CLACKAMAS COUNTY
OFFICE OF THE COUNTY ADMINISTRATOR
PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

MEMORANDUM

TO:	Clackamas County Board of County Commissioners (BCC)
FROM:	Commissioner Martha Schrader
RE:	NACo Conference Briefing
DATE:	August 2, 2022

This is a briefing of my attendance at the recent National Association of Counties (NACo) Annual Conference from July 18-25 in Adams County, Colorado.

About NACo:

NACo serves nearly 40,000 elected officials and 3.6 million county employees and supports Counties through:

- Advocacy to local priorities in federal policy making,
- Promoting successful local policies and sharing best practices,
- Nurturing leadership skills of elected and employees and expanding learning networks,
- Optimizing taxpayer resources by highlighting cost savings, and
- Providing education opportunities for the public to understand county government, and to local leader's knowledge of federal policies.

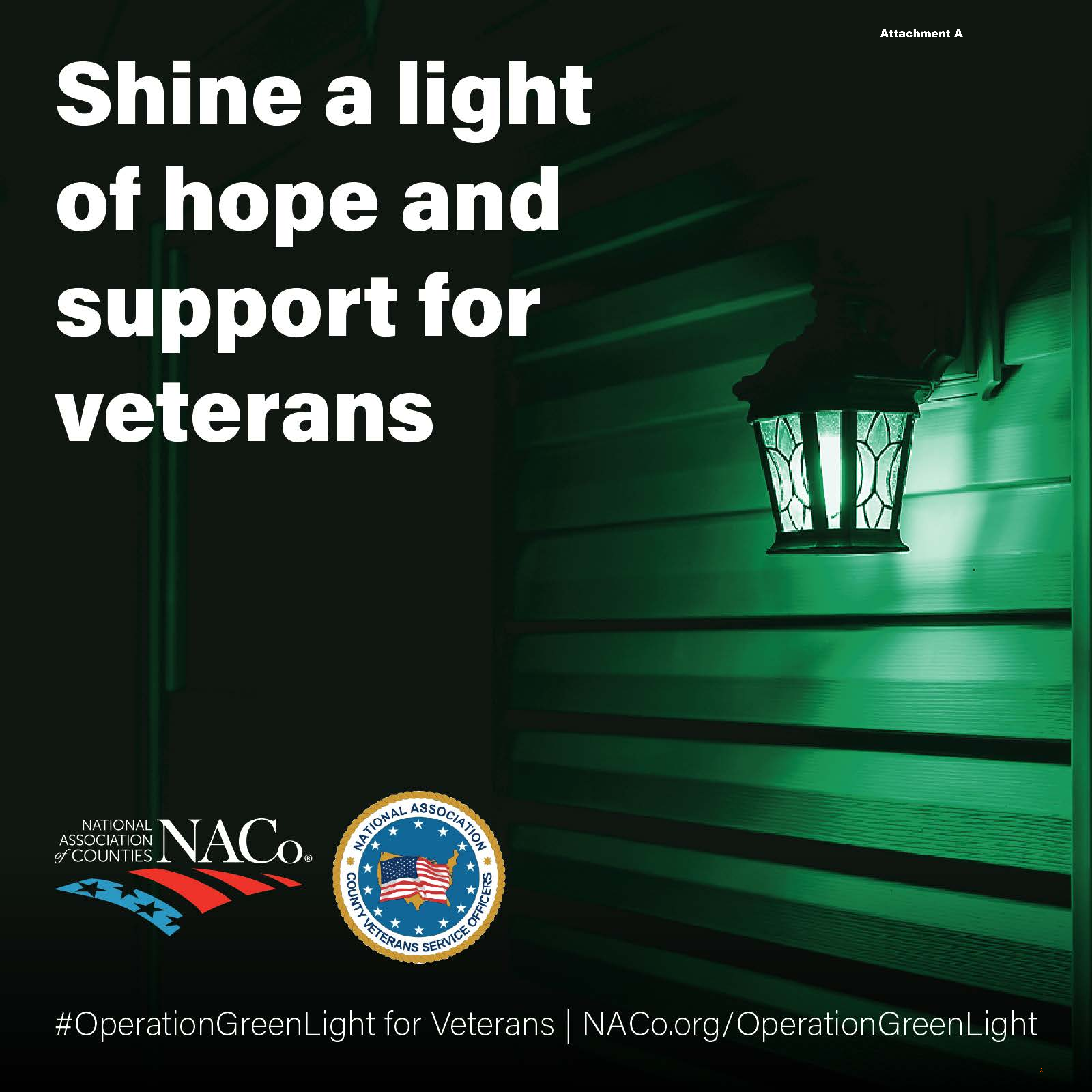
Leadership positions within NACo committees provide a forum for county leaders to share challenges and solutions by engaging in monthly meetings with peers from counties across America that in turn inform national policy discussions to support local needs.

My NACo committee positions include:

- New Appointment as Chair of the Community, Economic and Workforce Development Steering Committee (CEWD)
- Vice Chair of the International Economic Development Taskforce (IED)
- Member of the NACo Veterans and Military Services Committee
- Member of the Large Urban County Caucus (LUCC)
- Member of the 2022/2023 Economic Mobility Leadership Network Cohort (EMLN)

2022 Annual Conference Highlights:

- ***Operation Green Light for Veterans.*** This is a national campaign for counties to adopt to shine a light on the difficult transition from military to civilian life. NACo has provided a toolkit counties can use to promote connecting veterans to benefits (Attachment A) pages 3-4)
- ***NACo Board Policy Resolutions.*** Thee resolutions supported by NACo County leaders help lobby for federal funding and legislative decisions to support local projects and priorities.
- ***CEWD.*** During the conference I was announced as Chair of the CEWD Steering Committee and presented on a panel regarding exports and international trade engagement. CEWD is responsible for all matters pertaining to housing, community and economic development, public works and workforce development. CEWD recently supported the bi-partisan America Competes Act of 2022 and is working to spur international trade engagement, and opportunities for workforce through the Bipartisan Infrastructure law at local levels. Commitments for meetings will include monthly virtual meetings with the Steering committee and travel will include two annual NACo conferences paid for by members (in February in Washington DC and July in Travis County, Texas). If any are requested in addition to these in the capacity as the CEWD Chair, those trips will be reimbursable through NACo. (See Proposed Resolutions and Policy Priorities in Attachment B pages 5-64)
- ***Prenatal-to-Three County Leaders Academy****.* This in person exchange convened leaders and explored policies to help expand and improve services for young children and their families.
- ***Colorado Air and Space Port.*** The Adam's County Air and Space Port is planned to serve as America's hub for commercial space transportation, research and development. These facilities if built within counties have the potential to become the foundation for global suborbital transportation. (See Attachment C page 65)


Shine a light of hope and support for veterans
NATIONAL ASSOCIATION of COUNTIES NACo
NATIONAL ASSOCIATION COUNTY VETERANS SERVICE OFFICERS
#OperationGreenLight for Veterans | NACo.org/OperationGreenLight

Supporting Operation Green Light for Veterans

WHEREAS, the residents of _________ County have great respect, admiration, and the utmost gratitude for all of the men and women who have selflessly served our country and this community in the Armed Forces; and

WHEREAS, the contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining the freedoms and way of life enjoyed by our citizens; and

WHEREAS, ______________ County seeks to honor these individuals who have paid the high price for freedom by placing themselves in harm's way for the good of all; and

WHEREAS, Veterans continue to serve our community in the American Legion, Veterans of Foreign Wars, religious groups, civil service, and by functioning as County Veteran Service Officers in 29 states to help fellow former service members access more than $52 billion in federal health, disability and compensation benefits each year; and

WHEREAS, Approximately 200,000 service members transition to civilian communities annually; and

WHEREAS, an estimated 20 percent increase of service members will transition to civilian life in the near future; and

WHEREAS, studies indicate that 44-72 percent of service members experience high levels of stress during transition from military to civilian life; and

WHEREAS, Active Military Service Members transitioning from military service are at a high risk for suicide during their first year after military service; and

WHEREAS, the National Association of Counties encourages all counties, parishes and boroughs to recognize Operation Green Light for Veterans; and

WHEREAS, the ______________ County appreciates the sacrifices of our United State Military Personnel and believes specific recognition should be granted; therefore be it

RESOLVED, with designation as a Green Light for Veterans County, ______________ County hereby declares from October through Veterans Day, November 11th 2022 a time to salute and honor the service and sacrifice of our men and women in uniform transitioning from Active Service; therefore, be it further

RESOLVED, that in observance of Operation Green Light, ______________ County encourages its citizens in patriotic tradition to recognize the importance of honoring all those who made immeasurable sacrifices to preserve freedom by displaying a green light in a window of their place of business or residence.

Proposed Policy Resolutions and Platform Changes

Community, Economic and Workforce Development Steering Committee

2022 Annual Conference

Adams County, Colo. | July 21 – 24

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COMMUNITY, ECONOMIC AND WORKFORCE DEVELOPMENT

PROPOSED RESOLUTIONS

Proposed Resolution on the New Markets Tax Credit

Issue: Support the permanent extension of the New Markets Tax Credit (NMTC) program in order to promote community development and economic growth by attracting private investment in low-income communities with high unemployment and poverty.

Proposed Policy: The National Association of Counties (NACo) urges Congress to provide a permanent extension of the New Markets Tax Credit (NMTC) and other enhancements to the program to allow for private sector investment and economic growth in low-income communities.

Background: The NMTC was authorized through the bipartisan Community Renewal Tax Relief Act of 2000 in order to stimulate investment and economic opportunity in urban and rural low-income communities that lack the resources needed to support businesses, job creation and a healthy local economy. This important community development tool provides much-needed capital to the most distressed communities in the nation by providing a federal tax credit to private investors.

Since its introduction, the NMTC has been an incredibly successful tool for community revitalization projects. Over $42 billion in NMTC investments have leveraged over $80 billion in total investments to community and economic development projects between 2003 and 2015. This investment in low-income urban and rural communities generated approximately 750,000 jobs at a cost to the government of less than $20,000 per job. Additionally, these investments are concentrated in the communities with the most need, with 72 percent of NMTC activities located in areas with unemployment rates 1.5 times the national average, poverty rates of at least 30 percent or a median income at or below 60 percent of the area median.

Furthermore, the NMTC is an exemplary public-private partnership model, allowing local governments, businesses and investors to come together the make the financing decisions for their community. Rural and urban areas alike use this critical resource to fund small businesses, industrial centers, commercial facilities, daycares, health centers, housing and other mixed-use developments. The NMTC generates a tremendous amount of economic activity through job creation, economic growth and increased incomes, providing the federal government with a significant return on investment. The program additionally brings in enough tax revenue to cover its cost to taxpayers.

Fiscal/Urban/Rural Impact: The permanent extension and expansion of the NMTC program is crucial to state and local governments that provide economic development to communities at the grassroots level.

Sponsor(s): Mary Keating, Director of Community Services, DuPage County, Ill.

Proposed Resolution on the Low-Income Housing Tax Credit

Issue: To build and preserve more affordable housing through the expansion of the Low-Income

Housing Tax Credit program.

Proposed Policy: The National Association of Counties (NACo) encourages Congress to pass the Affordable Housing Credit Improvement Act of 2021-2022 to expand and preserve the nation's affordable housing stock.

Background: Since the program's inception in 1986, the Low-Income Housing Tax Credit (Housing Credit) has financed more than three million homes for low-income households, including veterans, senior citizens, individuals with disabilities, and families with children. Through public-private partnerships, Housing Credit provides financing safe, decent affordable homes in communities where they are most needed. The Housing Credit is our nation's most successful tool for encouraging private investment in the production and preservation of affordable rental housing and is responsible for nearly all of the affordable housing built and preserved in recent decades.

The Affordable Housing Credit Improvement Act of 2021-2022 (AHCIA) is currently the most effective legislation to expand the Housing Credit program. The AHCIA is a bi-partisan bill sponsored by Senators Maria Cantwell (D-WA), Todd Young (R-IN), Ron Wyden (D-OR), and Rob Portman (R-OH), and Representatives Suzan DelBene (DWA-1), Brad Wenstrup (R-OH-2), Don Beyer (D-VA-8) and Jackie Walorski (R-IN-2).

The primary unit financing provisions in the AHCIA could finance up to 2,015,000 additional affordable homes across the United States and territories over the next decade. In that same time, the AHCIA could also support: nearly 3 million jobs; nearly $120 billion in additional tax revenue; and more than $346 billion in wages and business income. This affordable housing and the associated economic activity is more critical than ever to address our country's affordable housing crisis, which has become even more urgent in light of the Covid-19 pandemic.

Key changes to the AHCIA of 2021-2022 include: a new provision that would maximize affordable housing production and preservation by lowering the threshold of Private Activity Bond (PAB) financing – from 50 to 25 percent – required to trigger the maximum amount of 4 percent credits; accelerate implementation of the allocation increase from the previous five years to two years, taking into account the increased and urgent need for affordable housing; an improvement to the Housing Credit student rule provision already in the AHCIA to clarify that formerly homeless youth and victims of human trafficking are eligible for affordable housing even if they are full-time students; and an update to the casualty loss provision also in the prior AHCIA to allow for a longer rebuilding period after natural disasters if necessary.

Key provisions reintroduced in the AHCIA of 2021-2022: increase Housing Credit allocations by 50 percent over current levels to help meet the vast and growing need for affordable housing; enable the Housing Credit to better serve hard-to-reach communities including rural, Native American, high-poverty, and high-cost communities, as well as extremely low-income and formerly homeless tenants; and make the Housing Credit a more effective tool for preserving the nation's existing affordable housing inventory by simplifying and aligning rules.

Fiscal/Urban/Rural Impact: This bill, if passed, is estimated to incentivize the development of over 2 million affordable homes over the next decade and support the creation of nearly 3 million jobs, and generate more than $346 billion in wages and business income and nearly $120 billion in additional tax revenue – helping to address our country's affordable housing crisis that has become even more urgent in light of the COVID-19 pandemic. It has financed 3.2 million apartments since 1986, which have provided approximately 7.4 million low-income families, seniors, veterans, and people with disabilities homes they can afford. The Housing Credit is a model public-private partnership, bringing to bear private sector resources, market forces, and state-level administration.

Sponsor: Mary Keating, Director of Community Services, DuPage County, Ill.

Proposed Resolution on FY 2023 Appropriations for the U.S. Department of Housing and Urban Development

Issue: Support Fiscal Year 2023 appropriations for the U.S. Department of Housing and Urban Development (HUD).

Proposed Policy: The National Association of Counties (NACo) urges Congress to support the following levels of funding for core U.S. Department of Housing and Urban Development (HUD) programs in the Fiscal Year (FY) 2023 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill: no less than $4.2 billion in Community Development Block Grant (CDBG) formula funding; no less than $2.1 billion in formula funding for the HOME Investment Partnerships Program (HOME); $3.5 billion for Homeless Housing Assistance grants, including at least 20% of funds directed to ESG as allowed by statute, plus an amount to fully fund expiring supportive housing and Shelter Plus Care rent subsidy contracts; expansion of the Section 8 voucher program in addition to full funding for existing Section 8 project-based and tenant-based contracts; $40 million for HUD-Veterans Affairs Supportive Housing (VASH) and $500 million in Section 108 Loan Guarantee authority.

Background: The CDBG and HOME programs have been model federal block grant programs for improving the nation's crumbling infrastructure, expanding affordable housing opportunities, and undertaking neighborhood revitalization. Despite the success of these programs, funding for CDBG and HOME has been on the decline since 2000. Decreased funding over the years has severely hampered local governments' ability to foster sustainable and economically resilient communities.

Local governments use CDBG funds for critical community development activities, including infrastructure improvements such as roads, water and sewer systems; expanding homeownership opportunities; eliminating slum and blight; employment training; business and job creation; transportation services; services at libraries, community centers, adult day care and child and after school care facilities; homeless housing assistance; and crime awareness programs. According to HUD, every $100 million in CDBG funding directly creates or retains 10,378 jobs and since 2005, CDBG program resources have created over 450,000 jobs. This important infrastructure and community development program has been a catalyst for economic growth and has helped local officials leverage funds for community needs. CDBG allocation continues to decline, however, at a time when the nation's infrastructure is ailing and is in dire need of improvements. It is more important now than ever to increase CDBG funding to give communities the ability to address their infrastructure and economic development needs at the local level.

For counties across the nation, the HOME program is vital to increasing home ownership and expanding the availability of affordable rental housing. Since 1992, over 1.33 million units of housing have been produced with HOME funds. HUD indicates that each dollar of HOME funding leverages an additional $4.52 in other public and private funding. Every $1 billion in HOME funding creates or preserves more than 33,000 jobs. According to HUD, an estimated 12 million renter and homeowner households now pay more than 50 percent of their annual incomes for housing. It is imperative that the HOME program is strengthened and expanded to help American families access affordable housing.

Greater funding is needed to keep up with the rising costs of construction and the increased needs of communities. Local governments are becoming more efficient and creative with these important funds, but in order to create effective public-private partnerships using these programs, more public resources are needed. CARES Act funding has helped through emergency needs, but these programs need to be maintained.

Fiscal/Urban/Rural Impact: Funding of HUD's core programs is crucial to state and local governments that provide services to communities at the grassroots level.

Sponsor(s): Mary Keating, Director of Community Services, DuPage County, IL; NACCED Representative to the NACo Board of Directors

Proposed Resolution to Support Legal Migration to Strengthen Local Economies and Workforce

Issue: The role legal immigration plays in our nation's workforce and local economies.

Proposed Policy: The National Association of Counties (NACo) urges Congress and the administration to enact legislative and regulatory proposals that support and provide improved and efficient legal avenues for immigrants to enter the United States, both permanently and temporarily, and contribute to the workforce and local economies and maintain the area standard industry wages for the local marketplace.

Background: Immigrants largely come to America seeking opportunities, and immigrant labor and expertise are vital to local economies and industries in most states across the country. Counties have an interest in ensuring that our employers and industries of all types can hire and retain a qualified and legal workforce that meets their needs and helps to strengthen local economies.

For example, the Associated Builders and Contractors estimates that the construction industry currently faces a shortage of 500,000 workers, and they estimate that number will double over the next few years. As the shortage of workers increases, projects can expect longer delays, higher costs and a slower rate of manufacturing.

Additionally, across the nation, immigration historically provided needed agricultural employees. Recently a shortage of an available workforce has caused many agricultural farms and businesses to close or become unsustainable, and in some cases to the detriment of the entire rural community and its economy.

Enabling temporary status for workers helps not only the construction and agriculture industries but also many other industries to meet job shortage demands.

Fiscal/Urban/Rural Impact: Sufficient levels of legal migration strengthen local economies and workforce.

Sponsor(s): Bill Truex, Commissioner, Charlotte County, Fla.; Manny Ruiz, Supervisor, Santa Cruz County, Ariz.

Resolution Encouraging Congress to Enact the Creative Economy Revitalization Act

Issue: Creative workers have been some of the most severely impacted by the COVID-19 pandemic. At the height of the pandemic, two-thirds of all creative workers (2.7 million people) were completely unemployed, and even now the unemployment rate of the sector remains 3-4 times the national rate. Since the start of the pandemic, the U.S. has lost an estimated 15.2 billion dollars in the arts and culture sector alone. Just as important as these livelihoods is the culture and well-being of communities they contribute to. The creative economy is essential to the U.S. economy. Our country exports art, music, and film to the entire globe. In addition to being an economic driver of 4.3% of the country's GDP, arts and culture have a significant economic, social, and individual impact. The presence of arts and culture drives additional spending on local businesses, restaurants, and hotels, increases property values and improves education outcomes for students, boosts community pride and social cohesion, and inspires political and social activation.

Proposed Policy: The National Association of Counties (NACo) urges Congress to Enact the Creative Economy Revitalization Act (CERA) to require the Department of Labor (DOL), in consultation with the National Endowment of the Arts (NEA), to award competitive grants to government, workforce boards, and nonprofit agencies. This will assist eligible entities to carry out arts and creative workforce programs that result in publicly accessible art and arts programming and employ individuals.

Background: Rep. Teresa Leger-Fernandez (D-NM) and Rep. Jay Obernolte (R-CA) introduced the bipartisan Creative Economy Revitalization Act (HR 5019) (CERA) that seeks to both support and employ artists and creative workers and strengthen local economies by galvanizing and investing in a civic infrastructure fueled by creative workers and a recovering creative workforce. The CERA legislation will get creative workers back into jobs by creating a workforce grants program within the Workforce Innovation and Opportunity Act. The legislation will require that grantees create art that is publicly accessible such as a free concert series, large-scale murals, photography exhibits, published stories or dance performances. The grants proposed in CERA would go to local, states, and tribal agencies, workforce investment boards, and public or private nonprofit entities who would hire local creative workers and produce publicly-available creative projects that meet local needs and priorities. CERA was developed in collaboration with many partners in the creative economy, including the Get Creative Workers Working coalition, which is made up of 200 local, state, and national cultural organizations and agencies, including Americans for the Arts. A companion bill, S. 2858., has also been introduced in the U.S. Senate by Sen. Ben Ray Luján (D-NM).

Fiscal/Urban/Rural Impact: Increased employment in the arts and creative industries is proven to correlate with increased employment rates across sectors and support the economy as a whole. The arts are a key lever to economic recovery and development across communities, but have been shown to have the greatest economic development impact in rural areas, which often face disproportionate impacts and take longer to rebound from economic recessions.

Sponsor: Anna Hansen, Commissioner, Santa Fe County, N.M.

Proposed Resolution on Institutional Landlords and Homeownership

Issue: Examining the adverse impact that institutional landlords purchasing single-family homes have on homeownership.

Proposed Policy: The National Association of Counties (NACo) urges Congress to direct the U.S. Department of Housing and Urban Development's (HUD's) Office of Policy Development and Research to conduct a study examining the impact purchases of single-family residential properties made by institutional and business investors have on housing availability and affordability across the U.S. Specifically, this study should include a focus on identifying and proposing solutions related to the disproportionate impact on communities of color and the difficulty elderly, lower- and middle-income Americans face securing housing for themselves and their families when competing against institutional and business investors.

Background: A significant barrier to housing access within Mecklenburg County and across the country is the impact of investor-owned rental properties on housing affordability and availability. The Charlotte-Mecklenburg County region was ranked second behind Atlanta for the highest concentration of investor-owned single-family home purchases in the fourth quarter of 2021. In that time period, 32% of single-family homes purchased within the county were investor-owned purchases with a median sales price of $305,000. In the full year 2021, Atlanta and Charlotte were tied for the highest concentration of investor home purchases across the country, at 25% each. As investors purchase more homes that are typically "starter homes" for first-time homebuyers or more affordable homes for low- or moderate-income households, these purchases exacerbate the already acute shortage of affordable homes. A shortage of approximately 23,000 units are needed in Mecklenburg County, while nationally the shortage has been estimated at 7 million units.

Institutional investors' business model commonly includes purchasing single-family homes, raising rents quickly, imposing unwarranted or predatory fees, refusing upkeep and repairs, and utilizing eviction systems to force tenants out while avoiding accountability. Because of increasing rents, households utilizing rental assistance are unable to compete with households that are able to pay the market rate or higher rent charged.

Fiscal/Urban/Rural Impact: As mentioned, investor purchase of single-family homes across the country have had a significant impact on housing stock, affordability, and availability. Analysis of collected data will help Congress and HUD identify as well as develop forward-looking strategies to counteract the surge of investor purchases and ensure that enough affordable single-family homes are available to first-time homebuyers and low- or moderate-income households.

Sponsor: Anthony Trotman, Mecklenburg County, North Carolina

Proposed Resolution on Housing and Source-of-Income Discrimination

Issue: Addressing the discriminatory practices of certain landlords who refuse to accept housing vouchers or rental subsidies from households utilizing vouchers to pay for their rent.

Proposed Policy: The National Association of Counties (NACo) urges Congress and the Administration to ensure equal housing opportunity for all households regardless of their income by:

(1) Passing and enacting federal voucher and rental subsidy non-discrimination legislation to prevent source-of-income discrimination by certain landlords against voucher holders or persons receiving any rental subsidy; and

(2) Directing the U.S. Department of Housing and Urban Development (HUD) to collect and analyze data on the effect source-of-income discriminatory practices have on HUD's Housing Choice Voucher (HCV) program participants' housing options.

NACo also encourages HUD to develop new or revise existing guidance to strengthen enforcement of rental subsidies and voucher non-discrimination regulations by reaffirming these types of federal assistance as a lawful source of income to protect vulnerable households.

Background: In Mecklenburg County as well as many other counties across the U.S., housing options available to HCV participants are often limited by whether landlords accept housing vouchers or any rental subsidy as a form of rent payment, as there are currently no federal laws that prohibit landlords from rejecting housing vouchers/rental subsidy payments. According to data collected by the Center on Budget and Policy Priorities in 2018, 66% of households participating in HUD's HCV program remain unprotected against source-of-income discrimination, as only 11 states, Washington, D.C., and approximately 50 cities and counties across the country have enacted voucher non-discrimination laws.

Fiscal/Urban/Rural Impact: Enactment of federal voucher and rental subsidy non-discrimination legislation and enforcement of similar regulations by HUD would provide greater opportunities to provide housing security and additional protection for HCV participants and rental subsidy recipients.

Sponsor: Anthony Trotman, Mecklenburg County, North Carolina

Proposed Resolution Reaffirming Support for the Community Reinvestment Act

Issue: Congress will be considering changes to the Community Reinvestment Act (CRA) in the upcoming term of office. The act originally adopted in 1977 is now 45 years old. Throughout its 45-year history, there have been several modifications to the application of the CRA through administrative rules. The NACo member communities would benefit from careful consideration of the potential changes to the CRA.

Proposed Policy: The National Association of Counties (NACo) urges Congress to consider carefully proposed changes to the CRA and to adopt those changes which ensure continued and expanded access to capital investment for low-income, distressed and minority communities.

Background: Throughout the years, since its adoption, there have been changes to the application of the CRA through administrative rule. There have been other changes suggested by communities that would increase the benefit of the CRA to those who are especially disadvantaged in the national and regional economy, like communities of color and native peoples, underserved inner-city and rural communities nationwide. Requiring reinvestment in communities typically bypassed by federally regulated financial institutions is essential to those communities realizing their full economic potential and maintaining their economic vitality.

Fiscal/Urban/Rural Impact: Communities within our counties that realize their full economic potential can make substantially larger contributions to the associated county's tax base and permit those counties to provide the expected quality of community life for their residents. Since the CRA is federal regulatory legislation, the cost of enforcing those regulations fall upon the federal level of government. The fiscal benefit is to the communities that otherwise would not have sufficient access to capital. The social benefit is greater opportunities for both urban and rural communities to achieve economic prosperity and a better quality of life.

Sponsor(s): Tasha Kama, Presiding Office Pro Tempore, Maui County, Hawaii

Proposed Resolution in Support of Retaining Demonstration State Status

Issue: The United States Department of Labor (DOL) is in the process of making changes to the regulations related to staffing requirements of the Wagner-Peyser program that would result in a loss of local operation and funding for workforce centers by mandating that staff be state merit employees, rather than local merit (demonstration state status). This proposed model change directly undermines the principle of local control and the belief that decisions are best informed by those closest to the people and businesses being served. It eliminates the ability of local merit workforce centers to specifically tailor services, based on individual community needs, and will result in major service disruptions, mass layoffs of staff, and contract cancellations, as day to day management transitions to the state level. Retaining the flexibility for workforce centers to choose which staffing model works for their community (local control) remains the best and most logical approach to providing high level, quality service to businesses and jobs seekers.

Proposed Policy: The National Association of Counties (NACo) NACo urges members of Congress to advocate for the reconsideration of the adoption of 'Alternative 1', which would return USDOL to pre-2020 Wagner Peyser Act regulations, reinstituting the state-merit-staffing requirement for all states except the three that currently operate under demonstration state status. Furthermore, if USDOL decides against this approach, NACo urges Congress to enshrine this option in federal law, as the WIOA reauthorization conversation continues.

Background: In the 1980s, Wagner-Peyser demonstration state status was granted because of a county welfare demonstration grant. This began the process of transitioning staff from state merit staff to primarily local merit staff. Over the next thirty years, USDOL issued Workforce Innovation and Opportunity Act (WIOA) final regulations, which allowed the demonstration state status to continue. In 2020, USDOL issued Wagner-Peyser Staffing Flexibility regulations, allowing all states the ability to choose the most effective method of delivering Wagner-Peyser services. The use of local merit staffing has allowed multiple workforce areas to fully integrate the delivery of WIOA and Wagner-Peyser services in support of the key purposes of WIOA. There has been a substantial administrative cost savings with this approach and workforce areas successfully met and exceeded the employment, median wage, and credential and measurable skills gain performance outcomes set in the WIOA legislation. In addition to the three states currently using local merit staff, others have expressed interest in transitioning over to this model, which shows that it has been highly successful.

Fiscal/Urban/Rural Impact: Removing the ability of workforce centers to operate under the demonstration state model will not only result in local service disruptions, but it will bring about significant costs to the state, including retirement and leave payouts, plus the higher average cost per Full Time Equivalent (FTE) for state merit staff. One state has calculated over $3 million in transition costs alone, with ongoing annual staffing costs predicted to increase by 17.14%. These added annual costs will need to be offset in some manner and will undoubtedly come at the expense of citizens whose taxpayer dollars go to fund local and state government.

Sponsor(s): Stan VanderWerf, Commissioner, El Paso County, Colo.

Proposed Resolution on Federal Support to Increase African American Homeownership in the United States

Issue: Federal support to increase African American Homeownership rates in the United States.

Proposed Policy: The National Association of Counties (NACo) supports increased federal support to address the decreasing rates of African American Homeownership. To increase the rates of African American Homeownership requires intentional actions by the U.S. Department of Housing and Urban Development to increase access to resources that support and facilitate the home-buying process for African Americans.

NACo members are encouraged to participate in federal, state and local discussions and programs to research and influence policymaking and effective partnerships among stakeholders in the housing ecosystem to help promote African American homeownership. NACo recommends that federal, state and local governments and private entities invest in homeownership programs, adopt laws and policies supporting African American homeownership, and commit funding to further facilitate endeavors aimed at increasing homeownership for African American families.

Background: Reports issued by the U.S. Department of Housing and Urban Development found that since the Fair Housing Act of 1968 prohibits discrimination based on race in the sale of housing, yet African Americans still experience the effects of explicit and implicit polices that barred them from the housing market before the act's passage as well as ongoing discrimination in some cases. The homeownership rates for African Americans remains the lowest among all racial groups in the United States, and this gap is widening.

U.S. Census data shows that the percentage of African Americans in the United States who own homes today is essentially the same as it was in the 1970's. According to the Urban Institute, African American homeownership in the U.S. currently stands at 42.3 percent and 72.2 percent for whites. If intentional actions are not taken to increase access to resources that support and facilitate the home-buying process, African American homeownership is expected to decrease further by 2040. Since the 2008 housing market downfall, African American families have not recovered as quickly as white families, further indicating that intentional measures to close the divide are critical and necessary.

Not only has homeownership for African Americans decreased, but accessing mortgage credit has become difficult outside of government insured programs such as the Federal Housing Administration and Veterans Affairs loans. Unemployment numbers remain high among African Americans, and vacant and abandoned properties remain an eyesore in many predominantly African American neighborhoods, leading to decreased property values. The reduced number of African Americans owning their homes will further perpetuate racial inequality as homeownership remains the principal way for families to increase wealth in the U.S.

Changing the course of this entrenched problem will require intentional policymaking, the elimination of disparate systemic barriers and effective partnerships at the federal, state and local levels between stakeholders in the housing ecosystem. A concerted measures must be taken to significantly increase the U.S. African American homeownership rate.

The Black Homeownership Collaborative, a newly created coalition composed of more than 100 individuals and organizations, launched a commitment to create 3 million new African American homeowners by 2030 through an ambitious seven-point plan. The Black Homeownership Collaborative is led by a steering committee of executives from the Mortgage Bankers Association, National Association for the Advancement of Colored People (NAACP), National Association of Realtors, National Association of Real Estate Brokers, National Fair Housing Alliance, National Housing Conference, National Urban League and Urban Institute.

That the Black Homeownership Collaborative identified seven areas requiring attention: homeownership counseling; down payment assistance; housing production; credit and lending; civil and consumer rights; homeownership sustainability; and marketing and outreach. The actions called for by the collaborative include increased funding for housing counseling services, a targeted down payment assistance program, and restoration of all legal doctrines and provisions of law that address systemic discriminatory policies.

Fiscal/Urban/Rural Impact: The policies will benefit counties by providing additional resources that improve African American homeownership rates, thereby expanding sustainable homeownership opportunities, strengthening communities and improving the economy, throughout the U.S.

Sponsor(s): Monique Baker McCormick, Commissioner; Wayne County, Mich.; Royceann Porter, Supervisor, Johnson County, Iowa; Alisha Bell, Commissioner, Wayne County, Mich. Angela Conley, Commissioner, Hennepin County, Minn.; Terri Marecki, Commissioner, Wayne County, Mich. Melissa Daub, Commissioner, Wayne County, Mich.

Proposed Resolution on Economic Development Administration Reauthorization

Issue: Support appropriations and reauthorization of the U.S. Department of Commerce Economic Development Administration.

Proposed Policy: The National Association of Counties (NACo) urges the U.S. Congress to appropriate funding and reauthorize the U.S. Department of Commerce, Economic Development Administration (EDA) as follows:

- Provide at least $346 million in appropriations annually for EDA to support economic assistance programs.
- Focus on EDA's core infrastructure and economic adjustment programs - public works, economic adjustment assistance and partnership planning. Congress should also authorize additional funding for special initiatives so as not to steer funding away from EDA core programs.
- Increase EDA funding for Public Works and enhance the scope of related activities, particularly related to broadband and resiliency.
- Strengthen EDA's National Technical Assistance program for small and distressed rural communities to allow greater access and leveraging of federal, state, local and regional economic development programs.
- Encourage regional collaboration by rewarding and incentivizing local governments, businesses and communities to participate in the Comprehensive Economic Development Strategy (CEDS) process. The CEDS process brings together stakeholders to develop regional strategies and goals.
- Elevate EDA's role as an integrator of federal economic development planning programs and formalize EDA's role as the federal government's lead integrator for economic development and central facilitator for interagency collaboration and resource integration.
- Expand EDA Disaster and Recovery Relief eligibility. EDA has a significant role to play in post- disaster relief and long-term recovery assistance for impacted communities. In areas where a major disaster or emergency has been declared under the Stafford Act, EDA grant recipients should be eligible for up to 100 percent of the cost of the project.

Background: Since 1965, EDA has worked directly with local and regional stakeholders to address the economic needs of communities across the country. EDA is unique among federal programs in that it is focused solely on private sector job creation and economic growth in distressed areas. With a modest budget, EDA has developed a record of making strategic investments and building community and regional partnerships to grow high quality jobs in such areas as advanced manufacturing, science, technology and emerging knowledge-based industries.
EDA partners with local and state officials and the nationwide network of Economic Development Districts to address the fundamental building blocks for economic growth: infrastructure investment, business development loans and financing, regional innovation strategies and public-private partnerships. EDA is well-positioned to assist communities, including counties, as they respond to sudden and severe economic dislocations, such as plant closures or major natural disasters.

EDA core programs provide direct assistance to communities for planning, public works and infrastructure improvements, and economic assistance to address sudden and dramatic changes to regional economies. These core programs provide the foundation for EDA investments to foster economic growth in communities across the country.

Fiscal/Urban/Rural Impact: Funding and reauthorization of the Economic Development Administration will help ensure economic development needs are met and job creation opportunities are created in rural, suburban and urban counties across the United States.

Sponsor(s): Martha Schrader, Commissioner, Clackamas County, Ore.

COMMUNITY, ECONOMIC AND WORKFORCE DEVELOPMENT STEERING COMMITTEE

Current Committee Platform

COMMUNITY, ECONOMIC AND WORKFORCE DEVELOPMENT

STATEMENT OF BASIC PHILOSOPHY

The National Association of Counties (NACo) recognizes the critical role of county governments in the overall economic vitality of our nation through the development of viable urban, suburban and rural communities. To exercise this role, county officials must implement local policies and intergovernmental initiatives that comprehensively address such issues as affordable housing, economic development, land use planning, commercial development, job creation, business retention, employment centers, veterans services and infrastructure capacity.

County governments should ensure that community, economic and workforce development resources are accessible to all demographic [age, gender] and socioeconomic groups. Moreover, a broad range of resources and responsibilities make county governments the natural political entity to provide leadership in administering programs and delivering services. County governments play a vital role in coordination and planning efforts because many federal and state programs emphasize regional approaches to community, economic and workforce development. Since counties have limited resources and capacity, state and federal programs should allow for more flexible and cost-effective administration that will result in more efficient local management to meet the goals and objectives of state and federal programs.

COMMUNITY DEVELOPMENT

A. **The Federal Role in Community Development:** In order to address the community development social and economic needs in urban, suburban and rural counties, federal programs must be funded at levels commensurate with national needs. Federal agencies such as the Department of Housing and Urban Development (HUD), Economic Development Administration (EDA), Small Business Administration (SBA), Appalachian Regional Commission, Tennessee Valley Authority, Delta Regional Authority, Denali Commission, USDA Rural Development, and Department of Labor are critical for stimulating local economies and leveraging private sector resources.

B. **Community Development Block Grant:** NACo strongly supports the Community Development Block Grant (CDBG) program established in the Housing and Community Development Act of 1974. The CDBG program provides increased opportunities for elected county officials to plan, implement, and evaluate local community development and housing assistance programs.

   Under the Act, county officials, and particularly those whose counties receive urban county designation, are afforded additional resources to address long-range physical, social, housing and economic development needs in their jurisdictions in a comprehensive manner. Counties commit CDBG funds to projects that are determined to meet local priorities in addressing development, housing, economic infrastructure and low income needs.

   Recognizing that federal funds and local capacity to administer this program are a limited resource, NACo supports the flexible use of CDBG funds to address certain immediate and unanticipated national priorities in line with the following principles:

   - That national priorities not diminish local priorities and commitments;
   - Additional funding must be provided for any new initiatives or responsibilities to be undertaken with CDBG funds;
   - Any new initiatives that are proposed to be funded with CDBG funds must further the original purposes of the Act or be funded under a new title with separate funding; and

- More flexible and streamlined administration of federal and state mandates to allow cost-effective methods of compliance and administration.

NACo endorses the linkage provided in the Act between community development and housing assistance programs. Counties are required to submit consolidated plans. This provision gives counties increased leverage in addressing not only the housing needs of those residing, or expected to reside, in their jurisdictions, but also in determining housing location and evaluating the growth implications of such development.

In order for the potential of the CDBG program to be fully realized, it must be fully funded and properly administered. NACo urges the Congress, HUD and the Office of Management and Budget to comprehensively review the adequacy of present and future program levels, so that all counties, not just those that receive a direct entitlement, can participate in this important program area.

In addition, NACo opposes the imposition of a funding threshold to receive CDBG formula funds to directly or elimination of “grandfathering” provisions which allows cities and counties to maintain their entitlement status. NACo also does not support diverting CDBG formula funds to other categorical grant programs.

Finally, NACo recommends that Congress stop the proliferation of set-asides within the CDBG and HOME programs.

C. **Empowerment Zones and Enterprise Communities:** NACo supports federally designated empowerment zones and enterprise communities that respect local regulations and local contributions to the success of the zone and are distributed equitably throughout the nation and between urban and rural counties. Local governments should undertake a voluntary review of local provisions that might impede economic development.

Federal waivers should not override state and local laws or regulations. Any local, state or federal incentives to establish zones should emphasize the retention and expansion of small businesses that create the majority of new jobs.

The program should provide for local government input in developing and implementing comprehensive plans, so that counties’ critical role in delivering and coordinating a vast array of social services is maintained. Where feasible, employment aspects of zones should be coordinated with job training services.

D. **The Community Reinvestment Act:** NACo strongly supports the Community Reinvestment Act (CRA) and opposes any effort to weaken the Act, because continuing disparities in mortgage lending adversely impact low-income, distressed, and minority communities. Since its passage in 1977, the CRA has been responsible for many loans and investments to traditionally underserved inner-city and rural communities nationwide.

By assisting local governments expand private investment in these neighborhoods, the CRA has helped strengthen the tax base and thus improve the fiscal condition of many communities.

Investment in housing and small business development made possible by the CRA has created jobs, expanded homeownership opportunities, and improved neighborhood stability.

HOUSING

A. The Need for Affordable, Workforce and Entry Level Housing: County governments have a responsibility to help assure decent housing for all segments of their population. Counties should continue to identify and meet the needs of very low, low and moderate-income households, including those with special housing needs. Whenever possible, counties should take steps to remove all discrimination in the housing market, including prohibiting exclusionary zoning practices. All levels of government should ensure enforcement of Title VIII of the Civil Rights Act of 1968 through expeditious resolution of allegations of fair housing violations.

NACo urges Congress and the U.S. Department of Housing and Urban Development (HUD) to provide dedicated resources to enhance the ability of counties and local governments to comply with HUD's AFFH Final Rule and complete the required AFH planning process, including but not limited to: increased flexibility to utilize Community Development Block Grant (CDBG) funds beyond existing statutory and regulatory caps for fair housing planning and program implementation; and dedicated funds for local governments to offset the increased costs associated with undergoing the mandated AFH planning process. In addition, HUD is urged to provide enhanced technical assistance to counties and local governments to aid them in developing comprehensive AFHs, such as best practice guides, toolkits and sample agreements for regional or multi-jurisdictional collaboration, fair housing program implementation guidance, and specialized assistance for public housing authorities.

Concentrations of assisted housing for very low, low and moderate-income families in one geographic area should be avoided and mixed-income housing encouraged. Federal and state governments as well as counties should be aware of the interrelationship of social issues and housing and provide appropriate supportive services and facilities.

Counties should encourage innovations in housing technology, design, approval, and construction in order to lower the cost of decent, safe, and sanitary shelter. National performance criteria and minimum standards for building materials and practices should be developed along with expanded research on building construction that take into account energy conservation. To the greatest extent possible, housing should be constructed with energy efficiency in mind to reduce increasing housing costs and resource consumption.

The federal government should prepare a model building code that includes separate building codes for modular, mobile, and other forms of factory-built housing.

Counties and states also should assess the impact of local land use policies on housing costs. Federal, state, and local agencies should periodically review their off-site and on-site development standards, as well as their methods and procedures as to zoning, subdivision controls, and environmental standards, to ensure that they reflect the state-of-the-art and that their standards are not excessive. When appropriate, employer housing should be planned to allow homeowners to live close to work in order to reduce commuting costs and use of energy. The federal government should not make housing and community development funding contingent upon HUD approval of a jurisdiction's local regulations affecting housing affordability and availability.

B. **State and Local Roles in Housing:** States and local governments should collaborate on their respective roles in reducing housing costs and increasing the supply of affordable units, including establishment of state and local housing finance agencies. This analysis might consider ways to seek uniformity in tax assessment practices.

   State governments also should adopt legislation clarifying the respective rights of owners/occupants, and landlords/tenants. Moreover, NACo urges industry groups and government at all levels to implement programs and take legislative/regulatory action necessary to eliminate predatory lending practices.

C. **The Federal Role in Housing:** The federal government should follow a national housing policy that embodies clear annual housing goals, provides adequate and predictable funding levels, offers incentives for energy efficient buildings and builds on partnerships with state and local governments and the private and nonprofit sectors in support of new construction and rehabilitation for rental and homeownership properties, particularly for low and moderate-income persons.

   Federal policy should allow for voluntary adoption of fair share housing programs on a metropolitan area basis, address the housing needs of rural America, expand the federal government's role in credit enhancement, and preserve the Federal Housing Administration's single and multifamily housing insurance programs.

   NACo supports legislation that makes funding available to state and local governments to address affordable and workforce housing needs.

   The lack of affordable housing at the state and local level is a national crisis. Over the years, housing has become more and more unaffordable. Homeowners are forced to either live beyond their financial resources and/or live long distances from the communities in which they work. This commute creates transit and social issues that put demands on counties.

   When Congress considers comprehensive tax reform, NACo urges it to protect key tax code incentives that stimulate private investment in single-family and multifamily affordable housing and neighborhood revitalization. These include tax-exempt single-family and multifamily housing private activity bonds, Low-Income Housing Tax Credits and New Markets Tax Credits.

   NACo supports an amendment to the current law to allow metropolitan city Emergency Solutions Grant (ESG) funds that fall below the threshold to be remitted to the urban county in which the municipality is located, rather than the state. Additionally, NACo supports legislation that allows Metropolitan Cities and Urban Counties to form consortia for purposes of receiving and administering ESG funds.

   1. **The HOME Investment Partnerships Program:** The Cranston-Gonzalez National Affordable Housing Act is landmark legislation that reestablishes a major federal commitment to housing. The HOME Investment Partnerships program, which is the centerpiece of this Act, builds upon the significant capacity and experience of county and other local and state governments to design and implement affordable housing programs for low and moderate-income persons. In order to

maximize the program's effectiveness, county governments must be allowed considerable flexibility in their use of HOME funds to address identified local needs.

Sixty percent of HOME funds are allocated to urban counties and metropolitan cities and the balance to the states. Awarding the bulk of funds to local governments reduces bureaucracies at the state level that impede local flexibility.

NACo urges Congress to pass legislation authorizing a federal housing production program within the HOME program.

2. **National Housing Trust Fund:** NACo urges Congress and the U.S. Department of Housing and Urban Development (HUD) to provide for the allocation of HTF funds to local governments. Driving HTF resources to the local and county levels will ensure these federal affordable housing resources are effectively targeted and tailored to meet the unique and individualized affordable housing needs of local communities across the nation. In the event that increased HTF resources become available, Congress and HUD are also urged to provide a formula allocation of HTF resources directly to local governments.

3. **Federally Owned Residential Property:** The federal government, due to foreclosures and abandonment of federally insured houses, owns thousands of residential properties throughout the country. These properties are not only a tax burden for local government, but also contribute to rapid neighborhood deterioration and decline. Most are vacant and subject to vandalism, becoming breeding grounds for crime and delinquent behavior.

   NACo strongly believes that the federal government, in cooperation with local governments, should provide mechanisms for returning these homes to sound condition. All local efforts to rehabilitate and occupy these properties should be supported. Counties should cooperate with the federal government in rehabilitating and returning these properties to the housing market. In no case, however, should the federal government ignore its responsibility for the condition of these homes and shift the burden for reclaiming these properties to state, county, or city government.

4. **Preservation of the Low-Income Housing Stock:** Many low-income rental housing units receive federal assistance, and many are insured through the Federal Housing Administration (FHA).

   In the absence of a preservation strategy, many of these units are likely to be lost from the low-income rental inventory through defaults on mortgages, and others could be lost if owners prepay mortgages and convert properties to market-rent. NACo supports strategies that preserve the supply of low-income rental housing stock.

   NACo generally supports legislation that provides a tax credit to help offset the negative tax liability for owners of federally assisted housing to encourage transfer of their property to a preservation entity that agrees to keep it affordable for a period of at least thirty years. Such efforts will minimize the risk of property deterioration and loss of economic value of affordable housing units.

5. **Restructuring the Federal Housing Administration Portfolio:** NACo supports refining the Federal Housing Administration (FHA) portfolio. The FHA multifamily portfolio must address federal budgetary concerns and ease federal regulatory burdens that have increased the cost of operating Section 8 housing for owners and the cost of subsidizing such housing to HUD.

6. **Preserving Section 8 Housing:** NACo supports preserving Section 8 housing and preventing the displacement of the tenants. NACo urges the administration and Congress to take the necessary steps to preserve local communities' stock of affordable housing by adopting tax policies that encourage the transfer of properties outside of CDBG, HOME, and other HUD programs.

   NACo urges Congress to pass legislation amending the Housing Choice Voucher Program to improve its use in the development and preservation of housing for low- and moderate-income families. Specifically, NACo calls on Congress to:

   - Expand the limit for project-based vouchers from twenty to 35 percent of a locality's allocation;
   - Consistent with current performance standards, require HUD to reallocate unused vouchers to other jurisdictions in a specified time period annually;
   - Modify the targeting requirements to allow sixty percent of the vouchers to be made available for households at or below thirty percent of median income and up to forty to fifty percent of median income, with households below or at thirty percent being given preference; and;
   - Restore the fifty percentile of the fair market rent standard to promote the de-concentration of families in poverty;
   - Provide more flexibility in initial and annual inspection of units to be occupied by voucher holders. Accept inspections from other agencies and reduce the frequency od annual inspections for projects with good track records;
   - Remove disincentives to forming consortia to administer voucher programs. In addition, NACO does not support block-granting of the Section 8 program because it will result in a reduction of funding sold on the basis of more flexibility;
   - Insure that program administrators have a system of reserves in order to deal with unforeseen changes in market conditions, family incomes, appropriations, administration and additional authorized vouchers.

7. **Use of Tax Code for Multifamily Rental Housing:** NACo supports incentives in the tax code to stimulate investment in affordable housing, including continuing the ability of counties to issue tax-exempt single and multifamily housing bonds and allocate Low-Income Housing Tax Credits. NACo supports legislation amending Section 149(b) of the Internal Revenue Code to permanently add Federal Home Loan Banks to the list of entities permitted to credit and/or enhance tax exempt bonds.

   NACo also supports removing the penalty that lowers the value of the tax credit from nine percent to four percent when used in conjunction with tax-exempt financing for multifamily housing.

8. **The Low-Income Housing Tax Credit:** NACo continues to support permanent status of the Low-Income Housing Tax Credit. The credit accounts for many of the new apartments constructed in the United States, and virtually all of the apartments constructed or rehabilitated for

low-income renters. Permanent status of this tax credit must be maintained so that potential investors will not be discouraged from making investments and housing providers can make appropriate planning and administrative decisions.

NACo is very concerned that any future proposal to eliminate the double taxation of corporate dividends through an "excludable dividend amount" would have an adverse impact on tax-exempt bonds and Low-Income Housing Tax Credits.

9. **Commercial Revitalization Tax Credit:** NACo supports the Commercial Revitalization Tax Credit (CRTC) to provide business growth in distressed areas. The CRTC can be an important and worthwhile incentive for business investment in specially-designated revitalization areas to bring communities back to life. Private business investment in these revitalization areas will help boost the economic vitality of these communities and provide opportunities for new job growth. New business construction and business rehabilitation can enhance the physical environment of distressed areas in communities around the nation, while improving their social and economic conditions.

10. **Single-Family Homeownership Tax Credit:** NACo endorses the concept of a homeownership tax credit designed to provide homeownership opportunities for low and moderate-income families. Homeownership gives families a stake in their communities and increases the stability and vitality of neighborhoods. Local elected officials support legislative efforts towards the creation of an investor-based tax credit that would encourage the development of single-family affordable housing.

11. **Government Sponsored Enterprises (GSEs):** NACo strongly supports the continuation of a government role in the secondary market for the Nation's mortgage system. GSEs are chartered by Congress to provide stability in the secondary market for residential mortgages, respond appropriately to the capital markets, and promote access to mortgage credit throughout the nation. In that role, they provide liquidity to the market by buying and packaging mortgages into mortgage-backed securities that are sold to investors. This process is essential to maintaining a flow of capital to the mortgage market. GSEs are key partners with county governments in expanding affordable housing opportunities for first-time and other homebuyers.

    Government-Sponsored Enterprises have been leaders in the creation of innovative lending programs to finance affordable housing. The GSEs' mission assures that mortgage capital will be focused on the development of tools that create mainstream products and services tailored to the affordable housing marketplace. The GSEs work through national and local lenders and county governments to innovate and take prudent risks in providing mortgage capital to develop and sustain strong communities. The GSEs also have been essential investors in tax-exempt single family and multifamily housing bonds and Low-Income Housing Tax Credits, essential tools used by counties to expand affordable housing opportunities.

    NACo supports a federal role in the secondary market for the nation's mortgage system to provide stability for residential mortgages and to help expand access to mortgage credit and affordable housing opportunities for first time homebuyers and other homebuyers and renters. In any reform of the housing finance system Congress should provide for a continuation of the 30-year mortgage, support for affordable rental housing including the provision of credit enhancement and insurance products in support of county affordable housing programs and permitting county lending programs to cover some or all of the down payment for first-time homebuyers who are adequately counseled in the responsibilities of homeownership.

12. **Lead-Based Paint:** NACo supports additional funding to offset the substantial increase in the cost to rehabilitate housing units using CDBG and HOME funds due to the presence of lead-based paint hazards.

    Many communities have experienced a substantial increase in the cost of their CDBG and HOME funded rehabilitation and homeownership programs to implement lead-based paint mitigation strategies, without a source of funds to pay for the increased cost.

    This regulation was issued under sections 1012 and 1013 of the Residential Lead-Based Paint Hazard Reduction Act of 1992, which is Title X of the Housing and Community Development Act of 1992, and covers all housing assisted through CDBG and HOME, including housing where no children under the age of six are present. It has been documented that there is a lack of a sufficient number of trained and certified lead-based paint professionals, such as risk assessors, inspectors, abatement contractors, and laboratories to implement the regulation in all communities. In addition, this regulation will impact the timely expenditure of CDBG and HOME funds. NACo supports federal support of additional resources to help local governments implement the requirements of this federally mandated regulation.

    NACo supports revision of the National Manufactured Housing and Construction and Safety Standards Act of 1974 to make and keep current; and address concerns with the construction and safety standard of manufactured homes. NACo supports the modernization of the Act by establishing a process for the development, revision, and interpretation of federal construction and safety standards for manufactured homes.

13. **Homeless Assistance:** NACo supports full funding of federal homeless assistance programs. NACo supports efforts to convert categorical housing programs for the homeless into a block grant program. The programs should give localities sufficient flexibility to address identified local priorities and needs. Localities should be provided with sufficient funds for program administration and capacity building of local service providers. Caps should not apply to supportive services. Finally, urban, suburban, and rural counties should be able to form consortia to effectively implement continuum of care plans.

    NACo strongly recommends that Congress and the Administration enact legislation that provides dedicated full funding for existing Shelter Plus Care programs that are separate from the HUD McKinney Act Supportive Housing Program, while maintaining current Shelter Plus Care regulations and consistency with the successful Continuum of Care approach.

    NACo strongly supports retaining Housing First as a best practice approach to homeless assistance that prioritizes providing permanent housing to people experiencing homelessness. NACo also calls for an end to the practice of discharging large numbers of people into homelessness from hospitals, mental health and chemical dependency treatment facilities, jails and prisons without adequate community support systems. NACo commits to urging Congress to make investments in additional affordable and supportive housing alternatives from mainstream systems, so that supportive housing is available to those who are homeless or would be homeless without it.

NACo supports legislation to provide additional federal resources to develop housing with supportive services, including mental health services, to help the reintegration of "public safety" ex-offenders into the community and the housing market. These additional federal resources must not be at the expense of existing HUD programs, Low-Income Housing Tax Credits, or any other federally funded domestic program.

NACo endorses the Administration's national goal of ending chronic homelessness in ten years. NACo supports the ten-year planning process of the Interagency Council on Homelessness, which recognizes that the abolition of chronic homelessness requires collaboration and coordination of resources in performance-based strategies at all levels of government, together with community institutions, businesses, and faith-based organizations. NACo encourages counties to develop Ten-Year Plans incorporating the latest research on effective engagement, housing, and services strategies to prevent and end chronic homelessness.

14. **Initiative to End Veteran Homelessness:** NACo supports the goal of ending homelessness among veterans and military families, including using temporary assistance and shelter resources to assist with permanent housing placement. NACo strongly recommends the continued appropriation of resources through the Veterans Affairs Supported Housing (HUD-VASH) vouchers, Supportive Services for Veteran Families (SSVF) grant program, and the Grants and Per Diem program to accomplish this goal.

15. **Special Needs Housing:**
    a. **Housing Options for an Aging Population:** NACo supports the development of local housing options that assist older persons to continue living in their dwellings. These options may include home equity conversion, home maintenance, accessory apartments or other secondary units and shared/group residences. When older persons are no longer able to live in their existing dwellings, their options should include congregate housing, continuing care retirement communities, assisted living and other appropriately designed multi-family or group living complexes.

       In appropriate circumstances, family caregivers who wish to alter their homes to provide needed non-institutional support for older parents should not be penalized by zoning regulations and higher property taxes from adapting their residences for this purpose. Efforts should be made to support older persons living in their own dwellings or in congregate housing through the integrated delivery of social services in the community.

    b. **Housing Opportunities for Persons with AIDS:** There is an urgent need for communities to provide appropriate and affordable housing for persons and families living with the acquired immunodeficiency syndrome and human immunodeficiency virus (AIDS) who are at greater risk of illness and possible homelessness.

       In order to better coordinate the delivery of health care and housing services, counties as well as cities should become eligible to be allocating agencies for metropolitan areas under the

Housing Opportunities for People with AIDS (HOPWA) program. Counties and cities throughout the country have demonstrated that they will develop fair allocation and implementation procedures that meet the needs of entire communities.

16. **Refining the Mortgage Revenue Bond Program:** NACo supports the Mortgage Revenue Bond program and the increased purchase price limits due to the recent economic downturn. NACo supports preservation of the Qualified Veterans Mortgage Bonds (QVMB), bonding authority for states.

17. **Employer Assisted Housing:** NACo supports legislation that would encourage employers, counties, and municipalities to invest in employer-assisted housing programs by providing a tax credit to partially offset the costs of such programs.

18. **Foreclosures:** NACo supports programs that reduce the number of foreclosures, encourage refinancing/restructuring mortgages that allow families to retain their homes, and lower the inventory of vacant and abandoned homes to eliminate blight and revitalize the housing market.

COUNTY ROLE IN HOUSING

A. **Planning:** Local elected officials, after appropriate citizen input, should develop guidelines for areas of development opportunity (where growth should be encouraged and facilitated) based on explicit standards to protect critical areas. Any state and/or regional review of local plans should only be for consistency with these guidelines and standards. Local land use plans should be based, among other things, upon demographic and marketing trends and upon local capital improvement projects which provide the infrastructure for growth.

   Natural resource inventories (as opposed to environmental impact statements) should be undertaken on a metropolitan area basis to identify hazardous areas where no development can take place, areas of critical concern, such as productive agricultural land, where limited development can take place, and areas where no impediments exist. Federal standards for programs necessary for growth (such as water and sewer funding) should be based on the growth needs of each area.

   NACo supports county planning and land use policies that contemplate growth and development patterns occurring within a county and the surrounding region. Recognizing that land use decisions are inherently local in nature, NACo strongly supports county government decision-making that appropriately reflects the county's needs in accommodating growth, as well as the will of county residents.

B. **Housing Element in the Local Plan:** Counties should prepare and adopt housing elements as part of their comprehensive plans. This housing component should include projections of present and future housing needs, and take into account land zoned for different types of lot sizes, types of housing (including manufactured housing), and different income levels. In addition, it should set realistic annual goals for the number of units or persons to receive housing assistance and make provision for the public facilities. The housing element should be coordinated with all other related plans supportive to the housing element such as utilities, human services programs, open space, recreation, trails, schools, churches, commercial areas, agriculture, transportation, and other community services and facilities.

C. **Local Land Use Policies and Procedures:** Zoning, subdivision regulations, timing of development, and permitting procedures have a direct, although not the major, impact on the cost of housing. Recognizing, therefore, that county government can contribute, at least in part, to stemming increases in housing costs, NACo recommends the following policies:

1. **Inclusionary Zoning:** Incentives such as inclusionary zoning and density bonuses should be enacted to expand affordable housing.

2. **Permitting Processes:** Legislation enacted by states or local governments involving zoning, subdivision regulation, or environmental protection, and their implementing regulations, should be reviewed regularly for consistency to reduce duplication, achieve simplicity (including those areas where regional qualification and criteria are necessary), and clarity.

   The number of permits required for development should be reduced through consolidation of overlapping regulations. Intra-governmental and intergovernmental consolidation of hearings and interchange ability of approvals (or at least interchangeability of information requirements) can reduce delay while maintaining opportunities for public involvement.

   Local governments should require that on-site improvements exclusively benefiting the home buyer be included as part of development costs. On and off-site improvements benefiting a population larger than the development should be shared between the developer and the community.

   Counties should prepare housing and building permit registries which describe requirements, procedures, and regulations in specific terms. Application forms should be consolidated and/or standardized. Criteria for determination of application completeness should be developed and published. Preliminary conferences should be held with developers (particularly small or inexperienced ones) to assure that requirements, procedures, and regulations are clearly understood, and an early determination of application completeness should be made. Local governments should consider using a zoning hearing examiner as a way of reducing development processing time.

   NACo commends the Department on its commitment to reducing regulatory barriers. However, it must be noted that zoning and land use decision making is an inherently local process, subject to a range of influences including market forces, citizen input and political realities. Moreover, there is a concern that some communities without the capacity to undertake technical or personnel changes necessary to implement practices that streamline permitting and zoning processes may lose important federal resources. Regardless, local governments are deeply committed to increasing the supply of affordable housing, and agree that steps can be taken to reduce regulatory barriers.

ECONOMIC DEVELOPMENT

A. **County Role in Economic Development:** County officials should exercise strong leadership in creating a supportive environment for business investment by: promoting diversified economies; creating, rehabilitating and maintaining support infrastructure; providing quality education and training; and involving the non-profit and private sectors. Economic development efforts benefit counties through the retention and creation of jobs, the broadening of county tax bases, and the improvement of the overall quality of life. State~~s~~ governments should develop policies supporting new business development, business retention and business expansion. They should implement coordinated processes that involve county governments in providing the infrastructure and financial incentives to promote economic development.

1. **Economic Development Planning and Resource Development:** County governments should adopt economic development as a high priority. These efforts should: support public education and vocational and on-the-job training; focus on government assistance recipients, displaced workers, unemployed and underemployed individuals, disadvantaged youth, persons with disabilities, women and minority populations and veterans; and appropriately involve community groups and other special purpose organizations.

   Counties should design and implement comprehensive economic development plans that include short range and long range goals in response to local and regional needs. These plans should guide growth, development and redevelopment. Counties should encourage the participation of city governments, public agencies, utilities and the private sector in the formulation of economic development plans. County economic development plans should generate innovative financial strategies that leverage private investment through public-private partnerships.

2. **Land Use:** Locally adopted land use plans and zoning ordinances should serve as the basis for determining the best locations for economic development and redevelopment activities. These policies and plans should be sensitive to the needs for balanced growth. Plans and policies should strive to maintain the variety and quality of residential, commercial, and industrial uses, and preserve the environment and areas of historic and cultural significance.

3. **Small and Medium Business Development:** Counties must work with the Small Business Administration (SBA) and state and local financial institutions to develop and provide other sources of capital – i.e., grants and loans – to assure the availability of funds for small and medium-sized entrepreneurs. Whether the need be legal, financial or marketing expertise, counties should disseminate information, and aggressively market services that are available and evaluate the effectiveness of these services. As a component of these efforts, counties should work with the private sector in facilitating the creation and expansion of minority- and women-owned business enterprises, and promote the development of small and medium sized businesses.

   To encourage the commercialization of technologies developed by small businesses, county governments should work closely with universities, community colleges, business groups, chambers of commerce and federal, state and municipal governments. Counties should strive to identify firms that export products and services to national and/or international markets, and those that have the potential to export to national and international markets.

4. **Commemorative Projects:** NACo supports county projects such as the National Underground Railroad Freedom Center, which will foster an open, continuous dialogue on the

subject of freedom and commemorate the cooperation, courage and extraordinary heroism of enslaved Americans who sought for freedom, and those who assisted them in the pursuit of that goal. NACo encourages counties to recognize and commemorate the commitment of individuals whose acts exemplify the American spirit of liberty and justice for all.

5. **New and Small Business Development:** New and Small Business Development: Counties should work with entrepreneurs and small businesses to foster innovation and take advantage of new and untapped business opportunities in their local and regional communities. This support would include: hosting and participating in local and regional conferences; working with other entities to provide access to business planning resources, mentors and advisory networks, and financing opportunities.

   NACo encourages state and federal governments to provide incentives that support entrepreneurs and small business growth. Counties should work to bolster the development of entrepreneurial and business talent within their communities and emphasize the expansion and retention of local businesses.

B. **The Federal Role in Economic Development:** NACo supports federal programs – including EDA, SBA, and USDA Rural Development – that recognize the importance of a federal role in state and local economic development, and provide funding resources, bonds, information, and technical assistance to further this important role.

1. **Clean Up and Redevelopment of Brownfields:** The federal government should provide incentives for counties to identify and remediate contaminated, abandoned or substantially underutilized industrial and commercial land – i.e., brownfields – as a catalyst for redevelopment of economically distressed areas. NACo supports legislation to authorize a federal brownfields program that includes enhanced funding for counties.

   NACo urges that a portion of EPA funds be used for revolving loans for cleanup activities, as well as for site assessments. HUD and EDA funds should be used for planning projected uses and redevelopment of sites. Local governments should be given flexibility in determining appropriate uses. HUD funds for brownfields should be freestanding, as opposed to a set-aside out of CDBG funding. NACo supports the use of Superfund Trust Fund monies by EPA, with funds – preferably grants rather than loans – directly allocated to local governments for site assessments and brownfield site cleanups.

   NACo supports cleanup programs operated by states for brownfield sites, yet urges that state programs be required to operate in conformity with existing minimum federal standards and guidelines. Counties should have the authority to request that EPA list a brownfield site on the Superfund national priorities list if, in the process of assessing a site, the county determines that it is more toxic than originally estimated.

   Brownfields are abandoned or underutilized commercial and industrial sites that have environmental contamination issues related to their previous uses, yet are potential resources for community economic revitalization. Counties must be protected from liability for potential future environmental problems related to inadequately cleaned-up brownfields.

Many brownfield sites remain underutilized because no funds are available either to assess the presence and extent of contamination, or to clean up environmental hazards. Federal resources are essential for assessment and remediation, as well as to provide incentives for private investment. Flexibility in the types of federal assistance is critical because brownfield sites vary in their marketability, the magnitude of redevelopment activities necessary to attract investors, the type of private investment, and the projected rate of return to the investor.

Brownfields exist in rural as well as urban and suburban counties. Redevelopment is one component of a broader interest by counties in achieving sustainable development on a regional basis and for reducing urban sprawl. Redevelopment of these abandoned or underutilized sites can stimulate economic revitalization in the surrounding areas, and preserve green space by providing an alternative to unchecked urban sprawl.

2. **Superfund Program:** NACo opposes the reduction of funding to the Superfund program, which provides for the assessment and cleanup of hazardous waste at contaminated and abandoned industrial sites. NACo supports full funding of federal programs that provide for the assessment, cleanup and redevelopment of brownfields sites. The adaptive reuse of brownfield sites will help revitalize distressed areas in communities, and NACo opposes any reduction of funding for the Superfund program that would limit or diminish the effectiveness of federal, state or local efforts toward~~s~~ the revitalization of brownfields sites.

3. **Sustainable Communities:** NACo supports legislation that will encourage agencies at the federal and regional levels to integrate housing, transit energy and environmental planning to support sustainable development that makes the most efficient use of existing transportation and other infrastructure. NACo promotes future transportation and infrastructure - including water, sewer, and broadband- to maximize economic growth and the quality of life in a region while minimizing traffic congestion, environmental impacts, and energy use in urban, suburban, exurban and rural areas.

4. **Promotion of Arts and Culture:** NACo supports increased funding for the National Endowment for the Arts (NEA), the National Endowment for the Humanities (NEH), the Institute of Museum and Library Services (IMLS) and the arts education program within the Department of Education to provide counties with additional resources to develop and expand cultural resources in their counties.

5. **Emerging Markets:** Congress has passed emerging new markets and renewal communities legislation. NACo supports efforts to open new markets in economically underserved areas, and supports private sector investment in untapped markets. Investments should be focused especially on emerging minority-owned and operated businesses in order to address real growth in both the geographic and commercial potentials of underserved markets and their communities.

   Certain sectors have not been targeted in promoting increased marketing and availability for business expansion despite having the necessary population and skilled workforce. Improving access to capital for low- wealth households, minority populations and traditionally underserved borrowers, by bringing private enterprise into underserved neighborhoods and communities, should be encouraged.

6. **EB-5 Regional Center Program:** NACo supports federal legislation to permanently authorize the EB-5 Regional Center Program and to maximize its capacity for economic impact and job creation.

7. **Infrastructure and Public Works:** Counties must provide and support sufficient infrastructure and support services to generate increased economic activity. To sustain and increase economic activity in counties, federal, state and municipal governments must assist in the rehabilitation and expansion of physical infrastructure and support services, including multimodal transportation, power utilities, broadband, water treatment and waste management systems, and natural gas distribution infrastructure. Changes in federal regulations have affected the cost of providing infrastructure capacity significantly, and counties must work to ensure balanced regulations that protect the environment, without unreasonably increased costs. NACo strongly supports:

    - a national commitment, shared by all levels of government and the private sector, to increase capital spending;
    - more flexible administration of federal and state mandates to allow cost-effective methods of compliance;
    - accelerated spending of the federal highway, transit, aviation and waterways trust funds;
    - prioritization of rehabilitation and improvement of aging infrastructure that negatively affects business retention and attraction in older regions and communities;
    - removal of unwarranted limits on the ability of state and local governments to help themselves through tax-exempt financing and incentives, such as empowerment zones; and
    - funding the Resource Conservation and Development Program (RC&D).

8. **The New Homestead Economic Opportunity Act:** NACo urges Congress to pass the New Homestead Act to strengthen rural counties suffering from high rates of outmigration.

9. **Middle Market Companies:** NACo supports sound policies that enhance access to capital and reduce redundant regulations to allow middle market companies to thrive and support economic recovery across the United States.

10. **Challenges and Local Impacts of Base Closure:** The adverse economic impacts of military base closures and realignments are devastating for small or rural communities and metropolitan areas. Immediate effects include a loss of civilian and military jobs, an erosion of the tax base, increased local government costs in providing services to the base, the presence of substandard buildings and infrastructure that may fail to meet local codes, a decline in real estate values which can trigger a drop in property tax revenue, and adverse impacts on banks when homeowners are unable to pay their mortgages.

    a. **Federal Oversight of Base Closures:** Efficient conversion of closed bases to productive civilian uses requires the coordinated effort of several departments of the federal government. Conflicting missions within the Department of Defense (DoD) and among other federal departments and agencies have slowed the base reuse process and added to the difficulties communities face.

- Congress and DoD have made unrealistic estimates of the profits that the federal government will receive from reuse of closed installations. As a result, the conversion process is delayed, because base commanders often are forced to make economically unrealistic demands in the sale or lease of base facilities, or commanders fail to exercise their interim leasing authority, and instead relinquish their authority to leasing agencies.
- An Assistant Secretary of Defense should be appointed whose primary responsibilities are to ensure rapid conversion of facilities and economic development. This senior official must have the authority and responsibility to administer base closure activities for the three branches of the military and coordinate actions taken by federal departments and agencies that impact conversions. This official should engage in continuing dialogue with affected communities and provide a forum for communities to bring grievances, resolve disputes, and assure consistency in the interpretation and implementation of the same law. This office also would serve as a vital clearinghouse of best practices in the event that additional base closures are authorized in the future.
- The Secretary of Defense should provide clear orders through the service secretaries to all commanders of installations designated for closure that their primary mission is to facilitate swift civilian reuse of the installation while minimizing adverse impacts on the community. Base commanders should be encouraged to enter into leases as they are authorized to do.

b. Economic Adjustment Assistance: To maximize the fiscal benefit of base closure, the federal government must assist in the rehabilitation of substandard base facilities and provide creative financing terms to purchasers or developers of closed bases. Economic Adjustment Assistance, from the Office of Economic Adjustment or the President's Economic Adjustment Committee, is absolutely necessary. Such funding should be available for reuse planning, as well as for special projects on a discretionary basis and for preparing strategic marketing plans including development, printing and distribution of marketing materials.

"Bridge funding," to enable communities to assume responsibility for large airfields and other military facilities with civilian uses, should continue for several years after closure until the facilities can begin to generate revenue. To preserve taxpayer investment in these assets, facilities should be maintained, and equipment that is essential for their functioning should remain intact for long-term economic development following conversion. To assist with economic stimulus, the federal government along with state governments should enter into joint marketing agreements with local governments to promote development of these properties.

Continued support for projects related to base closure through EDA remains important. Affected local governments should be eligible for federal dollars that can be used for local priorities, including making loans or grants to businesses that utilize former bases. Any loan repayments should go into a revolving loan fund for use by local governments in financing additional conversion activities.

DoD must explore alternative methods to finance the transfer of bases out of federal ownership and the development of new, productive uses on the property. Financing often can be provided without expense to the federal government by extending the time period during which an installment purchase of a facility must be paid. Coordinating the disposition and reuse plans with funding available through other federal departments, such as Labor and Transportation, will allow the federal government to obtain a greater overall, long-term value for closed bases while mitigating adverse local impacts.

The introduction of Economic Development Conveyances (EDCs) in recent years has been an innovative and important step in facilitating more expedient redevelopment. No-cost EDCs have been of particular importance to rural communities that lack the resources to buy base property for redevelopment. The further step in 1999 to both expand no-cost EDCs to all communities and to allow communities experiencing changed economic circumstances to renegotiate earlier EDC agreements has been integral in many reuse projects moving forward. DoD must continue to develop creative strategies such as this to help communities cope with base closure.

NACo urges the following:

- Allow local reuse authorities to issue tax-exempt industrial development bonds, to serve as business incentives and provide financial support to local closure authorities during the conversion phase.
- Closing military bases should be made foreign trade zones and federal empowerment zones with the associated tax advantages and investment credits to enable them to attract private investment.
- Any national infrastructure finance program, such as the GROW AMERICA ACT, should set aside funds for infrastructure improvements on former military installations.

c. **Property Transfer:** The design and implementation of a review and transfer process that is consistent among the operating branches within DoD are imperative. This process needs to be responsive to community reuse objectives and provide prompt transfer of property to accomplish early economic recovery.

- Interim leases should be longer than one year so that the local governing entity is better positioned to recruit private businesses and should be processed within sixty [60] days as the law requires.
- DoD should act swiftly to implement P.L. 102-426. This law requires prompt identification, parcellation, and transfer of uncontaminated parcels of base property.
- Negotiated sales of base property should require Congressional review only if valued at a fair market value of $1 million or more. Current law requires Congressional review for sales worth $100,000 or more.
- In developing reuse plans, communities should take into consideration the needs of all citizens, including the homeless living in the vicinity, in deciding the most appropriate use of the property. Federal preference for use of the base by homeless providers, however, should in no way delay the planning process. Instead, local redevelopment authorities should assist interested groups in evaluating property at the base, consult with

representatives of homeless people, and take their proposed uses into account in developing a reuse plan.

- DoD should reexamine the policy that precludes the demolition of buildings prior to transferring bases. Many buildings are unusable, for example, because they contain asbestos, or do not comply with the Americans with Disabilities Act and state and local building codes.
- Interim agreements should give local governments preference in exercising their police power – i.e., zoning ordinances and building regulations – and rendering caretaker services. The federal government should reimburse local governments for maintenance costs.

d. **Environmental Cleanup:** Environmental contamination on bases must be cleaned to a standard that protects human health, and also permits the reuse of the facility in accordance with locally generated, legally defensible land use plans without the local agencies or private sector having to incur additional cleanup costs in order to reuse the facility.

Local jurisdictions must have the opportunity to be active participants in all phases of environmental cleanup, including evaluation of site conditions and selection and implementation of remediation programs. The timetable for environmental impact statements, parcellation and prioritization should be coordinated with civilian reuse plans.

A federal finance bank could be authorized to purchase federally guaranteed bonds to be issued by communities for local acquisition of closing base facilities and for upgrade of the property with minimal down payments and at low interest rates.

e. **Job Retraining:** The Dislocated Workers and Trade Adjustment Assistance Act administered under the Workforce Innovation and Opportunity Act (WIOA) currently serves displaced workers including those displaced due to defense downsizing. WIOA programs should continue to be utilized as a framework for any new comprehensive retraining program for dislocated workers.

f. **Support for Non-Base Federal Installations:** Appropriate support for reinvestment and economic redevelopment should be made available to communities impacted by the closure or significant downsizing of other non-base federal installations, such as national laboratories, enrichment facilities and other DoD and Department of Energy facilities.

11. Trade Agreements: NACo supports free trade activities that enhance the economic base of local governments and promote county participation in the global economy. NACo, however, opposes the adjudication of disputes arising out of trade agreements in a manner that preempts local government authority, circumvents domestic judicial processes, and grants greater rights to foreign investors than those guaranteed to U.S. citizens by federal, state, and local law.

NACo urges Congress to review and create a report card on existing and new Free Trade Agreements to determine their effects on U.S. manufacturing industries, workers and agriculture, and to send the report back to NACo as soon as possible.

12. **State Role in Economic Growth:** States are urged to involve counties and other local governments as full partners in planning and implementing statewide economic development strategies. Where authorized by law, states should work with county governments in the allocation of tax-exempt bond authority and Low-Income Housing Tax Credits in order to achieve equitable distribution of these tools throughout the state. States should consider appropriate legislation that would provide a sound method for acquiring land for future public urban, suburban, exurban and rural development uses.

13. **Regional Economic Development Commissions:** NACo supports the concept of regional economic development commissions, which would facilitate comprehensive and cooperative approaches to economic and infrastructure development in severely distressed counties, provided that funding for such commissions is not at the expense of funding for traditional economic development programs, such as Economic Development Districts.

14. **Trade Assistance:** NACo supports the concept of trade adjustment assistance for local governments. Many communities may experience a negative change in the local economy as the US marketplace becomes increasingly global. NACo believes that federal resources should be allocated to help alleviate the negative impacts of expanded trade practices, and help communities devise strategies for future economic viability.

15. **International Economic Development and Offshore Manufacturing:** Economic development is a key issue for many counties across the nation, and with high unemployment still in existence, jobs are a priority. Too many companies however are moving from one state to another without a net increase to the overall U.S. economy. NACo continues to urge the federal government to encourage businesses to move manufacturing back to the states from offshore. This can be done through a variety of incentives. NACo is open to working with the federal and county governments to find the right way to incentivize this initiative.

16. **Export-Import Bank of the United States:** NACo supports, endorses and advocates for the reauthorization of the Export-Import Bank of the United States.

WORKFORCE STATEMENT OF BASIC PHILOSOPHY

The National Association of Counties (NACo) believes that county governments have a critical role to play in the planning, management and implementation of employment programs designed to prepare people for the world of work and to help ensure employers have a skilled workforce. Therefore, NACo supports the following principles.

- **Local Authority:** The federal government should not usurp or undermine the authorities, responsibilities and obligations that generally are reserved to states and localities with respect to workforce programs.
- **Workforce Development:** Federal, state, and local governments must work together to maintain an effective national workforce development system that addresses the needs of job seekers including youth, incumbent workers, and employers; aligns the appropriate resources; and is designed, governed, and implemented by a public-private partnership comprised of local elected officials and business leaders.

LOCAL AUTHORITY
The Constitution of the U.S. sets out those responsibilities specifically given to the federal government and those retained by the states and the people. County governments are partners with the federal government and states in providing important programs and services to the American people. When appropriate, the federal government should legislate on the fair labor, employment and workforce development needs of the nation. The federal government, however, should refrain from pre-empting those aspects of labor law that remain the responsibility and obligation of states and local governments.

WORKFORCE DEVELOPMENT
A skilled workforce is essential for the economic success of the nation's employers. Thus, NACo strongly supports efforts to enhance the effectiveness and efficiency of the national workforce development system. NACo believes that workforce programs can be strengthened and better aligned to improve access and service delivery for both workers and employers through a streamlined national workforce development system. The federal government would fund the system through formula-based block grants to states and passed through to localities, thus providing flexibility to local governments to adapt to local needs. The alignment of these resources should be decided by state and local elected officials and business leaders working through Workforce Development Boards (WDBs).

Goals: The principal goals of the national workforce development system should be to enhance business and economic development, reduce local unemployment rates, increase local workforce participation rates, enhance incomes, work with youth on career awareness and ensure that all individuals obtain appropriate wages.

Access and Flexibility: Access to workforce development programs should be universal without respect to economic circumstance, gender, sexual orientation, race, ethnicity, national origin or religion. Local governments should have the authority to implement these programs and to determine the range of services provided and the priority populations that should receive these services. Particularly during times of rapidly changing economic conditions, local elected officials must have the authority and flexibility to bring resources together at the grassroots level to best serve citizen and employer needs. NACo believes this alignment can occur effectively with local elected officials at the city and county levels.

NACo also encourages the federal government to provide a stable funding mechanism to make available long-term skills training for every worker dislocated due to industry shut downs and businesses that relocate off shore.

Local workforce development areas and states should be granted broad waiver authority to creatively respond to the employment, education and training, economic development and socioeconomic issues confronting particular states and localities. Requests for waivers should be developed jointly by local elected officials and WDBS, and should receive the approval of state agencies and/or governors before they can be enacted.

The federal government should deny new waiver requests or disapprove state Workforce Innovation and Opportunity Act (WIOA) plans that fail to include the proper input or the process of consultation with local elected officials and local WDBs as required under law. Furthermore, the Department of Labor should deny approval of any state WIOA plan submitted by a governor that circumvents federal laws and/or consolidates or eliminates any local workforce areas without demonstrated rationale (e.g. fraud, or lack of performance). Additionally, in both examples meaningful input and support from a majority of local elected officials should be required. NACo further urges the federal government to uphold a state's current WIA or WIOA plan in the event a state governor subsequently submits a plan which is contrary to the intent, policy and procedures of the Workforce Investment Act of 1998 or future workforce reauthorization legislation.

Administration: Workforce development programs should be developed, implemented, and overseen at the city, county or multi-county levels by city or county elected officials and local WDBs. The chief local elected official or officials for the local workforce investment area should appoint the local WDBs based upon recommendations from representatives of the business community, and should be comprised mainly of business community representatives. Regardless of population, counties and cities or consortia of counties and cities with histories of effective workforce development activities should be eligible for automatic designation.

County governments should have the flexibility, through their local planning process and in cooperation with local WDBs, to merge Temporary Assistance for Needy Families (TANF) programs and local WIOA programs into a single entity.

The national workforce development system should integrate and streamline the disparate federal, state and local training and employment programs into a more aligned and reduced set of funding streams whose services are delivered through a locally established and governed one-stop delivery system. Mandatory partners within the one stop delivery system should be required to contribute to infrastructure and other costs related operations of the one-stops. These contributions can be direct and also can include local, state and federal resources.

Federal Government Role:

- Grant authority to local governments to operate training and employment programs and provide direct client services, and thereby avoid services duplicative of those offered under the Wagner-Peyser Act.
- Interpret federal law through regulations and when necessary arbitrate disagreements between state and local officials.
- Supply sufficient resources to ensure that states and localities are able to achieve the goals and objectives of the law.
- Provide funding across the states and workforce development programs that are equitable and based upon a formula that reflects state and local fiscal needs. The formula should also incorporate a "hold harmless" percentage to reduce the "roller-coaster" effect to state and local allocations.
- Through the Department of Labor, allocate as much funding as possible to local workforce service areas.
- Provide dedicated infrastructure funding for the facilities and operations of Local One-Stop Centers
- Administer new federal training and employment programs, additional funding or additional program guidance, as part of the formula-based block grant program, and retain and utilize existing governance structures to avoid program duplication and confusion.

- Expand funding to meet demand for the Department of Labor YouthBuild Program which serves counties and provides effective pathways to education, workforce training, community service and leadership training for low-income young adults who are unemployed or do not hold a high school diploma.
- Take a reasonable and uniform approach to performance standard negotiations.
- The U.S. Department of Veterans Affairs should maintain or increase funding for Vocational Rehabilitation and Employment (VR&E).

State Government Role: State governments in partnership with local WDBs, should develop plans and strategies that address the states' broader economic goals and align state resources to support local delivery of programs and services.

States should have a limited and, important role in the delivery of workforce development services. States should:

- Provide local labor market information;
- Provide technical assistance and guidance;
- Develop a statewide workforce development plan that can guide local workforce development areas as they develop their plans;
- Provide capacity building services;
- Develop, operate, and support a statewide information management system; and
- Develop performance standards that may be used as the basis for rewards to or sanctions of local workforce development programs.

Local Roles: Local elected officials, local workforce programs and local WDBs should have the authority and responsibility to:

- Develop programs that meet the needs of job seekers including youth, employers and employees with the flexibility to develop sector-based, incumbent worker, and other specialized training services that respond to local economic development policies and business needs.
- Assist structurally and cyclically unemployed individuals in acquiring marketable job skills that lead to employment and economic self-sufficiency: young people should obtain those skills necessary to make the transition to work; and business and industry should meet the needs for qualified and skilled workers.
- Provide public sector employment during periods of high unemployment or long-term unemployment.
- Maintain high standards of accountability, fiscal management and include "return on investment" and "customer satisfaction" strategies as well as appropriate regression models to determine program benefits and ensure that special populations are served adequately and effectively.
- Ensure that these programs maintain high standards of accountability and responsibility.
- Establish and oversee the one-stop career center system within their workforce development areas.

Structurally, at a minimum, local WDBs should:

- Be comprised of a majority of representatives of the private sector;
- Be chaired by a representative of the private sector;
- Involve public partners

Local Elected Official Roles: Each local workforce development area should be under the direction of one or more local elected officials and a local workforce development board appointed by local elected officials. At a minimum, local elected officials should:

- Appoint and certify local workforce development boards;
- Participate in the development and approval of local workforce development plans and programs in partnership with local WDBs;
- Approve all grant recipients including those designated to provide one-stop system services;
- Oversee and evaluate all workforce development and one-stop system programs in partnership with the local WDBs; and
- Manage fiscal resources, in cooperation with the local WDBs.

EMPLOYMENT STANDARDS

A. **Collective Bargaining:** NACo opposes national legislation that would require states and localities to bargain collectively. Each state legislature should decide this issue based upon local conditions and circumstances. NACo urges all state legislatures to enact labor-management legislation that would:

    - Grant public employees the right to organize and freely choose their representatives;
    - Require public employers to meet and negotiate with public employees through their bargaining unit;
    - Protect the rights of public employers, public employees, and the public at-large;
    - Cover all permanent, non-supervisory employees of state and local governments;
    - Exclude temporary, supervisory, managerial, confidential and elected employees;
    - Grant public employees the right to bargain collectively for wages, hours, fringe benefits, and related conditions of employment;
    - Establish procedural mechanisms that ensure that the broadest and most comprehensive bargaining unit is identified through secret ballots, under adequate supervision that can address impasses;
    - Provide for reasonable means to resolve disputes; and
    - Grant localities the right to pass appropriate ordinances in the absence of state laws.

B. **Equal Employment Opportunity:** NACo believes that county governments have a vital and continuing interest in the development, maintenance, and extension of vigorous and effective civil rights policies within the workplace. Therefore, counties shall or should:

    - Enforce and apply all laws that prohibit discrimination on the basis of race, gender, sexual orientation, disability, familial status, veteran status and age;
    - Remove all barriers to the recruitment, selection, hiring, compensation, provision of pensions and benefits, promotion, transfer, or discharge of employees that have no relationship to job requirements;
    - Develop and carry out affirmative action programs for minority groups, disabled persons, and women; and
    - Establish employment programs that benefit disadvantaged county residents.

NACo supports equal pay for equal work and urges all counties to undertake a thorough review of their various job classifications and pay scales to ensure that they are equitable, justifiable, and fairly account for positions historically dominated by women.

C. **Occupational Safety and Health:** NACo supports efforts to establish state and local occupational safety and health standards. States should retain the ability to set their own occupational health and safety standards tailored to the needs of their jurisdiction.

D. **Fair Labor Standards Act:** NACo supports future amendments to the Fair Labor Standards Act that would recognize the unique working conditions of all public safety employees, including dual function employees such as firefighter/paramedics employed by a public agency but not connected to a fire department.

E. **Davis-Bacon:** The Davis-Bacon Act was designed to ensure that workers on federally-subsidized construction projects receive the prevailing wage for a specific construction job whether they are part of a union or not. NACo believes that federal implementation of the Davis-Bacon Act has been problematic at the local level, specifically with respect to reporting requirements for sub-contractors working on a federally funded, local construction project.

Therefore, NACo recommends to Congress to make the following reforms to the Davis-Bacon Act:

- Determination of the prevailing wage should be based upon a 50 percent or majority rule, rather than the current 30 percent rule;
- Allow state and local governments to employ "helpers" in the same ratio used in non-Davis-Bacon Act construction;
- Utilize county boundaries or MSA, generally, when determining local wage rates, and prohibit the use of urban wage data in rural areas, and vice versa;
- Raise the $2,000 threshold to $500,000, and index this threshold based upon the consumer price index; and
- Waive Davis-Bacon regulations in states where state established labor rates for public construction projects exist.

COMMUNITY, ECONOMIC AND WORKFORCE DEVELOPMENT RESOLUTIONS

Resolution on FY 2022 Appropriations for the U.S. Department of Housing and Urban Development

Issue: Support Fiscal Year 2022 appropriations for the U.S. Department of Housing and Urban Development (HUD).

Policy: The National Association of Counties (NACo) urges Congress to support the following levels of funding for core U.S. Department of Housing and Urban Development (HUD) programs in the Fiscal Year (FY) 2022 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill: no less than $4.2 billion in Community Development Block Grant (CDBG) formula funding; no less than $1.7 billion in formula funding for the HOME Investment Partnerships Program (HOME); $3 billion for Homeless Housing Assistance grants, including at least $290 million for the Emergency Solutions Grant program plus an amount to fully fund expiring supportive housing and Shelter Plus Care rent subsidy contracts; expansion of the Section 8 voucher program in addition to full funding for existing Section 8 project-based and tenant-based contracts; $40 million for HUD-Veterans Affairs Supportive Housing (VASH) and $500 million in Section 108 Loan Guarantee authority.

Approved | July 11, 2021

Resolution on Expanding Federal Residential Eviction Moratorium

Issue: The federal halt on residential evictions during the COVID-19 pandemic is scheduled to expire on July 30, 2021.

Policy: The National Association of Counties (NACo) urges the federal government to implement a comprehensive halt on residential evictions to prevent the further spread of COVID-19 until the federal public health emergency declaration is rescinded. NACo further urges Congress to provide additional funding and flexibility to state, county, local and tribal governments to administer rental assistance and additional housing stability supports throughout the duration of the COVID-19 public health emergency.

Approved | July 11, 2021

Resolution Supporting Changes to Private Activity Bond Requirements to Increase the Use of Low Income Housing Tax Credits

Issue: The requirement that affordable housing developments use tax-exempt bonds for 50 percent of the aggregate basis of buildings and land in order to access the 4 percent Low Income Housing Tax Credit (LIHTC) is an inefficient use of scarce private activity bond (PAB) authority.

Policy: The National Association of Counties (NACo) supports legislation to amend Section 42 of the Internal Revenue Code to lower the aggregate basis for housing developments using private activity bonds from 50 percent to 25 percent in order to increase the amount of 4 percent Low Income Housing Tax Credits available to develop more affordable housing.

Approved | July 11, 2021

Resolution in Support of Permanent Authorization for EB-5 Regional Center Program

Issue: The EB-5 Regional Center Program (the "Program") authorization expires on June 30, 2021. Long-term authorization by the U.S. Congress is needed to ensure the Program can achieve maximum economic impact and job creation by creating certainty in the marketplace.

Policy: The National Association of Counties (NACo) supports bipartisan federal legislation developed by Senator Grassley (R-Iowa) and Senator Leahy (D-V.T.) to reauthorize the EB-5 Regional Center Program for five years and to ensure any reform of the EB-5 Regional Center Program maintains the ability to deliver job-creating capital to American communities, avoids retroactive application of new law on matters already filed, allows for economic impact models to be used in measuring job creation and enhances program integrity measures.

Approved | July 11, 2021

Resolution on Federal Support to Address Unsheltered Homelessness

Issue: Federal support to address increases in the number of unsheltered homeless persons and families should reflect current and anticipated needs.

Policy: The National Association of Counties (NACo) supports increased federal support to address surges in the number of persons and families who are unsheltered and experiencing homelessness.

Approved | July 11, 2021

Resolution on the New Markets Tax Credit

Issue: Support the permanent extension of the New Markets Tax Credit (NMTC) program in order to promote community development and economic growth by attracting private investment in low-income communities with high unemployment and poverty.

Policy: The National Association of Counties (NACo) urges Congress to provide a permanent extension of the New Markets Tax Credit (NMTC) and other enhancements to the program to allow for private sector investment and economic growth in low-income communities.

Approved | July 11, 2021

Resolution on the Low-Income Housing Tax Credit

Issue: To build and preserve more affordable housing through the expansion of the Low-Income Housing Tax Credit program.

Policy: The National Association of Counties (NACo) encourages Congress to pass the Affordable Housing Credit Improvement Act of 2021 to expand and preserve the nation's affordable housing stock.

Approved | July 11, 2021

Resolution on Housing Infrastructure

Issue: Support the inclusion of affordable housing investments in any federal infrastructure package.

Policy: The National Association of Counties (NACo) urges Congress to include affordable housing investments in any federal infrastructure package to provide counties with the resources necessary to create and preserve more affordable homes in the United States.

Approved | July 11, 2021

Resolution on Economic Development Administration Reauthorization

Issue: Support appropriations and reauthorization of the U.S. Department of Commerce Economic Development Administration.

Policy: The National Association of Counties (NACo) urges the U.S. Congress to appropriate funding and reauthorize the U.S. Department of Commerce, Economic Development Administration (EDA) as follows:

- Provide at least $346 million in appropriations annually for EDA to support economic assistance programs.
- Focus on EDA's core infrastructure and economic adjustment programs – public works, economic adjustment assistance and partnership planning. Congress should also authorize additional funding for special initiatives so as not to steer funding away from EDA core programs.
- Increase EDA funding for Public Works and enhance the scope of related activities, particularly related to broadband and resiliency.
- Strengthen EDA's National Technical Assistance program for small and distressed rural communities to allow greater access and leveraging of federal, state, local and regional economic development programs.
- Encourage regional collaboration by rewarding and incentivizing local governments, businesses and communities to participate in the Comprehensive Economic Development Strategy (CEDS) process. The CEDS process brings together stakeholders to develop regional strategies and goals.
- Elevate EDA's role as an integrator of federal economic development planning programs and formalize EDA's role as the federal government's lead integrator for economic development and central facilitator for interagency collaboration and resource integration.
- Expand EDA Disaster and Recovery Relief eligibility. EDA has a significant role to play in post-disaster relief and long-term recovery assistance for impacted communities. In areas where a major disaster or emergency has been declared under the Stafford Act, EDA grant recipients should be eligible for up to 100 percent of the cost of the project.

Approved | July 11, 2021

Resolution on FY 2022 Appropriations for the Workforce Innovation and Opportunity Act (WIOA)

Issue: Support FY 2022 appropriations for the Workforce Innovation and Opportunity Act.

Policy: The National Association of Counties (NACo) urges Congress to provide adequate resources for Workforce Innovation and Opportunity Act (WIOA) programs and fund the Title I, Title II and III accounts at the levels authorized and listed below:

Title I – U.S. Department of Labor

- $904.782 million for Adult Employment and Training Services, $967.187 million for the Youth Activities and $1.410 billion for Dislocated Worker Employment and Training Services

Title II – U.S. Department of Education

- $674.955 million for Adult Education

Title III – Wagner-Peyser Employment Services

- $701.400 million for Wagner-Peyser Employment Services (ES) – current-year levels to give states the additional resources they need to provide WIOA's intensive reemployment services.

In addition, NACo supports only a WIOA formula allocation funding approach. NACo supports local control and investment at the county and municipality level and rejects any mechanism that gives states more authority than WIOA intends.

Approved | July 11, 2021

Resolution on Leveraging the Combination of the Investing in Opportunity Act and Workforce Innovation and Opportunity Act for Local Prosperity

Issue: The purpose of the Investing in Opportunity Act is to incentivize private investment in low-income census tracts. Yet, many believe that this legislation may not actually benefit the people living within Opportunity Zones and may instead cause greater regional inequality.

Policy: The National Association of Counties (NACo) encourages the Internal Revenue Service (IRS) to amend the proposed Investing in Opportunity Act regulations to allow a business to qualify as an Opportunity Zone Business with 50 percent (as opposed to 70 percent) of its tangible property, owned or leased, meeting the requirements of Opportunity Zone Business Property, so long as said business also employs a Workforce Innovation and Opportunity Act (WIOA) program (to be certified by the business' local American Job Center on the IRS Form 8996).

Approved | July 11, 2021

Resolution on Reauthorization of the Workforce Innovation and Opportunity Act (WIOA)

Issue: Reauthorization of the Workforce Innovation and Opportunity Act.

Policy: NACo supports reauthorization of the Workforce Innovation and Opportunity Act (WIOA) with enhancements that would reduce bureaucracy, improve alignment and increase flexibility for more efficient and effective results. WIOA reauthorization legislation should promote innovation and flexibility at the state and local level and be responsive to local emerging economic realities, and business needs to ensure U.S. workers and businesses have the skills and training needed to compete in the 21st-century economy.

Approved | July 11, 2021

Resolution to Support Legal Migration to Strengthen Local Economies and Workforce

Issue: The role legal immigration plays in our nation's workforce and local economies.

Policy: The National Association of Counties (NACo) urges Congress and the administration to enact legislative and regulatory proposals that support and provide improved and efficient legal avenues for immigrants to enter the United States, both permanently and temporarily, and contribute to the workforce and local economies and maintain the area standard industry wages for the local marketplace.

Approved | July 11, 2021

Resolution on Protecting the Health and Safety of Sober Home Residents

Issue: Local governments continue to see a proliferation of sober homes within their boundaries and need additional clarity from the federal government on how they can protect the health and safety of sober home residents through reasonable regulations.

Policy: The National Association of Counties (NACo) supports further U.S. Department of Justice (DOJ) and U.S. Department of Housing and Urban Development (HUD) clarification on the Americans with Disabilities Act (ADA) and the Fair Housing Act (FHA) to allow local governments to enact reasonable regulations to protect the health and safety of sober home residents, and the residents of the surrounding communities.

Approved | July 11, 2021

Resolution on Support for Fire Sprinkler Installations in Public Housing Developments

Issue: Residents of public housing developments are dependent upon the government to maintain the housing and ensure its safety. Unfortunately, there have been fatal fires in public housing developments across the nations due to a lack of fire sprinkler systems in these older developments. Local and state housing authorities often lack the funds needed to install these life-saving systems.

Policy: The National Association of Counties (NACo) urges Congress to pass the Public Housing Fire Safety Act (S. 265/H.R. 2638), which would authorize a $25 million competitive grant program within the U.S. Department of Housing and Urban Development (HUD) to assist housing authorities with completing these retrofit installation projects. This bill also would direct HUD to identify the number of unsprinklered housing developments across the nation.

Approved | July 11, 2021

Interim Resolution on Increasing African American Homeownership

Issue: Federal support to increase African American Homeownership rates in the United States.

Policy: The National Association of Counties (NACo) supports increased federal support to address the decreasing rates of African American Homeownership. To increase the rates of African American Homeownership requires intentional actions by the U.S. Department of Housing and Urban Development to increase access to resources that support and facilitate the home-buying process for African Americans.

Approved | February 14, 2022

Interim Resolution Encouraging the U.S. Congress to Enact the Creative Economy Revitalization Act

Issue: Creative workers have been some of the most severely impacted by the COVID-19 pandemic. At the height of the pandemic, two-thirds of all creative workers (2.7 million people) were completely unemployed, and even now the unemployment rate of the sector remains 3-4 times the national rate. Since the start of the pandemic, the U.S. has lost an estimated $15.2 billion in the arts and culture sector alone. Just as important as these livelihoods is the culture and well-being of communities they contribute to. The creative economy is essential to the U.S. economy. Our country exports art, music, and film to the entire globe. In addition to being an economic driver of 4.3 percent of the country's GDP, arts and culture have a significant economic, social, and individual impact. The presence of arts and culture drives additional spending on local businesses, restaurants, and hotels, increases property values and improves education outcomes for students, boosts community pride and social cohesion, and inspires political and social activation.

Policy: The National Association of Counties (NACo) urges the U.S. Congress to enact the Creative Economy Revitalization Act (CERA) to require the U.S. Department of Labor (DOL), in consultation with the National Endowment of the Arts (NEA), to award competitive grants to government and nonprofit agencies, which will assist eligible entities to carry out arts and creative workforce programs that result in publicly accessible art and arts programming and employ individuals.

Approved | February 14, 2022

Interim Resolution in Support of Demonstration State Status

Issue: Maintaining Wagner-Peyser Demonstration State Status

Policy: The National Association of Counties (NACo) urges the U.S. Department of Labor (DOL) to retain the current regulations within the Wagner-Peysner program status as a Demonstration State and allow local workforce areas to continue setting the standard for innovation and excellence in workforce delivery. NACo urges the U.S. Congress to support maintaining this status through standalone legislation or within any Workforce Innovation and Opportunity Act (WIOA) reauthorization legislation.

Approved | February 14, 2022

Interim Resolution on FY 2023 Appropriations for the U.S. Department of Housing and Urban Development

Issue: Support Fiscal Year 2023 appropriations for the U.S. Department of Housing and Urban Development (HUD).

Policy: The National Association of Counties (NACo) urges the U.S. Congress to support the following levels of funding for core U.S. Department of Housing and Urban Development (HUD) programs in the Fiscal Year (FY) 2023 Transportation, Housing and Urban Development, and Related Agencies Appropriations bill: no less than $4.2 billion in Community Development Block Grant (CDBG) formula funding; no less than $1.9 billion in formula funding for the HOME Investment Partnerships Program (HOME); $3.5 billion for Homeless Housing Assistance grants, including at least 20% of funds directed to ESG as allowed by statute, plus an amount to fully fund expiring supportive housing and Shelter Plus Care rent subsidy contracts; expansion of the Section 8 voucher program in addition to full funding for existing Section 8 project-based and tenant-based contracts; $40 million for HUD-Veterans Affairs Supportive Housing (VASH) and $500 million in Section 108 Loan Guarantee authority.

Approved | February 14, 2022

SUPPORT LOCAL DEVELOPMENT AND INFRASTRUCTURE PROJECTS THROUGH THE COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

ACTION NEEDED:

Urge your members of Congress to increase funding for the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program to no less than $4.2 billion in FY 2023. CDBG, funded through the Transportation, Housing and Urban Development (T-HUD) appropriations bill, has been drastically reduced since FY 2010, having been cut by over half a billion dollars.

BACKGROUND:

The CDBG program was enacted in 1974 to provide block grant funding for community development programs. The program assists urban, suburban and rural communities in improving housing and living conditions and expanding economic opportunities for low- and moderate-income persons. CDBG helps create jobs by expanding and retaining businesses and is an essential tool for helping local governments tackle serious challenges facing our communities. Counties use the flexibility of CDBG funds to partner with the private and non-profit sectors to develop and upgrade local housing, water, infrastructure and human services programs. Counties rely on the flexibility of CDBG funds to meet each community's particular development needs.

The CDBG program provides annual grants on a formula basis to over 1,200 metropolitan city and county governments and to state governments. 214 counties receive grants directly. These "entitlement" communities receive 70 percent of CDBG funds, while states receive 30 percent. "Non-entitlement" communities, such as rural counties, must compete for funding via the state formula allocation. HUD determines the amount of each grant by using a formula comprised of several measures of community needs, including the extent of poverty, population, housing overcrowding,

COUNTIES USE THE FLEXIBILITY OF CDBG TO PARTNER WITH PRIVATE AND NON-PROFIT SECTORS TO ADDRESS COMMUNITY AND ECONOMIC DEVELOPMENT, HOUSING, WATER, INFRASTRUCTURE AND HUMAN SERVICE NEEDS

CDBG PROVIDES VITAL RESOURCES FOR **LOCAL DEVELOPMENT, JOB CREATION AND RETENTION PROJECTS**

EVERY $1 OF CDBG FUNDS LEVERAGES $3.64 IN NON-CDBG FUNDS

SINCE 2010, CDBG HAS BEEN CUT BY OVER HALF A BILLION DOLLARS. **FUNDING SHOULD BE INCREASED TO $4.2 BILLION IN FY 2023**

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age of housing and population growth lag in relationship to other metropolitan areas.

Currently, CDBG is funded at $3.3 billion under FY 2022 appropriations, a decrease of $150 million under the FY 2021 level. NACo members are encouraged to contact their members of Congress to support $4.2 billion in funding for CDBG in the FY 2023 appropriations processes.

KEY TALKING POINTS:

- Funding for the CDBG program should be increased to $4.2 billion in FY 2023. The CDBG program has faced drastic cuts in recent years, falling by over half a billion dollars since FY 2010. CDBG was funded at $3.3 billion in FY 2022.
- CDBG funding cuts will hurt job creation and community development investments.
- Counties utilize the flexibility of CDBG funds to support projects that meet their local priorities in addressing community and economic development, housing, water, infrastructure and human service needs.
- The CDBG program provides vital resources for state and local governments to make investments to support economic development and improve community conditions.
- Every $1.00 of CDBG leverages $3.64 in non-CDBG funds. Since 2005, CDBG has preserved over 1.25 million units of affordable housing and has created or retained 454,961 economic development jobs.

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U.S. ECONOMIC DEVELOPMENT ADMINISTRATION (EDA): SUPPORT ESSENTIAL SEED CAPITAL/GAP FINANCING FOR LOCAL JOB CREATION

ACTION NEEDED:

Urge your members of Congress to support at least $373.5 million in funding for the U.S. Department of Commerce's Economic Development Administration (EDA) as Congress prepares for FY 2023. EDA funding is important to counties because it helps local communities achieve long-term economic growth based on local and regional priorities.

BACKGROUND:

The U.S. Economic Development Administration (EDA) is the only federal agency with a mission focused solely on private sector job creation in distressed areas. EDA has achieved an impressive track record of making strategic investments and building partnerships that help regions and communities respond to shifts in international markets, address severe unemployment challenges and recover from plant closures, major natural disasters and other chronic, sudden or severe economic hardships.

At a time when the nation must make the public sector investments necessary to compete in the global economy, the flexibility, partnership structure and accountability of EDA's programs should be at the forefront of the federal toolbox.

The agency's portfolio of economic development infrastructure, business development financing, regional innovation strategies and public-private partnerships are tailored to support the unique needs of each region.

EDA-funded projects are awarded on a competitive basis and typically require a 50 percent local match and significant private sector investment, helping to ensure projects have local support and are part of a broader regional strategy.

EDA received $373.5 million in FY 2022, $27.5 million above the FY 2021 level. The American Rescue Plan Act provided an additional $3 billion for EDA in FY 2021, 25 percent of which was reserved to assist

EDA IS IMPORTANT TO COUNTIES BECAUSE IT SERVES AS A **CATALYST** IN HELPING LOCAL COMMUNITIES ACHIEVE LONG-TERM ECONOMIC GROWTH

EDA GRANTS ARE PARTICULARLY CRITICAL FOR RURAL AREAS, WHERE RESOURCES FOR ECONOMIC DEVELOPMENT ARE SCARCE

EDA GRANTS ARE ESSENTIAL FOR COUNTY **ECONOMIC DEVELOPMENT, PARTICULARLY IN LIGHT OF THE COVID-19 PANDEMIC**

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communities that suffered economic injury as a result of job losses in the travel, tourism or outdoor recreation sectors related to the COVID-19 pandemic.

NACo members are encouraged to contact their members of Congress to support at least level funding at $373.5 million for EDA in FY 2023 appropriations.

KEY TALKING POINTS:

- EDA focuses solely on private sector job creation and economic growth. EDA investments promote high quality jobs, especially in advanced manufacturing, science and technology and emerging knowledge-based industries and sectors.
- EDA's infrastructure investments are targeted at essential facilities and assets like water and wastewater systems, middle mile broadband networks, workforce training centers, business incubators, intermodal facilities and science and research parks.
- EDA's grants are awarded on a competitive basis, based on regional comprehensive economic development strategies (CEDs), and are developed and prioritized by local communities. This helps to ensure that projects have significant local support and are part of a broader regional plan, rather than isolated, uncoordinated local projects.
- Under federal law, EDA projects typically require a 50 percent local cost share and significant private sector investment, ensuring that local leaders and businesses are committed to the project's success.
- EDA grants are critical for county economic development, particularly in light of the COVID-19 pandemic. They are also particularly important for rural areas, where such economic development resources are often scarce.

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RESTORE FUNDING FOR HUD HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM

ACTION NEEDED:

Urge your Members of Congress to restore funding for the U.S. Department of Housing and Urban Development's HOME Investment Partnerships (HOME) program to $2.1 billion as Congress considers funding for FY 2023. The HOME program, funded through the Transportation, Housing and Urban Development (T-HUD) appropriations bill, was cut by 50 percent between FY 2010 and FY 2016. Although the HOME program has received annual increases or level funding since 2016, funding levels remain short of the $1.8 billion FY 2010 level.

BACKGROUND:

Authorized in 1990, the HOME program assists state and local governments in providing affordable housing for low-income families, helping to improve the quality of life in local communities. Sixty percent of HOME funds are allocated to 650 participating jurisdictions in counties and cities, and forty percent are allocated to states. HOME funds can be used for the acquisition, reconstruction and rehabilitation of housing. Counties can also use HOME funds for tenant-based rental assistance, which provides counties with the flexibility to design policies and programs that address local affordable housing needs.

HOME was funded at $1.5 billion in FY 2022, a $150 million increase to the FY 2021 funding level. The program received an additional $5 billion through the American Rescue Plan Act of 2021. NACo members are encouraged to contact their members of Congress to restore the HOME program by supporting $2.1 billion in funding as Congress considers FY 2023 appropriations.

KEY TALKING POINTS:

- HOME funding helps local governments provide affordable housing to low-income families and enhances the quality of life in local communities. Every $1.00 of HOME funding leverages $4.52 in other

COUNTIES RELY ON HOME FUNDING TO HELP PROVIDE AFFORDABLE HOUSING FOR LOW-INCOME FAMILIES AND TO IMPROVE THE OVERALL QUALITY OF LIFE IN LOCAL COMMUNITIES

EVERY $1.00 OF HOME FUNDS LEVERAGES ANOTHER $4.52 IN OTHER PUBLIC AND PRIVATE FUNDS

HOME FUNDS PROVIDE COUNTIES WITH THE FLEXIBILITY TO DESIGN POLICIES AND PROGRAMS THAT ADDRESS LOCAL AFFORDABLE HOUSING NEEDS

SINCE 1992, **HOME FUNDING HAS HELPED BUILD AND PRESERVE OVER 1.33 MILLION UNITS OF AFFORDABLE HOUSING**

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public and private funds. Further, every $1 billion in HOME funding creates or preserves more than 33,000 jobs.

- Funding for HOME should be raised to $2.1 billion in FY 2023. HOME funding was cut by 50 percent between FY 2010 – when the program received $1.8 billion in federal funding – and FY 2016 – when HOME received $950 million. While the program has received annual increases or level funding since 2016, funding levels remain short of the FY 2010 level.

- Since 1992, HOME funds have supported the creation of over 1.33 million units of affordable housing. The program's flexibility allows states and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancement and rental assistance.

- Through HOME, states and participating local jurisdictions can also create partnerships with the private sector that promote affordable housing and leverage private sector financing.

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For further information, contact Mike Matthews at 202.942.4236 or mmatthews@naco.org.

SUPPORT WORKFORCE AND LOCAL BUSINESS DEVELOPMENT: THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA)

ACTION NEEDED:

Urge your members of Congress to support at least level or increased funding for Title I programs under the U.S. Department of Labor (DOL) Workforce Innovation and Opportunity Act (WIOA) as Congress begins to consider funding for FY 2023. Funded through the Labor, Health and Human Services (Labor-HHS) appropriations bill, WIOA programs provide essential financial and other resources to support a demand-driven workforce development system.

BACKGROUND:

Enacted with bipartisan support in 2014, WIOA authorizes federal employment, workforce and training programs and formula funding to states and local governments. WIOA provides the needed framework for a modernized, demand-driven workforce development system to meet business and jobseekers' needs.

Administered at the federal level under the DOL Employment and Training Administration (ETA), WIOA is the largest single source of federal funding for workforce development activities. WIOA is a vital funding source for workforce development that helps counties tackle and overcome challenges facing job seekers and employers. The program is more important than ever as local communities continue to respond to and recover economically from the COVID-19 pandemic.

In 2014, Congress included several measures in WIOA to help better match businesses with the skilled workers they need to grow, including:

- Maintaining local governance authority while providing enhanced flexibility to meet the needs of businesses and job seekers;

ENACTED IN 2014, THE WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) AUTHORIZES FEDERAL EMPLOYMENT AND TRAINING PRORAMS AND PROVIDES THE NEEDED FRAMEWORK FOR A MODERNZIED, DEMAND-DRIVEN WORKFORCE DEVELOPMENT SYSTEM

LOCAL OFFICIALS PLAY A PIVOTAL ROLE IN THE GOVERNANCE AND ADMINISTRATION OF WIOA PROGRAMS AND FUNDING. COUNTIES ARE INVOLVED IN 90 PERCENT OF THE COUNTRY'S 550 LOCAL WORKFORCE DEVELOPMENT BOARDS

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- Maintaining a business-led majority on the Workforce Development Boards (WDBs) while reducing the number of required members

- Establishing a single set of common performance metrics across all core programs and adding a measure on the effectiveness of serving businesses

- Eliminating the sequence of services requirement and integrating best practices such as industry partnerships and career pathways

- Focusing youth services on out-of-school and disconnected youth between the ages of 16-24

In addition, WIOA also establishes the one-stop center delivery system, which provides convenient access to job search assistance, workforce training and career services through various locations across the country.

WIOA recognizes the importance of local elected officials' role in the governance of workforce development activities and the critical role local elected officials and local WDBs play in workforce and economic development in local communities. it also provides enhanced flexibility to address local workforce challenges.

WIOA Title I focuses on workforce development activities at the state and local level and establishes funding for three key formula grants – Adult, Dislocated Workers and Youth Programs.

While workforce development funding has declined since 2001, there was a $34 million increase in FY 2022 over FY 2021 levels. Of the $2.9 billion allocated to WIOA Title I Programs in FY 2022, $870.6 million was included for Adults, $933.1 million was included for Youth and $1.0675 billion was provided for Dislocated Workers.

KEY TALKING POINTS:

- Enacted in 2014, the Workforce Innovation and Opportunity Act (WIOA) authorizes federal employment, workforce and training programs and formula funding to states and localities. WIOA provides the needed framework for a modernized, demand-driven workforce development system to meet the needs of businesses and jobseekers.

- WIOA is a vital funding source for workforce development that helps counties tackle and overcome the challenges facing job seekers and employers.

- Local officials play a pivotal role in the governance and administration of WIOA programs and funding. Counties are involved in 90 percent of the country's 550 local WDBs, through which we partner with federal, state, other local governments and the private sector. 28 percent of WDBs are within a county department, or function as a county department.

- Congress should provide at least level or increased funding for WIOA Title I programs in FY 2023.

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