

**AMENDMENT TO AMENDMENT IN THE NATURE OF
A SUBSTITUTE TO H.R. 6684
OFFERED BY MR. LICCARDO OF CALIFORNIA**

Add at the end the following:

1 TITLE VI—OTHER MATTERS

2 SEC. 601. BLIGHTED BUILDING TO HOUSING CONVERSION
3 PROGRAM.

4 (a) DEFINITIONS.—In this section:

5 (1) ATTAINABLE HOUSING.—The term “attain-
6 able housing” means housing that—

7 (A) serves households earning not more
8than 100 percent of the area median income, if
9a majority of the housing units are affordable
10to households earning not more than 80 percent
11of the area median income; or

12 (B) serves households earning not more
13than 120 percent of the area median income, if
14the majority of the housing units are affordable
15to households earning not more than 60 percent
16of the area median income.

17 (2) CONVERTED HOUSING UNIT.—The term
18 “converted housing unit” means a housing unit that
19is created using a covered grant.

1 (3) COVERED GRANT.—The term “covered
2 grant” means a grant awarded under the Pilot Pro-
3 gram.

4 (4) ELIGIBLE ENTITY.—The term “eligible enti-
5 ty” means a participating jurisdiction, as that term
6 is defined in section 104 of the Cranston-Gonzalez
7 National Affordable Housing Act (42 U.S.C.
8 12704).

9 (5) HOME INVESTMENT PARTNERSHIPS PRO-
10 GRAM.—The term “HOME Investment Partnerships
11 Program” means the program under subtitle A of
12 title II of the Cranston-Gonzalez National Afford-
13 able Housing Act (42 U.S.C. 12741 et seq.).

14 (6) PILOT PROGRAM.—The term “Pilot Pro-
15 gram” means the Blighted Building to Housing
16 Conversion Program carried out under subsection
17 (b).

18 (7) SECRETARY.—The term “Secretary” means
19 the Secretary of Housing and Urban Development.

20 (8) VACANT AND ABANDONED BUILDING.—The
21 term “vacant and abandoned building” means a
22 property—

23 (A) that was constructed for use as a
24 warehouse, factory, mall, strip mall, or hotel, or
25 for another industrial or commercial use; and

1 (B)(i) with respect to which—

2 (I) a code enforcement inspection has
3 determined that the property is not safe;
4 and

5 (II) not less than 90 days have
6 elapsed since the owner was notified of the
7 deficiencies in the property and the owner
8 has taken no corrective action; or

9 (ii) that is subject to a court-ordered re-
10 ceivership or nuisance abatement related to
11 abandonment pursuant to State or local law or
12 otherwise meets the definition of an abandoned
13 property under State law.

14 (b) GRANT PROGRAM.—For each of fiscal years 2027
15 through 2031, if the amounts made available to carry out
16 the HOME Investment Partnerships Program exceed
17 \$1,350,000,000, the Secretary may use not more than
18 \$100,000,000 of the excess amounts to carry out a pilot
19 program, to be known as the “Blighted Building to Hous-
20 ing Conversion Program”, under which the Secretary
21 awards grants on a competitive basis to eligible entities
22 to convert vacant and abandoned buildings into attainable
23 housing.

24 (c) AMOUNT OF GRANT.—

1 (1) IN GENERAL.—For any fiscal year for
2 which \$100,000,000 is available to carry out the
3 Pilot Program pursuant to subsection (b), the
4 amount of a covered grant shall be not less than
5 \$1,000,000 and not more than \$10,000,000.

6 (2) FISCAL YEARS WITH LOWER FUNDING.—
7 For any fiscal year for which less than
8 \$100,000,000 is available to carry out the Pilot Pro-
9 gram pursuant to subsection (b), the Secretary shall
10 seek to maximize the number of covered grants
11 awarded.

12 (d) RELATION TO HOME INVESTMENT PARTNER-
13 SHIPS PROGRAM FORMULA ALLOCATION.—A covered
14 grant awarded to an eligible entity shall be in addition
15 to, and shall not affect, the formula allocation for the eligi-
16 ble entity under the HOME Investment Partnerships Pro-
17 gram.

18 (e) PRIORITY.—In awarding covered grants, the Sec-
19 retary shall give priority to an eligible entity that—

20 (1) will use the covered grant in a community
21 that is experiencing economic distress;

22 (2) will use the covered grant in a qualified op-
23 portunity zone (as defined in section 1400Z-1(a) of
24 the Internal Revenue Code of 1986);

1 (3) will use the covered grant to construct hous-
2 ing that will serve a need identified in the com-
3 prehensive housing affordability strategy and com-
4 munity development plan of the eligible entity under
5 part 91 of title 24, Code of Federal Regulations, or
6 any successor regulation (commonly referred to as a
7 “consolidated plan”); or

8 (4) has enacted ordinances to reduce regulatory
9 barriers to conversion of commercial or industrial
10 properties to housing, which shall not include any al-
11 teration of an ordinance that governs safety and
12 habitability.

13 (f) USE OF FUNDS.—An eligible entity may use a
14 covered grant for—

15 (1) property acquisition;
16 (2) demolition;
17 (3) health hazard remediation;
18 (4) site preparation;
19 (5) construction, renovation, or rehabilitation;
20 or

21 (6) the establishment, maintenance, or expan-
22 sion of community land trusts.

23 (g) APPLICABILITY OF HOME REQUIREMENTS.—
24 The requirements for rental, sale, and resale of housing
25 under the HOME Investment Partnerships Program shall

1 apply to rental, sale, and resale of converting housing
2 units under the Pilot Program.

3 (h) WAIVER AUTHORITY.—In administering covered
4 grants, the Secretary may waive, or specify alternative re-
5 quirements for, any statute or regulation that the Sec-
6 retary administers in connection with the obligation by the
7 Secretary or the use by eligible entities of covered grant
8 funds (except for requirements related to fair housing,
9 nondiscrimination, labor standards, or the environment)
10 if the Secretary makes a public finding that good cause
11 exists for the waiver or alternative requirement.

12 (i) STUDY; REPORT.—Not later than 180 days after
13 the termination of the Pilot Program, the Secretary shall
14 study and submit a report to Congress on the impact of
15 the Pilot Program on—

16 (1) improving the tax base of local commu-
17 nities;

18 (2) increasing access to affordable housing, es-
19 pecially for elderly individuals, disabled individuals,
20 and veterans;

21 (3) increasing homeownership; and

22 (4) removing blight.

