

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
2011 Summary Statement and Initiatives
(Dollars in Thousands)**

CAPACITY BUILDING	<u>Enacted/ Request</u>	<u>Carryover</u>	<u>Supplemental/ Rescission</u>	<u>Total Resources</u>	<u>Obligations</u>	<u>Outlays</u>
2009 Appropriation .....	...^a	...	...	...	...	...
2010 Appropriation/Request .....	...^a	...	...	...	...	...
2011 Request	<u>\$60,000</u>	...	...	<u>\$60,000</u>	... ^b	...
Program Improvements/Offsets	+60,000	...	...	+60,000	...	...

a/ The Capacity Building for Community Development and Affordable Housing Program (formerly called Section 4) received appropriations within the Self-Help Homeownership Opportunity Program (SHOP) account in the amount of \$34 million in fiscal year 2009 and \$50 million in fiscal year 2010.

b/ Obligations are anticipated to be made in fiscal year 2012 based on a grant competition conducted in fiscal year 2011.

Summary Statement

The 2011 Budget requests \$60 million for a revamped Capacity Building program. The Administration proposes a competitive grants program to develop the capacity and ability of community development corporations, community housing development organizations, and local governments to undertake community development and affordable housing projects and programs for low-income families. The proposed expansion of funding reflects the importance of this effort and the proven track record of capacity building in communities.

Recipients will include national and regional intermediaries with local affiliates and partnerships, and consortia of intermediaries with demonstrated expertise. Eligible recipients will have: (1) demonstrated expertise and experience in housing and community development; (2) demonstrated sound and extensive understanding of the need for capacity building in relation to objective information and data; (3) successful past performance in administering technical assistance and capacity building funding; and (4) demonstrated compliance with any other factors or priorities as the Secretary may prescribe.

The economic downturn and foreclosure crisis have also significantly depleted resources in local governments while increasing demand for services. Since states and cities face serious budget constraints, revenue declines often turn quickly into layoffs and cuts in services for the poor. Working with states and cities to readily understand how to meet the needs of their communities, leverage private and other kinds of resources, and align existing programs is fundamental to building resilience in tough economic times.

Capacity Building

Funding for assistance to non-profits and local governments will develop core skills of line staff and management so that they can be partners with the Administration as they implement key initiatives such as Choice Neighborhoods, Sustainable Communities, and the Catalytic Competition and work to restore the economic vitality of their communities. Capacity building activities include such activities as the development of core skills to organize, manage, implement and get access to capital to carry out community development and affordable housing projects.

Funds will require a 3 to 1 match from private sources.

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
Summary of Resources by Program
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2009 Budget Authority</u>	<u>2008 Carryover Into 2009</u>	<u>2009 Total Resources</u>	<u>2009 Obligations</u>	<u>2010 Budget Authority/ Request</u>	<u>2009 Carryover Into 2010</u>	<u>2010 Total Resources</u>	<u>2011 Request</u>
Capacity Building	<u>\$60,000</u>
Total	60,000
 <u>FTE</u>	 <u>2009 Actual</u>	 <u>2010 Estimate</u>	 <u>2011 Estimate</u>					
Headquarters	2					
Field	3					
Total	5					

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
PROGRAM OFFSETS
(DOLLARS IN THOUSANDS)**

Capacity Building	<u>Amount</u>
2009 Appropriation .....	...
2010 Appropriation/Request .....	...
2011 Request	<u>\$60,000</u>
Program Improvements/Offsets	+60,000

Proposed Actions

The 2011 Budget requests \$60 million for the revamped and expanded Capacity Building program.

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
Justification of Proposed Changes In Appropriations Language**

The fiscal year 2011 President's Budget proposes the new appropriations language below for the expanded and revamped Capacity Building program.

For grant assistance to eligible recipients to develop the capacity and ability of community development corporations, community housing development organizations, and local governments to undertake community development and affordable housing projects and programs that benefit low-income families, \$60,000,000, to remain available until September 30, 2013: Provided, That eligible recipients for assistance include national and regional intermediaries with local affiliates, and a partnership or consortia of such intermediaries, skilled in the development of community development and affordable housing capacity, as determined by the Secretary: Provided further, That assistance provided under this heading shall be matched from private sources in an amount equal to three times: Provided further, That assistance under this heading may be used for: (1) training, education, and support to enhance technical and administrative capabilities; (2) loans, grants, or predevelopment assistance; (3) market research and rigorous needs assistance in order to create data resources, and develop assessment measures and assessment tools to determine the need and focus for community development activities; (4) the assessment and determination that organizational mergers may better serve the community; and (5) such other activities as may be determined eligible by the Secretary to further the purposes of this heading: Provided further, That the Secretary shall develop and publish guidelines for the use of such competitive funds including, but not limited to, eligibility criteria, program requirements, eligible administrative costs, and performance metrics.

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
Crosswalk of 2009 Availability
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2009 Enacted</u>	<u>Supplemental/ Rescission</u>	<u>Approved Reprogrammings</u>	<u>Transfers</u>	<u>Carryover</u>	<u>Total 2009 Resources</u>
Capacity Building
Total

**COMMUNITY PLANNING AND DEVELOPMENT
CAPACITY BUILDING
Crosswalk of 2010 Changes
(Dollars in Thousands)**

<u>Budget Activity</u>	<u>2010 President's Budget Request</u>	<u>Congressional Appropriations Action on 2010 Request</u>	<u>2010 Supplemental/ Rescission</u>	<u>Reprogrammings</u>	<u>Carryover</u>	<u>Total 2010 Resources</u>
Capacity Building
Total