A BILL
To address the critical housing shortage, mitigate the social, economic, and environmental costs of homelessness, and promote sustainable land use.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Housing and Economic Rights Optimization (HERO) Act."

SEC. 2. PURPOSE.

The purpose of this Act is to address the critical housing shortage and mitigate the extensive social, economic, and environmental costs associated with homelessness by utilizing existing vacant housing units and implementing conditional taxation on undeveloped land. This comprehensive approach will provide immediate housing solutions, reduce government expenditures, promote sustainable land use, and uphold the ethical obligation to ensure every individual has access to safe and affordable housing.

SEC. 3. LEGISLATIVE FINDINGS.

Congress finds the following:

1. There are approximately 17 million vacant housing units in the United States, far exceeding the estimated 580,000 homeless individuals (Source: U.S. Census Bureau).
2. Homelessness is associated with significant economic and social costs, including $8.25 billion annually in healthcare expenditures for homeless individuals (Source: National Health Care for the Homeless Council).
3. The federal government spends approximately $8 billion annually on emergency shelters, transitional housing, and welfare programs for the homeless (Source: HUD).
4. Homelessness leads to property damage, vandalism, and high maintenance costs for local governments, estimated at $125 million annually.
5. Veteran Homelessness: A significant portion of the homeless population are veterans who have served and sacrificed for the country. As of the latest reports,

there are an estimated 37,000 homeless veterans in the United States (Source: U.S. Department of Veterans Affairs). The nation has a moral obligation to provide adequate housing and support for those who have served.

6. Homeless Individuals with Disabilities: Many homeless individuals are disabled and face extraordinary challenges. This Act ensures coverage for fully disabled individuals enrolled in the disability program, as well as individuals who have difficulty obtaining or maintaining regular employment at a sustainable wage due to a documented physical, mental, or learning disability. The current US disability system imposes severe restrictions and difficulties, exacerbating their situation. Ensuring stable housing for disabled individuals is crucial to alleviating their hardship and enabling them to live with dignity.

SEC. 4. DEFINITIONS.

For the purposes of this Act, the following terms shall have the meanings specified:

1. "Vacant Housing Units": Residential properties that are unoccupied for a period of six months or more, excluding properties that are under active renovation or listed for sale or rent.
2. "Underutilized Residential Land": Land zoned for residential use that is not actively used or developed for residential purposes. This includes: a. Single-lot Properties: Large properties with substantial empty land that is not used for residential purposes, exempt if the property is the primary residence. b. Multiple-lot Properties: Groups of adjacent lots that could be developed but remain undeveloped.
3. "Primary Residence": A property that serves as the main home for the owner, where they reside for the majority of the year (at least six months and one day).
4. "Natural Reserve Status": A designation for land that is preserved for ecological, recreational, or natural enjoyment purposes, prohibiting future development. Land with this status is exempt from taxation as underutilized land.
5. "Historical Value": Properties recognized for their historical significance by state or federal historical registries and maintained in accordance with historical preservation standards.
6. "Homeless Individuals and Families": Persons lacking a fixed, regular, and adequate nighttime residence, including those residing in shelters, transitional housing, or places not meant for human habitation.

7. "Conditional Taxation": A tax imposed on undeveloped residential land in areas where housing needs exceed the available housing stock. This tax is contingent upon local housing assessments identifying a deficit in available housing.
8. "Market Rate": The average rental price for similar properties in the same geographic area, as determined by local real estate market analyses.
9. "Verified Property Damage": Damage to rental properties caused by tenants, substantiated through inspections and documentation, including photographic evidence and repair estimates.
10. "Tenant Compliance": Adherence by tenants to reasonable and legal requirements set forth by property management, including timely payment of rent, maintaining the property in good condition, and following community rules.
11. "Rehabilitation": The process of making vacant housing units safe and habitable, including repairs, updates to meet current building codes, and necessary improvements to ensure basic living standards.
12. "Housing Needs Assessment": A regular evaluation conducted to determine the availability of housing units relative to the demand for housing in a specific area, identifying regions with housing deficits.
13. "Public Safety Costs": Expenses related to law enforcement, emergency services, and public health interventions directly associated with homelessness.
14. "Ecological Damage": Environmental harm caused by homeless encampments, including pollution of parks, waterways, and public spaces, and the associated costs of cleanup and restoration.
15. "Government Expenditures on Grants and Welfare": Spending by federal, state, and local governments on emergency shelters, transitional housing, welfare programs, and other support services for homeless individuals and families.
16. "Healthcare Costs": Medical expenses incurred by homeless individuals, including emergency room visits, treatment for chronic conditions, and public health programs aimed at this population.
17. "Economic Productivity": The potential economic contributions of individuals if they are stably housed and able to participate fully in the workforce.
18. "Procedural Safeguards": Legal protections ensuring property owners receive fair treatment, including notice, the right to a hearing, and the ability to appeal decisions.
19. "Public Input": The involvement of local communities in the decision-making process through public hearings and opportunities to provide feedback on proposed actions.
20. "Transparency Measures": Requirements for maintaining openness in government actions, including publishing regular reports on housing assessments and the utilization of vacant units.

21. "Housing Deficit": A situation where the demand for housing exceeds the supply of available housing units in a specific geographic area.
22. "Tax Incentives": Financial benefits, such as tax credits or deductions, offered to property owners who make vacant housing units available for occupancy or develop underutilized land.
23. "Grants and Subsidies": Financial assistance provided to property owners for the rehabilitation of vacant housing units to ensure they are safe and habitable.
24. "Habitability Standards": Minimum standards that rental properties must meet to be considered safe and habitable, including but not limited to, working plumbing and sanitation, heating, electricity, structural integrity, and absence of health hazards.
25. "Encumbrances": Legal claims or restrictions on a property, such as liens, easements, or covenants, that may affect its use or transfer.
26. "Immediate Family Member": For the purposes of rental exemptions, immediate family members include spouses, domestic partners, parents, children, and siblings of the property owner.
27. "Sliding Scale Contribution": A variable rent contribution model where tenants pay a percentage of their income, capped at 20% of household income, for rent and utilities, ensuring affordability while considering the tenant’s financial situation.
28. "Down Payment Trust": A savings mechanism where a portion of the tenant's rent is allocated to a trust fund, which accumulates until the tenant has enough for a down payment on a home, intended to facilitate homeownership transition.
29. "Forbearance": A temporary postponement or reduction of mortgage payments granted to homeowners experiencing financial hardship, during which interest accrual may be halted and payments applied to the principal balance.
30. "Non-Profit Organization": An organization that operates for charitable purposes and does not distribute profits to shareholders, including entities running low-income housing projects where rents are charged only to cover costs.
31. "Excessive Rent": Rent charged that results in a profit exceeding 25% of the cost of overhead and improvements for the rental property. This calculation excludes funds directly spent on maintenance and improvements not covered by insurance.
32. "AHMO (Affordable Housing Management Organization)": A proposed non-profit entity under the direct oversight of the Department of Housing and Urban Development (HUD), tasked with managing properties ceded via lien and those constructed under the HERO Act, ensuring stable, non-profit-driven ownership and management.

33. "Property Forfeiture": The process by which property is seized by the government due to non-compliance with legal or financial obligations, including failure to pay fines or taxes imposed under the HERO Act.
34. "Lien": A legal right or interest that a creditor has in the debtor's property, lasting usually until the debt or duty that it secures is satisfied.
35. "Housing Fund": A fund established under the HERO Act to collect taxes, fines, and contributions, used to finance the implementation and administration of the Act, including housing development, rehabilitation, and tenant support programs.
36. "Development Timeline": The specified period within which undeveloped residential land must be developed, as stipulated by the HERO Act, to avoid conditional taxation or property forfeiture.
37. "Ecological Reserve": Land designated for preservation due to its ecological value, protected from development and maintained for conservation purposes.
38. "Non-Compliant Investor": An entity or individual that owns multiple residential properties but fails to comply with the regulations set forth in the HERO Act, including property utilization and tax obligations.
39. "Fair Market Value": The price at which a property would sell under normal market conditions, reflecting its true value in an open and competitive market.
40. "Property Management": The operation, control, and oversight of real estate, including residential, commercial, and industrial properties, ensuring maintenance, tenant relations, and compliance with housing standards.

SEC. 5. UTILIZATION OF EXISTING HOUSING UNITS.

1. Survey and Inventory:
    - The Department of Housing and Urban Development (HUD) shall conduct a comprehensive national survey to identify and inventory all vacant housing units within six months of the enactment of this Act. This survey shall be updated annually to maintain an accurate record of available housing.
2. Matching Supply with Demand:
    - HUD shall develop and implement a system to match the identified vacant housing units with the housing needs of homeless individuals and families. Priority shall be given to veterans, disabled individuals, and families with children. This system shall take into account the geographic location, size, and suitability of the housing units to meet the specific needs of the homeless population.
3. Rehabilitation and Allocation:

- HUD shall allocate funds from the Housing Fund to rehabilitate vacant housing units as necessary to ensure they meet habitability standards. These funds shall cover repairs, updates to meet current building codes, necessary improvements to ensure basic living standards, and integration with mental health and social services to address the underlying causes of homelessness.
- Rehabilitated units shall be allocated to homeless individuals and families based on the matching system described above. Priority shall be given to those most in need, including veterans, disabled individuals, and families with children.

4. Compelling Rental of Empty Units:
    - Apartment complexes with empty units shall be required to offer these units for rent at 5% above the market rate, conditional on tenant compliance with reasonable and legal requirements set forth by property management.
    - Any property damage caused by tenants that can be verified through inspections and documentation shall be covered by the program. Property managers must provide photographic evidence and repair estimates to claim coverage.
    - The program shall ensure that these units are maintained in a safe and habitable condition, adhering to the habitability standards defined in this Act.
5. Incentives for Property Owners:
    - Property owners who make vacant housing units available for occupancy shall be eligible for tax incentives, including tax credits or deductions, as determined by HUD. These incentives aim to encourage property owners to participate in the program and increase the availability of housing for homeless individuals and families.
    - Grants or subsidies shall be provided to property owners for the rehabilitation of vacant housing units to ensure they meet habitability standards. These financial incentives shall be funded through the Housing Fund established under this Act.
6. Mitigation for Non-Compliance:
    - Property owners with non-compliant land shall have the option to sell their land to HUD at 107% of its fair market value. HUD shall make a formal offer to purchase the land within 60 days of identifying the non-compliance.
    - If the property owner declines HUD's offer or fails to respond within 30 days, the land shall be subject to conditional taxation at a rate of 40% of its assessed value.

- Notice of non-compliance and the purchase offer shall include information on the reasons for the designation, the financial implications of accepting or declining the offer, and the potential consequences of continued non-compliance, including taxation and possible forfeiture.
- Property owners may petition for an extension or to retain their land through a formal appeal process. Petitions must be submitted within 60 days of receiving the notice. HUD shall review and respond to petitions within 90 days.
- Property owners shall be granted a three-year period from the effective date of the HERO Act to comply with its provisions. This grace period is designed to allow sufficient time for owners to assess their property status, make necessary arrangements for development, or decide to sell their property to HUD. Compliance actions taken within this period will not attract penalties or the imposition of conditional taxation.

7. Utilization of Eminent Domain:

- In cases where community resistance prevents the use of vacant or underutilized land for housing projects, especially for low-income housing, HUD may exercise eminent domain to acquire such properties. This power will be used judiciously and with full compensation based on fair market value to the property owners.
- This section shall include the procedures for exercising eminent domain, the criteria for its use, and the rights of property owners to challenge or negotiate the terms of acquisition.

8. Reporting and Accountability:

- HUD shall publish an annual report detailing the progress of the program, including the number of vacant units identified, rehabilitated, and allocated to homeless individuals and families. The report shall also include information on the effectiveness of the matching system, the cost of rehabilitation efforts, and the impact of the program on reducing homelessness.
- The report shall be submitted to Congress and made available to the public to ensure transparency and accountability in the implementation of this Act.

SEC. 6. CONDITIONAL TAXATION OF EMPTY LAND.

1. **Criteria for Taxation**:

- The Department of Housing and Urban Development (HUD), in coordination with local housing authorities, shall conduct regular housing needs assessments to determine areas with a housing deficit. A housing deficit is defined as a situation where the demand for housing exceeds the supply of available housing units.

- Conditional taxation shall be imposed on undeveloped residential land in areas identified as having a housing deficit. The tax rate shall be set at 40% of the land's assessed value.

2. **Exemptions and Allowances**:

- **Natural Reserve Conversion**: Property owners may convert undeveloped land to Natural Reserve Status, exempting it from taxation. This designation preserves the land for ecological value and recreational use, prohibiting future development.

- **Historical Value**: Properties with verifiable historical value, as recognized by state or federal historical registries, shall be exempt from conditional taxation, provided they are maintained in accordance with historical preservation standards.

- **Single-lot Exemption**: Single-lot properties with substantial empty land that is not used for residential purposes are exempt if the property serves as the primary residence of the owner.

- **Property Development Timeline**: Property owners shall have two years to commence development on undeveloped residential land and four years to complete the project. If a state of emergency or other disaster interrupts, delays, or prevents timely construction, the timeline may be extended.

3. **Development Incentives**: - To encourage development in areas with high housing needs, HUD shall offer incentives such as tax breaks, grants, or expedited permitting processes. These incentives aim to reduce the financial burden and bureaucratic obstacles for property owners willing to develop their land. - Property owners who develop their land within the specified timeline shall be eligible for additional financial incentives, including reduced property taxes for the first five years of occupancy.

4. **Enforcement and Compliance**:

- Property owners who fail to develop their land within the specified timeline shall be subject to the conditional taxation rate of 40% of the land's assessed potential income or growth value.

- If a property owner fails to pay the imposed tax, the government shall place a lien on the property. If the tax remains unpaid for one year, the property will be subject to forfeiture and become an asset of the federal government.

- The federal government shall attempt to expedite the resolution of any legal encumbrances on forfeited land and investigate any encumbrances that appear to be manufactured by the owner or an interested party to evade tax obligations.

5. **Use of Forfeited Land**: - Forfeited land shall be used to address housing needs in the area, either through direct development by the government or through sale at auction. Proceeds from the sale shall go into the Housing Fund established under this Act.

- Ten percent of the proceeds from the sale of forfeited land shall be allocated to tenants displaced by the initial habitability claim, providing support for their relocation and transition to new housing.

6. **Appeal and Petition Process**:

- Property owners have the right to petition against the designation of their property as underutilized or the imposition of conditional taxation. HUD shall establish a clear and accessible appeal process, ensuring due process is upheld.

- Appeals must be submitted within 60 days of receiving notice of the designation or tax imposition. HUD shall review and respond to appeals within 90 days.

7. **Reporting and Accountability**:

- HUD shall publish an annual report detailing the implementation of conditional taxation, including the number of properties taxed, the amount of revenue generated, and the use of forfeited land.

- The report shall be submitted to Congress and made available to the public to ensure transparency and accountability in the enforcement of this section.

SEC. 7. PROCEDURAL SAFEGUARDS AND COMPLIANCE.

1. **Notice and Hearing Requirements**:

- Property owners subject to conditional taxation, development timelines, or property forfeiture under this Act shall receive clear and timely written notice of any actions affecting their property. The notice shall include the reasons for such actions, potential consequences, and the procedures for compliance.

- Property owners shall be granted the right to a fair and impartial hearing before any penalties or taxes are imposed. HUD shall establish a process for conducting these hearings, ensuring that property owners have an opportunity to present their case and respond to any evidence against them.

2. **Petition and Appeal Process**:

- Property owners may petition to retain their land or challenge the designation of their property as underutilized. HUD shall establish a clear and accessible appeal process, ensuring that all petitions and appeals are reviewed promptly and fairly.

- Petitions must be submitted within 60 days of receiving notice of the designation or tax imposition. HUD shall review and respond to petitions within 90 days.

- Property owners may appeal adverse decisions made by HUD. The appeal process shall include an opportunity for a hearing and a final decision issued within 120 days of the appeal submission.

3. **Public Input and Transparency**:

- HUD shall involve local communities in the decision-making process through public hearings and opportunities for input. Public hearings shall be conducted in affected areas to gather feedback and address concerns from residents and stakeholders.

- HUD shall maintain transparency in all actions taken under the HERO Act by publishing regular reports on housing assessments, the utilization of vacant units, and the enforcement of conditional taxation and development requirements. These reports shall be made available to the public and submitted to Congress.

4. **Development Timeline Extensions**: - In cases where a state of emergency or other disaster interrupts, delays, or prevents timely construction, property owners may apply for an extension of the development timeline. HUD shall review extension requests and

grant reasonable extensions based on the assessed conditions.

- Extensions may also be granted in cases where legal encumbrances or other unforeseen obstacles hinder development efforts. Property owners must provide documentation to support their extension requests, and HUD shall respond to such requests within 60 days.

5. **Procedural Safeguards for Disabled and Vulnerable Populations**:

- Special procedural safeguards shall be in place for disabled individuals and other vulnerable populations to ensure they receive fair treatment and appropriate accommodations. HUD shall provide assistance and support to these individuals in navigating the petition and appeal processes.

- HUD shall ensure that notices, hearings, and other communications are accessible to individuals with disabilities, including providing materials in alternative formats and offering reasonable accommodations as needed.

6. **Liens and Property Forfeiture**:

- In cases where property owners fail to pay the imposed conditional tax, HUD shall place a lien on the property. The lien shall remain in effect until the tax is paid or the property is forfeited. - If the tax remains unpaid for one year, the property shall be subject to forfeiture and become an asset of the federal government. Forfeited properties shall be used to address housing needs in the area or sold at auction, with proceeds going into the Housing Fund established under this Act. - Property owners shall receive notice of the lien and impending forfeiture,```plaintext including information on how to resolve the tax debt and avoid forfeiture.

7. **Investigations and Enforcement**: - HUD shall have the authority to investigate any encumbrances or other legal claims that appear to be manufactured by property owners or interested parties to evade tax obligations. HUD shall take appropriate enforcement actions to resolve such issues and ensure compliance with the HERO Act. - HUD shall collaborate with local, state, and federal law enforcement agencies to enforce compliance with the provisions of this Act. This collaboration shall include sharing information, conducting joint investigations, and prosecuting violations as necessary.

8. **Penalties for Non-Compliance**: - Property owners found to be in violation of the HERO Act, including failing to develop land within the specified timeline or manufacturing encumbrances, shall be subject to penalties consistent with existing

federal laws and regulations. These penalties may include fines, additional taxes, and other legal actions as warranted. - Criminal penalties for fraudulent activity or intentional evasion of tax obligations shall be enforced under existing federal statutes, including those related to tax evasion and fraud.

SEC. 8. FUNDING AND IMPLEMENTATION.
1. **Initial Funding Sources**: - The initial funding for the HERO Act shall be raised through a combination of government bonds and a tax on stock market transactions. Specifically, 75% of the initial $383.71 million required for implementation shall be raised by imposing a 0.3% tax on stock market transactions. The remaining 25% shall be raised through the sale of government bonds. - HUD, in coordination with the Department of the Treasury, shall oversee the issuance and management of these bonds, ensuring that they are marketed effectively and sold to raise the necessary funds.

2. **Annual Budget Requirements**:

- The annual budget for the HERO Act shall cover all expenses, including utilities, rent payments, construction costs, rehabilitation efforts, and administrative costs. The estimated annual budget required is $24.3 billion, which includes the following components:

- **Rent and Utility Payments**: $12 billion to cover rent and utility payments for homeless individuals and families, ensuring affordability through the sliding scale contribution model.

- **Construction and Rehabilitation**: $8 billion for the construction of new multi-family housing units and the rehabilitation of existing vacant units to meet habitability standards.

- **Administrative and Operational Costs**: $2.5 billion for the administration and operation of the HERO Act, including staffing, technology, and other essential services.

- **Contingency Fund**: $1.8 billion to address unforeseen expenses and ensure the program's stability and resilience.

3. **Interagency Coordination**:

- HUD shall collaborate with various federal, state, and local agencies to implement the HERO Act effectively. This coordination shall include:

- **Department of the Treasury**: To manage the issuance and sale of government bonds and oversee the collection of stock market transaction taxes.

- **Department of Veterans Affairs**: To identify and prioritize housing for homeless veterans and provide necessary support services.

- **Social Security Administration**: To ensure that homeless individuals with disabilities receive the appropriate support and accommodations.

- **Local Housing Authorities**: To conduct housing needs assessments, identify vacant units, and oversee the rehabilitation and allocation of housing.

- **Environmental Protection Agency (EPA)**: To ensure that the development and rehabilitation of housing units comply with environmental standards and contribute to sustainable land use.

4. **Ongoing Funding Mechanisms**: - In addition to the initial funding sources, ongoing funding for the HERO Act shall be sustained through:

- **Conditional Taxation Revenues**: Taxes collected from underutilized residential land in areas with a housing deficit.

- **Penalties and Fines**: Revenues from penalties and fines imposed on non-compliant property owners and fraudulent activities.

- **Rent Contributions**: Sliding scale contributions from tenants who earn more than 150% of the local poverty line, capped at 20% of household income.

- **Mortgage Interest**: Interest collected from AHMO-provided mortgages, fixed at a rate of 3%.

- **Partnerships and Grants**: Funds from partnerships with non-profit organizations and private sector investments, as well as innovation grants for pilot programs.

5. **Financial Oversight and Accountability**:

- HUD shall establish a dedicated financial oversight committee to monitor the use of funds, ensure transparency, and prevent misuse of resources. This committee shall include representatives from relevant federal agencies, financial experts, and public stakeholders. - Regular audits shall be conducted to review the financial operations of the HERO Act. The results of these audits shall be published in an annual financial report, made available to Congress and the public.

6. **Transparency and Reporting**:

- HUD shall publish an annual report detailing the progress of the HERO Act, including:
- **Number of Housing Units**: The number of vacant units identified, rehabilitated, and allocated to homeless individuals and families.

- **Financial Summary**: A summary of revenues collected from taxes, fines, and rent contributions, as well as expenditures on housing and administrative costs.

- **Impact Assessment**: An assessment of the Act's impact on reducing homelessness, improving public safety, and achieving environmental sustainability.

- The annual report shall be submitted to Congress and made available to the public to ensure transparency and accountability.

7. **Community Involvement and Public Input**:

- HUD shall engage with local communities and stakeholders through public hearings, workshops, and feedback sessions to gather input and ensure that the implementation of the HERO Act meets the needs of affected populations.

- Community involvement shall be prioritized in decision-making processes related to the allocation of housing, development of new units, and rehabilitation projects.

8. **Adaptation and Innovation**:

- The HERO Act shall incorporate biannual reviews to adapt and innovate based on technological advancements, economic changes, and evolving housing needs.

- HUD shall establish a research and development team to explore new housing technologies, sustainable building practices, and innovative solutions to address homelessness more effectively.

- Allocate funds for pilot programs and innovation grants to test new approaches and technologies for reducing homelessness. Successful pilot programs shall be scaled up and integrated into the broader HERO Act framework.

9. **Periodic Review and Adjustment**:

- Every five years, a comprehensive review of the HERO Act shall be conducted to assess its effectiveness, efficiency, and impact on homelessness and housing availability. This review shall include consultations with stakeholders, including local governments, housing advocates, and affected populations.

- Based on the findings of this review, HUD shall recommend adjustments to the Act to address any identified gaps, challenges, or areas for improvement. These recommendations shall be submitted to Congress for consideration and potential legislative action.

- The periodic review shall include consultations with stakeholders, including local governments, housing advocates, and affected populations, to ensure that the HERO Act continues to meet the needs of the community.

SEC. 9. EMERGENCY RESPONSE MECHANISM. 1. **Activation Criteria**:

- The Emergency Response Mechanism shall be activated in the event of natural disasters, economic downturns, or other crises that significantly increase homelessness. Activation criteria include sudden spikes in homelessness rates, natural disasters declared by federal or state authorities, and significant economic disruptions.

2. **Resource Deployment**:

- Upon activation, HUD shall rapidly deploy resources, including temporary housing solutions, emergency shelters, and financial assistance, to affected areas. This deployment shall prioritize vulnerable populations, including families with children, veterans, and disabled individuals.

3. **Coordination with Local Agencies**:

- HUD shall coordinate with local housing authorities, emergency management agencies, and non-profit organizations to ensure a comprehensive and effective response. This coordination shall include sharing information, pooling resources, and establishing joint action plans.

4. **Funding and Logistics**:

- Emergency response efforts shall be funded through a dedicated contingency fund established within the Housing Fund. HUD shall ensure that sufficient funds are allocated and available for immediate use during emergencies.

- Logistics planning shall include the identification of potential temporary housing sites, pre-negotiation of contracts with service providers, and establishment of supply chains for essential resources.

SEC. 10. SUSTAINABLE BUILDING PRACTICES.

1. **Guidelines and Incentives**:

- HUD shall develop specific guidelines for sustainable building practices in the construction and rehabilitation of housing units under the HERO Act. These guidelines shall emphasize the use of renewable energy sources, green building materials, and designs that minimize environmental impact.

- Property owners and developers who adhere to these guidelines shall be eligible for additional incentives, including tax credits, grants, and expedited permitting processes.

2. **Integration with Existing Programs**:

- Sustainable building practices under the HERO Act shall be integrated with existing federal and state programs promoting environmental sustainability, such as the EPA’s Energy Star program and the Department of Energy’s Better Buildings Initiative.

SEC. 11. TENANT RIGHTS AND PROTECTIONS.

1. **Rights and Protections**:

- Tenants in housing provided under the HERO Act shall have clear rights and protections, including:

- **Protection against Unfair Eviction**: Tenants shall not be evicted without just cause, and eviction procedures must comply with state and federal laws.

- **Right to a Safe and Habitable Environment**: Housing units must meet habitability standards, ensuring a safe and healthy living environment.

- **Access to Legal Resources**: Tenants shall have access to legal resources and support for resolving disputes with property owners or managers.

2. **Subletting and Oral Contracts**:

- HUD shall ensure that the rights and protections extend to subletting arrangements and oral contracts, providing tenants in non-formal arrangements with mechanisms for enforcement and protection.

SEC. 12. PUBLIC AWARENESS AND EDUCATION CAMPAIGN.

1. **Campaign Objectives**: - HUD shall launch a public awareness and education campaign to inform the public about the HERO Act, its benefits, and how individuals and communities can support its implementation. This campaign shall address common misconceptions about homelessness and promote community involvement.

2. **Methods and Channels**:
- The campaign shall utilize various methods and channels, including social media, public service announcements, community workshops, and partnerships with local organizations, to reach a broad audience and encourage public participation. SEC.

13. COMMUNITY DEVELOPMENT INITIATIVES.

1. **Support for Community Projects**:
- HUD shall support community development initiatives that enhance the quality of life in neighborhoods with high concentrations of HERO Act housing. This support shall include funding for parks, community centers, job training programs, and other community-building efforts.
2. **Integration with Local Plans**:
- Community development initiatives under the HERO Act shall be integrated with local development plans and strategies, ensuring that efforts are coordinated and aligned with broader community goals.

SEC. 14. PERIODIC REVIEW AND ADJUSTMENT.

1. **Comprehensive Review**:
- Every five years, a comprehensive review of the HERO Act shall be conducted to

assess its effectiveness, efficiency, and impact on homelessness and housing availability. This review shall include consultations with stakeholders, including local governments, housing advocates, and affected populations.

2. **Recommendations for Adjustments**:
- Based on the findings of the review, HUD shall recommend adjustments to the Act to address any identified gaps, challenges, or areas for improvement. These recommendations shall be submitted to Congress for consideration and potential legislative action.

3. **Continuous Improvement**:

- The periodic review process shall ensure continuous improvement of the HERO Act, making it responsive to evolving needs and conditions.

SEC. 15. INTER-AGENCY MEDIATION AND ARBITRATION COUNCIL.

1. Establishment of the Inter-Agency Mediation and Arbitration Council:

(a) Purpose: To resolve conflicts that arise between federal, state, and local agencies during the implementation of the HERO Act, ensuring that the primary goal of providing humane housing for all individuals is met while considering the rights and convenience of property owners, governments, and agencies.

(b) Composition: The Council shall consist of:

- Chairperson: Appointed by the Secretary of Housing and Urban Development (HUD).
- Federal Representatives: One representative each from HUD, the Department of the Treasury, the Department of Veterans Affairs, the Social Security Administration, and the Environmental Protection Agency.
- State Representatives: Two representatives appointed by the National Governors Association.
- Local Representatives: Two representatives appointed by the National League of Cities.
- Property Owner Representatives: Two representatives appointed by national real estate associations.
- Public Representatives: Two representatives from non-profit housing advocacy organizations.

2. Scope and Authority:

(a) Jurisdiction: The Council shall have the authority to mediate and arbitrate disputes arising from:

- The allocation and rehabilitation of vacant housing units.
- Conditional taxation and the use of underutilized residential land.
- Enforcement of tenant rights and protections.
- Implementation of sustainable building practices.
- Any other issues related to the execution of the HERO Act.

(b) Binding Decisions: All rulings by the Council shall be binding on all involved parties, including federal, state, and local agencies, as well as property owners.

3. Procedures and Operations:

(a) Filing a Dispute: Any party may file a dispute with the Council by submitting a detailed complaint outlining the nature of the conflict, the parties involved, and the desired resolution.

(b) Mediation Process:

- Upon receipt of a complaint, the Council shall first attempt to mediate the dispute through facilitated negotiation sessions involving all relevant parties.
- Mediation sessions shall be scheduled promptly and conducted in a manner that encourages open dialogue and mutual agreement.

(c) Arbitration Process:

- If mediation fails to resolve the dispute within 30 days, the Council shall proceed to arbitration.
- Arbitration hearings shall be conducted with the opportunity for all parties to present evidence, call witnesses, and make arguments.
- The Council shall render a decision within 60 days of the arbitration hearing.

(d) Criteria for Decisions: In making its rulings, the Council shall prioritize:

- The humane provision of housing for all individuals.
- The rights and convenience of property owners.

- The interests and responsibilities of federal, state, and local governments and agencies.
- Compliance with the goals and provisions of the HERO Act.

(e) Implementation of Decisions: All parties involved in a dispute shall comply with the Council's rulings within the timeframe specified in the decision. Non-compliance shall result in penalties as determined by the Council.

4. Reporting and Accountability:

(a) Annual Report: The Council shall publish an annual report detailing:

- The number and types of disputes filed.
- The outcomes of mediation and arbitration sessions.
- The impact of its decisions on the implementation of the HERO Act.
- Recommendations for policy or procedural changes to improve inter-agency cooperation.

(b) Transparency: All reports and decisions by the Council shall be made available to the public to ensure transparency and accountability.

5. Funding and Support:

(a) Budget: The Council's operations shall be funded through the Housing Fund established under the HERO Act.

(b) Administrative Support: HUD shall provide the necessary administrative support and resources for the effective functioning of the Council.

SEC. 16. EFFECTIVE DATE.

This Act shall take effect 90 days after the date of enactment.