

Remarks - NACO Legislative Conference (limit-10 Minutes)

February 28, 2004

**(Prepared and delivered By A. Bryant Applegate,
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Communities Initiative)**

Thank you. It is an honor to be before you today and on behalf of Acting Secretary Alphonso Jackson, I want to thank you for allowing the Department of Housing and Urban Development to appear before you this morning.

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 to affordable housing at all levels of government. Barriers such as inadequate building and rehab codes, overlapping permit and review processes, overly restrictive zoning codes and subdivision regs, and excessive fees, just to name some, can add up to 35% to the cost of a home.

When I say “affordable homes”, I mean decent and attractive single family or multi family homes that help bring economic stability to communities and that hard working families can afford to live in. And when I say “all levels of government” I am including 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

(YOU) (STATES AND LOCAL GOVERNMENTS) TO

EXAMINE (YOUR) (THEIR) OWN LAWS AND

REGULATIONS TO DETERMINE WHICH ONES

CREATE REGULATORY BARRIERS AND THEN

TAKE THE APPROPRIATE CORRECTIVE

**COURSE OF ACTION THAT IS TAILORED TO
(YOUR) (THEIR) COMMUNITY.**

We recognize that what might work in Orange County, Florida may not work or be suited for Orange County, California. What might work in a large urban county may not be suited for a small farming county.

Let me assure you that HUD is not asking (YOU) (states, counties or cities) to do anything that 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 it would create a regulatory barrier. If it does, the issue will be addressed.

We 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 back when I was representing counties and other local governments.

We have already requested that key offices within HUD 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 a local government awards program that will recognize communities for achieving significant results in the reduction of regulatory barriers.

We are updating for the first time the 13 year old Kemp Commission Report, and hosting a national regulatory barrier research conference in April. The purpose of this conference is to bring together panels of experts to help us determine the type of studies that are needed over the next

few years that will help provide support for everyone to address this important issue.

We will be partnering with other organizations and provide forums for communication between communities, non-profits and other key interest groups.

We have established a web page at HUD.GOV/affordable Communities, which also provides a link to our Regulatory Barrier Clearinghouse web site which last month had 10,000 hits. This web-based forum provides opportunities for communities and others from around the country to exchange news, ordinances, concepts and programs on how to reduce regulatory barriers.

We have prepared, and within the next few days, will be mailing out a brochure to all states and local governments that describe the common barriers and solutions thereto. And -- it will encourage the conducting of public workshops on reducing regulatory barriers.

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 questions 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.

We have allocated 1.5 million dollars in this year's budget for 6 separate studies and will be conducting four in-house roundtables this year. The purpose of the roundtable is to bring in experts in the field to present views and issues to HUD staff to help them focus on the task at hand.

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

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 and at the same time help others come to realize that advantages of decent and attractive housing that hard working families, and those that serve our communities, can afford to own or rent. Thank you and May God Bless each of you for what you do in serving the needs of others and of your communities.

Thank you