

whether a proposed public policy affects housing affordability and describe the jurisdiction's strategy to remove or ameliorate negative effects, if any, of such policies (*see* 24 CFR 91.210(e) and 24 CFR 91.310(d)). Congress, in Title XII of the 1992 Housing and Community Development Act, reiterated its interest in this important subject by authorizing grants for regulatory barrier removal and established a Regulatory Barriers Clearinghouse (*see* <http://www.regbarriers.org>). In the American Homeownership Act of 2000, Congress reauthorized the Clearinghouse and simplified procedures for a barrier removal grant program.

II. HUD's Incentive Proposal

Because of the now widely recognized impact that excessive or exclusionary policies and processes have had upon the costs of low-, moderate-, and middle-income housing programs and upon overall housing supply and costs, the importance of reducing costs in HUD-assisted housing, the 13-year Congressional recognition of this issue, and the Department's overall commitment to increasing the supply of new and rehabilitated affordable housing, HUD proposes to undertake actions and efforts that provide incentives to governments and their constituents to work to remove regulatory barriers to affordable housing. This notice advises of one proposal and seeks ideas for other mechanisms to encourage this priority. HUD is considering including in the list of policy priorities for its NOFAs, commencing in FY2004, a policy priority for the removal of regulatory barriers.

The inclusion of regulatory barrier removal as a policy priority in HUD NOFAs would be designed to provide support and encouragement to applicants, including applicants that are non-governmental, to (1) directly undertake activities that will remove barriers to affordable housing within their communities or support such undertaking by units of government and others, (2) streamline local governmental processes and procedures or support such undertaking, and (3) eliminate redundant or excessive requirements, or statutes, regulations, and codes which impede the development or availability of affordable housing, or support such undertaking.

This policy priority also relates to HUD's Strategic Goals for (1) "Increasing Homeownership Opportunities" by making the home buying process less complicated and

less expensive, and (2) "Promoting Decent Affordable Housing" by expanding access to affordable housing by making it more readily available in the community. The inclusion of this policy priority in HUD NOFAs would be in addition to policy priorities, which are currently included in HUD's NOFAs and which reflect the mission and strategic goals of the Department. Advance notice of the proposed addition of this policy priority is appropriate because HUD wants to initiate, in advance of its FY2004 funding round, discussion among state and local governments and their constituents (particularly those that are applicants for HUD funding) regarding local efforts that have been taken to remove regulatory barriers to affordable housing. Press coverage of affordable housing has confirmed the importance of this issue throughout the nation. Increasing the supply of affordable housing will be successful when all parties at the local level (governments, residents, housing providers, and nonprofit organizations) are involved and working together to support efforts to break down regulatory barriers to affordable housing. Partnerships are frequently formed between governments and nonprofit organizations for HUD funding, and this particular policy priority in NOFAs is directed to further promoting those partnerships, and promoting the communitywide efforts to remove barriers to affordable housing.

III. Programs Covered by the NOFA Incentive Proposal

The programs that HUD proposes to be subject to the questions, evaluation and rating system described in Section IV of this notice, may include, but not necessarily be limited to the HUD programs and initiatives listed in this Section III, which are those for which Congress generally appropriates funding on an annual basis and for which HUD generally issues a NOFA to make funding available. Programs may be added depending upon appropriations for FY2004 or administrative decision on the part of the Department, and programs may be removed from the list depending upon the Department's determination of the appropriateness of applying this policy priority to a particular program.

- Lead Hazard Control Program
- Healthy Homes Demonstration
- Youthbuild
- Rural Housing and Economic Development
- Continuum of Care
 - Supportive Housing Program (SHP)
 - Shelter Plus Care (S+C)
 - Section 8 Moderate Rehabilitation

SRO Program for Homeless Individuals

- Shelter Plus Care Renewals
- Housing Opportunities for Persons With AIDS (HOPWA)
- Section 202 Supportive Housing for the Elderly
- Section 811 Supportive Housing for Persons With Disabilities
- Assisted Living Conversion Program
- Resident Opportunities and Self-Sufficiency (ROSS) Program
- ROSS for Resident Service Delivery Models—Elderly
- ROSS for Resident Service Delivery Models—Family
- ROSS for Neighborhood Networks
- ROSS for Homeownership Supportive Services
- Service Coordinators in Multifamily Housing
- Community Outreach Partnership Centers
- Housing Counseling
- Lead Hazard Reduction Demonstration
- HUD Urban Scholars Fellowship Program
- Early Doctoral Student Research Grant Program
- Doctoral Dissertation Research Grant Program
- HOPE VI
- Brownfields Economic Development Initiative (BEDI)

For HUD's Self-Help Housing Opportunities Program (SHOP) and programs that may be similar to SHOP in which large national or regional organizations distribute HUD funds on a competitive basis among organizations to facilitate the funded-programs' eligible activities, the larger organizations will implement the policy priority through their funding availability documents. That is, the organizations competing for the HUD funds made available by the larger organizations will have the opportunity, through their application for funds, to claim the points made available for this policy priority.

The list of proposed programs that would be covered by this option reflects the Department's objective to apply this policy priority to as many HUD-funded programs as possible. As will be more fully discussed in the sections of this notice that follow the application of the policy priority is not directed only to state, local, and tribal governments involved in efforts to remove barriers to affordable housing, but also to those organizations and individuals that reside in areas for which state, local, or tribal governments have undertaken such efforts. Successful efforts to remove regulatory barriers to affordable