

**Section-by-Section Analysis of the
DODD SUBSTITUTE AMENDMENT to
S. 1619: The Livable Communities Act**

Section 1. Table of Contents. This Section provides the Short Title of the bill as “The Livable Communities Act of 2010” and a Table of Contents.

Section 2. Findings. This Section provides Congressional findings with regard to this legislation.

Section 3. Purposes. This Section states the purposes of the Act, which are:

- to facilitate and improve the coordination of housing, community development, transportation, energy, and environmental policy in the United States;
- to coordinate Federal policies and investments to promote sustainable development;
- to encourage regional planning for livable communities and the adoption of sustainable development techniques, including transit-oriented development;
- 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;
- 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 transportation more affordable to families;
- to support, revitalize, and encourage growth in existing communities, in order to maximize the cost effectiveness of existing infrastructure and preserve undeveloped lands;
- 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;
- to preserve the environment and natural resources, including agricultural and rural land and green spaces; and
- 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.

Section 4. Definitions. This Section provides definitions for terms used within the bill.

Section 5. Office of Sustainable Housing and Communities. This Section establishes an Office of Sustainable Housing and Communities within the Department of Housing and Urban Development (HUD). The Office will partner with communities to assist local planning and sustainable development efforts. It will also help foster energy-efficient housing to improve the environment and save consumers’ and taxpayers’ money. As a resource for technical assistance and information, the Office will ensure that communities learn from each other’s successes. The

Office shall foster sustainable development and administer HUD initiatives on this topic by: encouraging sustainable development at the state, regional and local level through incentivizing the development of comprehensive regional plans; fostering energy-efficient communities and housing; and providing affordable, location-efficient housing choices for people of all ages, incomes, races, and ethnicities, particularly for low-, very low-, and extremely low-income families. This Office will also conduct and recommend HUD research on sustainability; implement grant programs created by this act; provide guidance, best practices and technical assistance to communities seeking to adopt sustainable development policies and practices; and coordinate with other agencies and the Interagency council on Sustainability created in section 6 on sustainability. The Office will also coordinate with the Interagency Council and the Secretary of Agriculture in the administration of grants and technical assistance to small and rural communities authorized by Sections 7 and 8 of the Act.

This Bill requires the Director to make two reports to Congress. This includes one report on the development of a housing location affordability index that includes both housing and transportation costs and ways in which this index could be made available to inform consumers of the combined costs of housing and transportation, and a second report on energy-efficient and location-efficient mortgages. Each report is required within one year of the date of enactment of this Act. The Bill authorizes such sums to be appropriated as may be necessary to carry out this Section.

Section 6. Interagency Council on Sustainable Communities. This Section establishes an Interagency Council on Sustainable Communities, which will bring together the Department of Housing and Urban Development, the Department of Transportation, the Environmental Protection Agency, and other federal agencies, to coordinate federal policies regarding sustainable development; coordinate and provide federal sustainability research; provide design and implementation guidance for Livable Communities grants; identify barriers to sustainable development and identify remedies to such barriers; promote better coordination of transportation, housing, community development, energy, and environmental policies; and lead the Federal initiative to support healthy housing and eradicate housing-related health hazards.

Not later than one year following the date of enactment of this Act, and annually thereafter, the Council will submit to Congress a report on the activities and accomplishments of the Council, as well as a report that includes an analysis of impediments to sustainable development and recommendations for action by the Federal Government on issues relating to sustainable development. Within three years after the date of enactment of this Act, the Comptroller General shall submit to Congress a report that contains an updated analysis of impediments to sustainable development and a description of actions taken by the Federal Government to implement the recommendations made by the Council. The Council shall also conduct a detailed study of the effects of sustainable building features on the quality of the indoor environment and the health of occupants. The Bill authorizes such sums to be appropriated as may be necessary to carry out this Section.

Section 7. Comprehensive Planning Grant Program. This Section authorizes \$475 million over four years for competitive grants to help communities develop comprehensive regional plans that incorporate transportation, housing, community development, economic development, energy, and environmental needs and goals. Communities may also use funds to develop concrete strategies for carrying out their regional plans.

Consortia of local governments partnering with a metropolitan planning organization, rural planning organization, or regional council may apply for these grants. A state may also be an eligible partner along with other partners. Federally recognized Indian Tribes that meet regional criteria may apply as eligible entities, and Tribes may also partner with other governments. Applicants must specify the appropriate lead agency, which may be any of the partners, including state, tribal, or local governments, transportation, planning or non-profit entities. Within one year of receiving the grant, applicants must solicit public comment and agree to establish an advisory group with representatives of public, private and non-profit sector organizations and the public to inform their plans.

The Bill provides for geographic diversity among grant levels for each of three categories: small and rural communities, including all or part of a noncore area, a micropolitan area or a small metropolitan statistical area with a population of not more than 200,000; metropolitan statistical areas of more than 200,000 but less than 500,000; and large metropolitan statistical areas. The Director must award not less than 15 percent of grants under this Section to small and rural communities. The Federal share may not exceed 80 percent, but in-kind contributions are eligible as the non-Federal share.

The Bill delineates selection criteria, including demonstrated commitment to sustainable development, location-efficient and transit-oriented development; providing affordable, energy-efficient, healthy and location-efficient housing choices for families; and revitalizing communities, neighborhoods and commercial centers supported by existing infrastructure. The selection criteria require the Director to consider diversity in geographic regions and population.

This Section includes significant public outreach and reporting requirements. Recipients are required to actively engage the participation of a wide array of stakeholder groups, from public agencies to affected populations, throughout the development of the plan. Finalization of the plan requires a public hearing and a notice and comment period. This Section requires annual reports and a final report to track progress and measure performance.

Section 8. Challenge Grant Program. This Section authorizes \$2.2 billion over four years for competitive grants to assist communities in carrying out sustainable development projects outlined in their comprehensive regional plans. Eligible activities include investment in transit-oriented development, affordable housing, public transportation infrastructure and facilities, pedestrian and bicycle thoroughfares, redevelopment of brownfields, and projects to spur economic development.

Consortia of local governments partnering with a metropolitan planning organization, rural planning organization, or regional council may apply for these grants. A state may also be an

eligible partner along with other partners. Federally recognized Indian Tribes that meet regional criteria may apply as eligible entities, and Tribes may also partner with other governments. Applicants must specify the appropriate lead agency, which may be any of the partners, including state, tribal, or local governments, transportation, planning or non-profit entities. Within one year of receiving the grant, applicants must solicit public comment and agree to establish an advisory group with representatives of public, private and non-profit sector organizations and the public to inform their plans.

The Bill provides for geographic diversity among grant levels for each of three categories: small and rural communities, including all or part of a noncore area, a micropolitan area or a small metropolitan statistical area with a population of not more than 200,000; metropolitan statistical areas of more than 200,000 but less than 500,000; and large metropolitan statistical areas. The Director shall award not less than 15 percent of grants under this Section to small and rural communities. The Federal share may not exceed 80 percent.

The selection criteria include consideration of projects that further the creation of livable communities and demonstrate clear and meaningful interjurisdictional cooperation and coordination of housing, transportation, and environmental policies and plans. This Section also provides a set aside for up to \$50 million for competitive grants for building code enforcement grants as well as zoning and land use planning grants to individual jurisdictions.

Under this Section, applicants are required to actively engage the participation of a wide array of stakeholder groups to develop a project or projects. This Section requires a final report to measure performance.