



Build Housing, Unlock Benefits and Services Act Section-by-Section

Sec. 1. Bill Title.

This Act may be cited as the “*Build Housing, Unlock Benefits and Services Act*” or the “*Build HUBS Act*.”

Sec. 2. Findings.

This section outlines the key findings in this legislation, including that the country is facing a housing affordability and availability crisis and that increased transit-oriented development (TOD) projects benefit communities.

Sec. 3. Extension and Improvements to TIFIA

- **Transportation Infrastructure and Finance Innovation Act (TIFIA) Extension.**
This section extends TIFIA through 2031. TIFIA provides credit assistance in the form of direct loans, loan guarantees, and standby lines of credit to finance projects of national or regional significance.
- **Attainable Housing Project Designation.**
This section creates an attainable housing project designation for projects that serve households with an income that is not more than 120% of area median income, **and** where the majority of the housing units are affordable to households with an income that is not more than 80% of area median income.
- **Improving Access to Financing.**
This section provides investment-grade rating relief for projects to qualify for funding with a sufficient demonstration of fiscal soundness and low risk of credit default that is not an investment grade rating through either:
 - A joint liability agreement between the project sponsor and a local or state entity with a strong credit rating, **or**
 - For projects under \$150 million, the Secretary may accept an alternative form of credit evaluation, **or**
 - A certification that the project is deemed credit worthy by an approved originator-servicer under the delegated lending model.
- **Definition of Transit-Oriented Development Project.**
 - This section clarifies the definition of a TOD project to better capture the wide range of transportation assets that can anchor TOD across communities of all sizes.
 - It defines a project as located with ½ mile walking distance of a fixed guideway transit facility, bus rapid transit facility, passenger rail station, or multimodal facility that (1) includes residential, commercial, public

infrastructure, or mixed-use, (2) incorporates private investment, and (3) demonstrates it will bring in new revenue, such as by boosting transit ridership, increasing lease payments, or generating more income than it costs to build or operate.

- **Coordination with Metropolitan Planning Organizations (MPOs).**

This section requires project sponsors to coordinate with the applicable MPO and show their project is clearly connected to, or aligns with, the plans already developed by the MPO and the state. Current law requires TIFIA projects to be listed on a Statewide Transportation Improvement Program or Transportation Improvement Program, this provision gives sponsors more flexibility by allowing them to demonstrate alignment in other ways.

- **Requirement for Attainable Housing Projects.**

This section requires that for attainable housing projects, at least 75% of the loan must be used to finance residential components of the project.

- **National Environmental Protection Act (NEPA) Relief.**

This section clarifies that NEPA does not apply to land acquired prior to applying for credit assistance, except where the land is majority owned by a public entity. Under current law, NEPA review is generally required before land acquisition. It also codifies two agency categorical exclusions: rehabilitation or conversion of an existing office building to residential or mixed use within substantially the same footprint and reconstruction or construction of a new commercial building primarily using land disturbed for transportation use.

- **Increased Maximum Loan Amount for Qualified Housing Projects.**

This section raises the maximum loan to 75% of project costs for projects that have a significant housing or attainable housing component, as determined by the Secretary, or a partnership with a transit agency, state, local government partner, or non-profit financing entity. Currently, the maximum loan is 49% of project costs.

- **Increasing Attainable Housing Projects.**

This section allows housing projects that meet the attainable housing designation to access lower interest loans at $\frac{1}{2}$ the Treasury rate. Currently, only rural projects qualify for a $\frac{1}{2}$ Treasury rate on loans.

- **Disclosure of Fees and Guidelines.**

This section requires the Secretary to develop and make publicly available a straightforward, scalable, and reasonable fee structure as well as guidance on eligibility requirements for projects.

- **Delegated Origination and Underwriting Model.**

This section amends underlying statute, shortening processing times and reducing administrative burdens by creating a model based on the HUD Multifamily Accelerated Processing system in which approved lenders handle origination,

underwriting, and servicing of credit assistance under DOT supervision and oversight. It also directs DOT and HUD to enter into an interagency agreement so DOT can utilize HUD's lender network and approval processes. A project that receives assistance under this model shall not be required to have an investment-grade credit rating, providing additional flexibility.

Sec. 4. Extension and Improvements to RRIF

- **Definition of Transit-Oriented Development Project.**

This section defines a TOD project as located with ½ mile walking distance of a fixed guideway transit facility, bus rapid transit facility, passenger rail station, or multimodal facility that (1) is serviced by a railroad (2) includes residential, commercial, public infrastructure, or mixed-use, (3) incorporates private investment, (4) demonstrates it will bring in new revenue for the rail station, facility, or service such as by boosting transit ridership, increasing lease payments, or generating more income than it costs to build or operate, and (5) for which the Secretary determines that an appropriate value of the project will be reinvested in the rail station or service.

- **Improving Access to Financing.**

This section creates additional methods for demonstrating creditworthiness through either:

- A joint liability agreement between the project sponsor and a local or state entity with a strong credit rating, **or**
- For projects under \$150 million, the Secretary may accept an alternative form of credit evaluation, **or**
- A certification that the project is deemed credit worthy by an approved originator-servicer under the delegated lending model.

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- **Attainable Housing Project Designation.**

This section creates an attainable housing project designation for projects that serve households with an income that is not more than 120% of area median income, and where the majority of the housing units are affordable to households with an income that is not more than 80% of area median income.

- **Disclosure of Fees and Guidelines.**
This section requires the Secretary to develop and make publicly available a straightforward, scalable, and reasonable fee structure as well as guidance on eligibility requirements for projects
- **Coordination with Metropolitan Planning Organizations (MPOs).**
This section requires project sponsors to coordinate with the applicable MPO and show their project is clearly connected to, or aligns with, the plans already developed by the MPO and the state. Current law requires RRIF projects to be listed on a Statewide Transportation Improvement Program or Transportation Improvement Program, this provision gives sponsors more flexibility by allowing them to demonstrate alignment in other ways.
- **National Environmental Protection Act (NEPA) Relief.**
This section clarifies that NEPA does not apply to land acquired prior to applying for credit assistance, except where the land is majority owned by a public entity. Under current law, NEPA review is generally required before land acquisition. It also codifies two agency categorical exclusions: rehabilitation or conversion of an existing office building to residential or mixed use within substantially the same footprint and reconstruction or construction of a new commercial building primarily using land disturbed for transportation use.
- **Railroad Rehabilitation and Financing (RRIF) Program Extension.**
This section extends RRIF through 2031. The RRIF program provides direct loans and loan guarantees to finance development of railroad infrastructure.

Savings Provision.

This section clarifies that nothing in this bill shall alter, supersede, or preempt any State or local zoning or land use law.