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The NAHRO Community Revitalization & Development Committee has been carefully examining the tools in the CR&D toolbox. As philosopher Marshall McLuhan wisely noted: "We shape our tools, and thereafter our tools shape us." As HUD begins to lay out more information shaping the new "Choice Neighborhoods Initiative," significant questions have arisen regarding whether this will be a useful tool in advancing the transformation of neighborhoods across the country as effectively as the progress achieved through the HOPE VI program, and whether or not the program will be useful in replacing concentrations of distressed public housing with new mixed-income communities of choice.

Similarly the Housing Trust Fund is poised to offer new opportunities for the production of affordable housing, but the funding commitment is questionable. If this truly provides new resources for development and is not carved out from existing programs, it has the potential for encouraging affordable housing development and leveraging additional private investment.

The Community Development Block Grant Program has most certainly proven itself as one of the most flexible and valuable tools in many community's toolboxes over the past 36 years. Although the President recognizes its' importance and has pledged "full funding," there is disagreement as to what level of funding is called for. The administration has proposed \$3.99 Billion for 2011 formula grants, while the program was funded at \$4.4 Billion in 2001. Set-aside programs have also eroded the effective use of CDBG funding by making fewer resources available through formula funding for communities to use.

NAHRO's CR&D Committee has focused attention on the continuing concern that as community development and housing program guidelines are crafted, they should be established with sensitivity to addressing rural and ex-urban needs as well as the needs of urban areas. NAHRO hopes to collaborate with HUD and other organizations such as the National Association of Counties and the National League of Cities to ensure such flexibility as programs are shaped.

Another important community development tool which needs some sharpening is the Low Income Housing Tax Credit program, which became very difficult to use as economic conditions took a significant turn in the last two years and investors became hard to find. The CR&D Committee advocates the extension of federal exchange programs which are designed to move stalled development efforts forward, and the committee is exploring the idea of seeking higher individual investor limits which would promote greater private investment and stimulate the market for tax credits.

As we examine the tools in our toolbox, it is important for us to constantly consider which tools are most effective for us, which ones need sharpening, and which tools are missing or need to be re-shaped. If you'd like to participate on a regional CR&D Committee or would like to share your thoughts, please contact me at [rball@duluthhousing.com](mailto:rball@duluthhousing.com).