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(Original Signature of Member)

111TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

\_\_\_\_\_  
IN THE HOUSE OF REPRESENTATIVES

Mr. PERLMUTTER introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To establish the Office of Sustainable Housing and Communities, to establish the Interagency Council on Sustainable Communities, to establish a comprehensive planning grant program, to establish a sustainability challenge grant program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Livable Communities Act of 2010”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Office of Sustainable Housing and Communities.
- Sec. 4. Interagency Council on Sustainable Communities.
- Sec. 5. Comprehensive planning grant program.
- Sec. 6. Sustainability challenge grant program.

3 **SEC. 2. DEFINITIONS.**

4 In this Act, the following definitions shall apply:

5 (1) AFFORDABLE HOUSING.—The term “afford-  
6 able housing” means housing, the cost of which does  
7 not exceed 30 percent of the income of a family.

8 (2) CENSUS TRACT.—The term “census tract”  
9 means a small, relatively permanent statistical sub-  
10 division of a county, delineated by a local committee  
11 of census data users for the purpose of presenting  
12 data.

13 (3) CHAIRPERSON.—The term “Chairperson”  
14 means the Chairperson of the Interagency Council  
15 on Sustainable Communities.

16 (4) COMPLETE STREET.—The term “complete  
17 street” means a street that enables all travelers,  
18 particularly public transit users, bicyclists, pedes-  
19 trians (including individuals of all ages and individ-  
20 uals with disabilities), and motorists, to use the  
21 street safely and efficiently.

1           (5) COMPREHENSIVE REGIONAL PLAN.—The  
2           term “comprehensive regional plan” means a plan  
3           that—

4                   (A) identifies land use, transportation,  
5                   community development, housing, economic de-  
6                   velopment, environmental, energy, and infra-  
7                   structure needs and goals in a region;

8                   (B) provides strategies for meeting the  
9                   needs and goals described in subparagraph (A),  
10                  including strategies for—

11                           (i) providing affordable, energy-effi-  
12                           cient, and location-efficient housing choices  
13                           for people of all ages, incomes, races, and  
14                           ethnicities;

15                           (ii) reducing growth in vehicle miles  
16                           traveled, in order to reduce traffic conges-  
17                           tion and regional greenhouse gas emissions  
18                           from transportation;

19                           (iii) encouraging economic competi-  
20                           tiveness and economic development; and

21                           (iv) increasing the connectivity of the  
22                           region by increasing public transportation  
23                           ridership and improving access to trans-  
24                           portation alternatives; and

1 (C) prioritizes projects for funding and im-  
2 plementation.

3 (6) CONSORTIUM OF UNITS OF GENERAL LOCAL  
4 GOVERNMENTS.—The term “consortium of units of  
5 general local governments” means a consortium of  
6 geographically contiguous units of general local gov-  
7 ernment that the Secretary determines—

8 (A) represents all or part of a metropolitan  
9 statistical area or a micropolitan statistical  
10 area;

11 (B) has the authority under State or local  
12 law to carry out planning activities, including  
13 surveys, land use studies, environmental or pub-  
14 lic health analyses, and development of urban  
15 revitalization plans; and

16 (C) has provided documentation to the  
17 Secretary sufficient to demonstrate that the  
18 purpose of the consortium is to carry out a  
19 project using a grant awarded under this Act.

20 (7) COUNCIL.—The term “Council” means the  
21 Interagency Council on Sustainable Communities es-  
22 tablished under section 4.

23 (8) DEPARTMENT.—The term “Department”  
24 means the Department of Housing and Urban De-  
25 velopment.

1           (9) DIRECTOR.—The term “Director” means  
2           the Director of the Office of Sustainable Housing  
3           and Communities established under section 3.

4           (10) EXTREMELY LOW-INCOME FAMILY.—The  
5           term “extremely low-income family”—

6                   (A) means a family that has an income  
7                   that does not exceed—

8                           (i) 30 percent of the median income in  
9                           the area where the family lives, as deter-  
10                           mined by the Secretary, with appropriate  
11                           adjustments for the size of the family; or

12                           (ii) a percentage of the median income  
13                           in the area where the family lives, as deter-  
14                           mined by the Secretary upon a finding by  
15                           the Secretary that such percentage is nec-  
16                           essary due to unusually high or low family  
17                           incomes in the area where the family lives;  
18                           and

19                   (B) includes a family that includes a per-  
20                   son with special needs, including an elderly per-  
21                   son or a person with disabilities, as those terms  
22                   are defined in section 3(b) of the United States  
23                   Housing Act of 1937 (42 U.S.C. 1437a(b)).

24           (11) HIGH-POVERTY AREA.—The term “high-  
25           poverty area” means a census tract, or a group of

1 contiguous census tracts, that has a poverty rate of  
2 20 percent or more.

3 (12) LIVABLE COMMUNITY.—The term “livable  
4 community” means a metropolitan, urban, suburban,  
5 rural, or neighborhood community that—

6 (A) provides safe and reliable transpor-  
7 tation choices;

8 (B) provides affordable, energy-efficient,  
9 and location-efficient housing choices for people  
10 of all ages, incomes, races, and ethnicities;

11 (C) supports, revitalizes, and encourages  
12 the growth of existing communities and maxi-  
13 mizes the cost effectiveness of existing infra-  
14 structure;

15 (D) promotes economic development and  
16 economic competitiveness;

17 (E) preserves the environment and natural  
18 resources;

19 (F) protects agricultural land, rural land,  
20 and green spaces; and

21 (G) supports public health and improves  
22 the quality of life for residents of and workers  
23 in the community.

24 (13) LOCATION-EFFICIENT.—The term “loca-  
25 tion-efficient” characterizes development, housing, or

1 neighborhoods that integrate land use, mixed-use  
2 housing and commercial development, employment,  
3 and transportation—

4 (A) to enhance mobility;

5 (B) to encourage transit-oriented develop-  
6 ment;

7 (C) to encourage infill development and the  
8 use of existing infrastructure; and

9 (D) to reduce growth in vehicle miles trav-  
10 eled and the transportation costs and energy re-  
11 quirements associated with ownership or rental  
12 of a home.

13 (14) LOW-INCOME FAMILY.—The term “low-in-  
14 come family”—

15 (A) has the same meaning as in section  
16 3(b) of the United States Housing Act of 1937  
17 (42 U.S.C. 1437a(b)); and

18 (B) includes a low-income family with a  
19 person with special needs, including an elderly  
20 person or a person with disabilities, as those  
21 terms are defined section 3(b) of the United  
22 States Housing Act of 1937 (42 U.S.C.  
23 1437a(b)).

24 (15) METROPOLITAN PLANNING ORGANIZA-  
25 TION.—The term “metropolitan planning organiza-

1       tion” has the meaning given that term in section  
2       134(b) of title 23, United States Code, and section  
3       5303(b) of title 49, United States Code.

4           (16) METROPOLITAN STATISTICAL AREA.—The  
5       term “metropolitan statistical area” means a county  
6       or group of counties that—

7           (A) is designated by the Office of Manage-  
8       ment and Budget as a metropolitan statistical  
9       area; and

10          (B) has 1 or more large population centers  
11       with a population of not less than 50,000 and  
12       adjacent territory with a high level of integra-  
13       tion with the core.

14          (17) MICROPOLITAN STATISTICAL AREA.—The  
15       term “micropolitan statistical area” means a county  
16       or group of counties that—

17          (A) is designated by the Office of Manage-  
18       ment and Budget as a micropolitan statistical  
19       area; and

20          (B) has 1 or more large urban clusters  
21       with a population of not less than 10,000 and  
22       not more than 50,000.

23          (18) OFFICE.—The term “Office” means the  
24       Office of Sustainable Housing and Communities es-  
25       tablished under section 3.

1           (19) REGIONAL COUNCIL.—The term “regional  
2           council” means a multi-service regional organization  
3           with State and locally defined boundaries that is—

4                   (A) accountable to units of general local  
5           government;

6                   (B) delivers a variety of Federal, State,  
7           and local programs; and

8                   (C) performs planning functions and pro-  
9           vides professional and technical assistance.

10          (20) RURAL PLANNING ORGANIZATION.—The  
11          term “rural planning organization” means a vol-  
12          untary organization of local elected officials and rep-  
13          resentatives of local transportation systems that—

14                   (A) works in cooperation with the depart-  
15          ment of transportation (or equivalent entity) of  
16          a State to plan transportation networks and ad-  
17          vise officials of the State on transportation  
18          planning; and

19                   (B) is located in a rural area—

20                           (i) with a population of not less than  
21                           5,000; and

22                           (ii) that is not located in an area rep-  
23                           resented by a metropolitan planning orga-  
24                           nization.

1           (21) SECRETARY.—The term “Secretary”  
2 means the Secretary of Housing and Urban Develop-  
3 ment.

4           (22) STATE.—The term “State” means the sev-  
5 eral States, the District of Columbia, Puerto Rico,  
6 Guam, the Northern Mariana Islands, the Virgin Is-  
7 lands, American Samoa, and the Trust Territory of  
8 the Pacific Islands.

9           (23) SUSTAINABLE DEVELOPMENT.—The term  
10 “sustainable development” means a pattern of re-  
11 source use designed to create livable communities  
12 by—

13                   (A) providing a variety of safe and reliable  
14 transportation choices;

15                   (B) providing affordable, energy-efficient,  
16 and location-efficient housing choices for people  
17 of all income levels, ages, races, and ethnicities;

18                   (C) supporting, revitalizing, and encour-  
19 aging the growth of communities and maxi-  
20 mizing the cost effectiveness of existing infra-  
21 structure;

22                   (D) promoting economic development and  
23 economic competitiveness;

24                   (E) preserving the environment and nat-  
25 ural resources;

1 (F) protecting agricultural land, rural  
2 land, and green spaces; and

3 (G) supporting public health and improv-  
4 ing the quality of life for residents of and work-  
5 ers in a community.

6 (24) TRANSIT-ORIENTED DEVELOPMENT.—The  
7 term “transit-oriented development” means high-  
8 density, walkable, mixed-use development (including  
9 commercial development, affordable housing, and  
10 market-rate housing) that is within walking distance  
11 of and accessible to 1 or more public transportation  
12 facilities.

13 (25) UNIT OF GENERAL LOCAL GOVERN-  
14 MENT.—The term “unit of general local govern-  
15 ment” means—

16 (A) a city, county, town, township, parish,  
17 village, or other general purpose political sub-  
18 division of a State; or

19 (B) a combination of general purpose polit-  
20 ical subdivisions, as determined by the Sec-  
21 retary.

22 (26) UNIT OF SPECIAL PURPOSE LOCAL GOV-  
23 ERNMENT.—The term “unit of special purpose local  
24 government”—

1 (A) means a division of a unit of general  
2 purpose government that serves a special pur-  
3 pose and does not provide a broad array of  
4 services; and

5 (B) includes an entity such as a school dis-  
6 trict, a housing agency, a transit agency, and a  
7 parks and recreation district.

8 (27) VERY LOW-INCOME FAMILY.—The term  
9 “very low-income family”—

10 (A) has the same meaning as in section  
11 3(b) of the United States Housing Act of 1937  
12 (42 U.S.C. 1437a(b)); and

13 (B) includes a very low-income family with  
14 a person with special needs, including an elderly  
15 person or a person with disabilities, as those  
16 terms are defined section 3(b) of the United  
17 States Housing Act of 1937 (42 U.S.C.  
18 1437a(b)).

19 (28) WORKFORCE HOUSING.—The term “work-  
20 force housing” means housing, the cost of which  
21 does not exceed 30 percent of—

22 (A) 120 percent of the median income in  
23 the area where the family lives, as determined  
24 by the Secretary, with appropriate adjustments  
25 for the size of family; or

1 (B) a percentage, as determined by the  
2 Secretary, of the median income in the area  
3 where the family lives, upon a finding by the  
4 Secretary that such percentage is necessary due  
5 to unusually high or low family incomes in the  
6 area where the family lives.

7 **SEC. 3. OFFICE OF SUSTAINABLE HOUSING AND COMMU-**  
8 **NITIES.**

9 (a) OFFICE ESTABLISHED.—There is established in  
10 the Department an Office of Sustainable Housing and  
11 Communities, which shall—

12 (1) coordinate Federal policies and initiatives  
13 that foster livable communities, including—

14 (A) encouraging sustainable development  
15 at the State, regional, and local levels;

16 (B) encouraging the development of com-  
17 prehensive regional plans;

18 (C) fostering energy-efficient communities  
19 and housing;

20 (D) providing affordable, location-efficient  
21 housing choices for people of all ages, incomes,  
22 races, and ethnicities, particularly for low-, very  
23 low-, and extremely low-income families; and

1           (E) working with the Federal Transit Ad-  
2           ministration of the Department of Transpor-  
3           tation to—

4                 (i) encourage transit-oriented develop-  
5                 ment; and

6                 (ii) coordinate Federal housing, com-  
7                 munity development, and transportation  
8                 policies;

9           (2) conduct research and advise the Secretary  
10           on the research agenda of the Department relating  
11           to sustainable development;

12                 (3) provide administrative support for participa-  
13                 tion by the Secretary in the activities of the Council;

14                 (4) implement and oversee the grant programs  
15                 established under this Act by—

16                         (A) developing grant applications for each  
17                         grant program;

18                         (B) promulgating regulations relating to  
19                         each grant program;

20                         (C) selecting recipients of grants under  
21                         each grant program;

22                         (D) creating performance measures for re-  
23                         cipients of grants under each grant program;

24                         (E) developing technical assistance and  
25                         other guidance to assist recipients of grants and

1 potential applicants for grants under each grant  
2 program;

3 (F) monitoring and evaluating the per-  
4 formance of recipients of grants under each  
5 grant program; and

6 (G) carrying out such other activities relat-  
7 ing to the administration of the grant programs  
8 under this Act as the Secretary determines are  
9 necessary;

10 (5) provide guidance, information on best prac-  
11 tices, and technical assistance to communities seek-  
12 ing to adopt sustainable development policies and  
13 practices;

14 (6) provide guidance and technical assistance to  
15 communities seeking to prepare applications for the  
16 comprehensive planning grant program under sec-  
17 tion 5;

18 (7) administer initiatives of the Department re-  
19 lating to the policies described in paragraph (1), as  
20 determined by the Secretary; and

21 (8) coordinate with and conduct outreach to  
22 other Federal agencies, including the Federal Tran-  
23 sit Administration of the Department of Transpor-  
24 tation and the Office of Smart Growth of the Envi-

1       ronmental Protection Agency, on sustainability  
2       issues.

3       (b) DIRECTOR.—The head of the Office shall be the  
4 Director of the Office of Sustainable Housing and Com-  
5 munities.

6       (c) DUTIES RELATING TO GRANT PROGRAMS.—

7           (1) IN GENERAL.—The Director, in coordina-  
8 tion with the Council or a working group established  
9 by the Council under section 4(b)(6), shall carry out  
10 the grant programs established under this Act.

11          (2) INTERIM WORKING GROUP.—During the pe-  
12 riod between the date of enactment of this Act and  
13 the date on which a memorandum of understanding  
14 is signed under section 4(a)(7), in carrying out the  
15 grant programs under this Act, the Secretary shall  
16 consult with an interim working group that includes  
17 the Secretary of Transportation, the Administrator  
18 of the Environmental Protection Agency (or the des-  
19 ignee of such Secretary or Administrator), and rep-  
20 resentatives from such other Federal agencies, de-  
21 partments, or offices, as the President may deter-  
22 mine.

23          (3) TECHNICAL ASSISTANCE FOR GRANT RE-  
24 CIPIENTS AND APPLICANTS.—The Director may—

1 (A) coordinate with the members of the  
2 Council to establish interagency and multidisci-  
3 plinary teams to provide technical assistance to  
4 recipients of and prospective applicants for  
5 grants under this Act;

6 (B) make contracts with third parties to  
7 provide technical assistance to grant recipients  
8 and prospective applicants for grants; and

9 (C) establish a technical assistance pro-  
10 gram for prospective applicants, particularly  
11 prospective applicants from smaller commu-  
12 nities, preparing to apply for grants under sec-  
13 tion 5.

14 (d) REPORT ON HOUSING LOCATION AFFORDABILITY  
15 INDEX.—

16 (1) STUDY.—The Director shall conduct a  
17 study on—

18 (A) the development of a housing location  
19 affordability index that includes housing and  
20 transportation costs; and

21 (B) ways in which the affordability index  
22 described in subparagraph (A) could be made  
23 available to the public to inform consumers of  
24 the combined costs of housing and transpor-  
25 tation.

1           (2) REPORT.—Not later than 1 year after the  
2           date of enactment of this Act, the Director shall  
3           submit to the Committee on Banking, Housing, and  
4           Urban Affairs of the Senate and the Committee on  
5           Financial Services of the House of Representatives  
6           a report on the study under paragraph (1).

7           (e) REPORT ON INCENTIVES FOR ENERGY-EFFI-  
8           CIENT MORTGAGES AND LOCATION-EFFICIENT MORT-  
9           GAGES.—

10           (1) DEFINITIONS.—In this subsection—

11                   (A) the term “energy-efficient mortgage”  
12                   means a mortgage loan under which the income  
13                   of the borrower, for purposes of qualification  
14                   for such loan, is considered to be increased by  
15                   not less than \$1 for each \$1 of savings pro-  
16                   jected to be realized by the borrower as a result  
17                   of cost-effective energy-saving design, construc-  
18                   tion, or improvements (including use of renew-  
19                   able energy sources, such as solar, geothermal,  
20                   biomass, and wind, super-insulation, energy-  
21                   saving windows, insulating glass and film, and  
22                   radiant barrier) for the home for which the loan  
23                   is made; and

24                   (B) the term “location-efficient mortgage”  
25                   means a mortgage loan under which—

1 (i) the income of the borrower, for  
2 purposes of qualification for such loan, is  
3 considered to be increased by not less than  
4 \$1 for each \$1 of savings projected to be  
5 realized by the borrower because the loca-  
6 tion of the home for which the loan is  
7 made will result in decreased transpor-  
8 tation costs for the household of the bor-  
9 rower; or

10 (ii) the sum of the principal, interest,  
11 taxes, and insurance due under the mort-  
12 gage loan is decreased by not less than \$1  
13 for each \$1 of savings projected to be real-  
14 ized by the borrower because the location  
15 of the home for which the loan is made will  
16 result in decreased transportation costs for  
17 the household of the borrower.

18 (2) STUDY.—

19 (A) IN GENERAL.—The Director shall con-  
20 duct a study on incentives for encouraging lend-  
21 ers to make, and homebuyers and homeowners  
22 to participate in, energy-efficient mortgages and  
23 location-efficient mortgages, including—

24 (i) fee reductions;

25 (ii) fee waivers;

- 1 (iii) interest rate reductions; and  
2 (iv) adjustment of mortgage qualifica-  
3 tions.

4 (B) CONSIDERATIONS.—In studying the  
5 incentives under subparagraph (A), the Sec-  
6 retary shall consider the potential for lower risk  
7 of default on energy-efficient mortgages and lo-  
8 cation-efficient mortgages in comparison to  
9 mortgages that are not energy-efficient or loca-  
10 tion-efficient.

11 (3) REPORT.—Not later than 1 year after the  
12 date of enactment of this Act, the Director shall  
13 submit to the Committee on Banking, Housing, and  
14 Urban Affairs of the Senate and the Committee on  
15 Financial Services of the House of Representatives  
16 a report on the study under paragraph (2).

17 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
18 are authorized to be appropriated to the Secretary such  
19 sums as may be necessary to carry out this section.

20 **SEC. 4. INTERAGENCY COUNCIL ON SUSTAINABLE COMMU-**  
21 **NITIES.**

22 (a) ESTABLISHMENT OF COUNCIL.—

23 (1) ESTABLISHMENT.—There is established in  
24 the executive branch an independent entity to be

1 known as the Interagency Council on Sustainable  
2 Communities.

3 (2) MEMBERS.—

4 (A) IN GENERAL.—The members of the  
5 Council are—

6 (i) the Secretary, the Secretary of  
7 Transportation, and the Administrator of  
8 the Environmental Protection Agency; and

9 (ii) such representatives from other  
10 Federal agencies, departments, or offices  
11 in the executive branch as the President  
12 may prescribe.

13 (B) DESIGNEES.—

14 (i) IN GENERAL.—The head of a Fed-  
15 eral agency described in subparagraph (A)  
16 may select a designee to serve in the place  
17 of the head of the Federal agency on the  
18 Council.

19 (ii) QUALIFICATIONS.—The head of a  
20 Federal agency that selects a designee  
21 under clause (i) shall ensure that the des-  
22 ignee has the appropriate experience and  
23 authority to serve on the Council.

24 (C) PAY.—The members of the Council  
25 shall serve with no additional pay.

1 (3) CHAIRPERSON.—

2 (A) CHAIRPERSON.—The Chairperson of  
3 the Council shall be, in successive terms—

4 (i) the Secretary;

5 (ii) the Secretary of Transportation;

6 and

7 (iii) the Administrator of the Environ-  
8 mental Protection Agency.

9 (B) DUTIES.—The Chairperson shall—

10 (i) set the time, date, and location of  
11 each meeting of the Council; and

12 (ii) in consultation with the members  
13 of the Council, set the agenda for each  
14 meeting of the Council.

15 (C) TERM.—The Chairperson shall serve  
16 for a term of 1 year.

17 (D) FIRST CHAIRPERSON.—The Secretary  
18 shall be the first individual to serve as Chair-  
19 person after the date of enactment of this Act.

20 (4) EXECUTIVE DIRECTOR AND STAFF.—

21 (A) EXECUTIVE DIRECTOR.—

22 (i) APPOINTMENT AND COMPENSA-  
23 TION.—The Council shall appoint an Exec-  
24 utive Director, who shall be compensated  
25 at a rate not to exceed the rate of basic

1 pay for level V of the Executive Schedule  
2 under section 5316 of title 5, United  
3 States Code.

4 (ii) SENSE OF CONGRESS.—It is the  
5 sense of Congress that the Council should  
6 appoint an Executive Director not later  
7 than 90 days after the date of enactment  
8 of this Act.

9 (B) ADDITIONAL PERSONNEL.—With the  
10 approval of the Council, the Executive Director  
11 of the Council may appoint and fix the com-  
12 pensation of such additional personnel as the  
13 Executive Director determines are necessary to  
14 carry out the duties of the Council.

15 (C) DETAILEES FROM OTHER AGENCIES.—  
16 Upon request of the Council, the head of any  
17 Federal agency may detail any of the personnel  
18 of such agency to the Council to assist the  
19 Council in carrying out its duties under this  
20 section.

21 (D) EXPERTS AND CONSULTANTS.—With  
22 the approval of the Council, the Executive Di-  
23 rector of the Council may procure temporary  
24 and intermittent services pursuant to section  
25 3109(b) of title 5, United States Code.

1           (5) CONSULTATION WITH ADDITIONAL SECRE-  
2           TARIES AND ADMINISTRATORS.—

3           (A) CONSULTATION.—In carrying out its  
4           duties under this section, the Council may con-  
5           sult with the heads of departments, agencies,  
6           and offices in the executive branch, including  
7           the Secretary of Energy, the Secretary of Edu-  
8           cation, the Secretary of Agriculture, the Sec-  
9           retary of Health and Human Services, the Sec-  
10          retary of Commerce, the Chairman of the Coun-  
11          cil on Environmental Quality, and the Director  
12          of the White House Office of Urban Affairs.

13          (B) PARTICIPATION IN MEETINGS OF  
14          COUNCIL.—The head of a department, agency,  
15          or office with whom the Council consults under  
16          subparagraph (A) may participate in a meeting  
17          of the Council.

18          (C) INFORMATION SHARING.—The head of  
19          each Federal agency shall make available to the  
20          Council such information as may be necessary  
21          for the Council to carry out its duties under  
22          this section.

23          (6) MEETINGS.—The Council shall meet—

24                 (A) not later than 90 days after the date  
25                 of enactment of this Act; and

1 (B) not less frequently than 3 times each  
2 year.

3 (7) GOVERNANCE.—Not later than 120 days  
4 after the date of enactment of this Act, the members  
5 of the Council shall develop and sign a memorandum  
6 of understanding that establishes rules relating to  
7 the governance of the Council, including rules relat-  
8 ing to the process by which decisions of the Council  
9 are made.

10 (8) INCORPORATION OF WORK OF INTERIM  
11 WORKING GROUP.—Any activities carried out by an  
12 interim working group pursuant to section 3(c)(2)  
13 shall be incorporated into the activities of the Coun-  
14 cil, effective on the date the memorandum of under-  
15 standing under paragraph (7) is signed.

16 (b) DUTIES OF THE COUNCIL.—The Council shall—

17 (1) ensure interagency coordination of Federal  
18 policy on sustainable development;

19 (2) conduct outreach to nonprofit and for-profit  
20 organizations and State and local governments to  
21 build partnerships and knowledge relating to sus-  
22 tainable development;

23 (3) ensure that the research agendas of depart-  
24 ments and agencies of the Federal Government on  
25 sustainable development are coordinated;

1           (4) establish a clearinghouse for guidance, best  
2 practices, and other information for communities un-  
3 dertaking activities relating to sustainable develop-  
4 ment;

5           (5) coordinate an assessment by departments  
6 and agencies of the Federal Government of impedi-  
7 ments to sustainable development, including impedi-  
8 ments created by Federal programs, and the devel-  
9 opment of recommendations for methods for over-  
10 coming such impediments; and

11          (6) coordinate with the Director on activities re-  
12 lating to the grant programs established under this  
13 Act, as described in section 3(a)(4), or establish a  
14 working group to coordinate with the Director on  
15 such activities.

16 (c) REPORTS.—

17          (1) ANNUAL REPORT.—Not later than 1 year  
18 after the date of enactment of this Act, and annually  
19 thereafter, the Council shall submit to the Com-  
20 mittee on Banking, Housing, and Urban Affairs of  
21 the Senate and the Committee on Financial Services  
22 of the House of Representatives a report on the ac-  
23 tivities and accomplishments of the Council.

24          (2) RECOMMENDATIONS.—Not later than 1  
25 year after the date of enactment of this Act, the

1 Council shall submit to the Committee on Banking,  
2 Housing, and Urban Affairs of the Senate and the  
3 Committee on Financial Services of the House of  
4 Representatives a report that contains—

5 (A) an analysis of impediments to sustain-  
6 able development; and

7 (B) recommendations for action by the  
8 Federal Government on issues relating to sus-  
9 tainable development.

10 (d) STUDY OF FEDERAL ACTIONS.—Not later than  
11 3 years after the date of enactment of this Act, the Comp-  
12 troller General shall submit to the Committee on Banking,  
13 Housing, and Urban Affairs of the Senate and the Com-  
14 mittee on Financial Services of the House of Representa-  
15 tives a report that contains—

16 (1) an updated analysis of impediments to sus-  
17 tainable development, as described in subsection  
18 (c)(2)(A); and

19 (2) a description of actions taken by the Fed-  
20 eral Government to implement the recommendations  
21 made by the Council in the report under subsection  
22 (c)(2)(B).

23 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
24 are authorized to be appropriated such sums as may be  
25 necessary to carry out this section.

1 **SEC. 5. COMPREHENSIVE PLANNING GRANT PROGRAM.**

2 (a) DEFINITIONS.—In this section—

3 (1) the term “eligible entity” means a partner-  
4 ship between a consortium of units of general local  
5 government and an eligible partner;

6 (2) the term “eligible partner” means—

7 (A) a metropolitan planning organization,  
8 a rural planning organization, or a regional  
9 council; or

10 (B) a metropolitan planning organization,  
11 a rural planning organization, or a regional  
12 council, and a State; and

13 (3) the term “grant program” means the com-  
14 prehensive planning grant program established  
15 under subsection (b).

16 (b) COMPREHENSIVE PLANNING GRANT PROGRAM  
17 ESTABLISHED.—The Director shall establish a com-  
18 prehensive planning grant program to make grants to eli-  
19 gible entities to carry out a project to—

20 (1) coordinate land use, housing, transpor-  
21 tation, and infrastructure planning processes across  
22 jurisdictions and agencies;

23 (2) identify potential regional partnerships for  
24 developing and implementing a comprehensive re-  
25 gional plan;

1           (3) conduct or update housing, infrastructure,  
2           transportation, energy, and environmental assess-  
3           ments to determine regional needs and promote sus-  
4           tainable development;

5           (4) develop or update—

6                 (A) a comprehensive regional plan; or

7                 (B) goals and strategies to implement an  
8           existing comprehensive regional plan; and

9           (5) implement local zoning and other code  
10          changes necessary to implement a comprehensive re-  
11          gional plan and promote sustainable development.

12          (c) GRANTS.—

13                 (1) AMOUNT OF GRANTS.—

14                         (A) MICROPOLITAN STATISTICAL AREAS  
15                         AND SMALL METROPOLITAN STATISTICAL  
16                         AREAS.—The amount awarded under the grant  
17                         program to an eligible entity that represents all  
18                         or part of a micropolitan area, or a metropoli-  
19                         tan statistical area with a population of not  
20                         more than 200,000, may not exceed \$750,000.

21                         (B) MID-SIZED METROPOLITAN STATIS-  
22                         TICAL AREAS.—The amount awarded under the  
23                         grant program to an eligible entity that rep-  
24                         resents all or part of a metropolitan statistical  
25                         area with a population of more than 200,000

1           and less than 500,000 may not exceed  
2           \$1,500,000.

3           (C) LARGE METROPOLITAN STATISTICAL  
4           AREAS.—The amount awarded under the grant  
5           program to an eligible entity that represents all  
6           or part of a metropolitan statistical area with a  
7           population of 500,000 or more may not exceed  
8           \$5,000,000.

9           (2) FEDERAL SHARE.—The Federal share of  
10          the cost of a project carried out using a grant under  
11          the grant program may not exceed 80 percent.

12          (3) AVAILABILITY OF FUNDS.—

13           (A) IN GENERAL.—An eligible entity that  
14           receives a grant under the grant program  
15           shall—

16           (i) obligate any funds received under  
17           the grant program not later than 3 years  
18           after the date on which the grant agree-  
19           ment under subsection (g) is made; and

20           (ii) expend any funds received under  
21           the grant program not later than 4 years  
22           after the date on which the grant agree-  
23           ment under subsection (g) is made.

24           (B) UNOBLIGATED AMOUNTS.—After the  
25          date described in subparagraph (A)(i), the Sec-

1           retary may award to another eligible entity, to  
2           carry out activities under this section, any  
3           amounts that an eligible entity has not obli-  
4           gated under subparagraph (A)(i).

5           (d) APPLICATION.—

6           (1) IN GENERAL.—An eligible entity that de-  
7           sires a grant under the grant program shall submit  
8           to the Director an application at such time and in  
9           such manner as the Director shall prescribe.

10          (2) CONTENTS.—Each application shall con-  
11          tain—

12                 (A) a description of the project proposed to  
13                 be carried out by the eligible entity;

14                 (B) a budget for the project that includes  
15                 the anticipated Federal share of the cost of the  
16                 project and a description of the source of the  
17                 non-Federal share;

18                 (C) a signed copy of a memorandum of un-  
19                 derstanding among local jurisdictions, includ-  
20                 ing, as appropriate, a State, units of general  
21                 purpose local government, units of special pur-  
22                 pose local government, metropolitan planning  
23                 organizations, rural planning organizations, and  
24                 regional councils that demonstrates—

1 (i) the creation of a consortium of  
2 units of general local government;

3 (ii) a commitment to develop a com-  
4 prehensive regional plan; and

5 (iii) a commitment to implement the  
6 plan after it is developed;

7 (D) a certification that the eligible entity  
8 has created, or will create not later than 1 year  
9 after the date of the grant award, a regional  
10 advisory board to provide input and feedback on  
11 the development of the comprehensive regional  
12 plan that includes, as appropriate, representa-  
13 tives of a State, the metropolitan planning or-  
14 ganization, the rural planning organization, the  
15 regional council, public transportation agencies,  
16 public housing agencies, economic development  
17 authorities, other local governments, environ-  
18 mental agencies, public health agencies, the  
19 nonprofit community, the private sector, com-  
20 munity-based organizations, citizen groups,  
21 neighborhood groups, and members of the pub-  
22 lic;

23 (E) a certification that the eligible entity  
24 has solicited public comment on the contents of

1 the project description under subparagraph (A)  
2 that includes—

3 (i) a certification that the eligible en-  
4 tity has held 1 or more public hearings;

5 (ii) a description of the process for re-  
6 ceiving public comment;

7 (iii) a summary of the comments re-  
8 ceived; and

9 (iv) such other information as the Di-  
10 rector may require;

11 (F) a description of how the eligible entity  
12 will carry out the activities under subsection (f);  
13 and

14 (G) such additional information as the Di-  
15 rector may require.

16 (e) SELECTION.—In evaluating an application for a  
17 grant under the grant program, the Director shall con-  
18 sider the extent to which the application—

19 (1) furthers the creation of livable communities;

20 (2) demonstrates the technical capacity of the  
21 eligible entity to carry out the project;

22 (3) demonstrates the extent to which the con-  
23 sortium has developed partnerships throughout an  
24 entire micropolitan or metropolitan statistical area,

1 including, as appropriate, partnerships with the enti-  
2 ties described in subsection (d)(2)(D);

3 (4) demonstrates a commitment to—

4 (A) sustainable development;

5 (B) location-efficient and transit-oriented  
6 development;

7 (C) developing new capacity for public  
8 transportation and increasing ridership on pub-  
9 lic transportation;

10 (D) providing affordable, energy-efficient,  
11 and location-efficient housing choices for fami-  
12 lies of all ages, incomes, races, and ethnicities;

13 (E) creating and preserving long-term af-  
14 fordable, energy-efficient, and location-efficient  
15 housing for low-, very low-, and extremely low-  
16 income families;

17 (F) revitalizing communities, neighbor-  
18 hoods and commercial centers supported by ex-  
19 isting infrastructure;

20 (G) monitoring and improving environ-  
21 mental quality, including air and water quality,  
22 energy use, greenhouse gas emissions, and the  
23 redevelopment of brownfields; and

1 (H) coordinating the provision of transpor-  
2 tation services to elderly, disabled, and low-in-  
3 come populations;

4 (5) demonstrates a plan for implementing a  
5 comprehensive regional plan through regional infra-  
6 structure investment plans and local land use plans;

7 (6) promotes diversity among the geographic re-  
8 gions and the sizes of the population of the commu-  
9 nities served by recipients of grants under this sec-  
10 tion;

11 (7) promotes economic benefits;

12 (8) demonstrates that a Federal grant is nec-  
13 essary to accomplish the project proposed to be car-  
14 ried out;

15 (9) has a high quality overall; and

16 (10) demonstrates such other qualities as the  
17 Director may determine.

18 (f) ELIGIBLE ACTIVITIES.—An eligible entity that re-  
19 ceives a grant under this section shall carry out a project  
20 that includes 1 or more of the following activities:

21 (1) Planning and coordinating across jurisdic-  
22 tions in the region to develop a comprehensive re-  
23 gional plan.

1           (2) Developing achievable goals and strategies  
2           for carrying out the comprehensive regional plan, in-  
3           cluding—

4                   (A) land use, zoning, and other code re-  
5                   form, including reform of conservation zoning  
6                   in agricultural and other natural resource  
7                   areas;

8                   (B) promoting efficient land use, mixed-  
9                   use development, and the preservation of agri-  
10                  cultural, green, and open space;

11                  (C) increasing access to and ridership on  
12                  public transportation;

13                  (D) the creation and preservation of work-  
14                  force housing and affordable housing for low-,  
15                  very low-, and extremely low-income families,  
16                  including housing with access to jobs and public  
17                  transportation;

18                  (E) promoting economic development and  
19                  transit-oriented development;

20                  (F) revitalizing communities; and

21                  (G) promoting environmental protection  
22                  and public health and reducing greenhouse gas  
23                  emissions.

24           (3) Developing a plan that outlines feasible  
25           steps for implementing the comprehensive regional

1 plan, including making interjurisdictional agree-  
2 ments that provide for cooperative and coordinated  
3 approaches to achieving the goals of the plan.

4 (4) Assessing projected regional population  
5 growth or loss and demographic changes.

6 (5) Assessing how the regional population  
7 growth or loss and demographic changes will impact  
8 the need for housing, community development, and  
9 transportation, including public transportation in the  
10 region.

11 (6) Assessing the accessibility of job centers  
12 within the region to public transportation facilities  
13 and housing.

14 (7) Assessing transportation options in the re-  
15 gion, including—

16 (A) public transportation options;

17 (B) options for people with low incomes,  
18 people living in high-poverty areas, elderly peo-  
19 ple, and people with disabilities; and

20 (C) any obstacles to providing access to lo-  
21 cations that offer employment opportunities.

22 (8) Developing techniques to inform decision  
23 makers on how growth of population and employ-  
24 ment, development patterns, and investments in

1 transportation infrastructure are likely to affect  
2 travel, congestion, air quality, and quality of life.

3 (9) Assessing the daily vehicle miles traveled in  
4 the region and opportunities for reducing the growth  
5 in daily vehicle miles traveled and traffic congestion.

6 (10) Assessing housing needs, including the  
7 need for workforce housing and affordable housing  
8 for low-, very low-, and extremely low-income fami-  
9 lies, and the availability of housing in the region to  
10 meet such needs.

11 (11) Assessing the need to create, preserve, and  
12 improve long-term affordable housing for low-, very  
13 low-, and extremely low-income families and families  
14 that utilize workforce housing in areas that—

15 (A) are undergoing redevelopment or car-  
16 rying out transit-oriented development; and

17 (B) have access to services including trans-  
18 portation (particularly public transportation),  
19 neighborhood commercial centers, and medical  
20 services.

21 (12) Assessing methods for lowering the com-  
22 bined cost of housing and transportation for families  
23 in the region, particularly for families that utilize  
24 workforce housing and for low-, very low-, and ex-  
25 tremely low-income families.

1           (13) Assessing existing infrastructure and in-  
2           frastructure needs in the region, including projected  
3           water needs and sources, the need for sewer infra-  
4           structure, and the existence of flood plains.

5           (14) Assessing local land use and zoning poli-  
6           cies and opportunities for revising or expanding such  
7           policies to implement a comprehensive regional plan.

8           (15) Assessing the opportunity to revitalize ex-  
9           isting communities, including infill development.

10          (16) Assessing environmental and public health  
11          needs in the region and potential strategies for re-  
12          ducing greenhouse gas emissions, improving air and  
13          water quality, and remediating brownfield sites.

14          (17) Assessing projected loss of agricultural  
15          and rural land and other green space in the region  
16          to development, and methods to minimize such loss.

17          (18) Evaluating any tools or resources that are  
18          available to address regional needs identified in an  
19          assessment under any of paragraphs (4) through (7)  
20          and (9) through (17) and to monitor progress in  
21          meeting such needs, including any existing sources  
22          of funding and any sources of funding that are lack-  
23          ing.

1           (19) Implementing land use, zoning, and other  
2           code reforms to promote location efficiency and sus-  
3           tainable development.

4           (20) Other activities consistent with the pur-  
5           poses of this Act, as determined by the Director.

6           (g) GRANT AGREEMENT.—Each eligible entity that  
7           receives a grant under this section shall agree to establish,  
8           in coordination with the Director, performance measures  
9           that must be met at the end of each year in which the  
10          eligible entity receives funds under the grant program.

11          (h) VIOLATION OF GRANT AGREEMENT.—If the Di-  
12          rector determines that an eligible entity has not met the  
13          performance measures established under subsection (g), is  
14          not making reasonable progress toward meeting such  
15          measures, or is otherwise in violation of the grant agree-  
16          ment, the Director may—

17                 (1) withhold financial assistance until the per-  
18                 formance measures are met; or

19                 (2) terminate the grant agreement.

20          (i) SUSTAINABILITY CHALLENGE GRANTS.—An eligi-  
21          ble entity that receives a grant under this section and has  
22          created a comprehensive regional plan may apply for a  
23          sustainability challenge grant under section 6.

24          (j) REPORTS REQUIRED.—

1           (1) ANNUAL REPORT.—Not later than 60 days  
2           after the end of the first year after the grant agree-  
3           ment is made under subsection (g), and each year  
4           thereafter, an eligible entity that receives a grant  
5           under this section shall submit to the Director a  
6           progress report that contains—

7                   (A) a description of any progress made to-  
8                   ward meeting the performance measures estab-  
9                   lished under subsection (g), including—

10                           (i) a description of any partnership  
11                           created across policy and governmental ju-  
12                           risdictions and a description of any task  
13                           force or multiagency group established by  
14                           the eligible entity at the regional level; and

15                           (ii) a description of—

16                                   (I) housing, land use, transpor-  
17                                   tation, public transportation, energy,  
18                                   infrastructure, and environmental  
19                                   needs in the region; or

20                                   (II) the obstacles encountered  
21                                   that prevented the eligible entity from  
22                                   completing a comprehensive evalua-  
23                                   tion of housing, land use, transpor-  
24                                   tation, public transportation, energy,  
25                                   infrastructure, and environmental

1 needs, and a date by which the eligible  
2 entity expects to complete the evalua-  
3 tion;

4 (B) a description of any planning goals for  
5 the region that address housing, transportation,  
6 public transportation, energy, infrastructure,  
7 and environmental needs;

8 (C) a description of—

9 (i) a strategy for meeting the goals  
10 described in subparagraph (B), including a  
11 discussion of potential transportation,  
12 housing, transit-oriented development, en-  
13 ergy, infrastructure, or environmental ac-  
14 tivities; or

15 (ii) the obstacles encountered that  
16 prevented the eligible entity from com-  
17 pleting a strategy for meeting the goals  
18 identified under clause (i) and a date by  
19 which the eligible entity expects to com-  
20 plete the strategy; and

21 (D) any other information the Director  
22 may require.

23 (2) FINAL REPORT.—Not later than 90 days  
24 after the date on which the grant agreement under  
25 subsection (g) expires, an eligible entity that receives

1 a grant under this section shall submit to the Direc-  
2 tor a final report that contains—

3 (A) a description of a comprehensive re-  
4 gional plan that includes specific projects that  
5 will help meet housing, transportation, energy,  
6 infrastructure, and environmental goals for the  
7 region;

8 (B) a detailed description of how the plan  
9 under subparagraph (A) meets the performance  
10 measures established under subsection (g);

11 (C) a plan for next steps to be taken by  
12 the eligible entity, including whether the eligible  
13 entity intends to apply for a sustainability chal-  
14 lenge grant under section 6; and

15 (D) any other information the Director  
16 may require.

17 (k) AUTHORIZATION OF APPROPRIATIONS.—

18 (1) AUTHORIZATION.—There are authorized to  
19 be appropriated to the Secretary for the award of  
20 grants under this section, \$100,000,000 for each of  
21 fiscal years 2011 through 2014, to remain available  
22 until expended.

23 (2) TECHNICAL ASSISTANCE.—The Director  
24 may use 2 percent of the amounts made available

1 under this subsection for a fiscal year for technical  
2 assistance under section 3(c)(3).

3 **SEC. 6. SUSTAINABILITY CHALLENGE GRANT PROGRAM.**

4 (a) DEFINITIONS.—In this section—

5 (1) the term “eligible entity” means a partner-  
6 ship between a consortium of units of general local  
7 government and an eligible partner;

8 (2) the term “eligible partner” means—

9 (A) a metropolitan planning organization,  
10 a rural planning organization, or a regional  
11 council; or

12 (B) a metropolitan planning organization,  
13 a rural planning organization, or a regional  
14 council, and a State; and

15 (3) the term “grant program” means the sus-  
16 tainability challenge grant program established  
17 under subsection (b).

18 (b) SUSTAINABILITY CHALLENGE GRANT PROGRAM  
19 ESTABLISHED.—The Director shall establish a sustain-  
20 ability challenge grant program to make grants to eligible  
21 entities to—

22 (1) promote integrated transportation, housing,  
23 energy, and economic development activities carried  
24 out across policy and governmental jurisdictions;

1           (2) promote sustainable and location-efficient  
2           development; and

3           (3) implement projects identified in a com-  
4           prehensive regional plan.

5           (c) GRANTS.—

6           (1) MICROPOLITAN STATISTICAL AREA OR  
7           SMALL METROPOLITAN STATISTICAL AREA.—The  
8           total amount awarded under this section to an eligi-  
9           ble entity that represents all or part of a  
10          micropolitan area, or a metropolitan area with a  
11          population of not more than 200,000, may not ex-  
12          ceed \$15,000,000.

13          (2) METROPOLITAN STATISTICAL AREAS BE-  
14          TWEEN 200,000 AND 500,000.—The total amount  
15          awarded under this section to an eligible entity that  
16          represents all or part of a metropolitan statistical  
17          area with a population of more than 200,000 and  
18          less than 500,000 may not exceed \$35,000,000.

19          (3) LARGE METROPOLITAN AREAS.—The total  
20          amount awarded under this section to an eligible en-  
21          tity that represents all or part of a metropolitan  
22          area with a population of 500,000 may not exceed  
23          \$100,000,000.

1           (4) FEDERAL SHARE.—The Federal share of  
2           the cost of a project under this section may not ex-  
3           ceed 80 percent.

4           (5) AVAILABILITY OF FUNDS.—

5           (A) IN GENERAL.—An eligible entity that  
6           receives a grant under the grant program  
7           shall—

8                   (i) obligate any funds received under  
9                   the grant program not later than 3 years  
10                  after the date on which the grant agree-  
11                  ment under subsection (g) is made; and

12                   (ii) expend any funds received under  
13                   the grant program not later than 5 years  
14                   after the date on which the grant agree-  
15                   ment under subsection (g) is made.

16           (B) UNOBLIGATED AMOUNTS.—After the  
17           date described in subparagraph (A)(i), the Sec-  
18           retary may award to another eligible entity, to  
19           carry out activities under this section, any  
20           amounts that an eligible entity has not obli-  
21           gated under subparagraph (A)(i).

22           (d) APPLICATION.—An eligible entity that desires a  
23           grant under this section shall submit to the Director an  
24           application that contains—

1           (1) a copy of the comprehensive regional plan,  
2           whether developed as part of the comprehensive  
3           planning grant program under section 5 or devel-  
4           oped independently;

5           (2) a description of the project or projects pro-  
6           posed to be carried out using a grant under the  
7           grant program;

8           (3) a description of any preliminary actions  
9           that have been or must be taken at the local or re-  
10          gional level to implement the project or projects  
11          under paragraph (2), including the revision of land  
12          use or zoning policies;

13          (4) a signed copy of a memorandum of under-  
14          standing among local jurisdictions, including, as ap-  
15          propriate, a State, units of general purpose local  
16          government, units of special purpose local govern-  
17          ment, metropolitan planning organizations, rural  
18          planning organizations, and regional councils that  
19          demonstrates—

20                 (A) the creation of a consortium of units  
21                 of general local government; and

22                 (B) a commitment to implement the activi-  
23                 ties described in the comprehensive regional  
24                 plan;

1           (5) a certification that the eligible entity has so-  
2           solicited public comment on the contents of the project  
3           description under paragraph (2) that includes—

4                   (A) a certification that the eligible entity  
5           has held 1 or more public hearings;

6                   (B) a description of the process for receiv-  
7           ing public comment;

8                   (C) a summary of the comments received;  
9           and

10                  (D) such other information as the Director  
11           may require;

12           (6) a budget for the project that includes the  
13           Federal share of the cost of the project or projects  
14           requested and a description of the source of the non-  
15           Federal share; and

16           (7) such additional information as the Director  
17           may require.

18           (e) SELECTION.—In evaluating an application for a  
19           grant under the grant program, the Director shall con-  
20           sider the extent to which the application—

21                   (1) furthers the creation of livable communities;

22                   (2) demonstrates the technical capacity of the  
23           eligible entity to carry out the project;

24                   (3) demonstrates the extent to which the eligi-  
25           ble entity has developed partnerships throughout an

1 entire micropolitan or metropolitan statistical area,  
2 including partnerships with units of special purpose  
3 local government and public transportation agencies;

4 (4) demonstrates clear and meaningful inter-  
5 jurisdictional cooperation and coordination of hous-  
6 ing, transportation, and environmental policies and  
7 plans;

8 (5) demonstrates a commitment to imple-  
9 menting a comprehensive regional plan and docu-  
10 ments action taken or planned to implement the  
11 plan, including—

12 (A) rezoning or other changes to land use  
13 controls to enable mixed-use, mixed-income de-  
14 velopment;

15 (B) planned or proposed public transpor-  
16 tation investments, including—

17 (i) financial contributions for capital  
18 and operating costs of public transpor-  
19 tation;

20 (ii) improvements for bicycle riders  
21 and pedestrians;

22 (iii) action taken to increase the num-  
23 ber of trips made using public transpor-  
24 tation and bicycles and by walking; and

1 (iv) special efforts to address the  
2 needs of elderly, disabled, and low-income  
3 populations, including populations in rural  
4 areas;

5 (C) investment in and actions relating to  
6 plans or proposals for incentives, subsidies, or  
7 requirements for developers to create and pre-  
8 serve affordable housing, including—

9 (i) workforce housing and affordable  
10 housing for low-income families, particu-  
11 larly housing in mixed-income, location-ef-  
12 ficient neighborhoods with transit-oriented  
13 development and access to public transpor-  
14 tation, employment, and commercial and  
15 other services; and

16 (ii) affordable housing for very low-  
17 and extremely low-income families, particu-  
18 larly housing in mixed-income, location-ef-  
19 ficient neighborhoods with transit-oriented  
20 development;

21 (D) actions taken to promote transit-ori-  
22 ented development, including plans or proposals  
23 for zoning, or for incentives, subsidies, or re-  
24 quirements for developers; and

1           (E) planned or proposed incentives, sub-  
2           sidies, or requirements designed to preserve ag-  
3           ricultural and rural land and other green space,  
4           including planned or proposed programs for the  
5           purchase of development rights;

6           (6) minimizes the Federal share necessary to  
7           carry out the project;

8           (7) identifies original and innovative ideas to  
9           overcoming regional problems, including local land  
10          use and zoning (or other code) obstacles to carrying  
11          out the comprehensive regional plan;

12          (8) promotes location-efficient development  
13          through—

14                (A) mixed-income, mixed-use residential  
15                and commercial development that is accessible  
16                to jobs and public transportation; or

17                (B) development that is pedestrian-friendly  
18                and includes complete street projects;

19          (9) promotes diversity among the geographic re-  
20          gions and the sizes of the population of the commu-  
21          nities served by recipients of grants under this sec-  
22          tion;

23          (10) demonstrates that a Federal grant is nec-  
24          essary to accomplish the project or projects proposed  
25          to be carried out;

1 (11) has a high quality overall; and

2 (12) demonstrates such other qualities as the  
3 Director may determine.

4 (f) GRANT ACTIVITIES.—

5 (1) PLANNING ACTIVITIES.—An eligible entity  
6 that receives a grant under the grant program may  
7 use not more than 10 percent of the grant for plan-  
8 ning activities.

9 (2) PROJECTS AND INVESTMENTS.—An eligible  
10 entity that receives a grant under the grant program  
11 shall carry out 1 or more projects that—

12 (A) are designed to achieve goals identified  
13 in a comprehensive regional plan; and

14 (B) promote livable communities through  
15 investment in—

16 (i) transit-oriented development;

17 (ii) transportation infrastructure and  
18 facilities, including public transportation,  
19 projects that improve access to public  
20 transportation, structured parking near  
21 public transportation, and complete street  
22 projects;

23 (iii) short-term operating funds to ini-  
24 tiate a demonstration of new public trans-  
25 portation services;

- 1 (iv) promotion of employer-based com-  
2 muter benefit programs to increase public  
3 transportation ridership;
- 4 (v) promotion of trip reduction pro-  
5 grams and the use of transportation alter-  
6 natives;
- 7 (vi) creating or preserving affordable  
8 housing for low-, very low-, and extremely  
9 low-income families in mixed-income,  
10 mixed-use neighborhoods with access to  
11 public transportation;
- 12 (vii) brownfield redevelopment, or  
13 other redevelopment of communities and  
14 commercial areas, including the main  
15 streets of small towns;
- 16 (viii) infrastructure maintenance and  
17 improvement initiatives that support re-  
18 gionally integrated planning and smart  
19 growth;
- 20 (ix) energy efficiency retrofit projects;
- 21 (x) land banking for transit-oriented  
22 development;
- 23 (xi) implementing land use, zoning,  
24 and other code reforms to promote loca-

1                   tion-efficient development and sustainable  
2                   development;

3                   (xii) other economic development that  
4                   is part of the comprehensive regional plan;  
5                   and

6                   (xiii) other activities consistent with  
7                   the purposes of this Act, as determined by  
8                   the Director.

9           (g) GRANT AGREEMENT.—Each eligible entity that  
10 receives a grant under this section shall agree to establish,  
11 in coordination with the Director, performance measures  
12 and reporting requirements that must be met at the end  
13 of each year in which the eligible entity receives funds  
14 under the grant program.

15           (h) VIOLATION OF GRANT AGREEMENT.—If the Di-  
16 rector determines that an eligible entity has not met the  
17 performance measures established under subsection (g), is  
18 not making reasonable progress toward meeting such  
19 measures, or is otherwise in violation of the grant agree-  
20 ment, the Director may—

21                   (1) withhold financial assistance until the per-  
22                   formance measures are met; or

23                   (2) terminate the grant agreement.

24           (i) REPORT ON THE SUSTAINABILITY CHALLENGE  
25 GRANT.—

1           (1) IN GENERAL.—Not later than 90 days after  
2           the date on which the grant agreement under sub-  
3           section (g) expires, an eligible entity that receives a  
4           grant under this section shall submit a final report  
5           on the project to the Council.

6           (2) CONTENTS OF REPORT.—The report shall  
7           include—

8                   (A) a detailed explanation of the activities  
9                   undertaken using the grant, including an expla-  
10                  nation of the completed project and how it  
11                  achieves specific transit-oriented, transpor-  
12                  tation, housing, or sustainable community goals  
13                  within the region;

14                  (B) a discussion of any obstacles encoun-  
15                  tered in the planning and implementation proc-  
16                  ess and how the eligible entity overcame the ob-  
17                  stacles;

18                  (C) an evaluation of the success of the  
19                  project using the performance standards and  
20                  measures established under subsection (g), in-  
21                  cluding an evaluation of the planning and im-  
22                  plementation process and how the project con-  
23                  tributes to carrying out the comprehensive re-  
24                  gional plan; and

1 (D) any other information the Director  
2 may require.

3 (3) INTERIM REPORT.—The Director may re-  
4 quire an eligible entity to submit an interim report,  
5 before the date on which the project for which the  
6 grant is awarded is completed.

7 (j) AUTHORIZATION OF APPROPRIATIONS.—

8 (1) AUTHORIZATION.—There are authorized to  
9 be appropriated to the Secretary for the award of  
10 grants under this section, to remain available until  
11 expended—

12 (A) \$750,000,000 for fiscal year 2012;

13 (B) \$1,250,000,000 for fiscal year 2013;

14 and

15 (C) \$1,750,000,000 for fiscal year 2014.

16 (2) TECHNICAL ASSISTANCE.—Of amounts  
17 made available under this subsection, the Director  
18 may use for technical assistance under section  
19 3(c)(3) an amount that does not exceed the lesser  
20 of—

21 (A) 0.5 percent of the amounts made avail-  
22 able under this subsection for a fiscal year; and

23 (B) \$2,000,000.