Summary Statement

The mission of the Office of Sustainable Housing and Communities (OSHC) is to create strong, sustainable communities by connecting housing to jobs, fostering local innovation, and helping to build a clean energy economy. The 2012 request for the Office of Sustainable Housing and Communities is $150 million, equal to fiscal years 2010 and 2011. This includes $100 million for Sustainable Communities Regional Planning Grants, $40 million for Community Challenge Planning Grants, and $10 million for Research and Evaluation, of which up to $5 million will be used to develop an Energy Management and Tracking System. In fiscal year 2010, the Sustainable Community Initiative (SCI) was funded in the Community Development Block Fund account.

The objective of the SCI, a division of the Office of Sustainable Housing and Communities, is to stimulate integrated regional planning to guide state, metropolitan, and local investments in economic development, transportation and housing, as well as to support localities to undertake zoning and land use reforms that allow the real estate market to efficiently build sustainable communities. In fiscal year 2012, the Office will have four main objectives.

First, through the Sustainable Communities Initiative (SCI), the OSHC will sustain its partnership with the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) to provide $100 million for Sustainable Communities Regional Planning Grants. Through this partnership, OSHC seeks to catalyze a new generation of integrated metropolitan transportation, housing, land use, energy, and disaster mitigation planning, using state-of-the-art data, analytic tools, community engagement strategies and Geographic Information Systems. These plans will serve as the framework for future cost-effective public investments in infrastructure, housing, and economic growth, and support policies to advance more inclusive and sustainable communities.

Second, the SCI will fund up to $40 million for Community Challenge Planning Grants to provide a local complement to the regional planning initiative. This grant program will enable communities to update policies, codes, tools and critical capital investments that better integrate transportation, housing and economic development to support local real estate markets. If the opportunity is available, HUD will again partner with DOT to issue a joint notice of funding available.
Third, the SCI will use up to $10 million in funding for research activities and evaluation of both grant programs, in coordination with DOT. Building on the efforts of 2010 and 2011, a portion of this funding will support the development and dissemination of research and capacity-building to support grant recipients from both programs, as well as other communities interested in implementing sustainable community strategies and reducing regulatory barriers. This includes managing a sustainable communities clearing house on best practices, performance metrics analysis and capacity building, and supporting peer exchanges between grantees.

Fourth, and a new component for the 2012 Budget is a request of up to $5 million of this research and evaluation funding will be used to support an energy efficiency initiative to develop an Energy Management and Tracking System (EMTS) database. Through improved data management and scenario planning, the EMTS will provide a vehicle for collecting uniform data on baseline and projected energy consumption and pre- and post-retrofit performance of energy efficiency and green improvements financed through HUD programs.

Fine-Tuning the Sustainable Housing and Communities Initiatives

The Office of Sustainable Housing and Communities (OSHC) was established in fiscal year 2010 with several key priorities:

- Define sustainability to include environmental, economic and equity elements.
- Launch and execute Regional and Challenge planning grants programs to demonstrate the benefits of and demand for comprehensive planning using sustainable principles.
- Infuse sustainability into HUD’s programs and policies so that a larger portion of the Department’s funding leads to sustainable outcomes.
- Partner with other Federal agencies to align resources and policies in support of sustainable outcomes.
- Remove barriers and provide incentives to encourage market pick-up of sustainable planning and development strategies.

One year into the Initiative, the Office achieved many successes:

1. Strong working partnerships with Department of Energy (DOE), DOT and EPA, and emerging partnerships with United States Department of Agriculture, the Departments of Commerce, and Health and Human Services, including interagency coordination on development and review of NOFAs.
2. Successfully reviewed 225 applications from a diversity of geographic regions and awarded 45 Sustainable Community Regional Planning grants, of which 13 went to regions under 200,000 in population. Of the awardees, 29 regions received Preferred Sustainability Status. Over 78 million Americans live in the regions supported by this program.
3. Coordinated with DOT to review 850 applications from a wide cross section of communities and jointly award 62 Community Challenge/TIGER 2 Planning grants. OSHC is in the process of awarding contracts to 42 of these grant recipients. This $40 million programs is estimated to leverage an additional $40 million in private and public resources.
4. OSHC is in the process of awarding contracts to 42 of these grant recipients. This $40 million program is leveraging an additional $48 million in private and public resources.
5. Appointed 75 HUD Regional and Field Sustainability Officers in all of HUD’s 10 regions to support grantees in better utilizing HUD programs to achieve sustainability principles, and to coordinate with their DOT and EPA regional counterparts to integrate programs across agencies.
6. Integrated Livability Principles, LEED-ND criteria and other green building standards into HUD’s fiscal year 2010 General Section Priority Points.
Sustainable Housing and Communities

7. Included sustainability priorities into the fiscal year 2010 HUD Strategic Plan.

8. In partnership with the Federal Housing Administration (FHA), initiated two Energy Innovation Fund pilot programs to spur private investment in energy efficient and green renovation.

9. Coordinated with FHA and DOE to launch the Power Saver Program, a new insurance program from the FHA to enable homeowners to make cost-effective, energy saving improvements to their homes.

10. As goal lead, began to work with other HUD offices to achieve HUD’s High Priority Performance Goal to produce 126,000 energy efficient housing units, and another 33,000 healthy and green housing units.

Despite the progress made to date, challenges remain to addressing key Administration and Departmental priorities. These challenges include strengthening the ability of communities hardest-hit by national economic restructuring to use sustainability as a central platform for revitalization, opening up opportunities for all households to live in stable neighborhoods with good access to jobs, supporting the lives of people living in small towns and rural places, and addressing the civil rights of all residents, regardless of where they choose to live in a region.

In fiscal years 2010 and 2011, HUD is deploying its Sustainable Communities Regional Planning Grant program funds to demonstrate how sustainability, economic prosperity and inclusivity are mutually reinforcing. HUD will emphasize the value of incorporating the Livability Principles into proactive plans that lead to cost-effective solutions, better environmental outcomes and greater access to opportunity for all households. HUD will ask grantees to test performance measures of economic opportunity and resilience at a regional scale and translate those performance measures to practical actions that local governments and private sector partners can implement. The Department expects that by the end of fiscal year 2011, the program will have successfully piloted regional strategies for this set of difficult issues and have a set of partners that are ready to take steps toward implementing ambitious plans.

Towards realizing the goal of infusing sustainability broadly in the Department, in fiscal year 2012, HUD will leverage the learning from 2 years of Sustainable Communities Regional Planning Grants in three ways related to planning, implementation, and integration: (1) fine-tuning the criteria for planning grants to better respond to the needs and concerns of regions; (2) piloting innovative implementation strategies that specifically address the linkages between sustainability, economic prosperity and inclusivity; and (3) more fully linking the SCI to HUD’s core investments.

HUD will provide $40 million for the Community Challenge Grant Program, equal to fiscal years 2010 and 2011. This locally driven program supports those communities seeking to reduce regulatory barriers to sustainable development, integrate housing and transportation, adopt energy efficient building codes and update plans and policies. Demand for this program far exceeds existing resources, and HUD continues its commitment to support local, regional and state planning efforts across communities of different sizes and geographic regions. HUD anticipates continued coordination with DOT and will also engage USDA, EPA and other Federal partners.

Up to $10 million will be used for research and evaluation efforts. There is a significant need for additional research, data development, information platforms and analytic tools to better assess and measure the economic impacts of sustainable communities, performance measures and best practices in planning and public engagement techniques. The proposed evaluation will build on research, development, and evaluation activities initiated with fiscal years 2010 and 2011 funds, and will be aimed at implementing a rigorous approach to assessing grantee capacity building needs, accomplishment of objectives and sustainability outcomes, and the overall impact of Regional Planning grants and Community Challenge planning grants. This includes development of sound metrics for assessing the
impacts of regional sustainability plans, and subsequent implementation of housing, transportation and other sustainable livable community initiatives; improving our understanding of the nexus between housing and transportation expenditures a share of household budgets in relation to transportation options, location and siting of housing, access to employment, schools, amenities, services and retail outlets, and other factors.

Sustainable Housing Initiative - Energy Management and Tracking System

Of the $10 million requested for research and evaluation, up to $5 million will be used to develop an Energy Management and Tracking System (EMTS). This research effort will also be key to evaluating the efficacy of HUD’s joint goal with the Department of Energy (DOE) to weatherize 1.1 million housing units and increase the energy efficiency of its portfolio. The system will include the development of a database of baseline energy consumption of public housing and other HUD-assisted or HUD-financed properties and a Green Capital Investment Analysis that will enable HUD to model the short, medium and long-term costs and savings of selected energy efficiency and green building strategies.

Current Challenges. HUD has significant outlays associated with energy costs in its public housing and assisted multifamily portfolios. Much of HUD’s portfolio of public and assisted housing was built before the advent of energy codes, creating both environmental and affordability challenges for building owners, residents and the federal government. Significant progress has been made over the past 2 years, in boosting the energy efficiency of this stock, both through on-going programs such as Energy Performance Contracts in public housing, as well as through significant investments of Recovery Act funds in both public and assisted housing. However, a severe shortage of accurate, reliable data on the current state of the federally assisted portfolio, the levels of investment that will be required to retrofit the stock, as well as on the cost effectiveness of current and projected energy investments, have limited HUD’s ability to establish clear policies, incentives and standards and performance measures that will result in measurable energy savings over time.

The purpose of the EMTS database is to create a modeling, forecasting and benchmarking tool that will allow HUD to establish benchmarks for its current inventory of public and assisted housing, and create a data driven strategic plan for reducing energy costs in this stock of affordable housing. The proposed database will provide HUD (and its partners) with accurate information needed to lower energy consumption in federally assisted housing. It will enable HUD, working closely with the DOE, the national laboratories and the EPA, to model a variety of energy saving scenario’s – high, medium, low – and to support budget requests or policy initiatives that will be needed to achieve energy savings goals for each scenario. Finally, it will enable HUD to move beyond short term actions to undertake long-range energy modeling of its portfolio, through the year 2030. These longer time horizons are critical to enable HUD’s partners to establish long range goals for lowering energy use and related housing stock in their portfolios.

The data system will provide HUD with a tool for use by both HUD and its grantees that allows specific actions to be taken aimed realizing energy and cost savings for grantees as well as the Federal Government. The initiative furthers the Secretary’s commitment to evidence based-policy formulation, by aiming to close gaps in data availability for HUD-assisted properties. It also furthers the Administration’s Recovery through Retrofit Initiative, coordinated by the White House Council on Environmental Quality. This initiative also furthers a Memorandum of Understanding between HUD and the DOE to establish new strategies or retrofitting homes in the United States.

It should be noted that there are significant variations in the availability and reliability of energy cost and savings data as reported to HUD through its various programs. Most of HUD’s programs do not report pre- and post-retrofit costs and savings, since investments in energy efficiency are often incorporated in more extensive capital improvements, HUD funding is typically not specifically dedicated to energy improvements, and there are also limitations in the data to characterize the relative efficiency of the current stock.
The EMTS is expected to rely on data currently available to HUD through one or more reporting systems, or where there are gaps in available data, to utilize one of three strategies: (1) develop credible estimates of energy costs and savings utilizing standard engineering assumptions, as well as reliable data that is expected to be available through existing programs such as the Recovery Act-funded Green Retrofit Program, and/or relevant baseline data from DOE and EPA; (2) statistically valid sampling of existing projects; and (3) support for upgrading of existing reporting systems to enable more accurate and reliable data reporting.

Program Relationship to Strategic Plan Goals and Subgoals:

The activities proposed in OSHC’s fiscal year 2012 Budget would support HUD’s Strategic Plan.

The work of the OSHC relates directly to HUD Strategic Plan Goals 2 (Meet the need for quality affordable rental homes), 3 (Utilize housing as a platform for improving quality of life), 4 (Build inclusive and sustainable communities free from discrimination), and is contributing to Strategic Goal 5 (Transform the way HUD does business) by transforming business processes and interaction with internal and external stakeholders. Furthermore, HUD seeks in subgoal 4B to “promote energy-efficient buildings and location-efficient communities that are healthy, affordable, and diverse.” In subgoal 4A, HUD strives to “catalyze economic development and job creation, while enhancing and preserving community assets,” increasing viability of communities; while in subgoal 4C HUD seeks to “ensure open, diverse, and equitable communities” that are viable for all. The White House direction for fiscal year 2012 Place-Based policies places priorities on economic growth and cost-effectiveness.

The SCI work also supports HUD subgoal 4E: to “build the capacity of local, state, and regional public and private organizations” that can plan for a successful future. The activities proposed in SCI’s fiscal year 2012 Budget would support this goal through making grants to states, regions, and local jurisdictions to undertake planning activities that directly support these objectives. We have drafted the criteria for our two new grant programs to reflect these subgoals, and we require grantees to provide metrics to indicate progress on related outcomes. Knowledge sharing and capacity building are also two priority areas by which we are evaluating grant applications for this funding, and which our proposed fiscal year 2012 research would further support.

These initiatives support HUD’s Strategic Plan Goal 4: *Build inclusive and sustainable communities free from discrimination.* Within this goal they support Subgoals 4A and 4B, as follows:

- **Strategic Plan Subgoal 4A:** Catalyze economic development and job creation, while enhancing and preserving community assets; and
- **Strategic Plan Subgoal 4B:** Promote energy-efficient buildings and location efficient communities that are healthy, affordable, and diverse.

The EMTS directly supports Strategic Plan subgoal 4B by establishing the metrics to evaluate and analyze strategies to promote energy efficient buildings and communities. Within this Strategic Goal are two strategies, both of which require the development of a database and scenario planning system to successfully monitor and track performance and promote economic development, job creation and strengthen communities:

- Support and promote an energy efficient, green and healthy housing market by retrofitting existing housing, supporting energy efficiency in new construction projects, improving home energy labeling and promoting financing products that reduce the carbon footprint of non-HUD supported residential buildings; and
- Reduce energy consumption and incorporate green buildings in the design and operation of HUD-supported affordable housing.
Outcomes/Metrics:

- In fiscal year 2012, the SCI will be managing approximately 150 existing grantees from fiscal years 2010 and 2011 cycles, overseeing $300 million in Federal planning grant awards to at least 150 communities. Included in both of our planning grant programs is a heavy emphasis on performance metrics. Part of our grant monitoring will be to work with grantees to ensure the development, interim performance, and analytics of their performance on developing and tracking these metrics. Grantees for the Sustainable Communities Regional Planning Grants are required to develop and monitor the influence of our regional grant program on the following outcomes, at the regional scale:
  a) Housing costs;
  b) Environmental quality;
  c) Transportation access;
  d) Socioeconomic inequity;
  e) Economic opportunity;
  f) Fresh foods access; and,
  g) Healthy communities.

- Award up to 75 new grants in fiscal year 2012 for regional and local sustainable planning activities.

- Manage HUD’s 75 Regional Sustainability Officers to support their networking, training and engagement with our office and with their regional counterparts at DOT and EPA.

- Manage and direct contracts to support research and evaluation efforts funded in fiscal years 2010, 2011 and 2012.

- Coordinate with HUD’s Policy Development & Research office to maintain the web-based Sustainable Communities Clearinghouse to provide training toolkits, best practices, and resources that spotlight state, regional and local strategies to support affordable, inclusive and sustainable community practices.

- Develop set of interagency research papers on sustainable community topics, including next generation of Housing + Transportation Affordability Index to extend this tool to small town and rural communities and its development as a predictive planning tool; performance measures and long-range planning; and economic resiliency of sustainable communities during economic downturns.

- Create an energy data tracking and forecasting tool that will improve HUD’s ability track current outlays for energy and utility costs (more than $6 billion annually), and design more effective short, medium and long-range strategies to lower these costs.

Performance Indicators:

There are 15 core indicators associated with the Strategic Plan. The SCI is part of the strategies to produce significant outcome results in 4 of the 15, including 1 of the 4 High Priority Performance Goals.
Sustainable Housing and Communities

OSHC, along with other program offices, is responsible for achieving one of HUD’s five strategic goals: Goal 4 – Build inclusive and sustainable communities free from discrimination. The SCI has the lead role in advancing the Department’s work on location-efficiency, which is an important component of Goal 4, specifically to:

- Give consumers more information about the true cost of living by incorporating both housing and transportation costs into measures of affordability; and
- Promote coordinated planning, integrating Federal resources, and targeting technical assistance at the local, state, and regional levels for sustainable housing and communities.

Through our grant programs, research, and capacity building activities the SCI directly relates to the following Outcome Measures of HUD’s Strategic Plan:

**Outcome Measure #11.** Improve the quality of housing and available community opportunities reported by HUD residents (cross-cutting measure for Goals 2, 3, and 4). The SCI grant programs are designed to support regional and local efforts to better coordination housing with transportation, employment, and community opportunities including access to fresh foods, clean water, health care and educational institutions and other important amenities.

**Outcome Measure #12.** Reduce the share of household income spent on the combined costs of housing and transportation in communities that receive assistance from the Office of Sustainable Housing and Communities. This performance goal focuses on Sustainable Housing and Communities programs that increase location efficiency of existing communities and supports informing consumers about total housing costs. OSHC is developing a baseline for communities served through the Sustainable Communities programs to measure on-going progress in locating housing for greater economic and environmental sustainability, increasing transportation choices and better coordinating land use and economic development opportunities.

**Outcome Measure #13.** Complete cost-effective energy and green retrofits of 159,000 public, assisted, and other HUD-supported affordable homes by the end of 2011.

**Outcome Measure #14.** Increase the proportion of HUD-assisted families in low-poverty and racially diverse communities (cross-cutting measure for Goals 2 and 4). Fair housing is at the core of HUD’s mission. A central goal of the SCI is to create opportunities for low-income people residing in low-income neighborhoods through better coordination at the regional level of land use, economic development and infrastructure investments. The Sustainable Communities programs include a number of metrics for grantees to demonstrate progress towards ensuring open, diverse, and equitable communities that increase these opportunities.

There are 15 core indicators associated with HUD’s Strategic Plan. The initiatives proposed by the Office of Sustainable Housing and Communities will help produce significant outcome results in 3 of the 15. These indicators are as follows:

**Policy Priorities:**

A study of 20 metropolitan areas prepared by the American Association of Retired Persons, the National Housing Trust, and Reconnecting America found more than 250,000 subsidized affordable rental units located within one half mile of public transit stops, with nearly 200,000 located within one quarter mile. Yet more than two-thirds of these units have subsidies that are set to expire within the next 5 years. As demand increases for transit oriented development, the continued affordability of many of these units will be placed in jeopardy, undermining the goal of equitable and affordable access to transit oriented development.
Sustainable Housing and Communities

Additionally, many existing suburban and exurban communities lack adequate supply of affordable housing near employment and education centers that have moved outside of central cities.

The Sustainable Communities Initiative is designed to support regional, state and local strategies that better coordinate transportation, housing and development policies and investments to ensure both more investment in affordable housing, but also to ensure more equitable distribution of affordable housing including assisted housing, public housing, and unsubsidized affordable housing – near public transit stops, job centers and other essential destinations. Fiscal year 2012 funding will be used to provide additional support for affordable housing strategies within the regional planning context for economically disadvantaged regions and for regions that are willing to develop detailed assessments of impediments to fair housing.

DOE and HUD will work together to support the goal of weatherizing 1 million homes per year by enabling the cost effective energy retrofits of a total of 1.1 million housing units in fiscal years 2010 and 2011. The EMTS proposed for fiscal year 2012 is an essential data tool that is needed to evaluate the efficacy of HUD’s efforts to increase the energy efficiency of its portfolio.

Of this number, HUD will complete cost effective energy retrofits of an estimated 126,000 HUD-assisted and public housing units.

Apart from our joint energy retrofit goal with DOE, HUD will complete green and healthy retrofits of 33,000 housing units.
Sustainable Initiatives:

- **Place-Based Policy Initiative.** The Sustainable Communities Initiative (SCI) is a signature component of the Administration’s Place-Based Policy Initiative. Cited in the White House Memorandum on Developing Effective Place-based Policies for the fiscal year 2012 Budget (June 21, 2010) as a key interagency initiative for fiscal year 2011, the SCI seeks to rethink policy and programs for Federal investment in infrastructure and development from a place-based perspective.

- **Energy Efficiency and Climate Change.** The SCI advances the nation’s progress towards a less energy dependent future through supporting land use changes and regional investments that allow more households to access housing, employment, retail, and other essential destinations without needing to drive for every trip.

- **Urban Affairs.** The Office works closely with the White House Office of Urban Affairs to support livable communities, address regional approaches to addressing urban issues, and promote inclusive growth.

- **Economic Growth Policy – Built Environment and Business Development.** The Office, working in collaboration with DOT, EPA, FEMA, and USDA serves as the focal point within HUD for identifying programmatic opportunities to strengthen regional approaches to spur economic activity, ensure equitable access to affordable transportation and housing options thereby lowering household expenses, and supporting investment in infrastructure projects which support more sustainable development patterns of housing, employment, and retail.

Cross-Agency Collaboration:

SCI serves as the focal point for HUD’s engagement with DOT and EPA as the core partners of the Sustainable Communities Partnership. This Partnership seeks to align planning rules and regulations, as well as funding decisions, to encourage more balanced and cost-effective transportation investments, inclusive and sustainable development patterns, more resilient economies, reinvestment in existing infrastructure, reduced energy costs and greenhouse gas emissions, and respect for the unique qualities of communities, whether they be urban, suburban or rural. The Partnership is also working closely with other Federal agencies, including USDA and the Department of Commerce (DoC), to advance these goals in other critical governmental programs. For example, Coordination with USDA will better integrate SCI’s programs and support the unique needs of rural communities. Likewise, a number of OSHC grantees have identified economic growth and neighborhood economic revitalization as essential components of their sustainability efforts. Coordination with the DoC is therefore underway to better integrate related funding and planning programs. By focusing specifically on aligning policies and investments, the Partnership recognizes that “silied” decision-making has led to cumbersome and inefficient planning and use of resources at all levels, but particularly at the local level, where disconnected decisions often lead to a mismatch between where employment centers are located and where housing affordable to potential employees is located, thereby exacerbating conditions.

OSHC is also continuing its close coordination with the DOE on several initiatives related to energy efficiency, including the development of a comprehensive Energy Action Plan, required under Section 154 of the Energy Policy Act of 2005. This plan provides detailed reporting on energy consumption and expenditures in HUD-assisted housing and lay out a set of specific steps for HUD to take over the next 2 years to dramatically increase the energy efficiency and broader environmental performance of HUD-assisted housing. HUD will continue to coordinate with DOE and EPA in the development of the Energy Management and Tracking System proposed for fiscal year 2012.
### SUSTAINABLE HOUSING AND COMMUNITIES

#### SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES

Summary of Resources by Program

(Dollars in Thousands)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Integrated Planning Grants</td>
<td>[$100,000]</td>
<td>...</td>
<td>[$100,000]</td>
<td>...</td>
<td>[$100,000]</td>
<td>[$100,000]</td>
<td>[$200,000]</td>
<td>$100,000</td>
</tr>
<tr>
<td>Community Challenge Planning Grants</td>
<td>[40,000]</td>
<td>...</td>
<td>[40,000]</td>
<td>...</td>
<td>[40,000]</td>
<td>[40,000]</td>
<td>[80,000]</td>
<td>40,000</td>
</tr>
<tr>
<td>Research and Evaluation Transformation Initiative</td>
<td>[1,500]</td>
<td>...</td>
<td>[1,500]</td>
<td>[1,500]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Total</td>
<td>[150,000]</td>
<td>...</td>
<td>[150,000]</td>
<td>[1,566]</td>
<td>[150,000]</td>
<td>[148,434]</td>
<td>[298,434]</td>
<td>150,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FTE</th>
<th>2010 Actual</th>
<th>2011 Estimate</th>
<th>2012 Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headquarters</td>
<td>19</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td>Field</td>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
<tr>
<td>Total</td>
<td>19</td>
<td>23</td>
<td>24</td>
</tr>
</tbody>
</table>
SUSTAINABLE HOUSING AND COMMUNITIES
SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES
Program Offsets
(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Regional Integrated Planning Grants</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Appropriation</td>
<td>[$100,000]</td>
</tr>
<tr>
<td>2011 CR</td>
<td>[100,000]</td>
</tr>
<tr>
<td>2012 Request</td>
<td>100,000</td>
</tr>
<tr>
<td>Program Improvements/Offsets</td>
<td>...</td>
</tr>
</tbody>
</table>

**Proposed Actions**

The fiscal year 2012 Budget provides $100 million for the Sustainable Regional Planning Grants, in partnership with DOT and EPA. Through this partnership, OSHC seeks to catalyze a new generation of integrated metropolitan transportation, housing, land use, energy, and disaster mitigation planning, using state-of-the-art data, analytic tools, community engagement strategies and Geographic Information Systems. These plans will serve as the framework for future cost-effective public investments in infrastructure, housing, and economic growth, and support policies to advance more inclusive and sustainable communities.
SUSTAINABLE HOUSING AND COMMUNITIES
SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES
Program Offsets
(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Community Challenge Planning Grants</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Appropriation</td>
<td>[$40,000]</td>
</tr>
<tr>
<td>2011 CR</td>
<td>[40,000]</td>
</tr>
<tr>
<td>2012 Request</td>
<td>40,000</td>
</tr>
<tr>
<td>Program Improvements/Offsets</td>
<td>...</td>
</tr>
</tbody>
</table>

**Proposed Actions**

The fiscal year 2012 Budget funds the Community Challenge Planning Grant program equal to fiscal years 2010 and 2011. The Sustainable Communities Initiatives funds Community Challenge Planning Grants to provide a local complement to the regional planning initiative, enabling communities to update policies, codes, tools and critical capital investments needed to achieve sustainable and inclusive development that support long-term economic development and real estate markets. As appropriate, HUD will partner with DOT and engage other Federal partners to issue a joint notice of funding available.
SUSTAINABLE HOUSING AND COMMUNITIES
SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES
Program Offsets
(Dollars in Thousands)

<table>
<thead>
<tr>
<th>Research and Evaluation</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Appropriation</td>
<td>[$8,500]</td>
</tr>
<tr>
<td>2011 CR</td>
<td>[10,000]</td>
</tr>
<tr>
<td>2012 Request</td>
<td>10,000</td>
</tr>
<tr>
<td>Program Improvements/Offsets</td>
<td>...</td>
</tr>
</tbody>
</table>

Proposed Actions

Sustainable Communities Initiatives supports capacity-building and a best-practices clearinghouse designed to support both grant recipients, as well as other communities interested in implementing sustainable community strategies. In previous language we have referred to this as Research, Evaluation, Tools and Best Practices.

Of the proposed $10 million, up to $5 million will be set aside for the Energy Database will provide a vehicle for collecting uniform data on baseline and projected energy consumption and pre- and post-retrofit performance of energy efficiency and green improvements financed through HUD programs.
### Transformation Initiative

<table>
<thead>
<tr>
<th>Transformation Initiative</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010 Appropriation</td>
<td>[1,500]</td>
</tr>
<tr>
<td>2011 CR</td>
<td>...</td>
</tr>
<tr>
<td>2012 Request</td>
<td>...</td>
</tr>
<tr>
<td>Program Improvements/Offsets</td>
<td>...</td>
</tr>
</tbody>
</table>

#### Proposed Actions

In fiscal year 2012, the Department renews its request for the Transformation Initiative, which provides the Secretary the flexibility to undertake an integrated and balanced effort to improve program performance and test innovative ideas. Up to 0.5 percent of the funds appropriated for this account may be transferred to the Transformation Initiative Fund account for the following purposes: research, evaluations, and program metrics; program demonstrations; and technical assistance and capacity building. Departmentwide, no more than $120 million will be transferred to the Transformation Initiative Fund account in fiscal year 2012. More details on the overall Transformation Initiative and these projects are provided in the justification for the Transformation Initiative Fund account.
Sustainable Housing and Communities

SUSTAINABLE HOUSING AND COMMUNITIES
SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES
Changes in Appropriations Language

Below is the italicized appropriation language for the Sustainable Housing and Communities Initiative.

For a Sustainable Housing and Communities Initiative to improve regional planning efforts that integrate housing and transportation decisions, and increase the capacity to improve land use and zoning, $150,000,000, to remain available until September 30, 2014: Provided, That $100,000,000 of the funds made available under this heading shall be for Regional Integrated Planning Grants to support the linking of transportation and land use planning: Provided further, That not less than $25,000,000 of the funding made available in the previous proviso, shall be awarded to metropolitan areas of less than 500,000: Provided further, That $40,000,000 of the funds made available under this heading shall be for Community Challenge Planning Grants to foster reform and reduce barriers to achieve affordable, economically vital, and sustainable communities: Provided further, That the Secretary will consult with the Secretary of Transportation in evaluating grant proposals under this heading: Provided further, That up to $10,000,000 of the funds made available under this heading shall be for a joint Department of Housing and Urban Development and Department of Transportation research effort that shall include a rigorous evaluation of the Regional Integrated Planning Grants and Community Challenge Planning Grants programs, as well as to provide funding for a clearinghouse and capacity-building efforts: Provided further, That of the amount provided in the previous proviso, up to $5 million is available to develop an Energy Management and Tracking System to include a database of baseline energy consumption of public housing and other HUD-assisted or HUD-financed properties and a Green Capital Investment Analysis to enable HUD to model the short, medium and long-term costs and savings of selected energy efficiency and green building strategies.

Changes from 2010 Appropriations

The fiscal year 2012 Budget creates a separate account for the Sustainable Communities Initiative; it was part of the Community Development Fund in fiscal years 2010 and 2011.
### Sustainable Housing and Communities

**SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES**

*Crosswalk of 2010 Availability*

*(Dollars in Thousands)*

<table>
<thead>
<tr>
<th>Budget Activity</th>
<th>2010 Enacted</th>
<th>Supplemental/Rescission</th>
<th>Approved Reprogrammings</th>
<th>Transfers</th>
<th>Carryover</th>
<th>Total 2010 Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Integrated Planning Grants .</td>
<td>[$100,000]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>[$100,000]</td>
</tr>
<tr>
<td>Community Challenge Planning Grants .</td>
<td>[40,000]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>[40,000]</td>
</tr>
<tr>
<td>Research and Evaluation ...............</td>
<td>[8,500]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>[8,500]</td>
</tr>
<tr>
<td>Transformation Initiative ............</td>
<td>[1,500]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>[1,500]</td>
</tr>
<tr>
<td><strong>Total ................................</strong></td>
<td>[150,000]</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>...</td>
<td>[150,000]</td>
</tr>
</tbody>
</table>
## Sustainable Housing and Communities

### SUSTAINABLE HOUSING AND COMMUNITIES INITIATIVES

**2012 Summary Statement and Initiatives**

*(Dollars in Thousands)*

<table>
<thead>
<tr>
<th>Budget Activity</th>
<th>2011 President's Budget Request</th>
<th>2011 CR</th>
<th>2011 Supplemental/Recession</th>
<th>Reprogrammings</th>
<th>Carryover</th>
<th>Total 2011 Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Integrated Planning Grants</td>
<td>[$100,000]</td>
<td></td>
<td>...</td>
<td>...</td>
<td></td>
<td>[$200,000]</td>
</tr>
<tr>
<td>Community Challenge Planning Grants</td>
<td>[40,000]</td>
<td></td>
<td>...</td>
<td>...</td>
<td></td>
<td>[80,000]</td>
</tr>
<tr>
<td>Research and Evaluation</td>
<td>[10,000]</td>
<td></td>
<td>...</td>
<td>...</td>
<td>[8,434]</td>
<td>[18,434]</td>
</tr>
<tr>
<td>Transformation Initiative</td>
<td></td>
<td>...</td>
<td>...</td>
<td>...</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>[150,000]</td>
<td>[150,000]</td>
<td>...</td>
<td>...</td>
<td>[148,434]</td>
<td>[298,434]</td>
</tr>
</tbody>
</table>