outskirts of town, by promoting integrated housing, economic, and transportation development in town centers.

- (16) More than 1,600,000 rural households do not have access to ears.
- (17) The burden of transportation costs is especially heavy for low-income rural residents, because residents of rural areas drive approximately 17 percent more than residents of urban areas.
- (18) Demand for public transportation in rural and small town communities is growing. Between 2002 and 2005, ridership on small urban and rural public transportation systems increased 20 percent.
- (19) Poorly planned development in rural areas can fragment agricultural and forest lands, pollute waterways with surface water runoff, cause unnecessary environmental impacts, strain the capacity of rural roads, and sap economic vitality from existing "main street" commercial areas.
- (20) Funding for integrated housing, transportation, energy, environmental, and economic development 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

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:

- In this Act, the following definitions shall apply:
- (1) AFFORDABLE HOUSING.—The term "afford-20 21 able housing" means housing, the cost of which does not exceed 30 percent of the income of a family. 22
  - (2) CENSUS TRACT.—The term "census tract" means a small, relatively permanent statistical subdivision of a county, delineated by a local committee

24

1	of census data users for the purpose of presenting
2	<del>data.</del>
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	<del>that—</del>
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 earry out planning activities, including
23	surveys, land use studies, environmental or pub-
24	lie 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	essary 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	<del>structure;</del>

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	<del>government;</del>
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	<del>by</del> —
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	<del>ural resources;</del>
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	<del>facilities.</del>

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	<del>1437a(b)).</del>
7	(28) Workforce Housing.—The term "work-
8	force housing" 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 in the control of the contro
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	<del>program;</del>
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	<del>practices;</del>

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	<del>issues.</del>
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 earry 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

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	<del>GAGES</del>
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 savines pro-

jected to be realized by the borrower as a result of cost-effective energy-saving design, construction, or improvements (including use of renewable energy sources, such as solar, geothermal, biomass, and wind, super-insulation, energy-saving windows, insulating glass and film, and radiant barrier) for the home for which the loan is made; and

# (B) the term "location-efficient mortgage" means a mortgage loan under which—

(i) the income of the borrower, for purposes of qualification for such loan, is considered to be increased by not less than \$1 for each \$1 of savings projected to be realized by the borrower because the location of the home for which the loan is made will result in decreased transportation costs for the household of the borrower; or

(ii) the sum of the principal, interest, taxes, and insurance due under the mort-gage loan is decreased by not less than \$1 for each \$1 of savings projected to be realized by the borrower because the location 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	eation-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 earry 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) Charperson.—
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 Charperson.—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	eation, 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	eil 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	<del>year.</del>
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 ar
23	interim working group pursuant to section 5(c)(2)

shall be incorporated into the activities of the Coun-

1	cil, 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	(e) 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 earry out this section.
13	SEC. 7. COMPREHENSIVE PLANNING GRANT PROGRAM.
	(a) Definitions.—In this section—
14	(a) DEFINITIONS.—III tills section—
<ul><li>14</li><li>15</li></ul>	(1) the term "eligible entity" means a partner-
15	(1) the term "eligible entity" means a partner-
15 16	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local
15 16 17	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local government and an eligible partner;
15 16 17 18	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local government and an eligible partner;  (2) the term "eligible partner" means—
15 16 17 18 19	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local government and an eligible partner;  (2) the term "eligible partner" means—  (A) a metropolitan planning organization,
15 16 17 18 19 20	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local government and an eligible partner;  (2) the term "eligible partner" means—  (A) a metropolitan planning organization, a rural planning organization, or a regional
15 16 17 18 19 20 21	(1) the term "eligible entity" means a partner- ship between a consortium of units of general local government and an eligible partner;  (2) the term "eligible partner" means—  (A) a metropolitan planning organization, a rural planning organization, or a regional council; or

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 earry 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	<del>gional plan;</del>
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	<del>\$1,500,000.</del>
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	<del>\$5,000,000.</del>
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.

(3) AVAILABILITY OF FUNDS.—

1	(A) In General.—An eligible entity that
2	receives a grant under the grant program
3	<del>shall—</del>
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	<del>tain_</del>

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	<del>lie;</del>
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	eciving public comment;
19	(iii) a summary of the comments re-
20	<del>ceived;</del> and
21	(iv) such other information as the Di-
22	rector may require;
23	(F) a description of how the eligible entity
24	will earry out the activities under subsection (f)
25	and

1	(G) such additional information as the Di-
2	rector may require.
3	(e) 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	lie 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	<del>tion;</del>
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	<del>gional plan.</del>
9	(2) Developing achievable goals and strategies
10	for earrying out the comprehensive regional plan, in-
11	<del>cluding—</del>
12	(A) land use, zoning, and other code re-
13	form, including reform of conservation zoning
14	in agricultural and other natural resource
15	<del>areas;</del>
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	<del>region.</del>
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

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 ar
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	<del>ing.</del>
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-

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	ereated 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 Direct	
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	(e) 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	eeed \$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

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	eeed 80 percent.
9	(5) Availability of funds.—
10	(A) In General.—An eligible entity that
11	receives a grant under the grant program
12	<del>shall</del>
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 &
4	grant under this section shall submit to the Director ar
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, rura
23	planning organizations, and regional councils that

<del>demonstrates</del>

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	<del>plan;</del>
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 earry out the project;
4	(3) demonstrates the extent to which the eligi-
5	ble entity has developed partnerships throughout ar
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	<del>plans;</del>
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	<del>development;</del>

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	earry 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 nee-
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	<del>projects;</del>
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	<del>development;</del>
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	<del>include</del>
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 proc-
21	ess 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	eluding 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	<del>of</del>

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

- purchase an extra 2,800,000,000 gallons of fuel, for a congestion cost of \$87,200,000,000. This represents a 5-fold increase in wasted time and cost since 1982.
  - (5) The Energy Information Administration of the Department of Energy forecasts that driving will increase 59 percent between 2005 and 2030, far outpacing the projected 23-percent increase in population.
  - (6) According to the United States Census Bureau, only 54 percent of households in the United States have access to public transportation, limiting their transportation options.
  - (7) In 2008, voters throughout the United States approved State and local ballot initiatives that supported public transportation 79 percent of the time, even when it meant local taxes would be raised or continued.
  - (8) Demographers estimate that as much as 30 percent of current demand for housing is for housing in dense, walkable, mixed-use communities, and that less than 2 percent of new housing is in this category.
  - (9) The average household spends 19 percent of its household budget on transportation, and some very low-income households spend as much as 55 percent of the household budget on transportation. Households

- with good access to public transportation spend only
  9 percent of the household budget on transportation,
  which increases the portion of the household budget
  available for other critical household needs.
  - (10) The need for safe and affordable housing is great. Fifty-four percent of renters spend more than 30 percent of their income on housing costs, and 29 percent of renters pay more than 50 percent of their income for housing. In 2007, there was a shortage of 2,800,000 units of affordable housing for extremely low-income renter households. An estimated 6,000,000 households live with moderate or severe housing conditions, including heating, plumbing, and electrical problems, and 24,000,000 households face significant lead-based paint hazards.
    - (11) People who live in areas of compact development (where housing, shopping, jobs, and public transportation are in close proximity) drive 20 to 40 percent less than people who live in average development patterns in the United States.
    - (12) When the effects of emissions savings from passengers taking transit instead of driving and the reduction in vehicle miles traveled due to the impact of transit on land use are taken into account, public transportation in the United States reduces carbon

- dioxide emissions by nearly 37,000,000 metric tons
   each year.
  - (13) Transportation accounts for 70 percent of the oil consumed in the United States and nearly ½ of carbon emissions in the United States come from the transportation sector. Reducing the growth of the number of miles driven and providing transportation alternatives through good planning and sustainable development is a necessary part of the energy independence and climate change strategies of the United States.
    - (14) A number of studies, reports, and articles by organizations including the Environmental Protection Agency, the National Association of Realtors, and the Transit Cooperative Research Project have found that one of the keys to revitalizing and maintaining the character of town centers and preserving surrounding agricultural land in small and rural communities is to prevent commercial and residential development on the outskirts of town, by promoting integrated housing, economic, and transportation development in town centers.
    - (15) More than 1,600,000 rural households do not have access to cars.

- (16) The burden of transportation costs is especially heavy for low-income rural residents, because residents of rural areas drive approximately 17 percent more than residents of urban areas.
  - (17) Demand for public transportation in rural and small town communities is growing. Between 2002 and 2005, ridership on small urban and rural public transportation systems increased 20 percent.
  - (18) Poorly planned development in rural areas can fragment agricultural and forest lands, pollute waterways with surface water runoff, cause unnecessary environmental impacts, strain the capacity of rural roads, and sap economic vitality from existing "main street" commercial areas.
  - (19) Funding for integrated housing, transportation, energy, environmental, and economic development and other land use planning efforts at the local and regional levels is necessary to provide for sustainable development and smart growth.
  - (20) Responsibilities related to health hazards in housing are not clearly delineated among Federal agencies. Categorical housing, health, energy assistance, and environmental programs are narrowly defined and often miss opportunities to address multiple hazards in the same dwelling simultaneously. Ena-

bling Federal programs to embrace a comprehensive healthy housing approach will require removing unnecessary Federal statutory and regulatory barriers, and creating incentives to advance the complementary goals of environmental health, energy conservation, and housing availability in relevant programs.

## 7 SEC. 3. PURPOSES.

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- The purposes of this Act are—
- (1) to facilitate and improve the coordination of housing, community development, transportation, energy, and environmental policy in the United States;
- (2) to coordinate Federal policies and investments to promote sustainable development;
  - (3) to encourage regional planning for livable communities and the adoption of sustainable development techniques, including transit-oriented development;
  - (4) to provide a variety of safe, reliable transportation choices, with special emphasis on public transportation and complete streets, in order to reduce traffic congestion, greenhouse gas emissions, and dependence on foreign oil;
  - (5) to provide long-term affordable, accessible, energy-efficient, and location-efficient housing choices for people of all ages, incomes, races, and ethnicities,

- and to make the combined costs of housing and trans portation more affordable to families;
  - (6) to support, revitalize, and encourage growth in existing communities, in order to maximize the cost-effectiveness of existing infrastructure and preserve undeveloped lands;
  - (7) to promote economic development and competitiveness by connecting the housing and employment locations of workers, reducing traffic congestion, and providing families with access to essential services;
  - (8) to preserve the environment and natural resources, including agricultural and rural land and green spaces; and
  - (9) to support public health and improve the quality of life for the residents of, and workers in, communities by promoting healthy, walkable neighborhoods, access to green space, and the mobility to pursue greater opportunities.

## 20 SEC. 4. DEFINITIONS.

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- 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 or
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

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	vise 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	<i>by</i> —
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 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	races, 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	mont.

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-
- culture to make grants to small and rural commu-
- 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
- signed under section 6(a)(7), in carrying out the
- 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 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	pensation 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	<i>by</i> —
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 ½ 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	$non ext{-}Federal\ share;$
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 eliable entitu:

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) furthers 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-loca-
22	tion 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

locations for opportunities to increase the proximity

25

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 solic-
6	iting 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) furthers 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—

(A) a detailed explanation of the activities
undertaken using the grant, including an expla-
nation of the completed project and how it
achieves specific transit-oriented, transportation,
housing, or sustainable community goals within
the region;
(B) a discussion of any obstacles encoun-
tered in the planning and implementation proc-
ess and how the eligible entity overcame the ob-
stacles;
(C) an evaluation of the success of the
project using the performance standards and
measures established under subsection (g), in-
cluding an evaluation of the planning and im-
plementation process and how the project con-
tributes to carrying out the comprehensive re-
gional plan; and
(D) any other information the Director may
require.
(3) Interim report.—The Director may re-
quire an eligible entity to submit an interim report,
before the date on which the project for which the

grant is awarded is completed.

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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 DEMONSTRA-
2	TION PROGRAM.
3	(a) Definitions.—In this section, the following defi-
4	nitions shall apply:
5	(1) Eligible enti-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).

## (c) Grants.—

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(1) DIVERSITY OF GRANTEES.—The Secretary shall ensure geographic diversity among and adequate representation from smaller units of general local government, with populations of not more than 150,000, and larger units of general local government, with populations of more than 150,000, with population measured by the most recent decennial census data or American Community Survey, or in the case of consortia of units of general local governments, consortia in which the largest unit of general local government has such a population. The Secretary shall prioritize the distribution of regeneration planning grants to eligible applicants that have experienced significant population loss due to large-scale employment losses that have caused substantial levels of housing vacancy 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 arant 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 quaranteed 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	(1) 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	anarantees 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

111TH CONGRESS 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