

Bill

To amend the Housing and Community Development Act of 1974 to authorize grants to assist in redeveloping abandoned shopping centers, and for other purposes.

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 **“National Revitalization of Shopping Centers Act of 2025”** or the **“Greyfield Redevelopment and Economic Advancement Through Effective Repurposing and Revitalization of Shopping Centers Act of 2025”**

SEC. 2. Grayfields shopping centers redevelopment grants.

(a) GRANTS.—Section 108 of the Housing and Community Development Act of 1974 ([42 U.S.C. 5308](#)) is amended by adding at the end the following:

“(s) SHOPPING CENTER REDEVELOPMENT GRANTS.—

“(1) AUTHORITY.—In conjunction with notes or other obligations issued by eligible public entities or designated public agencies for the purpose of financing projects that meet the criteria under paragraph (2) and that are guaranteed under this section, the Secretary may make grants to those eligible public entities or designated public agencies in connection with those guarantees for the purpose of enhancing the security of the notes or obligations or improving the viability of projects financed with those notes or obligations.

“(2) PROJECT REQUIREMENTS.—A project meets the criteria under this paragraph only if the project—

“(A) is designed to eliminate blight, including on a spot basis, through redevelopment and revitalization of facilities that—

“(i) were originally developed as shopping centers, **strip malls, or neighborhood centers**

“(ii) consist of enclosed facilities

“(iii) contain—

“(I) not less than **5** individual storefronts of which less than **20** percent are occupied at the time the grant is awarded, or

“(II) **a majority of** major department stores, grocery stores, chain stores, or any other stores having **relatively** substantial economic strength **are vacant**

, and

“(iv) include a common parking area;

except that the Secretary may establish alternative criteria to the requirements under this subparagraph for eligibility of shopping centers for assistance as the Secretary considers appropriate; and

“(B) meets such requirements as the Secretary shall establish to ensure that the project promotes—

“(i) **medium or high density** and transit-oriented development;

“(ii) reclaiming and re-use of grayfields;

“(iii) development of affordable housing;

“(iv) removal of existing grayfield infrastructure;

“(v) such other priorities as the Secretary considers appropriate, including with respect to smaller jurisdictions and non-metropolitan areas; or

“(vi) any of the priorities specified in or pursuant to this subparagraph.

“(3) AMOUNT.—The amount of a grant pursuant to this section may not exceed \$5,000,000.

“(4) MATCHING REQUIREMENT.—The Secretary shall require each eligible public entity or designated public agency to which a grant is made pursuant to this subsection to contribute to the project for which the grant is made an amount from sources other than the grant, including local and State tax abatements, in-kind

contributions, and Federal tax incentives, that exceeds **66** percent of the amount of the grant.

“(5) PREFERENCE.—In making grants pursuant to this section, the Secretary shall give preference to eligible public entities and designated public agencies based on the extent to which—

“(A) the amount proposed to be contributed pursuant to paragraph (4) exceeds the minimum amount required by such paragraph to be contributed;

“(B) the project, **using efficient and prompt community engagement techniques, reflects extensive community needs and sentiments;**

“(C) the project would benefit lower-income, underserved communities;

“(D) **the degree of which the project provides affordable medium or high density residential options to the community.**

“(6) TECHNICAL ASSISTANCE.—

“(A) HUD.—The Secretary shall, in accordance with section 102 of the Department of Housing and Urban Development Reform Act of 1989 ([42 U.S.C. 3545](#)), provide technical guidance and assistance to applicants for grants under this subsection regarding—

“(i) how to apply for grants under this subsection; and

“(ii) how to avoid conflicts relating to using funding pursuant to this section in conjunction with Federal tax-exempt financing.

“(B) LOCAL.—An eligible public entity or designated public agency receiving a grant under this subsection may use not more than 25 percent of the grant amounts to obtain technical assistance from local qualified service providers regarding combining that assistance with other financing with—

“(i) other Federal assistance, including the New Markets Tax Credits program and Low-Income Housing Tax Credit program under sections 45D and 42, respectively, of the Internal Revenue Code of 1986; and

“(ii) other State assistance, tax credits, and incentives, including tax-increment financing and other bonding instruments.

“(7) REPORTS.—

“(A) HUD.—For each fiscal year for which grants are made under this subsection, the Secretary shall submit a report to the Congress, not later than 90 days after the end of such fiscal year, that identifies—

“(i) each project assisted with such grant amounts;

“(ii) the amount of non-Federal funds contributed to the project; and

“(iii) how the grant amounts were used;

“(iv) individual evaluations on the extent to which the usage of grants were in pursuant of items under paragraph (2).

“(B) GAO.—Not later than 2 years after the date of enactment of this subsection, the Comptroller General of the United States shall submit a report to the Congress analyzing the effectiveness of the program for grants under this section and making recommendations to improve future outcomes among shopping mall redevelopment and revitalization projects and similar subsidy programs administered in conjunction with Federal loan guarantees.

“(8) DEFINITIONS.—In this subsection:

“(A) TRANSIT-ORIENTED DEVELOPMENT.—The term ‘transit-oriented development’ means a project that—

“(i) enhances economic development and achieve other goals established during the project development and engineering processes;

“(ii) facilitates multimodal transportation connectivity and accessibility;

“(iii) increases access to transit hubs for pedestrian and bicycle traffic;

“(iv) enables mixed-use development;

“(v) identifies infrastructure needs associated with the project; and

“(vi) includes private sector participation.

“(B) GRAYFIELD.—The term ‘grayfield’ means an economically obsolescent, outdated, failing, moribund, or underused real estate asset.

“(C) MEDIUM OR HIGH DENSITY DEVELOPMENT.—The term ‘medium or high density development’ denotes a project that—

“(i) provides residential options with substantially higher residential density than single-family homes, including, but not limited to townhomes, duplexes, condominiums, medium-rise and high-rise residential buildings.

“(9) FUNDING.—There is authorized to be appropriated for grants under this subsection \$50,000,000 for each of fiscal years **2026** and **2027**, which amounts shall remain available until expended.”.

(b) CDBG LOAN GUARANTEE CAP.—Subject to section 502 of the Congressional Budget Act of 1974 ([2 U.S.C. 661a](#)), during each of fiscal years **2026** and **2027**, commitments to guarantee loans under section 108 of the Housing and Community Development Act of 1974 ([42 U.S.C. 5308](#)), any part of which is guaranteed, shall not exceed a total principal amount of **\$400,000,000**, notwithstanding any aggregate limitation on outstanding obligations guaranteed in subsection (k) of such section 108.