

117TH CONGRESS
1ST SESSION

S. 902

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

IN THE SENATE OF THE UNITED STATES

MARCH 23, 2021

Ms. KLOBUCHAR (for herself, Mr. PORTMAN, and Mr. Kaine) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

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

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

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

6 **SEC. 2. LOCAL HOUSING POLICY GRANT PILOT PROGRAM.**

7 (a) DEFINITIONS.—In this section:

1 (1) DEPARTMENT.—The term “Department”
2 means the Department of Housing and Urban De-
3 velopment.

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

8 (3) ELIGIBLE ENTITY.—The term “eligible enti-
9 ty” means a State, a political subdivision of a State,
10 a coalition of States or political subdivisions of
11 States, an Indian Tribe, or a Native Hawaiian orga-
12 nization that—

13 (A) demonstrates, with respect to the area
14 under the jurisdiction of the State, political
15 subdivision, coalition, Indian Tribe, or organiza-
16 tion—

17 (i) rising housing costs or a reason-
18 able expectation that housing costs will rise
19 in the area; and

20 (ii) a housing supply shortage;

21 (B) if applying for a planning grant—

22 (i) intends to develop, or is in the
23 process of developing, a housing policy
24 plan; and

1 (ii) demonstrates an intent to use a
2 portion of the planning grant to engage
3 with community stakeholders and housing
4 practitioners in developing a housing policy
5 plan; and

6 (C) if applying for an implementation
7 grant—

8 (i) has adopted and plans to imple-
9 ment, or is in the process of implementing,
10 a housing policy plan; and

11 (ii) demonstrates the engagement of
12 community stakeholders and housing prac-
13 titioners in developing the housing policy
14 plan.

15 (4) HOUSING POLICY PLAN.—The term “hous-
16 ing policy plan” means a comprehensive plan of an
17 eligible entity to, with respect to the area under the
18 jurisdiction of the eligible entity—

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

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

24 (C) reduce barriers to housing development
25 in the area.

1 (5) IMPLEMENTATION GRANT.—The term “im-
2 plementation grant” means a grant awarded under
3 subsection (c).

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

8 (7) NATIVE HAWAIIAN ORGANIZATION.—The
9 term “Native Hawaiian organization” has the mean-
10 ing given the term in section 2 of the Native Amer-
11 ican Graves Protection and Repatriation Act (25
12 U.S.C. 3001).

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

15 (9) SECRETARY.—The term “Secretary” means
16 the Secretary of Housing and Urban Development,
17 acting through the Assistant Secretary for Commu-
18 nity Planning and Development, in coordination
19 with—

20 (A) the Office of Economic Resilience of
21 the Office of Community Planning and Develop-
22 ment of the Department;

23 (B) the Office of Policy Development and
24 Research of the Department;

1 (C) the Office of Fair Housing and Equal
2 Opportunity of the Department;

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

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

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

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

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

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

23 (e) APPLICATIONS.—

24 (1) IN GENERAL.—An eligible entity desiring a
25 grant under this section shall submit to the Sec-

1 retary an application at such time, in such manner,
2 and containing such information as the Secretary
3 may require.

4 (2) PRIORITY.—In awarding grants under this
5 section, the Secretary shall give priority to an eligi-
6 ble entity that—

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

9 (i) improve housing supply, afford-
10 ability, and accessibility for all individuals
11 of every race and income level;

12 (ii) reduce barriers to affordable hous-
13 ing development; and

14 (iii) avoid the displacement of resi-
15 dents by new housing developments in the
16 area under the jurisdiction of the eligible
17 entity;

18 (B) in developing or implementing a hous-
19 ing policy plan, intends to leverage and effi-
20 ciently use funds from—

21 (i) another Federal, State, or local as-
22 sistance program relating to housing; or

23 (ii) a private funding source;

24 (C) intends to—

1 (i) increase the supply and afford-
2 ability of housing that is located—

3 (I) near local transit options; and

4 (II) in areas in which a signifi-
5 cant or expanding supply of jobs or
6 demand for employment is con-
7 centrated;

8 (ii) coordinate with local transpor-
9 tation and workforce agencies in accom-
10 plishing the increase described in clause
11 (i); and

12 (iii) where appropriate, coordinate pol-
13 icy development for, and analysis and im-
14 plementation of, the housing policy plan of
15 the eligible entity at a regional scale to
16 achieve a more equitable distribution of af-
17 fordable housing across jurisdictional
18 boundaries; or

19 (D) is a coalition of States or political sub-
20 divisions of States.

21 (3) SCORING.—The Secretary shall base the de-
22 gree of priority given to an eligible entity that satis-
23 fies 1 or more subparagraphs under paragraph (2)
24 on a scoring system established by the Secretary.

25 (f) HOUSING POLICY PLAN GUIDANCE.—

1 (1) IN GENERAL.—The Secretary shall issue
2 guidance that includes recommended policies, strate-
3 gies, and reforms for eligible entities to adopt in
4 housing policy plans to—

5 (A) improve the elasticity of housing sup-
6 ply;

7 (B) expand the supply and affordability of
8 housing;

9 (C) reduce barriers to housing develop-
10 ment; and

11 (D) meaningfully reduce housing segrega-
12 tion by income and race.

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

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

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

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

22 (D) streamline approval processes for
23 housing development;

24 (E) provide financial incentives to support
25 affordable housing development; and

1 (F) support inclusive engagement with
2 community members relating to reforms to ex-
3 pand housing supply.

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

8 (g) MATCHING REQUIREMENT.—

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

13 (2) ELIGIBLE MATCHING FUNDS.—If an eligible
14 entity uses funds from another Federal assistance
15 program relating to housing in developing or imple-
16 menting a housing policy plan for which the eligible
17 entity also receives a grant under this section, any
18 non-Federal contribution made by the eligible entity
19 as part of that Federal assistance program shall be
20 counted towards the requirement under paragraph
21 (1).

22 (3) REDUCED MATCHING REQUIREMENT.—
23 Based on the available resources of an eligible enti-
24 ty, the Secretary may reduce the amount of non-

1 Federal contributions required to be provided by the
2 eligible entity under paragraph (1).

3 (h) USE OF FUNDS.—

4 (1) PLANNING GRANTS.—An eligible entity re-
5 ceiving a planning grant shall use funds from the
6 planning grant to finance activities to help develop
7 and evaluate a housing policy plan for the area
8 under the jurisdiction of the eligible entity, includ-
9 ing—

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

15 (B) documenting the characteristics of—

16 (i) the housing in the area;

17 (ii) the households of the area, includ-
18 ing cost-burdened households; and

19 (iii) housing underproduction in the
20 area;

21 (C) developing strategies to increase the
22 housing supply and the variety of housing types
23 in the area to satisfy the housing needs of the
24 population of the area;

1 (D) analyzing population and employment
2 trends in the area and documenting projections
3 of those trends;

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

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

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

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

24 (i) LEARNING NETWORK.—

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

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

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

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

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

17 (B) eligible entities that submit an applica-
18 tion under subsection (e).

19 (j) REPORTS AND STUDY.—

20 (1) GRANT RECIPIENT REPORTS.—Not later
21 than 180 days after the date on which an eligible en-
22 tity receives a grant under this section, and not less
23 frequently than quarterly thereafter for a 3-year pe-
24 riod, the eligible entity shall submit to the Secretary
25 a report that includes—

1 (A) a description of the expenditures the
2 eligible entity has made with funds from the
3 grant;

4 (B) for an eligible entity receiving a plan-
5 ning grant, a summary of the progress of the
6 eligibility entity towards finalizing a housing
7 policy plan; and

8 (C) for an eligible entity receiving an im-
9 plementation grant, data relating to the success
10 of the implementation of the housing policy
11 plan of the eligible entity.

12 (2) SECRETARY STUDY AND REPORT.—

13 (A) IN GENERAL.—Not later than 5 years
14 after the date of enactment of this Act, the Sec-
15 retary shall conduct a study on—

16 (i) the impact of implementation
17 grants and planning grants on the areas
18 under the jurisdiction of eligible entities re-
19 ceiving those grants; and

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

22 (I) expanding the housing supply;
23 and

24 (II) increasing the quantity of
25 quality and affordable housing, while

1 avoiding the displacement of the resi-
2 dents of an area.

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

8 (k) APPROPRIATIONS.—

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

15 (2) EMERGENCY DESIGNATION.—

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

21 (B) DESIGNATION IN SENATE.—In the
22 Senate, this section is designated as an emer-
23 gency requirement pursuant to section 4112(a)
24 of H. Con. Res. 71 (115th Congress), the con-

1 current resolution on the budget for fiscal year
2 2018.

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