

**[DISCUSSION DRAFT]**117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**H. R.** \_\_\_\_\_

To authorize the Secretary of Housing and Urban Development to make grants for projects for community restoration and revitalization, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To authorize the Secretary of Housing and Urban Development to make grants for projects for community restoration and revitalization, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “\_\_\_\_\_ Act  
5 of 2022”.

1 **SEC. 2. COMMUNITY RESTORATION AND REVITALIZATION**

2 **FUND.**

3 (a) AUTHORIZATION OF APPROPRIATIONS.—There is  
4 authorized to be appropriated to the Community Restora-  
5 tion and Revitalization Fund established under subsection  
6 (b) for fiscal year 2023, to remain available until Sep-  
7 tember 30, 2033—

8 (1) \$2,000,000,000 for awards of planning and  
9 implementation grants under title I of the Housing  
10 and Community Development Act of 1974 (42  
11 U.S.C. 5301 et seq.), awarded on a competitive basis  
12 to eligible recipients, as defined under subsection  
13 (c)(2) of this section, to carry out community-led  
14 projects to create equitable community development  
15 and economic development and create or preserve af-  
16 fordable, accessible housing, including creating, ex-  
17 panding, and maintaining community land trusts  
18 and shared equity homeownership programs;

19 (2) \$500,000,000 for planning and implementa-  
20 tion grants under title I of the Housing and Com-  
21 munity Development Act of 1974 (42 U.S.C. 5301  
22 et seq.), awarded on a competitive basis to eligible  
23 recipients, as defined under subsection (c)(2) of this  
24 section, to create, expand, and maintain community  
25 land trusts and shared equity homeownership, in-

1 cluding through the acquisition, rehabilitation, and  
2 new construction of affordable, accessible housing;

3 (3) \$400,000,000 for the Secretary to provide  
4 technical assistance, capacity building, and program  
5 support to applicants, potential applicants, and re-  
6 cipients of amounts appropriated for grants pursu-  
7 ant to this section; and

8 (4) \$100,000,000 for the costs to the Secretary  
9 of administering and overseeing the implementation  
10 of this section and community and economic develop-  
11 ment programs overseen by the Secretary generally,  
12 including information technology, financial report-  
13 ing, research and evaluations, and other cross-pro-  
14 gram costs in support of programs administered by  
15 the Secretary in this title, and other costs.

16 (b) ESTABLISHMENT OF FUND.—The Secretary of  
17 Housing and Urban Development (in this section referred  
18 to as the “Secretary”) shall establish a Community Res-  
19 toration and Revitalization Fund (in this section referred  
20 to as the “Fund”) to award planning and implementation  
21 grants on a competitive basis to eligible recipients as de-  
22 fined in this section for activities authorized under sub-  
23 sections (a) through (g) of section 105 of the Housing and  
24 Community Development Act of 1974 (42 U.S.C. 5305)  
25 and under this section for community-led affordable hous-

1 ing and community development and economic develop-  
2 ment projects.

3 (c) ELIGIBLE GEOGRAPHICAL AREAS, RECIPIENTS,  
4 AND APPLICANTS.—

5 (1) GEOGRAPHICAL AREAS.—

6 (A) GRANTS TO CREATE EQUITABLE COM-  
7 MUNITY DEVELOPMENT AND ECONOMIC DEVEL-  
8 OPMENT AND CREATE OR PRESERVE AFFORD-  
9 ABLE, ACCESSIBLE HOUSING.—The Secretary  
10 shall award grants under subsection (a)(1) from  
11 the Fund to eligible recipients within or serving  
12 geographical areas at the neighborhood, county,  
13 or census tract level that are areas in need of  
14 investment, as demonstrated by multiple indica-  
15 tors of distress, such as:

16 (i) High and persistent rates of pov-  
17 erty.

18 (ii) Population at risk of displacement  
19 due to rising housing costs.

20 (iii) Dwelling unit sales prices that  
21 are lower than the cost to acquire and re-  
22 habilitate, or build, a new dwelling unit.

23 (iv) High proportions of residential  
24 and commercial properties that are vacant

1 due to foreclosure, eviction, abandonment,  
2 or other causes.

3 (v) Low rates of homeownership.

4 (vi) High rates of overcrowding.

5 (B) GRANTS TO CREATE, EXPAND, AND  
6 MAINTAIN COMMUNITY LAND TRUSTS AND  
7 SHARED EQUITY HOMEOWNERSHIP.—The Sec-  
8 retary shall award grants under subsection  
9 (a)(2) from the Fund to eligible recipients with-  
10 in geographical areas at the neighborhood,  
11 county, or census tract level, including census  
12 tracts adjacent to the project area that are  
13 areas in need of investment, as demonstrated  
14 by two or more indicators, such as the fol-  
15 lowing:

16 (i) High and persistent rates of pov-  
17 erty.

18 (ii) Population at risk of displacement  
19 due to rising housing costs.

20 (iii) Dwelling unit sales prices that  
21 are lower than the cost to acquire and re-  
22 habilitate, or build, a new dwelling unit.

23 (iv) High proportions of residential  
24 and commercial properties that are vacant

1 due to foreclosure, eviction, abandonment,  
2 or other causes.

3 (v) Low rates of homeownership.

4 (vi) Location within an area served by  
5 a local, regional, or statewide lead appli-  
6 cant or joint applicant, as those terms are  
7 defined in subsection (d), with a dem-  
8 onstrated commitment to or experience  
9 with long-term affordability through a  
10 community land trust or shared equity  
11 homeownership program

12 (2) ELIGIBLE RECIPIENT.—An eligible recipient  
13 of a planning or implementation grant under sub-  
14 section (a)(1) or (a)(2) shall be a local partnership  
15 of a lead applicant and one or more joint applicants  
16 with the ability to administer the grant.

17 (d) ELIGIBLE RECIPIENTS AND APPLICANTS.—

18 (1) LEAD APPLICANT.—An eligible lead appli-  
19 cant for a grant awarded under this section shall be  
20 an entity that—

21 (A) is located within or serves the geo-  
22 graphic area of the project, or derives its mis-  
23 sion and operational priorities from the needs of  
24 the geographic area of the project;

1 (B) demonstrates a commitment to anti-  
2 displacement efforts;

3 (C) has experience in community planning,  
4 engagement, organizing, or housing and com-  
5 munity development; and

6 (D) is—

7 (i) a nonprofit organization;

8 (ii) a community development cor-  
9 poration;

10 (iii) a community housing develop-  
11 ment organization;

12 (iv) a community-based development  
13 organization; or

14 (v) a community development finan-  
15 cial institution, as defined by section 103  
16 of the Riegle Community Development and  
17 Regulatory Improvement Act of 1994 (12  
18 U.S.C. 4702).

19 (2) JOINT APPLICANTS.—A joint applicant shall  
20 be—

21 (A) an entity eligible to be a lead applicant  
22 in paragraph (1);

23 (B) a nonprofit organization;

24 (C) a community development financial in-  
25 stitution;

1 (D) a unit of general local government;

2 (E) an Indian Tribe;

3 (F) a State housing finance agency or a  
4 State-designated housing entity;

5 (G) a land bank;

6 (H) a fair housing enforcement organiza-  
7 tion (as such term is defined in section 561 of  
8 the Housing and Community Development Act  
9 of 1987 (42 U.S.C. 3616a));

10 (I) a public housing agency;

11 (J) a tribally designated housing entity; or

12 (K) a philanthropic organization.

13 (3) LACK OF LOCAL ENTITY.—A regional,  
14 State, or national nonprofit organization may serve  
15 as a lead applicant if the organization is invited to  
16 apply on behalf of a local nonprofit entity that may  
17 not be able to meet the requirements for a lead ap-  
18 plicant in paragraph (1).

19 (e) USES OF FUNDS.—

20 (1) IN GENERAL.—Planning and implementa-  
21 tion grants awarded under this section shall be used  
22 to support community development, economic devel-  
23 opment, and housing-related activities.

24 (2) IMPLEMENTATION GRANTS.—Implementa-  
25 tion grants awarded under this section may be used

1 for activities eligible under subsections (a) through  
2 (g) of section 105 of the Housing and Community  
3 Development Act of 1974 (42 U.S.C. 5305) and  
4 other activities to support community development,  
5 economic development, and housing-related activi-  
6 ties, including—

7 (A) new construction of housing;

8 (B) demolition of abandoned or distressed  
9 structures, but only if such activity is part of a  
10 strategy that incorporates rehabilitation or new  
11 construction, anti-displacement efforts such as  
12 tenants' right to return and right of first re-  
13 fusal to purchase, and efforts to increase af-  
14 fordable, accessible housing and homeowner-  
15 ship, except that not more than 10 percent of  
16 any grant made under this section may be used  
17 for activities under this subparagraph unless  
18 the Secretary determines that such use is to the  
19 benefit of existing residents;

20 (C) facilitating the creation, maintenance,  
21 or availability of rental units, including units in  
22 mixed-use properties, affordable and accessible  
23 to a household whose income does not exceed  
24 80 percent of the median income for the area,

1 as determined by the Secretary, for a period of  
2 not less than 30 years;

3 (D) facilitating the creation, maintenance,  
4 or availability of homeownership units afford-  
5 able and accessible to households whose incomes  
6 do not exceed 120 percent of the median in-  
7 come for the area, as determined by the Sec-  
8 retary;

9 (E) establishing or operating land banks;  
10 and

11 (F) providing assistance to existing resi-  
12 dents experiencing economic distress or at risk  
13 of displacement, including purchasing nonper-  
14 forming mortgages and clearing and obtaining  
15 formal title.

16 (3) COMMUNITY LAND TRUST GRANTS AND  
17 SHARED EQUITY HOMEOWNERSHIP GRANTS.—An eli-  
18 gible recipient of a community land trust grant  
19 awarded under subsection (a)(2) shall use such  
20 grant for establishing and operating a community  
21 land trust or shared equity homeownership program;  
22 creation, subsidization, construction, acquisition, re-  
23 habilitation, and preservation of housing in a com-  
24 munity land trust or shared equity homeownership  
25 program, and expanding the capacity of the recipient

1 to carry out the grant, provided that any housing  
2 units created or maintained meet the affordability  
3 and accessibility standards for homeowners and  
4 renters established in paragraph (2) of this sub-  
5 section.

6 (f) DEFINITIONS.—For purposes of this section, the  
7 following definitions shall apply:

8 (1) COMMUNITY LAND TRUST.—The term  
9 “community land trust” means a nonprofit organiza-  
10 tion or State or local governments or instrumental-  
11 ities that—

12 (A) use a ground lease or deed covenant  
13 with an affordability period of at least 30 years  
14 or more to—

15 (i) make rental and homeownership  
16 units affordable to households; and

17 (ii) stipulate a preemptive option to  
18 purchase the affordable rentals or home-  
19 ownership units so that the affordability of  
20 the units is preserved for successive in-  
21 come-eligible households; and

22 (B) monitor properties to ensure afford-  
23 ability is preserved.

24 (2) LAND BANK.—The term “land bank”  
25 means a government entity, agency, or program, or

1 a special purpose nonprofit entity formed by one or  
2 more units of government in accordance with State  
3 or local land bank enabling law, that has been des-  
4 ignated by one or more State or local governments  
5 to acquire, steward, and dispose of vacant, aban-  
6 doned, or other problem properties in accordance  
7 with locally-determined priorities and goals.

8 (3) SHARED EQUITY HOMEOWNERSHIP PRO-  
9 GRAM.—The term “shared equity homeownership  
10 program” means a program to facilitate affordable  
11 homeownership preservation through a resale restric-  
12 tion program administered by a community land  
13 trust, other nonprofit organization, or State or local  
14 government or instrumentalities and that utilizes a  
15 ground lease, deed restriction, subordinate loan, or  
16 similar mechanism that includes provisions ensuring  
17 that the program shall—

18 (A) maintain the home as affordable for  
19 subsequent very low-, low-, or moderate-income  
20 families for an affordability term of at least 30  
21 years after recordation;

22 (B) apply a resale formula that limits the  
23 homeowner’s proceeds upon resale; and

24 (C) provide the program administrator or  
25 such administrator’s assignee a preemptive op-

1           tion to purchase the homeownership unit from  
2           the homeowner at resale.

3           (g) WAIVERS.—The Secretary may waive or specify  
4 alternative requirements for any provision of title I of the  
5 Housing and Community Development Act of 1974 (42  
6 U.S.C. 5301 et seq.) or regulation for the administration  
7 of the amounts made available to carry out this section  
8 other than requirements related to fair housing, non-  
9 discrimination, labor standards, and the environment,  
10 upon a finding that the waiver or alternative requirement  
11 is necessary to expedite or facilitate the use of amounts  
12 made available to carry out this section.

13          (h) IMPLEMENTATION.—The Secretary shall have the  
14 authority to establish by notice any requirements that the  
15 Secretary determines are necessary for timely and effec-  
16 tive implementation of the program under this section and  
17 expenditure of funds appropriated, which requirements  
18 shall take effect upon issuance.