US Conference of Mayors

January 22, 2004

By A. Bryant Applegate, Senior Counsel and Director of America's Affordable Communities Initiative

Thank you Mr. Mayor. It is an honor to be before you today.

America's Affordable Communities Initiative is a priority of this

Administration. We want to help make homes more affordable through regulatory reform so that hard working families across the economic spectrum can afford to live in the community of their choice or where they work.

We want to reduce regulatory barriers at all levels of government.

When I say "affordable homes", I mean decent and attractive single family or multi family developments that help bring economic stability to communities.

And all "levels of government" include the federal government as well as states, counties and cities.

As a former city and county attorney who represented several local governments for 20 years, both in house, and as trial counsel, I want to emphasize the following right at the start -- and I emphasize it everyday.

HUD SHOULD NOT

COULD NOT

WOULD NOT

AND CERTAINLY DOES NOT WANT TO BECOME

A SUPER ZONING AUTHORITY

IN FACT IT IS JUST THE OPPOSITE. WE WANT STATES AND LOCAL GOVERNMENTS TO EXAMINE THEIR OWN LAWS AND DETERMINE WHICH ONES CREATE REGULATORY BARRIERS AND THEN TAKE THE APPROPRIATE COURSE OF ACTION THAT IS TAILORED TO THEIR COMMUNITY.

We recognize that what might work in Miami may not work or be suited for Baltimore. What might work in a large urban area may not be suited for a small farming community.

Let me assure you that HUD is not asking states, counties or cities to do anything we are not doing ourselves.

We hope to lead by example. I would like to spend the few minutes I have left to go over just some of the projects we have developed in just the few months the Initiative team has been meeting and I am proud that Acting

Secretary Alphonso Jackson has supported this effort and considers it a top priority.

First, Acting Secretary Jackson has authorized a new pre clearance procedure for all future regulations, mortgagee letters, directives and other formal documents that now mandates that the Director of the Initiative shall review the proposed regulation or document to determine if would create a regulatory barrier. If it does, the issue will be addressed.

We have published a Federal Register notice seeking comment from the public on our existing regulations that may create barriers to affordable housing. Again if we are asking you to do it then we need to do it as well. I know that is what I would say if I were your city attorney.

We have already requested that key offices with in HUD to start their own review of existing regulations for the same purpose.

We will be working with other federal agencies in this regard as well.

We are establishing an awards program, updating the Kemp Commission Report, conducting numerous studies, and hosting a national regulatory barrier research conference in April.

We have established a web page at HUD. GOV/ affordable Communities, which also provides a link to our Regulatory Barrier Clearinghouse web site.

We are preparing a brochure that describes what the common barriers are, and solutions thereto. And -- it will encourage that you hold public workshops on regulatory barriers.

And of course as many of you are aware we have proposed to include as a Secretarial priority in the NOFA process, the reduction of regulatory barriers by giving applicants the option of answering a series of question on what their jurisdiction has done to address some common regulatory barriers. No final decision has been made on this proposal as of yet. It is still being considered based on the comments we have received.

I know first hand that at the local level you have the difficult task of dealing with competing interests that far to often involve complex solutions. I know that sometimes, perhaps far too often, you hear nothing but complaints while so many positive things are happening.

We want to work with you as partners in this all-important endeavor. Together, by reducing regulatory barriers at all levels of government we will help millions of Americans from all walks of life achieve the American Dream. That all of us will come to realize the advantages of decent attractive housing that is affordable. That through working together, by acknowledging that we can all do better, we will make the battle cry change from "Not In My Back Yard" to "Why Not In Our Community?" Thank you