DISASTER RECOVERY ADMINISTRATIVE POLICIES AND PROCEDURES

Amendments to Disaster Recovery Administrative Policies and Procedures

April 19, 2018	Internal Audit Policy and Procedures added at Tab 13
April 19, 2018	Environmental Review added at Tab 15
April 19, 2018	24 CFR 200.317-326 Procurement Standards added at Tab 19
August 28, 2018	Added CDBG Policies to each corresponding Tab
January 29, 2019	Updated Single-Family Housing Assistance Policies and Procedures at Tab 17 per HUD recommendations of the following: • Clarified Duplication of Benefits on pages 4 and 11 • Listed submittals to justify providing a replacement mobile home over repairing current home on page 8 • Clarified when scoring will be used to classify applicants on page 9 • Added retention of all records for a minimum of five years after grant closeout on page 9 • Clarified acceptable documentation of household income on page 11 • Added reporting of housing unit elevation at closeout on page 14

Alabama Disaster Recovery Administrative Policies and Procedures

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ADMINISTRATIVE POLICIES AND PROCEDURES
ALABAMA'S CDBG DISASTER RECOVERY PROGRAMS

Alabama's strategy for administration of Disaster Recovery Programs involving Community Development Block Grant (CDBG) funds will be similar to the strategy the Alabama Department of Economic and Community Affairs (ADECA) utilized in previous disasters. As before, ADECA will be the primary entity responsible for carrying out the tasks involving all aspects of the grant cycle including exercises necessary to secure funds and ensuring award and utilization of these funds in accordance with State and Federal requirements required by the Department of Housing and Urban Development (HUD), Office of Management and Budget (OMB) and other agency rules in effect or promulgated especially to accommodate Disaster funds.

The State of Alabama has administered the CDBG Small Cities Program since PY 1982. The State has gained valuable experience during these decades of program administration. During these years, many programmatic experiments have been tried; many rules, policies, and directives have been written, modified, or eliminated; a large number of communities assisted and an even larger number of citizens with critical needs served; much public goodwill has been earned, relationships have been created among state and federal agencies' and trusts built between the funding and recipient entities. Interestingly, some members of the State's CDBG staff have remained in place since 1982 resulting in continuity, progressiveness, and program effectiveness. Due to layers of checks and balances, prudent management and effective oversight, the State's program has remained devoid of major findings.

The State CDBG Disaster Recovery strategy goes into effect immediately after HUD communicates Disaster Recovery Funding will be available. It begins with a series of informal meetings and directives from the Director. To date, when CDBG Disaster Funds have become available, it has been decided early on that ADECA will be the principal State agency responsible for CDBG disaster assistance, and the Department will carry out the recovery efforts by marshalling all available resources at hand. This decision by the ADECA Director has been pivotal for the Department to design programs allowing local communities affected by disasters to identify their needs, compete for funds, and ultimately carry out activities or allow the State to directly carry out the activities, if allowed by HUD, and there is evidence of lack of capacity locally to carry out the projects.

The Alabama CDBG Disaster Recovery Programs will typically be comprised of four primary components – Federal Fund Award, State Distribution of Funds, Post Award Activities, and Closeout. Each component can be broken down into the following subcomponents:

Federal Funds Award – The following will be a general guide to developing the State's Disaster Recovery Programs.

1. Examine and comprehend the law and HUD rule for commonality and specificity between the regular CDBG program and the disaster grant.

2. Select a senior ADECA staff person within the Community and Economic Development Division to serve as the disaster coordinator under the direct supervision of the Community and Economic Development Unit Manager.

3. Write a draft plan to meet the Director's and the Governor's desires.

4. Request necessary waivers from HUD unless provided in the notice.

5. Insure citizen participation at least meets the minimum requirements of the disaster notice.

6. Hold the hearing and provide the time frame for public comments.

7. Modify the Plan based on public comments, incorporate comments in the Plan and submit the Plan to HUD for approval.

ADECA recognizes the uncertainty underlying timing of the above tasks and will modify steps, plans, or directions as may be necessary to ensure expediency and effectiveness of the State's disaster program.

State distribution of Funds –

The State plan to distribute funds will be based on the competition among the qualifying communities and the rating system will reflect the extent of damage suffered by these communities as well as the communities' plan to address the effective rebuilding of housing and infrastructure. ADECA will undertake following tasks to ensure fair and equitable distribution of grant funds to applying communities.

1. Develop application forms to capture appropriate information necessary for the State to make informed distribution decision.

2. Develop certifications and assurances for the communities to sign agreeing to follow the necessary citizen participation process and other compliance requirements related to Environmental, Labor, Fair Housing and Equal Opportunity, Procurement and so forth.

3. Hold an application workshop to inform and provide application material to the attending communities and interested persons.

4. Receive applications by the cut-off date.

5. Establish one or more two-member rating teams to evaluate applications based the established rating criteria, make site visits, and make funding recommendations to the Unit Manager.

6. Provide Unit Manager review to the Director for consultation with the Governor and final approval.

7. Prepare and forward award letters to qualifying communities.

While the State's distribution process will mimic the process of its regular CDBG program, the State will incorporate such changes as and when necessary to accommodate unique aspects of the disaster grant. These changes will be made up to and including, if allowed by HUD, the State directly carrying out disaster activities. This most likely will occur with the single family housing activities as the State has found large areas lack this capacity and the available outside capacity for housing is extremely limited.

Duplication of Benefits – If a duplication of benefits is determined, the following steps will be taken by ADECA:

1. Per the executed Subrogation Agreement, ADECA will require all duplicated funds to be returned to the State from non-federal local funds.

2. ADECA will attempt to work with the locality to set up a payment plan if necessary.

3. Failure to comply with repayment of duplicated benefits will result in suspension of the locality from payments related to state and federal grants.

4. After suspension, if lack of repayment continues, debarment of the locality from state and federal grants will be pursued.

5. As a final resort, ADECA will turn the issue over to the Attorney General's Office for prosecution.

Post Award Activities – Upon award of disaster grants by the Governor, the actual task of grant implementation begins. At this stage, the State's primary concern is to ensure the recipient communities carry out the grants in accordance with the approved application in an expedient manner in compliance with all applicable state and federal laws, regulations, and policies. It is likely that the majority if not all recipient communities have been the beneficiary of the regular CDBG funds and possess some experience of managing these grants. If allowed by HUD the State will include entitlement communities which typically are well versed in the CDBG program. The post award activities will involve the following tasks.

1. Letter of Conditional Commitment - Within a few days of issuance of the Governor's award letters, ADECA will provide to each grantee a Letter of Conditional Commitment (LCC). The LCCs are used in the State's regular program and its purpose is to require grantees to satisfy certain program start-up requirements in order to secure release of funds. The common items required by the LCCs include a detailed program budget, a program implementation schedule, request for an environmental release, a designation of responsible persons, a certification identifying a person or persons authorized to sign payment requests, an analysis of impediments to fair housing choice, a civil rights compliance questionnaire, an updated CDBG disclosure report and a State disclosure statement, a taxpayer ID number, and an acknowledgement of no debt of the state clause. The LCC may also contain special conditions unique to specific grants. For example, if the grantee's approved application included a housing activity, the grantee is required to provide housing procedures that details how the grantee intends to carry out its housing element. The grantee is not authorized to expend or obligate any funds until all conditions are satisfied.

2. With the State's regular CDBG program, the grantee is issued a grant agreement which upon execution enables the grantee to expend or obligate funds. However, with other HUD programs such as an Emergency shelter Grant (ESG), the grantee is issued a grant agreement simultaneously with the LCC to accommodate timing issues. The State may utilize either approach with disaster grants; however, regardless of which approach is used, the grant funds can only be expended or obligated after the State has provided a fund release.

3. Upon release of funds by the State, the grantee will proceed to implement the grant. The grant implementation will typically entail procurement of professional services such

as a grant administrator and professional engineer, design of projects, bid preparation and bid awards, construction, inspections, and final construction notice. During the procurement and construction phase, the grantee will ensure compliance with requirements regarding debarred status, bidding requirements, labor compliance, and compliance with civil rights laws.

4. As the grantee progresses with grant implementation, it will be allowed to draw funds with disaster payment request forms. The grantees will be limited to draw only the amount necessary for immediate needs. The State will use a standard draw-down checklist to process each draw. The checklist will enable the State to ensure that the grantee has met the requirements to draw funds and funds are drawn for the right activity and in the right amount. As with the State's regular program, the grantee will not be required to submit back-up documentation. Instead, the back-up documentation will be reviewed during the State's monitoring of the grant.

5. During the construction phase, ADECA staff will schedule a monitoring visit to the project site. The meeting is scheduled first by telephone and then followed up with a letter. As with the regular program, the meeting will be scheduled generally after thirty percent of the funds have been drawn. The thirty percent will serve as a threshold but not an absolute requirement. The thirty percent threshold allows the State to wait until the grantee has entered a construction phase; however, it is early enough to uncover any impropriety before a large sum of funds are expended or obligated. The monitoring is an arduous task and involves use of checklists to ensure financial and programmatic compliance and a visit to the project site to ensure the activities are carried out in accordance with the activities in the approved application. The checklists allow the State to determine the grantee's compliance in the areas of citizen participation, national objective, eligibility, progress, disclosure, professional services, environmental, fair housing and equal opportunity, bidding and contracting, labor, Uniform Act, financial management, record keeping, amendments and change orders, and case file reviews in case of housing programs including household income verification and lead compliance. Upon completion of monitoring visits, generally within thirty days, the State will provide a letter to the grantee outlining findings if any including corrective actions. Monitoring determinations range from "acceptable "to "concerns" to "finding". Corrective measures may include certifications that inadequacies will be resolved, documentary evidence that corrective actions have been instituted, reimbursement of disallowed costs, or other sanctions. Upon resolution of corrective actions, the finding(s) will be released.

ADECA's monitoring strategy for disaster projects will be similar to the regular programs to the extent the projects are similar in nature and scope. For projects that are either complex or involve several distinct activities and/or large grant amounts, the State will adopt a flexible approach tailored individual grantee. The approach may consist of several visits, and each visit may involve specific activities or specific compliance areas. Frequency and depth of the visit will depend on findings or concerns uncovered during the previous visits.

The post award activities involving project implementation will be guided as much as possible by the Alabama Community Development Block Grant Program Management and Implementation Manuals (Volumes I & II). These manuals were initially compiled when the State first undertook the management of the CDBG Small Cities program in Alabama. The manuals were continually updated for several years by the distribution of selective hand-outs and fully updated several years ago at a great cost. Since the advent and wider usage of the online format, the manuals are now periodically updated and available online at www.adeca.alabama.gov under the Community and Economic Development Programs. The manuals will be significantly relevant to the administration of the disaster recovery programs, except where waivers have been provided by Congress or HUD.

Close-outs - The final stage in the grant implementation will be the close-out of the grant. The close-out of the grant will take first take place at the grantee level and then at the State level. Each grantee receiving disaster funds from the State will go through a grant close-out with the State. Once all local grants are closed with the State, the State will officially close the grant with HUD.

Grantee Close-outs – In case of grants that include public infrastructure, upon completion of such infrastructure activities, the grantee will require the project engineer to complete a final inspection certification. In addition, the project engineer will advertise a completion notice in the newspaper. When all grant activities are complete, the grantee will proceed to close the grant with the State. As part of the close-out process, the grantee will advertise and hold a close-out public hearing. In the absence of any complaints, the grantee will submit to the State close-out documents that generally will include a final "as expended" budget, proof of a close-out hearing, final payment request (if any), final inspection report, wage compliance certification, and performance assessment report. If the grantee's program includes a housing activity, then the grantee's documents will also include a list of applicants including race and gender of households applying for assistance, and of those, a list of households that

received assistance. If the housing activity is carried out directly by the State, ADECA will insure this information is reported as required.

The State will follow a standard close-out procedure to close the grantee's grant. The procedure generally entails following the items in the close-out checklist. The close-out checklist is used with all regular CDBG projects and will also be used to close disaster grants. The State may modify this checklist as may become necessary to ensure the required information is captured. Upon satisfaction of all close-out requirements, the State will write to the grantee closing the project as of the date of the letter subject to the final audit and record keeping requirements.

If there are any complaints against the grantee or about the grantee's program, the grantee shall guide the person or persons filing the complaint to follow the grievance procedures in the grantee's citizen participation plan. The State will not close the grantee's grant until such time all complaints are satisfactorily resolved.

State Close-out - After all grants are closed with the State, the State will close the grant with HUD. The regular CDBG close-out with HUD happens after one hundred percent of the funds are expended in the Integrated Disbursement and Information System (IDIS) and final financial report is submitted to HUD. As is known at this time, the final close-out of disaster grant with HUD will happen after one hundred percent of the funds are expended in the Disaster Recovery Grant Reporting (DRGR) system.

Additional Program Guidance – The following guidance is incorporated for ADECA to address other issues as they relate to ADECA's role in meeting its responsibility to provide appropriate level of technical assistance; recognizing and providing steps to address program changes; grantees' responsibility in reporting information and maintaining and assuring access to records; and providing for a tracking system.

Technical Assistance - The backbone of the State disaster program will be the provision of ample technical assistance to communities affected by the disaster. ADECA will organize periodic local meetings to identify and assemble disaster related needs, which then can be addressed through a variety of resources. The CDBG related technical assistance will entail both formal and informal approaches. The pre-award approach will be to communicate as much information as possible to both seek input and relay programmatic details. This approach is anticipated to produce widespread response from disaster communities and more relevant projects. The primary medium will be the public hearings, application workshops, and individualized meetings and site-visits. The post-award approach will include a compliance workshop to inform grantee staff and grant administrators of rules and regulations of the Disaster Grants. This workshop will incorporate relevant information from the regular CDBG Program and specific requirements of the Federal Register and HUD relating to disaster funding.

Following the workshop, program staff will provide program assistance to city or county personnel and/or grant administrators, and partner agencies as requested or deemed necessary, by phone, facsimile, correspondence or personal visits to the locality. The local staff or program manager may also elect to meet with the Program Staff at the ADECA offices in Montgomery.

Amendments - Each time a Grantee submits a proposed amendment, the program staff will review the file and determine if the amendment meets program requirements. If program requirements are met, the proposal will be forwarded to the Unit Manager who will submit the proposal to ADECA's Director for a final decision. If program requirements are not met, program staff will discuss the proposal with the Unit Manager to determine what, if any changes to the proposal could be made locally for the proposal to be in compliance and re-submitted. A request for a contract amendment may be submitted at any time during the contract period. The program staff is responsible for reviewing the request and ensuring that all required documentation is submitted. Amendments to CDBG Programs are changes to the approved program or any activities, necessitated by circumstances beyond the control of the municipality/county, which alter any of the following:

1. Dollar amounts spent on any activity;
2. Beneficiaries of any activity;
3. Geographic location(s) of any activity;
4. The design nature of an activity; for example, increasing the size of water lines, increasing the size of drainage pipes; or
5. The policies and procedures of a Housing Rehabilitation Program.

Given the possible range and types of amendments listed above, the State has determined that there will be two general types of amendments to programs which will be allowed. The types of amendments are formal amendments requiring state approval and local amendments which require that documentation be supplied to the State but which do not require formal state approval. Amendments will be governed by Intergovernmental Policy Letter 2 Revision 6.

Reporting and Recordkeeping - Each grantee will be required to maintain a reasonable filing system and maintain records that will allow for a thorough review of the grantee's program for financial and regulatory compliance. These records must be made available as and when required for review by the State and Federal monitors, Auditors, Examiners, Inspector General and other regulatory officials. In addition, the grantee shall provide information and reports, as and when required, by State and Federal Officials to allow for necessary oversight, transparency, or respond to public questions. All records are to be retained for five years after grant closeout. The grantees shall as a minimum maintain the following records:

General Project Information

Grant Agreement

General Correspondence

Amendments

Citizen Participation

Copy of executed CP Plan

Public hearing details

National Objective and Eligibility

Documentation of National Objective

Income surveys (If Applicable)

Progress

Implementation Schedule

Disclosure

Updated Disclosure File

List of persons/firms with reportable financial interest

Professional Services

Copies of all newspaper ads (RFP's)

Executed contracts with professional service providers

RFP evaluation materials

Professional Service Providers debarred status

Environmental

Environmental Review Record

Letters from concurring agencies

Environmental Assessment

Proofs of advertisements

Level of Clearance Finding

Finding of No Significant Impact

Request for Release of Funds

Published Notice if Intent to Seek Release of Funds

Removal of Grant Conditions

Bidding & Contracting

Bid Ads

Procurement Documentation

Public Bid Opening details

Properly executed contract including proper clauses

Change Orders

Labor Standards

Designated Labor Standards Officer

Notice of Start of Construction

Wage Decision

Pre-construction conference

Payrolls

HUD 11s

Final Inspection and Notice of Completion

Civil Rights/Equal Opportunity& Fair Housing

Equal Opportunity File

Letter to Office of Minority Business Enterprise

Form 2516 and Form 60002 Reporting

Solicitation of small and minority firms

Housing

Application & Rating

Approved Contractor List

Unit information

Income Documentation

Construction Contract

Progress

Lead-Based Paint Compliance

Demolition

Section 104(D) Compliance Certifications

Uniform Land Acquisition

Inventory of Parcels

Separate Parcel Files

Appraisal Information

Documentation of Fair Offer

Settlement Information

Financial

Budgets

Cash Receipt & Disbursement Journals

General Ledger

Approved invoices

Evidence of match expenditure (If Applicable)

Copies of all drawdowns

Bank Statements

Procurement Standards

11 inches, suitable for copying and electronic filing. If you submit comments by mail and would like to know that they reached the Facility, please enclose a stamped, self-addressed postcard or envelope. We will consider all comments and material received during the comment period and will address them accordingly.

Viewing Comments and Documents

To view comments, as well as documents mentioned in this Notice as being available in the docket, go to *http://www.regulations.gov*, click on the "read comments" box, which will then become highlighted in blue. In the "Keyword" box insert "USCG–2012–0029" and click "Search." Click the "Open Docket Folder" in the "Actions" column. You may also visit the DMF in Room W12–140 on the ground floor of the DOT West Building, 1200 New Jersey Avenue SE., Washington, DC 20590, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.

OIRA posts its decisions on ICRs online at *http://www.reginfo.gov/public/do/PRAMain* after the comment period for each ICR. An OMB Notice of Action on each ICR will become available via a hyperlink in the OMB Control Number: 1625–New.

Privacy Act

Anyone can search the electronic form of comments received in dockets by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). You may review a Privacy Act statement regarding Coast Guard public dockets in the January 17, 2008, issue of the **Federal Register** (73 FR 3316).

Previous Request for Comments

This request provides a 30-day comment period required by OIRA. The Coast Guard published the 60-day notice (77 FR 6132, February 7, 2012) required by 44 U.S.C. 3506(c)(2). That Notice elicited no comments.

Information Collection Requests

Title: Coast Guard Exchange System Scholarship Application.

OMB Control Number: 1625–New.

Type of Request: New Collection.

Respondents: Coast Guard dependents.

Abstract: This information collected on this form allows the Coast Guard Exchange System Scholarship Program Committee to evaluate and rank scholarship applications in order to award the annual scholarships.

Forms: CG–5687.

Burden Estimate: The estimated burden is 30 hours per year.

Dated: April 6, 2012.

R. E. Day,

Rear Admiral, U.S. Coast Guard, Assistant Commandant for Command, Control, Communications, Computers and Information Technology.

[FR Doc. 2012–9008 Filed 4–13–12; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5628–N–01]

Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant (CDBG) Disaster Recovery Grantees Under the Department of Housing and Urban Development Appropriations Act, 2012

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises the public of the allocation of CDBG disaster recovery funds for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster in 2011 under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*). As described in the **SUPPLEMENTARY INFORMATION** section of this Notice, HUD is authorized by statute and regulations to waive statutory and regulatory requirements and specify alternative requirements upon the request of a grantee. Therefore, this Notice describes applicable waivers and alternative requirements, as well as the application process, eligibility requirements, and relevant statutory provisions for grants provided under this Notice.

DATES: Effective Date: April 23, 2012.

FOR FURTHER INFORMATION CONTACT: Scott Davis, Director, Disaster Recovery and Special Issues Division, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Davis at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.)

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocations

Section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55, approved November 18, 2011) (Appropriations Act) makes available up to $400 million, to remain available until expended, in CDBG funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) in 2011. The law provides that grants shall be awarded directly to a State or unit of general local government at the discretion of the Secretary.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on data that are generally available and that cover all the eligible affected areas. Within states receiving an allocation in this Notice, the Department identified the "most impacted and distressed areas" as those counties that have more than $10 million in estimated unmet severe housing and business needs. If a CDBG entitlement jurisdiction accounts for $6 million or more of funds allocated within a state, it receives a direct award (due to its extraordinarily high level of localized unmet need, one non-entitlement jurisdiction (the city of Minot, ND) also receives a direct award under this Notice). Each local jurisdiction receiving a direct award lies within a county that meets the "most impacted and distressed" criterion.

To ensure that funds are dedicated to the most impacted and distressed areas, 80 percent of the combined total of all the funds awarded within a state (this includes funds awarded directly to a State as well as those funds awarded directly to local governments) must be spent in the "most impacted and distressed" counties (*i.e.*, those identified by HUD as having more than

$10 million in estimated unmet severe housing and business needs). Since a local government receiving a direct grant allocation must spend the entirety of its grant within its jurisdiction, HUD has identified the remaining amount of each grant awarded directly to a State that must be expended within its "most impacted" counties in order to reach the 80 percent threshold (see Table 1). A more detailed explanation of HUD's allocation methodology is provided as Appendix A within this Notice.

The principle behind the 80 percent rule is that each State received their allocation based on the estimated unmet needs in the most impacted counties (i.e., those counties with more than $10 million in severe unmet housing and business needs) and thus HUD is requiring that each State direct these limited resources toward those most impacted counties. Nonetheless, HUD recognizes that there may be circumstances where data regarding damage estimates are subsequently revised, highly localized damage may occur outside of the most impacted counties, or overall recovery would otherwise benefit from expenditures outside of those most impacted counties. As a result, HUD is permitting States to spend the portion of its award in excess of the 80 percent threshold to address recovery needs outside of its "most impacted" counties. However, these funds must still be spent within counties that received a Presidential disaster declaration in 2011.

Based on a review of the impacts from Presidentially-declared disasters occurring in 2011, and estimates of unmet need, HUD is making the following allocations:

TABLE 1—ALLOCATIONS UNDER PUB. L. 112–55

Disaster No.	State	Grantee	Allocation	Minimum amount that must be expended in the "most impacted" counties identified
4020, 4031	New York	State of New York	$71,654,116	($53,011,323) Schoharie, Tioga, Broome, Greene, and/or Orange.
4020, 4031	New York	Orange County, NY	11,422,029	All funds must be spent within jurisdiction.
4031	New York	Town of Union, NY	10,137,818	All funds must be spent within jurisdiction.
1981	North Dakota	State of North Dakota	11,782,684	($0) Ward.
1981	North Dakota	City of Minot, ND	67,575,964	All funds must be spent within jurisdiction.
1971	Alabama	State of Alabama	24,697,966	($13,584,750) Tuscaloosa, Marion, Jefferson and/or DeKalb.
1971	Alabama	City of Tuscaloosa	16,634,702	All funds must be spent within jurisdiction.
1971	Alabama	Jefferson County	7,847,084	All funds must be spent within jurisdiction.
1971	Alabama	City of Birmingham	6,386,326	All funds must be spent within jurisdiction.
1980, 4012	Missouri	State of Missouri	8,719,059	($0) Jasper.
1980	Missouri	City of Joplin, MO	45,266,709	All funds must be spent within jurisdiction.
4025, 4030	Pennsylvania	State of Pennsylvania	27,142,501	($17,283,073) Bradford, Dauphin, Columbia, Wyoming, and/or Luzerne.
4025, 4030	Pennsylvania	Luzerne County, PA	15,738,806	All funds must be spent within jurisdiction.
4030	Pennsylvania	Dauphin County, PA	6,415,833	All funds must be spent within jurisdiction.
4029	Texas	State of Texas	31,319,686	($25,055,749) Bastrop.
1995, 4001, 4022	Vermont	State of Vermont	21,660,211	($17,328,169) Washington and/or Windsor.
4021	New Jersey	State of New Jersey	15,598,506	($12,478,805) Passaic.
Total			$400,000,000	

As stated by the Appropriations Act, funds provided in today's Notice shall not adversely affect the amount of any non-disaster formula assistance received by a State or unit of general local government under the Community Development Fund. Unless noted otherwise, the term "grantee" refers to any grantee—whether State, city, or county—receiving a direct award under this Notice.

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster-related purposes. The law also requires that prior to the obligation of funds a grantee shall submit a plan detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery. Thus, in an Action Plan for Disaster Recovery, grantees must describe uses and activities that are: (1) Authorized under title I of the Housing and Community Development Act of 1974 (HCD Act) or allowed by this Notice, and (2) a response to a disaster-related impact. To help meet these requirements, the Department expects each grantee to conduct an assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities. Allocations of funding in each grantee's Action Plan should reflect the findings of that grantee's needs assessment. For more guidance on the needs assessment and the creation of the Action Plan, see paragraph 1 under section VI of this Notice: "Applicable Rules, Statutes, Waivers, and Alternative Requirements."

Additionally, as provided for in the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program. Funds may not be used for activities reimbursable by, or for which funds are made available by, the Federal Emergency Management Agency (FEMA), the U.S. Army Corps of Engineers (USACE), or the Small Business Administration (SBA).

III. Prevention of Fraud, Abuse, and Duplication of Benefits

To prevent fraud, abuse of funds, mismanagement, and duplication of benefits under the Appropriations Act, this Notice includes specific reporting, written procedures, monitoring, and internal audit requirements applicable to each grantee. Departmental guidance to assist in preventing a duplication of benefits is provided at 76 FR 71060 (published November 16, 2011) and in paragraph 26 in this Notice. Other reporting, procedural, and monitoring requirements are discussed in paragraphs 1 and 14, under section VI of this Notice: "Applicable Rules, Statutes, Waivers, and Alternative Requirements." In addition, the Department will institute risk analysis and on-site monitoring of grantee management as well as collaborate with the HUD Office of Inspector General to

plan and implement oversight of these funds.

IV. Authority To Grant Waivers

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of these funds and guarantees, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment (including requirements concerning lead-based paint), upon: (1) A request by the grantee explaining why such a waiver is required to facilitate the use of such funds or guarantees, and (2) a finding by the Secretary that such a waiver would not be inconsistent with the overall purpose of the HCD Act. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

V. Overview of Grant Process

To begin expenditure of CDBG disaster recovery funds, the following expedited steps are necessary:

- Grantee adopts citizen participation plan for disaster recovery in accordance with the requirements of this Notice;
- Grantee publishes its Action Plan for Disaster Recovery on the grantee's official web site for no less than 7 calendar days to solicit public comment;
- Grantee responds to public comment and submits its Action Plan (which includes Standard Form 424 (SF–424) and certifications) to HUD no later than 90 days after the date of this Notice;
- HUD expedites review (allotted 45 days from date of receipt; however, completion of review is anticipated much sooner);
- HUD accepts the Action Plan and sends a cover letter, grant conditions, and signed grant agreement to the grantee;
- Grantee signs and returns the fully executed grant agreement;
- Grantee ensures that the final HUD-accepted Action Plan posted on its official Web site;
- HUD establishes the grantee's line of credit;
- Grantee requests and receives Disaster Recovery Grant Reporting (DRGR) system access (if the grantee does not already have it);
- If it has not already done so, grantee enters the activities from its published Action Plan into DRGR and submits it to HUD. (Funds can be drawn from the line of credit only for activities that are established in DRGR.)
- After the Responsible entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, receives from HUD or the State an approved Request for Release of Funds and certification, the grantee may draw down funds from the line of credit.
- The grantee must begin to draw down funds no later than 180 days after the date of this Notice.

VI. Applicable Rules, Statutes, Waivers, and Alternative Requirements

The Secretary finds that the waivers and alternative requirements, as described in this Notice, are necessary to facilitate the use of these funds for the statutory purposes, and are not inconsistent with the overall purpose of the HCD Act or the Cranston-Gonzalez National Affordable Housing Act, as amended. Under the requirements of the Appropriations Act and the Department of Housing and Urban Development Reform Act of 1989 (the HUD Reform Act), regulatory waivers must be justified and published in the **Federal Register**.

This section of the Notice describes applicable waivers and alternative requirements granted in response to requests from grantees. The following requirements provide additional flexibility in program design and implementation and implement statutory requirements unique to this appropriation. As a result, they apply only to the CDBG disaster recovery funds appropriated in the Appropriations Act, and not to funds provided under the annual formula State or Entitlement CDBG programs, or those provided under any other component of the CDBG program, such as the Neighborhood Stabilization Program.

Grantees may request additional waivers from the Department as needed to address specific needs related to their recovery activities. The Department will respond to requests for waivers after working with the grantee to tailor its program(s) to best meet its needs. Except where noted, waivers and alternative requirements apply to all grantees under this Notice.

Except as described in this Notice, statutory and regulatory provisions governing the State CDBG program shall apply to any State receiving an allocation under this Notice. Statutory and regulatory provisions governing the Entitlement CDBG program shall apply to any unit of general local government receiving a direct allocation in this Notice. Applicable statutory provisions can be found at 42 U.S.C. 5301 *et seq.* Applicable State and entitlement regulations can be found at 24 CFR part 570.

1. *Action Plan for Disaster Recovery waiver and alternative requirement.* The traditional requirements for CDBG actions plans, located at 42 U.S.C. 12705(a)(2), 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), 24 CFR 91.220, and 24 CFR 91.320 are waived for these disaster recovery grants. Instead, grantee must submit to HUD an Action Plan for Disaster Recovery. This streamlined plan will allow grantees to more quickly and effectively implement disaster recovery programs while conforming with statutory requirements. During the course of the grant, HUD will monitor the grantee's actions and use of funds for consistency with the plan, as well as meeting the performance and timeliness objectives therein.

A. Action Plan. The Action Plan must identify the proposed use of all funds, including criteria for eligibility, and how the uses address long-term recovery needs. Due to the need to develop and submit an acceptable Action Plan in a timely manner, a grantee's Action Plan may program or budget a portion of funds toward a particular use with only a broad or general description of that use. However, HUD will not consider an Action Plan substantially complete unless at least 50 percent of grant funds are articulated at the level of detail described in paragraphs (B) or (C) of this subsection, as applicable. Funds dedicated for uses not described in accordance with paragraphs (B) or (C) of this subsection will be restricted on the grantee's line of credit until the grantee submits, and HUD accepts, an Action Plan amendment programming the use of those funds at the necessary level of detail as described in paragraphs (B) or (C) of this subsection. Once the Action Plan amendment is accepted, and the Responsible entity completes an environmental review and obtains HUD approval of a Request for Release of Funds, as applicable, HUD will unblock the restricted funds and the grantee may begin to draw them down immediately. The grantee must program 100 percent of its grant funds at the necessary level of detail within 9 months of the date of this Notice.

The Action Plan must contain:

(1) An impact and unmet needs assessment. Development of a needs assessment to understand the type and location of community needs will enable grantees to target limited resources to areas with the greatest need. Grantees receiving an award under today's Notice must conduct a needs assessment to inform the allocation of CDBG disaster recovery resources. CDBG–DR funds may be used

to conduct the needs assessment. At a minimum, the needs assessment must evaluate three core aspects of recovery—housing (interim and permanent, owner and rental, single family and multifamily, affordable and market rate), infrastructure, and the economy (*e.g.*, estimated job losses or tax revenue loss due to the disaster). The assessment must also take into account the various forms of assistance available to, or likely to be available to, affected communities (*e.g.*, projected FEMA funds) and individuals (*e.g.*, estimated insurance) to ensure CDBG disaster recovery funds meet needs that are not likely to be addressed by other sources of funds. The assessment must use the best available data and cite data sources.

Impacts should be described geographically by type at the lowest level practicable (*e.g.*, county level or lower if available). Grantees should use the most recent available data (*e.g.*, from FEMA and SBA) and estimate the portion of need likely to be addressed by insurance proceeds, other federal assistance, or any other funding source (thus producing an estimate of unmet need).

Disaster recovery needs evolve over time as the full impact of a disaster is realized and costs of damages transition from estimated to actual. Remaining recovery needs also evolve over time as they are met by dedicated resources. As a result, the needs assessment and Action Plan may be considered as a living document, which grantees may need to periodically update over time.

(2) A description of how the grantee will promote (a) sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible flood plain management, and (b) how it will coordinate with other local and regional planning efforts;

(3) A description of how the grantee will leverage CDBG disaster recovery funds with funding provided by other federal, state, local, private, and non-profit sources to generate a more effective and comprehensive recovery. Examples of other federal sources are those provided by HUD, FEMA (specifically the Public Assistance Program, Individual Assistance Program, and Hazard Mitigation Grant Program), the Small Business Administration, Economic Development Administration, U.S. Army Corps of Engineers, and the U.S. Department of Agriculture. The grantee should seek to maximize the number of activities and the degree to which CDBG funds are leveraged. Leveraged funds shall be identified for each activity, as applicable, in the DRGR system;

(4) A description of how the grantee will encourage construction methods that emphasize high quality, durability, energy efficiency, sustainability, and mold resistance, including how it will support adoption and enforcement of modern building codes and mitigation of hazard risk, where appropriate;

(5) A description of how the grantee will encourage the provision of adequate, flood-resistant housing for all income groups, including a description of the activities it plans to undertake to address: (a) Transitional housing needs of homeless individuals and families (including subpopulations), (b) prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median) from becoming homeless, and (c) the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents, as identified in 24 CFR 91.315 (e) or 91.215(e) as applicable); grantees should consider how planning decisions may affect racial, ethnic, and low-income concentrations. They should also consider ways to promote the availability of affordable housing in low-poverty, non-minority areas where appropriate and in response to disaster related impacts;

(6) A description of how the grantee plans to minimize displacement of persons or entities, and assist any persons or entities displaced;

(7) A description of how the grantee will handle program income, and the purpose(s) for which it may be used;

(8) A description of monitoring standards and procedures that are sufficient to ensure program requirements, including nonduplication of benefits, are met and that provide for continual quality assurance and investigation. Grantees must also have an internal audit function with responsible audit staff reporting independently to the chief officer or board of the governing body of any designated administering entity;

(9) A description of the steps the grantee will take to prevent fraud, abuse, and mismanagement of funds (including potential conflicts of interest and duplication of benefits). All such steps taken shall be identified quarterly in its performance report to HUD;

(10) A description of how the grantee will provide for increasing the capacity of grant recipients, subrecipients, subgrantees, and any other entity responsible for administering activities under this grant;

(11) A description of the connection between identified unmet needs and the allocation of CDBG disaster recovery resources by the grantee; and

(12) A performance schedule. The Action Plan must include a performance schedule for carrying out programs and/or activities. The schedule should include projected performance (in terms of both expenditures and outcome measures) for the following activity types (at a minimum): (1) Housing, (2) infrastructure, (3) economic development, (4) planning and administration, and (5) other (if applicable). The Action Plan should also include a projected expenditure schedule for the entirety of the grant amount as a whole. Grantees may revise the performance schedule as needed via an Action Plan amendment to reflect any changes in programs or activities.

B. Funds awarded to a State. A State's Action Plan shall describe the method of distribution of funds to units of local government and/or descriptions of specific programs or activities the State will carry out directly. The description must include:

(1) How the needs assessment informed allocation determinations;

(2) The threshold factors and grant size limits that are to be applied;

(3) The projected uses for the CDBG disaster recovery funds, by responsible entity, activity, and geographic area, when the State carries out an activity directly;

(4) For each proposed program and/or activity carried out directly, its respective CDBG activity eligibility category (or categories) as well as national objective(s).

(5) How the method of distribution to local governments or programs/activities carried out directly will result in long-term recovery from specific impacts of the disaster.

(6) When funds are allocated to units of local government, all criteria used to distribute funds to local governments including the relative importance of each criterion; and

(7) When applications are solicited for programs carried out directly, all criteria used to select applications for funding, including the relative importance of each criterion.

C. Funds awarded directly to a unit of general local government. The unit of local government shall describe specific programs and/or activities it will carry out. The Action Plan must describe:

(1) How the needs assessment informed allocation determinations;

(2) The threshold factors and grant size limits that are to be applied;

(3) The projected uses for the CDBG disaster recovery funds, by responsible entity, activity, and geographic area;

(4) How the projected uses of the funds will meet CDBG eligibility criteria and a national objective;

(5) How the projected uses of funds will result in long-term recovery from specific impacts of the disaster; and

(6) All criteria used to select applications, including the relative importance of each criterion.

D. Clarification of disaster-related activities. All CDBG disaster recovery activities must clearly address an impact of the disaster for which funding was appropriated. Given the standard CDBG requirements, this means each activity must: (1) Be CDBG eligible (or receive a waiver), (2) meet a national objective, and (3) address a direct or indirect impact from the disaster in a Presidentially-declared county. A disaster-related impact can be addressed through any eligible CDBG activity.

(1) *Housing.* Typical housing activities include new construction and rehabilitation of single family or multifamily units. Most often, grantees use CDBG disaster recovery funds to rehabilitate damaged homes and rental units. However, grantees may also fund new construction or rehabilitate units not damaged by the disaster if the activity clearly addresses a disaster-related impact. This impact can be demonstrated by the disaster's overall effect on the quality, quantity, and affordability of the housing stock and the resulting inability of that stock to meet post-disaster needs and population demands. The standard CDBG rehabilitation and reconstruction rules apply.

(2) *Infrastructure.* Typical infrastructure activities include the repair, replacement, or relocation of damaged public facilities.

(3) *Economic Revitalization.* Economic revitalization is not limited to activities that are "special economic development" activities under the HCD Act, or to activities that create or retain jobs. For CDBG disaster recovery purposes, economic revitalization can include any activity that demonstrably restores and improves some aspect of the local economy; the activity may address job losses, or negative impacts to tax revenues or businesses. Examples of eligible activities include providing loans and grants to businesses, funding job training, making improvements to commercial/retail districts, and financing other efforts that attract/retain workers in devastated communities. All economic revitalization activities must address an economic impact(s) caused by the disaster (*e.g.*, loss of jobs, loss of public revenue). Through its needs assessment and Action Plan, the grantee should clearly identify the economic loss or need resulting from the disaster, and how the proposed activities will address that loss/need.

(4) *Preparedness and Mitigation.* The Appropriations Act states that funds shall be used for recovering from a Presidentially-declared major disaster. As such, all activities must respond to the impacts of the declared disaster. HUD strongly encourages grantees to incorporate preparedness and mitigation measures into rebuilding activities, which helps to ensure that communities recover to be safer and stronger than prior to the disaster. Incorporation of these measures also reduces costs in recovering from future disasters. However, given the limited funding available and the language in the Appropriations Act, CDBG disaster recovery funds may not be used for activities that are solely designed to prepare for and/or mitigate the effects of a future disaster without any tie to rebuilding from the previous disaster.

(5) *Tie to the Disaster.* Grantees must document in each project file how that activity is tied to the disaster for which it is receiving CDBG assistance.

In regard to physical losses, damage or rebuilding estimates are often the most effective tool for demonstrating the connection to the disaster. For economic or other non-physical losses, post-disaster analyses or assessments may best document the relationship between the loss and the disaster.

Note that grantees are not limited in their recovery to returning to pre-disaster conditions. Rather, grantees are encouraged to undertake activities in such a way that not only addresses the disaster-related impacts, but leaves communities better positioned to meet the needs of their post-disaster populations and prospects for growth.

E. *Use of funds for other disasters not covered by the Appropriations Act.* CDBG disaster recovery funds awarded under this Notice may not be used to address an impact or need originating from a disaster not occurring in 2011. However, if a need that arose from a previous disaster was exacerbated by a 2011 disaster, funds under this Notice may be used. In addition, if an impact or need originating from a 2011 disaster is subsequently exacerbated by a future disaster, funds under this Notice may also be used.

F. *Use of the urgent need national objective.* The traditional certification requirements for the documentation of urgent need, located at 24 CFR 570.208(c) and 24 CFR 570.483(d), are waived for the grants under this Notice. In the context of disaster recovery, these standard requirements may prove burdensome and redundant. Since the Department only provides CDBG disaster recovery awards to grantees with documented disaster-related impacts (as supported by data provided by FEMA, SBA, and other sources), and each grantee is limited to spending funds only in counties with a Presidential disaster declaration of recent origin respective to each appropriation, the following streamlined alternative requirement recognizes the inherent urgency in addressing the serious threat to community welfare following a major disaster.

Grantees need not issue formal certification statements in order to qualify an activity as meeting the urgent need national objective. Instead, each grantee receiving a direct award under this Notice must document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee. This waiver and alternative requirement allows grantees to more effectively and quickly implement disaster recovery programs. Grantees may reference in their Action Plan the type, scale, and location of the disaster-related impacts that each program and/or activity is addressing.

Grantees should identify these disaster-related impacts in their Action Plan needs assessment. The needs assessment should be updated as new or more detailed/accurate disaster-related impacts are known. Understanding that major disasters present unique challenges and that recovery can take years, it is not necessary for an activity to begin within 18 months of the disaster in order to use the urgent need national objective.

Grantees should still be mindful to use the "low- and moderate income person benefit" national objective for all activities that qualify under such criteria. At least 50 percent of the entire CDBG disaster recovery grant award must be used for activities that benefit low- and moderate-income persons.

G. *Clarity of Action Plan.* All grantees must include sufficient information so that citizens, units of general local government (where applicable), and other eligible subgrantees, subrecipients, or applicants will be able to understand and comment on the Action Plan and, if applicable, be able to prepare responsive applications to the grantee. The Action Plan must include a single chart or table that illustrates, at the most practical level, how all funds are budgeted (*e.g.*, by program, subgrantee, grantee-

administered activity, or other category). An amount generally not to exceed ten percent of the total grant amount may be budgeted as a separate activity for the contingency of cost overruns and unanticipated unmet needs. Once a grantee expends 80 percent of its grant amount, it should program any remaining funds budgeted for contingency into an eligible activity in order to fully expend all funds by addressing unmet needs and close out the grant.

In the case of Action Plan amendments, each amendment should constitute the entirety of the Action Plan, as amended. The beginning of every Action Plan amendment must include a section that identifies exactly what content is being added, deleted, or changed. This section must also include a chart or table that clearly illustrates where funds are coming from and where they are moving to. The Action Plan must include a revised budget allocation table that reflects the entirety of all funds, as amended. A grantee's most recent version of its entire Action Plan should be able to be accessed and viewed as a single document at any given point in time, rather than the public having to view and cross-reference changes among multiple amendments.

H. *Review of Action Plan; obligation and expenditure of funds.* The Action Plan must be submitted to HUD (including Standard Form 424 (SF–424) and certifications) within 90 days of the date of this Notice. HUD will expedite its review of each Action Plan—taking no more than 45 days from the date of receipt. Once HUD accepts the Action Plan, it will then issue a grant agreement obligating all funds to the grantee. In addition, HUD will establish the line of credit and the grantee will receive DRGR access (if it does not have access already). The grantee must also enter its Action Plan activities into the DRGR system in order to draw funds against them. It may enter these activities into DRGR before or after submission of the Action Plan to HUD.

All funds programmed or budgeted at a generalized level will be restricted from access on the grantee's line of credit. Once the generalized uses are described in an amended Action Plan at the necessary level of detail, they will be released by HUD and made available for use. After the Responsible Entity completes environmental review(s) pursuant to 24 CFR part 58 (as applicable) and receives from HUD or the State an approved Request for Release of Funds and certification (as applicable), the grantee may draw down funds from the line of credit for an activity. The disbursement of grant funds must begin no later than 180 days after the date of this Notice.

I. *Amending the Action Plan.* Even after all funds have been programmed or budgeted in a grantee's Action Plan at the necessary level of detail, the grantee may continue to subsequently amend its plan as needed. As needs often change throughout the long-term recovery process, grantees may find it necessary to amend its Action Plan to update its needs assessment, modify activities, create new ones, or to re-program funds.

2. *Citizen participation waiver and alternative requirement.* To permit a more streamlined process, and ensure disaster recovery grants are awarded in a timely manner, provisions of 42 U.S.C. 5304(a)(2) and (3), 42 U.S.C. 12707, 24 CFR 570.486, 24 CFR 91.105(b) and (c), and 24 CFR 91.115(b) and (c), with respect to citizen participation requirements, are waived and replaced by the requirements below. The streamlined requirements do not mandate public hearings at a state, entitlement, or local government level, but do require providing a reasonable opportunity (at least 7 days) for citizen comment and ongoing citizen access to information about the use of grant funds. The streamlined citizen participation requirements for a grant administered under this Notice are:

A. Before the grantee adopts the Action Plan for this grant or any substantial amendment to this grant, the grantee will publish the proposed plan or amendment (including the information required in this Notice for an Action Plan for Disaster Recovery). The manner of publication must include prominent posting on the grantee's official Web site and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the plan or amendment's contents. The topic of disaster recovery should be navigable by citizens from the grantee (or administering agency) homepage. Grantees are also encouraged to notify affected citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with neighborhood organizations.

Despite the expedited process, grantees are still responsible for ensuring that all citizens have equal access to information about the programs, including persons with disabilities and limited English proficiency. Each grantee must ensure that program information is available in the appropriate languages for the geographic area served by the jurisdiction. This issue may be particularly applicable to States receiving an award under this Notice. Unlike grantees in the regular State CDBG program, State grantees under today's Notice may make grants throughout the state, including to entitlement communities. For assistance in ensuring that this information is available to LEP populations, recipients should consult the *Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* published on January 22, 2007, in the **Federal Register** (72 FR 2732).

Subsequent to publication of the Action Plan, the grantee must provide a reasonable time frame and method(s) (including electronic submission) for receiving comments on the plan or substantial amendment. In its Action Plan, each grantee must specify criteria for determining what changes in the grantee's plan constitute a substantial amendment to the plan. At a minimum, the following modifications will constitute a substantial amendment: A change in program benefit or eligibility criteria; the allocation or re-allocation of more than $1 million; or the addition or deletion of an activity. The grantee may substantially amend the Action Plan if it follows the same procedures required in this Notice for the preparation and submission of an Action Plan for Disaster Recovery. Prior to submission of a substantial amendment, the grantee is encouraged to work with its HUD representative to ensure the proposed change is consistent with this Notice, and all applicable regulations and Federal law.

B. The grantee must notify HUD, but is not required to undertake public comment, when it makes any plan amendment that is not substantial. However, every amendment to the Action Plan (substantial and non-substantial) must be numbered sequentially and posted on the grantee's Web site. The Department will acknowledge receipt of the notification of non-substantial amendments via email within 5 business days.

C. The grantee must consider all comments, received orally or in writing, on the Action Plan or any substantial amendment. A summary of these comments or views, and the grantee's response to each must be submitted to HUD with the Action Plan or substantial amendment.

D. The grantee must make the Action Plan, any substantial amendments, and all performance reports available to the public on its Web site and on request. In addition, the grantee must make these

documents available in a form accessible to persons with disabilities and non-English-speaking persons. During the term of the grant, the grantee will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds.

E. The grantee will provide a timely written response to every citizen complaint. The response will be provided within 15 working days of the receipt of the complaint, if practicable.

3. *Direct grant administration and means of carrying out eligible activities—applicable to State grantees only.* Requirements at 42 U.S.C. 5306 are waived to the extent necessary to allow a State to use its disaster recovery grant allocation directly to carry out State-administered activities eligible under this Notice, rather than distribute all funds to units of local government. In using statutory language similar to that used for prior CDBG supplemental appropriations, the Department believes Congress is signaling its intent that the States under this appropriation also be able to carry out activities directly. Pursuant to this waiver, the standard at section 570.480(c) will also include activities that the State carries out directly. Note that any city or county receiving a direct award under this Notice will be subject to the standard CDBG entitlement program regulations. Thus, the waiver and alternative requirement described here is inapplicable to local jurisdictions.

Activities eligible under this Notice may be undertaken, subject to State law, by the grantee through its employees, through procurement contracts, or through loans or grants under agreements with subrecipients. Activities made eligible under section 105(a)(15) of the HCD Act, as amended, may only be undertaken by entities specified in that section, whether the assistance is provided to such an entity from the State or from a unit of general local government.

4. *Consolidated Plan waiver.* HUD is waiving the requirement for consistency with the consolidated plan (requirements at 42 U.S.C. 12706, 24 CFR 91.325(a)(5), 24 CFR 91.225(a)(5), 24 CFR 91.325(b)(2), and 24 CFR 91.225(b)(3)), because the effects of a major disaster alter a grantee's priorities for meeting housing, employment, and infrastructure needs. In conjunction, 42 U.S.C. 5304(e), to the extent that it would require HUD to annually review grantee performance under the consistency criteria, is also waived. However, this waiver applies only until the grantee first updates its full consolidated plan more than 30 months following the disaster. While grantees are encouraged to incorporate disaster-recovery needs into their consolidated plan updates as soon as practicable, any unmet disaster-related needs and associated priorities should be incorporated into the grantee's next consolidated plan update following the expiration of the 30-month waiver period. If not completed already, the grantee should update its Analysis of Impediments in coordination with its post-waiver consolidated plan update, so that it more accurately reflects housing conditions following the disaster.

This waiver also allows the disaster recovery action plan for non-entitlement communities to also serve as an abbreviated Consolidated Plan under the authority at 42 U.S.C. 12705(b) because the Secretary has determined that this is appropriate given the types and amounts of assistance the non-entitlement will receive for disaster purposes. For non-entitlement communities, HUD is also waiving 24 CFR part 91, subpart C to the extent that these provisions require elements that are not specifically required by this Notice.

The waiver is granted consistent with the non-entitlement's existing submission of needs data for addressing housing and community development needs in the State's Consolidated Plan. Note that the 30 month requirement does not apply to any non-entitlement community receiving funds under this Notice, however, it must update and amend its Action Plan within 18 months of the date of this Notice to include actions it plans to take to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing. Such policies, procedures and processes include, but are not limited to, land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. Consistent with 91.220(j), proposed plans or actions should be reviewed periodically to ensure they best respond to the barriers to affordable housing, as they exist at that time.

5. *Requirement for consultation during plan preparation.* Currently, the statute and regulations require States to consult with affected units of local government in non-entitlement areas of the State in determining the State's proposed method of distribution. HUD is waiving 42 U.S.C. 5306(d)(2)(C)(iv), 42 U.S.C. 5306(d)(2)(D), 24 CFR 91.325(b), and 24 CFR 91.110, with the alternative requirement that any State receiving an allocation under this Notice consult with all disaster-affected units of general local government, including any CDBG-entitlement communities, in determining the use of funds. This ensures State grantees sufficiently assess the recovery needs of all areas affected by the disaster. For local governments receiving a direct award under this Notice, HUD is waiving 24 CFR 91.100 with the alternative requirement that the jurisdiction should consult with adjacent units of general local government, including local government agencies with metropolitan-wide planning responsibilities, particularly for problems and solutions that go beyond a single jurisdiction.

6. *Overall benefit waiver and alternative requirement.* The primary objective of the HCD Act is the "development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." 42 U.S.C. 5301(c). To carry out this objective, the statute requires that 70 percent of the aggregate of a regular CDBG program's funds be used to support activities benefitting low- and moderate-income persons. This target could be difficult to reach, and perhaps even impossible, for many communities affected by the 2011 disasters. Grantees under this Notice experienced disaster impacts that affected entire communities—regardless of income, and the existing requirement may prevent grantees from providing assistance to damaged areas of need.

Therefore, this Notice waives the requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 24 CFR 570.200(a)(3), that 70 percent of funds be used for activities that benefit low- and moderate-income persons. Instead, 50 percent of funds must benefit low- and moderate-income persons. This provides grantees with greater flexibility to carry out recovery activities by allowing up to 50 percent of the grant to assist activities under the urgent need or prevention or elimination of slums or blight national objectives.

7. *Use of the "upper quartile" or "exception criteria" for low- and moderate-income area benefit activities—not applicable to all grantees.* Section 105(c)(2)(A) of the HCD Act provides that "In any case in which an assisted activity described in subsection (a) is designed to serve an area generally and is clearly designed to meet identified needs of persons of low and moderate income in such area, such

activity shall be considered to principally benefit persons of low and moderate income if * * * (ii) in any metropolitan city or urban county, the area served by such jurisdiction is within the highest quartile of all areas within the jurisdiction of such city or county in terms of the degree of concentration of persons of low and moderate income * * *" HUD permits an exception to the low- and moderate-income area benefit requirement that an area contain at least 51 percent low- and moderate-income residents. This exception applies to entitlement communities that have few, if any, areas within their jurisdiction that have 51 percent or more low- and moderate-income residents. These communities are allowed to use a percentage less than 51 percent to qualify activities under the low- and moderate-income area benefit category. This exception is referred to as the "exception criteria" or the "upper quartile". A grantee qualifies for this exception when less than one quarter of the populated block groups in its jurisdictions contain 51 percent or more low- and moderate-income persons. In such communities, activities must serve an area which contains a percentage of low- and moderate-income residents that is within the upper quartile of all Census block groups within its jurisdiction in terms of the degree of concentration of low- and moderate-income residents. HUD assesses each grantee's census block groups to determine whether a grantee qualifies to use this exception and identifies the alternative percentage the grantee may use instead of 51 percent for the purpose of qualifying activities under the low- and moderate-income area benefit. HUD determines the lowest proportion a grantee may use to qualify an area for this purpose and advises the grantee accordingly.

The Department has considered and granted the requests of Orange County, New York to apply the exception criteria to these disaster recovery grants. The Department also grants the request of the State of New Jersey to allow the following entitlement communities that have disaster declarations and total damage that exceeds $3,000,000 to apply the exception criteria for these disaster recovery grants: Passaic County, Bergen County, Morris County, Somerset County, Essex County, Middlesex County, and Monmouth County. HUD also waives section 105(c)(2)(ii) of the HCD Act and the regulations at 570.208(a)(1)(ii) to the extent that they limit the exception criteria to any metropolitan city or urban county to allow the city of Minot, a non-entitlement community, to utilize the exception criteria for the purpose of classifying activities under the low- and moderate-income area benefit national objective. HUD will provide data to the city of Minot on how this exception shall be applied.

It must be noted that HUD annually updates the low- and moderate-income summary data used to identify the exception criteria; disaster recovery grantees are required to use the most recent data available in implementing the exception criteria.

8. *Note on change to administration limitation.* For all grantees under today's Notice, the annual CDBG program administration requirements must be modified to be consistent with the Appropriations Act, which allows up to 5 percent of the grant to be used for administrative costs, whether by the grantee, by entities designated by the grantee, by units of general local government, or by subrecipients. Thus, the total of all costs classified as administrative must be less than or equal to the 5 percent cap.

A. For State grantees under this Notice, the provisions of 42 U.S.C. 5306(d) and 24 CFR 570.489(a)(1)(i) and (iii) will not apply to the extent that they cap administration and technical assistance expenditures, limit a State's ability to charge a nominal application fee for grant applications for activities the State carries out directly, and require a dollar-for-dollar match of State funds for administrative costs exceeding $100,000. 42 U.S.C. 5306(d)(5) and (6) are waived and replaced with the alternative requirement that the aggregate total for administrative and technical assistance expenditures must not exceed 5 percent. States remain limited to spending a maximum of 20 percent of their total grant amount on a combination of planning and program administration costs. Planning costs subject to the 20 percent cap are those defined in 42 U.S.C. 5305(a)(12).

B. Any city or county receiving a direct award under this Notice is also subject to the 5 percent administrative cap. This 5 percent applies to all administrative costs—whether incurred by the grantee or its subrecipients. However, cities or counties receiving a direct allocation under this Notice also remain limited to spending 20 percent of their total allocation on a combination of planning and program administration costs.

9. *Planning-only activities—applicable to State grantees only.* The annual State CDBG program requires that local government grant recipients for planning-only grants must document that the use of funds meets a national objective. In the State CDBG program, these planning grants are typically used for individual project plans. By contrast, planning activities carried out by entitlement communities are more likely to include non-project specific plans such as functional land-use plans, master plans, historic preservation plans, comprehensive plans, community recovery plans, development of housing codes, zoning ordinances, and neighborhood plans. These plans may guide long-term community development efforts comprising multiple activities funded by multiple sources. In the entitlement program, these more general planning activities are presumed to meet a national objective under the requirements at 24 CFR 570.208(d)(4).

The Department notes that almost all effective CDBG disaster recoveries in the past have relied on some form of area-wide or comprehensive planning activity to guide overall redevelopment independent of the ultimate source of implementation funds. Therefore, for State grantees receiving an award under this Notice, the Department is removing the eligibility requirements at 24 CFR 570.483(b)(5) or (c)(3). Instead, States must comply with 24 CFR 570.208(d)(4) when funding disaster recovery-assisted planning-only grants, or directly administering planning activities that guide recovery in accordance with the Appropriations Act. In addition, the types of planning activities that States may fund or undertake are expanded to be consistent with those of entitlement communities identified at 24 CFR 570.205.

10. *Waiver and alternative requirement for distribution to CDBG metropolitan cities and urban counties—applicable to State grantees only.* Section 5302(a)(7) of title 42, U.S.C. (definition of "nonentitlement area") and provisions of 24 CFR part 570 that would prohibit a State from distributing CDBG funds to entitlement communities and Indian tribes under the CDBG program, are waived, including 24 CFR 570.480(a). Instead, the State may distribute funds to units of local government and Indian tribes.

11. *Use of subrecipients—applicable to State grantees only.* The State CDBG program rule does not make specific provision for the treatment of entities that the CDBG Entitlement program calls "subrecipients." The waiver allowing the State to directly carry out activities creates a situation in which the State may use subrecipients to carry out activities in a manner similar to an entitlement community. Therefore, for States taking advantage of the waiver to carry out activities directly, the

requirements at 24 CFR 570.502, 570.503, and 570.500(c) apply, except that specific references to 24 CFR parts 84 and 85 must be included in subrecipient agreements. OMB Circular A–87 shall apply to States and any subrecipients of a State, whether carrying out activities directly or through the use of a subrecipient.

12. *Recordkeeping—applicable to State grantees only.* When a State carries out activities directly, 24 CFR 570.490(b) is waived and the following alternative provision shall apply: The State shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the State's administration of CDBG disaster recovery funds under 24 CFR 570.493. Consistent with applicable statutes, regulations, waivers and alternative requirements, and other federal requirements, the content of records maintained by the State shall be sufficient to: Enable HUD to make the applicable determinations described at 24 CFR 570.493; make compliance determinations for activities carried out directly by the State; and show how activities funded are consistent with the descriptions of activities proposed for funding in the Action Plan and/or DRGR system. For fair housing and equal opportunity purposes, and as applicable, such records shall include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program.

13. *Change of use of real property—applicable to State grantees only.* This waiver conforms to the change of use of real property rule to the waiver allowing a State to carry out activities directly. For purposes of this program, all references to "unit of general local government" in 24 CFR 570.489(j), shall be read as "unit of general local government or State."

14. *Responsibility for review and handling of noncompliance —applicable to State grantees only.* This change is in conformance with the waiver allowing the State to carry out activities directly. 24 CFR 570.492 is waived and the following alternative requirement applies for any State receiving a direct award under this Notice: the State shall make reviews and audits, including onsite reviews of any subrecipients, designated public agencies, and units of general local government, as may be necessary or appropriate to meet the requirements of section 104(e)(2) of the HCD Act, as amended, as modified by this Notice. In the case of noncompliance with these requirements, the State shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences, and prevent a recurrence. The State shall establish remedies for noncompliance by any designated subrecipients, public agencies, or units of general local government.

15. *Housing-related eligibility waivers.* The broadening of Section 105(a)(24) of the HCD Act is necessary following major disasters in which large numbers of affordable housing units have been damaged or destroyed, as is the case of the disasters eligible under this Notice. Thus, in accordance with the grantees' requests, 42 U.S.C. 5305(a) is waived to the extent necessary to allow: (1) Homeownership assistance for households with up to 120 percent of the area median income, (2) down payment assistance for up to 100 percent of the down payment (42 U.S.C. 5305(a)(24)(D)), and (3) new housing construction. While homeownership assistance may be provided to households with up to 120 percent of the area median income, only those funds used to serve households with up to 80 percent of the area median income may qualify as meeting the low- and moderate-income person benefit national objective.

16. *Housing incentives to resettle in disaster-affected communities—not applicable to all grantees.* Incentive payments are generally offered in addition to other programs or funding (such as insurance), to encourage households to relocate in a suitable housing development or an area promoted by the community's comprehensive recovery plan. For example, a grantee may offer an incentive payment (possibly in addition to a buyout payment) for households that volunteer to relocate outside of floodplain or to a lower-risk area.

Therefore, 42 U.S.C. 5305(a) and associated regulations are waived to the extent necessary to allow the provision of housing incentives. These grantees must maintain documentation, at least at a programmatic level, describing how the amount of assistance was determined to be necessary and reasonable, and the incentives must be in accordance with the grantee's approved Action Plan and published program design(s). This waiver does not permit a compensation program. Additionally, if the grantee requires the incentives to be used for a particular purpose by the household receiving the assistance, then the eligible use for that activity will be that required use, not an incentive. This waiver does not apply to the following grantees: The city of Birmingham, Jefferson County, and the State of Texas.

17. *Limitation on emergency grant payments—not applicable to all grantees.* 42 U.S.C. 5305(a)(8) is waived to extend interim mortgage assistance to qualified individuals from three months to up to 20 months. The time required for a household to complete the rebuilding process may often extend beyond three months, during which mortgage payments may be due but the home is inhabitable. Thus, this interim assistance will be critical for many households facing financial hardship during this period. This waiver and alternative requirement do not apply to the following grantees: Jefferson County, city of Tuscaloosa, State of Missouri, and the State of Texas.

18. *Buildings for the general conduct of government—not applicable to all grantees.* 42 U.S.C. 5305(a) is waived to the extent necessary to allow grantees to fund the rehabilitation or reconstruction of public buildings that are otherwise ineligible. HUD believes this waiver is consistent with the overall purposes of the HCD Act, and is necessary for many grantees to adequately address critical infrastructure needs created by the disaster. This waiver does not apply to the following grantees: City of Birmingham, Jefferson County, and the State of Missouri.

Regardless of this waiver, CDBG disaster recovery funds allocated under this Notice may not be used for activities reimbursable by, or for which funds are made available by, FEMA or the Army Corps of Engineers.

19. *Waiver and modification of the job relocation clause to permit assistance to help a business return.* Traditional CDBG requirements prevent program participants from providing assistance to a business to relocate from one labor market area to another—if the relocation is likely to result in a significant loss of jobs in the labor market from which the business moved. This prohibition can be a critical barrier to reestablishing and rebuilding a displaced employment base after a major disaster. Therefore, 42 U.S.C. 5305(h), 24 CFR 570.210, and 24 CFR 570.482 are waived to allow a grantee to provide assistance to any business that was operating in the disaster-declared labor market area before the incident date of the applicable disaster and has since moved, in whole or in part, from the affected area to another State or to a labor market area within the same State to continue business.

20. *One-for-one replacement housing, relocation, and real property acquisition requirements.* CDBG-assisted activities, programs and projects are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of

1970, as amended, (42 U.S.C. 4601 *et seq.*) ("URA") and section 104(d) of the HCD Act (42 U.S.C. 5304(d)) ("Section 104(d)"). The implementing regulations for the URA are at 49 CFR part 24. The regulations for Section 104(d) are at 24 CFR part 42, subpart C.

For the purpose of promoting the availability of decent, safe, and sanitary housing, HUD is waiving the following URA and Section 104(d) requirements for grantees under this Notice:

A. One-for-one replacement requirements at 42 U.S.C. 5304(d)(2)(A)(i)–(ii) and (d)(3) and 24 CFR 42.375 are waived for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. HUD is waiving this requirement because the requirement does not account for the large, sudden changes that a major disaster may cause to the local housing stock, population, or economy. Furthermore, the requirement may discourage grantees from converting or demolishing disaster-damaged housing when excessive costs would result from replacing all such units. Disaster-damaged housing structures, unsuitable for rehabilitation, can pose a threat to public health and safety and to economic revitalization. Grantees should re-assess post-disaster population and housing needs to determine the appropriate type and amount of lower-income dwelling units to rehabilitate and/or rebuild. Grantees should note, however, that the demolition and/or disposition of Public Housing Authority-owned public housing units is covered by Section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970.

B. The Section 104(d) relocation assistance requirements at 42 U.S.C. 5304(d)(2)(A) and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24 for activities related to disaster recovery.

This waiver is necessary to eliminate disparities in rental assistance payments associated with activities typically funded by HUD and FEMA (e.g., buyouts and relocation). FEMA funds are subject to the requirements of the URA and, consequently, FEMA requires rental assistance payments for displaced persons to be calculated on the basis of an amount necessary to enable the displaced person to rent comparable replacement housing for a period of 42 months. CDBG funds are also subject to the URA requirements; however, unlike FEMA funds, they are also subject to the provisions of Section 104(d). Section 104(d) requires that the calculation of rental assistance payments for displaced persons be made on the basis of 60 months. When a project is subject to both the URA and Section 104(d), the displaced person may choose to receive assistance under either authority. This waiver of the Section 104(d) requirements assures uniform and equitable treatment in getting the URA and its implementing regulations as the sole standard for relocation assistance under this Notice.

C. The requirements at 49 CFR 24.101(b)(2)(i)–(ii) are waived to the extent that they apply to an arm's length voluntary purchase carried out by a person who does not have the power of eminent domain, in connection with the purchase and occupancy of a principal residence by that person. Given the often large-scale acquisition needs of grantees, this waiver is necessary to reduce burdensome administrative requirements following a disaster.

D. The requirements at sections 204(a) and 206 of the URA, 49 CFR 24.2(a)(6)(viii), 24.402(b)(2), and 24.404 are waived to the extent that they require the grantee to provide relocation assistance sufficient to reduce a low-income person's rent/utility costs to 30 percent of household income post-displacement when the person had been paying rent in excess of 30 percent of household income without "demonstrable hardship" before the project. Thus, to the extent that a tenant has been paying rent in excess of 30 percent of household income without demonstrable hardship, a reduction in rental assistance payments to 30 percent of household income would not be required. Before using this waiver, the grantee must establish a definition of "demonstrable hardship."

E. The requirements of sections 204 and 205 of the URA, and 49 CFR 24.2(a)(6)(ix) and 24.402(b) are waived to the extent necessary to permit a grantee to meet all or a portion of a grantee's replacement housing financial assistance obligation to a displaced tenant by offering rental housing through a tenant-based rental assistance (TBRA) housing program subsidy (e.g., Section 8 rental voucher or certificate), provided that the tenant is provided referrals to comparable replacement dwellings in accordance with 49 CFR 24.204(a) where the owner is willing to participate in the TBRA program, and the period of authorized assistance is at least 42 months. Failure to grant this waiver would impede disaster recovery whenever TBRA program subsidies are available but funds for cash relocation assistance are limited. This waiver gives grantees an additional relocation resource option.

F. The requirements a of the URA and 49 CFR 2 require that a grantee offe person the option to receiv expense and dislocation allo based on a schedule of allowa prepared by the Federal Highw Administration as an alternativ receiving payment for actual mo and related expenses, are waived. alternative, the grantee must establ and offer the person a "moving exp and dislocation allowance" under a schedule of allowances that is reasonable for the jurisdiction and that takes into account the number of rooms in the displacement dwelling, whether the person owns and must move the furniture, and, at a minimum, the kinds of expenses described in 49 CFR 24.301. Without this waiver and alternative requirement, disaster recovery may be impeded by requiring grantees to offer allowances that do not reflect current local labor and transportation costs. Persons displaced from a dwelling remain entitled to choose a payment for actual reasonable moving and related expenses if they find that approach preferable to the locally established "moving expense and dislocation allowance."

G. The regulation at 24 CFR 570.606(d) is waived to the extent that it requires optional relocation policies to be established at the grantee or state recipient level. Unlike the regular CDBG program, States may carry out disaster recovery activities directly or through subrecipients. The regulation at 24 CFR 570.606(d) governing optional relocation policies does not account for this distinction. This waiver makes clear that local governments, including subrecipients, receiving CDBG disaster funds may establish separate optional relocation policies. This waiver is intended to provide States and local governments with maximum flexibility in developing optional relocation policies with CDBG disaster recovery funds.

21. *Program income alternative requirement.* The Department is waiving applicable program income rules at 570.500(a) and (b), 570.504, 42 USC 5304(j), and 570.489(e) to the extent necessary to provide additional flexibility as described under today's Notice. The alternative requirements provide guidance regarding the use of program income received before and after grant closeout and address revolving loan funds.

A. Definition of program income.

(1) For the purposes of this subpart, "program income" is defined as gross income generated from the use of CDBG funds, except as provided in

subparagraph D of this paragraph, and received by: (1) A State, unit of local government, or tribe, or (2) a subrecipient of a State, unit of general local government, or tribe. When income is generated by an activity that is only partially assisted with CDBG funds, the income shall be prorated to reflect the percentage of CDBG funds used (e.g., a single loan supported by CDBG funds and other funds; a single parcel of land purchased with CDBG funds and other funds). Program income includes, but is not limited to, the following:

(a) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds;

(b) Proceeds from the disposition of equipment purchased with CDBG funds;

(c) Gross income from the use or rental of real or personal property acquired by a State, unit of general local government, or tribe or subrecipient of a State, unit of general local government, or tribe with CDBG funds, less costs incidental to generation of the income (i.e., net income);

(d) Net income from the use or rental of real property owned by a State, unit of general local government, or tribe or subrecipient of a State, unit of general local government, or tribe, that was constructed or improved with CDBG funds;

(e) Payments of principal and interest on loans made using CDBG funds;

(f) Proceeds from the sale of loans made with CDBG funds;

(g) Proceeds from the sale of obligations secured by loans made with CDBG funds;

(h) Interest earned on program income pending disposition of the income, but excluding interest earned on funds held in a revolving fund account;

(i) Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover all or part of the CDBG portion of a public improvement; and

(j) Gross income paid to a State, unit of local government, tribe, or paid to a subrecipient thereof from the ownership interest in a for-profit entity in which the income is in return for the provision of CDBG assistance.

(2) "Program income" does not include the following:

(a) The total amount of funds which is less than $25,000 received in a single year and retained by a State, unit of local government, tribe, or retained by a subrecipient thereof;

(b) Amounts generated by activities eligible under section 105(a)(15) of the HCD Act and carried out by an entity under the authority of section 105(a)(15) of the HCD Act;

B. Retention of program income. Per 24 CFR 570.504(c), a unit of government receiving a direct award under this Notice may permit a subrecipient to retain program income. State grantees may permit a unit of local government or tribe which receives or will receive program income to retain the program income, but are not required to do so.

C. Program income—use, closeout, and transfer.

(1) Program income received (and retained, if applicable) before or after closeout of the grant that generated the program income, and used to continue disaster recovery activities, is treated as additional disaster recovery CDBG funds subject to the requirements of this Notice and must be used in accordance with the grantee's Action Plan for Disaster Recovery. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made, except as provided in subparagraph D of this paragraph.

(2) In addition to the regulations dealing with program income found at 24 CFR 570.489(e) and 570.504, the following rules apply: Grantees may transfer program income before closeout of the grant that generated the program income to its annual CDBG program. In addition, State grantees may transfer program income before closeout to any annual CDBG-funded activities administered by a unit of general local government or Indian tribe within the State. Program income received by a grantee, or received and retained by a subgrantee, after closeout of the grant that generated the program income, may also be transferred to a grantee's annual CDBG award. In all cases, any program income that is not used to continue the disaster recovery activity that generated the program income ceases to be subject to the waivers and alternative requirements of this Notice.

For nonentitlement communities without another ongoing CDBG grant received directly from HUD, program income on hand when the CDBG disaster recovery grant is closed by HUD, shall continue to be subject to the eligibility requirements and all other applicable provisions under this Notice until expended. Program income received after closeout by HUD of the CDBG disaster recovery grant shall not be governed by the provisions of this Notice, except that such income shall be used for activities that meet a CDBG national objective and the eligibility requirements described in section 105 of the HCD Act.

D. Revolving loan funds. Units of general local government receiving a direct award under this Notice, State grantees, and units of local government or tribes (permitted by a State grantee) may establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities generate payments, which will be used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments which could be funded from the revolving fund. Such program income is not required to be disbursed for non-revolving fund activities.

State grantees may also establish a revolving fund to distribute funds to units of local government or tribes to carry out specific, identified activities. The same requirements, outlined above, apply to this type of revolving loan fund. Last, note that no revolving fund, established per this Notice, shall be directly funded or capitalized with CDBG disaster recovery grant funds.

22. *National Objective Documentation for Economic Development Activities.* 24 CFR 570.483(b)(4)(i) and 570.208(a)(4)(i) are waived to allow the grantees under this Notice to identify low- and moderate-income jobs benefit by documenting, for each person employed, the name of the business, type of job, and the annual wages or salary of the job. HUD will consider the person income-qualified if the annual wages or salary of the job is at or under the HUD-established income limit for a one-person family. This method replaces the standard CDBG requirement—in which grantees must review the annual wages or salary of a job in comparison to the person's total household income and size (i.e. number of persons). Thus, it streamlines the documentation process because it allows the collection of wage data for each position created or retained from the assisted businesses, rather than from each individual household.

This alternative requirement has been granted on several prior occasions to CDBG disaster recovery grantees, and to date, those grants have not exhibited any issues of concern in calculating the benefit to low- and moderate-income persons. The Department believes this waiver is consistent with the HCD Act.

23. *Public benefit for certain economic development activities.* The

public benefit provisions set standards for individual economic development activities (such as a single loan to a business) and for economic development activities in the aggregate. Currently, public benefit standards limit the amount of CDBG assistance per job retained or created, or the amount of CDBG assistance per low- and moderate-income person to which goods or services are provided by the activity. These dollar thresholds were set more than a decade ago and, under disaster recovery conditions (which often require a larger investment to achieve a given result), can impede recovery by limiting the amount of assistance the grantee may provide to a critical activity.

This Notice waives the public benefit standards at 42 U.S.C. 5305(e)(3), 24 CFR 570.482(f)(1), (2), (3), (4)(i), (5), and (6), and 24 CFR 570.209(b)(1), (2), (3)(i), (4), for economic development activities designed to create or retain jobs or businesses (including, but not limited to, long-term, short-term, and infrastructure projects). However, grantees shall report and maintain documentation on the creation and retention of total jobs; the number of jobs within certain salary ranges; the average amount of assistance provided per job, by activity or program; and the types of jobs. Paragraph (g) of 24 CFR 570.482, and 24 CFR 570.209(c), and (d) are also waived to the extent these provisions are related to public benefit.

24. *Allow reimbursement for pre-agreement costs.* The provisions of 24 CFR 570.489(b) are applied to permit a State to reimburse itself for otherwise allowable costs incurred by itself or its subgrantees on or after the incident date of the covered disaster. Any unit of general local government receiving a direct allocation under this Notice is subject to the provisions of 24 CFR 570.200(h) but may reimburse itself or its subrecipients for otherwise allowable costs incurred on or after the incident date of the covered disaster. 24 CFR 570.200(h)(1)(i) will not apply to the extent that it requires pre-agreement activities to be included in a consolidated plan.

The Department expects both State grantees and units of general local government receiving a direct award under this Notice to include all pre-agreement activities in their Action Plans.

25. *Clarifying note on the process for environmental release of funds when a State carries out activities directly.* Usually, a State distributes CDBG funds to units of local government and takes on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. For this grant, HUD will allow a State grantee to also carry out activities directly instead of distributing all program funds to subrecipients and/or subgrantees. According to the environmental regulations at 24 CFR 58.4, when a State carries out activities directly, the State must submit the certification and request for release of funds to HUD for approval.

26. *Duplication of benefits.* In general, section 312 of the Robert T. Stafford Disaster Assistance and Emergency Relief Act (42 U.S.C. 5155), as amended, prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source. In order to comply with this law, grantees must ensure that each activity provides assistance to a person or entity only to the extent that the person or entity has a disaster recovery need that has not been fully met.

Given the often complex nature of this issue, the Department has published a separate Notice explaining the duplication of benefit requirements applicable to CDBG disaster recovery grantees; it can be found at 76 FR 71060 (published November 16, 2011). Grantees under today's Notice are hereby subject to 76 FR 71060 in full.

27. *Flood buyouts—not applicable to all grantees.* Grantees under this notice are able to undertake property acquisition for a variety of purposes. However, the term "buyouts" as referenced in this Notice refers to acquisition of properties located in a floodway or floodplain that is intended to reduce risk from future flooding. HUD is providing alternative requirements for consistency with the application of other federal resources commonly used for this type of activity. The following alternative requirements do not apply to the city of Birmingham, and Jefferson County.

A. For buyout activities, the following requirements apply:

(1) Any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

(2) no new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than (a) a public facility that is open on all sides and functionally related to a designated open space; (b) a rest room; or (c) a structure that the local floodplain manager approves in writing before the commencement of the construction of the structure; and

(3) after receipt of the assistance, with respect to any property acquired, accepted, or from which a structure was removed under the acquisition or relocation program, no subsequent application for additional disaster assistance for any purpose will be made by the recipient to any Federal entity.

B. Grantees have the discretion to determine an appropriate valuation method (including the use of pre-flood value, post-flood value, or cost of reconstruction as a basis for property value). However, in using CDBG disaster recovery funds for buyouts, the grantee must uniformly apply whichever valuation method it chooses.

C. All buyouts must still meet activity eligibility and national objective requirements.

D. Grantees should identify all acquisition activities that are buyouts in the DRGR system.

28. *Flood insurance.*

A. Flood insurance purchase requirements. HUD does not prohibit the use of CDBG Disaster Assistance for existing residential buildings in the Special Flood Hazard Area (SFHA) (or "100-year" floodplain). However, Federal laws and regulations related to both flood insurance and floodplain management must be followed, as applicable. With respect to flood insurance, a HUD-assisted homeowner for a property located in the SFHA must obtain and maintain flood insurance in the amount and duration prescribed by FEMA's National Flood Insurance Program. Section 102(a) of the Flood Disaster Protection Act of 1973 mandates the purchase of flood insurance protection for any HUD-assisted property within the SFHA.

B. Future federal assistance to owners remaining in floodplain.

(1) Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received federal flood disaster assistance that was conditional on the person first having obtained flood insurance under applicable federal law and the person has subsequently failed to obtain and maintain flood insurance as required

under applicable federal law on such property. (Section 582 is self-implementing without regulations.) This means that a grantee may not provide disaster assistance for the abovementioned repair, replacement, or restoration to a person who has failed to meet this requirement.

(2) Section 582 also implies a responsibility for a grantee that receives CDBG disaster recovery funds or that, under 42 U.S.C. 5321, designates annually appropriated CDBG funds for disaster recovery. That responsibility is to inform property owners receiving disaster assistance that triggers the flood insurance purchase requirement that they have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance, and that the transferring owner may be liable if he or she fails to do so. These requirements are described below.

(3) Duty to notify. In the event of the transfer of any property described in paragraph (5), the transferor shall, not later than the date on which such transfer occurs, notify the transferee in writing of the requirements to:

(a) Obtain flood insurance in accordance with applicable federal law with respect to such property, if the property is not so insured as of the date on which the property is transferred; and

(b) Maintain flood insurance in accordance with applicable federal law with respect to such property. Such written notification shall be contained in documents evidencing the transfer of ownership of the property.

(4) Failure to notify. If a transferor fails to provide notice as described above and, subsequent to the transfer of the property:

(a) The transferee fails to obtain or maintain flood insurance, in accordance with applicable federal law, with respect to the property;

(b) The property is damaged by a flood disaster; and

(c) Federal disaster relief assistance is provided for the repair, replacement, or restoration of the property as a result of such damage, the transferor shall be required to reimburse the Federal Government in an amount equal to the amount of the federal disaster relief assistance provided with respect to the property.

(5) The notification requirements apply to personal, commercial, or residential property for which federal disaster relief assistance made available in a flood disaster area has been provided, prior to the date on which the property is transferred, for repair, replacement, or restoration of the property, if such assistance was conditioned upon obtaining flood insurance in accordance with applicable federal law with respect to such property.

(6) The term "Federal disaster relief assistance" applies to HUD or other federal assistance for disaster relief in "flood disaster areas." The term "flood disaster area" is defined in section 582(d)(2) of the National Flood Insurance Reform Act of 1994, as amended, to include an area receiving a presidential declaration of a major disaster or emergency as a result of flood conditions.

29. *Procurement.*

A. Grants to States. Per 24 CFR 570.489(d), a State must have fiscal and administrative requirements for expending and accounting for all funds. Furthermore, per 24 CFR 570.489(g), a State shall establish requirements for procurement policies and procedures for units of general local government based on full and open competition. All subgrantees of a State (including units of general local government) are subject to the procurement policies and procedures required by the State.

A State may meet the above requirements by adopting 24 CFR part 85. If a State has adopted part 85 in full, it must follow the same policies and procedures it uses when procuring property and services with its non-Federal funds. However, the State must ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations per 24 CFR 85.36(a).

If a State has not adopted 24 CFR 85.36(a), but has adopted 24 CFR 85.36(b) through (i), the State and its subgrantees must follow State and local law (as applicable), so long as the procurements conform to applicable Federal law and the standards identified in 24 CFR 85.36(b) through (i).

B. Direct grants to units of general local government. Any unit of general local government receiving a direct appropriation under today's Notice will be subject to 24 CFR 85.36(b) through (i).

30. *Timely distribution of funds.* 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with alternative requirements under this Notice. HUD expects each grantee to expeditiously obligate and expend all funds, including any recaptured funds or program income, and to carry out activities in a timely manner. HUD will evaluate timeliness in relation to each grantee's established performance schedule as identified in its Action Plan.

The Department will, absent substantial evidence to the contrary, deem a grantee to be carrying out its programs and activities in a timely manner if the schedule for carrying out its activities is substantially met.

In determining the appropriate corrective action to take with respect to a HUD determination that a grantee is not carrying out its activities in a timely manner pursuant to this section, HUD will take into account the extent to which unexpended funds have been obligated by the grantee and its sub-recipients for specific activities at the time the finding is made and other relevant information.

If a grantee is determined to be untimely pursuant to this section, and the grantee is again determined to be untimely 12 months following the initial determination, HUD may elect to recapture any unobligated funds and reallocate to another entity with the authority and capacity to carry out the remaining recovery activities, unless HUD determines that the untimeliness resulted from factors beyond the grantee's reasonable control.

31. *Performance review authorities.* Section 104(e)(1) of the HCD Act requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the recipient has carried out its activities in a timely manner, whether the recipient has carried out those activities and its certifications in accordance with the requirements and the primary objectives of the Act and with other applicable laws, and whether the recipient has a continuing capacity to carry out those activities in a timely manner.

The requirements for submission of a Performance Evaluation Report (PER) pursuant to 42 U.S.C. 12708 and 24 CFR 91.520 are waived. In the alternative, and to ensure consistency between grants allocated under this Notice and grants allocated previously under the CDBG disaster recovery program, HUD is requiring that:

A. Each grantee must enter its Action Plan for Disaster Recovery, including performance measures, into HUD's DRGR system. As more detailed information about uses of funds is identified by the grantee, the grantee must enter such detail into DRGR, in sufficient detail to serve as the basis for acceptable performance reports.

B. Each grantee must submit a quarterly performance report, as HUD prescribes, no later than 30 days following the end of each calendar quarter, beginning after the first full

calendar quarter after grant award and continuing until all funds have been expended and all expenditures have been reported. Each quarterly report will include information about the uses of funds during the applicable quarter including (but not limited to) the project name, activity, location, and national objective; funds budgeted, obligated, drawn down, and expended; the funding source and total amount of any non-CDBG disaster recovery funds to be expended on each activity; beginning and completion dates of activities; achieved performance outcomes such as number of housing units complete or number of low- and moderate-income persons benefiting; and the race and ethnic status of persons assisted under direct-benefit activities. Within the section titled "Overall Progress Narrative" in DRGR, grantees must include a description of the actions taken to affirmatively further fair housing.

Quarterly reports to HUD must be submitted using HUD's DRGR system and, within 3 days of submission, be posted on the grantee's official Web site.

C. Reporting requirements. Once each grantee enters its action Plan into the DRGR system, it must submit to HUD a projection of expenditures and outcomes (projected on a quarterly basis) for each major activity type in DRGR. This will enable HUD to track proposed versus actual performance in coordination with each grantee's submission of DRGR quarterly performance reports.

D. In addition to providing these reports to Congress and the public, HUD will use them—in addition to transactional data from DRGR and other information provided by the grantee—to: (1) Monitor for anomalies or performance problems that suggest fraud, abuse of funds, and duplication of benefits; (2) reconcile budgets, obligations, funding draws, and expenditures; (3) calculate applicable administrative and public service limitations and the overall percentage of funds that benefit low- and moderate-income persons; and (4) analyze the risk of grantee programs to determine priorities for monitoring.

32. *Review of continuing capacity to carry out CDBG funded activities in a timely manner.* If HUD determines that the grantee has not carried out its CDBG activities and certifications in accordance with the requirements and criteria described in this section, HUD will undertake a further review to determine whether or not the grantee has the continuing capacity to carry out its activities in a timely manner. In making the determination, the Department will consider the nature and extent of the recipient's performance deficiencies, types of corrective actions the recipient has undertaken, and the success or likely success of such actions.

33. *Corrective and remedial actions.* HUD will undertake corrective and remedial actions in accordance with 24 CFR 570.910 and 24 CFR 570.913.

34. *Reduction, withdrawal, or adjustment of a grant or other appropriate action.* Prior to a reduction, withdrawal, or adjustment of a grant or other appropriate action, taken pursuant to this section, the recipient shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation.

Consistent with the procedures described in this Notice, the Secretary may adjust, reduce or withdraw the grant or take other actions as appropriate, except that funds already expended on eligible approved activities shall not be recaptured.

35. *Certifications waiver and alternative requirement.* Sections 91.325 and 91.225 of title 24 of the Code of Federal Regulations are waived. Each State or unit of general local government receiving a direct allocation under this Notice must make the following certifications with its Action Plan:

A. The grantee certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within its jurisdiction take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. (See 24 CFR 570.487(b)(2) and 570.601(a)(2).)

B. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.

C. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.

D. The grantee certifies that the Action Plan for Disaster Recovery is authorized under State and local law (as applicable) and that the grantee, and any entity or entities designated by the grantee, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.

E. The grantee certifies that activities to be undertaken with funds under this Notice are consistent with its Action Plan.

F. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this Notice.

G. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

H. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 or 91.115, as applicable (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each unit of local government receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

I. Each State receiving a direct award under this Notice certifies that it has consulted with affected units of local government in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the State in determining the method of distribution of funding.

J. The grantee certifies that it is complying with each of the following criteria:

(1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in 2011, pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*).

(2) With respect to activities expected to be assisted with CDBG disaster recovery funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

(3) The aggregate use of CDBG disaster recovery funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the grant amount is expended for activities that benefit such persons.

(4) The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG disaster recovery grant funds, by assessing any amount against properties

owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (A) Disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (A).

K. The grantee certifies that the grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.

L. The grantee certifies that it has adopted and is enforcing the following policies. In addition, States receiving a direct award must certify that they will require units of general local government that receive grant funds to certify that they have adopted and are enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

(2) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

M. Each State or unit of local government receiving a direct award under this Notice certifies that it (and any subrecipient or administering entity) has the capacity to carry out disaster recovery activities in a timely manner; or the State or unit of local government will develop a plan to increase capacity where such capacity is lacking.

N. The grantee certifies that it will not use CDBG disaster recovery funds for any activity in an area delineated as a special flood hazard area in FEMA's most current flood advisory maps, unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain, in accordance with Executive Order 11988 and 24 CFR part 55.

O. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

P. The grantee certifies that it will comply with applicable laws.

36. *Information collection approval note.* HUD has submitted documentation to OMB seeking emergency approval for information collection requirements in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520). The submission is under review by OMB and approval pending. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, nor is a person required to respond to, a collection of information, unless the collection displays a valid control number.

VII. Duration of Funding

The Appropriations Act directs that these funds be available until expended. However, in accordance with 31 U.S.C. 1555, HUD shall close the appropriation account and cancel any remaining obligated or unobligated balance if the Secretary or the President determines that the purposes for which the appropriation has been made have been carried out and no disbursements have been made against the appropriation for 2 consecutive fiscal years. In such a case, the funds shall not be available for obligation or expenditure for any purpose after the account is closed.

VIII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this Notice are as follows: 14.218; 14.228.

IX. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: April 9, 2012.

Mercedes M. Márquez,

Assistant Secretary for Community Planning and Development.

Appendix A—Allocation Methodology

This section describes the methods behind HUD's allocation of $400 million in the 2011 CDBG Disaster Recovery Funds. Section 239 of Public Law 112–55, enacted on November 18, 2011, appropriates $400 million through the Community Development Block Grant (CDBG) program for:

* * * necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (Pub. L. 93–383) related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) in 2011; Provided, That funds shall be awarded directly to the State or unit of general local government at the discretion of the Secretary; * * *

HUD allocates funds based on its estimate of the total unmet needs for infrastructure and the unmet needs for severe damage to businesses and housing that remain to be addressed in the most impacted counties after taking into account December 2011 data on insurance, FEMA assistance, and SBA disaster loans. To meet the statutory requirement that the funds be targeted to "the most impacted or distressed areas," this allocation:

(1) Limits funding to the states and counties with the highest level of severe unmet needs. Specifically, the calculation of unmet housing and business needs is limited only to those homes and businesses that experienced severe damage (see definitions below). That is, it excludes homes and businesses with minor or moderate damage that may have some unmet needs remaining. Further, to target funds to the most impacted or distressed areas, only counties with $10 million [1] or more in severe unmet housing and business needs are used to determine a state's allocation. Thus, funding is provided based on the severe needs of

[1] For the cut off thresholds used in this formula, minimum county need of $10 million in severe unmet housing and business needs, the $10 million minimum grant for a state (point 4), and the $6 million minimum grant for an entitlement jurisdiction (point 5a), these represent "natural breaks" in the distribution. That is, the next county, state or grantee on the list has a significant separation in need or estimated grant from the last county, state, or grantee included in the list.

the most impacted counties in each state.

(2) Factors in disaster related infrastructure repair costs statewide that are not reimbursed by FEMA Public Assistance. For all of these disasters, this is calculated as the 25 percent state match requirement.

(3) Funds are allocated based on each state's share of total unmet needs. This is calculated as each state's proportional share of the sum of infrastructure and severe unmet housing and business needs from the most impacted counties.[2]

(4) Restricts funding only to states that receive a minimum grant of $10 million or more. These funds are limited to only the states with the highest levels of unmet need. As such, funding is limited to states that would receive aggregate funding of $10 million or more based on their total unmet needs. The calculated grant amounts for states that would have received less than $10 million are provided to the states above $10 million through a pro-rata increase.

(5) Specifies the counties and jurisdictions that are most impacted or distressed by:

a. Providing direct funding to CDBG entitlement jurisdictions (and one nonentitlement city) with significant remaining severe unmet needs. Within a State, if an entitlement jurisdiction accounts for $6 million or more of the funding allocated to a State, it is allocated a direct grant (the $6 million threshold represents a "natural break" in funding among entitlement jurisdictions). Otherwise the funding is provided directly to the State. Due to its extraordinarily high level of localized need, one non-entitlement jurisdiction (Minot, ND) also receives a direct allocation.

b. Directing that a minimum of 80% of the total funds allocated within a state, including those allocated directly to the State and to local governments, must be spent on the disaster recovery needs of the communities and individuals in the most impacted and distressed counties (*i.e.*, those counties identified by HUD). The principle behind the 80 percent rule is that each state received its allocation based on the unmet needs in the most impacted counties (those counties with more than $10 million in severe unmet housing and business needs) and thus HUD will require that all grantees within a State direct these limited resources toward those most impacted counties.[3] Nonetheless, HUD recognizes that there are likely circumstances where its data is incomplete, damage is highly localized outside of one of the heavily impacted counties, or recovery would otherwise benefit from expenditures outside of those most impacted counties and thus provides some flexibility to address those needs for State grantees. While local governments receiving direct grant allocations from HUD must spend their total grant within their own jurisdictions, HUD will allow a portion of the State non-entitlement grant to be spent outside of the most impacted counties, in an amount not to exceed that which yields 80 percent of all funding within a state to be spent in the most impacted counties.

HUD will provide States with county level data on unmet needs to assist with their planning.

Methods for estimating unmet needs for business, infrastructure, and housing: The data HUD staff have identified as being available to calculate unmet needs for the targeted disasters (major disasters with Presidential declaration issued in 2011 and for which FEMA individual assistance was available) come from the following data sources:

- FEMA Individual Assistance program data on housing unit damage, as of 12/20/2011;
- SBA for management of its disaster assistance loan program for housing repair and replacement, as of 12/21/2011;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss, as of 12/22/2011; and
- FEMA estimated and obligated amounts under its Public Assistance program for permanent work, federal and state cost share, as of 12/20/2011.

Calculating Severe Unmet Housing Needs

The core data on housing damage for both the unmet housing needs are based on home inspection data for FEMA's Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program. HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA and SBA, where:

- The owner-occupied units included in the unmet needs analysis are those determined by FEMA to be eligible for a repair or replacement grant.
- Each of the FEMA inspected owner-occupied units are classified by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected damage
  - Minor-High: $3,000 to $7,999 of FEMA inspected damage
  - Major-Low: $8,000 to $14,999 of FEMA inspected damage
  - Major-High: $15,000 to $28,800 of FEMA inspected damage
  - Severe: Greater than $28,800 of FEMA inspected damage or determined destroyed.

Only units in the Major-High and Severe categories are counted toward the severe unmet housing needs calculation.

- The rental units included in the unmet needs analysis are those assessed for personal property loss, near owner-occupied dwellings with major-high and severe damage, and where the tenant has an income of less than $20,000. The use of the $20,000 income cut-off for calculating rental unmet needs is intended to capture the loss of affordable rental housing.
- The average cost to fully repair a home for a specific disaster within each of the damage categories noted above is calculated using the median ratio between real property damage repair costs determined by the Small Business Administration for its disaster loan program and the FEMA assessment of real estate damage, for the subset of homes inspected by both SBA and FEMA. Because SBA inspects for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally greater than FEMA estimations of the cost to make the home habitable. If fewer than 25 SBA inspections are made for homes within a FEMA damage category, the median ratio between SBA and FEMA assessment of damage in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and a floor applied at the 25th percentile. If there are no SBA inspections within a FEMA damage category, the national median ratio between SBA and FEMA assessment of damage within a FEMA damage category is used.
- To obtain estimates for unmet needs, only properties receiving a

[2] When calculating the grants, the internal weight between factors is maintained at the ratio of all severe unmet housing and business needs in all counties to unmet infrastructure needs in all counties.

[3] Each state receives funding based on all of infrastructure needs within a state, minus the infrastructure needs estimated to lie within entitlement jurisdictions receiving direct grants. In addition, each state also receives funding from all severe housing and business needs in the most impacted counties minus the estimated severe housing and business needs within entitlement jurisdictions receiving direct grants.

FEMA grant are included in the calculation (since these are the cases assumed to have insufficient insurance coverage). Furthermore, the FEMA grant amount and all SBA loans are subtracted out of the total estimated damage to obtain a final unmet needs estimate.

Calculating Infrastructure Needs

To best proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement (usually 25 percent of the estimated public assistance needs). This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C–Roads and Bridges; D–Water Control Facilities; E–Public Buildings; F–Public Utilities; and G–Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not county), CDBG funding allocated by the estimate of unmet infrastructure needs are sub-allocated to counties and local jurisdictions based on each jurisdiction's proportion of unmet housing needs (categories minor-high to severe).

Calculating Economic Revitalization Needs

Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.

Because applications denied for poor credit or income are the most likely measure of requiring the type of assistance available with CDBG recovery funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $65,000 are considered severe damage for purposes of identifying the most impacted areas.

Category 1: real estate + content loss = below 12,000
Category 2: real estate + content loss = 12,000–30,000
Category 3: real estate + content loss = 30,000–65,000
Category 4: real estate + content loss = 65,000–150,000
Category 5: real estate + content loss = above 150,000

To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage. Since SBA business needs are best measured at the county level, HUD estimates the distribution of needs to local entitlement jurisdictions based on the distribution of all unmet housing needs.

[FR Doc. 2012–9094 Filed 4–13–12; 8:45 am]
BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5580–N–03]

Department of Housing and Urban Development Summary of Public Comments, Response to Public Comments, and Final 2012–2015 Environmental Justice Strategy

AGENCY: Office of Sustainable Housing and Communities, HUD.

ACTION: Notice.

SUMMARY: On September 30, 2011, HUD posted its draft environmental justice strategy and requested public comment. This notice summarizes public comments submitted in response to HUD's draft environmental justice strategy, offers response to comments, and announces the release of HUD's final Environmental Justice Strategy. The changes in the final strategy reflect HUD's consideration of the public comments received and HUD's effort to improve and expand its commitment to avoiding disproportionately high and adverse human health or environmental effects on minority and low-income populations, as well as creating geographies of opportunity. The final strategy is posted at *http://portal.hud.gov/hudportal/HUD?src=/program_offices/sustainable_housing_communities.*

FOR FURTHER INFORMATION CONTACT: Sunaree Marshall, Office of Sustainable Housing and Communities, Department of Housing and Urban Development, 451 Seventh Street SW., Room 10180, Washington, DC 20410, telephone number 202–402–6011 (this is not a toll-free number). Persons with hearing or speech impairments may access these numbers through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

SUPPLEMENTARY INFORMATION:

I. Background

On September 30, 2011, HUD published for public comment a draft Environmental Justice Strategy for 2012 through 2015. HUD is committed to meeting the goals of Executive Order 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," which states that each federal agency, with the law as its guide, should make environmental justice part of its mission. In this regard, HUD has developed its Environmental Justice Strategy (EJ Strategy). HUD's EJ Strategy is a four-year plan to address environmental justice concerns and increase access to environmental benefits through HUD policies, programs, and activities.

The release of HUD's EJ Strategy is part of the latest step in a larger Administration-wide effort to ensure strong protection from environmental and health hazards for all. In August 2011, federal agencies signed the "Memorandum of Understanding on Environmental Justice and Executive Order 12898" (EJ MOU), which committed each agency to, among other things, finalizing an EJ strategy and releasing annual implementation reports. Links to the other federal EJ Strategies are available on the Environmental Justice Interagency Workgroup (IWG) Web page at *http://www.epa.gov/environmentaljustice/interagency/index.html.*

Now that its strategy is final, HUD will continue to work with the IWG and other federal partners to engage stakeholders through outreach, education, and stakeholder events and respond to public comments through its annual implementation reports.

II. Final Strategy: Changes to the September 30, 2011 Draft EJ Strategy

This final strategy follows publication of the September 30, 2011 draft strategy and takes into consideration the public comments received. The public comment period on the draft strategy closed on November 23, 2011, after HUD extended the deadline from the

grantees. This questionnaire will capture key project information to supplement information already available in reports and manuscripts from the approximately 54 HHD grants that were awarded from fiscal years 2005 to 2009, including any 2004 grant not included in the earlier evaluation, and any more recent grantee whose grant ends this fiscal year. OHHLHC is especially interested in determining whether any of the grantee's data sets (i.e., resulting from project evaluation) would be of value to OHHLHC for additional analyses. After a review of available reports and manuscripts, OHHLHC anticipates roughly half of these grantees (up to 30) will be asked to complete the online questionnaire. OHHLHC will target those grantees that have carried out the greatest number of interventions, collected the most detailed evaluation data on cost, health and housing impacts and outcomes, and can demonstrate significant capacity-building and sustainable approaches to guide policy development and guidance for future healthy homes efforts. A questionnaire was developed for the 2005 evaluation that captured key information about recruitment/enrollment, assessment, interventions, skills training, and community education/outreach in HHI grantee projects. This questionnaire will be modified for this new data collection effort. The online questionnaire will be administered through a secure Web site.

TOTAL BURDEN ESTIMATE

Requirement	Number of respondents	Hours per respondent	Total hours	Cost per hour	Labor cost	Startup cost	O&M cost	Total cost
Complete questionnaire	30	16	480	$32.75	$15,720	$0	$0	$15,720
Total	30	16	480	.....	$15,720	$0	$0	$15,720

Status: New collection.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. 35, as amended

Dated: February 27, 2013.

Colette Pollard,

Department Reports Management Officer, Office of the Chief Information Officer.

[FR Doc. 2013–05080 Filed 3–4–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–01]

Allocations, Common Application, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises the public of the initial allocation of $5,400,000,000 of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster due to Hurricane Sandy. This Notice describes applicable waivers and alternative requirements, relevant statutory provisions for grants provided under this Notice, the grant award process, criteria for plan approval, and eligible disaster recovery activities.

DATES: *Effective Date:* March 11, 2013.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013)(Appropriations Act) makes available $16,000,000,000 in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (UGLG) (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term "grantee" refers to any jurisdiction receiving a direct award under from HUD under this Notice.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all the eligible affected areas. This Notice allocates funds based on unmet housing and economic revitalization needs, but not infrastructure restoration needs as FEMA damage estimates are very preliminary as of the date of this Notice.

Based on a review of the impacts from Hurricane Sandy, and estimates of unmet need calculated by the Department, this Notice provides the following Round 1 awards:

TABLE 1—ROUND 1 ALLOCATIONS UNDER PUBLIC LAW 113–2

FEMA Disaster No.	State	Grantee	Allocation
4085	New York	New York City	$1,772,820,000
4085	New York	New York State	1,713,960,000
4086	New Jersey	New Jersey	1,829,520,000
4087	Connecticut	Connecticut	71,820,000
4089	Rhode Island	Rhode Island	3,240,000
4091	Maryland	Maryland	8,640,000
Total			5,400,000,000

Table 2 shows the "most impacted and distressed" counties impacted by Hurricane Sandy. While these funds may also be used by states to address remaining unmet needs in declared counties impacted by Hurricane Irene and Tropical Storm Lee in 2011, at least 80 percent of the funds provided under this Notice must address unmet needs within the "most impacted and distressed" counties identified in Table 2.

TABLE 2—MOST IMPACTED AND DISTRESSED COUNTIES WITHIN WHICH FUNDS MAY BE EXPENDED

Grantee	Counties within which CDBG–DR funds may be expended	Most impacted and distressed counties	Minimum amount that must be expended in most impacted nd distressed counties (percent)
New York City	All Counties	All Counties	100
New York	Nassau, Suffolk, Rockland, Westchester, Ulster, Orange, Putnam, Sullivan, Schoharie, Tioga, Broome, Greene, and all Counties in New York City.	Nassau, Suffolk, Rockland	80
New Jersey	All Counties	Ocean, Monmouth, Atlantic, Hudson, Bergen, Middlesex, Cape May, Union, Essex.	80
Connecticut	Fairfield, Mashantucket Pequot Indian Reservation, Middlesex, New Haven, New London.	Fairfield, New Haven	80
Rhode Island	Washington, Newport	Washington	80
Maryland	Somerset	Somerset	100

In addition to the funds allocated in this Notice, and in accordance with the Appropriations Act, $10,000,000 will be transferred to the Department's Office of Community Planning and Development (CPD), Program Office Salaries and Expenses, for necessary costs, including information technology costs, of administering and overseeing CDBG–DR funds made available under the Appropriations Act; $10,000,000 will also be transferred to the Office of the Inspector General for necessary costs of overseeing and auditing CDBG–DR funds made available under the Appropriations Act.

A detailed explanation of HUD's allocation methodology is provided at Appendix A. As more detailed and complete damage assessments become available, HUD will conduct an additional review of unmet long-term disaster recovery needs. This review will inform a second allocation of funds to address the effects of Hurricane Sandy. A forthcoming allocation will address other qualifying disasters that occurred in 2011 or 2012. The Department will establish, at a future date, a policy to address qualifying events in 2013.

Each grantee receiving an allocation under this Notice must submit an initial Action Plan for Disaster Recovery no later than 90 days after the effective date of this Notice. However, grantees are encouraged to submit their Action Plans as soon as possible. HUD will only approve Action Plans that meet the specific criteria identified in this Notice. For more information on the Action Plan requirements, see paragraph A.1 under section VI of this Notice: "Applicable Rules, Statutes, Waivers, and Alternative Requirements."

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster-related purposes. The law also requires that prior to the obligation of funds, a grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. Thus, in an Action Plan for Disaster Recovery, grantees must describe uses and activities that: (1) are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice; and (2) respond to a disaster-related impact. To help meet these requirements, grantees must conduct an assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities. For more guidance on the needs assessment and the creation of the Action Plan, see paragraph A.1 under section VI of this Notice.

Additionally, as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible CDBG–DR activity. This includes programs or activities administered by the Federal Emergency Management Agency (FEMA) or the U.S. Army Corps of Engineers (USACE).

III. Timely Expenditure of Funds and Prevention of Waste, Fraud, Abuse, and Duplication of Benefits

To ensure the timely expenditure of funds, section 904(c) under Title IX of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds to a grantee (funds are obligated to a grantee upon HUD's signing of the grantee's CDBG–DR grant agreement). Action Plans must demonstrate how funds will be fully expended within two years of obligation. For any funds that the grantee believes will not be expended by the deadline, it must submit a letter to HUD justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. HUD will forward the request to the Office of Management and Budget (OMB) and publish any approved waivers in the **Federal Register** once granted. Waivers to extend the expenditure deadline may be granted by OMB in accordance with guidance to be issued by OMB, but grantees are cautioned that such waivers may not be approved. Funds remaining in the grantee's line of credit at the time of its expenditure deadline will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD. The Appropriations Act requires that HUD obligate all funds not later than September 30, 2017. Grantees must continue to meet the requirements for Federal cash management at 24 CFR 85.20(a)(7).

In addition to the above, the Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. Departmental guidance to assist in preventing a duplication of benefits is provided in a notice published in the **Federal Register** at 76 FR 71060 (November 16, 2011) and in paragraph A.21 under section VI of this Notice. To provide a basis for the Secretary to make the certification, each grantee must submit documentation to the Department demonstrating its compliance with the above requirements. For a complete listing of the required documentation, see paragraph A.1.i under section VI of this Notice.

Additionally, this Notice requires grantees to submit to the Department a projection of expenditures and outcomes to ensure funds are expended in a timely manner. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Each grantee must amend its Action Plan to include these projections within 90 days of Action Plan approval. Action Plans must also be amended to reflect any subsequent changes, updates, or revision of the projections. Amending Action Plans to accommodate these changes is not considered to be a substantial amendment. Guidance on the preparation of projections is available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance (herein also referred to as the CPD Disaster Recovery Web site). This will enable HUD, the public, and the grantee, to track proposed versus actual performance. For more information on the projection requirements, see paragraph A.1.l under section VI of this Notice.

Grantees are also required to ensure all contracts (with subrecipients, recipients, and contractors) clearly stipulate the period of performance or the date of completion. In addition, grantees must enter expected completion dates for each activity in HUD's Disaster Recovery Grant Reporting (DRGR) system. When target dates are not met, grantees are required to explain why in the activity narrative. For additional guidance on DRGR system reporting requirements, see paragraph A.2 under section VI of this Notice. More information on the timely expenditure of funds is included in paragraphs A.24–27 under section VI of this Notice.

Other reporting, procedural, and monitoring requirements are discussed under "Grant Administration" in section VI of this Notice. The Department will institute risk analysis and on-site monitoring of grantee management as well as collaborate with the HUD Office of Inspector General to plan and implement oversight of these funds.

IV. Authority To Grant Waivers

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCD Act. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

V. Overview of Grant Process

To begin expenditure of CDBG–DR funds, the following expedited steps are necessary:

- Grantee adopts citizen participation plan for disaster recovery in accordance with the requirements of this Notice;
- Grantee consults with stakeholders, including required consultation with affected, local governments and public housing authorities (as identified in section VI of this Notice);
- Within 30 days of the effective date of this Notice (or when the grantee submits its Action Plan, whichever is sooner), grantee submits evidence that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds;
- Grantee publishes its Action Plan for Disaster Recovery on the grantee's official web site for no less than 7 calendar days to solicit public comment;
- Grantee responds to public comment and submits its Action Plan (which includes Standard Form 424 (SF–424) and certifications) to HUD no later than 90 days after the effective date of this Notice;
- HUD expedites review of Action Plan (allotted 45 days from date of receipt; however, completion of review is anticipated much sooner) and approves the Plan according to criteria identified in this Notice;
- HUD sends an Action Plan approval letter, grant conditions, and signed grant agreement to the grantee. If the Action Plan is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Action Plan within 45 days of the notification letter;

• Grantee ensures that the HUD-approved Action Plan is posted on its official Web site;

• Grantee signs and returns the fully executed grant agreement;

• HUD establishes the proper amount in a line of credit for the grantee;

• Grantee requests and receives DRGR system access (if the grantee does not already have it);

• If it has not already done so, grantee enters the activities from its published Action Plan into DRGR and submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR);

• The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 (or paragraph A.20 under section VI of this Notice) and, as applicable, receives from HUD or the State an approved Request for Release of Funds and certification;

• Grantee begins to draw down funds within 60 days of receiving access to its line of credit;

• Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan approval; and

• Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

VI. Applicable Rules, Statutes, Waivers, and Alternative Requirements

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The waivers and alternative requirements provide additional flexibility in program design and implementation to support full and swift recovery following Hurricane Sandy, while also ensuring that statutory requirements unique to this appropriation are met. As a result, the following requirements apply only to the CDBG–DR funds appropriated in the Appropriations Act, and not to funds provided under the annual formula State or Entitlement CDBG programs, or those provided under any other component of the CDBG program, such as the Section 108 Loan Guarantee Program, the Neighborhood Stabilization Program, or any prior CDBG–DR appropriation.

Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

Except as described in this Notice, statutory and regulatory provisions governing the State CDBG program shall apply to any State receiving an allocation under this Notice while statutory and regulatory provisions governing the Entitlement CDBG program shall apply to New York City. Applicable statutory provisions can be found at 42 U.S.C. 5301 *et seq.* Applicable State and Entitlement regulations can be found at 24 CFR part 570.

References to the Action Plan in these regulations shall refer to the Action Plan required by this Notice. All references in this Notice pertaining to timelines and/or deadlines are in terms of calendar days unless otherwise noted. The date of this Notice shall mean the effective date of this Notice unless otherwise noted. All references to "substantial damage" and "substantial improvement" shall be as defined in 44 CFR 59.1 unless otherwise noted.

A. Grant Administration.

1. *Action Plan for Disaster Recovery waiver and alternative requirement.* The requirements for CDBG actions plans, located at 42 U.S.C. 12705(a)(2), 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), 24 CFR 91.220, and 91.320 are waived for funds provided under the Appropriations Act. Instead, each grantee must submit to HUD an Action Plan for Disaster Recovery. This streamlined Plan will allow grantees to more quickly and effectively implement disaster recovery programs while conforming to statutory requirements. During the course of the grant, HUD will monitor the grantee's actions and use of funds for consistency with the Plan, and meeting the performance and timeliness objectives therein. Per the Appropriations Act, and in addition to the requirements at 24 CFR 91.500, the Secretary may disapprove an Action Plan if it is determined that the Plan does not satisfy all of the required elements identified in this Notice.

a. *Action Plan.* The Action Plan must identify the proposed use(s) of the grantee's allocation, including criteria for eligibility, and how the uses address long-term recovery needs. To develop and submit an acceptable Action Plan in a timely manner, a grantee may elect to program or budget only a portion of the grantee's CDBG–DR award in an Action Plan. Funds dedicated for uses not described in accordance with paragraphs b (applicable to State grantees) or c (applicable to UGLG grantees) under this section will not be obligated until the grantee submits, and HUD approves, an Action Plan amendment programming the use of those funds at the necessary level of detail. Although a grantee may submit a partial Action Plan, the partial Action Plan must be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award, subject to the limitations that HUD may not obligate Appropriations Act funds after September 30, 2017 and the last date that grantees may submit an amendment is June 1, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

The Action Plan must contain:

(1) An impact and unmet needs assessment. Each grantee must develop a needs assessment to understand the type and location of community needs to enable it to target limited resources to areas with the greatest need. At a minimum, the needs assessment must evaluate three core aspects of recovery—housing, infrastructure, and the economy (*e.g.,* estimated job losses). The assessment of emergency shelter needs and housing needs must address interim and permanent; owner and rental; single family and multifamily; public, HUD-assisted, affordable, and market rate. For purposes of this Notice, HUD-Assisted Multifamily Housing is defined as housing that: (1)(a) is part of a multifamily housing property (defined as five units or more), and (b) assisted by FHA insurance; or (2)(a) Housing that receives project-based rental assistance under HUDs' section 202, 811 or Section 8 programs; or (b) receives other HUD project-based rental assistance (e.g., Rent Supplement contracts, Rental Assistance Payments (RAP) contract Interest Reduction Payments (IRP) Agreements; or (3) properties that have active Deed Restrictions and/or a Use Agreement as a result of past HUD assistance.

The assessment must also take into account the various forms of assistance available to, or likely to be available to, affected communities and individuals (including estimated insurance and eligible FEMA, SBA, or other Federal assistance) to identify disaster recovery needs that are not likely to be addressed by other sources of funds. Grantees must

use the best, most recent available data (*e.g.*, from FEMA and SBA), cite data sources, and estimate the portion of need likely to be addressed by insurance proceeds, other Federal assistance, or any other funding source.

Impacts must be described by type at the lowest geographic level practicable (*e.g.*, city/county level or lower if available). For example, most needs estimates will have a count of businesses, homeowners, and renters that are likely to have difficulty recovering within a neighborhood and community. Grantees must pay special attention to neighborhoods with high percentages of damaged homes and provide a demographic analysis (*e.g.*, race, ethnicity, disability, age, tenure, income, home value, structure type) in those neighborhoods to identify any special needs that will need to be addressed. The needs assessment must also identify the types of businesses (including the North American Industry Classification System code, the standard used by Federal statistical agencies in classifying business establishments and available at *www.census.gov/eos/www/naics/*) most impacted with a description of their likely barriers to recovery. In addition, a needs assessment must take into account the costs of incorporating mitigation and resiliency measures to protect against future hazards. Examples of disaster recovery needs assessments can be found on the CPD Disaster Recovery Web site.

Grantees may obtain data on impacts and assistance provided that can be used to (a) Support identifying individuals likely to need recovery assistance; (b) prevent duplication of benefits risk at time of program design; and (c) assist grantees with their unmet needs assessment by contacting Juan Gil (FEMA) via email at *juan.gil@fema.dhs.gov* or by calling (940) 898–5141 and Frank Adinolfe (SBA) via email at *frank.adinolfe@sba.gov* or by calling (202) 205–6734. HUD will also provide grantees with neighborhood level aggregate data to assist with planning.

Disaster recovery needs evolve over time as the full impact of a disaster is realized and costs of damages transition from estimated to actual. Remaining recovery needs also evolve over time as they are met by dedicated resources. As a result, the needs assessment and Action Plan must be amended as conditions change and additional needs are identified. CDBG–DR funds may be used to reimburse the costs of conducting the needs assessment.

(2) A description of the connection between identified unmet needs and the allocation of CDBG–DR resources by the grantee. Such description must demonstrate a proportionate allocation of resources relative to areas and categories (i.e., housing, economic revitalization, infrastructure) of greatest needs;

(3) A description of how the grantee will promote (a) sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible flood plain management and take into account possible sea level rise (for example, by using the new FEMA floodplain maps and designs applying the new Advisory Based Flood Elevations (ABFE) or higher), and (b) how it will coordinate with other local and regional planning efforts to ensure consistency;

(4) A description of how the grantee will leverage CDBG–DR funds with funding provided by other Federal, state, local, private, and non-profit sources to generate a more effective and comprehensive recovery. Examples of other Federal sources are those provided by HUD, FEMA (specifically the Public Assistance Program, Individual Assistance Program, and Hazard Mitigation Grant Program), SBA (specifically the Disaster Loans program), U.S. Department of Transportation, USACE, U.S. Environmental Protection Agency, and the U.S. Department of Health and Human Services. The grantee must maximize leveraging of CDBG–DR funds for the entire recovery. Leveraged funds shall be identified for each activity, as applicable, in the DRGR system;

(5) A description of how the grantee's programs or activities will attempt to protect people and property from harm, and how the grantee will encourage construction methods that emphasize high quality, durability, energy efficiency, a healthy indoor environment, sustainability, and water or mold resistance, including how it will support adoption and enforcement of modern building codes and mitigation of hazard risk, including possible sea level rise, storm surge, and flooding, where appropriate. All rehabilitation, reconstruction, and new construction should be designed to incorporate principles of sustainability, including water and energy efficiency, resilience and mitigating the impact of future disasters. Whenever feasible, grantees should follow best practices such as those provided by the U.S. Department of Energy Home Energy Professionals: *Professional Certifications and Standard Work Specifications.*

To foster the rebuilding of more resilient neighborhoods and communities, HUD strongly encourages grantees to consider sustainable rebuilding scenarios such as the use of different development patterns, infill development and its reuse, alternative neighborhood designs, and the use of green infrastructure. The Partnership for Sustainable Communities is an interagency partnership between HUD, the Department of Transportation, and the Environmental Protection Agency. The Partnership for Sustainable Communities' six Livability Principles should serve as a guide to grantees working in areas that were substantially destroyed. When grantees seek to rebuild such areas, grantees should describe how they will consider sustainable urban design and construction in their redevelopment planning process. The Livability Principles can be found at the Partnership for Sustainable Communities' Web site *www.sustainablecommunities.gov.*

At a minimum, HUD is requiring the following construction standards:

(a) Green Building Standard for Replacement and New Construction of Residential Housing. Grantees must meet the Green Building Standard in this subparagraph for: (i) all new construction of residential buildings; and (ii) all replacement of substantially-damaged residential buildings. Replacement of residential buildings may include reconstruction (i.e., demolishing and re-building a housing unit on the same lot in substantially the same manner) and may include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls.

(b) For purposes of this Notice, the Green Building Standard means the grantee will require that all construction covered by subparagraph (a), above, meet an industry-recognized standard that has achieved certification under at least one of the following programs: (i) ENERGY STAR (Certified Homes or Multifamily High Rise); (ii) Enterprise Green Communities; (iii) LEED (NC, Homes, Midrise, Existing Buildings O&M, or Neighborhood Development); (iv) ICC–700 National Green Building Standard; (v) EPA Indoor AirPlus (ENERGY STAR a prerequisite); or (vi) any other equivalent comprehensive green building program, including regional programs such as those operated by the New York State Energy Research and Development Authority or the New Jersey Clean Energy Program.

(c) Standards for rehabilitation of non-substantially-damaged residential buildings. For rehabilitation other than

that described in subparagraph (a), above, grantees must follow the guidelines specified in the HUD CPD Green Building Retrofit Checklist, available on the CPD Disaster Recovery Web site. Grantees must apply these guidelines to the extent applicable to the rehabilitation work undertaken, including the use of mold resistant products when replacing surfaces such as drywall. When older or obsolete products are replaced as part of the rehabilitation work, rehabilitation is required to use ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)-designated products and appliances. For example, if the furnace, air conditioner, windows, and appliances are replaced, the replacements must be ENERGY STAR-labeled or FEMP-designated products; WaterSense-labeled products (*e.g.*, faucets, toilets, showerheads) must be used when water products are replaced. Rehabilitated housing may also implement measures recommended in a Physical Condition Assessment (PCA) or Green Physical Needs Assessment (GPNA).

(d) Implementation: (i) For construction projects completed, under construction, or under contract prior to the date that assistance is approved for the project, the grantee is encouraged to apply the applicable standards to the extent feasible, but the Green Building Standard is not required; (ii) for specific required equipment or materials for which an ENERGY STAR- or WaterSense-labeled or FEMP-designated product does not exist, the requirement to use such products does not apply.

(e) HUD encourages grantees to implement green infrastructure policies to the extent practicable. Additional tools for green infrastructure are available at the Environmental Protection Agency's water Web site; *Indoor AirPlus* Web site; Healthy Indoor Environment *Protocols for Home Energy Upgrades* Web site; and *ENERGY STAR* Web site: *www.epa.gov/greenbuilding*.

(6) A description of how the grantee will identify and address the rehabilitation (as defined at 24 CFR 570.202), reconstruction, and replacement of the following types of housing affected by the disaster: public housing (including administrative offices), HUD-assisted housing (defined at subparagraph (1), above), McKinney-Vento funded shelters and housing for the homeless—including emergency shelters and transitional and permanent housing for the homeless, and private market units receiving project-based assistance or with tenants that participate in the Section 8 Housing Choice Voucher Program. As part of this requirement, the grantee must identify how it will address the rehabilitation, mitigation, and new construction needs of each impacted Public Housing Authority (PHA) within its jurisdiction. The grantee must work directly with the PHA in identifying necessary costs and ensure that adequate funding is dedicated to addressing the unmet needs of damaged public housing. In its Action Plan, each grantee must set aside funding to specifically address the needs described in this subparagraph; Grantees are reminded that public housing is eligible for FEMA Public Assistance and must ensure that there is no duplication of benefits when using CDBG-DR funds to assist public housing. Information on the public housing agencies impacted by the disaster is available on the Department's *Web site*;

(7) A description of how the grantee will encourage the provision of housing for all income groups that is disaster-resistant, including a description of the activities it plans to undertake to address: (a) The transitional housing, permanent supportive housing, and permanent housing needs of individuals and families (including subpopulations) that are homeless and at-risk of homelessness; (b) the prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median) from becoming homeless, and (c) the special needs of persons who are not homeless but require supportive housing (*e.g.*, elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents, as identified in 24 CFR 91.315(e) or 91.215(e) as applicable). Grantees must also assess how planning decisions may affect racial, ethnic, and low-income concentrations, and ways to promote the availability of affordable housing in low-poverty, non-minority areas where appropriate and in response to disaster-related impacts.

(8) A description of how the grantee plans to minimize displacement of persons or entities, and assist any persons or entities displaced;

(9) A description of how the grantee will manage program income (*e.g.*, whether subrecipients may retain it), and the purpose(s) for which it may be used. Waivers and alternative requirements related to program income can be found in this Notice at paragraphs A.2 and A.17 of section VI;

(10) A description of monitoring standards and procedures that are sufficient to ensure program requirements, including nonduplication of benefits, are met and that provide for continual quality assurance and investigation. Some of this information may be adopted from the grantee's submission of information that is required for the Department's certification (see paragraph A.1.i, below; guidance on the prevention of duplication of benefits is available at paragraph A.21 of section VI). However, a grantee may need to include additional details to fully inform the public of the grantee's standards and procedures. Grantees must also describe their required internal audit function with an organizational diagram showing that responsible audit staff report independently to the chief officer or board of the organization designated to administer the CDBG–DR award (typically, the organization is designated by a chief elected official);

(11) A description of the mechanisms and/or procedures that are in place or will be put into place to detect and prevent fraud, abuse, and mismanagement of funds (including potential conflicts of interest);

(12) A description demonstrating the adequacy of the grantee's capacity, and the capacity of any UGLG or other organization expected to carry out disaster recovery programs (this assessment shall include a description of how the grantee will provide for increasing the capacity of UGLGs or other organizations, as needed and where capacity deficiencies (e.g., outstanding Office of Inspector General audit findings) have been identified. Grantees are responsible for providing adequate technical assistance to subrecipients or subgrantees to ensure the timely, compliant, and effective use of funds. Although UGLGs or other organizations may carry out disaster recovery programs and projects, each grantee under this Notice remains legally and financially accountable for the use of all funds and may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight (also see paragraph A.10 under section VI), policy development, and financial management;

b. *Funds awarded to a State.* A State's Action Plan, or partial Action Plan, shall describe the specific programs or activities the State will carry out directly, and/or how it will distribute funds to UGLGs (i.e., its method of distribution). Each Plan must also describe how the State's needs assessment informs the allocation(s) identified in the Plan, and how unmet needs that have been identified but not

yet addressed will be addressed in a subsequent amendment to the Plan.

In addition, for each program or activity that will be carried out by the State, the Action Plan or partial Action Plan must describe: (1) The projected use of the CDBG–DR funds, including the entity administering the program/activity, budget, and geographic area; (2) the threshold factors or applicant eligibility criteria, grant size limits, and proposed start and end dates; (3) how the projected use will meet CDBG eligibility criteria and a national objective; (4) how the projected use relates to a specific impact of the disaster and will result in long-term recovery; and (5) estimated and quantifiable performance outcomes (i.e., a performance measure) relative to the identified unmet need.

When the State uses a method of distribution to allocate funds to UGLGs, it must describe all criteria used to determine the distribution, including the relative importance of each criterion.

c. *Funds awarded directly to an UGLG.* The UGLG's Action Plan, or partial Action Plan, shall describe specific programs and/or activities it will carry out directly or through subrecipients, including other local governments. Each Plan must also describe how the UGLG's needs assessment informed the allocation(s) identified in the Plan, and how unmet needs that have been identified but not yet addressed will be addressed in a subsequent amendment to the Plan.

In addition, for each program or activity that will be carried out by the UGLG or through a subrecipient, the Action Plan or partial Action Plan must describe: (1) The projected use of the CDBG–DR funds, including the entity administering the program/activity, budget, and geographic area; (2) the threshold factors or applicant eligibility criteria, grant size limits, and proposed start and end dates; (3) how the projected use will meet CDBG eligibility criteria and a national objective; (4) how the projected use relates to a specific impact of the disaster and will result in long-term recovery; and (5) estimated and quantifiable performance outcomes (i.e., a performance measure) relative to the identified unmet need.

d. *Clarification of disaster-related activities.* All CDBG–DR activities must clearly address an impact of the disaster for which funding was appropriated. This means each activity must be CDBG-eligible (or receive a waiver), meet a national objective, and address a direct or indirect impact from the disaster in a county covered by a Presidential disaster declaration and cited in Table 2 of this Notice. Additional details on disaster-related activities are provided under Section VI, parts B through D.

(1) Housing. Typical housing activities include new construction and rehabilitation of single family or multifamily units (including garden apartments, condominiums, and units that participate in a housing cooperative). Most often, grantees use CDBG–DR funds to rehabilitate damaged homes and rental units; rehabilitation activities may include the costs associated with mold remediation. However, grantees may also fund new construction or rehabilitate units *not* damaged by the disaster if the activity clearly addresses a disaster-related impact and is located in a disaster-affected area. This impact can be demonstrated by the disaster's overall effect on the quality, quantity, and affordability of the housing stock and the resulting inability of the existing stock to meet post-disaster needs and population demands.

(2) Infrastructure. Typical infrastructure activities include the rehabilitation, replacement, or relocation of damaged public facilities and improvements.

(3) Economic Revitalization. Without the return of businesses and jobs to a disaster-impacted area, recovery may be impossible. Therefore, HUD strongly encourages grantees to envision economic revitalization as a cornerstone to long-term recovery. Economic revitalization is not limited to activities that are "special economic development" activities under the HCD Act, or to activities that create or retain jobs. For CDBG–DR purposes, economic revitalization can include any activity that demonstrably restores and improves the local or regional economy, such as addressing job losses. Examples of eligible activities include providing loans and grants to businesses, funding job training, building education facilities to teach technical skills, making improvements to commercial/retail districts, and financing other efforts that attract/retain workers in devastated communities.

Local and regional economic recoveries are typically driven by small businesses. To target assistance to small businesses, the Department is instituting an alternative requirement to the provisions at 42 U.S.C. 5305(a) to prohibit grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121.

All economic revitalization activities must address an economic impact(s) caused by the disaster (*e.g.*, loss of jobs). Through its needs assessment and Action Plan, the grantee must clearly identify the economic loss or need resulting from the disaster, and how the proposed activities will address that loss/need.

(4) Preparedness and Mitigation. The Appropriations Act states that funds shall be used for recovering from a Presidentially-declared major disaster. As such, all activities must respond to the impacts of the declared disaster. HUD strongly encourages grantees to incorporate preparedness and mitigation measures into all rebuilding activities, which helps to ensure that communities recover to be safer, stronger, and more resilient. Incorporation of these measures also reduces costs in recovering from future disasters. Mitigation measures that are not incorporated into rebuilding activities must be a necessary expense related to disaster relief, long-term recovery, and restoration of infrastructure, housing, or economic revitalization. Furthermore, the costs associated with these measures may not prevent the grantee from meeting unmet needs.

(5) Connection to the Disaster. Each grantee must document how each activity is connected to the disaster for which it is receiving CDBG assistance. In regard to physical losses, damage or insurance estimates are often the most effective tool for demonstrating the connection to the disaster. For economic or other non-physical losses, post-disaster analyses or assessments may document the relationship between the loss and the disaster.

Grantees are not limited in their recovery to returning to pre-disaster conditions. Rather, HUD encourages grantees to carry out activities that not only address disaster-related impacts, but leave communities sustainably positioned to meet the needs of their post-disaster populations and to further prospects for growth.

e. *Use of funds for disasters not covered by the Appropriations Act.* CDBG–DR funds awarded under this Notice are limited to activities that respond to the disasters identified in section I, Table 1, and areas that have Presidential disaster declarations for Hurricane Irene and Tropical Storm Lee as described in section I, Allocation. However, funds awarded in this Notice may be used to address an unmet need that arose from a previous disaster, which was exacerbated by a disaster cited in this Notice. If an impact or need originating from a disaster identified in this Notice is subsequently exacerbated by a future disaster, funds under this Notice may also be used to address the resulting exacerbated unmet need.

f. *Use of the urgent need national objective.* The certification requirements for the documentation of urgent need, located at 24 CFR 570.208(c) and 24 CFR 570.483(d), are waived for the grants under this Notice until two years after the date HUD obligates funds to a grantee for the activity. In the context of disaster recovery, these standard requirements may prove burdensome and redundant. Since the Department only provides CDBG–DR awards to grantees with documented disaster-related impacts (as supported by data provided by FEMA, SBA, and other sources), and each grantee is limited to spending funds only in counties with a Presidential disaster declaration of recent origin respective to each appropriation, the following temporary, streamlined alternative requirement recognizes the inherent urgency in addressing the serious threat to community welfare following a major disaster.

Grantees need not issue formal certification statements to qualify an activity as meeting the urgent need national objective. Instead, each grantee receiving a direct award under this Notice must document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee. This waiver and alternative requirement allows grantees to more effectively and quickly implement disaster recovery programs. Grantees must reference in their Action Plan the type, scale, and location of the disaster-related impacts that each program and/or activity is addressing.

Grantees must identify these disaster-related impacts in their Action Plan needs assessment. The needs assessment must be updated as new or more detailed/accurate disaster-related impacts are known. As a reminder, at least 50 percent of each grantee's CDBG–DR grant award must be used for activities that benefit low- and moderate-income persons.

g. *Clarity of the Action Plan.* All grantees must include sufficient information so that citizens, UGLGs (where applicable), and other eligible subgrantees, subrecipients, or applicants will be able to understand and comment on the Action Plan and, if applicable, be able to prepare responsive applications to the grantee. The Action Plan must include a single chart or table that illustrates, at the most practical level, how all funds programmed by the Action Plan are budgeted (*e.g.*, by program, subgrantee, grantee-administered activity, or other category).

h. *Review and Approval of the Action Plan.* For funds provided under the Appropriations Act, 24 CFR 91.500 has been augmented with the following requirements. The initial Action Plan must be submitted to HUD (including Standard Form 424 (SF–424) and certifications) within 90 days of the date of this Notice. HUD will expedite its review of each Action Plan—taking no more than 45 days from the date of receipt to complete its review. The Secretary may disapprove an Action Plan if it is determined that the Plan does not meet the requirements of this Notice.

i. *Certification of proficient controls, processes and procedures.* The Appropriations Act requires that the Secretary certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds.

To enable the Secretary to make the certification, each grantee must submit the items listed below to the grantee's designated HUD representative. The information must be submitted within 30 days of the effective date of this Notice, or with the grantee's submission of its Action Plan, whichever date is earlier. Grant agreements will not be executed until HUD has issued a certification in response to the grantee's submission.

(1) Financial Control Checklist. A grantee has in place proficient financial controls if each of the following criteria are satisfied:

(a) Most recent OMB Circular A–133 audit and annual financial statement indicates that the grantee has no material weaknesses, deficiencies, or concerns that HUD considers to be relevant to the financial management of the CDBG program. If the A–133 or annual financial statement identified weaknesses or deficiencies, the grantee must provide documentation showing how those weaknesses have been removed or are being addressed; and

(b) Completed HUD monitoring checklist for financial standards (Exhibit 3–18 of the Community Planning and Development *Monitoring Handbook* 6509.02) and the grantee's financial standards. The checklist and standards must demonstrate the financial standards are complete and conform with the requirements of Exhibit 3–18. The grantee must identify which sections of its financial standards address each of the questions in the monitoring checklist and which personnel or unit are responsible for each checklist item.

(2) Procurement. A grantee has in place a proficient procurement process if the:

(a) Grantee has adopted the specific procurement standards identified in 24 CFR 85.36. The grantee must provide a copy of its procurement standards and indicate the sections of its procurement standards that incorporate 24 CFR 85.36. The procedures should also indicate which personnel or unit are responsible for each item; or

(b) Grantee's procurement process/standards are equivalent to the procurement standards at 24 CFR 85.36 (applicable to State grantees only). Grantee must provide its procurement standards and indicate the sections of its procurement standards that align with each procurement provision of 24 CFR 85.36. The procedures should also indicate which personnel or unit are responsible for the task.

(3) Duplication of benefits. A grantee has adequate procedures to prevent the duplication of benefits when it provides to HUD a uniform prevention of duplication of benefits procedure wherein the grantee identifies its processes for each of the following: verifying all sources of disaster assistance; determining an applicant's unmet need(s) before awarding assistance; and ensuring beneficiaries agree to repay the assistance if they later receive other disaster assistance for the same purpose. The procedures should also indicate which personnel or unit are responsible for the task. Departmental guidance to assist in preventing a duplication of benefits is provided in a notice published in the **Federal Register** at 76 FR 71060 (November 16, 2011) and in paragraph A.21, section VI, of this Notice.

(4) Adequate procedures to determine timely expenditures. A grantee has adequate procedures to determine timely expenditures if a grantee provides procedures to HUD that indicate how the grantee will track expenditures each month; how it will monitor expenditures of its recipients; how it will reprogram funds in a timely manner for activities that are stalled; and how it will project expenditures. The procedures should also indicate which personnel or unit are responsible for the task.

(5) Procedures to maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds. A grantee has adequate procedures to maintain comprehensive Web sites regarding all disaster recovery

activities if its procedures indicate that the grantee will have a separate page dedicated to its disaster recovery that will contain links to all action plans, action plan amendments, performance reports, citizen participation requirements, and activity/program information for activities described in the action plan. The procedures should also indicate the frequency of Web site updates and which personnel or unit are responsible for the task.

(6) Procedures to detect fraud, waste, and abuse of funds. A grantee has adequate procedures to detect fraud, waste, and abuse if its procedures indicate how the grantee will verify the accuracy of information provided by applicants; provides a monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring, and which items are monitored; and that the internal auditor has affirmed and described its role in detecting fraud, waste, and abuse.

(7) Grantee certification. As part of its submission, the grantee is required by paragraph E.42.q to attest to the proficiency and adequacy of its controls.

j. *Obligation and expenditure of funds.* Upon the Secretary's certification, HUD will issue a grant agreement obligating the funds to the grantee. Only the funds described by the grantee in its Action Plan, at the necessary level of detail, will be obligated. In addition, HUD will establish the line of credit and the grantee will receive DRGR system access (if it does not have access already). The grantee must also enter its Action Plan activities into the DRGR system before it may draw funds as described in paragraph A.2, below.

Each activity must meet the applicable environmental requirements. After the Responsible Entity completes an environmental review(s) pursuant to 24 CFR part 58, as applicable (or paragraph A.20, as applicable), and receives from HUD or the State an approved Request for Release of Funds and certification (as applicable), the grantee may draw down funds from the line of credit for the activity. Note that the disbursement of grant funds must begin no later than 60 days after the grantee has received access to its line of credit.

k. *Amending the Action Plan.* As the grantee finalizes its long-term recovery goals, or as needs change through the recovery process, the grantee must amend its Action Plan to update its needs assessment, modify or create new activities, or re-program funds, as necessary. Each amendment must be highlighted, or otherwise identified, within the context of the entire Action Plan. The beginning of every Action Plan amendment must include a section that identifies exactly what content is being added, deleted, or changed. This section must also include a chart or table that clearly illustrates where funds are coming from and where they are moving to. The Action Plan must include a revised budget allocation table that reflects the entirety of all funds, as amended. A grantee's most recent version of its entire Action Plan must be accessible for viewing as a single document at any given point in time, rather than the public or HUD having to view and cross-reference changes among multiple amendments.

If a grantee amends its Action Plan to program additional funds that the Department has allocated to it, the grant agreement must also be revised. As stated in paragraph 1.a, the requirement for each grantee to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

l. *Projection of expenditures and outcomes.* Each grantee must amend its published Action Plan to project expenditures and outcomes within 90 days of the Action Plan approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. The published Action Plan must be amended to reflect any subsequent changes, updates, or revision of the projections. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on the preparation of projections is available on HUD's Web site. The projections will enable HUD, the public, and the grantee, to track proposed versus actual performance.

2. *HUD performance review authorities and grantee reporting requirements in the Disaster Recovery Grant Reporting (DRGR) System.*

a. *Performance review authorities.* 42 U.S.C. 5304(e) requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the grantee has carried out its activities in a timely manner, whether the grantee's activities and certifications are carried out in accordance with the requirements and the primary objectives of the HCD Act and other applicable laws, and whether the grantee has the continuing capacity to carry out those activities in a timely manner. Grantees are advised that HUD is increasing its monitoring and technical assistance effort to coincide with the two-year expenditure deadline.

This Notice waives the requirements for submission of a performance report pursuant to 42 U.S.C. 12708 and 24 CFR 91.520. In the alternative, and to ensure consistency between grants allocated under the Appropriations Act and prior CDBG–DR appropriation laws, HUD is requiring that grantees enter information in the DRGR system in sufficient detail to permit the Department's review of grantee performance on a quarterly basis and to enable remote review of grantee data to allow HUD to assess compliance and risk.

b. *DRGR Action Plan.* Each grantee must enter its Action Plan for Disaster Recovery, including performance measures, into HUD's DRGR system. As more detailed information about uses of funds is identified by the grantee, it must be entered into the DRGR system at a level of detail that is sufficient to serve as the basis for acceptable performance reports, and permits HUD review of compliance requirements.

The Action Plan must also be entered into the DRGR system so that the grantee is able to draw its CDBG–DR funds. The grantee may enter activities into DRGR before or after submission of the Action Plan to HUD. To enter an activity into the DRGR system, the grantee must know the activity type, national objective, and the organization that will be responsible for the activity. In addition, a Data Universal Numbering System (DUNS) number must be entered into the system for any entity carrying out a CDBG–DR funded activity, including the grantee, recipient(s) and subrecipient(s), contractor(s), and developers. To comply with the statutory requirements regarding identification of contractors, and to provide a mechanism for tracking large contracts in DRGR, HUD is requiring grantees to identify in the DRGR system any contract over $25,000.

Each activity entered into the DRGR system must also be categorized under a "project". Typically, projects are based on groups of activities that accomplish a similar, broad purpose (*e.g.*, Housing, Infrastructure, or Economic Development) or are based on an area of service (*e.g.*, Community A). If a grantee submits a partial Action Plan or amendment to describe just one program (*e.g.*, Single Family Rehabilitation), that program is entered as a project in DRGR. Further, the budget of the program would be identified as the project's budget. If a State grantee has only identified the Method of Distribution (MOD) upon HUD's approval of the published Action Plan, the MOD itself typically serves as

the projects in the DRGR system, rather than the activities. As funds are distributed to subgrantees and subrecipients, who decide which specific activities to fund, those activity fields are then populated.

c. *Tracking oversight activities in the DRGR system; use of DRGR data for HUD review and dissemination.* Each grantee must also enter into DRGR summary information on monitoring visits and reports, audits, and technical assistance it conducts as part of its oversight of its disaster recovery programs. The grantee's Quarterly Performance Report (QPR) will include a summary indicating the number of grantee oversight visits and reports (see subparagraph e for more information on the QPR). HUD will use data entered into the DRGR Action Plan and the QPR, transactional data from the DRGR system, and other information provided by the grantee to provide reports to Congress and the public, as well as to (1) Monitor for anomalies or performance problems that suggest fraud, abuse of funds, and duplication of benefits; (2) reconcile budgets, obligations, funding draws, and expenditures; (3) calculate expenditures to determine compliance with administrative and public service caps and the overall percentage of funds that benefit low- and moderate-income persons; and (4) analyze the risk of grantee programs to determine priorities for the Department's monitoring.

d. *Tracking program income in the DRGR system.* Grantees must use the DRGR system to draw grant funds for each activity. Grantees must also use the DRGR system to track program income receipts, disbursements, and revolving loan funds. If a grantee permits local governments or subrecipients to retain program income, the grantee must establish program income accounts in the DRGR system. The DRGR system requires grantees to use program income before drawing additional grant funds, and ensures that program income retained by one organization will not affect grant draw requests for other organizations.

e. *DRGR System Quarterly Performance Report (QPR).* Each grantee must submit a QPR through the DRGR system no later than 30 days following the end of each calendar quarter. Within 3 days of submission to HUD, each QPR must be posted on the grantee's official Web site. The grantee's first QPR is due after the first full calendar quarter after the grant award. For example, a grant award made in April requires a QPR to be submitted by October 30. QPRs must be submitted on a quarterly basis until all funds have been expended and all expenditures have been reported.

Each QPR will include information about the uses of funds in activities identified in the DRGR system Action Plan during the applicable quarter. This includes, but is not limited to, the: project name, activity, location, and national objective; funds budgeted, obligated, drawn down, and expended; the funding source and total amount of any non-CDBG–DR funds to be expended on each activity; beginning and actual completion dates of completed activities; achieved performance outcomes such as number of housing units complete or number of low- and moderate-income persons benefiting; and the race and ethnicity of persons assisted under direct-benefit activities. Grantees must also record the amount of funding expended for each contractor identified in the Action Plan. The DRGR system will automatically display the amount of program income receipted, the amount of program income reported as disbursed, and the amount of grant funds disbursed. Grantees must include a description of actions taken in that quarter to affirmatively further fair housing within the section titled "Overall Progress Narrative" in the DRGR system.

3. *Citizen participation waiver and alternative requirement.* To permit a more streamlined process, and ensure disaster recovery grants are awarded in a timely manner, provisions of 42 U.S.C. 5304(a)(2) and (3), 42 U.S.C. 12707, 24 CFR 570.486, 91.105(b) and (c), and 91.115(b) and (c), with respect to citizen participation requirements, are waived and replaced by the requirements below. The streamlined requirements do not mandate public hearings at a state, entitlement, or local government level, but do require providing a reasonable opportunity (at least 7 days) for citizen comment and ongoing citizen access to information about the use of grant funds. The streamlined citizen participation requirements for a grant carried out under this Notice are:

a. *Publication of the Action Plan, opportunity for public comment, and substantial amendment criteria.* Before the grantee adopts the Action Plan for this grant or any substantial amendment to this grant, the grantee will publish the proposed plan or amendment (including the information required in this Notice for an Action Plan for Disaster Recovery). The manner of publication must include prominent posting on the grantee's official Web site and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the plan or amendment's contents. The topic of disaster recovery must be navigable by citizens from the grantee (or relevant agency) homepage. Grantees are also encouraged to notify affected citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with neighborhood organizations.

Despite the expedited process, grantees are still responsible for ensuring that all citizens have equal access to information about the programs, including persons with disabilities and limited English proficiency (LEP). Each grantee must ensure that program information is available in the appropriate languages for the geographic area served by the jurisdiction. For assistance in ensuring that this information is available to LEP populations, recipients should consult the *Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons* published on January 22, 2007, in the **Federal Register** (72 FR 2732).

Subsequent to publication of the Action Plan, the grantee must provide a reasonable time frame and method(s) (including electronic submission) for receiving comments on the plan or substantial amendment. In its Action Plan, each grantee must specify criteria for determining what changes in the grantee's plan constitute a substantial amendment to the plan. At a minimum, the following modifications will constitute a substantial amendment: a change in program benefit or eligibility criteria; the allocation or re-allocation of more than $1 million; or the addition or deletion of an activity. The grantee may substantially amend the Action Plan if it follows the same procedures required in this Notice for the preparation and submission of an Action Plan for Disaster Recovery. Prior to submission of a substantial amendment, the grantee is encouraged to work with its HUD representative to ensure the proposed change is consistent with this Notice, and all applicable regulations and Federal law.

b. *Non-substantial amendment.* The grantee must notify HUD, but is not required to undertake public comment, when it makes any plan amendment that is not substantial. HUD must be notified at least five days before the amendment becomes effective. However, every amendment to the Action Plan (substantial and non-substantial) must be numbered sequentially and posted on the grantee's Web site. The Department will

acknowledge receipt of the notification of non-substantial amendments via email within 5 business days.

c. *Consideration of public comments.* The grantee must consider all comments, received orally or in writing, on the Action Plan or any substantial amendment. A summary of these comments or views, and the grantee's response(s), must be submitted to HUD with the Action Plan or substantial amendment.

d. *Availability and accessibility of the Action Plan.* The grantee must make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request. In addition, the grantee must make these documents available in a form accessible to persons with disabilities and non-English-speaking persons. During the term of the grant, the grantee will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds.

e. *Citizen complaints.* The grantee will provide a timely written response to every citizen complaint. The response will be provided within 15 working days of the receipt of the complaint, if practicable.

4. *Direct grant administration and means of carrying out eligible activities.*

a. *Requirements applicable to State grantees.* Requirements at 42 U.S.C. 5306 are waived, to the extent necessary, to allow a State to directly carry out CDBG–DR activities eligible under this Notice, rather than distribute all funds to UGLGs. Experience in administering CDBG supplemental disaster recovery funding demonstrates that this practice can expedite recovery. Pursuant to this waiver, the standard at section 570.480(c) and the provisions at 42 U.S.C. 5304(e)(2) will also include activities that the State carries out directly. In addition, activities eligible under this Notice may be carried out, subject to State law, by the State through its employees, through procurement contracts, or through assistance provided under agreements with subrecipients or recipients. Notwithstanding this waiver, State grantees continue to be responsible for civil rights, labor standards, and environmental protection requirements contained in the HCD Act and 24 CFR part 570, as well as ensuring such compliance by subgrantees.

b. *Requirements for all grantees—direct administration and assistance to neighborhood organizations described in 42 U.S.C. 5305(a)(15) of the HCD Act.* Activities made eligible at 42 U.S.C. 5305(a)(15) may only be undertaken by the eligible entities described in that section, whether the assistance is provided to such an entity from the State or from a UGLG.

c. *Use of Funds for Structures Owned by Religious Organizations.* The provision of assistance for buildings used for religious purposes is governed by 24 CFR 570.200(j). Although CDBG funds cannot be used for structures dedicated solely to religious use, such as a religious congregation's principal place of worship, grantees may in certain circumstances pay some rehabilitation or new construction costs for structures used for religious and secular purposes.

Funding for rehabilitating or reconstructing storm-damaged or destroyed buildings may be appropriate where a facility is not used exclusively for the benefit of the religious congregation, such as a building used as a homeless shelter, food pantry, adult literacy center, or child care center. Where a structure is used for both religious and secular uses, CDBG–DR funds may pay the portion of eligible rehabilitation or construction costs attributable to the non-religious use. For example, for a building that is used 50 percent of the time for, or has 50 percent of the square footage dedicated to, homeless services, CDBG–DR funds may pay 50 percent of the rehabilitation or construction cost. Grantees are encouraged to work closely with their CPD Representative to ensure compliance with the requirements of 24 CFR 570.200(j) or to obtain further guidance on the applicability of this rule to specific programs or properties.

5. *Consolidated Plan waiver.* HUD is waiving the requirement for consistency with the consolidated plan (requirements at 42 U.S.C. 12706, 24 CFR 91.325(a)(5), 91.225(a)(5), 91.325(b)(3), and 91.225(b)(3)), because the effects of a major disaster alter a grantee's priorities for meeting housing, employment, and infrastructure needs. In conjunction, 42 U.S.C. 5304(e), to the extent that it would require HUD to annually review grantee performance under the consistency criteria, is also waived. However, this waiver applies only until the grantee first updates its full consolidated plan. HUD expects grantees to update its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update. At a minimum, the updated consolidated plan must include the criteria discussed in this Notice. While grantees are encouraged to incorporate disaster recovery needs into their consolidated plan updates as soon as practicable, any unmet disaster-related needs and associated priorities must be incorporated into the grantee's next consolidated plan update by Fiscal Year 2015. If not completed already, the grantee must update its Analysis of Impediments to Fair Housing Choice in coordination with its post-waiver consolidated plan update, so that it more accurately reflects housing conditions following the disaster.

6. *Requirement for consultation during plan preparation.* Currently, the statute and regulations require States to consult with affected units of local government in non-entitlement areas of the State in determining the State's proposed method of distribution. HUD is waiving 42 U.S.C. 5306(d)(2)(C)(iv), 42 U.S.C. 5306(d)(2)(D), 24 CFR 91.325(b), and 91.110, with the alternative requirement that any State receiving an allocation under this Notice consult with all disaster-affected UGLGs (including any CDBG-entitlement communities, and local public housing authorities in affected areas) in determining the use of funds. This ensures State grantees sufficiently assess the recovery needs of all areas affected by the disaster.

For New York City, HUD is supplementing 24 CFR 91.100 with the additional requirement that the jurisdiction must consult with adjacent UGLGs, including local government agencies with metropolitan-wide planning responsibilities (particularly for problems and solutions that go beyond a single jurisdiction), and local public housing authorities (affected by the disaster).

Last, all grantees must consult with States, tribes, UGLGs, and other stakeholders and affected parties in the surrounding geographic area to ensure consistency with applicable regional redevelopment plans.

7. *Overall benefit waiver and alternative requirement.* The primary objective of the HCD Act is the "development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." 42 U.S.C. 5301(c). To carry out this objective, the statute requires that 70 percent of the aggregate of a regular CDBG program's funds be used to support activities benefitting low- and moderate-income persons. This target could be difficult to reach, and perhaps even impossible, for many grantees affected by Hurricane Sandy. Grantees under this Notice experienced disaster impacts that affected entire communities—regardless of income, and the existing requirement

may prevent grantees from providing assistance to damaged areas of need. Therefore, this Notice waives the requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3), that 70 percent of funds be used for activities that benefit low- and moderate-income persons. Instead, 50 percent of funds must benefit low- and moderate-income persons. This provides grantees with greater flexibility to carry out recovery activities by allowing up to 50 percent of the grant to assist activities under the urgent need or prevention or elimination of slums or blight national objectives.

Grantees may seek to reduce the overall benefit requirement below 50 percent of the total grant, but must submit a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 50 percent requirement; and (d) demonstrates that the needs of non-low and moderate-income persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them. Upon request, a sample justification can be provided by the Department. Note that the 50 percent overall benefit requirement will not be reduced unless the Secretary specifically finds that there is a compelling need to further reduce the threshold.

8. *Use of the "upper quartile" or "exception criteria" for low- and moderate-income area benefit activities.* This exception applies to entitlement communities that have few, if any, areas within their jurisdiction that have 51 percent or more low- and moderate-income residents. per the requirements at 42 U.S.C. 5305(c)(2)(A), these communities are allowed to use a percentage less than 51 percent to qualify activities under the low- and moderate-income area benefit category. This exception is referred to as the "exception criteria" or the "upper quartile".

HUD assesses Census block groups to determine whether an entitlement community meets the exception criteria. For communities that qualify, the Department identifies the alternative percentage (i.e., the lowest proportion) the community may use, instead of 51 percent, for the purpose of qualifying activities under the low- and moderate-income area benefit. HUD advises the entitlement community accordingly. Periodically, HUD updates the low- and moderate-income summary data used to identify the exception criteria; disaster recovery grantees are required to use the most recent data available in implementing the exception criteria. Note that for entitlement communities that meet the exception criteria, the community may apply the criteria if it receives funds from a State grantee.

9. *Use of "uncapped" income limits.* The Quality Housing and Work Responsibility Act of 1998 (Title V of Pub. L. 105–276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently "capped' under HUD's low and moderate-income limits. Under this exception, a number of CDBG entitlement grantees may use "uncapped" income limits that reflect 80 percent of the actual median income for the area. Each year, HUD publishes guidance on its Web site identifying which grantees may use uncapped limits. The uncapped limits apply to disaster recovery activities funded pursuant to this Notice in jurisdictions covered by the uncapped limits, including jurisdictions that receive disaster recovery funds from the State.

10. *Grant administration responsibilities and general administration cap.*

a. *Grantee responsibilities.* per the Appropriations Act, each grantee shall administer its award directly, in compliance with all applicable laws and regulations. Each grantee shall be financially accountable for the use of all funds provided in this Notice and may contract for administrative support but grantees may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight, policy development, and financial management.

b. *General administration cap.* For grants under this Notice, the annual CDBG program administration requirements must be modified to be consistent with the Appropriations Act, which allows up to 5 percent of the grant to be used for general administration costs, by the grantee, by UGLGs, or by subrecipients. Thus, the total of all costs charged to the grant and classified as general administration must be less than or equal to the 5 percent cap.

(1) For State grantees under this Notice, the provisions of 42 U.S.C. 5306(d) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) will not apply to the extent that they cap general administration and technical assistance expenditures, limit a State's ability to charge a nominal application fee for grant applications for activities the State carries out directly, and require a dollar-for-dollar match of State funds for administrative costs exceeding $100,000. 42 U.S.C. 5306(d)(5) and (6) are waived and replaced with the alternative requirement that the aggregate total for general administrative and technical assistance expenditures must not exceed 5 percent. States remain limited to spending a maximum of 20 percent of their total grant amount on a combination of planning and general administration costs. Planning costs subject to the 20 percent cap are those defined in 42 U.S.C. 5305(a)(12).

(2) New York City is also subject to the 5 percent administrative cap. This 5 percent applies to all general administration costs—whether incurred by the grantee or its subrecipients. The City also remains limited to spending 20 percent of its total allocation on a combination of planning and general administration costs.

11. *Planning-only activities—applicable to State grantees only.* The annual State CDBG program requires that local government grant recipients for planning-only grants must document that the use of funds meets a national objective. In the State CDBG program, these planning grants are typically used for individual project plans. By contrast, planning activities carried out by entitlement communities are more likely to include non-project specific plans such as functional land-use plans, master plans, historic preservation plans, comprehensive plans, community recovery plans, development of housing codes, zoning ordinances, and neighborhood plans. These plans may guide long-term community development efforts comprising multiple activities funded by multiple sources. In the entitlement program, these general planning activities are presumed to meet a national objective under the requirements at 24 CFR 570.208(d)(4).

The Department notes that effective CDBG disaster recoveries have relied on some form of area-wide or comprehensive planning activity to guide overall redevelopment independent of the ultimate source of implementation funds. Therefore, for State grantees receiving an award under this Notice, the Department is removing the eligibility requirements at 24 CFR 570.483(b)(5) or (c)(3). Instead, States must comply with 570.208(d)(4) when funding disaster recovery-assisted planning-only grants, or directly administering planning activities that

guide recovery in accordance with the Appropriations Act. In addition, the types of planning activities that States may fund or administer are expanded to be consistent with those of entitlement communities identified at 24 CFR 570.205.

12. *Waiver and alternative requirement for distribution to CDBG metropolitan cities and urban counties—applicable to State grantees only.* Section 5302(a)(7) of title 42, U.S.C. (definition of "nonentitlement area") and provisions of 24 CFR part 570 that would prohibit or restrict a State from distributing CDBG funds to entitlement communities and Indian tribes under the CDBG program, are waived, including 24 CFR 570.480(a) and 570.486(c) (revised April 23, 2012). Instead, the State may distribute funds to UGLGs and Indian tribes.

13. *Use of subrecipients—applicable to State grantees only.* The State CDBG program rule does not make specific provision for the treatment of entities that the CDBG Entitlement program calls "subrecipients." The waiver allowing the State to directly carry out activities creates a situation in which the State may use subrecipients to carry out activities in a manner similar to an entitlement community. Therefore, for States taking advantage of the waiver to carry out activities directly, the requirements at 24 CFR 570.502, 570.503, and 570.500(c) apply, except the requirements that specific references to 24 CFR parts 84 and 85 must be included in subrecipient agreements. Pursuant to 24 CFR 570.489(n) (revised April 23, 2012) and 570.502, State grantees must ensure that its costs and those of its state recipients and subrecipients are in conformance with 2 CFR part 225 (OMB Circular A–87), whether carrying out activities directly or through the use of a subrecipient.

14. *Recordkeeping.*

a. *State grantees.* When a State carries out activities directly, 24 CFR 570.490(b) is waived and the following alternative provision shall apply: the State shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the State's administration of CDBG–DR funds under 24 CFR 570.493. Consistent with applicable statutes, regulations, waivers and alternative requirements, and other Federal requirements, the content of records maintained by the State shall be sufficient to: enable HUD to make the applicable determinations described at 24 CFR 570.493; make compliance determinations for activities carried out directly by the State; and show how activities funded are consistent with the descriptions of activities proposed for funding in the Action Plan and/or DRGR system. For fair housing and equal opportunity purposes, and as applicable, such records shall include data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in, or beneficiaries of the program.

b. *UGLGs grantees.* New York City remains subject to the recordkeeping requirements of 24 CFR 570.506.

15. *Change of use of real property—applicable to State grantees only.* This waiver conforms to the change of use of real property rule to the waiver allowing a State to carry out activities directly. For purposes of this program, all references to "unit of general local government" in 24 CFR 570.489(j), shall be read as "unit of general local government or State."

16. *Responsibility for review and handling of noncompliance —applicable to State grantees only.* This change is in conformance with the waiver allowing the State to carry out activities directly. 24 CFR 570.492 is waived and the following alternative requirement applies for any State receiving a direct award under this Notice: the State shall make reviews and audits, including onsite reviews of any subrecipients, designated public agencies, and UGLGs, as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2), as amended, and as modified by this Notice. In the case of noncompliance with these requirements, the State shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or consequences, and prevent a recurrence. The State shall establish remedies for noncompliance by any designated subrecipients, public agencies, or UGLGs.

17. *Program income alternative requirement.* The Department is waiving applicable program income rules at 42 U.S.C 5304(j), 24 CFR 570.500(a) and (b), 570.504, and 570.489(e) to the extent necessary to provide additional flexibility as described under this Notice. The alternative requirements provide guidance regarding the use of program income received before and after grant closeout and address revolving loan funds.

a. *Definition of program income.*

(1) For the purposes of this subpart, "program income" is defined as gross income generated from the use of CDBG–DR funds, except as provided in subparagraph D of this paragraph, and received by a State, UGLG, or tribe, or a subrecipient of a State, UGLG, or tribe. When income is generated by an activity that is only partially assisted with CDBG–DR funds, the income shall be prorated to reflect the percentage of CDBG–DR funds used (e.g., a single loan supported by CDBG–DR funds and other funds; a single parcel of land purchased with CDBG–DR funds and other funds). Program income includes, but is not limited to, the following:

(a) Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG–DR funds;

(b) Proceeds from the disposition of equipment purchased with CDBG–DR funds;

(c) Gross income from the use or rental of real or personal property acquired by a State, UGLG, or tribe or subrecipient of a State, UGLG, or tribe with CDBG–DR funds, less costs incidental to generation of the income (i.e., net income);

(d) Net income from the use or rental of real property owned by a State, UGLG, or tribe or subrecipient of a State, UGLG, or tribe, that was constructed or improved with CDBG–DR funds;

(e) Payments of principal and interest on loans made using CDBG–DR funds;

(f) Proceeds from the sale of loans made with CDBG–DR funds;

(g) Proceeds from the sale of obligations secured by loans made with CDBG–DR funds;

(h) Interest earned on program income pending disposition of the income, but excluding interest earned on funds held in a revolving fund account;

(i) Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover all or part of the CDBG–DR portion of a public improvement; and

(j) Gross income paid to a State, UGLG, tribe, or paid to a subrecipient thereof from the ownership interest in a for-profit entity in which the income is in return for the provision of CDBG–DR assistance.

(2) "Program income" does not include the following:

(a) The total amount of funds which is less than $25,000 received in a single year and retained by a State, UGLG, tribe, or retained by a subrecipient thereof;

(b) Amounts generated by activities both eligible and carried out by an entity under the authority of section 105(a)(15) of the HCD Act;

b. *Retention of program income.* Per 24 CFR 570.504(c), a UGLG receiving a direct award under this Notice may permit a subrecipient to retain program income. State grantees may permit a UGLG or tribe, which receives or will

receive program income, to retain the program income, but are not required to do so.

c. *Program income—use, closeout, and transfer.*

(1) Program income received (and retained, if applicable) before or after closeout of the grant that generated the program income, and used to continue disaster recovery activities, is treated as additional disaster recovery CDBG funds subject to the requirements of this Notice and must be used in accordance with the grantee's Action Plan for Disaster Recovery. To the maximum extent feasible, program income shall be used or distributed before additional withdrawals from the U.S. Treasury are made, except as provided in subparagraph d of this paragraph.

(2) In addition to the regulations dealing with program income found at 24 CFR 570.489(e) and 570.504, the following rules apply: A grantee may transfer program income before closeout of the grant that generated the program income to its annual CDBG program. In addition, a State grantee may transfer program income before closeout to any annual CDBG-funded activities carried out by a UGLG or Indian tribe within the State. Program income received by a grantee, or received and retained by a subgrantee, after closeout of the grant that generated the program income, may also be transferred to a grantee's annual CDBG award. In all cases, any program income received, and *not* used to continue disaster recovery activities, will *not* be subject to the waivers and alternative requirements of this Notice. Rather, those funds will be subject to the grantee's regular CDBG program rules.

d. *Revolving loan funds.* New York City, State grantees, and UGLGs or tribes (as permitted by a State grantee) may establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities generate payments, which will be used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments which could be funded from the revolving fund. Such program income is not required to be disbursed for non-revolving fund activities.

State grantees may also establish a revolving fund to distribute funds to UGLGs or tribes to carry out specific, identified activities. The same requirements, outlined above, apply to this type of revolving loan fund. Last, note that no revolving fund, established per this Notice, shall be directly funded or capitalized with an advance of CDBG–DR grant funds.

18. *Reimbursement of disaster recovery expenses.* The provisions of 24 CFR 570.489(b) are applied to permit a State to reimburse itself for otherwise allowable costs incurred by itself or its recipients subgrantees or subrecipients (including public housing authorities) on or after the incident date of the covered disaster. New York City is subject to the provisions of 24 CFR 570.200(h) but may reimburse itself or its subrecipients for otherwise allowable costs incurred on or after the incident date of the covered disaster. 24 CFR 570.200(h)(1)(i) will not apply to the extent that it requires pre-agreement activities to be included in a consolidated plan. The Department expects both State grantees and New York City to include all pre-agreement activities in their Action Plans. The provisions at 24 CFR 570.200(h) and 570.489(b) apply to grantees reimbursing costs incurred by itself or its recipients or subrecipients prior to the execution of a grant agreement with HUD.

19. *One-for-One Replacement, Relocation, and Real Property Acquisition Requirements.* Activities and projects assisted by CDBG–DR are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601 *et seq.*)("URA") and Section 104(d) of the HCD Act (42 U.S.C. 5304(d))("Section 104(d)"). The implementing regulations for the URA are at 49 CFR part 24. The regulations for Section 104(d) are at 24 CFR part 42, subpart C. For the purposes of promoting the availability of decent, safe, and sanitary housing and expediting disaster recovery and rehousing efforts, HUD is waiving the following URA and Section 104(d) requirements for grantees under this Notice:

a. *One-for-one replacement.* One-for-one replacement requirements at section 104(d)(2)(A)(i)–(ii) and (d)(3) and 24 CFR 42.375 are waived in connection with funds allocated under this Notice for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The Section 104(d) one-for-one replacement requirements generally apply to demolished or converted occupied and vacant occupiable lower-income dwelling units. This waiver exempts disaster-damaged units that meet the grantee's definition of "not suitable for rehabilitation" from the one-for-one replacement requirements. Before carrying out a program or activity which may be subject to the one-for-one replacement requirements, the grantee must define "not suitable for rehabilitation" in its Action Plan or in policies/procedures governing these programs and activities. Grantees with questions about the one-for-one replacement requirements are encouraged to contact the HUD Regional Relocation Specialist responsible for their state.

HUD is waiving the one-for-one replacement requirements because they do not account for the large, sudden changes that a major disaster may cause to the local housing stock, population, or economy. Furthermore, the requirements may discourage grantees from converting or demolishing disaster-damaged housing when excessive costs would result from replacing all such units. Disaster-damaged housing structures that are not suitable for rehabilitation can pose a threat to public health and safety and may impede economic revitalization. Grantees should re-assess post-disaster population and housing needs to determine the appropriate type, amount, and location of lower-income dwelling units to rehabilitate and/or rebuild. Grantees should note, however, that the demolition and/or disposition of Public Housing Authority-owned public housing units is covered by section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970, neither of which is waived by this Notice.

b. *Relocation assistance.* The Section 104(d) relocation assistance requirements at section 104(d)(2)(A) and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24, as modified by this Notice, for activities related to disaster recovery. Without this waiver, disparities exist in relocation assistance associated with activities typically funded by HUD and FEMA (*e.g.*, buyouts and relocation). Both FEMA and HUD funds are subject to the URA; however, HUD's CDBG funds are also subject to Section 104(d), while FEMA funds are not. The URA provides that a displaced person is eligible to receive a rental assistance payment that covers a period of 42 months. By contrast, Section 104(d) allows a lower-income displaced person to choose between the URA rental assistance payment and a rental assistance payment calculated over a period of 60 months. This waiver of the Section 104(d) requirements

assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance under this Notice.

c. *Arm's length voluntary purchase.* The requirements at 49 CFR 24.101(b)(2)(i)–(ii) are waived to the extent that they apply to an arm's length voluntary purchase carried out by a person who uses funds allocated under this Notice and does not have the power of eminent domain, in connection with the purchase and occupancy of a principal residence by that person. Given the often large-scale acquisition needs of grantees, this waiver is necessary to reduce burdensome administrative requirements following a disaster. Grantees are reminded that any tenants occupying real property that is acquired through voluntary purchase may be eligible for relocation assistance.

d. *Rental assistance to a displaced person.* The requirements at sections 204(a) and 206 of the URA, and 49 CFR 24.2(a)(6)(viii), 24.402(b)(2), and 24.404 are waived to the extent that they require the grantee to use 30 percent of a low-income displaced person's household income in computing a rental assistance payment if the person had been paying more than 30 percent of household income in rent/utilities without "demonstrable hardship" before the project. Thus, if a tenant has been paying rent/utilities in excess of 30 percent of household income without demonstrable hardship, using 30 percent of household income to calculate the rental assistance payment would not be required. Before carrying out a program or activity in which the grantee will provide rental assistance payments to displaced persons, the grantee must define "demonstrable hardship" in its Action Plan or in the policies and procedures governing these programs and activities. The grantee's definition of demonstrable hardship applies when implementing these alternative requirements.

e. *Tenant-based rental assistance.* The requirements of sections 204 and 205 of the URA, and 49 CFR 24.2(a)(6)(ix) and 24.402(b) are waived to the extent necessary to permit a grantee to meet all or a portion of a grantee's replacement housing financial assistance obligation to a displaced tenant by offering rental housing through a tenant-based rental assistance (TBRA) housing program subsidy (*e.g.*, Section 8 Housing Choice Voucher Program), provided that the tenant is provided referrals to comparable replacement dwellings in accordance with 49 CFR 24.204(a) where the owner is willing to participate in the TBRA program, and the period of authorized assistance is at least 42 months. Failure to grant this waiver would impede disaster recovery whenever TBRA program subsidies are available but funds for cash relocation assistance are limited. This waiver gives grantees an additional relocation resource option.

f. *Moving expenses.* The requirements at section 202(b) of the URA and 49 CFR 24.302, which require that a grantee offer a displaced person the option to receive a fixed moving cost payment based on the Federal Highway Administration's Fixed Residential Moving Cost Schedule instead of receiving payment for actual moving and related expenses, are waived. As an alternative, the grantee must establish and offer the person a "moving expense and dislocation allowance" under a schedule of allowances that is reasonable for the jurisdiction and that takes into account the number of rooms in the displacement dwelling, whether the person owns and must move the furniture, and, at a minimum, the kinds of expenses described in 49 CFR 24.301. Without this waiver and alternative requirement, disaster recovery may be impeded by requiring grantees to offer allowances that do not reflect current local labor and transportation costs. Persons displaced from a dwelling remain entitled to choose a payment for actual reasonable moving and related expenses if they find that approach preferable to the locally established "moving expense and dislocation allowance."

g. *Optional relocation policies.* The regulation at 24 CFR 570.606(d) is waived to the extent that it requires optional relocation policies to be established at the grantee or state recipient level. Unlike the regular CDBG program, States receiving CDBG–DR funds may carry out disaster recovery activities directly or through subrecipients. The regulation at 24 CFR 570.606(d) governing optional relocation policies does not account for this distinction. This waiver also makes clear that UGLGs receiving CDBG disaster funds may establish separate optional relocation policies. This waiver is intended to provide States and UGLGs with maximum flexibility in developing optional relocation policies with CDBG–DR funds.

20. *Environmental requirements.*

a. *Clarifying note on the process for environmental release of funds when a State carries out activities directly.* In the regular CDBG program, a State distributes CDBG funds to UGLGs and takes on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. For State grantees under this Notice, HUD allows the State to carry out activities directly, in addition to distributing funds to subrecipients and/or subgrantees. Thus, per 24 CFR 58.4, when a State carries out activities directly, the State must submit the certification and request for release of funds to HUD for approval.

b. *Adoption of another agency's environmental review.* In accordance with the Appropriations Act, recipients of Federal funds that use such funds to supplement Federal assistance provided under sections 402, 403, 404, 406, 407, or 502 of the Stafford Act may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit that is required by the HCD Act. The grantee must notify HUD in writing of its decision to adopt another agency's environmental review. The grantee must retain a copy of the review in the grantee's environmental records.

c. *Release of funds.* In accordance with the Appropriations Act, and notwithstanding 42 U.S.C. 5304(g)(2), the Secretary may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for an activity or project assisted with allocations under this Notice if the recipient has adopted an environmental review, approval or permit under subparagraph b, above, or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

d. *Historic preservation reviews.* To facilitate expedited historic preservation reviews under Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470f), HUD strongly encourages grantees to allocate general administration funds to support the capacity of the State Historic Preservation Officer (SHPO)/Tribal Historic Preservation Officer (THPO) to review CDBG–DR projects.

21. *Duplication of benefits.* Section 312 of the Stafford Act, as amended, generally prohibits any person, business concern, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source. To comply with this law and provisions of the Appropriations Act, each grantee must ensure that each activity provides assistance to a person or entity only to the extent that the

person or entity has a disaster recovery need that has not been fully met.

Given the often complex nature of this issue, the Department has published a separate Notice explaining the duplication of benefit requirements applicable to CDBG–DR grantees; it can be found at 76 FR 71060 (published November 16, 2011). Grantees under this Notice are hereby subject to the November 16, 2011, notice.

22. *Procurement.*

a. *State grantees.* Per 24 CFR 570.489(d), a State must have fiscal and administrative requirements for expending and accounting for all funds. Furthermore, per § 570.489(g), a State shall establish requirements for procurement policies and procedures for UGLGs based on full and open competition. All subgrantees of a State (UGLGs) are subject to the procurement policies and procedures required by the State.

A State may meet the above requirements by electing to follow 24 CFR part 85. If a State has adopted part 85 in full, it must follow the same policies and procedures it uses when procuring property and services with its non-Federal funds. However, the State must ensure that every purchase order or other contract includes any clauses required by Federal statutes and executive orders and their implementing regulations per 24 CFR 85.36(a).

If a State has not adopted 85.36(a), but has adopted 85.36(b) through (i), the State and its subgrantees must follow State and local law (as applicable), so long as the procurements conform to applicable Federal law and the standards identified in 85.36(b) through (i).

b. *Direct grants to UGLGs.* New York City will be subject to the procurement requirements of 24 CFR 85.36(b) through (i).

c. *Additional requirements related to procurement.* Congress and HUD may request periodic updates from grantees that employ contractors. A contractor is a third-party firm that the grantee acquires through a formal procurement process to perform specific functions; a subrecipient is not a contractor. Grantees must incorporate performance requirements and penalties into each procured contract or agreement. The Appropriations Act requires HUD to provide grantees with technical assistance on contracting and procurement processes.

23. *Public Web site.* The Appropriations Act requires grantees to maintain a public Web site which provides information accounting for how all grant funds are used, and managed/administered, including details of all contracts and ongoing procurement policies. To meet this requirement, each grantee must enter information on contracts in the DRGR system activity profiles (for all contracts valued over $25,000), and make the following items available on its Web site: the Action Plan (including all amendments); each QPR (as created using the DRGR system) detailing expenditures for each contractor; procurement policies and procedures; executed CDBG–DR contracts; and status of services or goods currently being procured by the grantee—*e.g.*, phase of the procurement, requirements for proposals, etc.

24. *Timely distribution of funds.* The provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with the alternative requirements under this Notice. Section 904(c) of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds to a grantee. Therefore, each grantee must expend all funds within two years of the date its grant agreement with HUD is executed. Note that a grant agreement must be amended when the Department allocates additional funds to the grantee. As stated in paragraph A.1.a, in this section, the requirement for each grantee to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation. HUD expects each grantee to expeditiously obligate and expend all funds, including any recaptured funds or program income, and to carry out activities in a timely manner to ensure this deadline is met. See sections III and VII of this Notice for additional details on expenditure of funds.

To track grantees' progress, HUD will evaluate timeliness in relation to each grantee's established projection schedules (see section III of this Notice, and paragraph A.1.l under section VI). The Department will, absent substantial evidence to the contrary, deem a grantee to be carrying out its programs and activities in a timely manner if the schedule for carrying out its activities is substantially met. In determining the appropriate corrective action pursuant to this section, HUD will take into account the extent to which unexpended funds have been obligated by the grantee and its subrecipients for specific activities at the time the finding is made and other relevant information.

25. *Review of continuing capacity to carry out CDBG-funded activities in a timely manner.* If HUD determines at any time that the grantee has not carried out its CDBG–DR activities and certifications in accordance with the requirements and criteria described in this Notice, HUD will undertake a further review to determine whether or not the grantee has the continuing capacity to carry out its activities in a timely manner. In making the determination, the Department will consider the following alternative requirements to provisions under 42 U.S.C. 5304(e): the nature and extent of the grantee's performance deficiencies, types of corrective actions the grantee has undertaken, and the success or likely success of such actions.

26. *Corrective and remedial actions.* To ensure compliance with the requirements of the Appropriations Act and to effectively administer the CDBG–DR program in a manner that facilitates recovery, particularly the alternative requirements permitting States to act directly to carry out eligible activities, HUD is waiving 42 U.S.C. 5304(e) of the HCD Act to the extent necessary to impose the following alternative requirement: HUD may undertake corrective and remedial actions for States in accordance with the authorities applicable to entitlement grantees in subpart O (including corrective and remedial actions in 24 CFR 570.910, 570.911, and 570.913) or under subpart I of the CDBG regulations at 24 CFR part 570. Before determining appropriate corrective actions, HUD will notify the grantee of the procedures applicable to its review. In accordance with 24 CFR 570.300, the policies and procedures set forth in subpart O will apply to New York City.

27. *Reduction, withdrawal, or adjustment of a grant or other appropriate action.* Prior to a reduction, withdrawal, or adjustment of a grant or other appropriate action taken pursuant to this section, the recipient shall be notified of such proposed action and given an opportunity within a prescribed time period for an informal consultation. Consistent with the procedures described in this Notice, the Secretary may adjust, reduce or withdraw the grant or take other actions as appropriate, except that funds already expended on eligible approved activities shall not be recaptured.

B. Housing and Related Floodplain Issues.

28. *Housing-related eligibility waivers.* The broadening of 42 U.S.C. 5305(a)(24) is necessary following major disasters in which large numbers of affordable housing units have been damaged or destroyed, as is the case of the disasters eligible under this Notice. Thus, 42

U.S.C. 5305(a) is waived to the extent necessary to allow: homeownership assistance for households with up to 120 percent of the area median income, down payment assistance for up to 100 percent of the down payment (42 U.S.C. 5305(a)(24)(D)), and new housing construction. While homeownership assistance may be provided to households with up to 120 percent of the area median income, only those funds used to serve households with up to 80 percent of the area median income may qualify as meeting the low- and moderate-income person benefit national objective.

29. *Housing incentives to resettle in disaster-affected communities.* Incentive payments are generally offered in addition to other programs or funding (such as insurance), to encourage households to relocate in a suitable housing development or an area promoted by the community's comprehensive recovery plan. For example, a grantee may offer an incentive payment (possibly in addition to a buyout payment) for households that volunteer to relocate outside of a floodplain or to a lower-risk area. Therefore, 42 U.S.C. 5305(a) and associated regulations are waived to the extent necessary to allow the provision of housing incentives. Grantees providing housing incentives must maintain documentation, at least at a programmatic level, describing how the amount of assistance was determined to be necessary and reasonable. In addition, the incentives must be in accordance with the grantee's approved Action Plan and published program design(s). Note that this waiver does not permit a compensation program. Additionally, a grantee may require the incentive to be used for a particular purpose by the household receiving the assistance.

30. *Limitation on emergency grant payments—interim mortgage assistance.* 42 U.S.C. 5305(a)(8) is modified to extend interim mortgage assistance to qualified individuals from 3 months, for up to 20 months. Interim mortgage assistance is typically used in conjunction with a buyout program, or the rehabilitation or reconstruction of single family housing, during which mortgage payments may be due but the home is uninhabitable. The time required for a household to complete the rebuilding process may often extend beyond three months. Thus, interim assistance is critical for many households facing financial hardship during this period. A grantee using this alternative requirement must document, in its policies and procedures, how it will determine the amount of assistance to be provided is necessary and reasonable.

31. *Acquisition of real property and flood buyouts.* Grantees under this notice are able to carry out property acquisition for a variety of purposes. However, the term "buyouts" as referenced in this Notice refers to acquisition of properties located in a floodway or floodplain that is intended to reduce risk from future flooding. HUD is providing alternative requirements for consistency with the application of other Federal resources commonly used for this type of activity.

a. *Buyout requirements:*

(1) Any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

(2) No new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than (a) a public facility that is open on all sides and functionally related to a designated open space (*e.g.*, a park, campground, or outdoor recreation area); (b) a rest room; (c) a flood control structure; or (d) a structure that the local floodplain manager approves in writing before the commencement of the construction of the structure;

(3) After receipt of the assistance, with respect to any property acquired, accepted, or from which a structure was removed under the acquisition or relocation program, no subsequent application for additional disaster assistance for any purpose will be made by the recipient to any Federal entity in perpetuity;

(4) Grantees have the discretion to determine an appropriate valuation method (including the use of pre-flood value or post-flood value as a basis for property value). However, in using CDBG–DR funds for buyouts, the grantee must uniformly apply whichever valuation method it chooses;

(5) All buyout activities must be classified using the "buyout" activity type in the DRGR system; and

(6) Any State grantee implementing a buyout program or activity must consult with affected UGLGs.

b. *Redevelopment of acquired properties.*

(1) Properties purchased through a buyout program may not typically be redeveloped, with a few exceptions. See subparagraph a(2), above.

(2) Grantees may redevelop an acquired property if: (a) the property is not acquired through a buyout program, and (b) the purchase price is based on the property's post-flood fair market value (the pre-flood value may not be used). In addition to the purchase price, grantees may opt to provide relocation assistance to the owner of a property that will be redeveloped if the property is purchased by the grantee or subgrantee through voluntary acquisition, and the owner's need for additional assistance is documented.

(3) In carrying out acquisition activities, grantees must ensure they are in compliance with their long-term redevelopment plans.

32. *Alternative requirement for housing rehabilitation—assistance for second homes.* The Department is instituting an alternative requirement to the rehabilitation provisions at 42 U.S.C. 5305(a) as follows: a "second home", as defined in IRS Publication 936 (mortgage interest deductions), is not eligible for rehabilitation assistance, residential incentives, or to participate in a CDBG–DR buyout program (as defined by this Notice).

33. *Flood insurance.* Grantees, recipients, and subrecipients must implement procedures and mechanisms to ensure that assisted property owners comply with all flood insurance requirements, including the purchase and notification requirements described below, prior to providing assistance. For additional information, please consult with the Field Environmental Officer in the local HUD Field Office or review the guidance on flood insurance requirements on HUD's Web site.

a. *Flood insurance purchase requirements.* HUD does not prohibit the use of CDBG–DR funds for existing residential buildings in the Special Flood Hazard Area (SFHA) (or "100-year" floodplain). However, Federal laws and regulations related to both flood insurance and floodplain management must be followed, as applicable. With respect to flood insurance, a HUD-assisted homeowner for a property located in the SFHA must obtain and maintain flood insurance in the amount and duration prescribed by FEMA's National Flood Insurance Program. Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a) mandates the purchase of flood insurance protection for any HUD-assisted property within the SFHA.

b. *Future Federal assistance to owners remaining in a floodplain.*

(1) Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no Federal disaster relief assistance made available in a flood disaster area

may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. This means that a grantee may not provide disaster assistance for the repair, replacement, or restoration to a person who has failed to meet this requirement.

(2) Section 582 also implies a responsibility for a grantee that receives CDBG–DR funds or that designates annually appropriated CDBG funds for disaster recovery. That responsibility is to inform property owners receiving disaster assistance that triggers the flood insurance purchase requirement that they have a statutory responsibility to notify any transferee of the requirement to obtain and maintain flood insurance, and that the transferring owner may be liable if he or she fails to do so. These requirements are described below.

(3) Duty to notify. In the event of the transfer of any property described in subparagraph (5), the transferor shall, not later than the date on which such transfer occurs, notify the transferee in writing of the requirements to:

(a) Obtain flood insurance in accordance with applicable Federal law with respect to such property, if the property is not so insured as of the date on which the property is transferred; and

(b) Maintain flood insurance in accordance with applicable Federal law with respect to such property. Such written notification shall be contained in documents evidencing the transfer of ownership of the property.

(4) Failure to notify. If a transferor fails to provide notice as described above and, subsequent to the transfer of the property:

(a) The transferee fails to obtain or maintain flood insurance, in accordance with applicable federal law, with respect to the property;

(b) The property is damaged by a flood disaster; and

(c) Federal disaster relief assistance is provided for the repair, replacement, or restoration of the property as a result of such damage, the transferor shall be required to reimburse the Federal Government in an amount equal to the amount of the Federal disaster relief assistance provided with respect to the property.

(5) The notification requirements apply to personal, commercial, or residential property for which Federal disaster relief assistance made available in a flood disaster area has been provided, prior to the date on which the property is transferred, for repair, replacement, or restoration of the property, if such assistance was conditioned upon obtaining flood insurance in accordance with applicable Federal law with respect to such property.

(6) The term "Federal disaster relief assistance" applies to HUD or other Federal assistance for disaster relief in "flood disaster areas." The term "flood disaster area" is defined in section 582(d)(2) of the National Flood Insurance Reform Act of 1994, as amended, to include an area receiving a presidential declaration of a major disaster or emergency as a result of flood conditions.

C. Infrastructure (Public Facilities, Public Improvements, Public Buildings)

34. *Buildings for the general conduct of government.* 42 U.S.C. 5305(a) is waived to the extent necessary to allow grantees to fund the rehabilitation or reconstruction of public buildings that are otherwise ineligible. HUD believes this waiver is consistent with the overall purposes of the HCD Act, and is necessary for many grantees to adequately address critical infrastructure needs created by the disaster.

35. *Use of CDBG as Match.* Additionally, as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible CDBG–DR activity. This includes programs or activities administered by the Federal Emergency Management Agency (FEMA) or the U.S. Army Corps of Engineers (USACE).

D. Economic Revitalization.

36. *National Objective Documentation for Economic Development Activities.* 24 CFR 570.483(b)(4)(i) and 570.208(a)(4)(i) are waived to allow the grantees under this Notice to identify low- and moderate-income jobs benefit by documenting, for each person employed, the name of the business, type of job, and the annual wages or salary of the job. HUD will consider the person income-qualified if the annual wages or salary of the job is at or under the HUD-established income limit for a one-person family. This method replaces the standard CDBG requirement in which grantees must review the annual wages or salary of a job in comparison to the person's total household income and size (i.e., number of persons). Thus, it streamlines the documentation process by allowing the collection of wage data from the assisted business for each position created or retained, rather than from each individual household.

This alternative requirement has been granted on several prior occasions to CDBG–DR grantees, and to date, those grants have not exhibited any issues of concern in calculating the benefit to low- and moderate-income persons. The Department has determined that, in the context of disaster recovery, this waiver is consistent with the HCD Act.

37. *Public benefit for certain economic development activities.* The public benefit provisions set standards for individual economic development activities (such as a single loan to a business) and for economic development activities in the aggregate. Currently, public benefit standards limit the amount of CDBG assistance per job retained or created, or the amount of CDBG assistance per low- and moderate-income person to which goods or services are provided by the activity. These dollar thresholds can impede recovery by limiting the amount of assistance the grantee may provide to a critical activity.

This Notice waives the public benefit standards at 42 U.S.C. 5305(e)(3), 24 CFR 570.482(f)(1), (2), (3), (4)(i), (5), and (6), and 570.209(b)(1), (2), (3)(i), (4), for economic development activities designed to create or retain jobs or businesses (including, but not limited to, long-term, short-term, and infrastructure projects). However, grantees shall report and maintain documentation on the creation and retention of total jobs; the number of jobs within certain salary ranges; the average amount of assistance provided per job, by activity or program; the North American Industry Classification System (NAICS) code for each business assisted; and the types of jobs. HUD is also waiving 570.482(g) and 570.209(c) and (d) to the extent these provisions are related to public benefit.

38. *Clarifying note on Section 3 income documentation requirements.* Pursuant to the U.S. Housing Act of 1937 (42 U.S.C. 1437a(b)(2)) and 24 CFR 135.5, the Secretary is authorized to establish income limits to consider an individual to be a Section 3 resident. This Notice authorizes grantees to determine that an individual is eligible to be considered a Section 3 resident if the annual wages or salary of the person are at, or under, the HUD-established income limit for a one-person family for the jurisdiction.

39. *Waiver and modification of the job relocation clause to permit assistance to help a business return.* Traditional CDBG requirements prevent program participants from providing assistance to a business to relocate from one labor market area to another—if the relocation is likely to result in a significant loss of jobs in the labor market from which the business moved. This prohibition can be a critical barrier to reestablishing and rebuilding a displaced employment base after a major disaster. Therefore, 42 U.S.C. 5305(h), 24 CFR 570.210, and 24 CFR 570.482(h) are waived to allow a grantee to provide assistance to any business that was operating in the disaster-declared labor market area before the incident date of the applicable disaster and has since moved, in whole or in part, from the affected area to another State or to a labor market area within the same State to continue business.

40. *Waiver to permit some activities in support of the tourism industry (State of New Jersey only).* The State of New Jersey plans to provide disaster recovery grant assistance to support the State's $38 billion tourism industry and promote travel to communities in the disaster-impacted areas and has requested an eligibility waiver for such activities. Without such intervention, the State estimates a $950 million loss in the third quarter of 2013. Tourism industry support, such as a national consumer awareness advertising campaign for an area in general, is ineligible for regular CDBG assistance. However, such support was eligible, within limits, for CDBG–DR funds appropriated for recovery of Lower Manhattan following the September 11, 2001, terrorist attacks, and HUD understands that such support can be a useful recovery tool in a damaged regional economy that depends on tourism for many of its jobs and tax revenues. However, because the State of New Jersey is proposing advertising and marketing activities rather than direct assistance to tourism-dependent businesses, and because long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) and 24 CFR 570.489(f) are waived only to the extent necessary to make eligible use of no more than $25 million for assistance for the tourism industry, including promotion of a community or communities in general, provided the assisted activities are designed to support tourism to the most impacted and distressed areas related to the effects of Hurricane Sandy. This waiver will expire at the end of the grantee's two year expenditure period.

41. *Alternative requirement for assistance to businesses, including privately-owned utilities.* The Department is instituting an alternative requirement to the provisions at 42 U.S.C. 5305(a) as follows: when grantees under this Notice provide funds to for-profit businesses, such funds may only be provided to a small business, as defined by the SBA under 13 CFR Part 121. CDBG–DR funds made available under this Notice may also not be used to assist a privately-owned utility for any purpose.

E. Certifications and Collection of Information.

42. *Certifications waiver and alternative requirement.* Sections 91.325 and 91.225 of title 24 of the Code of Federal Regulations are waived. Each State or UGLG receiving a direct allocation under this Notice must make the following certifications with its Action Plan:

a. The grantee certifies that it will affirmatively further fair housing, which means that it will conduct an analysis to identify impediments to fair housing choice within its jurisdiction and take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard (see 24 CFR 570.487(b)(2) and 570.601(a)(2)). In addition, the grantee certifies that agreements with subrecipients will meet all civil rights related requirements pursuant to 24 CFR 570.503(b)(5).

b. The grantee certifies that it has in effect and is following a residential anti-displacement and relocation assistance plan in connection with any activity assisted with funding under the CDBG program.

c. The grantee certifies its compliance with restrictions on lobbying required by 24 CFR part 87, together with disclosure forms, if required by part 87.

d. The grantee certifies that the Action Plan for Disaster Recovery is authorized under State and local law (as applicable) and that the grantee, and any contractor, subrecipient, or designated public agency carrying out an activity with CDBG–DR funds, possess(es) the legal authority to carry out the program for which it is seeking funding, in accordance with applicable HUD regulations and this Notice.

e. The grantee certifies that activities to be administered with funds under this Notice are consistent with its Action Plan.

f. The grantee certifies that it will comply with the acquisition and relocation requirements of the URA, as amended, and implementing regulations at 49 CFR part 24, except where waivers or alternative requirements are provided for in this Notice.

g. The grantee certifies that it will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR part 135.

h. The grantee certifies that it is following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105 or 91.115, as applicable (except as provided for in notices providing waivers and alternative requirements for this grant). Also, each UGLG receiving assistance from a State grantee must follow a detailed citizen participation plan that satisfies the requirements of 24 CFR 570.486 (except as provided for in notices providing waivers and alternative requirements for this grant).

i. Each State receiving a direct award under this Notice certifies that it has consulted with affected UGLGs in counties designated in covered major disaster declarations in the non-entitlement, entitlement, and tribal areas of the State in determining the uses of funds, including method of distribution of funding, or activities carried out directly by the State.

j. The grantee certifies that it is complying with each of the following criteria:

(1) Funds will be used solely for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas for which the President declared a major disaster in the aftermath of Hurricane Sandy, pursuant to the Stafford Act.

(2) With respect to activities expected to be assisted with CDBG–DR funds, the Action Plan has been developed so as to give the maximum feasible priority to activities that will benefit low- and moderate-income families.

(3) The aggregate use of CDBG–DR funds shall principally benefit low- and moderate-income families in a manner that ensures that at least 50 percent of the grant amount is expended for activities that benefit such persons.

(4) The grantee will not attempt to recover any capital costs of public improvements assisted with CDBG–DR grant funds, by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless: (a) disaster recovery grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such

public improvements that are financed from revenue sources other than under this title; or (b) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds (in any form) to comply with the requirements of clause (a).

k. The grantee certifies that it (and any subrecipient or recipient)) will conduct and carry out the grant in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601–3619) and implementing regulations.

l. The grantee certifies that it has adopted and is enforcing the following policies. In addition, States receiving a direct award must certify that they will require UGLGs that receive grant funds to certify that they have adopted and are enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and

(2) A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

m. Each State or UGLG receiving a direct award under this Notice certifies that it (and any subrecipient or recipient) has the capacity to carry out disaster recovery activities in a timely manner; or the State or UGLG will develop a plan to increase capacity where such capacity is lacking.

n. The grantee will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

o. The grantee certifies that its activities concerning lead-based paint will comply with the requirements of 24 CFR part 35, subparts A, B, J, K, and R.

p. The grantee certifies that it will comply with applicable laws.

q. The grantee certifies that it has reviewed the requirements of this Notice and requirements of Public Law 113–2 applicable to funds allocated by this Notice, and that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, to ensure timely expenditure of funds, to maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds.

43. *Information collection approval note.* HUD has approval for information collection requirements in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–20) under OMB control number 2506–0165. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, nor is a person required to respond to, a collection of information, unless the collection displays a valid control number.

VII. Duration of Funding

The Appropriations Act requires that HUD obligate all funds provided under Chapter 9, Community Development Fund, not later than September 30, 2017. Concurrently, section 904(c) of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds. Therefore, each grantee must expend all funds within two years of the date HUD signs the grant agreement with the grantee. Note that if a grantee amends its Action Plan to program additional funds that the Department has allocated to it, the grant agreement must also be revised. As stated in paragraph 1.a, under section VI of this Notice, the requirement for each grantee to expend funds within two years is triggered by each amendment to the grant agreement. That is, each grant amendment has its own expenditure deadline. Pursuant to section 904(c) of the Appropriations Act, grantees or HUD may request waivers of the two-year expenditure deadline from the Office of Management and Budget. For any funds that the grantee believes will not be expended by the deadline, it must submit a letter to HUD justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. Funds remaining in the grantee's line of credit at the time of this expenditure deadline will be returned to the U.S. Treasury.

VIII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this Notice are as follows: 14.218; 14.228.

IX. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: February 28, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

To expedite recovery while recognizing that time is needed to get a full understanding of long-term recovery needs relating to eligible disasters supported by Public Law 113–2, this allocation provides $5.4 billion of the $16 billion, reserving the balance to address the full scope of needs when better information is available.

Background

Public Law 113–2 states:

For an additional amount for "Community Development Fund", $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.):

Provided, That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development:

Provided further, That the Secretary shall allocate to grantees not less than 33 percent

of the funds provided under this heading within 60 days after the enactment of this Act based on the best available data:

Provided further, That prior to the obligation of funds, a grantee shall submit a plan to the Secretary for approval detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas:

The legislation specifies that the CDBG–DR funds are to be used "for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster" and further specifies that the funds are not to be used for activities reimbursable by FEMA or the Corps of Engineers.

The language also calls for HUD to use "best available" data to make its allocation. For this allocation, similar to prior allocations, HUD makes a determination of unmet needs by estimating unmet needs related to the main intended uses of the funds:

• "restoration of * * * housing". We make an estimate with best available data on the amount of housing damage not likely to be covered by insurance, SBA disaster loans, or FEMA housing assistance. To target the "most impacted and distressed areas", the calculation limits the need calculation only to homes with high levels of individual damage (see below).

• "economic revitalization". We make an estimate with best available data on the amount of damage to businesses applying for an SBA loan that are expected to be turned down, usually because of inadequate credit or income to support the needed loan amount.

• "restoration of infrastructure". Due to the early stage of the disaster, HUD did not use data on infrastructure need for this first allocation, pending getting better information on infrastructure needs which will be used in a later allocation. That noted, grantees may use this initial allocation to begin addressing infrastructure needs.

These estimated needs are then summed together and an allocation is made among the grantee universe based on their proportional share of "unmet needs". At this point, there is good data on number of affected households and likely damage, but there is less complete data on the extent other resources have addressed those needs, specifically:

• Severe unmet housing needs. HUD limits the calculation of unmet needs to only properties with significant damage. This goes toward meeting the Congressional requirement of most impacted. Information on the adequacy of insurance to address housing needs was still very early in the disaster response, a high percentage of affected property owners are still determining how much of their recovery needs will be covered by insurance. To adjust for this uncertainty, HUD applied assumptions about insurance coverage rates to calculate the severe housing needs.

• Unmet business loss. It is very early in the disaster response to accurately estimate the needs for business to recover. This estimate looks at the properties that have applied for SBA disaster loans and extrapolates both estimated damage and disapproval rates based on the applications requested to date. As with the housing estimates, HUD applies an assumption about expected SBA denial rates.

Methodology for Calculating Unmet Needs

Available Data

The "best available" data HUD staff have identified as being available to calculate unmet needs at this time for the targeted disasters come from the following data sources:

• FEMA Individual Assistance program data on housing unit damage;

• SBA for management of its disaster assistance loan program for housing repair and replacement;

• SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss; and

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program. HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

• Each of the FEMA inspected owner units are categorized by HUD into one of five categories:

○ Minor-Low: Less than $3,000 of FEMA inspected *real property* damage

○ Minor-High: $3,000 to $7,999 of FEMA inspected *real property* damage

○ Major-Low: $8,000 to $14,999 of FEMA inspected *real property* damage

○ Major-High: $15,000 to $28,800 of FEMA inspected *real property* damage and/or 1 to 4 feet of flooding on the first floor.

○ Severe: Greater than $28,800 of FEMA inspected *real property* damage or determined destroyed and/or 4 or more feet of flooding on the first floor.

To meet the statutory requirement of "most impacted" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 1 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For other homeowners at this stage of the disaster, assumptions are made about the likely percent of damage *not covered* by insurance. This is assumed to increase by severity of damage to the home. The assumptions applied to ascertain the range of allocations were 30 percent for homes with major-low damage; 50 percent for homes with major-high damage; and 70 percent for homes with severe damage.

• FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMA inspected renter units are categorized by HUD into one of five categories:

○ Minor-Low: Less than $1,000 of FEMA inspected *personal property* damage

○ Minor-High: $1,000 to $1,999 of FEMA inspected *personal property* damage

○ Major-Low: $2,000 to $3,499 of FEMA inspected *personal property* damage

○ Major-High: $3,500 to $7,499 of FEMA inspected *personal property* damage or 1 to 4 feet of flooding on the first floor.

○ Severe: Greater than $7,500 of FEMA inspected *personal property* damage or determined destroyed and/or 4 or more feet of flooding on the first floor.

For rental properties, to meet the statutory requirement of "most impacted" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 1 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing.

• The average cost to fully repair a home for a specific disaster *to code* within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

Calculating Economic Revitalization Needs

Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan times 85 percent. This is adjusted upward by a per business unmet need times the number of applications denied pre-inspection for inadequate credit or income or the loan was still in processing and did not yet have an inspection.

Because applications denied for poor credit or income are the most likely measure of requiring the type of assistance available with CDBG recovery funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total application that were denied at the pre-process stage because of poor credit or inability to show repayment ability.

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practical utility; (2) evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information; (3) enhance the quality, utility, and clarity of the information to be collected; and (4) minimize the burden of the collection of information on those who are to respond, including the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

This Notice also lists the following information:

Title of Proposal: Rental Assistance Demonstration Evaluation, Phase I.

OMB Control Number: Pending.

Description of the Need for the Information and Proposed Use: HUD is conducting an evaluation of the Rental Assistance Demonstration (RAD), focused on the conversion of public housing developments to project-based rental assistance and project-based vouchers. The evaluation will study a sample of RAD sites and a carefully chosen group of comparison sites. Identification of comparison sites will rely heavily on analysis of existing data—including internal HUD data on public housing and public housing tenants, and neighborhood data from the American Community Survey. If there are significant differences between RAD sites and comparison sites that are not reflected in the data, the resulting evaluation will be biased. Therefore it is necessary to conduct limited information collection from local experts to learn about any "unobservable" characteristics that should influence the selection of comparison sites. This information will refine the comparison group and enable HUD to produce more rigorous estimates of program impacts.

Agency Form Numbers: None.

Members of the Affected Public: This information collection request will affect individuals involved with public and assisted housing programs in the 24 sites selected to be part of the RAD Evaluation. Up to five individuals per site will be interviewed by telephone. They will be asked to provide information about a specific public housing development undergoing conversion through RAD—specifically, they will be asked about the decision to utilize RAD at that particular development. They will also be asked to comment on other public housing properties identified by the research team as potential comparison sites. These interviews will be semi-structured, guided by an interview protocol comprising mostly open-ended questions. Interviews will take no longer than 30 minutes.

Estimate of the total number of hours needed to prepare the information collection including number of respondents, frequency of response, and hours of response: The following chart details the respondent burden:

	Number of responses	Hours per response	Total hours
Telephone interviews	120	.5	60
Total	120	.5	60

Status of the proposed information collection: Pending OMB approval.

Authority: Section 3506 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35, as amended.

Dated: April 12, 2013.

Jean Lin Pao,

General Deputy Assistant Secretary for Policy Development and Research.

[FR Doc. 2013–09237 Filed 4–18–13; 8:45 am]

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5710–N–01]

Clarifying Guidance, Waivers, and Alternative Requirements for Hurricane Sandy Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: Previously, the Department allocated $5,400,000,000 of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster due to Hurricane Sandy (*see* 78 FR 14329, published in the **Federal Register** on March 5, 2013). This Notice provides clarifying guidance, waivers, and alternative requirements.

DATES: With the exception of waivers included in this Notice, this Notice is effective on April 19, 2013. The effective date for waivers in this Notice is April 24, 2013.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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IV. Finding of No Significant Impact

I. Background

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) makes available $16,000,000,000 in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

On March 1, 2013, the President issued a sequestration order in accordance with section 251A of the Balanced Budget and Emergency Deficit Control Act. This provision of law and the order implementing sequestration reduces funding for disaster recovery grants from $15,980,000,000 to $15,181,000,000. The $10 million provided to CPD for administrative costs and the $10 million provided to the

Office of the Inspector General are also each reduced to $9.5 million.

In a **Federal Register** Notice published March 5, 2013 (78 FR 14329), the Department allocated $5,400,000,000 after analyzing the impacts of Hurricane Sandy and identifying unmet needs. This Notice provides clarifying guidance, waivers, and alternative requirements to grantees in receipt of an allocation under the Appropriations Act.

II. Applicable Rules, Statutes, Waivers, and Alternative Requirements

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

This section provides additional waivers and alternative requirements to Hurricane Sandy grantees, and clarifies or modifies guidance provided at 78 FR 14329. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

1. *Action Plan for Disaster Recovery criterion for approval—Elevation Requirements.* Paragraph 1(a)(3) at 78 FR 14333 is hereby amended by deleting that paragraph and replacing it in its entirety with the following:

A description of how the grantee will promote: (a) Sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible flood plain management and take into account possible sea level rise; and (b) how it will coordinate with other local and regional planning efforts to ensure consistency.

In addition, grantees must adopt and meet the following minimum requirements for approval: In order to better ensure a sustainable long-term recovery, grantees must elevate (or may, for certain non-residential structures as described below, floodproof) new construction and substantially improved structures one foot higher than the latest Federal Emergency Management Agency (FEMA) issued base flood elevation. This standard and criterion for approval of an Action Plan was made after considering the history of FEMA flood mitigation efforts. This higher elevation also takes into account projected sea level rise, which is not considered in current FEMA maps and National Flood Insurance Program premiums, which will potentially rise as FEMA Flood Insurance Rate Maps that take Hurricane Sandy into account are issued.

Each grantee must include in its Action Plan a description of how it will ensure compliance with the requirement that it will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA's most recent and current data source unless it also ensures that the action is designed or modified to minimize harm to or within the floodplain. At a minimum, actions to minimize harm must include elevating or floodproofing new construction and substantial improvements to one foot above the base flood elevation and otherwise acting in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source and best available data under Executive Order 11988 is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

Executive Order 11988 on floodplain management requires that federal agencies use the best available flood data to determine the location of projects and activities. In addition, best available flood risk data must be used to determine requirements for reconstruction, and the elevation of structures for grants funding (in whole or part) new construction and substantial-improvements as defined at 24 CFR 55.2(b)(8). If a new construction or substantial improvement project or activity is located in a floodplain, the lowest floor must be designed using the base flood elevation, determined in accordance with the best available data, plus one foot as the baseline standard for elevation. If higher elevations are required by locally adopted code or standards, those higher standards would apply.

Instead of elevating non-residential structures that are not critical actions as defined at 24 CFR 55.2(b)(2), grantees may design and construct the project such that below the flood level, the structure is floodproofed using the best available flood data plus one foot. Floodproofing requires structures to be water tight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic loads, hydrodynamic loads, the effects of buoyancy or higher standards required by the FEMA National Flood Insurance Program as well as state and locally adopted codes. All mixed-use structures must be floodproofed consistent with the latest FEMA guidance.

Each grantee that submitted an Action Plan prior to the publication of this Notice must amend its Plan to address this modified requirement. This revision will be treated as a non-substantial amendment and does not require a public comment period. Revised plans must be submitted to the Department within thirty (30) days of the effective date of this Notice.

2. *State of New York—counties eligible for CDBG–DR assistance.* HUD is amending 78 FR 14330 to define "most impacted and distressed counties" to include counties that meet the revised threshold that will be used for non-Sandy allocations under Public Law 113–2. The new threshold identifies "most impacted counties" as counties with at least $10 million in damages. Of counties eligible for CDBG–DR assistance from the devastation of Hurricane Sandy, Westchester County, New York, meets this new threshold in addition to the "most impacted counties" already identified in FR 14330. As such, Table 2 at 78 FR 14330 is amended to identify the following counties as the most impacted and distressed: Nassau, Suffolk, Rockland, and Westchester. In addition, to provide consistency among CDBG disaster recovery appropriations, HUD has determined that any county within the State of New York that received a Presidential declaration under FEMA–4020–DR (Hurricane Irene) or FEMA–4031–DR (Tropical Storm Lee) is eligible to receive assistance under the Appropriations Act. However, the State must expend at least 80 percent of its CDBG–DR allocation in its most impacted and distressed counties.

3. *Waiver to permit some activities in support of the tourism industry (State of New York only).* The State of New York has requested a waiver to allow the State to use CDBG–DR funds to support

its $53.9 billion tourism industry and promote travel to communities in the disaster-impacted areas. Tourism in Sandy-impacted counties generates approximately $32.5 billion, $1.7 billion of which is created by disaster-affected businesses. In the surge area alone (nine of the 14 impacted counties), Hurricane Sandy affected 32,282 businesses; the Long Island tourism industry lost approximately 6,000 jobs due to Sandy's impact. Without this waiver, the State estimates a $500 million loss in revenue.

Tourism industry support, such as a national consumer awareness advertising campaign for an area in general, is ineligible for CDBG assistance. However, HUD understands that such support can be a useful recovery tool in a damaged regional economy that depends on tourism for many of its jobs and tax revenues and has granted similar waivers for several CDBG–DR disaster recovery efforts. As the State of New York is proposing advertising and marketing activities for this specific program, rather than direct assistance to tourism-dependent businesses, and because the measures of long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) and 24 CFR 570.489(f) are waived only to the extent necessary to make eligible use of no more than $30 million for assistance for the tourism industry. CDBG–DR funds may be used to promote a community or communities in general, provided the assisted activities are designed to support tourism to the most impacted and distressed areas related to the effects of Hurricane Sandy. This waiver will expire at the end of the State's two-year expenditure period.

4. *Tenant-based rental assistance (New York City only).* The City of New York has found that low-income households were disproportionately impacted by Hurricane Sandy. Of the renters that registered for FEMA assistance, almost 65 percent had annual incomes less than $30,000. As of March 2013, nearly 1,200 households (almost 3,000 people) remain in hotels or interim facilities as a result of Hurricane Sandy, while an unknown number are living in unsafe conditions or "doubled-up."

To assess the permanent housing needs of displaced persons and families, and to match those households with available housing units, the city's Department of Housing Preservation and Development (HPD) created a "housing portal." To date, more than 1,600 households have registered for assistance; 84 percent of these have incomes at or below 50 percent of the area median income. Meanwhile, HUD and FEMA are activating the Disaster Housing Assistance Program (DHAP), which could potentially address some households' need for rental assistance. However, DHAP is limited to one year, and the program requirements include evidence of sufficient financial assets to support a post-DHAP housing plan, which will exclude most extremely low-income households. Many of these households require a longer subsidy period so that they can develop a permanent housing plan. Thus, the Department is waiving 42 U.S.C. 5305(a), to the extent necessary to make eligible rental assistance payments on behalf of low-income households (at or below 50 percent of the area median income) displaced by Hurricane Sandy. Displaced households that have rejected public housing assistance, or declined a Section 8 voucher, will not be eligible. This waiver will expire at the end of the State's two year expenditure period.

5. *Program income alternative requirement.* The following changes and additions are made to Paragraph 17 at 78 FR 14341. Paragraphs a.(1)(h) through (j) are replaced, paragraph a.(1)(k) is added, and paragraph (2) is replaced with the following:

(h) Interest earned on funds held in a revolving fund account;

(i) Interest earned on program income pending disposition of the income;

(j) Funds collected through special assessments made against nonresidential properties and properties owned and occupied by households not of low and moderate income, if the special assessments are used to recover all or part of the CDBG–DR portion of a public improvement; and

(k) Gross income paid to a unit of general local government or subgrantee of the unit of general local government from the ownership interest in a for-profit entity acquired in return for the provision of CDBG–DR assistance.

(2) "Program income" does not include the following:

(a) The total amount of funds, which does not exceed $35,000 received in a single year from activities, other than revolving loan funds that is retained by a unit of general local government and its subgrantees (all funds received from revolving loan funds are considered program income, regardless of amount);

(b) Amounts generated by activities eligible under section 105(a)(15) of the Act and carried out by an entity under the authority of section 105(a)(15) of the Act;

(c) Payments of principal and interest made by a subgrantee carrying out a CDBG–DR activity for a unit of general local government, toward a loan from the local government to the subgrantee, to the extent that program income received by the subgrantee is used for such payments;

(d) The following classes of interest, which must be remitted to HUD for transmittal to the Department of the Treasury, and will not be reallocated under section 106(c) or (d) of the Act:

(i) Interest income from loans or other forms of assistance provided with CDBG–DR funds that are used for activities determined by HUD to be not eligible under § 570.482 or section 105(a) of the Act, to fail to meet a national objective in accordance with the requirements of § 570.483, or to fail substantially to meet any other requirement of this subpart or the Act;

(ii) Interest income from deposits of amounts reimbursed to a state's CDBG–DR program account prior to the state's disbursement of the reimbursed funds for eligible purposes; and

(iii) Interest income received by units of general local government on deposits of grant funds before disbursement of the funds for activities, except that the unit of general local government may keep interest payments of up to $100 per year for administrative expenses otherwise permitted to be paid with CDBG–DR funds.

(e) Proceeds from the sale of real property purchased or improved with CDBG–DR funds, if the proceeds are received more than 5 years after expiration of the grant agreement between the state and the unit of general local government.

* * * * *

6. *Assistance to businesses, including privately-owned utilities.* Paragraph 1(d)(3) at 78 FR 14335 is hereby amended to be consistent with the alternative requirement as stated in paragraph 41 at 78 FR 14347. While Paragraph 41 discussed both small businesses and private utilities, the paragraph at 1(d)(3) only discussed small busineses. Thus, grantees in receipt of an allocation under the Appropriations Act are subject to the following: when CDBG–DR funds are provided to for-profit businesses, such funds may only be provided to a small business, as defined by the SBA under 13 CFR part 121. CDBG–DR funds may not be used to assist a privately-owned utility for any purpose.

7. *Modification of certification.* Paragraph 42(n) at 78 FR 14348 is replaced with the following: The grantee will not use grant funds for any activity in an area delineated as a special flood hazard area or equivalent in FEMA's most recent and current data source unless it also ensures that the action is

designed or modified to minimize harm to or within the floodplain. The grantee further certifies that at a minimum, actions to minimize harm will include elevating or floodproofing new construction and substantial improvements to one foot above the base flood elevation and otherwise acting in accordance with Executive Order 11988 and 24 CFR part 55. The relevant data source for this provision is the latest issued FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

Grantees that have provided this certification in compliance with the previous Notice must resubmit the revised language to the Department within thirty (30) days of the effective date of this Notice.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice are as follows: 14.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: April 15, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

[FR Doc. 2013–09228 Filed 4–18–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5681–N–16]

Federal Property Suitable as Facilities To Assist the Homeless

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for use to assist the homeless.

FOR FURTHER INFORMATION CONTACT: Juanita Perry, Department of Housing and Urban Development, 451 Seventh Street SW., Room 7266, Washington, DC 20410; telephone (202) 402–3970; TTY number for the hearing- and speech-impaired (202) 708–2565 (these telephone numbers are not toll-free), or call the toll-free Title V information line at 800–927–7588.

SUPPLEMENTARY INFORMATION: In accordance with 24 CFR part 581 and section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), as amended, HUD is publishing this Notice to identify Federal buildings and other real property that HUD has reviewed for suitability for use to assist the homeless. The properties were reviewed using information provided to HUD by Federal landholding agencies regarding unutilized and underutilized buildings and real property controlled by such agencies or by GSA regarding its inventory of excess or surplus Federal property. This Notice is also published in order to comply with the December 12, 1988 Court Order in *National Coalition for the Homeless* v. *Veterans Administration*, No. 88–2503–OG (D.D.C.).

Properties reviewed are listed in this Notice according to the following categories: Suitable/available, suitable/unavailable, and suitable/to be excess, and unsuitable. The properties listed in the three suitable categories have been reviewed by the landholding agencies, and each agency has transmitted to HUD: (1) Its intention to make the property available for use to assist the homeless, (2) its intention to declare the property excess to the agency's needs, or (3) a statement of the reasons that the property cannot be declared excess or made available for use as facilities to assist the homeless.

Properties listed as suitable/available will be available exclusively for homeless use for a period of 60 days from the date of this Notice. Where property is described as for "off-site use only" recipients of the property will be required to relocate the building to their own site at their own expense. Homeless assistance providers interested in any such property should send a written expression of interest to HHS, addressed to Theresa Ritta, Division of Property Management, Program Support Center, HHS, room 5B–17, 5600 Fishers Lane, Rockville, MD 20857; (301) 443–2265. (This is not a toll-free number.) HHS will mail to the interested provider an application packet, which will include instructions for completing the application. In order to maximize the opportunity to utilize a suitable property, providers should submit their written expressions of interest as soon as possible. For complete details concerning the processing of applications, the reader is encouraged to refer to the interim rule governing this program, 24 CFR part 581.

For properties listed as suitable/to be excess, that property may, if subsequently accepted as excess by GSA, be made available for use by the homeless in accordance with applicable law, subject to screening for other Federal use. At the appropriate time, HUD will publish the property in a Notice showing it as either suitable/available or suitable/unavailable.

For properties listed as suitable/unavailable, the landholding agency has decided that the property cannot be declared excess or made available for use to assist the homeless, and the property will not be available.

Properties listed as unsuitable will not be made available for any other purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1–800–927–7588 for detailed instructions or write a letter to Ann Marie Oliva at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the **Federal Register**, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (i.e., acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: GSA: Mr. Flavio Peres, General Services Administration, Office of Real Property Utilization and Disposal, 1800 F Street NW. Room 7040 Washington, DC 20405, (202) 501–0084; (This is not toll-free numbers).

(2) *Title of the Form/Collection:* Immigrant Petition by Alien Entrepreneur.

(3) *Agency form number, if any, and the applicable component of the DHS sponsoring the collection:* USCIS Form I–526; USCIS.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract: Primary:* Individuals or households. Form I–526 is used by the USCIS to determine if an alien can enter the U.S. to engage in commercial enterprise.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 807 responses at 1 hour and 20 minutes (1.33 hours) per response for paper filers, and 7,263 responses at 1 hour and 15 minutes (1.25 hours) per response for electronic filers.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 10,151 annual burden hours.

If you need a copy of the information collection instrument with supplementary documents, or need additional information, please visit *http://www.regulations.gov.* We may also be contacted at: USCIS, Office of Policy and Strategy, Regulatory Coordination Division, 20 Massachusetts Avenue NW., Washington, DC 20529–2140; Telephone 202–272–8377.

Dated: May 23, 2013.

Laura Dawkins,

Chief, Regulatory Coordination Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security.

[FR Doc. 2013–12678 Filed 5–28–13; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–03]

Allocations, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2011 or 2012

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises the public of a $514,012,000 allocation for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster in 2011 or 2012. This is the second allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). The first allocation provided $5,400,000,000 to the areas most impacted by Hurricane Sandy. In HUD's **Federal Register** notice published on March 5, 2013, at 78 FR 14329, HUD described that allocation and its applicable waivers and alternative requirements, relevant statutory provisions, the grant award process, criteria for Action Plan approval, and eligible disaster recovery activities. Subsequently, HUD published a notice on April 19, 2013, at 78 FR 23578, which provided additional waivers and alternative requirements to Hurricane Sandy grantees, and clarified or modified guidance provided in the March 5, 2013, notice. For grantees receiving an allocation under this Notice, published in today's **Federal Register** many of the requirements described in the prior notices will apply. Additionally, this Notice modifies an alternative requirement for grantees in receipt of an allocation under section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55, approved November 18, 2011); allocations published in the **Federal Register** on April 16, 2012, at 77 FR 22583.

DATES: Effective Date: June 3, 2013.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16,000,000,000 in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. Through the March 5, 2013, Notice, HUD allocated $5.4 billion for the areas most impacted by Hurricane Sandy (*see* 78 FR 14329). Of the remaining $9.78 billion, this Notice allocates $514,012,000 for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster in 2011 or 2012. As the Appropriations Act requires funds to be awarded directly to a State, or unit of general local government (hereinafter, local government), at the discretion of the Secretary, the term "grantee" refers to any jurisdiction receiving a direct award from HUD under this Notice.

To comply with statutory direction that funds be used for disaster recovery-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all of the eligible affected areas. Based on a review of the impacts from Presidentially-declared disasters that occurred in 2011 or 2012 (excluding Hurricane Sandy), and estimates of remaining unmet need, this Notice, published in today's **Federal Register**, provides the following awards:

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2011 OR 2012

State	Grantee	Allocation
Alabama	State of Alabama	$49,157,000
Alabama	City of Tuscaloosa	43,932,000
Alabama	City of Birmingham	17,497,000
Alabama	Jefferson County	9,142,000
Louisiana	State of Louisiana	66,398,000
Louisiana	Jefferson Parish	16,453,000
Louisiana	City of New Orleans	15,031,000
Louisiana	St. Tammany Parish	8,896,000
Massachusetts	Commonwealth of Massachusetts	7,210,000
Massachusetts	City of Springfield	21,896,000
Missouri	State of Missouri	11,844,000
Missouri	City of Joplin	113,276,000
North Dakota	State of North Dakota	6,576,000
North Dakota	City of Minot	35,056,000
Pennsylvania	Commonwealth of Pennsylvania	29,986,000
Pennsylvania	Luzerne County	9,763,000
Pennsylvania	Dauphin County	7,632,000
Tennessee	State of Tennessee	13,810,000
Tennessee	Shelby County	7,464,000
Texas	State of Texas	5,061,000
Vermont	State of Vermont	17,932,000
Total		514,012,000

To ensure funds provided under this Notice address unmet needs within the "most impacted and distressed" counties or parishes, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (e.g., Shelby County must expend all funds within Shelby County; the City of Joplin must expend all funds in the portions of Jasper and Newton counties located within the city's jurisdiction). State grantees may expend funds in any county or parish that received a Presidential disaster declaration in 2011 or 2012, but must expend a minimum amount in counties or parishes considered most impacted and distressed, as shown in Table 2:

TABLE 2—COUNTIES AND PARISHES ELIGIBLE FOR CDBG–DR ASSISTANCE

State grantee	FEMA disaster No.	Most impacted and distressed counties and parishes	Minimum amount to expend in most impacted and distressed counties and parishes
Alabama	1971, 4052, 4082.	Tuscaloosa, Jefferson, Dekalb, Cullman, Franklin, Marion	$25,211,400
Louisiana	4015, 4041, 4080.	St. John the Baptist, Plaquemines, Jefferson, Orleans, St. Tammany	45,042,400
Massachusetts	1959, 1994, 4028, 4051, 4097.	Hampden	1,388,800
Missouri	1961, 1980, 4012.	Jasper, Newton	0
North Dakota	1981, 1986	Ward	0
Pennsylvania	4003, 4025, 4030.	Luzerne, Bradford, Dauphin, Columbia, Newton	20,509,800
Tennessee	1965, 1974, 1978, 1979, 4005, 4060.	Shelby	9,555,200
Texas	1999, 4029	Bastrop	4,048,800
Vermont	1995, 4001, 1022, 4043, 4066.	Windsor, Washington, Windham	14,345,600

A detailed explanation of HUD's allocation methodology is provided at Appendix A. Grantees with additional questions regarding the counties and parishes identified as the most impacted and distressed should contact the HUD Community Development and Planning (CPD) Representative assigned to their grant.

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster recovery-related purposes. The Appropriations Act also requires that prior to the obligation of funds, a

grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. Thus, in an Action Plan for Disaster Recovery, each grantee must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act), or allowed by a waiver or alternative requirement published in an applicable **Federal Register** notice; and (2) respond to a disaster-related impact. To help meet these requirements, grantees must conduct an assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities. Detailed information on the needs assessment, eligible CDBG–DR activities, and the development of an Action Plan is included in the March 5, 2013, notice. The subsequent noticepublished on April 19, 2013, clarifies and/or modifies information provided in the March 5, 2013, notice. For grantees receiving an allocation under this Notice, many of the requirements described in those prior notices will apply (*see* section V of this Notice: "Applicable Rules, Statutes, Waivers, and Alternative Requirements"). Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by HUD for CDBG–DR grants, are available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance (hereinafter referred to as the CPD Disaster Recovery Web site): *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi.*

Each grantee receiving an allocation under this Notice must submit an initial Action Plan no later than 90 days after the effective date of this Notice. However, grantees are encouraged to submit their Action Plans as soon as possible. HUD will only approve Action Plans that meet the specific criteria identified in the March 5, 2013, notice, as modified by the April 19, 2013, notice (*see* section V of this Notice: "Applicable Rules, Statutes, Waivers, and Alternative Requirements")

Finally, as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible CDBG–DR activity. This includes programs or activities administered by the Federal Emergency Management Agency (FEMA) or the U.S. Army Corps of Engineers (USACE) (as provided at 42 U.S.C. 5305); however, the amount of CDBG–DR used as matching funds for USACE-funded projects may not exceed $250,000. In addition, per the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by, either FEMA or USACE.

III. Timely Expenditure of Funds and Prevention of Waste, Fraud, Abuse, and Duplication of Benefits

To ensure the timely expenditure of funds, section 904(c) under Title IX of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds to a grantee (funds are obligated to a grantee upon HUD's signing of the grantee's CDBG–DR grant agreement). Action Plans must demonstrate how funds will be fully expended within two years of obligation. For any funds that the grantee believes will not be expended by the deadline and that it wishes to retain, it must submit a letter to HUD not less than 30 days in advance of the deadline justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. HUD will forward the request to the Office of Management and Budget (OMB) and publish any approved waivers in the **Federal Register** once granted. Waivers to extend the expenditure deadline may be granted by OMB in accordance with guidance to be issued by OMB, but grantees are cautioned that such waivers may not be approved. Funds remaining in the grantee's line of credit at the time of the 24-month expenditure deadline will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD. The Appropriations Act requires that HUD obligate all funds not later than September 30, 2017. Grantees must continue to meet the requirements for Federal cash management at 24 CFR 85.20(a)(7).

In addition to the above, the Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. HUD guidance to assist in preventing a duplication of benefits is provided in a notice published in the **Federal Register** on November 16, 2011, at 76 FR 71060. To provide a basis for the Secretary to make the certification, each grantee must submit documentation to HUD demonstrating its compliance with the above requirements. Grantees must submit the required documentation listed in paragraph A.1.i. under section VI of the March 5, 2013, Notice. Additional information is available in section III of March 5, 2013, Notice and on HUD's CPD Disaster Recovery Web site (see "Guide for Review of Financial Management" and "Certification Checklist").

Additionally, grantees must submit to HUD a projection of expenditures and outcomes to ensure funds are expended in a timely manner, and to track proposed versus actual performance (guidance on the preparation of the projections is available on HUD's CPD Disaster Recovery Web site). Grantees are also required to ensure all contracts (with subrecipients, recipients, and contractors) clearly stipulate the period of performance or the date of completion. In addition, grantees must enter expected completion dates for each activity in HUD's Disaster Recovery Grant Reporting (DRGR) system. When target dates are not met, grantees are required to explain why in the activity narrative. Therefore, all grantees must comply with all reporting, procedural, and monitoring requirements described in section VI. A. Grant Administration, in the March 5, 2013, Notice. HUD will institute risk analysis and on-site monitoring of grantee management as well as collaborate with the HUD Office of Inspector General to plan and implement oversight of these funds.

IV. Overview of Grant Process

To begin expenditure of CDBG–DR funds, the following expedited steps are necessary:

- Grantee adopts citizen participation plan for disaster recovery in accordance with the requirements of this Notice and the March 5, 2013, Notice;
- Grantee consults with stakeholders, including required consultation with affected, local governments and public housing authorities;
- Within 30 days of the effective date of this Notice (or when the grantee submits its Action Plan, whichever is sooner), grantee submits evidence that it has in place proficient financial controls and procurement processes and has established adequate procedures to

prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds;

- Grantee publishes its Action Plan for Disaster Recovery on the grantee's official Web site for no less than 7 calendar days to solicit public comment;
- Grantee responds to public comment and submits its Action Plan (which includes Standard Form 424 (SF–424) and certifications) to HUD no later than 90 days after the effective date of this Notice;
- HUD expedites review of Action Plan (allotted 45 days from date of receipt; however, completion of review is anticipated much sooner) and approves the Plan according to criteria identified in the March 5, 2013, Notice;
- HUD sends an Action Plan approval letter, grant conditions, and signed grant agreement to the grantee. If the Action Plan is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Action Plan within 45 days of the notification letter;
- Grantee ensures that the HUD-approved Action Plan is posted on its official Web site;
- Grantee signs and returns the fully executed grant agreement;
- HUD establishes the proper amount in a line of credit for the grantee;
- Grantee requests and receives DRGR system access (if the grantee does not already have it);
- If it has not already done so, grantee enters the activities from its published Action Plan into DRGR and submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR);
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, under the clarifying note in paragraph 20.a at 78 FR 14343, receives from HUD or the State an approved Request for Release of Funds and certification;
- Grantee begins to draw down funds within 60 days of receiving access to its line of credit;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan approval; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

V. Applicable Rules, Statutes, Waivers, and Alternative Requirements

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCD Act. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

This section describes the rules, statutes, waivers, and alternative requirements that apply to grantees receiving an allocation under this Notice. It also clarifies requirements and other information provided in the April 16, 2012, Notice —applicable to all CDBG–DR grantees in receipt of an allocation under section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55, approved November 18, 2011). Grantees may request additional waivers and alternative requirements from HUD as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

1. *Incorporation of waivers, alternative requirements, and statutory changes previously described.* The waivers and alternative requirements provided in the March 5, 2013, Notice, as clarified or modified by the April 19, 2013, Notice apply to each grantee receiving an allocation of funds under this Notice, except as modified herein. These waivers and alternative requirements provide additional flexibility in program design and implementation to support full recovery following the disasters of 2011 and 2012, while also ensuring that statutory requirements unique to the Appropriations Act are met. The following clarifications or modifications apply to grantees in receipt of an allocation under this Notice:

a. All submission deadlines regarding the Secretary's certification or the Action Plan, referenced in this Notice or previous notices, are triggered by the effective date of this Notice.

b. Paragraph 1(a)(1) of the March 5, 2013, Notice, at 78 FR 14333 is hereby amended by striking the contacts listed for other Federal agencies. Grantees seeking updated information about assistance provided by other Federal agencies or remaining unmet needs should contact their CPD Representative.

c. Paragraph 1(a)(6) of the March 5, 2013, Notice, at 78 FR 14334 is hereby amended by deleting that paragraph and replacing it in its entirety with the following: A description of how the grantee will identify and address (if needed) the rehabilitation (as defined at 24 CFR 570.202), reconstruction, and replacement of the following types of housing affected by the disaster: Public housing (including administrative offices), HUD-assisted housing (defined at subparagraph (1) of the March 5, 2013, Notice, at 78 FR 14332), McKinney-Vento funded shelters and housing for the homeless—including emergency shelters and transitional and permanent housing for the homeless, and private market units receiving project-based assistance or with tenants that participate in the Section 8 Housing Choice Voucher Program. As part of this requirement, each grantee must work with any impacted Public Housing Authority (PHA), located within its jurisdiction, to identify the unmet needs of damaged public housing. If unmet needs exist once funding under this Notice becomes available to the grantee, the grantee must work directly with the impacted PHA(s) to identify necessary costs, and ensure adequate funding is dedicated to the recovery of the damaged public housing. Grantees are reminded that public housing is eligible for FEMA Public Assistance; thus, they must ensure that there is no duplication of benefits when using CDBG–DR funds to assist public housing.

d. Paragraph 1(l) of the March 5, 2013, Notice, at 78 FR 14337 is hereby amended by adding the following to the existing language: Grantees that have previously projected expenditures and outcomes, in a format consistent with prior guidance issued by HUD, may use and update those projections with HUD approval. HUD will work with the grantee to determine the most efficient way of submitting these projections while still ensuring transparency. Revised projections must still be incorporated into the published Action Plan within 90 days of the Action Plan approval.

e. Any waiver or alternative requirement (described in the March 5, 2013, or April 19, 2013, Notices) that is restricted to one or more grantees cited by the waiver or alternative

requirement, is only applicable to the cited grantee(s).

2. *Acquisition of real property and flood buyouts.* To ensure consistency between allocations of CDBG–DR funds, and to give grantees greater flexibility to respond to disaster recovery needs, paragraph 27 of the April 16, 2012, Notice, at 77 FR 22594 is hereby amended by deleting that paragraph and replacing it in its entirety with the following:

"27. *Acquisition of real property and flood buyouts.* Grantees under this notice are able to carry out property acquisition for a variety of purposes. However, the term "buyouts" as referenced in this Notice refers to acquisition of properties located in a floodway or floodplain that is intended to reduce risk from future flooding. HUD is providing alternative requirements for consistency with the application of other Federal resources commonly used for this type of activity.

a. *Buyout requirements:*

(1) Any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

(2) No new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than (a) a public facility that is open on all sides and functionally related to a designated open space (*e.g.*, a park, campground, or outdoor recreation area); (b) a rest room; (c) a flood control structure that the local floodplain manager approves in writing before the commencement of the construction of the structure;

(3) After receipt of the assistance, with respect to any property acquired, accepted, or from which a structure was removed under the acquisition or relocation program, no subsequent application for additional disaster assistance for any purpose will be made by the recipient to any Federal entity in perpetuity;

(4) Grantees have the discretion to determine an appropriate valuation method (including the use of pre-flood value or post-flood value as a basis for property value). However, in using CDBG–DR funds for buyouts, the grantee must uniformly apply whichever valuation method it chooses;

(5) All buyout activities must be classified using the "buyout" activity type in the DRGR system; and

(6) Any State grantee implementing a buyout program or activity must consult with affected UGLGs.

b. *Redevelopment of acquired properties.*

(1) Properties purchased through a buyout program may not typically be redeveloped, with a few exceptions. See subparagraph a(2), above.

(2) Grantees may redevelop an acquired property if: (a) the property is not acquired through a buyout program, and (b) the purchase price is based on the property's post-flood fair market value (the pre-flood value may not be used). In addition to the purchase price, grantees may opt to provide relocation assistance to the owner of a property that will be redeveloped if the property is purchased by the grantee or subgrantee through voluntary acquisition, and the owner's need for additional assistance is documented.

(3) In carrying out acquisition activities, grantees must ensure they are in compliance with their long-term redevelopment plans."

c. The language in this paragraph that replaces language in the April 16, 2012, Notice at 77 FR 22594 applies to buyout acquisitions contracted after the effective date of this Notice.

VI. Duration of Funding

The Appropriations Act requires that HUD obligate all funds provided under Chapter 9, Community Development Fund, not later than September 30, 2017. Concurrently, section 904(c) of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds. Therefore, each grantee must expend all funds within two years of the date HUD signs the grant agreement with the grantee. Note that if a grantee amends its Action Plan to program additional funds that HUD has allocated to it, the grant agreement must also be revised. The requirement for each grantee to expend funds within two years is triggered by each amendment to the grant agreement. That is, each grant amendment has its own expenditure deadline. Pursuant to section 904(c) of the Appropriations Act, grantees or HUD may request waivers of the two-year expenditure deadline from the Office of Management and Budget. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, it must submit a letter to HUD not less than 30 days in advance of the deadline justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. Funds remaining in the grantee's line of credit at the time of this expenditure deadline will be returned to the U.S. Treasury.

VII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice is as follows: 14.269.

VIII. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: May 22, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

Pub.lic Law 113–2 states:

For an additional amount for "Community Development Fund", $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.):

Provided, That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development:

Provided further, That the Secretary shall allocate to grantees not less than 33 percent of the funds provided under this heading within 60 days after the enactment of this division based on the best available data:

Provided further, That prior to the obligation of funds, a grantee shall submit a plan to the Secretary for approval detailing

the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas:

The legislation specifies that the CDBG–DR funds are to be used "for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster" and further specifies that the funds are not to be used for activities reimbursable by or for which funds are made available by FEMA or the Corps of Engineers.

The language also calls for HUD to use "best available" data to make its allocation. For this allocation, similar to prior allocations, HUD made a determination of unmet needs by estimating unmet needs related to the main intended uses of the funds:

- "restoration of . . . housing". HUD made an estimate with best available data on the amount of housing damage not likely to be covered by insurance, SBA disaster loans, or FEMA housing assistance. To target the "most impacted and distressed areas", the calculation limits the need calculation only to homes with high levels of individual damage (see below) in counties and parishes with severe housing and business needs of $10 million or greater.
- "economic revitalization". HUD made an estimate with best available data on the amount of damage to businesses declined for an SBA loan, usually because of inadequate credit or income to support the needed loan amount.
- "restoration of infrastructure". HUD calculated infrastructure need as the match required to address the FEMA estimates for repair of permanent infrastructure in the FEMA Public Assistance program (categories C to G).
- "in the most impacted and distressed areas". To target the funds to the most impacted and distressed areas, HUD limited its calculation to "severe needs in areas of concentrated damage":
  - Severe Needs: Only homes and businesses categorized as severe or major-high damage were included in the calculation (see below).
  - Concentration: Only counties and parishes with greater than $10 million in severe housing and business needs were included for the calculation. The $10 million threshold was established looking at a "natural break" in the distribution of impacted counties or parishes when ordered form most to least severe needs. Note, if a county or parish had been designated as "most impacted" in the 2012 allocation, it is included even if the adjusted methodology calculated a lower amount with the new data.
  - Overall size of the need: Again using the concept of a natural break, HUD established an aggregate of $25 million or more of severe unmet housing, business, and infrastructure needs in counties and parishes with over $10 million in severe housing and business needs to be eligible to receive a grant.

Methodology for Calculating Unmet Needs

Available Data

The "best available" data HUD staff identified as being available to calculate unmet needs at this time for the targeted disasters come from the following data sources:

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss; and
- FEMA Public Assistance program data on public infrastructure damage;

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program. HUD calculated "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

- Each of the FEMA inspected owner units were categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected *real property* damage
  - Minor-High: $3,000 to $7,999 of FEMA inspected *real property* damage
  - Major-Low: $8,000 to $14,999 of FEMA inspected *real property* damage
  - Major-High: $15,000 to $28,800 of FEMA inspected *real property* damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected *real property* damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To ensure funds are used in "most impacted" areas as required by statute, homes were included in the calculation if they were categorized as having sustained "major-high" or "severe" damage. That is, they have a real property FEMA inspected damage of $15,000 or flooding over 4 foot. Furthermore, for purposes of this calculation, a homeowner is assumed to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumed an unmet need "gap" of 20 percent of the difference between total damage and the FEMA grant.

- FEMA does not inspect rental units for real property damage so personal property damage was used as a proxy for unit damage. Each of the FEMA inspected renter units were categorized by HUD into one of five categories:
  - Minor-Low: Less than $1,000 of FEMA inspected *personal property* damage
  - Minor-High: $1,000 to $1,999 of FEMA inspected *personal property* damage
  - Major-Low: $2,000 to $3,499 of FEMA inspected *personal property* damage
  - Major-High: $3,500 to $7,499 of FEMA inspected *personal property* damage or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $7,500 of FEMA inspected *personal property* damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

For rental properties, to ensure funds are allocated to "most impacted" areas as required by statute, homes were included in the calculation if they were categorized as having sustained "major-high" or "severe" damage. That is, they received a FEMA personal property damage assessment of $3,400 or greater or flooding over 4 feet. Furthermore, landlords were presumed to have adequate insurance coverage unless the unit was occupied by a renter with income of $30,000 or less. Units occupied by a tenant with income less than $30,000 were used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimated unmet needs as 75 percent of the estimated repair cost.

- The average cost to fully repair a home for a specific disaster within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA inspects for full repair costs, HUD presumed that SBA assessments reflect the full cost to repair the home. SBA estimates generally exceed the FEMA estimates of the cost to make the home habitable. If fewer than 100 SBA inspections were made for homes within a FEMA damage category, HUD applied a cap to the estimated damage amount in the category for that disaster at the 75th percentile of all damaged units for that category for all disasters and applied a floor at the 25th percentile.

Calculating Unmet Infrastructure Needs

- To best proxy unmet infrastructure needs, HUD used data from FEMA's Public Assistance program on the state match requirement (usually 25 percent of the estimated public assistance needs). This allocation methodology used only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C-Roads and Bridges; D-Water Control Facilities; E-Public Buildings; F-Public Utilities; and G-Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not at the county or parish level), estimates of unmet infrastructure needs were sub-allocated to counties, parishes, and local jurisdictions based on each jurisdiction's proportion of unmet housing and business needs.

Calculating Economic Revitalization Needs

- Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This was adjusted upward by the proportion of applications that were received for a disaster for which SBA did not calculate content and real property loss because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.
- Because applications denied for poor credit or income are a likely indication of applicants requiring the type of assistance available with CDBG recovery funds, the calculated unmet business needs for each state were adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage was used to determine what unmet needs would be used to identify most impacted areas. Only properties with total real estate and content loss in excess of $65,000 are categorized as having sustained severe damage and counted for purposes of identifying the most impacted areas.
  - Category 1: real estate + content loss = below 12,000
  - Category 2: real estate + content loss = 12,000–30,000
  - Category 3: real estate + content loss = 30,000–65,000
  - Category 4: real estate + content loss = 65,000–150,000
  - Category 5: real estate + content loss = above 150,000
- To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage. Since SBA business needs are best measured at the county or parish level, HUD estimates the distribution of needs to local entitlement jurisdictions based on the distribution of all unmet housing needs.

Methodology for Determining the Amount a Grantee Must Expend in Most Impacted and Distressed Counties or Parishes

In total, 80 percent of the funds allocated in to state must be expended in the most impacted counties or parishes. In states where there are direct grantees, HUD requires the direct grantee to spend 100 percent of their funds in the most impacted county or parish, thus reducing the share of funds the state needs to expend in the most impacted county or parish. For example, because of the large grant to Joplin, there is no minimum requirement for the State of Missouri. In contrast, Vermont which has no direct grantees, must spend 80 percent of its funds in the most impacted counties of Windsor, Washington, and Windham. See the below table for further explanation:

			80% of Total state allocation	Percent spent in most impacted county(ies) or parish(es)
MO	Direct Grantees	113,276,000		100
	State Grant	11,844,000		0
Total		125,120,000	100,096,000	
AL	Direct Grantees	70,571,000		100
	State Grant	49,157,000		51
Total		119,728,000	95,782,400	
ND	Direct Grantees	35,056,000		100
	State Grant	6,576,000		0
Total		41,632,000	33,305,600	
LA	Direct Grantees	40,380,000		100
	State Grant	66,398,000		68
Total		106,778,000	85,422,400	
PA	Direct Grantees	17,395,000		100
	State Grant	29,986,000		68
Total		47,381,000	37,904,800	
TX	Direct Grantees			100
	State Grant	5,061,000		80
Total		5,061,000	4,048,800	
TN	Direct Grantees	7,464,000		100
	State Grant	13,810,000		69
Total		21,274,000	17,019,200	
MA	Direct Grantees	21,896,000		100
	State Grant	7,210,000		19
Total		29,106,000	23,284,800	
VT	Direct Grantees			100
	State Grant	17,932,000		80
Total		17,932,000	14,345,600	

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BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[A10–2006–1010–000–00–0–0, 2015200]

Notice of Availability of the Final Environmental Impact Statement/ Environmental Impact Report for Klamath Facilities Removal

AGENCY: Office of Environmental Policy and Compliance, Interior.

ACTION: Notice of availability.

SUMMARY: The Department of the Interior and the California Department of Fish and Wildlife have prepared a final environmental impact statement and environmental impact report (EIS/EIR) evaluating the potential effects of removing four privately owned dams on the Klamath River in southern Oregon and northern California should the Secretary of the Interior determine that removal will advance restoration of salmonid fisheries in the Klamath Basin and is in the public interest. The Department of the Interior has released the final EIS/EIR pursuant to the requirements of the National Environmental Policy Act and the Klamath Hydroelectric Settlement Agreement. The California Department of Fish and Wildlife is not releasing the document at this time, therefore there is no action under California Environmental Quality Act at this time. Additionally, no decision on the potential removal of these facilities is being made with the release of this document.

DATES: Under the terms of the Klamath Hydroelectric Settlement Agreement, congressional authorization is necessary prior to a decision on the proposed action. Because Congress has not enacted the legislation necessary to authorize a Secretarial Determination, the Department of the Interior will not make a final decision on the proposed action at this time.

ADDRESSES: The final EIS/EIR may be viewed and electronically downloaded at *http://klamathrestoration.gov*. To request a compact disc of the final EIS/EIR, please contact Ms. Elizabeth Vasquez, Bureau of Reclamation, 2800 Cottage Way, Sacramento, CA 95825; email *KlamathSD@usbr.gov;* or telephone 916–978–5040. See the Supplementary Information section for locations where copies of the final EIS/EIR are available for public review.

FOR FURTHER INFORMATION CONTACT: Ms. Elizabeth Vasquez, Bureau of Reclamation, 916–978–5040, *evasquez@usbr.gov*. For public involvement information, please contact Mr. Matt Baun, U.S. Fish and Wildlife Service, 530–841–3119, *Matt_Baun@fws.gov*.

SUPPLEMENTARY INFORMATION: The Department of the Interior (Department) and the California Department of Fish and Wildlife (CDFW) have prepared an EIS/EIR for Klamath Facilities Removal. The EIS/EIR evaluates potential effects of the proposed removal of four PacifiCorp dams on the Klamath River in southern Oregon and northern California. The proposed removal would be in accordance with the Klamath Hydroelectric Settlement Agreement (KHSA). The KHSA established a process for studies and environmental review, leading to a Secretarial Determination on whether removal of the dams will accomplish the following:

(1) Advance restoration of salmonid (salmon, steelhead, and trout) fisheries of the Klamath River Basin; and

(2) Be in the public interest, including, but not limited to, consideration of potential impacts on affected local communities and Tribes.

The Klamath Basin Restoration Agreement (KBRA) provides for restoration of native fisheries and sustainable water supplies throughout the Klamath River Basin. Together, these two agreements attempt to resolve long-standing conflicts in the Klamath River Basin.

The KHSA, pursuant to its terms, requires certain criteria to be met prior to a determination as to whether these privately owned dams should be removed. One such criterion is for the enactment of legislation by the Congress authorizing the Secretary of the Interior (Secretary) to make this decision. Because legislation has not been enacted, the Department is not making any decision regarding the potential removal of these privately owned facilities. Nonetheless, the Department also believes that release of this final EIS/EIR will help inform public discourse at the federal, state and local levels.

While CDFW has participated in the development of this joint EIS/EIR, the release of this document at this time is solely pursuant to NEPA. Questions regarding the application of CEQA to this EIS/EIS should be directed to CDFW.

Statement of Purpose and Need and Proposed Action

The proposed action is to remove the four lower PacifiCorp dams on the Klamath River in accordance with the KHSA. The need for the proposed action is to advance restoration of the salmonid fisheries in the Klamath Basin consistent with the KHSA and the connected KBRA. The purpose is to achieve a free-flowing river condition and full volitional fish passage as well as other goals expressed in the KHSA and KBRA. Under the terms of the KHSA, the Secretary will determine whether the proposed action is appropriate and should proceed. In making this determination, the Secretary will consider whether removal of the four private facilities will advance the restoration of the salmonid fisheries of the Klamath Basin, and is in the public interest, which includes, but is not limited to, consideration of potential impacts on affected local communities and Tribes.

The EIS/EIR and its related processes were developed to accomplish the following:

- Inform the Secretary's decision on whether to approve the proposed removal of the four PacifiCorp dams, consistent with the KHSA and the connected KBRA;
- Provide meaningful opportunities for involvement by Tribes, agencies, and the public;
- Analyze and disclose the effects of the proposed action and alternatives on the human and physical environment, including, but not limited to, effects on biological resources, historic and archaeological resources, geomorphology, flood hydrology, water quality, air quality, public safety, hazardous materials and waste, visual resources, socioeconomics, real estate, tribal trust, recreation, and environmental justice;
- Meet the requirements of Section 106 of the National Historic Preservation Act, in lieu of the procedures set forth in 36 CFR §§ 800.3 through 800.6, pursuant to 36 CFR 800.8; and
- Comply with NEPA and the California Environmental Quality Act (CEQA).

The public review period of the draft EIS/EIR opened with a Notice of Availability of the draft EIS/EIR, published in the **Federal Register** on Thursday, September 22, 2011 (76 FR 58833). A second notice was published on Thursday, December 1, 2011 to provide the public an additional 30 days to submit written comments (77 FR 74804). The public review period ended on December 30, 2011. During the public review period, six public meetings were held in California and Oregon to solicit comments. Over 4,000 verbal and written comments were

education component of the Office of Homeland Security Investigations (HSI) Worksite Enforcement (WSE) program. IMAGE is designed to build cooperative relationships with the private sector to enhance compliance with immigration laws and reduce the number of unauthorized aliens within the American workforce. Under this program, ICE will partner with businesses representing a cross-section of industries. A business will initially complete and prepare an IMAGE application so that ICE can properly evaluate the company for inclusion in the IMAGE program. The information provided by the company plays a vital role in determining that company's admissibility into the program. While 8 U.S.C. 1324(a) makes it illegal to knowingly employ a person who is not in the U.S. legally, there is no requirement for any entity in the private sector to participate in the program and the information obtained from the company should also be available to the public.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 100 responses at 90 minutes (1.50 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 150 annual burden hours.

Dated: July 23, 2013

Scott Elmore,

Forms Manager, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

[FR Doc. 2013–18032 Filed 7–26–13; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOMELAND SECURITY

United States Immigration and Customs Enforcement

Agency Information Collection Activities: Reinstatement, Without Change; Comment Request

ACTION: 60-Day Notice of Information Collection for Review; Form No. I–333, Obligor Change of Address; OMB Control No. 1653–0042.

The Department of Homeland Security, U.S. Immigration and Customs Enforcement (USICE), will submit the following information collection request for review and clearance in accordance with the Paperwork Reduction Act of 1995. The information collection is published in the **Federal Register** to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for 60 days until September 27, 2013.

Written comments and suggestions regarding items contained in this notice, and especially with regard to the estimated public burden and associated response time should be directed to the Department of Homeland Security (DHS), Scott Elmore, Forms Manager, U.S. Immigration and Customs Enforcement, 801 I Street NW., Mailstop 5800, Washington, DC 20536; (202) 732–2601.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Reinstatement of an expired collection.

(2) *Title of the Form/Collection:* Obligor Change of Address.

(3) *Agency form number, if any, and the applicable component of the Department of Homeland Security sponsoring the collection:* Form I–133, U.S. Immigration and Customs Enforcement.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individual or Households, Business or other non-profit. The data collected on this form is used by ICE to ensure accuracy in correspondence between ICE and the obligor. The form serves the purpose of standardizing obligor notification of any changes in their address, and will facilitate communication with the obligor.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 12,000 responses at 15 minutes (.25 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 3,000 annual burden hours.

Comments and/or questions; request for a copy of the proposed information collection instrument, with instructions; or inquires for additional information should be directed to Scott Elmore, Forms Management, U.S. Immigration and Customs Enforcement, 801 I Street NW., Stop 5800, Washington, DC 20536; (202) 732–2601.

Dated: July 23, 2013.

Scott Elmore,

Forms Management, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

[FR Doc. 2013–18062 Filed 7–26–13; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[FR–5727–N–01]

Rebuild by Design—Competition and Registration

AGENCY: Office of the Secretary, HUD.

ACTION: Notice.

SUMMARY: Under the authority of the America COMPETES Reauthorization Act of 2011, HUD and the Hurricane Sandy Rebuilding Task Force (Task Force) announce REBUILD BY DESIGN, a multi-stage regional design competition to promote resilience for the Hurricane Sandy-affected region. The goal of the competition is two-fold: to promote innovation by developing regionally-scalable but locally-contextual solutions that increase resilience in the region, and to implement selected proposals with both public and private funding dedicated to this effort.

DATES: *Application Due Date:* Applicants were required to submit a proposal in response to the Request for Qualifications in Phase One to *rebuildbydesign@hud.gov,* no later than 5:00 p.m. EDT on Friday, July 19, 2013.

FOR FURTHER INFORMATION CONTACT: Kevin Bush, *rebuildbydesign@hud.gov*

SUPPLEMENTARY INFORMATION:

I. Introduction

In an effort to promote resilience for the Hurricane Sandy-affected region, HUD and the Task Force are holding a multi-stage design competition entitled REBUILD BY DESIGN. The goal of the competition is to attract world-class talent, promote innovation, and develop projects that will actually be built. Once

the best ideas are identified, HUD will make funds available through its Community Development Block Grant Disaster Recovery (CDBG–DR) program for project implementation along with other public and private funds. Examples of design solutions are expected to range in scope and scale—from large-scale green infrastructure to small-scale residential resiliency retrofits. Additional information is available at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*

II. Objectives

The competition seeks to bring local, regional, and international knowledge to bear in order to:

(1) Contribute to a better understanding of the region's vulnerabilities, strengths, and interdependencies;

(2) Generate design proposals that focus on regionally applicable solutions, increase resilience, develop and promote innovation, and integrate local efforts in the region;

(3) Build capacity of local communities and federal agencies while promoting an integrated regional approach;

(4) Connect to local efforts and strengthen the collaboration within governments and between government, business, academic, non-profit, and other organizations;

(5) Ignite innovation, outside-the-box perspectives, and address new trends; and

(6) Execute world-class projects with regional impact (either large scale or replicable across the region).

III. Design Categories

While REBUILD BY DESIGN may result in design solutions that are applicable across the United States, design teams are asked to focus on the most-affected and most-vulnerable areas of the Sandy-affected region within Connecticut, Maryland, New Jersey, New York, and Rhode Island. This is a complex region, with differing governance structures, culture, etc. To help navigate this complexity, the competition is organized around four focus areas: coastal communities, high-density urban environments, ecological and water body networks, and a catch-all category of unidentified or unexpected focus. Design teams will be expected to select one of the four focus areas, outlined below:

(1) Coastal communities: This category focuses on small- to mid-sized coastal communities. These communities are characterized by limited capacity and high coastal vulnerability. Here, there is often a tension between environmental and economic systems (i.e. the tourism industry is dependent on the environment and also vulnerable to it).

(2) High-density urban environments: These economically-significant areas have impacts on both the region and the nation as a whole. These communities have highly complex built and human systems and significant economic value for the entire region. When storms like Sandy hit these communities they cause major disruptions to both the local and regional economy.

(3) Ecological and water body networks: These networks are regional by nature; watersheds and ecosystems disregard administrative boundaries and must be considered from the regional scale. This category focuses on the interdependencies between the built and natural environments.

(4) The unidentified and unexpected: This category allows for selected teams to pursue unexpected questions and innovative proposals outside of the framework provided above. This is an open category to encourage outside-the-box approaches and proposals.

IV. Competition Stages

The competition consists of four stages, each with its own process, timeline and deliverable:

Stage One: Request for qualifications and selection of 5 to 10 Design Teams (July 2013)

—Request for qualifications and concepts issued.
—Selection of teams to participate.

During Stage One, applicants were required to submit a short proposal, detailed in the REBUILD BY DESIGN Request for Qualifications (see Rebuild by Design Web site: *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*), which summarizes their interdisciplinary expertise and presents an initial approach related to one of the four focus areas. Applicants were required to submit both an idea on how they want to work on this (process) and what their initial thinking is on the issues at stake and the possible concepts that might emerge. Applicants were asked to illustrate these concepts in regard to what vulnerabilities their team would focus on. These concepts will serve as illustrations of the applicant's approach and innovative thinking; however, it is expected that selected Design Teams may need to adjust their approach based on the analysis process in Stage Two.

Applicants were required to include professional expertise in at least three of the following fields: infrastructure engineering, landscape design, urban design, architecture, land-use planning, industrial design, community engagement, and communications design. Applicants with additional expertise in the following fields are preferred: community building, social science, economics, ecology, hydrology, water safety, transportation, resilience, sustainability, project management, finance, arts, graphic design, and others. Applicants must have demonstrable experience in interdisciplinary research, analysis, and design—especially related to the spatial impacts of ecological, economic, and social development on the regional scale.

While by no means exhaustive, a Starter Kit of helpful information about the region was compiled and was also available on the Rebuild by Design Web site (*http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*). It contains a preliminary list of relevant datasets, general analyses, and existing plans.

At the end of Stage One, the Task Force, serving as the Selection Committee, will identify five to ten applicants to proceed to Stages Two and Three as Design Teams.

Stage One Timeline:

June 19, 2013 Request for Qualifications and Approach is Released

July 19, 2013 Deadline to Submit Response

July 25, 2013 Review/Selection of 5–10 Design Teams

Early August, 2013 Public Announcement of selected Design Teams

Deliverables: PDF proposal outlining applicant's qualifications and conceptual approach.

Stage Two: Analysis of the region through collaborative process (August—October 2013)

—Research and collaborative analysis of the region with a wide-variety of stakeholders.
—Identification of key design opportunities.

The selected Design Teams will participate in an intense participatory process that will involve HUD and its partners in the region. This process will include engagement with a wide-range of stakeholders (including state and local government) and experts to develop a comprehensive understanding of the region, its interdependencies, key vulnerabilities, and areas that warrant integrated design thinking and solutions. Teams that are selected to participate in Stage Two will receive $100,000 each to conduct their work.

Teams will be expected to participate in the following over the three-month analysis stage:

—Ongoing seminars around relevant themes and knowledge;
—A series of team symposia (one every three weeks) to discuss common needs for information/resources;
—Several regional site visits to interact with local stakeholders, engage the public, and witness affected spaces and structures; and
—An opening and closing conference for the analysis stage.

Content from this facilitated analysis process, being collaborative in nature and involving a wide-range of stakeholders, will be public, meaning that it can be used by all teams and will be collected throughout the process and presented through a variety of mediums. This iterative research process will underpin the analysis conducted by each of the Design Teams in their chosen focus area, and inform each Design Team's production of a research report and public presentation.

As part of the research and analysis stage, Design Teams must also identify at least three to five design opportunities resulting from their research. Design opportunities are defined as key opportunities or key projects that have the potential for maximum impact on the region's strengths and vulnerabilities. These opportunities can be both site-specific and/or representative of a typology that is regionally replicable.

Through a collaborative process with the Design Teams, Competition Jury (see below), and other stakeholders, each Design Team will end up with one design opportunity for development and refinement in Stage Three in collaboration with state and local communities. By defining the design questions through the competition process, this competition will incorporate the regional scale and perspective and will reflect the insight and interests of state and local stakeholders. Design Teams will then select one design opportunity to focus on in Stage 3.

Stage Two Timeline:

Mid—August, 2013 Opening Conference

August—October Ongoing Seminars and Team Symposia

August—October Six Regional Site Visits (exact sites TBD)

Late October, 2013 Closing Conference

Deliverables: Each Design Team will be expected to submit a highly-accessible digital research report that includes visual and non-visual analysis, and identification of at least three to five design opportunities within their focus area. Design Teams will publicly present their research at a conference in October 2013. These analyses will be compiled into a public catalog of submissions and synthesis document that could be used by a wide variety of stakeholders. The details and format for each of the Stage Two deliverables will be the subject of discussions and agreement with selected Design Teams.

Stage Three: Development of design solutions and community/partner engagement (November 2013–February 2014)

☐ Development of site-specific schematic design solutions

☐ Community engagement and intense collaboration with state/local government partners

During this stage, Design Teams will receive an additional $100,000 to design site-specific proposals for locally-implementable and/or regionally-scalable projects. In addition to design drawings, Design Teams will be expected to propose a strategy for implementation that identifies partners, funding, and timing. The design development phase will involve a facilitated, iterative community engagement process with all levels of government. Design Teams will engage with local political leadership in order to identify specific sites and individual projects relevant to the design opportunity identified in Stage Two, and to partner with a local or state government entity.

The Competition Jury will evaluate the final design proposals (based on criteria that will be provided) and identify winning projects that may be implemented by local or state governments with federal disaster recover resources. Winning projects will be presented publicly at a regional planning and design conference in the Sandy-affected region, as well as at TBD international venues.

Stage Three partners will include the Municipal Art Society of New York, the Regional Plan Association, and the Van Alen Institute. These partners will develop an iterative design process, rooted in the research from Stage Two, to help connect Design Teams with key partners and develop place-based design solutions.

Stage Three Timeline: TBD

Deliverables: Design and refinement of place-based design solutions implementable with CDBG-DR and other funding.

Stage Four: Implementation of winning designs by state and/or local governments with federal disaster recovery funds (March 2014—TBD)

☐ Design development of winning design solutions

☐ Implementation of winning design solutions with federal disaster recovery funds A winning Design Team or Design Teams will proceed from Stage Three to Stage Four and work closely with state and/or local government entities to implement their winning designs and key projects. Following the announcement of the competition winners, HUD may make an allocation of CDBG-DR funds for Sandy impacts and identify how these funds may be used to implement the winning projects/proposals.

Stage Four Timeline: Spring 2014

Deliverables: State or local governments receiving a final round CDBG-DR allocation will submit an action plan or action plan amendment to HUD identifying how it intends to use the funds consistent with guidelines and requirements published by Notice in the **Federal Register**.

V. Managing Partners and Jury

Managing Partners

While the Task Force is launching the competition, lead responsibility will transfer to HUD as the Task Force winds down in late summer/early fall 2013. The National Endowment for the Arts is lending their expertise to advise the Task Force and HUD in management and design of the overall process. In addition, many other federal departments and agencies are involved in the process both through the Task Force and in subsequent stages.

The Task Force is working with the Rockefeller Foundation and New York University's Institute of Public Knowledge, in collaboration with regional and other non-profit partners, to design and run the analysis process in Stages Two and Three.

Jury

The REBUILD BY DESIGN Jury functions as an expert panel throughout the competition, providing critical input during the analysis and design stages. The Jury will also help evaluate submissions at the end of Stage Two and ultimately judge the final designs at the end of Stage Three.

Subject to the requirements of 15 U.S.C. 3719(k), the Secretary of HUD will appoint one or more qualified individuals to act as jury members for this contest and may appoint himself as a jury member as well. Jury members

may include individuals from outside HUD, including from the private sector. Jury members will operate in a transparent manner.

A jury member may not have a personal or financial interest in, or be an employee, officer, director, or agent of any entity that is a registered entrant in this contest, and may not have a familial or financial relationship with an individual who is a registered entrant.

Specific tasks related to the judging process may be delegated to HUD employees or employees of a collaborating Federal agency. Third parties may perform judging tasks subject to supervision by HUD or by a collaborating Federal agency.

Jury members shall have the authority to obtain from any entrant additional information, clarification of information, or assistance in resolving any technical issues relating to the installation, use, testing or evaluation of any entry, so long as doing so causes no substantial benefit or detriment to any entrant.

VI. Eligibility Rules for Participating in the Competition

Teams are required to demonstrate professional expertise in at least three of the following fields: infrastructure engineering, landscape design, urban design, architecture, land use planning, community development, communications design, public finance, or real estate. Teams with additional expertise in the following fields are encouraged: social-science, economic development, ecology, hydrology, water safety, transportation, resilience, sustainability, project management, finance, arts, graphic design, industrial design, or other disciplines as appropriate. Teams must have demonstrable experience in interdisciplinary research, analysis, and design—especially related to the spatial impacts of ecological, economic, and social development on the regional scale. All levels of experience were encouraged to apply in order to attract innovative thinking and new approaches, however, at least one team member must have experience working with publically funded projects.

In accordance with section 24(g) of the America COMPETES Reauthorization Act of 2010, any private entity participating in the competition must be incorporated in and maintain a primary place of business in the United States, and in the case of an individual, whether participating singly or in a group, must be a citizen or permanent resident of the United States. An individual or entity shall not be deemed ineligible because the individual or entity used Federal facilities or consulted with Federal employees during a competition if the facilities and employees are made available to all individuals and entities participating in the competition on an equitable basis.

VII. Registration Process for Participants

Applicants must submit a proposal in response to the Request for Qualifications in Phase One to *rebuildbydesign@hud.gov* no later than 5:00 p.m. EDT on Friday, July 19, 2013.

All proposals were required to be submitted in PDF format; hardcopy proposals were not accepted. Proposals were limited to 12 one-sided pages (format US Letter), including text, images, and/or drawings. Font size could not exceed 11 points; file size cannot exceed 20MB. Applicants were required to address the following in their proposals:

—List of team members (1 page): Include each team member's name, affiliation, contact information, and Web site. Clearly identify a single lead contact for follow up.

—Focus area: Clearly identify your team's selected focus area (i.e. coastal communities, high-density urban environments, ecological and water body networks, or other). See Page 1 of the Competition Brief for detailed information.

—Summary of team's strengths and relevant experience (2–3 pages): Provide a narrative summary of the team's collective strengths and experience relevant to the goals of the competition and to the team's selected focus area. Clearly articulate each team member's specific contribution to this effort and the interdisciplinary strength that distinct the team. Discuss past collaborative efforts among team members, if applicable.

—Selected relevant projects and expertise (3–6 pages): Submit highlights of previous work relevant to the goals of the competition and to the team's research focus and design approach. Include both visual and non-visual examples. Do not include links to external documents.

—Conceptual approach (2–4 pages): Include a narrative description of the team's proposed research and design approach and initial ideas within one of the four focus areas. Submit your ideas on how the team wants to work (process) and what your initial thinking is on the issues at stake and the possible concepts that might emerge. Illustrate these concepts in regard to what vulnerabilities your team would focus on. Elaborate on your strategy for connecting research and analysis activities to the development of implementable, place-based design solutions. Note that these ideas are illustrations for the team's approach and innovative thinking. Selected Design Teams will finalize their focus based off of their research during Stage Two.

For more information, please consult Appendix A of the competition Design Brief at: *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*

VIII. Selection Process

Designees from the Hurricane Sandy Rebuilding Task Force will serve as the Stage One Selection Committee and will select 5–10 design teams based on the criteria listed below. The Task Force is chaired by HUD Secretary Shaun Donovan and is made up of executive-level representation from over 20 federal departments and agencies including White House offices. Applicants that are chosen by the Selection Committee will be invited to participate in Stages Two and Three, at which point they will be expected to enter into an agreement and provided a Scope of Work. Selected Design Teams will be provided $100,000 to participate in Stage Two. Teams proceeding to Stage Three will be provided with another $100,000 to advance their design proposals. All winning design teams selected to advance from Stage One are expected to continue to participate through Stage Three, although HUD reserves the right to remove participants that fail to comply with the Scope of Work agreement entered into at the beginning of Stage Two. The Jury will select the finalists that advance to Stage Four.

IX. Evaluation Criteria

The Stage One Selection Committee will identify Design Teams based on the following criteria:

1. Team composition

a. Depth of interdisciplinary experience.

b. Capacity to work collaboratively on interdisciplinary teams.

2. Quality of past work

a. Demonstrated excellence in each of the team member's respective disciplines.

b. Commitment to participatory design and public engagement—especially to underserved populations.

c. Relevance of the team's experience to the proposed research focus and design approach.

d. Track record of publically-funded, built projects. NOTE: This criterion is not required for all design team

members; however, someone on the team must have experience successfully working through a public process.

3. Clarity, style, and thoroughness of proposal

Rules and Regulations

1. All proposals must have been sent in English.

2. Proposals must not have exceed 12 single-sided pages and be no larger than 20 megabytes.

3. Individual practitioners or offices may participate on multiple teams for the purpose of a submitting a response to the RFQ, however if selected they must select one team on which they will serve.

4. If your team is selected to proceed to Stages Two and Three then any changes to team members must approved by the Task Force/HUD.

Amount of the Prize

Applicants that are chosen by the Selection Committee will have the opportunity to participate in a facilitated analysis and design process, over the course of six months, gain access to a wide-variety of stakeholders, and be designated as a REBUILD BY DESIGN team. These Design Teams will be provided $100,000 to participate in Stage Two and $100,000 to participate in Stage Three. At the end of Stage Three, the competition Jury will evaluate Design Teams' final design solutions/projects and winning proposals to be implemented.

Prizes awarded under this competition in Stage Two and Stage Three as described above will be paid by electronic funds transfer and may be subject to Federal income taxes. HUD will comply with the Internal Revenue Service withholding and reporting requirements, where applicable.

Additional Information—Intellectual Property (IP)

a. Neither HUD nor the Task Force is responsible for a registered contestant's or entrant's lack of compliance with copyright, trademark, patent or other Federal law. Contestants and entrants will hold harmless, defend, and indemnify the Federal Government and any agency or component thereof from and against any suit, claim, demand, liability, damages, costs and expenses (including attorneys' fees and costs of defense), of whatever nature, whether groundless, false or fraudulent, arising out of any use, licensing or relicensing of any IP that is incorporated in the entrant's entry.

b. Contestants and entrants are responsible for obtaining all third-party licenses required to allow HUD, the Task Force and its contractors to receive any and all IP installed on any virtual machine, to run any and all testing software or scripts, and to demonstrate an entrant's product.

c. HUD may in its sole and absolute discretion choose to negotiate with any entrant to acquire, license, use or convey any other intellectual property developed in connection with this contest.

Public Comment

With this notice, HUD invites the public to comment on the information collection request described above. HUD will address all comments in a follow up notice to this publication.

For more information, visit the Rebuild By Design Web site at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign.*

Dated: July 23, 2013.

Laurel Blatchford,

Executive Director, Hurricane Sandy Rebuilding Task Force.

[FR Doc. 2013–18163 Filed 7–26–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–IA–2013–N163: FXIA16710900000–134–FF09A30000]

Notice of Establishment of the Advisory Council on Wildlife Trafficking

AGENCY: U.S. Fish and Wildlife Service, Interior.

ACTION: Notice of establishment and request for nominees.

SUMMARY: The Secretary of the Interior (Secretary), after consultation with the Co-Chairs of the Presidential Task Force on Wildlife Trafficking (Task Force), is announcing the establishment of the Advisory Council on Wildlife Trafficking (Council) under the Federal Advisory Committee Act. The Council will make recommendations to the Task Force and provide it with ongoing advice and assistance.

The Department of the Interior is also seeking nominations for individuals to be considered as Council members.

DATES: Nominations must be received by August 13, 2013.

ADDRESSES: Send nominations to Mr. Bryan Arroyo, Assistant Director, International Affairs, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Arlington, VA 22203.

FOR FURTHER INFORMATION CONTACT: Mr. Bryan Arroyo, Designated Federal Officer, International Affairs, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Arlington, VA 22203; *Bryan_Arroyo@fws.gov;* Phone: (202) 208–6394; Fax (202) 208–5618.

SUPPLEMENTARY INFORMATION:

Council's Role

The Council will conduct its operations in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix). It will report to the Task Force through the Secretary of the Interior or his/her designee and function solely as an advisory body. It will advise and make recommendations on issues relating to combating wildlife trafficking, including, but not limited to:

(1) Effective support for anti-poaching activities,

(2) Coordinating regional law enforcement efforts,

(3) Developing and supporting effective legal enforcement mechanisms, and

(4) Developing strategies to reduce illicit trade and reduce consumer demand for illegally traded wildlife, including protected species.

The Council will meet approximately 1–2 times annually, and at such time as designated by the Designated Federal Officer.

Nominating Potential Council Members

The Department of the Interior is seeking nominations for individuals to be considered as Council members. Nominations should include a resume providing contact information and an adequate description of the nominee's qualifications, including information that would enable the Department of the Interior to make an informed decision regarding meeting the membership requirements of the Council.

Requirements for Council Membership

The Council will consist of eight members. The Secretary or his/her designee, in consultation with the Secretary of State and the Attorney General or their designees, will select and appoint members of the Council. The appointments will be for 3-year terms, except initially the Secretary will appoint four members for 2-year terms and four members for 3-year terms in order to stagger appointments to retain institutional knowledge. The Secretary will designate one of the members as the Chair. Members must not be employees of the Federal Government. Membership must include knowledgeable individuals from the private sector, former governmental officials,

burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collections of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological techniques or other forms of information.

Title: Passenger List/Crew List.

OMB Number: 1651–0103.

Form Number: CBP Form I–418.

Abstract: CBP Form I–418 is prescribed by the Department of Homeland Security, Customs and Border Protection (CBP), for use by masters, owners, or agents of vessels in complying with Sections 231 and 251 of the Immigration and Nationality Act (INA). This form is filled out upon arrival of any person by commercial vessel at any port within the United States from any place outside the United States. The master or commanding officer of the vessel is responsible for providing CBP officers at the port of arrival with lists or manifests of the persons on board such conveyances. CBP is working to allow for electronic submission of the information on CBP Form I–418. This form is provided for in 8 CFR 251.1, 251.3, and 251.4. A copy of CBP Form I–418 can be found at *http://forms.cbp.gov/pdf/CBP_Form_I418.pdf.*

Current Actions: This submission is being made to extend the expiration date with a change to the burden hours resulting from revised estimates of the number of forms filed, and from a pilot that is being conducted to eliminate the paper I–418. There is no change to information collected on CBP Form I–418.

Type of Review: Extension (with change).

Affected Public: Businesses.

Estimated Number of Respondents: 96,000.

Estimated Time per Respondent: 1 hour.

Estimated Total Annual Hours: 96,000.

Dated: July 29, 2013.

Tracey Denning,

Agency Clearance Officer, U.S. Customs and Border Protection.

[FR Doc. 2013–18603 Filed 8–1–13; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–04]

Additional Waivers and Alternative Requirements for Hurricane Sandy Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: Previously, the Department allocated $5.4 billion of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster due to Hurricane Sandy (*see* 78 FR 14329, published in the **Federal Register** on March 5, 2013). This notice provides additional waivers and alternative requirements.

DATES: This notice is effective: August 6, 2013.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Background
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III. Catalog of Federal Domestic Assistance
IV. Finding of No Significant Impact

I. Background

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) makes available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG disaster recovery (CDBG–DR) grants under the Appropriations Act to $15.18 billion. In a **Federal Register** notice published March 5, 2013 (78 FR 14329), the Department allocated $5.4 billion after analyzing the impacts of Hurricane Sandy and identifying unmet needs. A subsequent notice, providing additional guidance, waivers, and alternative requirements for Hurricane Sandy grantees was published by the Department on April 19, 2013 (78 FR 23578). This notice provides additional waivers and alternative requirements to several Hurricane Sandy grantees—the State of New York and the State of New Jersey.

II. Applicable Rules, Statutes, Waivers, and Alternative Requirements

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

This section provides additional waivers and alternative requirements to several Hurricane Sandy grantees. For each waiver and alternative requirement described in this notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal**

Register no later than five days before the effective date of such waiver.

1. *Waiver to permit some activities in support of the tourism industry (State of New York only).* In the notice published on April 19, 2013, the Department granted the State of New York a waiver to allow the State to fund certain tourism activities within the counties most impacted and distressed by Hurricane Sandy. This notice broadens that waiver to allow the State to fund certain tourism activities within counties receiving a Presidential disaster declaration in response to Hurricane Irene and/or Tropical Storm Lee.

Tourism in Irene/Lee-impacted counties generates approximately $14 billion each year. In the 30 counties affected by Hurricane Irene and Tropical Storm Lee, 11,000 businesses were impacted, accounting for 138,000 jobs. During this same time period, 13 of the impacted counties (located in the Adirondacks, Southern Tier and Central New York) experienced an economic loss of approximately $108 million in direct visitor spending and positive impact on state and local taxes. Without this waiver, the State estimates that the economic recovery in these areas will continue to significantly lag behind the pre-storm average growth rates, resulting in job loss and business closures.

Thus, HUD is broadening its previous waiver: 42 U.S.C. 5305(a) and 24 CFR 570.489(f) are waived only to the extent necessary to allow the State to expend up to $3 million (of the $30 million already approved by the Department) for the tourism industry to promote tourism in counties in receipt of a Presidential disaster declaration in response to Hurricane Irene and/or Tropical Storm Lee. Thus, this notice allows CDBG–DR funds to be used to promote a community or communities in general, provided the assisted activities are designed to support tourism within areas designated major disaster areas as a result of Hurricane Irene or Tropical Storm Lee. In addition, per the April 19, 2013, notice, the State of New York may use CDBG–DR funds to promote a community or communities in general, provided the assisted activities are designed to support tourism to the most impacted and distressed areas related to the effects of Hurricane Sandy. This waiver will expire at the end of the State's two-year expenditure period.

2. *Use of "uncapped" income limits (State of New Jersey only).* The State of New Jersey plans to initially target disaster recovery funds to low- and moderate-income households and has enaged in targeted outreach to ensure these households, particularly in high cost areas, can receive recovery funding. To ensure that all eligible households that are low- and moderate-income have equal access to resources, the State requested a waiver to allow all of the nine most impacted counties within the State to use HUD's "uncapped income limits" to better reflect the population of low- and moderate-income households in those areas.

The Quality Housing and Work Responsibility Act of 1998 (Title V of Pub. L. 105–276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently "capped" under HUD's low and moderate-income limits. Under this exception, a number of CDBG entitlement grantees may use "uncapped" income limits that reflect 80 percent of the actual median income for the area. Typically, average incomes (and thus the cost of living, including home values) in these entitlement grantees are significantly higher than in surrounding areas. By using uncapped income limits, grantees are better able to identify and assist those households considered to be low- to moderate-income for that particular area.

In the **Federal Register** notice dated March 5, 2013, the Department noted that the uncapped limits apply to disaster recovery activities funded pursuant to this notice in jurisdictions covered by the uncapped limits, including jurisdictions that receive disaster recovery funds from the State. While there are New Jersey counties that were most impacted by Hurricane Sandy that currently use the "uncapped" income limits, there are several that do not use the uncapped limits. The State's efforts to target CDBG resources to low- and moderate-income households means that those counties that already have the uncapped income limits (and thus more households that may be designated as low- and moderate-income) have a greater likelihood of receiving funding than counties that do not have the uncapped income limits despite having similar income demographics.

This notice imposes an alternative requirement to the applicable U.S. median family income cap on income limits that will apply to the State of New Jersey. The alternative requirement extends the exemption permitting the use of the uncapped income limits to all of the nine most impacted counties that were impacted by Hurricane Sandy within the State of New Jersey to ensure that households that are low- and moderate-income have equal opportunities to access funds. More information about this exemption can be found on HUD's Web site at *http://www.hud.gov/offices/cpd/systems/census/lowmod/uncapped.cfm.*

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or Speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–9339.

Dated: July 26, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

[FR Doc. 2013–18643 Filed 8–1–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5681–N–31]

Federal Property Suitable as Facilities To Assist the Homeless

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for use to assist the homeless.

FOR FURTHER INFORMATION CONTACT: Juanita Perry, Department of Housing and Urban Development, 451 Seventh Street SW., Room 7266, Washington, DC 20410; telephone (202) 402–3970; TTY number for the hearing- and speech-impaired (202) 708–2565 (these

purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1–800–927–7588 for detailed instructions or write a letter to Ann Marie Oliva at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the **Federal Register**, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (i.e., acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: *Agriculture:* Ms. Debra Kerr, Department of Agriculture, Reporters Building, 300 7th Street SW., Room 300, Washington, DC 20024, (202) 720–8873; *Navy:* Mr. Steve Matteo, Department of the Navy, Asset Management Division, Naval Facilities Engineering Command, Washington Navy Yard, 1330 Patterson Ave. SW., Suite 1000, Washington, DC 20374; (202) 685–9426; (These are not toll-free numbers).

Dated: August 15, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs.

TITLE V, FEDERAL SURPLUS PROPERTY PROGRAM FEDERAL REGISTER REPORT FOR 08/23/2013

Suitable/Available Properties

Building

California

Subase, Naval Base Point Loma
200 Catalina Blvd.
San Diego CA 92106
Landholding Agency: Navy
Property Number: 77201330014
Status: Excess
Comments: Facility w/in controlled perimeter of a DoD installation; public access denied & no alter method to gain access w/out compromising nat'l security.

Oregon

Crescent Office-East Modular
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330016
Status: Excess
Comments: 1,202 sf. 31 yrs.-old; poor conditions; existing federal need

Crescent Office, FS ID 2005
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330018
Status: Excess
Comments: 2,400 sf. 56 yrs.-old; poor conditions; existing federal need

Crescent Office-BM Modular, FS
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330019
Status: Excess
Comments: 3,608 sf.; 27 yrs.-old; poor conditions; existing federal need

Crescent Wellness Building, FS
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330020
Status: Excess
Comments: 640 sf. fitness ctr. 78 yrs.-old; poor conditions; existing federal need

Crescent RS Bunkhouse, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330021
Status: Excess
Comments: 1,056 sf. fair conditions; 66 yrs.-old; poor conditions; existing federal need

Crescent Fire Bunkhouse, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330022
Status: Excess
Comments: 1,216 sf. poor conditions; 12+months vacant; bunkhouse; existing federal need

Crescent Paint Storage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330023
Status: Excess
Comments: 530 sf.; shed, 51 yrs. old, poor conditions; existing federal need.

Crescent Timber Storage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330024
Status: Excess
Comments: 170 sf.; shed; 63 yrs. old. poor conditions; existing Federal need

Crescent Admin Garage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330025
Status: Excess
Comments: 336 sf.; 60 yrs.-old, good conditions; existing Federal need.

Crescent Office-South Modular
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330027
Status: Excess
Comments: 2,020 sf.; 18 yrs.-old, poor conditions; existing Federal need.

Maryland

Building 415; Hobby Shop
22049 Fortin Rd.
Patuxent River MD
Landholding Agency: Navy
Property Number: 77201330016
Status: Unutilized
Comments: located on military installation w/secured entry; public access denied and no alternative method to gain access w/out compromising nat'l security
Reasons: Secured Area

Land

California

Land
Naval Base
San Diego CA
Landholding Agency: Navy
Property Number: 77201330015
Status: Excess
Comments: DoD personnel only; public access denied & no alternative method to gain access w/out compromising nat'l security
Reasons: Secured Area

[FR Doc. 2013–20287 Filed 8–22–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5727–N–02]

Hurricane Sandy Rebuilding Task Force—Rebuild-by-Design; Announcement of Selection of Design Teams

AGENCY: Hurricane Sandy Task Force, HUD.

ACTION: Notice.

SUMMARY: In June 2013, the Hurricane Sandy Task Force launched Rebuild by Design, a multi-stage regional design competition to promote resilience for the Sandy-affected region. This notice announces the design teams selected under the competition.

FOR FURTHER INFORMATION CONTACT: Scott Davis at *rebuildbydesign@hud.gov.*

SUPPLEMENTARY INFORMATION: In an effort to promote resilience for the Hurricane Sandy-affected region, the Hurricane Sandy Task Force initiated a multi-stage regional design competition, called Rebuild by Design. The goals of the competition are to attract highly experienced building design teams, promote innovation by developing regionally-scalable but locally-contextual solutions that increase resilience in the region, and implement selected proposals with both public and private funding dedicated to this effort.

The Rockefeller Foundation is the lead funding partner for the competition and will provide support for the analysis and design process. The National Endowment for the Arts (NEA) served as a special partner, providing critical expertise and guidance to launch Rebuild by Design and select the 10 teams. NEA has a history of supporting and facilitating design competitions and NEA's involvement helped ensure the success of the launch of the competition. HUD will incentivize the implementation of the selected designs using funds made

available through the Community Development Block Grant Disaster Recovery (CDBG–DR) program as well as other public and private funds.

Rebuild by Design focuses on the following areas: Coastal communities, high-density urban environments, ecological networks and a fourth category that will include other innovative questions and proposals. Additionally, the competition has a region-wide focus to help provide solutions to problems that are larger or more complex than individual towns have the capacity to solve themselves. The regional focus will also help provide a better understanding of the many interconnected systems (infrastructure, ecological, climate, economic and others) in the Sandy-affected region. The design teams selected will start with regional analyses to understand major vulnerabilities and then, through the collaborative design process begin to focus on local implementation and key projects for improving the region's resilience. Applications for the competition were due July 19, 2013. The details of the competition can be found at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign.*

Over 140 potential teams from more than 15 countries submitted proposals, representing the top engineering, architecture, design, landscape architecture and planning firms as well as research institutes and universities worldwide.

The 10 design teams selected are the following:

- Interboro Partners with the New Jersey Institute of Technology Infrastructure Planning Program; TU Delft; Project Projects; RFA Investments; IMG Rebel; Center for Urban Pedagogy; David Rusk; Apex; Deltares; Bosch Slabbers; H+N+S; and Palmbout Urban Landscapes.
- PennDesign/OLIN with PennPraxis, Buro Happold, HR&A Advisors, and E-Design Dynamics.
- WXY architecture + urban design/West 8 Urban Design & Landscape Architecture with ARCADIS Engineering; Dr. Alan Blumberg, Stevens Institute, Kate John Alder, Rutgers University; Maxine Griffith; William Morrish, Parsons the New School for Design; Dr. Orrin Pilkey, Duke University; Kei Hayashi, BJH Advisors; Mary Edna Fraser; and Yeju Choi.
- Office of Metropolitan Architecture with Royal Haskoning DHV; Balmori Associaties; R/GA; and HR&A Advisors.
- HR&A Advisors with Cooper, Robertson, & Partners; Grimshaw; Langan Engineering; W Architecture; Hargreaves Associates; Alamo Architects; Urban Green Council; Ironstate Development; New City America.
- SCAPE/LANDSCAPE ARCHITECTURE with Parsons Brinckerhoff; SeARC Ecological Consulting; Ocean and Coastal Consultants; The New York Harbor School; Phil Orton/Stevens Institute; Paul Greenberg; LOT–EK; and MTWTF.
- Massachusetts Institute of Technology Center for Advanced Urbanism and the Dutch Delta Collaborative by ZUS; with De Urbanisten; Deltares; 75B; and Volker Infra Design.
- Sasaki Associates with Rutgers University and ARUP.
- Bjarke Ingels Group with One Architecture; Starr Whitehouse; James Lima Planning & Development; Green Shield Ecology; Buro Happold; AEA Consulting; and Project Projects.
- unabridged Architecture, Mississippi State University Gulf Coast Community Design Studio, and Waggonner and Ball Architects.

Information on the selection of the design teams is also provided on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-121.*

Dated: August 20, 2013.

Laurel Blatchford,

Executive Director, Hurricane Sandy Rebuilding Task Force.

[FR Doc. 2013–20631 Filed 8–22–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLUT920000–L14300000–FM0000–LXSS014J0000; UT–52455]

Public Land Order No. 7820; Partial Modification, Public Water Reserve No. 107; Utah

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUMMARY: This order partially modifies a withdrawal created by an Executive Order insofar as it affects 264.21 acres of public lands withdrawn from settlement, sale, location, or entry under the public land laws, including location for non-metalliferous minerals under the United States mining laws, for protection of springs and waterholes and designated as Public Water Reserve No. 107. This order opens the lands only to exchange under the authority of the Utah Recreational Land Exchange Act of 2009.

DATES: *Effective Date:* August 23, 2013.

FOR FURTHER INFORMATION CONTACT: Joy Wehking, Bureau of Land Management, Utah State Office, 440 West 200 South, Suite 500, Salt Lake City, UT 84101, 801–539–4114. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: Subject generally to Section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) and applicable law, Public Law 111–53 (123 Stat. 1982) directs the exchange of land between the United States and the State of Utah, School and Institutional Trust Lands Administration. This partial modification is needed to facilitate a pending land exchange.

Order

By virtue of the authority vested in the Secretary of the Interior by Section 204 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1714, it is ordered as follows:

1. The withdrawal created by the Executive Order dated April 17, 1926, which established Public Water Reserve No. 107, is hereby modified to allow for a land exchange in accordance with Public Law 111–53 (123 Stat. 1982) and Section 206 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1716), insofar as it affects the following described public lands:

Salt Lake Meridian

T. 15 S., R. 23 E.,
Sec. 23, SE¼SE¼;
Sec. 24, SE¼SE¼.
T. 17 S., R. 22 E.,
Sec. 4, SE¼NE¼;
Sec. 6, SW¼SE¼;
Sec. 7, NW¼SE¼;
Sec. 19, lot 10 and SW¼NE¼.

The areas described aggregate 264.21 acres in Uintah and Grand Counties.

2. At 9 a.m., on August 23, 2013, the lands described in Paragraph 1 will be opened to exchange pursuant to Public Law 111–53 (123 Stat. 1982) and Section 206 of the Federal Land Policy and Management Act of 1976, as amended, (43 U.S.C. 1716), subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law.

provided are based on the 2011 QC survey. The proposed surveys will continue to make use of Computer Assisted Interviewing (CAI) questionnaires and equipment, which are being used in part because they reduce interview times. The software also provides for consistency check and ensures that all needed data have been collected, thereby reducing the need for the follow-up contacts.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) The accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Ways to enhance the quality, utility, and clarity of the information to be collected; and (4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. HUD encourages interested parties to submit comment in response to these questions.

Authority: Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapters 35.

Dated: November 6, 2013.

Colette Pollard,

Department Reports Management Officer, Office of the Chief Information Officer.

[FR Doc. 2013–27504 Filed 11–15–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–06]

Second Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises the public of a second allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013. This allocation provides $5.1 billion primarily to assist Hurricane Sandy recovery as well as recovery from Hurricane Irene and Tropical Storm Lee. The Notice also establishes requirements governing the use of these funds.

DATES: Effective Date: November 25, 2013.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation and Related Information

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (UGLG) (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term "grantee" refers to any jurisdiction receiving a direct award from HUD under this Notice.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. Through a **Federal Register** Notice published March 5, 2013, the Department allocated $5.4 billion for the areas most impacted by Hurricane Sandy (78 FR 14329). Subsequent notices allocated funds for major disasters occurring in 2011 and 2012 (excluding Hurricane Sandy) and a future notice will address funding for qualifying major disasters occurring in 2013.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all the eligible affected areas. The initial allocation to Hurricane Sandy grantees was based on unmet housing and economic revitalization needs. The data used to calculate the allocation did not include unmet infrastructure restoration needs as damage estimates were preliminary at that time. As more data regarding unmet infrastructure needs are now available, this Notice provides the following Round 2 awards totaling $5.1 billion:

TABLE 1—HURRICANE SANDY ALLOCATIONS

Grantee	Second allocation	First allocation	Total
New York City	$1,447,000,000	$1,772,820,000	$3,219,820,000
New Jersey	1,463,000,000	1,829,520,000	3,292,520,000
New York State	2,097,000,000	1,713,960,000	3,810,960,000

TABLE 1—HURRICANE SANDY ALLOCATIONS—Continued

Grantee	Second allocation	First allocation	Total
Connecticut	66,000,000	71,820,000	137,820,000
Maryland	20,000,000	8,640,000	28,640,000
Rhode Island	16,000,000	3,240,000	19,240,000
Total	5,109,000,000	5,400,000,000	10,509,000,000

To ensure funds provided under this Notice address unmet needs within the "most impacted and distressed" counties, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (e.g., New York City must expend all funds within New York City). State grantees may expend funds in any county that received a Presidential disaster declaration in 2011, 2012, or 2013 subject to the limitations described in Table 2.

Table 2 identifies a minimum percentage that must be spent in the HUD-identified Hurricane Sandy affected Most Impacted and Distressed counties. The opportunity for certain grantees to expend 20 percent of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data.

TABLE 2—MOST IMPACTED AND DISTRESSED COUNTIES WITHIN WHICH FUNDS MAY BE EXPENDED

Grantee	Counties from the following major declared disasters are eligible for CDBG–DR funds (FEMA declaration No.)	Hurricane Sandy most impacted and distressed counties	Minimum percentage that must be expended in Hurricane Sandy most impacted and distressed counties
New York City	All Counties	All Counties	100
New York	1957, 1993, 4020, 4031, 4085, 4111, 4129.	Nassau, Rockland, Suffolk, Westchester, and all Counties in New York City (Bronx, Kings, New York, Queens, Richmond).	80
New Jersey	1954, 4021, 4033, 4039, 4048, 4070, 4086.	Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, Union.	80
Connecticut	1958, 4023, 4046, 4087, 4106	Fairfield, New Haven	80
Rhode Island	4027, 4089, 4107	Washington	80
Maryland	4034, 4038, 4075, 4091	Somerset	80

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578) and August 2, 2013 (78 FR 46999), referred to collectively in this Notice as the "Prior Notices." The Prior Notices are available at:

http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf

http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf

http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18643.pdf

Executive Order 13632, published at 77 FR 74341, established the Hurricane Sandy Rebuilding Task Force, to ensure government-wide and region-wide coordination to help communities as they are making decisions about long-term rebuilding and to develop a comprehensive rebuilding strategy. Section 5(b) of Executive Order 13632 requires that HUD, "as appropriate and to the extent permitted by law, align [the Department's] relevant programs and authorities" with the Hurricane Sandy Rebuilding Strategy (the Rebuilding Strategy). Accordingly, this Notice is further informed by both the Rebuilding Strategy released by the Task Force on August 19, 2013 and Rebuild by Design (RBD), an initiative of the Hurricane Sandy Rebuilding Task Force and HUD. RBD is aimed at addressing structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and developing fundable solutions to better protect residents from future disasters. The Rebuilding Strategy and information about RBD can be found, respectively, at:

http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf

http://www.rebuildbydesign.org/what-is-rebuild-by-design/

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster recovery related purposes. Consistent with the Rebuilding Strategy, it is essential to build back stronger and more resilient. This allocation provides additional funds to Sandy-impacted grantees to support investments in mitigation and resilience and directs grantees to undertake comprehensive planning to promote regional resilience as part of the recovery effort.

The Appropriations Act requires that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. In an Action Plan for Disaster Recovery (Action Plan), grantees must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice and the prior Notices; and (2) respond to a disaster-related impact. HUD has previously approved an Action Plan for each grantee receiving an allocation of funds in this Notice. Grantees are now directed to submit a substantial Action Plan Amendment in order to access funds provided in this Notice. For more guidance on requirements for substantial Action Plan Amendments,

please see Sections IV and VI of this Notice.

As provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by FEMA or the United States Army Corps of Engineers (USACE).

Consistent with the allocation methodology in Appendix A of the Notice, the State of New York must either ensure that: (1) A portion of its allocation is used to address resiliency and local cost share requirements for damage to both the Metropolitan Transportation Authority infrastructure in New York City and the Port Authority of New York and New Jersey; or (2) must demonstrate that such resiliency needs and local cost share has otherwise been met. The State of New Jersey must undertake one of the same actions with regard to the Port Authority. New York City must review the methodology to inform an analysis to address the recovery and resilience needs of the New York City Housing Authority (NYCHA).

III. Timely Expenditure of Funds

The Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee and funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. Approved waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadline will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD.

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Any substantial Action Plan Amendment submitted after the effective date of this Notice is subject to the following requirements:

- Grantee consults with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment; in addition, grantee prepares a comprehensive risk analysis (see section VI(2)(d) of this Notice);
- Grantee amends its citizen participation plan to reflect the requirements of this Notice (e.g., new requirement for a public hearing);
- Grantee publishes a substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices and this Notice;
- HUD sends an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- Grantee signs and returns the grant agreement;
- HUD signs the grant agreement and revises the grantee's line of credit amount (this triggers the two year expenditure deadline for any funds obligated by this grant agreement);
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval as provided for in paragraph (3)(g) of Section VI of this Notice; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

V. Authority To Grant Waivers

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCD Act. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

VI. Applicable Rules, Statutes, Waivers, and Alternative Requirements

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The following requirements apply only to the CDBG–DR funds appropriated in the Appropriations Act.

Grantees may request additional waivers and alternative requirements to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, regulatory waivers are effective five days after publication in the **Federal Register**.

1. *Incorporation of general requirements, waivers, alternative*

requirements, and statutory changes previously described. Grantees are advised that general requirements, waivers and alternative requirements provided for and subsequently clarified or modified in the Prior Notices, apply to all funds under this Notice, except as modified herein. These waivers and alternative requirements provide additional flexibility in program design and implementation to support resilient recovery following Hurricane Sandy, while also ensuring that statutory requirements unique to the Appropriations Act are met. Waivers or alternative requirements previously issued pursuant to specific grantee requests remain in effect under their initial terms.

2. *Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects.* Grantees are advised that HUD will assess the adequacy of a grantee's response to each of the elements outlined in this subsection as a basis for the approval of a substantial Action Plan Amendment that includes infrastructure programs and projects. However, grantees need not resubmit responses to elements approved by HUD unless warranted by changing conditions or if project-specific analysis is required.

Section VI(A)(1) of the March 5, 2013 Notice ("Action Plan for Disaster Recovery waiver and alternative requirement"), as amended by the April 19, 2013 Notice, is modified to require:

a. *Applicability.* The following guidance and criteria are applicable to all infrastructure programs and projects in an Action Plan Amendment submitted to HUD after the effective date of this Notice. Infrastructure programs and projects funded pursuant to the Prior Notices and submitted in an Action Plan Amendment after the effective date of this Notice are also subject to these requirements. The following guidance and criteria are based on recommendations of the Rebuilding Strategy.

b. *Definition of an Infrastructure Project and Related Infrastructure Projects.*

(1) Infrastructure Project: For purposes of this Notice, an infrastructure project is defined as an activity, or a group of related activities, designed by the grantee to accomplish, in whole or in part, a specific objective related to critical infrastructure sectors such as energy, communications, water and wastewater systems, and transportation, as well as other support measures such as flood control. This definition is rooted in the implementing regulations of the National Environmental Policy Act (NEPA) at 40 CFR part 1508 and 24 CFR Part 58. Further, consistent with HUD's NEPA implementing requirements at 24 CFR 58.32(a), in responding to the requirements of this Notice, a grantee must group together and evaluate as a single infrastructure project all individual activities which are related to one another, either on a geographical or functional basis, or are logical parts of a composite of contemplated infrastructure-related actions.

(2) Related Infrastructure Project: Consistent with 40 CFR part 1508, *infrastructure projects* are "related" if they automatically trigger other projects or actions, cannot or will not proceed unless other projects or actions are taken previously or simultaneously, or are interdependent parts of a larger action and depend on the larger action for their justification.

c. *Impact and Unmet Needs Assessment.* The March 5, 2013 Notice required grantees to consult with affected citizens, stakeholders, local governments and public housing authorities to determine the impact of Hurricane Sandy and any unmet disaster recovery needs. Grantees are required to update their impact and unmet needs assessments to address infrastructure projects, or any other projects or activities not previously considered, but for which an unmet need has become apparent.

d. *Comprehensive Risk Analysis.* Each grantee must describe the science-based risk analysis it has or will employ to select, prioritize, implement, and maintain infrastructure projects or activities. At a minimum, the grantee's analysis must consider a broad range of information and best available data, including forward-looking analyses of risks to infrastructure sectors from climate change and other hazards, such as the Northeast United States Regional Climate Trends and Scenarios from the U.S. National Climate Assessment, the Sea Level Rise Tool for Sandy Recovery, or comparable peer-reviewed information, as well as the regional analysis developed in Phase 2 of the Rebuild by Design competition. The grantee should also consider costs and benefits of alternative investment strategies, including green infrastructure options. In addition, the grantee should include, to the extent feasible and appropriate, public health and safety impacts; direct and indirect economic impacts; social impacts; environmental impacts; cascading impacts and interdependencies within and across communities and infrastructure sectors; changes to climate and development patterns that could affect the project or surrounding communities; and impacts on and from other infrastructure systems. The analyses should, wherever possible, include both quantitative and qualitative measures and recognize the inherent uncertainty in predictive analysis. Grantees should work with other grantees to undertake regional risk baseline analyses, to improve consistency and cost-effectiveness.

The description of the comprehensive risk analysis must be sufficient for HUD to determine if the analysis meets the requirements of this Notice.

e. *Resilience Performance Standards.* Using the guidelines in the Rebuilding Strategy, grantees are required to identify and implement resilience performance standards that can be applied to each infrastructure project. The grantee must describe its plans for the development and application of resilience performance standards in any Action Plan Amendment submitted pursuant to this Notice.

f. *Green Infrastructure Projects or Activities.* In any Action Plan Amendment submitted pursuant to this Notice, each grantee must describe its process for the selection and design of green infrastructure projects or activities, and/or how selected projects or activities will incorporate green infrastructure components. For the purposes of this Notice, green infrastructure is defined as the integration of natural systems and processes, or engineered systems that mimic natural systems and processes, into investments in resilient infrastructure. Green infrastructure takes advantage of the services and natural defenses provided by land and water systems such as wetlands, natural areas, vegetation, sand dunes, and forests, while contributing to the health and quality of life of those in recovering communities.

In addition, the HCD Act authorizes public facilities activities that may include green infrastructure approaches that restore degraded or lost natural systems (e.g., wetlands and sand dunes ecosystems) and other shoreline areas to enhance storm protection and reap the many benefits that are provided by these systems. Protecting, retaining, and enhancing natural defenses should be considered as part of any coastal resilience strategy.

g. *Additional Requirements for Major Infrastructure Projects.* Action Plan Amendments that propose a major infrastructure project will not be approved unless the project meets the criteria of this Notice. HUD approval is required for each major infrastructure project with such projects defined as having a total cost of $50 million or

more (including at least $10 million of CDBG–DR funds), or benefits multiple counties. Additionally, two or more *related infrastructure projects* that have a combined total cost of $50 million or more (including at least $10 million of CDBG–DR funds) must be designated as major infrastructure projects. Projects encompassed by this paragraph are herein referred to as "Covered Projects." Prior to funding a Covered Project, the grantee must incorporate each of the following elements into its Action Plan (i.e., via a substantial Action Plan Amendment):

(1) *Identification/Description.* A description of the Covered Project, including: Total project cost (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (i.e., a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to Hurricane Sandy or other disasters cited in this Notice.

(2) *Use of Impact and Unmet Needs Assessment, the Comprehensive Risk Analysis and the Rebuild by Design Collaborative Risk Analysis.* A description of how the Covered Project is supported by the grantee's updated impact and unmet needs assessment, as well as the grantee's comprehensive risk analysis.

The grantee must describe how Covered Projects address the risks, gaps, and vulnerabilities in the region as identified by the comprehensive risk analysis. Grantees must also describe how the collaborative risk analysis developed through the Rebuild by Design initiative has been or will be used for the evaluation of Covered Projects.

(3) *Transparent and Inclusive Decision Processes.* A description of the transparent and inclusive processes that have been or will be used in the selection of a Covered Project(s), including accessible public hearings and other processes to advance the engagement of vulnerable populations. Grantees should demonstrate the sharing of decision criteria, the method of evaluating a project(s), and how all project stakeholders and interested parties were or are to be included to ensure transparency including, as appropriate, stakeholders and parties with an interest in environmental justice or accessibility.

(4) *Long-Term Efficacy and Fiscal Sustainability.* A description of how the grantee plans to monitor and evaluate the efficacy and sustainability of Covered Projects, including how it will reflect changing environmental conditions (such as sea level rise or development patterns) with risk management tools, and/or alter funding sources if necessary.

(5) *Environmentally Sustainable and Innovative Investments.* A description of how the Covered Project(s) will align with the commitment expressed in the President's Climate Action Plan to "identify and evaluate additional approaches to improve our natural defenses against extreme weather, protect biodiversity, and conserve natural resources in the face of a changing climate . . ."

h. *HUD Review of Covered Projects.* HUD may disapprove any Action Plan Amendment that proposes a Covered Project that does not meet the above criteria. In the course of reviewing an Action Plan Amendment, HUD will advise grantees of the deficiency of a Covered Project, and grantees must revise their plans accordingly to secure HUD approval. In making its decision, HUD will consider input from other relevant federal agencies. Each grantee is encouraged to consult with the Regional Coordination Working Group prior to the inclusion of a Covered Project in its Action Plan. HUD will also submit any Covered Project(s) identified in an Action Plan to the Regional Coordination Working Group for comment, and will consider the group's views prior to approval or disapproval of the project(s). Consistent with the Rebuilding Strategy Infrastructure Resilience Guidelines, the goal of this coordination effort is to promote a regional and cross-jurisdictional approach to resilience in which neighboring communities and states come together to: identify interdependencies among and across geography and infrastructure systems; compound individual investments towards shared goals; foster leadership; build capacity; and share information and best practices on infrastructure resilience.

3. *Action Plan for Disaster Recovery waiver and alternative requirement—Housing, Business Assistance, and General Requirements.* The Prior Notices are modified as follows:

a. *Public and assisted multifamily housing.* In the March 5, 2013 Notice, paragraph 1(a)(6) at 78 FR 14334, grantees were required to describe how funds would be used to address the rehabilitation, mitigation and new construction needs of each impacted Public Housing Authority (PHA) within its jurisdiction. In addition to this continuing requirement for PHAs, grantees under this Notice must now describe how they will address the rehabilitation, mitigation and new construction needs of other assisted multifamily housing developments impacted by the disaster, including HUD-assisted multifamily housing, low income housing tax credit (LIHTC) financed developments and other subsidized and tax credit-assisted affordable housing. For CDBG DR purposes, HUD-assisted multifamily housing continues to be defined by paragraph VI.A.1.a. (1) of the March 5, 2013 Notice at 78 FR 14332. Grantees should focus on protecting vulnerable residents and should consider measures to protect vital infrastructure (e.g., HVAC and electrical equipment) from flooding. Grantees are strongly encouraged to provide assistance to PHAs and other assisted and subsidized multifamily housing to help them elevate critical infrastructure and rebuild to model resilient building standards. Examples of such standards include the I-Codes developed by the International Code Council (ICC), the Insurance Institute for Business and Home Safety (IBHS) FORTIFIED home programs, and standards under development by the American National Standards Institute (ANSI) and the American Society of Civil Engineers (ASCE).

b. *Liquid Fuel Supply Chain Assistance.* The March 5, 2013 Notice, paragraph (d)(3) at 78 FR 14335, and paragraph 41 at 78 FR 14347, are amended, as necessary, to require the following: If a grantee provides CDBG–DR assistance to a small business in the liquid fuel supply chain, the award agreement must require the adoption of measures to mitigate impacts to the liquid fuel supply chain during future disasters. Risk mitigation measures should include processes or methods to ensure that fueling stations along critical evacuation routes remain functional, or quickly restore functionality, during power outages. This requirement applies to any small business in the liquid fuel supply chain that applies for CDBG–DR assistance after the effective date of this Notice. Grantees are reminded that pursuant to the March 5, 2013 Notice, grantees are prohibited from assisting businesses, including private utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121 and as further modified by this Notice. Please review the modified definition of a small business in paragraph 10 of this section of the Notice, particularly with regard to businesses covered by this section.

c. *Certification of proficient controls, processes and procedures.* The

Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. Grantees submitted this certification pursuant to paragraph VI.E.42(q) of the March 5, 2013 Notice. In any Action Plan Amendment submitted after the effective date of this Notice, grantees are required to identify any material changes in its processes or procedures that could potentially impact the Secretary's or the grantee's prior certification. Grantees are advised that HUD may revisit any prior certification based on a review of an Action Plan Amendment submitted for this allocation of funds, as well as monitoring reports, audits by HUD's Office of the Inspector General, citizen complaints or other sources of information. As a result of HUD's review, the grantee may be required to submit additional documentation or take appropriate actions to sustain the certification.

d. *Certification of Resilience Standards.* Paragraph 42 at 78 FR 14347 of the March 5, 2013 Notice is amended to additionally require the grantee to certify that it will apply the resilience standards required in section VI (2)(e) of this Notice.

e. *Amending the Action Plan.* Paragraph 1(k) at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to submit a substantial Action Plan Amendment to HUD within 120 days of the effective date of this Notice. All Action Plan Amendments submitted after the effective date of this Notice must be prepared in accordance with the Prior Notices, as modified by this Notice. In addition, they must budget all, or a portion, of the funds allocated under this Notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date that grantees may submit an Action Plan Amendment is June 1, 2017 given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

f. *HUD Review/Approval.* Consistent with the requirements of section 105(c) of the Cranston-Gonzalez National Affordable Housing Act, HUD will review each grantee's substantial Action Plan Amendment within 60 days from the date of receipt. This timeframe allows HUD's federal partners to view the Amendment and provide feedback. The Secretary may disapprove an Amendment if it is determined that it does not meet the requirements of the Prior Notices, as amended by this Notice. Once an Amendment is approved, HUD will issue a revised grant agreement to the grantee.

g. *Projection of expenditures and outcomes.* Paragraph 1(l) at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to amend its Action Plan to update its projection of expenditures and outcomes within 90 days of its Action Plan Amendment approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Projections should include the entire amount allocated by this Notice. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on preparing the projections is available on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi/afwa.*

4. *Citizen participation waiver and alternative requirement.* Paragraph 3 at 78 FR 14338 of the March 5, 2013 Notice is modified to require grantees to publish substantial Action Plan Amendments for comment for 30 days prior to submission to HUD. Grantees are reminded of both the citizen participation requirements of that Notice and that HUD will monitor grantee compliance with those requirements and the alternative requirements of this Notice. In addition, this Notice establishes the requirement that at least one public hearing must held regarding any substantial Action Plan Amendment submitted after the effective date of this Notice, including any subsequent substantial amendment proposing or amending a Covered Project. Citizens and other stakeholders must have reasonable and timely access to these public hearings. Grantees are encouraged to conduct outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities, to encourage public attendance at the hearings and the submission of written comments concerning the Action Plan Amendment.

The grantee must continue to make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request and the grantee must make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency, in accordance with the requirements of the March 5, 2013 Notice. Grantees are also encouraged to outreach to local nonprofit and civic organizations to disseminate substantial Action Plan Amendments submitted after the effective date of this Notice. During the term of the grant, the grantee must provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds. This objective should be achieved through effective use of the grantee's comprehensive Web site mandated by the Appropriations Act.

5. *Reimbursement of disaster recovery expenses.* In addition to pre-award requirements described in the March 5, 2013 Notice, grantees are subject to HUD's guidance issued July 30, 2013—"Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants" (CPD Notice 2013–05). The CPD Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/documents/huddoc?id=cdbg_preaward_notice.pdf.*

6. *Duplication of benefits.* In addition to the requirements described in the March 5, 2013 Notice and the **Federal Register** Notice published November 16, 2011 (76 FR 71060), grantees receiving an allocation under this Notice are subject to HUD's guidance issued July 25, 2013—"Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance". This guidance is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program offices/administration/hudclips/notices/cpd*

7. *Eligibility of needs assessment and comprehensive risk analysis costs.* Grantees may use CDBG–DR funds to update their impact and unmet needs assessments and to develop the comprehensive risk analysis for infrastructure projects required by this Notice, consistent with the overall 20 percent limitation on the use of funds for planning, management and administrative costs.

8. *Eligibility of mold remediation costs.* Mold remediation is an eligible CDBG–DR rehabilitation activity (see the HCD Act, e.g., 42 U.S.C. 5305(a)(4)). Like other eligible activities, however, the activity encompassing mold remediation must address a direct or indirect impact caused by the disaster.

9. *Eligibility of public services and assistance to impacted households.* Grantees are reminded that households impacted by Hurricane Sandy and other qualifying events in 2011, 2012 and 2013, may be assisted as part of an eligible public service activity, subject to applicable CDBG regulations. Public service activities often address needs such as employment and training, child care, health, etc. Income payments, defined as a series of subsistence-type grant payments are made to an individual or family for items such as food, clothing, housing, or utilities, are generally ineligible for CDBG–DR assistance. However, per the CDBG regulations, grantees may make emergency grant payments for up to three consecutive months, to the provider of such items or services on behalf of an individual or family.

Additionally, as provided by the HCD Act, funds for public services activities may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, the activity must still meet a national objective and address all applicable CDBG cross-cutting requirements.

10. *Small business assistance—Modification of the alternative requirement to allow use of the Employer Identification Number (EIN).* In the March 5, 2013 Notice, the Department instituted an alternative requirement to the provisions at 42 U.S.C. 5305(a) prohibiting grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by Small Business Administration (SBA) at 13 CFR part 121 in order to target assistance to the businesses most responsible for driving local and regional economies. To determine whether an entity is a small business under the SBA definition, the grantee must take into account all of its affiliations. Typically, companies that have common ownership or management are considered affiliated. Per the SBA regulations, if businesses are affiliated, the number of jobs and revenue for those businesses must be aggregated. However, this could preclude a number of small businesses from receiving assistance—particularly in cases where one or more persons have control (i.e., ownership or management) of multiple small businesses that each have separate employer identification numbers (EIN), file separate tax returns, or even operate in different industries. Thus, HUD is modifying its definition of a small business: Businesses must continue to meet the SBA requirements at 13 CFR part 121 to be eligible for CDBG–DR assistance, except that the size standards will only apply to each EIN. Businesses that share common ownership or management may be eligible for CDBG–DR assistance, as long as each business with a unique EIN meets the applicable SBA size standards.

11. *Eligibility of Local Disaster Recovery Manager costs.* Consistent with the recommendation of the Rebuilding Strategy, grantees may use CDBG–DR funds to fill Local Disaster Recovery Manager (LDRM) positions, which are recommended by the National Disaster Recovery Framework. Additional information about the National Disaster Recovery Framework can be found at *http://www.fema.gov/long-term-recovery.* A LDRM may coordinate and manage the overall long-term recovery and redevelopment of a community, which includes the local administration and leveraging of multiple federally-funded projects and programs. A LDRM may also ensure that federal funds are used properly, and can help local governments address the need for long-term recovery coordination. For additional guidance, grantees should consult the CPD Notice "Allocating Staff Costs between Program Administration Costs vs. Activity Delivery Costs in the Community Development Block Grant (CDBG) Program for Entitlement Grantees, Insular Areas, Non-Entitlement Counties in Hawaii, and Disaster Recovery Grants," at: *http://portal.hud.gov/huddoc/13-07cpdn.pdf.*

VII. Mitigation and Resilience Methods, Policies, and Procedures

Executive Order 13632 established the Hurricane Sandy Rebuilding Task Force. The Task Force was charged with identifying and working to remove obstacles to resilient rebuilding while taking into account existing and future risks and promoting the long-term sustainability of communities and ecosystems in the Sandy-affected region. The Task Force was further tasked with the development of a rebuilding strategy, which was released on August 19, 2013. The Executive Order directs HUD and other federal agencies, to the extent permitted by law, to align its relevant programs and authorities with the Rebuilding Strategy. The requirements set forth elsewhere in this Notice related to the selection of infrastructure projects and assistance to public and assisted multifamily housing reflect recommendations in the Rebuilding Strategy. To further address these recommendations, each grantee is strongly encouraged to incorporate the following components into its long term strategy for recovery from Hurricane Sandy, and to reflect the incorporation of these components, to the extent appropriate, in Action Plan Amendments.

1. *Regional environmental review and permitting; opportunities to expedite environmental review.* To expedite environmental review and permitting for critical infrastructure projects in the Sandy-affected region, and ensure that the most complex projects are delivered as efficiently as possible, the Rebuilding Strategy recommended and federal agencies have created the Sandy Regional Infrastructure Permitting and Review Team. This interagency body will help to ensure that projects or activities funded by the Appropriations Act, including CDBG–DR funds, will incorporate best practices and align federal and state processes where appropriate. It is expected that this coordination will lead to considerable savings in time and cost. Where appropriate, grantees should identify opportunities to expedite and improve other types of review processes, including historic review and other environmental analyses, through programmatic agreements or consultation, and through participation in the Regional Coordination Working group referenced in Section VI (2) of this Notice. HUD will be providing additional guidance on the operation of both the Permitting and Review Team and the Regional Coordination Working Group.

2. *Small business assistance.* To support small business recovery, grantees are encouraged to work with, and/or fund, small business assistance organizations that provide direct and consistent communication about disaster recovery resources to affected businesses. Selected organizations should have close relationships with local businesses and knowledge of their communities' needs and assets. In addition, grantees may support outreach efforts by a Community Development Finance Institution (CDFI) to small businesses in vulnerable communities.

3. *Energy Infrastructure.* Where necessary for recovery, CDBG–DR funds may be used to support programs, projects and activities to enhance the resiliency of energy infrastructure. Energy infrastructure includes

electricity transmission and distribution systems, including customer-owned generation where a significant portion of the generation is provided to the grid; and liquid and gaseous fuel distribution systems, both fixed and mobile. CDBG–DR recipients may use funds from this allocation for recovery investments that enhance the resiliency of energy infrastructure so as to limit potential damages and future disturbance and thus reduce the need for any future federal assistance under such an event. CDBG–DR funds may be used to support public-private partnerships to enhance the resiliency of privately-owned energy infrastructure, if the CDBG–DR assisted activities meet a national objective and can be demonstrated to relate to recovery from the direct or indirect effects of Hurricane Sandy or other eligible disasters under this Notice. Such projects may include microgrids or energy banks that may provide funds to entities consistent with all applicable requirements. Grantees should review DOE's report, "U.S. Energy Sector Vulnerabilities to Climate Change and Extreme Weather," available at: *http://energy.gov/sites/prod/files/2013/07/f2/20130716-Energy%20Sector%20Vulnerabilities%20Report.pdf.* This report assesses vulnerabilities and provides guidance on developing a new approach for electric grid operations. In developing this component of its long term recovery plan, grantees are reminded that pursuant to the March 5, 2013 Notice, grantees are prohibited from assisting businesses that do not meet the definition of a small business as defined by SBA at 13 CFR part 121 and as further modified by this Notice. The March 5, 2013 Notice also prohibits assistance to private utilities.

4. *Providing jobs to local workforce.* In complying with Section 3 of the Housing and Urban Development Act of 1968, grantees are encouraged to continue efforts, through specialized skills training programs and other initiatives, to: (a) Employ very-low and low-income individuals; and (2) award contracts to local businesses, for Hurricane Sandy rebuilding and rebuilding from other eligible disasters under this Notice (e.g., mold remediation and construction (including elevation), ecosystem and habitat restoration, green infrastructure and coastal engineering).

5. *Project labor agreements.* Executive Order 13502 (Use of Project Labor Agreements for Federal Construction Projects) governs the use of project labor agreements for large-scale construction projects procured by the federal government. Similarly, grantees are encouraged to make use of Project Labor Agreements (PLAs) on large-scale construction projects in areas responding to disasters. Public housing authorities receiving CDBG–DR funds are governed by PLA requirements established by the Department's Office of Public and Indian Housing. Executive Order 13502 can be found at: *http://www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreementsfederal-construction-projects.*

6. *Mitigating future risk.* Grantees should include programs to implement voluntary buyout programs or elevate or otherwise flood-proof all structures that were impacted by the disaster (whether they are homes, businesses or utilities) to mitigate flood or sea level rise risk as indicated by relevant data sources. Reducing risk is essential to the economic well-being of communities and business and is therefore an essential part of any disaster recovery. Elevating at least one foot higher than the latest FEMA-issued base flood elevation or best available data (which includes advisory base flood elevation data), as required by the April 19, 2013 Notice has the added benefit of making flood insurance more affordable, particularly for economically disadvantaged home and business owners. The relevant data source and best available data under Executive Order 11988 is the latest FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps. Thus, in addition to the elevation requirements of the April 19, 2013 Notice, the Department strongly encourages grantees to elevate all structures impacted by the disaster (including housing), even those requiring repairs of low or moderate damage, in addition to those requiring substantial rehabilitation in response to Hurricane Sandy. FEMA maps are available here: *https://msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=10001&langId=-1.* Additional Hurricane Sandy-specific information can be found here: *http://www.region2coastal.com/sandy/table.*

In addition, all rehabilitation projects should apply appropriate construction standards to mitigate risk, which may include: (a) Raising utilities or other mechanical devices above expected flood level; (b) wet flood proofing in a basement or other areas below ABFE/best available data + 1 foot; (c) using water resistant paints or other materials; or (d) dry flood proofing non-residential structures by strengthening walls, sealing openings, or using waterproof compounds or plastic sheeting on walls to keep water out.

Grantees are reminded of the mandatory mitigation requirements described in the April 19, 2013 Notice. That is, reconstruction and substantial improvement projects located in a floodplain, according to the best available data as defined above, must be designed using the base flood elevation plus one foot as the baseline standard for lowest floor elevation. If higher elevations are required by locally adopted code or standards, those higher standards apply.

In addition to the mandatory requirements of the April 19, 2013 Notice, grantees may also engage in voluntary risk mitigation measures. For example, instead of elevating non-residential structures that are not critical actions, as defined at 24 CFR 55.2(b)(2), grantees may design and construct the project such that below the flood level, the structure is flood proofed to the level of the best available base flood data plus one foot. Flood proofing requires structures to be water tight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic loads, hydrodynamic loads, the effects of buoyancy, or higher standards required by the FEMA National Flood Insurance Program as well as state and locally adopted codes.

In undertaking mitigation activities, grantees are also encouraged to include projects identified that are ultimately identified through the Rebuild by Design initiative referenced in Section I of this Notice.

7. *Leveraging funds and evidence-based strategies.* Grantees are encouraged, where appropriate, to leverage grant funds with public and private funding sources—including through infrastructure banks, Community Development Finance Institutions, and other intermediaries—and to make use of evidence-based strategies, including social impact bonds and other pay-for-success strategies.

VIII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice is as follows: 14.269.

Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section

102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: November 12, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

The first allocation of $5.4 billion for Disaster Recovery needs associated with Sandy was based on preliminary data associated with unmet housing and business needs. The second allocation of $5.1 billion reflects updated housing and business unmet needs that have more complete information on insurance coverage, infrastructure data from FEMA, the Department of Transportation, and the Corps of Engineers.

This allocation is calculated is based on relative share of needs HUD has estimated are required to rebuild to a higher standard consistent with CDBG program requirements and the goals set forth in the Hurricane Sandy Rebuilding Strategy.

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as well as a "resiliency" amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed homes, businesses, and infrastructure to pre-storm conditions. The repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. The formula allocation is made proportional to those calculated severe unmet needs.

Available Data

The "best available" data HUD staff have identified as being available to calculate unmet needs at this time for the targeted disasters come from the following data sources:

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss;
- FEMA, Department of Transportation, and Corps of Engineers data on infrastructure; and
- Action Plans and supplemental data submitted by Sandy CDBG Grantees.

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program. For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program. HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected *real property* damage.
  - Minor-High: $3,000 to $7,999 of FEMA inspected *real property* damage.
  - Major-Low: $8,000 to $14,999 of FEMA inspected *real property* damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $15,000 to $28,800 of FEMA inspected *real property* damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected *real property* damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of "most impacted" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need "gap" is 20 percent of the difference between total damage and the FEMA grant.

- FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMA inspected renter units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $1,000 of FEMA inspected *personal property* damage.
  - Minor-High: $1,000 to $1,999 of FEMA inspected *personal property* damage.
  - Major-Low: $2,000 to $3,499 of FEMA inspected *personal property* damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $3,500 to $7,499 of FEMA inspected *personal property* damage or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $7,500 of FEMA inspected *personal property* damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

For rental properties, to meet the statutory requirement of "most impacted" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 1 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

- The median cost to fully repair a home for a specific disaster *to code* within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

Calculating Unmet Infrastructure Needs

- To proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement. This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C-Roads and Bridges; D-Water Control Facilities; E-Public Buildings; F-Public Utilities; and G-Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not county), CDBG funding allocated by the estimate of unmet infrastructure needs are sub-allocated to New York City from the New York State total based on the distribution of initial project-level estimates obtained from FEMA.

For the second round of CDBG–DR funding for Sandy recovery, HUD included three additional sources of information:

1. US Army Corps of Engineers (USACE) Infrastructure Resilience Coordination. Many USACE Sandy projects require very high local cost shares. However, Federal requirements only allow grantees to no more than $250,000 of CDBG–DR funding towards local match requirements for these projects. As such, this calculation only includes $250,000 per USACE project where local match is higher than that amount.

2. DOT, Federal Highway Administration (FHWA) Sandy Recovery Grants—Emergency

Relief (ER). We include an estimate of the local cost share from this program. To calculate this estimate, we only include 20% of non-quick release Sandy ER project estimates as of July 2013.

3. DOT, Federal Transit Administration (FTA) Transit Emergency Relief (ER). We include the 10% local cost share for these transit projects. Note, since much of the New York City transit damage is owned by a state organization, the Metropolitan Transportation Authority, New York State receives the vast majority of need from this grant. Also note that the State of New Jersey receives 66% of the local match requirement from the Port Authority's match requirement; New York State receives 34% of the Authority's match requirement.

Calculating Economic Revitalization Needs

- Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.
- Because applications denied for poor credit or income are the most likely measure of needs requiring the type of assistance available with CDBG–DR funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $30,000 are considered severe damage for purposes of identifying the most impacted areas.
  - Category 1: real estate + content loss = below 12,000
  - Category 2: real estate + content loss = 12,000 – 30,000
  - Category 3: real estate + content loss = 30,000 – 65,000
  - Category 4: real estate + content loss = 65,000 – 150,000
  - Category 5: real estate + content loss = above 150,000
- To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage *Resiliency Needs*.

CDBG Disaster Recovery Funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For Sandy, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future storms do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied it estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent. Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate at 30 percent of damage is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs. Data on damage to public housing for purpose of calculating resiliency need was based on damage estimates from both FEMA and HUD's Office of Public and Indian Housing.

[FR Doc. 2013–27506 Filed 11–15–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5738–N–01]

Statutorily Mandated Designation of Difficult Development Areas for 2014

AGENCY: Office of the Secretary, HUD.

ACTION: Notice.

SUMMARY: This notice designates "Difficult Development Areas" (DDAs) for purposes of the Low-Income Housing Tax Credit (LIHTC) under Section 42 of the Internal Revenue Code of 1986 (IRC). The United States Department of Housing and Urban Development (HUD) makes new DDA designations annually. In addition to announcing the 2014 DDA designations, this notice announces a change in the designation methodology for metropolitan DDAs, beginning with the 2016 designations. The revised methodology will use Small Area Fair Market Rents (SAFMRs), rather than metropolitan-area Fair Market Rents (FMRs), for designating metropolitan DDAs and was originally described in a notice published in the **Federal Register** on Thursday, October 27, 2011.

The designations of "Qualified Census Tracts" (QCTs) under IRC Section 42, published on April 20, 2012, remain in effect.

FOR FURTHER INFORMATION CONTACT: For questions on how areas are designated and on geographic definitions, contact Michael K. Hollar, Senior Economist, Economic Development and Public Finance Division, Office of Policy Development and Research, U.S. Department of Housing and Urban Development, at 451 Seventh Street SW., Room 8234, Washington, DC 20410–6000; telephone number 202–402–5878 or email address *Michael.K.Hollar@hud.gov.* For specific legal questions pertaining to Section 42, contact Branch 5, Office of the Associate Chief Counsel, Passthroughs and Special Industries, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224; telephone number 202–622–3040, fax number 202–622–4753. For questions about the "HUB Zones" program, contact Mariana Pardo, Assistant Administrator for Procurement Policy, Office of Government Contracting, U.S. Small Business Administration, at 409 Third Street SW., Suite 8800, Washington, DC 20416; telephone number 202–205–8885, fax number 202–205–7167, or send an email to *hubzone@sba.gov.* A text telephone is available for persons with hearing or speech impairments, at 202–708–8339. (The previous are not toll-free telephone numbers.) Additional copies of this notice are available through HUD User at 800–245–2691 (this is a toll-free number) for a small fee to cover duplication and mailing costs.

Copies Available Electronically: This notice and additional information about DDAs and QCTs are available on the Internet at: *http://www.huduser.org/datasets/qct.html.*

SUPPLEMENTARY INFORMATION: This notice designates DDAs for each of the 50 states, the District of Columbia, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands. The designations of DDAs in this notice are based on final Fiscal Year (FY) 2013 Fair Market Rents (FMRs), FY2013 income limits, and 2010 Census population counts.

This notice also announces the adoption of a revised methodology, beginning with the 2016 metropolitan DDA designations, which will be the first to rely on the use of Small Area FMRs, estimated at the ZIP-code level and based on the relationship of ZIP-code rents to metropolitan-area rents, as the housing cost component of the DDA formula, rather than metropolitan-area FMRs. This revised methodology was first described in a **Federal Register** notice published on October 27, 2011 (76 FR 66741), entitled "Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts for 2012."

2010 Census, 2000 Census, and Metropolitan Area Definitions

Data from the 2010 Census on total population of metropolitan areas and nonmetropolitan areas are used in the designation of DDAs. The Office of Management and Budget (OMB) first published new metropolitan area definitions incorporating 2000 Census data in OMB Bulletin No. 03–04 on June 6, 2003, and updated them periodically through OMB Bulletin No. 10–02 on December 1, 2009. FY2013 FMRs and FY2013 income limits used to designate DDAs are based on these Metropolitan

should never use E-Verify for reverification.

Note to All Employers

Employers are reminded that the laws requiring proper employment eligibility verification and prohibiting unfair immigration-related employment practices remain in full force. This Notice does not supersede or in any way limit applicable employment verification rules and policy guidance, including those rules setting forth reverification requirements. For general questions about the employment eligibility verification process, employers may call USCIS at 888–464–4218 (TTY 877–875–6028) or email USCIS at *I-9Central@dhs.gov*. Calls and emails are accepted in English and many other languages. For questions about avoiding discrimination during the employment eligibility verification process, employers may also call the U.S. Department of Justice, Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC) Employer Hotline at 800–255–8155 (TTY 800–237–2515), which offers language interpretation in numerous languages, or email OSC at *osccrt@usdoj.gov*.

Note to Employees

For general questions about the employment eligibility verification process, employees may call USCIS at 888–897–7781 (TTY 877–875–6028) or email at *I-9Central@dhs.gov*. Calls are accepted in English and many other languages. Employees or applicants may also call the U.S. Department of Justice, Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC) Worker Information Hotline at 800–255–7688 (TTY 800–237–2515) for information regarding employment discrimination based upon citizenship, immigration status, or national origin, or for information regarding discrimination related to Employment Eligibility Verification (Form I–9) and E-Verify. The OSC Worker Information Hotline provides language interpretation in numerous languages.

To comply with the law, employers must accept any document or combination of documents from the Lists of Acceptable Documents if the documentation reasonably appears to be genuine and to relate to the employee, or an acceptable List A, List B, or List C receipt described in the Employment Eligibility Verification (Form I–9) Instructions. Employers may not require extra or additional documentation beyond what is required for Employment Eligibility Verification (Form I–9) completion. Further, employers participating in E-Verify who receive an E-Verify case result of "Tentative Nonconfirmation" (TNC) must promptly inform employees of the TNC and give such employees an opportunity to contest the TNC. A TNC case result means that the information entered into E-Verify from Employment Eligibility Verification (Form I–9) differs from the Social Security Administration, DHS, or DOS records. Employers may not terminate, suspend, delay training, withhold pay, lower pay or take any adverse action against an employee based on the employee's decision to contest a TNC or because the case is still pending with E-Verify. A Final Nonconfirmation (FNC) case result is received when E-Verify cannot verify an employee's employment eligibility. An employer may terminate employment based on a case result of FNC. Work-authorized employees who receive an FNC may call USCIS for assistance at 888–897–7781 (TTY 877–875–6028). An employee that believes he or she was discriminated against by an employer in the E-Verify process based on citizenship or immigration status, or based on national origin, may contact OSC's Worker Information Hotline at 800–255–7688 (TTY 800–237–2515).. Additional information about proper nondiscriminatory Employment Eligibility Verification (Form I–9) and E-Verify procedures is available on the OSC Web site at *http://www.justice.gov/crt/about/osc/* and the USCIS Web site at *http://www.dhs.gov/E-verify*.

Note Regarding Federal, State, and Local Government Agencies (Such as Departments of Motor Vehicles)

While Federal government agencies must follow the guidelines laid out by the Federal government, state and local government agencies establish their own rules and guidelines when granting certain benefits. Each state may have different laws, requirements, and determinations about what documents you need to provide to prove eligibility for certain benefits. Whether you are applying for a Federal, state, or local government benefit, you may need to provide the government agency with documents that show you are a TPS beneficiary and/or show you are authorized to work based on TPS. Examples are:

(1) Your unexpired EAD that has been automatically extended, or your EAD that has not expired;

(2) A copy of this **Federal Register** Notice if your EAD is automatically extended under this Notice;

(3) A copy of your Application for Temporary Protected Status Notice of Action (Form I–797) for this re-registration;

(4) A copy of your past or current Application for Temporary Protected Status Notice of Action (Form I–797), if you received one from USCIS; and/or

(5) If there is an automatic extension of work authorization, a copy of the fact sheet from the USCIS TPS Web site that provides information on the automatic extension.

Check with the government agency regarding which document(s) the agency will accept. You may also provide the agency with a copy of this **Federal Register** Notice.

Some benefit-granting agencies use the USCIS Systematic Alien Verification for Entitlements Program (SAVE) to verify the current immigration status of applicants for public benefits. If such an agency has denied your application based solely or in part on a SAVE response, the agency must offer you the opportunity to appeal the decision in accordance with the agency's procedures. If the agency has received and acted upon or will act upon a SAVE verification and you do not believe the response is correct, you may make an InfoPass appointment for an in-person interview at a local USCIS office. Detailed information on how to make corrections, make an appointment, or submit a written request can be found at the SAVE Web site at *http://www.uscis.gov/save*, then by choosing "How to Correct Your Records" from the menu on the right.

[FR Doc. 2014–24560 Filed 10–15–14; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–11]

Third Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Hurricane Sandy

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises the public of a third allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed

areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013. This allocation provides $2,504,017,000 to assist Hurricane Sandy recovery. Included in this allocation is $930,000,000 to implement projects from the HUD-sponsored Rebuild by Design competition, described in **Federal Register** Notices 78 FR 45551 (July 29, 2013), and 78 FR 52560 (August 23, 2013). The first and second allocations for recovery from Hurricane Sandy totaling $10,509,000,000 were published, together with program requirements, at 78 FR 14329 (March 5, 2013) and 78 FR 69104 (November 18, 2013). Additional notices at 78 FR 23578, 78 FR 46999, 79 FR 17173, and 79 FR 40133 have provided clarifying guidance, additional waivers, and alternative requirements. This third allocation brings total funding to recover from the impacts of Hurricane Sandy and other eligible events in the Sandy-affected region to $13,013,017,000. The Notice also establishes requirements governing the use of these funds.

DATES: *Effective Date:* October 21, 2014.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation and Related Information

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term "grantee" refers to any jurisdiction receiving a direct award from HUD under this Notice.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. Through a **Federal Register** Notice published March 5, 2013, the Department allocated $5.4 billion for the areas most impacted by Hurricane Sandy (78 FR 14329). On November 18, 2013, HUD allocated an additional $5.1 billion to further assist in recovery from Hurricane Sandy (78 FR 69104). Other Notices have also allocated funds from the Appropriations Act for other major disasters occurring in 2011, 2012 and 2013.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD makes allocations based on the best available data that cover all the eligible affected areas. The initial allocation to Hurricane Sandy grantees was based on unmet housing and economic revitalization needs, while the second allocation also included data on unmet infrastructure restoration needs. This Notice provides the following Round 3 awards totaling $1.574 billion to address unmet recovery needs (See Appendix A for allocation methodology) and allocates $930 million toward proposals developed through the Rebuild by Design competition. The awards for all grantees are as follows:

TABLE 1—HURRICANE SANDY ALLOCATIONS

Grantee	First allocation	Second allocation	Third allocation	Rebuild by design	Total funding To date
Connecticut	$71,820,000	$66,000,000	$11,459,000	$10,000,000	$159,279,000
New Jersey	1,829,520,000	1,463,000,000	501,909,000	380,000,000	4,174,429,000
New York	1,713,960,000	2,097,000,000	420,922,000	185,000,000	4,416,882,000
New York City	1,772,820,000	1,447,000,000	639,056,000	355,000,000	4,213,876,000
Rhode Island	3,240,000	16,000,000	671,000	N/A	19,911,000
Maryland	8,640,000	20,000,000	N/A	N/A	28,640,000
Total	5,400,000,000	5,109,000,000	1,574,017,000	930,000,000	13,013,017,000

New York City must expend all funds within New York City. State grantees may expend funds in any county that received a Presidential disaster declaration in 2011, 2012, or 2013 subject to the limitations described in Table 2.

Table 2 identifies a minimum percentage of the third allocation, inclusive of the Rebuild by Design allocation that must be spent in the HUD-identified Hurricane Sandy Most Impacted and Distressed counties. All selected RBD proposals are located in counties previously identified by the Department as the most impacted and distressed pursuant to the **Federal Register** Notice published on March 5, 2013 (78 FR 14329). The opportunity for certain grantees to expend 20 percent of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data for most impacted and distressed areas.

TABLE 2—MOST IMPACTED AND DISTRESSED COUNTIES WITHIN WHICH FUNDS MAY BE EXPENDED

Grantee	Counties from the following major declared disasters are eligible for CDBG–DR funds (FEMA declaration number)	Hurricane Sandy Most Impacted and Distressed counties	Minimum percentage that must be expended in Hurricane Sandy most impacted and distressed counties
New York City	All Counties	All Counties	100
New York	1957, 1993, 4020, 4031, 4085, 4111, 4129	Nassau, Rockland, Suffolk, Westchester, and all Counties in New York City (Bronx, Kings, New York, Queens, Richmond).	80
New Jersey	1954, 4021, 4033, 4039, 4048, 4070, 4086	Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, Union.	80
Connecticut	1958, 4023, 4046, 4087, 4106	Fairfield, New Haven	80
Rhode Island	4027, 4089, 4107	Washington	80

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (79 FR 17173), and July 11, 2014 (79 FR 40133) referred to collectively in this Notice as the "Prior Notices." The Prior Notices are available at:

http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18643.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-11-18/pdf/2013-27506.pdf
http://www.gpo.gov/fdsys/pkg/FR-2014-03-27/pdf/2014-06850.pdf
http://www.gpo.gov/fdsys/pkg/FR-2014-07-11/pdf/2014-16316.pdf

Executive Order 13632, published at 77 FR 74341, established the Hurricane Sandy Rebuilding Task Force, to ensure government- and region-wide coordination to help communities as they are making decisions about long-term rebuilding and to develop a comprehensive rebuilding strategy. Section 5(b) of Executive Order 13632 requires that HUD, "as appropriate and to the extent permitted by law, align [the Department's] relevant programs and authorities" with the Hurricane Sandy Rebuilding Strategy (the Rebuilding Strategy). Accordingly, this Notice is informed by both the Rebuilding Strategy released by the Task Force on August 19, 2013 and Rebuild by Design (RBD), an initiative of the Hurricane Sandy Rebuilding Task Force and HUD and part of the Rebuilding Strategy's recommendation to promote resilience rebuilding through innovation. RBD addresses structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and developed fundable solutions to better protect residents from future disasters. The Rebuilding Strategy and information about RBD can be found, respectively, at:

http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf
http://www.rebuildbydesign.org

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster recovery related purposes. Consistent with the Rebuilding Strategy, it is essential to build communities back stronger and more resilient. This allocation provides additional funds to Sandy-impacted grantees to support investments in resilient recovery.

The Appropriations Act requires that prior to the obligation of CDBG–DR funds, a grantee must submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas. In an Action Plan for Disaster Recovery (Action Plan), grantees must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice and the Prior Notices; and (2) respond to a disaster-related impact. HUD has previously approved an Action Plan for each grantee receiving an allocation of funds in this Notice. Grantees are now directed to submit substantial Action Plan Amendments in order to access funds provided in this Notice. RBD and formula allocations may be included together or in separate Action Plan Amendments. For more information on requirements for substantial Action Plan Amendments, please see Sections IV and VI of this Notice.

As provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by, FEMA or the United States Army Corps of Engineers (USACE).

The Notice published November 18, 2013 (78 FR 69104) imposes additional requirements on certain grantees. The grantees must update the needs assessment component of their Action Plan amendments to reflect current unmet needs, as applicable. The State of New York must either: (1) Ensure that a portion of its allocation is used to address resiliency and local cost share requirements for damage to both the Metropolitan Transportation Authority infrastructure in New York City and the Port Authority of New York and New Jersey; or (2) demonstrate that such resiliency needs and local cost share has otherwise been met. The State of New Jersey must undertake one of these same actions with regard to the Port Authority. In order to demonstrate that resiliency and local cost share requirements have otherwise been met, the substantial Action Plan Amendments submitted by State of New York and the State of New Jersey must include evidence of consultation with the Metropolitan Transportation Authority and the Port Authority of New York and New Jersey, as applicable. New York City must ensure that a portion of its allocation is used to address the recovery and resilience needs of the New York City Housing Authority (NYCHA), or demonstrate that such resiliency needs have otherwise been met.

III. Timely Expenditure of Funds

To ensure the timely expenditure of funds the Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee. Funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance of the deadline justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges necessitating any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget (OMB) has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. If granted, waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadlines will be recaptured by HUD.

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Submission to and review by HUD must follow the process outlined below. HUD approves the Amendment according to criteria identified in the Prior Notices and this Notice.

- Before submitting a substantial Action Plan Amendment, a grantee must consult with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment, and as necessary, update its comprehensive risk analysis;
- Grantee amends its citizen participation plan to reflect the requirements of this Notice, as described in Section VII.3;
- Grantee publishes the proposed substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices and this Notice;
- HUD sends an Action Plan Amendment approval letter. The Secretary may disapprove of the Action Plan Amendment if it is determined that it does not meet the requirements of this Notice or relevant prior Notices. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- HUD sends an amended unsigned grant agreement with revised grant conditions to the grantee; and the grantee signs and returns the amended grant agreement;
- HUD signs the grant agreement amendment and revises the grantee's line of credit amount (this triggers the two year expenditure deadline for any funds obligated by this amended grant agreement) and provides a copy of the executed grant agreement to the grantee;
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under Section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval as provided for in paragraph VII.2.f of this Notice; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update if it has not already completed the update.

V. Authority To Grant Waivers

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCD Act. Regulatory waiver authority is also provided by *24 CFR 5.110, 91.600,* and *570.5*.

VI. Rebuild by Design Allocations, Purpose, and Requirements

Rebuild by Design (RBD) was a planning and design competition to increase resilience in the Sandy-affected region as part of recovery from the storm. The Department conducted the competition under the authority of § 105 of the America COMPETES Reauthorization Act of 2010 (15 U.S.C. 3719). Administered in partnership with philanthropic, academic, and nonprofit organizations, HUD solicited the best talents and ideas from around the world to seek innovative solutions for how communities rebuild and adapt in response to the damage from a disaster and future risks presented by natural hazards and climate change. More regarding the history of the competition can be found in the **Federal Register** at 78 FR 45551, published July 29, 2013, and 78 FR 52560, published August 23, 2013.

The competition resulted in the selection of ten interdisciplinary design teams as finalists to participate in an in-depth process. Ultimately, six proposals were announced as winning proposals in June 2014, representing an award of distinction for the respective design teams.

1. Rebuild by Design Allocations

Under this Notice, the Department is providing $930 million in funds for use toward the implementation of proposals developed through the RBD competition. Unless otherwise provided for in the Prior Notices or in this Notice, the allocated RBD funds are subject to all applicable CDBG requirements. For example, RBD expenditures must be included in each grantee's overall benefit requirement. The specified uses and additional requirements on these allocations are outlined later in this Notice. Grantees are prohibited from spending the funds provided by this allocation for RBD on non-RBD purposes, including other disaster recovery activities.

Allocations for RBD are identified in Table 3 below by proposal:

TABLE 3—REBUILD BY DESIGN ALLOCATIONS BY PROPOSAL

Grantee	Proposal	Location	RBD CDBG–DR Allocation
State of New Jersey	New Meadowlands	Meadowlands	$150,000,000
State of New Jersey	Resist, Delay, Store, Discharge	Weehawken/Hoboken/Jersey City	230,000,000
State of New York	Living with the Bay	Nassau County	125,000,000
State of New York	Living Breakwaters	Staten Island	60,000,000
New York City	The Big U	Manhattan/Lower East Side	335,000,000
New York City	Hunts Point Lifelines	South Bronx/Hunts Point	20,000,000
State of Connecticut	Resilient Bridgeport	Bridgeport	10,000,000

As part of the RBD competition process, each design team worked closely with each respective grantee to ensure that design solutions within the proposals were consistent with the grantee's recovery goals and priorities.

2. Purpose of RBD Allocations and Required Actions

Each selected proposal from the RBD competition is comprised of multiple phases, which collectively represent a larger master plan. For each selection, the multiple phases collectively are referred to in this Notice as the selected RBD proposal. For purposes of the RBD-related sections of this Notice, HUD is referring to the first phase, portion of a phase, or pilot project of each selected proposal as an "RBD Project." Each of these RBD Projects can be implemented to provide independent, meaningful risk reduction and assist in recovery. Successful implementation of RBD Projects will require collaboration within and among various levels of government (including, but not limited to, the environmental review and permitting process). In addition, implementation of RBD Projects may require engagement with private-sector, nonprofit, and philanthropic entities as part of an overall financing strategy.

At a minimum, grantees must use the specific allocation for each selected RBD proposal to undertake the following actions:

a. Implement each RBD Project identified in Section VI.3 consistent with the proposal selected through the RBD competition process, to the greatest extent practicable and appropriate, considering the technical, fiscal, environmental, legal, and other constraints or opportunities that may be encountered. CDBG–DR funds must be used to implement the RBD Project, including research, study, analysis, planning, citizen participation, design, and engineering activities or other activities (i.e., pre-development activities) that are necessary and reasonable to achieve RBD Project implementation as well as site work and RBD Project construction (i.e. development activities). The Department recognizes that the amount of CDBG–DR allocated to each proposal may not be sufficient to fully build-out the RBD Project. Accordingly, grantees must describe the major or primary RBD Project elements that they will develop further for implementation according to the total amount of funding (HUD and non-HUD funds) that can be reasonably anticipated as part of the RBD Action Plan Amendment process described in Section VI.4. In order to meet the requirements of this Notice, the RBD Project, when completed, must achieve independent utility.

b. Undertake planning activities necessary at the RBD Project- and selected RBD proposal-level. Planning at the RBD Project level is necessary for the continued design and ultimate construction of the RBD Project activities. Planning at the selected RBD proposal level is necessary to ensure that the completed RBD Project will have appropriate continuity and connection to implementation of subsequent phases of the selected RBD proposal or other resilience plans and strategies. Selected RBD proposal-level planning must include development of an implementation strategy, including identification of potential funding sources and financing mechanisms, to continue the subsequent phase or phases of the selected RBD proposal. RBD Project-level planning should examine potential displacement of residents, businesses, and other entities due to potentially increasing costs of rent and property ownership in the years following the completion of the RBD Project (e.g., gentrification). Consideration should also be given to actions for mitigating the impacts of such displacement.

c. Develop an implementation case study and lessons learned document, recording the implementation process for each RBD Project, to be submitted to HUD prior to grant close-out. The Department anticipates that new and creative coordination structures, partnerships, and decision-making processes may be developed during the implementation process and will use these case studies and lessons learned documents to inform future recovery efforts. Grantees must develop this document using a scope and methodology acceptable to the Department. HUD will work with grantees to develop an acceptable format for this document.

The Department also encourages grantees to secure additional funding to implement other phases or portions of the selected RBD proposals and to consider increasing the scale, effectiveness, impact, or scope of the RBD Projects identified in this Notice. If the allocated RBD funding permits a grantee to implement additional phases or portions of the selected RBD proposal beyond the RBD Project identified in the grantee's approved Action Plan Amendment, the grantee must, again, seek HUD approval through the substantial RBD Action Plan Amendment Process described in Section VI.4 below.

3. RBD Project Descriptions

Descriptions of the RBD Projects to be funded with these allocations can be found on the RBD Web site (*www.rebuildbydesign.org*) according to the names below:

a. State of New Jersey: Meadowlands

CDBG–DR funds are provided to assist in the implementation of the first phase ("Pilot 1") of the proposal titled "New Meadowlands." Pilot 1 includes Little Ferry, Moonachie, Carlstadt, Teterboro, and a portion of South Hackensack.

b. State of New Jersey: Weehawken/Hoboken/Jersey City

CDBG–DR funds are provided to assist in the implementation of the first phase ("Phase 1") of the proposal titled "Resist, Delay, Store, Discharge."

c. State of New York: Nassau County

CDBG–DR funds are provided to assist in the implementation of the first phase ("Slow Streams") of the proposal titled "Living with the Bay." Slow Streams runs along the Mill River and through Rockville Centre.

d. State of New York: Staten Island

CDBG–DR funds are provided to assist in the implementation of the first phase ("Tottenville Pilot") of the proposal titled "Living Breakwaters." Tottenville Pilot is located along the South Shore.

e. New York City: Manhattan/Lower East Side

CDBG–DR funds are provided to assist in the implementation of the first phase ("Compartment 1: East River Park") of the proposal titled "BIG U."

f. New York City: South Bronx/Hunts Point

CDBG–DR funds are provided to assist in implementation of the proposal titled "Hunts Point Lifelines." The amount of CDBG–DR funds allocated pursuant to this Notice is not sufficient to fully fund the first phase of the proposal. Therefore, funding is to be used for continued study, analysis, planning, and community engagement as well as for design, engineering, and construction of a pilot project, as yet undefined. For purposes of this allocation, this pilot project will be considered the RBD Project for this selected RBD proposal. In order to allow the time necessary for engagement of community stakeholders regarding selection of a pilot project, the pilot project does not need to be identified in the initial Action Plan Amendment submitted in response to this Notice; however the grantee must describe the planning activity and certify that it will complete the pilot project in its initial Action Plan Amendment. Once the pilot project is identified by the City, the City must then submit a substantial Action Plan Amendment that incorporates the pilot project in order for project-related funds to be obligated.

g. State of Connecticut: Bridgeport

CDBG–DR funds are provided to assist in implementation of the finalist proposal titled "Resilient Bridgeport." Although the proposal for Bridgeport was not selected as a winning proposal, funds are being allocated to reduce flood risk for the most vulnerable public housing stock in the city and to leverage significant match funding from the State of Connecticut and other local funds. The Department recognizes that additional planning is required to re-assess and re-scope one or more elements of the proposal to identify a pilot project that can be implemented and that the forthcoming project may require greater deviation from the proposal as submitted relative to that of winning proposals. Funding allocated pursuant to this Notice is to be used for continued study, analysis, planning, and community engagement as well as for design, engineering, and construction of a pilot project, as yet undefined. For purposes of this allocation, this pilot project will be considered the RBD Project for this selected proposal. At a minimum, the pilot project must reduce flood risk to public housing in the City's South End/Black Rock Harbor area. In order to allow the time necessary for engagement of community stakeholders regarding selection of a pilot project, the pilot project does not need to be identified in the initial Action Plan Amendment submitted in response to this Notice; however, the grantee must describe the planning activity and certify that it will complete the pilot project in its initial Action Plan Amendment. Once the pilot project is identified, the State of Connecticut must then submit a substantial Action Plan Amendment that incorporates the pilot project in order for project-related funds to be obligated.

4. RBD Action Plan Amendment Process

The RBD Action Plan Amendment process, as described below, is designed to ensure that as specific plans for the RBD Project are developed, the RBD Project remains consistent with the selected RBD proposal and the RBD Project approved by HUD as an eligible CDBG activity as described in Section VII.4.c of this Notice. Before a grantee can access its RBD Allocation to carry out the RBD Project described in Section VI.2. of this Notice (or other phases of the selected RBD Proposal as permitted by this Notice), the grantee must complete the Grant Amendment process described in Section IV of this Notice as well as the RBD Amendment process described here:

a. Following announcement of RBD allocations on May 30, 2014, grantee proceeds with additional planning, outreach, design, engineering, and other pre-development activities necessary to develop the RBD Project to the level of detail necessary for purposes of environmental review, permitting, and construction. Grantees are strongly encouraged to integrate project planning with the environmental review process.

b. Grantees may charge to the grant the costs of CDBG eligible, RBD Project planning and pre-development activities incurred on or after May 30, 2014, by temporarily reprograming previously awarded CDBG–DR funds already identified for planning away from such planning activities for purposes of funding RBD Project planning and pre-development activities under the alternative requirements described in Section VII.4.a. and b. of this Notice.

c. No later than 120 days after the effective date of this Notice, grantee must submit its initial RBD Action Plan Amendment. The required elements of this Amendment are further described in Section VI.6.a.

d. HUD approves the initial RBD Action Plan Amendment. Following HUD approval, grantee identifies the amount it wishes to obligate in consideration of the expenditure timeframes identified in Section III of this Notice and engages residents and community stakeholders in fully developing the RBD Project. Grantee also begins to take actions necessary for the environmental review process.

e. *For RBD Projects not requiring an Environmental Impact Statement (EIS) pursuant to the requirements of 24 CFR part 58:* Grantee submits a subsequent substantial Action Plan Amendment to reflect the final RBD Project, as described in Section VI.6.b. This Amendment must include a detailed description of the final RBD Project as permitted and approved from the environmental review process. This Amendment may be submitted prior to or concurrent with grantee's submission of its Request for Release of Funds and Certifications (RROF). Following approval of the Action Plan Amendment and RROF, funds from the grantee's line of credit will be made available for construction (proceed to Section VI.4.g).

f. *For RBD Projects requiring an EIS:*

i. Following completion of the Draft EIS, grantee submits a subsequent substantial Action Plan Amendment to reflect the final RBD Project, as described in Section VI.6.b. This Amendment must identify the RBD Project scope and design as it exists at that point. Grantees are not prohibited from proceeding with the EIS process. HUD approval of this Action Plan Amendment is contingent upon whether the RBD Project is as consistent with the conceptual proposal as practicable and appropriate. HUD will provide clarifying guidance as to the content and format of materials that will help ensure timely approval of the Action Plan Amendment under the criteria for approval of Action Plan Amendments containing RBD Projects described in this Notice. If the Action Plan is not approved, RBD Project-related costs will not be eligible following the date of disapproval until the RBD Project is brought back into alignment with the RBD Project as proposed in the previously approved Action Plan.

ii. Grantee successfully stewards the RBD Project through the environmental review process pursuant to 24 CFR part 58 and any permitting processes required to implement the RBD Project.

iii. HUD anticipates that the final EIS or other project plan development may result in material changes to the project after grantee submits the subsequent substantial Action Plan Amendment described in Section VI.4.f.i. If no material changes have occurred since the previous RBD Project design and scope approved by HUD in the grantee's Action Plan Amendment, no additional amendment is necessary. If the RBD Project has undergone a material change, then the grantee must submit a

substantial Action Plan Amendment in order to describe the final RBD Project as permitted and approved from the environmental review process. A grantee may submit its RROF concurrent with this Action Plan Amendment, if applicable, and its Record of Decision for the project. Following approval of the Action Plan Amendment, if applicable, and RROF, funds from the grantee's line of credit will be made available for construction.

g. Grantee begins drawing funds for construction. HUD staff will continue to routinely monitor each grantee for continued consistency of RBD Projects with its approved Action Plan.

5. RBD Environmental Review Requirements

Grantees will conduct environmental reviews pursuant to 24 CFR part 58 and are strongly encouraged to integrate RBD Project planning with the environmental review process to the fullest extent possible by, for instance, aligning scoping and public comment periods required as part of environmental reviews with those required for RBD Action Plan Amendments. It is expected that grantees will undertake action that contributes to the environmental review process as soon as RBD Project planning commences. To expedite environmental review and permitting and to ensure that the most complex projects are delivered as efficiently as possible, grantees shall submit all RBD Projects to the Sandy Regional Team for Federal Review and Permitting as provided for in Section VII.1 of the Notice published on November 18, 2013 (78 FR 69104). Grantees must group together and evaluate as a single project all individual activities which are related either on a geographical or functional basis, or are logical parts of a composite of contemplated actions. Furthermore, grantees must analyze the reasonably foreseeable direct, indirect and cumulative effects of the RBD Project. See 40 CFR 1508.7 and 1508.8. If the RBD Project is anticipated to require an EIS, grantees are encouraged to undertake the scoping process as early as possible consistent with 24 CFR part 58 and 40 CFR parts 1500–1508.

6. RBD Action Plan Requirements

a. Initial Action Plan Amendment for Proposed RBD Project

Grantees in receipt of an RBD allocation must submit an initial substantial Action Plan Amendment that includes the following elements:

(i) RBD Project Description

A general description of the proposed RBD Project to be designed and implemented (*e.g.*, through narrative, maps, and conceptual project renderings). This description must also identify the CDBG national objective(s) that will be met by the funded RBD Project. The grantee must describe the use of all funds dedicated for planning, pre-development, and project construction costs and must breakout estimated amounts for such costs. The description must demonstrate the RBD Project's feasibility and effectiveness in providing protection against current and future threats and hazards, including future risks associated with climate change. Additionally, the grantee must include in its description any applicable infrastructure requirements of the November 18, 2013 Notice as described in Section VI.7.a of this Notice.

(ii) Implementation Partnership for RBD Project

A description of the implementation partnership responsible for RBD Project completion. The description must identify the grantee agency responsible for managing the implementation of the RBD Project. The Action Plan Amendment must demonstrate that the implementing agency has the capacity to successfully implement the RBD Project in a timely, cost-effective, and compliant manner. If adequate capacity does not currently exist, the grantee must identify how it will provide this capacity. Adequate demonstration of capacity is typically reflected by, but is not limited to: Staffing levels; management structure; operational authority; experience; established controls, policies, and procedures; and history or ability to work collaboratively with other city, county, state, and federal agencies as required.

The description of the implementation partnership must identify the entities that will comprise the partnership as well as the nature and role of each entity of the partnership (*e.g.*, type of agreement, responsibilities, authorities, etc.). The description should include identification of any agreements that have been executed or that will need to be signed (such as contracts, subrecipient agreements, memoranda of understanding, etc.) for the partnership to effectively function and meet the requirements in this Notice. State grantees must include a description of the roles and responsibilities of the incorporated municipalities in which the projects are located.

(iii) Citizen Participation Plan for RBD Project

A description of the citizen participation plan specifically related to the prospective planning and implementation of RBD Projects. The competition process through which the proposals were developed involved transparent and inclusive community outreach and public participation surrounding each proposal. Grantees must demonstrate to the satisfaction of the Department that they will continue to similarly engage community stakeholders through the planning, design, and development process related to each RBD Project and selected RBD proposal in their Action Plan. HUD encourages grantees to align citizen participation plan requirements with environmental review public participation processes to the fullest extent possible to gain efficiencies. For example, if the project requires an EIS, then the required public comment period following the publication of a Draft EIS should run, to the fullest extent possible, concurrently with the comment period for the substantial Action Plan Amendment. Grantees must take steps to ensure that vulnerable and underserved populations, including racial and ethnic minorities, persons with disabilities, and persons with limited English proficiency, are involved in the planning and decision-making processes throughout the RBD Project.

(iv) RBD Project Timeline

A description of the general timeline for RBD Project development until completion. Grantees should identify the general timeframe for activities such as additional study/research, planning, design/engineering, environmental review and permitting, site development, and construction. The timeline must be revised to reflect more accurate expectations once the final RBD Project design is approved by HUD. The timeline should reflect a critical path approach to RBD Project completion that illustrates the milestones to the completion of the RBD Project and estimates the resources required for accomplishment of each milestone.

(v) Identification of Leveraged or Reasonably Anticipated Funds for RBD Project

A description of funds that are anticipated to be generated or secured in leveraging the CDBG–DR allocation for RBD Project completion as well as any additional CDBG–DR funds the grantee anticipates dedicating to the RBD

Project beyond the funds allocated to the RBD Project in this Notice. Accordingly, the description must identify any potential gap or shortfall in RBD Project funding (relative to what is being proposed) and identify the strategy(ies) that will be pursued to secure such funds. While RBD Projects must be implemented as consistent with the winning proposals as practicable and appropriate, it is understood that modifications may be necessary in response to the amount of funding ultimately secured.

b. Subsequent Action Plan Amendment to Reflect Final RBD Project

As described under Section VI.4.e. and f. of this Notice, the Department is requiring grantees to submit an Action Plan Amendment as a condition for the release of funds for RBD Project-related construction activities. HUD will provide clarifying guidance as to the format of materials for approval of Action Plan Amendments containing the final RBD Project descriptions described in this Notice. Grantees are advised that the Amendment submission must detail a final RBD Project that comports with the selected RBD proposal to the greatest extent practicable and appropriate and must update the required RBD Action Plan Amendment elements described in Section VI.6.a.

Submissions will need to include an examination of the RBD Project through a Benefit-Cost Analysis, using methodologies and approaches acceptable to HUD. In its submission, the grantee must demonstrate the degree to which the project reduces flood risk and the respective geography that it will benefit. In its submission, the grantee must also certify to adequately fund the long-term operation and maintenance of the RBD Project from reasonably anticipated revenue, recognizing that operation and maintenance costs must be provided from sources other than CDBG and CDBG–DR funds. Approval of the Action Plan Amendment is contingent upon this certification.

Grantees are also responsible for demonstrating that the RBD Project is feasible, including having an appropriate design that will result in the benefits proposed. In order to demonstrate that the engineering design for the RBD Project is feasible, a registered Professional Engineer (or other design professional) must certify that the design meets the appropriate code, or industry design and construction standards. HUD, when approving the RBD Action Plan Amendment, may impose special conditions on the grants to address high risk factors that HUD identifies in its review.

HUD expects the grantee or a subrecipient, contractor, or subgrantee to take responsibility for operating and maintaining any levee, floodwall, or other flood control structure or system funded under the RBD allocation. Grantees must identify the entity(ies) that will own, operate, and maintain any levee or levee/breakwater system. Any levee or levee/breakwater system funded under the RBD allocation must be technically sound. The grantee must certify in its Action Plan Amendment that it, or the local authority assuming ownership of a levee, will take action to ensure the levee is certified and meets FEMA standards at 44 CFR 65.10 and is subsequently accredited by FEMA, which allows for floodmaps to be re-drawn accordingly.

7. Applicability of Prior Notice Requirements to RBD Projects

a. Infrastructure requirements of Prior Notices

As a result of the RBD competition process, RBD Projects are considered as having met:

(i) The definition of infrastructure projects and related infrastructure projects under Section VI.b.1 of the November 18, 2013 Notice;

(ii) The requirement for impact and unmet needs assessments and the comprehensive risk analysis under Section VI.c and VI.d of the November 18, 2013 Notice;

(iii) The process required for the selection and design of green infrastructure projects or activities under Section VI.f of the November 18, 2013 Notice; and

(iv) The additional requirements for major infrastructure projects ("Covered Projects") under Section VI.g of the November 18, 2013, Notice. However, the Initial RBD Action Plan Amendment as described in Section VI.6.a of this Notice must still include a description of how the grantee plans to monitor and evaluate the efficacy and sustainability of RBD Projects, and meet the resilience performance standards requirement as outlined at Section VI.2.e of the November 18, 2013 Notice. Each RBD Project has been introduced to the Sandy Regional Infrastructure Resilience Coordination (SRIRC) Group. Grantees are expected to continue to work in consultation with SRIRC as this state and federal interagency group can help facilitate coordination of project scopes to best align and integrate with other recovery projects in the area. In addition, funded RBD Projects will be submitted to the Sandy Regional Team for Federal Review and Permitting for enhanced coordination that can expedite the implementation process, as provided for in Section VII.1 of the Notice published on November 18, 2013 (78 FR 69104).

b. Eligible Activity

Under the waiver and alternative requirements imposed by this Notice, RBD Projects are CDBG-eligible activities subject to a determination by the Department that the RBD Project remains as consistent with the selected RBD proposal as practicable and appropriate, and meets all other requirements in this Notice.

HUD has previously provided for the eligibility of large complex projects that are composed of multiple activities that, in and of themselves, would be eligible and contribute to long-term recovery. The Department has determined that the projects resulting from the RBD process are a critical component of the region's long-term recovery and resilience to future weather events. To accomplish the initiative's stated intention, each grantee will fund additional strategic planning and public outreach followed by an RBD Project that successfully implements an initial phase of the design. At HUD's request, grantees have agreed that the RBD Projects will be implemented and contribute to their respective disaster recovery process. At this stage of development, it may be difficult for grantees to categorize RBD Projects into discrete categories of CDBG eligibility. HUD has determined that the activities that comprise the RBD Project, including the implementation case study and lessons learned document, are necessarily eligible CDBG activities under this Notice. Therefore, to streamline implementation of RBD Projects, HUD is providing an alternative requirement, as described in Section VII.4.c of this Notice, to create an eligible activity referred to as 'Rebuild by Design,' to include all pre-development and construction activities carried out in accordance with identified RBD Projects referenced in this Notice. As a criterion for approval of an Action Plan Amendment containing an RBD Project, HUD must determine that the description of the RBD Project, as included in a grantee Action Plan, is consistent with the eligible activity described in this Notice. Grantees must consider any portion of their RBD allocations expended on planning and general administrative costs as planning and general administrative expenditures for purposes of calculating compliance with the 20 percent cap on planning and general administration costs and 5

percent cap on general administration costs of their total CDBG–DR grant (i.e., the sum total of all CDBG–DR funds received under the Appropriations Act) as outlined in the March 5, 2013 Notice.

c. National Objective Classification

In the initial RBD Action Plan Amendment submitted in response to this Notice, as described in Section VI.6.a of this Notice, grantees must identify the CDBG national objective(s) associated with each RBD Project. Each RBD Project must meet the national objective requirements applicable to other CDBG–DR activities. Grantees may attribute a single national objective that covers the complete RBD Project activity; however grantees may also choose to categorize the project into multiple activities in order to distinguish and classify expenditures as benefiting low- and moderate-income populations, as a means of meeting the overall benefit requirement. Grantees must establish appropriate methods by which an RBD Project may be attributable to multiple national objectives through consultation with the Department. In addition, through the research and analysis conducted as part of the competition, RBD Projects have demonstrated an acceptable connection to recovery from the direct and indirect impacts of Hurricane Sandy.

d. Procurement of Consultants Supporting Project Design

Grantees should ensure that individuals with a strong working knowledge of both the RBD Project to be implemented and the overall proposal are among the consultants hired to advance the project. Given the unique knowledge and understanding that each RBD design team possesses regarding their respective proposal, grantees should consider how it may procure design team members noncompetitively. The RBD design teams and their members represent a collection of some of the best planning, design, and engineering talent in the world as they were selected by the President's Hurricane Sandy Rebuilding Task Force out of a universe of 148 teams from more than 15 different countries. The teams also bring interdisciplinary expertise such as economists, sociologists, hydrologists, and climate scientists.

If a grantee has adopted or is required to use 24 CFR part 85, the grantee is reminded of the provisions of 24 CFR 85.36, which set forth the conditions under which a grantee may engage in a non-competitive, single source procurement (§ 85.36(d)(4)). Grantees operating under part 85 are granted the authorization referenced under § 85.36 (d)(4)(i)(C) only regarding procurement of the design teams (or members of the design teams) that participated in the development of selected RBD proposals through the HUD-sponsored RBD competition. The grantee will be responsible for ensuring compliance with requirements that all costs be necessary and reasonable. (In many cases, this will entail the grantee undertaking a cost analysis prior to hiring consultants.) Grantees that have not adopted part 85 should review state or local requirements associated with single source procurement to ensure continued consistency with § 85.36 and are advised to follow all applicable procurement requirements as well as those identified by HUD regulations and Notices.

VII. Applicable Rules, Statutes, Waivers, and Alternative Requirements

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The following requirements apply only to the CDBG–DR funds appropriated in the Appropriations Act.

Grantees may request additional waivers and alternative requirements to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, waivers are effective five days after publication in the **Federal Register**.

1. Incorporation of General Requirements, Waivers, Alternative Requirements, and Statutory Requirements Previously Described

Grantees are advised that general requirements, waivers and alternative requirements provided for and subsequently clarified or modified in the Prior Notices, apply to all funds under this Notice, except as modified herein. These waivers and alternative requirements provide additional flexibility in program design and implementation to support resilient recovery following Hurricane Sandy, while also ensuring that statutory requirements unique to the Appropriations Act are met. Waivers or alternative requirements previously issued pursuant to specific grantee requests remain in effect under their terms.

2. Action Plan for Disaster Recovery Waiver and Alternative Requirements

a. Infrastructure Programs and Projects. The infrastructure requirements described in in Section VI.2 of the Notice published on November 18, 2013 (78 FR 69106) apply to infrastructure programs and projects funded through the allocation provided by this Notice except as otherwise noted for RBD Projects in Section VI of this Notice. In evaluating infrastructure programs and projects included in a substantial Action Plan Amendment submitted in response to this Notice, HUD will assess the adequacy of a grantee's response to each of the elements outlined in Section VI.2 of the November 18, 2013 Notice or as qualified in this Notice regarding RBD Projects as a basis for the approval of the amendment. However, grantees need not resubmit responses to elements approved by HUD unless warranted by changing conditions or if project-specific analysis is required.

b. *Identification/Description of Covered Projects.* For any Covered Project held to the requirements of the Notice published on November 18, 2013, Section VI.2.g.1 of that Notice ("Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects, Additional Requirements for Major Infrastructure Projects, Identification/Description"), as amended by the March 27, 2014 Notice, is modified to require: A description of the Covered Project, including: total project cost estimate (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (i.e., a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to Hurricane Sandy or other disasters cited in this Notice. The Department recognizes that grantees often finance large scale infrastructure projects by leveraging several sources of funds that may shift over time. Therefore, the Department may elect to approve projects based on estimates of total project cost and of other funding sources as well as the CDBG–DR contribution amount. Grantees are expected to provide the best estimates available and the expected timeline for determining the exact costs. Grantees must submit an Action Plan Amendment to reflect any material adjustments to the cost estimate. As

described in Section VII.3 of this Notice, where an adjustment of the CDBG–DR contribution to a Covered Project triggers the substantial amendment criteria described in the March 5, 2013 Notice (78 FR 14329) at Section VI.A.3.a., grantees must submit a Substantial Action Plan Amendment subject to the requirements of the Notice, which requires no less than 7 calendar days to solicit public comment. The Covered Project itself is subject to the 30-day comment period and public hearing required by the November 18, 2013 Notice. However, HUD will consider resubmissions of Covered Projects submitted to HUD prior to the effective date of this Notice and revised in accordance with these amended requirements, subject to all non-substantial Action Plan Amendment requirements.

c. *Certification of proficient controls, processes and procedures.* The Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by Section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, detect and prevent waste, fraud, and abuse of funds. Grantees submitted documentation for the Secretary's certification pursuant to paragraph VI.E.42.q of the March 5, 2013 Notice and updated them in accordance with 78 FR 691014 (November 18, 2013). In any Action Plan Amendment submitted after the effective date of this Notice, grantees are required to identify any material changes in its processes or procedures that could potentially impact the Secretary's or the grantee's prior certification. Grantees are advised that HUD may revisit any prior certification based on a review of an Action Plan Amendment submitted for this allocation of funds, as well as monitoring reports, audits by HUD's Office of the Inspector General, citizen complaints or other sources of information. As a result of HUD's review, the grantee may be required to submit additional documentation or take appropriate actions to sustain the certification.

d. *Amending the Action Plan.* Except as otherwise provided for in this Notice, Section VI.A.1.k at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to submit a substantial Action Plan Amendment to HUD within 120 days of the effective date of this Notice. All Action Plan Amendments submitted after the effective date of this Notice must be prepared in accordance with the Prior Notices, as modified by this Notice. In addition, they must budget all, or a portion, of the funds allocated under this Notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date that grantees may submit an Action Plan Amendment is June 1, 2017 given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

e. *HUD Review/Approval.* Consistent with the requirements of section 105(c) of the Cranston-Gonzalez National Affordable Housing Act, HUD will reject or approve each grantee's substantial Action Plan Amendment within 60 days from the date of receipt. This timeframe allows HUD's federal partners to view the Amendment and provide feedback. The Secretary may disapprove an Amendment if it is determined that it does not meet the requirements of the Prior Notices, as amended by this Notice.

f. *Projection of expenditures and outcomes.* Section VI.A.1.l. at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to amend its Action Plan to update its projection of expenditures and outcomes within 90 days of its Action Plan Amendment approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Projections should include the entire amount allocated by this Notice. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on preparing the projections is available on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi/afwa.*

3. Citizen Participation Waiver and Alternative Requirement

78 FR 69104 (November 18, 2013) modified paragraph 3 at 78 FR 14338 of the March 5, 2013 Notice to require grantees to publish substantial Action Plan Amendments for comment for 30 days prior to submission to HUD. Covered Projects are subject to the 30-day comment period and public hearing required by the November 18, 2013 Notice. However, as described in paragraph VII.2.b. of this Notice, this paragraph modifies paragraph 4 at 78 FR 69109 of the November 18, 2013 Notice by imposing a 7-day public comment period *only* when a grantee proposes adjustments of CDBG–DR contributions to a Covered Project that would trigger a substantial amendment by exceeding the $1 million threshold. Action Plan amendments must include full project descriptions for Covered Projects. Grantees are reminded of both the citizen participation requirements of that Notice and that HUD will monitor grantee compliance with those requirements and the alternative requirements of this Notice. Grantees are strongly encouraged to align citizen participation plan requirements with environmental review public participation processes to the fullest extent possible to gain efficiencies. Grantees are encouraged to conduct outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities, to encourage public attendance at the hearings and the submission of written comments concerning the Action Plan Amendment.

The grantee must continue to make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request. The grantee must also make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency, in accordance with the requirements of the March 5, 2013 Notice. Grantees are also encouraged to conduct outreach to local nonprofit and civic organizations to disseminate draft substantial Action Plan Amendments for public comment. Until the grant is closed the grantee must provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds. This objective should be achieved through effective use of the grantee's comprehensive Web site mandated by the Appropriations Act.

4. Waivers and Alternative Requirements for Rebuild by Design Allocations

a. Interim funding for RBD planning and RBD Project-related pre-development costs. Without providing a waiver and alternative requirement, HUD would be required to make the RBD eligible activity determination

described in Section VI.7.b prior to a grantee's use of funds made available by the RBD Allocation for RBD Project pre-development costs. However, this eligibility determination will not be made until the grantee has completed the RBD Action Plan Amendment Process as described in Section VI.4. To ensure timely progress and prevent gaps in continuity regarding design development and community engagement for implementation of RBD Projects, HUD is providing this waiver and alternative requirement to permit grantees to temporarily reprogram CDBG–DR funds previously identified for planning in an Action Plan governing earlier CDBG–DR allocations under the Appropriations Act. This alternative requirement will allow grantees to move funds temporarily from planning activities for purposes of funding RBD Project planning and pre-development costs. In order to undertake this action, grantees must submit a non-substantial Action Plan Amendment to identify any amounts reprogrammed, with the exception of general planning activities that are eligible under 24 CFR 570.205 (including planning activities under 570.205 undertaken by states pursuant to the waiver for planning-only activities in the March 5, 2013 Notice), which would not require an amendment. Under the terms of this alternative requirement, when funds become available under the grantee's line of credit for the RBD Project, the grantee must set aside funds from the RBD allocation in the amount reprogrammed for the RBD Project under this alternative requirement for the original planning purpose for which these funds were designated. Use of existing CDBG–DR funding for RBD Project planning and pre-development activities is allowed for such expenditures incurred following the announcement of RBD allocations by the Secretary on May 30, 2014.

b. Citizen participation waiver and alternative requirement—Interim funding for RBD Project planning and pre-development costs. Modifications to a grantee's Action Plan to reflect the temporary reprogramming of funds for RBD Project planning and pre-development costs, as outlined in subparagraph a above, are not subject to the substantial amendment criteria described in the March 5, 2013 Notice (78 FR 14329); however, these modifications are subject to all non-substantial Action Plan Amendment requirements.

c. Rebuild by Design as an eligible CDBG activity. As described in Section VI.7.b of this Notice, the Department is waiving 42 U.S.C. 5305(a) only to the extent necessary to create a new eligible activity, the 'Rebuild by Design' eligible activity, that includes:

- *RBD Pre-development and Construction Costs:* This waiver and alternative requirement permits grantees receiving an RBD allocation to designate all necessary pre-development and construction costs carried out in accordance with the selected RBD proposal described in a HUD-approved Action Plan as an eligible activity; and
- *RBD Implementation case study and lessons learned document:* This waiver and alternative requirement allows grantees to classify costs expended on the preparation of the case study and lessons learned document required in Section VI of this Notice as eligible CDBG activity costs (not planning costs) of the 'Rebuild by Design' eligible activity.

5. Reimbursement of Disaster Recovery Expenses

In addition to pre-award requirements described in the March 5, 2013 Notice, grantees are subject to HUD's guidance issued July 30, 2013—"Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants" (CPD Notice 2013–05), as may be amended. The CPD Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/documents/huddoc?id=cdbg_preaward_notice.pdf.*

6. Duplication of Benefits

Grantees are reminded that the March 5, 2013 Notice, at 78 FR 14344, imposes a requirement that grantees, in administering grant funds, adhere to the guidance in the **Federal Register** Notice published November 16, 2011 (76 FR 71060), "Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance". This requirement continues to apply to funds made available under this Notice. The Duplication of Benefits Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/HUD?src=/programoffices/administration/hudclips/notices/cpd*

7. Eligibility of Needs Assessment and Comprehensive Risk Analysis Costs

Grantees may use CDBG–DR funds to update their impact and unmet needs assessments as well as their comprehensive risk analyses for infrastructure projects as required by November 18, 2013 Notice, consistent with the overall 20 percent limitation on the use of funds for planning, management, and administrative costs.

VIII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice is as follows: 14.269.

IX. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at *24 CFR part 50,* which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: October 9, 2014.

Clifford Taffet,

General Deputy Assistant Secretary.

Appendix A—Allocation Methodology

May 2014 CDBG–DR Allocation Methodology

This allocation is calculated based on relative share of needs HUD has estimated are required to rebuild to a higher standard consistent with CDBG program requirements and the goals set forth in the Hurricane Sandy Rebuilding Strategy. HUD's analysis shows that when calculating both unmet repair costs and resiliency needs, there is adequate funding allocated to address the critical housing and small business repair needs of each grantee, but grantees will continue to need to make careful choices about prioritizing the limited resources for those most impacted and distressed, most particularly in consideration of infrastructure and non-critical resiliency investments. In addition to ensuring adequate amounts of funds have been allocated for addressing critical housing and business needs, HUD has allocated funds estimated to support development of at least one phase of Sandy Rebuild by Design (RBD) award winning projects and one final project. This allocation methodology applies only to the formula allocation and not to the RBD allocation.

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as

well as a "resiliency" amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed homes, businesses, and infrastructure to pre-disaster conditions. The estimated cost to repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. This calculation of housing, business, and infrastructure needs is used to determine the relative share of funding for this Sandy state allocation versus other eligible disasters of 2011, 2012, and 2013. Consistent with HUD's intent to prioritize critical housing and business needs with this final allocation, the formula sub-allocation among Sandy states is made proportional to the calculated severe unmet needs for estimated remaining housing and business needs (excluding infrastructure).

Statutory Language for the Allocation

Public Law 113–2 (January 29, 2013) provides the following language on how the Secretary shall allocate the funds: "For an additional amount for "Community Development Fund", $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): Provided, That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development: Provided further, That the Secretary shall allocate to grantees not less than 33 percent of the funds provided under this heading within 60 days after the enactment of this division based on the best available data:"

Available Data

The "best available" data HUD staff have identified as being available to calculate unmet needs at this time for all disasters in 2011, 2012, and 2013 meeting HUD's Most Impacted and Distressed threshold comes from the following data sources:

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss; and
- FEMA Public Assistance, Department of Transportation Federal Transit Administration and Federal Highway Administration, Corps of Engineers, and US Department of Agriculture Emergency Watershed Restoration data on infrastructure

These funds are only allocated toward disasters in 2011, 2012, and 2013 determined by HUD to be most impacted and distressed disasters.[1]

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program (extracted January 2014). For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program (extracted January 2014). HUD calculates "unmet housing needs" as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected real property damage.
  - Minor-High: $3,000 to $7,999 of FEMA inspected real property damage.
  - Major-Low: $8,000 to $14,999 of FEMA inspected real property damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $15,000 to $28,800 of FEMA inspected real property damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected real property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of "most impacted and distressed" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need "gap" is 20 percent of the difference between total damage and the FEMA grant.

- FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMA inspected renter units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $1,000 of FEMA inspected personal property damage.
  - Minor-High: $1,000 to $1,999 of FEMA inspected personal property damage.
  - Major-Low: $2,000 to $3,499 of FEMA inspected personal property damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $3,500 to $7,499 of FEMA inspected personal property damage or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $7,500 of FEMA inspected personal property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

For rental properties, to meet the statutory requirement of "most impacted and distressed" in this legislative language, homes are determined to have a high level of damage if they have damage of "major-low" or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 4 feet. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

- The median cost to fully repair a home for a specific disaster to code within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

Calculating Unmet Infrastructure Needs

- To proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement (extracted January 2014). This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C-Roads and Bridges; D-Water Control Facilities; E-Public Buildings; F-Public Utilities; and G-Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not county), CDBG funding allocated by the estimate of unmet infrastructure needs are sub-allocated to New York City from the New York State total based on the distribution of initial project-level estimates obtained from FEMA (69 percent New York City, 31 percent New York state). Note, that due to most states' large private electric utilities being ineligible for FEMA Public Assistance, HUD does not include the estimated repair costs for the Long Island Power Authority (LIPA) in New York.

[1] For Hurricane Sandy, a most impacted disaster is any state that received a FEMA Individual Assistance declaration. For other disasters a Most Impacted disaster is a disaster where the severe housing and business unmet needs (excluding resiliency) exceed $25 million from counties with greater than $10 million in unmet housing and business severe needs (excluding resiliency and area construction cost adjustment).

• For the third round of CDBG–DR funding for Sandy recovery, HUD includes four additional sources of information:

1. US Army Corps of Engineers (USACE) Infrastructure Resilience Coordination (extracted June 2013). Many USACE Sandy projects require very high local cost shares. However, Federal requirements only allow grantees to no more than $250,000 of CDBG–DR funding towards local match requirements for these projects. As such, this calculation only includes $250,000 per USACE project where local match is higher than that amount.

2. DOT, Federal Highway Administration (FHWA) Sandy Recovery Grants—Emergency Relief (ER) (extracted June 2013). We include an estimate of the local cost share from this program. To calculate this estimate, we only include 20% of non-quick release Sandy ER project estimates as of July 2013.

3. DOT, Federal Transit Administration (FTA) Transit Emergency Relief (ER) (extracted June 2013). We include the 10% local cost share for these transit projects. Note, since much of the New York City transit damage is owned by a state organization, the Metropolitan Transportation Authority, New York State receives the vast majority of need from this grant. Also note that the State of New Jersey receives 66% of the local match requirement from the Port Authority's match requirement; New York State receives 34% of the Authority's match requirement.

4. USDA Emergency Watershed Repair Program (extracted May 2014). For most impacted disasters in 2011, 2012, and 2013 that have not received supplemental funding to address watershed repairs, HUD includes the estimated unmet repair costs calculated by USDA in the unmet repair needs calculation.

Calculating Economic Revitalization (Small Business) Needs

• Based on SBA disaster loans to businesses (extracted January 2014), HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.

• Because applications denied for poor credit or income are the most likely measure of needs requiring the type of assistance available with CDBG–DR funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $30,000 are considered severe damage for purposes of identifying the most impacted and distressed areas.

- Category 1: real estate + content loss = below $12,000
- Category 2: real estate + content loss = $12,000 to $30,000
- Category 3: real estate + content loss = $30,000 to $65,000
- Category 4: real estate + content loss = $65,000 to $150,000
- Category 5: real estate + content loss = above $150,000

To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage.

Resiliency Needs

CDBG Disaster Recovery Funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For the disasters covered by this Notice, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future disasters do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied it estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent. Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate at 30 percent of damage is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs. Note that because FEMA Public Assistance does not include the estimated cost to repair Public Housing that is covered by private insurance, HUD adds to its resiliency calculation 30 percent times the insurance payment for Public Housing repairs.

Housing and Small Business Construction Cost Adjustment

Prior to making this final allocation, HUD staff carefully reviewed the housing programs being operated by New York City and New Jersey. Out of this analysis came the observation that higher construction costs in New York and New Jersey were not being adequately accounted for in HUD's base formula for determining relative share of funding among the 2011, 2012, and 2013 disasters. As a result, for this allocation, HUD has increased its estimate of severe unmet housing and business repair and resiliency needs to account for these higher construction costs. To do this, HUD used the same Marshall & Swift regional cost adjustment multipliers used for HUD's annual calculation of Total Development Costs developed for HUD's public housing repair programs. The specific construction cost multiplier used for adjusting the above calculations of unmet housing and business needs for each grantee was as follows:

Connecticut: 1.19
Maryland: 1.00
New York State: 1.44
New York City: 1.45
New Jersey: 1.34
Rhode Island: 1.00

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DEPARTMENT OF THE INTERIOR

Office of the Secretary

Invasive Species Advisory Committee

AGENCY: Office of the Secretary, Interior.

ACTION: Notice of Public Meetings of the Invasive Species Advisory Committee.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act, notice is hereby given of meetings of the Invasive Species Advisory Committee (ISAC). Comprised of 30 nonfederal invasive species experts and stakeholders from across the nation, the purpose of ISAC is to provide advice to the National Invasive Species Council (Council), as authorized by Executive Order 13112, on a broad array of issues related to preventing the introduction of invasive species and providing for their control and minimizing the economic, ecological, and human health impacts that invasive species cause. The Council is co-chaired by the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Commerce. The duty of the Council is to provide national leadership regarding invasive species issues.

Purpose of Meeting: The meeting will be held on November 12–14, 2014 in San Antonio, Texas, and will focus primarily on the management of invasive species in urban areas, particularly: (1) On-the-ground efforts in the Austin, San Marcos, and San Antonio areas of Texas, which are experiencing rapid growth and developing new ways of addressing the problems invasive species cause to buildings and homes, as well as parks and other public spaces; and, (2) Trans-border cooperation between the U.S. and Mexico on invasive species issues. A copy of the meeting agenda is available on the Web site, *www.doi.gov/invasivespecies.*

DATES: Meeting of the Invasive Species Advisory Committee: Wednesday, November 12, 2014 and Friday, November 14, 2014; beginning at approximately 8:00 a.m., and ending at approximately 5:00 p.m. each day. Members will be participating in an off-site field tour on Thursday, November 13, 2014. *The field tour is closed to the public.*

ADDRESSES: Holiday Inn Riverwalk, 217 North Saint Mary's Street, San Antonio, Texas 78205. The general session on November 12, 2014 and November 14,

enforcement activities to which the BCI records may relate, to the extent retention for such purposes exceeds the normal retention period for such data in BCI.

SYSTEM MANAGER AND ADDRESS:

Director, Office of Automated Systems, U.S. Customs and Border Protection Headquarters, 1300 Pennsylvania Avenue NW., Washington, DC 20229.

NOTIFICATION PROCEDURE:

DHS allows persons (including foreign nationals) to seek administrative access under the Privacy Act to information maintained in BCI. However, the Secretary of DHS exempted portions of this system from the notification, access, and amendment procedures of the Privacy Act because it is a law enforcement system. Nonetheless, DHS/CBP will consider individual requests to determine whether or not information may be released. Thus, individuals seeking notification of and access to any record contained in this system of records, or seeking to contest its content, may submit a request in writing to the DHS Chief Freedom of Information Act (FOIA) Officer or CBP FOIA Officer, whose contact information can be found at *http://www.dhs.gov/foia* under "Contacts." If an individual believes more than one Component maintains Privacy Act records that concern him or her, the individual may submit the request to the Chief Privacy Officer and Chief FOIA Officer, Department of Homeland Security, 245 Murray Lane SW., Building 410, STOP–0655, Washington, DC 20528.

When seeking records about yourself from this system of records or any other Departmental system of records, your request must conform with the Privacy Act regulations set forth in 6 CFR part 5. You must first verify your identity, meaning that you must provide your full name, current address, and date and place of birth. You must sign your request and your signature must either be notarized or submitted under 28 U.S.C. 1746, a law that permits statements to be made under penalty of perjury as a substitute for notarization. Although no specific form is required, you may obtain forms for this purpose from the Chief Privacy Officer and Chief Freedom of Information Act Officer, *http://www.dhs.gov/foia* or 1–866–431–0486. In addition, you should:

- Explain why you believe the Department would have information on you;
- Identify which Component(s) of the Department you believe may have the information about you;
- Specify when you believe the records would have been created; and
- Provide any other information that will help the FOIA staff determine which DHS Component agency may have responsive records

If your request is seeking records pertaining to another living individual, you must include a statement from that individual certifying his/her agreement for you to access his/her records.

Without the above information, CBP may not be able to conduct an effective search, and your request may be denied due to lack of specificity or lack of compliance with applicable regulations.

RECORD ACCESS PROCEDURES:

See "Notification procedure" above.

CONTESTING RECORD PROCEDURES:

See "Notification procedure" above.

RECORD SOURCE CATEGORIES:

BCI receives information from individuals who arrive in, depart from, or transit through the United States. This system also collects information from carriers that operate vessels, vehicles, aircraft, or trains that enter or exit the United States, including private aircraft operators. Lastly, BCI receives border crossing information received from CBSA.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

No exemption shall be asserted with respect to information maintained in the system that is *collected from a person* at the time of crossing and submitted by that person's air, sea, bus, or rail carriers if that person, or his or her agent, seeks access or amendment of such information.

The Privacy Act, however, requires DHS to maintain an accounting of the disclosures made pursuant to all routines uses. Disclosing the fact that a law enforcement or intelligence agency has sought particular records may affect ongoing law enforcement activities. The Secretary of Homeland Security, pursuant to 5 U.S.C. 552a(j)(2), exempted this system from the following provisions of the Privacy Act: Sections (c)(3), (e)(8), and (g) of the Privacy Act of 1974, as amended, as is necessary and appropriate to protect this information. Further, DHS has exempted section (c)(3) of the Privacy Act of 1974, as amended, pursuant to 5 U.S.C. 552a(k)(2) as is necessary and appropriate to protect this information.

Additionally, this system contains records or information recompiled from or created from information contained in other systems of records that are exempt from certain provision of the Privacy Act. This system also contains accountings of disclosures made with respect to information maintained in the system. For these records or information only, in accordance with 5 U.S.C. 552a(j)(2) and (k)(2), DHS will also claim the original exemptions for these records or information from subsections (c)(3) and (4); (d)(1), (2), (3), and (4); (e)(1), (2), (3), (4)(G) through (I), (5), and (8); (f); and (g) of the Privacy Act of 1974, as amended, as necessary and appropriate to protect such information.

Dated: May 1, 2015.

Karen L. Neuman,

Chief Privacy Officer, Department of Homeland Security.

[FR Doc. 2015–11288 Filed 5–8–15; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–14]

Guidance and Instructions for Extension Requests of 24-Month Expenditure Deadline for Community Development Block Grant Disaster Recovery (CDBG–DR) Grantees

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice advises Community Development Block Grant disaster recovery (CDBG–DR) grantees with grants pursuant to the Disaster Relief Appropriations Act, 2013 (the Appropriations Act) of the process and requirements associated with grantee requests for an extension of the 24-month expenditure deadline for specific portions of funds obligated under the Appropriations Act.

DATES: *Effective Date:* May 18, 2015.

FOR FURTHER INFORMATION CONTACT: Stanley Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Applicability

The requirements of this Notice are applicable to all CDBG disaster recovery (CDBG–DR) grants funded pursuant to the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) and do not apply to any CDBG–DR grants funded pursuant to other supplemental appropriations.

II. Background

The Appropriations Act made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et. seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This Notice establishes submission instructions for expenditure deadline extension requests and other related requirements for grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** Notices published by HUD on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), March 27, 2014 (79 FR 17173), June 3, 2014 (79 FR 31964), July 11, 2014 (79 FR 40133), October 7, 2014 (79 FR 60490), October 16, 2014 (79 FR 62182), January 8, 2015 (80 FR 1039), and April 2, 2015 (80 FR 17772) referred to collectively in this Notice as the "Prior Notices." The requirements of the Prior Notices continue to apply, except as modified by this Notice.[1]

The Appropriations Act requires HUD to obligate all funds provided under the Appropriations Act by September 30, 2017. The Appropriations Act also requires that grantees expend funds within 24 months of the date on which HUD obligates funds to a grantee. Funds are obligated to a grantee on the date that HUD signs a grantee's CDBG- DR grant agreement or grant agreement amendment obligating additional funds. Each obligation carries its own expenditure deadline. For each obligation to a grantee, any funds remaining in the grantee's line of credit from that obligation at the time of the expenditure deadline for that obligation will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD. In all instances, grantees must continue to meet the requirements for Federal cash management at 24 CFR 85.20(a)(7), as may be amended, and therefore may not draw down funds in advance of need to attempt to comply with the expenditure deadline in accordance with HUD's long-standing implementation of this requirement.

Section 904(c) of the Appropriations Act authorizes the Office of Management and Budget (OMB) to grant waivers of the 24-month expenditure deadline. To implement this provision of the Appropriations Act, OMB requested Federal agencies receiving an appropriation under the Appropriations Act to identify categories of activities that could be subject to a waiver of the 24-month expenditure deadline. OMB also requested that agencies estimate, for each category of activity, the total amount of funds provided under the Appropriations Act that would likely require a waiver. HUD submitted an analysis of different categories of CDBG–DR activities that would likely necessitate a waiver of the expenditure deadline to OMB. OMB authorized HUD to provide CDBG–DR grantees with expenditure deadline extensions for activities that are inherently long-term and where it would be impracticable to expend funds within the 24-month period and still achieve program missions.

Although HUD has authority to grant extensions of the 24-month expenditure deadline up to amounts approved by OMB for each of the activity categories described in Section III of this Notice, grantees are advised that 31 U.S.C. 1552(a) continues to apply to funds appropriated under the Appropriations Act. Specifically, CDBG–DR funds are to remain available for expenditure for five years following the period of availability for obligation. All funds under the Appropriations Act, including those subject to a waiver of the expenditure deadline, must be expended by September 30, 2022. Any grant funds that have not been disbursed by September 30, 2022, will be canceled and will no longer be available for disbursement to the grantee for obligation or expenditure for any purpose.

III. Eligible Activities

The National Disaster Recovery Framework acknowledges that long-term recovery is inherently a multi-year process. HUD recognizes that grantees allocate a significant portion of CDBG–DR funds to complex and large-scale programs and projects that are long-term in nature. HUD also recognizes that grantees will require CDBG–DR administrative funds to conduct grant closeout and engage in ongoing program oversight, and that these efforts will inevitably extend beyond the 24-month expenditure deadline that applies to each obligation.

As authorized by OMB, HUD will limit its consideration of expenditure deadline extension requests to certain types of eligible disaster recovery activities undertaken by grantees. HUD will consider grantee programs and projects within the following four categories for expenditure deadline extensions:

- *Public facilities and improvements.* Typical public facilities and improvement activities include the rehabilitation, replacement, or relocation of damaged public facilities and improvements, as well as investments to increase the resilience of those facilities and improvements.
- *Housing.* Typical housing activities include new construction, elevation, and rehabilitation of single family or multifamily residential units.
- *Economic revitalization.* Economic revitalization activities often include the provision of loans and grants to small businesses, job training programs, the construction of education facilities to teach technical skills, making improvements to commercial or retail

[1] Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by HUD for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

districts, and financing other efforts that attract and retain workers in disaster-impacted communities.

• *Grant administration.* Typical administrative activities include salaries, wages, and related costs of grantee or subrecipient staff and others engaged in program management, monitoring, and evaluation. Administrative costs are limited by the Appropriations Act to five percent of each grantee's total allocation.

IV. Timeline for Submission

The process for any funds that the grantee believes will not be expended by the 24-month expenditure deadline, as outlined in Section III of each of the prior **Federal Register** Notices published by HUD on March 5, 2013 (78 FR 14329), May 29, 2013 (78 FR 32262), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), June 3, 2014 (79 FR 31964), and October 16, 2014 (79 FR 62185), is hereby revised as follows:

"The Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee; and funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the 24-month deadline and that it desires to retain, the grantee must submit an extension request in a form acceptable to HUD not less than 120 calendar days in advance of the date of the expenditure deadline on those funds justifying why it is necessary to extend the deadline for a specific portion of the funds. In consideration of the timeline for funds with expenditure deadlines in 2015, extension requests for those funds must be submitted to HUD not less than 60 calendar days in advance of the date of the expenditure deadline on those funds. OMB has provided HUD with authority to act on grantee extension requests but grantees are cautioned that such extensions may not be approved. If granted, extensions will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadlines will be recaptured by HUD."

V. Requirements for Submission

Grantees seeking an extension of the 24-month deadline for a project or program must provide HUD with detailed information on the compelling legal, policy, or operational challenges that prevent the grantee from meeting the expenditure deadline as well as identify the proposed date for the full expenditure of the specified portion of funds.

To expedite the review process, HUD has developed a CDBG–DR Expenditure Deadline Extension Request template. Grantees must submit one template per program or project for which a revised expenditure deadline is being requested. In certain cases, HUD may request that a grantee resubmit this template at a project-level if information provided at the programmatic level is insufficient for HUD to assess whether the request meets HUD's criteria for approving an extension, as outlined in Section VII below. This template will ensure that each request captures all of the requirements outlined in this Notice. The template will be posted at: *https://www.hudexchange.info/cdbg-dr/*. Each grantee must include the following elements, as delineated within the CDBG–DR Expenditure Deadline Extension Request template, as part of its submission:

(1) A description of the individual program or project for which an extension is being requested, including information on relevant Disaster Recovery Grant Reporting System (DRGR) activity(ies).

(2) An explanation for why an extension is being requested, including all relevant and compelling statutory, regulatory, policy, or operational challenges, and how the extension will promote a more effective and efficient recovery effort.

(3) Description of how the provision of an extension would reduce the likelihood of waste, fraud, and abuse, if applicable.

(4) An identification of all community stakeholders (including state or local entities, subrecipients, nonprofits, and civic organizations) to be affected by the expenditure deadline extension, their role in program or project implementation, and the impact, if any, of the extension on these stakeholders.

(5) A revised expenditure deadline for the CDBG–DR funds budgeted for the program or project (*i.e.* the DRGR 'end date') as well as a projection of quarterly expenditures for the program or project for which the waiver is requested, including incremental dollar amounts and percentage of funds budgeted for each DRGR activity. This information is required in order for HUD to ensure grantee compliance with revised expenditure deadlines in the DRGR system.

(6) A description of the risks associated with not receiving the requested extension, such as the estimated percentage of funds which would be at risk of recapture or specific recovery needs that would not be met if the particular program or project cannot be completed or undertaken.

(7) A description of the monitoring process and internal controls that the grantee and any subrecipients will implement to ensure compliance with the revised expenditure deadline.

VI. Submission Process

The submission of any grantee expenditure deadline extension request is subject to the following requirements:

• Grantee submits the completed CDBG–DR Expenditure Deadline Extension Request template and any attachments to HUD in order to request consideration of the extension request not less than 120 calendar days in advance of the expenditure deadline on the funds (or 60 days for funds expiring in calendar year 2015).

• HUD reviews the extension request within 45 (or sooner for funds expiring in calendar year 2015) calendar days from date of receipt and approves the request based on the parameters outlined in Section VII of this Notice.

• HUD sends an extension request approval letter to the grantee. HUD may disapprove the request if it is determined that it does not meet the requirements of this Notice. If the request is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the request within 30 calendar days (or 10 days for funds expiring in the calendar year 2015) of the notification letter;

• Within 30 calendar days of HUD's approval, the grantee amends its Action Plan for disaster recovery to reflect the approval of the revised expenditure deadline. HUD considers any Action Plan amendments to reflect revised activity expenditure timelines to be non-substantial amendments.

• Immediately following this amendment, the grantee updates its DRGR Action Plan to reflect the revised 'end date' for each DRGR activity covered by the approved waiver.

• If approved, HUD will publish the extension approval in the **Federal Register**. HUD will consolidate grantee extension approvals for publication. Therefore, extension approval is effective as of the date of the extension request approval letter, rather than as of the effective date of the published **Federal Register** notice.

VII. Criteria for Approval

Under the authority provided to HUD by OMB, HUD will consider expenditure deadline extension requests for projects or programs based on the Secretary's determination that the extension is necessary and that the request meets the conditions set forth by OMB. HUD will assess extension requests using the following criteria:

(1) The program or project must be approved in the grantee's Action Plan

for disaster recovery prior to the grantee's submission of an expenditure deadline extension request to HUD.

(2) The CDBG–DR funds associated with the program or project must have been obligated by HUD through a grant agreement, and, therefore, be subject to an established expenditure deadline.

(3) The information submitted on the CDBG–DR Expenditure Deadline Extension Request template is comprehensive and complete to the satisfaction of HUD, as outlined in Section V of this Notice.

(4) The revised expenditure deadline for the CDBG–DR funds budgeted for the program or project (*i.e.* the DRGR 'end date') as well as the projection of quarterly expenditures are determined to be achievable based on the grantee's past performance and expenditure rate.

(5) The grantee's capacity to implement monitoring processes and internal controls as outlined by the grantee in the template are sufficient to ensure compliance with the revised expenditure deadline.

(6) The grantee has demonstrated that it has evaluated all reasonable alternatives prior to determining that an extension is the only remaining viable alternative.

(7) HUD can determine, based on the grantee's submission, that the program or project covered by the request satisfies the OMB criteria for activities that are long-term by design, where it is impracticable to expend funds within the 24-month period and achieve program missions, and any other criteria imposed by OMB.

Regardless of the criteria outlined in this section, HUD retains the authority to deny requested extensions or to provide alternative expenditure deadlines to those proposed by grantees.

VIII. Applicable Rules and Considerations

This section of the Notice describes other requirements that grantees should consider prior to requesting an extension of the of the 24-month expenditure deadline for CDBG–DR programs and projects.

1. *Urgent need national objective certification requirements.* In HUD's March 5, 2013 Notice (78 FR 14329), grantees receiving funds under the Appropriations Act were provided a waiver of the certification requirements for the documentation of the urgent need national objective, located at§§ 570.208(c) and 570.483(d), until two years after the date HUD obligates funds to a grantee. Grantees seeking a waiver of the expenditure deadline may simultaneously seek an extension of the urgent need certification waiver. However, a grantee's request for an urgent need waiver must demonstrate to HUD that an extension of the urgent need certification waiver for those funds is necessary for recovery and that that remaining needs remain urgent, despite the passage of time since the disaster. HUD may grant a waiver under the authority provided in the Appropriations Act authorizing the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the HCD Act. If approved, the extension of the urgent need certification waiver will only become effective after its publication in in the **Federal Register**.

2. *Expenditure deadline extensions are program- and project-specific.* Any revised expenditure deadline is specific to the program or project as identified in the approval letter from HUD. Grantees may not reallocate funds with a revised expenditure deadline to other recovery programs or projects without HUD authorization. In order to reallocate such funds, the grantee must request an additional extension through the process described in Section VI of this Notice. Grant balances not used for a program or project that receives an expenditure deadline waiver will be canceled if the expenditure deadline on those funds has passed.

3. *Modifications to revised expenditure deadlines.* Under limited circumstances and subject to 31 U.S.C. 1552(a), HUD may authorize grantees to further extend the expenditure deadlines associated with recovery programs and projects. In order to revise the expenditure deadline on these funds, the grantee must request an additional extension through the process described in Section VI of this Notice.

IX. Applicability to National Disaster Resilience Competition and Rebuild by Design Projects

National Disaster Resilience Competition Projects. Projects that are funded under the Notice of Funding Availability (NOFA) for the National Disaster Resilience Competition (NDRC) (FR–5800–N–29) are not subject to the requirements of this Notice. Grantees may instead request extensions of the 24-month expenditure deadline for those projects pursuant to the requirements of the NOFA, as may be amended.

Rebuild by Design Projects. HUD will also consider extension requests for funds allocated for Rebuild by Design (RBD) Projects, funded under the eligible "Rebuild by Design" activity in Section VII.4.c. of the Notice published on October 16, 2014, subject to any other criteria imposed by OMB. Requests for an extension of the expenditure deadline for RBD Project funds shall be submitted pursuant to the submission process outlined in Section VI of this Notice but instead of submitting the CDBG–DR Expenditure Deadline Extension Request template, grantee submission requests must contain the information required of extension requests under the headline "Expenditure Deadline Waivers" in Appendix E to the NDRC NOFA, as may be amended.

X. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice is as follows: 14.269.

XI. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Date: May 4, 2015.

Harriet Tregoning,

Principal Deputy Assistant, Secretary for Community Planning and Development.

[FR Doc. 2015–11260 Filed 5–8–15; 8:45 am]

BILLING CODE 4210–67–P

Dated: November 12, 2015.

Henry Hensley,

Acting Director, Office of Strategic Planning and Management.

[FR Doc. 2015–29484 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–17]

Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under Public Law 113–2: "Buyout" and "Acquisition" Activities; Assistance to Agricultural Enterprises; and State of Colorado Waiver for Tourism Promotion

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This notice provides clarifying guidance for Community Development Block Grant disaster recovery (CDBG–DR) grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act). It provides clarification regarding the requirements of "buyout" activities authorized in the Department's March 5, 2013, **Federal Register** notice and expands the eligibility criteria for buyout activities to include "Disaster Risk Reduction Areas" as defined by the grantee. It also modifies requirements of the March 5, 2013, notice on the prohibition of assistance to businesses that do not meet the Small Business Administration (SBA) definition of small businesses, permitting assistance also to eligible businesses engaged in "farming operations," as determined by the U.S. Department of Agriculture (USDA). This notice also provides a waiver to the State of Colorado to expend additional CDBG–DR funds and to assist additional communities impacted by declared disasters in 2011, 2012, and 2013, through tourism promotion activities previously authorized in the Department's June 3, 2014, notice.

DATES: *Effective Date:* November 23, 2015.

FOR FURTHER INFORMATION CONTACT: Stanley Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimiled inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Emailed inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Background

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et. seq.) (Stafford Act) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition.

This notice applies to grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329); April 19, 2013 (78 FR 23578); May 29, 2013 (78 FR 32262); August 2, 2013 (78 FR 46999); November 18, 2013 (78 FR 69104); December 16, 2013 (78 FR 76154); March 27, 2014 (79 FR 17173); June 3, 2014 (79 FR 31964); July 11, 2014 (79 FR 40133); October 7, 2014 (79 FR 60490); October 16, 2014 (79 FR 62182); January 8, 2015 (80 FR 1039); April 2, 2015 (80 FR 17772); May 11, 2015 (80 FR 26942); and August 25, 2015 (80 FR 51589) referred to collectively in this notice as the "prior notices." The requirements of the prior notices continue to apply, except as modified by this notice.[1]

II. Applicable Rules (Including Clarifying Guidance), Statutes, Waivers, and Alternative Requirements

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waiver and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waiver and alternative requirements are not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Acquisition of Real Property and Buyouts Outside of Floodplains

In response to a request from the State of Colorado, HUD is authorizing grantees in receipt of CDBG–DR funds under the Appropriations Act to acquire property for an amount equal to either the property's pre-disaster or post-disaster value (formerly referenced in the prior notices as pre- and post-flood values), for the buyout of properties in "Disaster Risk Reduction Areas" as defined by criteria established by the grantee, subject to the limitations of this notice.

The Department has previously authorized CDBG–DR grantees to carry out buyout programs in floodways or floodplains, by allowing grantees to offer to acquire properties in hazardous

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

flood areas at pre-flood or post–flood value. The Secretary authorized this type of acquisition to: (1) Reduce the risk to homeowners from the effects of subsequent disasters; (2) assist in the recovery of low- and moderate-income households; and (3) protect taxpayer resources that might otherwise be needed after future disasters in the same area.

In previous notices, HUD referred to "flood buyouts" and recognized that grantees frequently used CDBG–DR funds to match funds for buyouts provided under section 404 of the Stafford Act, as amended. Section 404 empowers the Director of the Federal Emergency Management Agency (FEMA) to provide property acquisition and relocation assistance "in providing hazard mitigation assistance under this section in connection with flooding . . . ." Since flooding is by far the most prevalent and predictable source of widespread destruction in a Presidentially declared disaster, the Department did not address the potential need to include other types of hazards. Large scale disasters have the potential to create or exacerbate hazards in areas located outside of a floodplain or floodway. For example, the wildfires that swept through Colorado in 2013 destroyed vegetation in many areas, creating erosion and affecting soil stability in a manner that now places many homes at risk for mudslides in future disasters, although those homes are not located in a floodplain or floodway.

For the same reasons that buyouts in floodways and floodplains are permitted, HUD is amending its alternative requirement to expand the scope of authorized buyouts in the prior notices for grantees receiving CDBG–DR funds under the Appropriations Act. Accordingly, the definition of "buyout" in all prior notices is amended to mean "acquisition of properties located in a floodway or floodplain that is intended to reduce risk from future flooding, or the acquisition of properties in 'Disaster Risk Reduction Areas' located outside of floodways and floodplains for the purpose of reducing risks from the hazard that was the basis of the Disaster Risk Reduction Area designation. 'Disaster Risk Reduction Areas' must be designated in accordance with the buyout requirements of applicable **Federal Register** Notices."

Recognizing that States and units of general local government (UGLGs) are best positioned to determine what constitutes an unacceptable risk to their communities in exercising this additional authority, grantees will need to establish criteria to designate a "Disaster Risk Reduction Area," subject to the following requirements: (1) The hazard must have been caused or exacerbated by the Presidentially declared disaster for which the grantee received its CDBG–DR allocation; (2) The hazard must be a predictable environmental threat to the safety and well-being of program beneficiaries, as evidenced by the best available data and science; and (3) The Disaster Risk Reduction Area must be clearly delineated so that HUD and the public may easily determine which properties are located within the Disaster Risk Reduction Area.

Once grantees have established criteria to designate a "Disaster Risk Reduction Area," and designated a Disaster Risk Reduction Area in accordance with the established criteria, the grantee may conduct buyouts in the Disaster Risk Reduction Area only if the grantee's approved action plan contains a description of the buyouts to be conducted in the identified Disaster Risk Reduction Areas and the national objective that the buyouts will meet. Any buyouts conducted within the Disaster Risk Reduction Area will be subject to the requirements applicable to buyouts in the March 5, 2013, notice. These requirements include restrictions on redevelopment and the discretion to determine the appropriate valuation method (including the use of pre- or post-disaster fair market value (FMV)), so long as the valuation method is uniformly applied.

2. Clarification of "Buyout" and "Real Property Acquisition" Activities

CDBG–DR grantees under Public Law 113–2 that choose to undertake a buyout program have the discretion to determine the appropriate valuation method, including paying either pre-disaster or post-disaster FMV. In most cases, a program that provides *pre*-disaster FMV to buyout applicants provides compensation at an amount greater than the post-disaster FMV. When the purchase price exceeds the current FMV, any CDBG–DR funds in excess of FMV are considered assistance to the seller, thus making the seller a beneficiary of CDBG–DR assistance. If the seller receives assistance as part of the purchase price, this may have implications for duplication of benefits calculations or for demonstrating national objective criteria, as discussed below. However, a program that provides *post*-disaster FMV to buyout applicants merely provides the actual value of the property; thus, the seller is not considered a beneficiary of CDBG–DR assistance.

Regardless of purchase price, all buyout activities are a type of acquisition of real property (as permitted by section 105(a)(1) of the HCD Act). However, only acquisitions that meet the definition of a "buyout" are subject to the post-acquisition land use restrictions imposed by the applicable prior notices. The key factor in determining whether the acquisition is a buyout is whether the intent of the purchase is to reduce risk from future flooding or to reduce the risk from the hazard that lead to the property's Disaster Risk Reduction Area designation. The distinction between buyouts and other types of acquisitions is important, because grantees may only redevelop an acquired property if the property is not acquired through a buyout program (*i.e.*, the purpose of acquisition was something other than risk reduction). When acquisitions are not acquired through a buyout program, the purchase price must be consistent with applicable uniform cost principles (the pre-disaster FMV may not be used).

3. Clarification of Ownership and Maintenance Requirements for Property Acquired Through a Buyout Program

Any property acquired with CDBG–DR funds through a buyout program is subject to the requirement made applicable by the prior notices that property acquired through a buyout program be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices. In addition, no new structure may be erected on the property other than exceptions identified in the March 5, 2013, notice, and no subsequent application for Federal disaster assistance may be made for any purpose for the property. The acquiring entity may lease such property to adjacent property owners or other parties for compatible uses in return for a maintenance agreement. Although Federal policy encourages leasing rather than selling such property, the property may also be sold. In all cases, a deed restriction or covenant running with the property must require that the buyout property be dedicated and maintained for compatible uses in perpetuity.

4. Use of Low- and Moderate-Income Housing National Objective When Undertaking Buyout Activities

In order to demonstrate that a buyout meets the Low- and Moderate-Income (LMI) Housing National Objective (LMH), grantees must meet all requirements of the HCD Act and applicable regulatory criteria described below. Grantees are encouraged to

consult with HUD prior to undertaking a buyout program with the intent of using the LMH national objective.

Section 105(c)(3) of the HCD Act (42 U.S.C. 5305(c)(3)) provides that "[a]ny assisted activity under this chapter that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low- and moderate-income only to the extent such housing will, upon completion, be occupied by such persons." In addition, the State CDBG regulations at 24 CFR 570.483(b)(3) and entitlement CDBG regulations at 24 CFR 570.208(a)(3) apply the LMH national objective to an eligible activity carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by low- and moderate-income households. Therefore, a buyout program that merely pays homeowners to leave their existing homes does not result in an LMI household occupying a residential structure and thus cannot meet the requirements of the LMH national objective.

Buyout programs that assist LMI persons can be structured in one of the following ways: (1) The buyout program combines the acquisition of properties with another direct benefit, LMI housing activity, such as down payment assistance,[2] that results in occupancy and otherwise meets the applicable LMH housing national objective criteria in 24 CFR part 570 (*e.g.*, if the structure contains more than two dwelling units, at least 51 percent of the units must be occupied by LMI households); (2) The program meets the low- and moderate-income area benefit criteria to demonstrate national objective compliance, provided that the grantee can document that the properties acquired through buyouts will be used in a way that benefits all of the residents in a particular area where at least 51 percent of the residents are low- and moderate-income persons. When using the area benefit approach, grantees must define the service area based on the end use of the buyout properties; or (3) The program meets the criteria for the limited clientele national objective, including the prohibition on the use of the limited clientele national objective when an activity's benefits are available to all residents of the area. A buyout program could meet the national objective criteria for the limited clientele national objective if it restricts buyout program eligibility to exclusively low- and moderate-income persons, and the buyout provides an actual benefit to the low- and moderate-income sellers by providing pre-disaster valuation uniformly to those who participate in the program.

5. Clarification of Definition of Small Business for Agricultural Enterprises

The March 5, 2013, notice (78 FR 14329) instituted an alternative requirement to the provisions at 42 U.S.C. 5305(a), prohibiting grantees in receipt of funds under the Appropriations Act from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121. The objective of this alternative requirement is to ensure that grantees target disaster recovery resources to the unmet needs of small businesses. HUD is now modifying these criteria to better enable assistance for agricultural businesses. Businesses and entities engaged in agricultural enterprises may now be assisted if they meet the alternative eligibility criteria employed by USDA assistance programs.

The SBA small business definition establishes a much lower income threshold for agricultural enterprises than for other businesses. The SBA criteria provides a gross income limit of $750,000 for most agricultural businesses, while the gross income limit for businesses in other sectors is $7.5 million or higher. These gross income limitations for agricultural enterprises may prevent CDBG–DR grantees from addressing unmet recovery needs of many agricultural businesses that would otherwise be considered small enterprises that meet the intent of HUD's requirements.

Legislation enacted in 1986 withdrew SBA's authority to provide disaster assistance loans to agricultural enterprises to ensure cooperation between USDA and SBA in the use of each agency's respective loan making authorities and to improve the delivery of disaster assistance to the agricultural segment of the country. SBA also decreased the gross income limits for the agricultural sector in its small business criteria, as described above, to further ensure that agricultural businesses would apply to USDA for other types of financial assistance. Consequently, HUD's use of the SBA definition in its March 5, 2013, notice may inadvertently limit small agricultural enterprises from accessing financial assistance through grantees' CDBG–DR programs under the Appropriations Act.

As HUD's intent to address the unmet recovery needs of small agricultural enterprises does not conflict with the goal of directing these businesses to USDA for other types of assistance, HUD is modifying its criteria for businesses engaged in agricultural enterprises to enable them to access CDBG–DR funds necessary for their recovery.

Accordingly, paragraph VI.D.41, of the March 5, 2013, notice is amended to read: "To target assistance to small businesses, the Department is instituting an alternative requirement to the provisions at 42 U.S.C. 5305(a) to prohibit grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121. Grantees may also assist businesses that are engaged in "farming operations," as defined at 7 CFR 1400.3, and that meet the USDA Farm Service Agency (FSA) criteria that are described at 7 CFR 1400.500 which are used by the FSA to determine eligibility for certain assistance programs."

Grantees are also reminded that this modification may allow them to add new beneficiaries or programs described within their CDBG–DR action plans for disaster recovery. These changes would constitute a substantial amendment to the CDBG–DR action plan as described in the March 5, 2013, notice (78 FR 14329) at paragraph VI.A.3.a. If applicable, grantees must submit a Substantial Action Plan Amendment revising the description of their business assistance program to include potential beneficiaries, and this amendment will be subject to the citizen participation requirements of the March 5, 2013, notice at VI.A.3, which requires no less than 7 calendar days to solicit public comment.

6. Waiver To Permit Some Activities in Support of the Tourism Industry (State of Colorado Only)

In the **Federal Register** notice published on June 3, 2014 (79 FR 31964), the Department granted the State of Colorado a waiver of 42 U.S.C. 5305(a) to make eligible the use of up to $500,000 in CDBG–DR funds to support the State's tourism industry and to promote travel to the most impacted and distressed areas related to the 2013 floods. This notice replaces the previous waiver and authorizes the State to provide an additional $768,300 in

[2] The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) applies to the use of CDBG funds for down payment assistance. If down payment assistance is provided with CDBG funds awarded under the Appropriations Act (Pub. L. 113–2), URA requirements apply as modified by the March 5, 2013, notice (78 FR 14329). The use of other CDBG funds for down payment assistance is subject to the URA and regulatory requirements at 24 CFR 570.606. Other direct benefit LMI housing activities may also be subject to the URA.

CDBG–DR funds to support tourism promotion activities, increasing the amount covered by the waiver from $500,000 to $1,268,300. In addition, this revised waiver permits the State to support its tourism industry and promote travel to the most impacted and distressed counties that had a declared major disaster in 2011, 2012, or 2013, including those impacted by disasters other than flooding.

Using the funds provided under the initial waiver, the State established its first CDBG–DR Tourism Marketing Grant Program and received applications requesting a total of $787,927. Through this program, the State awarded eight grants totaling $500,000 in CDBG–DR funding to support a variety of activities such as advertising, marketing campaigns, promotion of community and spectator events, and Web site improvements in targeted areas that had experienced a reduction in tourism revenues following the 2013 floods in Colorado. This funding fell short of meeting the tourism promotion priorities identified through the initial round of State funding by $287,927. The State has also subsequently identified $480,373 in additional funding opportunities for the original applicants who were constrained by the initial grant size limitation, as well as for potential new applicants made eligible through the inclusion of areas impacted by disasters other than flooding.

In support of this request, the State has conducted an analysis of retail sales that indicates that the flooding and wildfire disasters continue to negatively affect local tourism revenues. Tourism is the primary economic contributor to the State of Colorado's economy and provides a valuable source of business revenue, taxes, and employment. According to analyses provided by the State, businesses supported by tourism, including hotels, lodges, restaurants, and grocery stores, are still experiencing weakened sales revenue. Tax revenue from these businesses benefits the State's economy and provides funding for other State activities and services. In addition, this industry employs many individuals who are of low- and moderate-income; thus, this population has been inordinately affected by the decrease in tourism revenue. Some of these jobs have been lost as a result of the disasters.

Because communities are diverting disposable tax revenue to physical recovery projects, funding for tourism marketing is scarce and communities face a worsening economic cycle from which the areas cannot recover without the injection of supplemental assistance. Therefore, the State has requested that an additional $768,300 of its total CDBG–DR award be made eligible for such tourism promotion activities. HUD continues to support the use of CDBG–DR funds in this scenario as a recovery tool in a damaged regional economy that depends on tourism for many of its jobs and tax revenue.

As the State of Colorado is proposing to use these additional funds for advertising and marketing activities that broadly support its tourism industry, rather than direct assistance to tourism-dependent businesses, and because long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) is waived only to the extent necessary to make eligible an additional $768,300 to support tourism promotion activities. The State must award the additional $768,300 in CDBG–DR funds competitively through its existing CDBG–DR Tourism Marketing Grant Program to public or nonprofit entities that promote travel to or within a community or communities in general, provided the assisted activities are designed to support tourism to areas most impacted and distressed by a major disaster declared in 2011, 2012, or 2013.

As an additional condition of expanding this waiver, the State must demonstrate that funds will supplement and not replace State and local funding sources for this purpose. In its request for this waiver, the State indicated that entities selected for an award also pledged nearly a one-for-one match for their projects. The State may demonstrate that CDBG–DR funds will supplement, but not replace, local funding by requiring a match, including provision for in-kind contributions, similar to the existing competitive grant program offered by the Colorado Tourism Office. However, if the State does not require a match, the State must identify another means to adequately demonstrate that funds will supplement, but not supplant, State and local resources typically dedicated to promote tourism in these impacted areas.

The additional funds provided through this waiver for the State's CDBG–DR Tourism Marketing Grant Program are subject to all requirements in the notice published on June 3, 2014 (79 FR 31964), unless otherwise modified through this notice. The funds permitted under this waiver are subject to the same obligation and expenditure deadline applicable to all funds under the Appropriations Act. Therefore, this waiver remains in effect until 2 years following HUD's obligation of the funds permitted under this waiver.

The State is reminded that this expanded waiver will allow them to add new beneficiaries described within their CDBG–DR action plans for disaster recovery. These changes would constitute substantial amendments as described in the March 5, 2013 notice (78 FR 14329), at paragraph VI.A.3.a. If applicable, the State must submit a Substantial Action Plan Amendment revising its description of its CDBG–DR Tourism Marketing Grant Program to include potential beneficiaries, and this amendment will be subject to the citizen participation requirements of the March 5, 2013, notice at VI.A.3, which requires no less than 7 calendar days to solicit public comment.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service, toll-free, at 800–877–8339.

Dated: November 10, 2015.

Nani Coloretti,

Deputy Secretary.

[FR Doc. 2015–29487 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5832–N–12]

60-Day Notice of Proposed Information Collection: Indian Community Capital Initiative

AGENCY: Office of Community Planning and Development, HUD.

12,000 respondents from Individuals or Households and the estimated hour burden per response is 1.17 hours).

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 38,160 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $2,205,000.

Dated: February 9, 2016.

Samantha Deshommes,

Acting Chief, Regulatory Coordination Division, Office of Policy and Strategy, U.S. Citizenship and Immigration Services, Department of Homeland Security.

[FR Doc. 2016–02942 Filed 2–11–16; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–18]

Additional Clarifying Guidance, Waivers and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under Public Law 113–2 for the Submission of Expenditure Deadline Extension Requests and Urgent Need Certification Extensions and for the Provision of Interim Mortgage Assistance by the State of New York

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This notice provides additional clarifying guidance for all Community Development Block Grant Disaster Recovery (CDBG–DR) grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act), with regard to the submission of requests for an extension of the 2-year expenditure deadline established for funds provided under the Appropriations Act and the continued use of the alternative urgent need national objective. This notice also provides an alternative requirement for New York State as a grantee in receipt of CDBG–DR funds under the Appropriations Act. This alternative requirement addresses the period of time in which interim mortgage assistance may be provided to beneficiaries in the State's housing recovery programs.

DATES: Effective Date: *February 17, 2016.*

FOR FURTHER INFORMATION CONTACT: Stanley Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Mr. Gimont at 202–401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Background

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et. seq.*) (Stafford Act) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This notice applies to all CDBG–DR grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), March 27, 2014 (79 FR 17173), June 3, 2014 (79 FR 31964), July 11, 2014 (79 FR 40133), October 7, 2014 (79 FR 60490), October 16, 2014 (79 FR 62182), January 8, 2015 (80 FR 1039), April 2, 2015 (80 FR 17772), May 11, 2015 (80 FR 26942), August 25, 2015 (80 FR 51589), and November 18, 2015 (80 FR 72102), referred to collectively in this notice as the "prior notices." The requirements of the prior notices continue to apply, except as modified by this notice.[1]

II. Applicable Rules (Including Clarifying Guidance), Statutes, Waivers, and Alternative Requirements

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation, or use by the recipient, of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waivers and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waiver and alternative requirements are not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** at least 5 days before the effective date of such waiver.

1. *Timeline for the submission of expenditure deadline extension requests.* The Appropriations Act requires the Department to obligate all funds provided under the Appropriations Act by September 30, 2017, and requires grantees to expend funds within 24-months of the date on which the Department obligates funds to a grantee. The Appropriations Act also authorizes the Office of Management and Budget (OMB) to grant waivers of the 24-month expenditure deadline.

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

OMB authorized the Department to provide CDBG–DR grantees with expenditure deadline extensions for activities that are inherently long-term and where it would be impracticable to expend funds within the 24-month period and still achieve program missions, up to amounts approved by OMB. In the **Federal Register** notice published on May 11, 2015, (80 FR 26942), the Department established the process and criteria for the submission of expenditure deadline extension requests for CDBG–DR grantees in receipt of funds under the Appropriations Act. The May 11, 2015, notice requires these grantees to submit requests for the extension of an expenditure deadline at least 120 calendar days in advance of the expenditure deadline (80 FR 26944). Since the May 11, 2015, notice was published, the Department subsequently received, reviewed, and acted upon expenditure deadline extension requests from a number of CDBG–DR grantees in receipt of funds under the Appropriations Act. In some instances, the Department observed that events and circumstances beyond the control of the grantee may require grantees to request an extension of an expenditure deadline after the 120-calendar-day deadline has passed. The Department is therefore amending this requirement of the May 11, 2015, notice to provide that a grantee "submits the completed CDBG–DR Expenditure Deadline Extension Request template and any attachments to HUD in order to request consideration of the extension request at least 120 calendar days in advance of the expenditure deadline on the funds (or 60 days for funds expiring in calendar year 2015). HUD may, however, also accept requests from CDBG–DR grantees for the extension of an expenditure deadline *less than* 120 calendar days in advance of the deadline upon receipt of a letter from the chief executive officer of the grantee requesting the extension and a demonstration by the grantee that the request is required in order to achieve program missions. Grantees are advised however, that time constraints may not permit HUD to act upon requests that are received in close proximity to an expenditure deadline."

2. *Urgent need national objective certification requirements.* The March 5, 2013, notice (78 FR 14329) provided grantees receiving funds under the Appropriations Act with a waiver of the certification requirements for the documentation of the urgent need national objective, located at §§ 570.208(c) and 570.483(d), until 2 years after the date the Department obligates funds to a grantee. The May 11, 2015, notice allowed grantees seeking a waiver of an expenditure deadline to simultaneously seek an extension of the urgent need certification waiver. The extension of the urgent need certification waiver, however, is currently only effective after its publication in the **Federal Register**. This approach presents challenges for CDBG–DR grantees who receive an extension of an expenditure deadline for an activity associated with the urgent need certification, with the extended expenditure deadline in effect but with the urgent need certification waiver still requiring publication in the **Federal Register**.

To accommodate the timely expenditure of funds, HUD is modifying the temporary, streamlined urgent need waiver and alternative requirement in paragraph VI.A.1.f. of the March 5, 2013, notice (78 FR 14336). This waiver and alternative requirement supersedes the information published in the May 11, 2015, notice and will allow grantees to more effectively implement urgent recovery activities by aligning the applicable urgent need national objective criteria with the expenditure deadline on the use of funds. The March 5, 2013, notice is modified to add the following alternative requirement for grantees that receive an extension of the expenditure deadline: For activities designed to respond to a disaster-related impact that poses a serious and immediate threat to the health or welfare of the community, the grantee may continue to use the urgent need national objective until the end of the new expenditure deadline if the grantee meets the following requirements from the March 5, 2013, notice: (1) Before seeking the expenditure deadline extension, the grantee must reference in its Action Plan the type, scale, and location of the disaster-related impacts addressed by each program and/or activity that will meet the urgent need national objective; (2) before seeking the expenditure deadline extension, the grantee must identify these disaster related impacts in its Action Plan needs assessment; (3) the needs assessment must be updated as new or more detailed/accurate disaster-related impacts are known; and (4) the grantee must document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee.

3. *Alternative requirement to permit extended time for the provision of interim mortgage assistance (State of New York only).* In the **Federal Register** notice published on March 5, 2013, the Department established an alternative requirement to 42 U.S.C. 5305(a)(8) to extend the authority of grantees under the Appropriations Act to provide interim mortgage assistance to qualified individuals from 3 months to up to 20 months (78 FR 14345). A grantee using this alternative requirement is required to document in its policies and procedures how it will determine the amount of assistance to be provided is necessary and reasonable. The State of New York has requested a modification of the 20-month limitation on the provision of interim mortgage assistance to authorize the assistance for a period of up to 36 months.

Under the State's existing Interim Mortgage Assistance (IMA) program, financial assistance is available to eligible applicants to the NY Rising Housing Recovery Program who demonstrate financial difficulty in paying their mortgage due to additional housing expenses incurred as a result of their primary residence no longer being habitable. Interim mortgage assistance may be provided for past, current, and future debt obligations of the mortgage, capped at $3,000 per month for a maximum of 20 months or $60,000.

On November 15, 2013, the Department approved Amendment 4 to the State's disaster recovery Action Plan to allocate $80,000,000 to the initial State IMA program. On May 27, 2014, the Department approved Amendment 6 to the State's disaster recovery Action Plan to modify the calculation of the IMA grant award based on a participant's monthly mortgage amount for their primary residence and proof of an additional housing payment. On April 13, 2014, the Department approved Amendment 8 to the State's disaster recovery Action Plan to enable the State to calculate partial IMA grant awards that reflect rental housing expenses incurred by participants while displaced, less any rental assistance received from insurance or government agencies.

At the time the State submitted a request for a modification of the alternative requirement, 454 program participants were receiving IMA assistance and approximately 25 percent of those participants were low- and moderate-income households. In its request for a modification of the alternative requirement, the State indicated that in the absence of additional time to provide assistance, 287 IMA recipients would no longer qualify for IMA funds within the succeeding 12 months and that 26 percent of those recipients were low- and moderate-income households. In its

request to provide IMA payments for a period of up to 36 months, the State cited a number of unanticipated developments that contributed to delays in the completion of assisted housing projects. Most notably, the State pointed to the prospect of increased National Flood Insurance Program (NFIP) claim payments to NY Rising program participants as a result of fraudulent damage assessments conducted on behalf of the NFIP in the immediate aftermath of the disaster. The State indicated that uncertainty surrounding these payments, and the potential impact of the payments on the amount of CDBG–DR funds ultimately available to the homeowner, contributed to delays and supports an extended period of availability for IMA. Other factors cited by the State as contributing to the need for extended IMA are the limited pool of contractors experienced in undertaking the elevation of homes and the shorter Northeastern United States construction season. The State further noted that its own clarification process, through which applicants may appeal the ultimate amount of their CDBG–DR award, can also slow progress in completing repairs and contribute to the need for additional IMA.

The State proposed to implement the extended period for IMA by initially maintaining the current 20 months of assistance for IMA participants. At the end of the 20-month period of assistance, the State may subsequently determine a need for an additional 16 months of IMA, for a total not to exceed 36 months of assistance. When a need for an extension of IMA is identified, the State will conduct an inspection of the property to determine if substantial construction progress has been made. If substantial construction progress has been made, the State may provide IMA for the additional authorized period of time, for a total period of assistance up to 36 months. If the inspection indicates that substantial progress has not been made, the extension of IMA will be provided only when the recipient agrees to participate in the newly established construction program within the NY Rising Housing Recovery Program. Under the construction program, the State will contract for and manage, on behalf of the IMA recipient, the rehabilitation of the IMA recipient's home. Prior to its initial implementation of the construction program, the State will determine the need for the IMA extension in those instances where substantial construction progress has not occurred and will give priority to the rehabilitation of homes for those IMA recipients receiving a total up to 36 months of IMA.

After reviewing the State's request, and for the State of New York's IMA program only, the Department is modifying the provision of the March 5, 2013, **Federal Register** notice that limits the provision of interim mortgage assistance to a period of 20 months and establishing an alternative requirement that allows for the payment of assistance for a period of up to 36 months if the State meets the other requirements described in the above paragraph. The goal of this alternative requirement is to provide an extended period of IMA in order to minimize the risk of foreclosure of storm damaged homes while they are being rehabilitated with CDBG–DR funds and to return IMA recipients to their rehabilitated homes as quickly as possible. The State must implement this alternative requirement consistent with the approach outlined in its request and as described herein. This waiver and alternative requirement shall remain in effect until December 31, 2017, after which the State shall be authorized to offer interim mortgage assistance for a period no more than 20 months. Interim mortgage assistance is an authorized eligible public service activity and the State is reminded that IMA expenditures are subject to the 15 percent cap on public services established pursuant to 42 U.S.C. 5305(a)(8).

Within 30 days of the effective date of this notice, the State must begin to implement its construction program for IMA recipients receiving an extended period of assistance and without substantial construction progress in the rehabilitation of their home. The State must have fully implemented the construction program for all IMA recipients within 6 months of the effective date of this notice. In addition, the State's policies and procedures must:

(1) Document how the State will determine that "substantial progress" has or has not been made in the rehabilitation of an IMA recipient's home;

(2) Document how the State will determine that the amount and period of assistance to be provided under this alternative requirement is necessary and reasonable;

(3) Document how the State will prioritize the rehabilitation of homes of IMA recipients receiving a total up to 36 months of IMA;

(4) Include internal controls designed to ensure that IMA provided to recipients is being used for its authorized purpose; and

(5) Include a plan for assisting recipients that exhaust their IMA after 36 months but continue to have a need for assistance because the rehabilitation of their home has not been completed.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

Dated: February 8, 2016.

Nani A. Coloretti,

Deputy Secretary.

[FR Doc. 2016–02913 Filed 2–11–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5927–N–01]

Mortgage and Loan Insurance Programs Under the National Housing Act—Debenture Interest Rates

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: This notice announces changes in the interest rates to be paid on debentures issued with respect to a loan or mortgage insured by the Federal Housing Administration under the provisions of the National Housing Act (the Act). The interest rate for debentures issued under section 221(g)(4) of the Act during the 6-month period beginning January 1, 2016, is 2¼

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2017–0124]

Information Collection Request to Office of Management and Budget; OMB Control Number: 1625–0057

AGENCY: Coast Guard, DHS.

ACTION: Sixty-day notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the U.S. Coast Guard intends to submit an Information Collection Request (ICR) to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting a Reinstatement, without change, of a previously approved collection for which approval has expired for the following collection of information: 1625–0057, Small Passenger Vessels—Title 46 Subchapters K and T without change. Our ICR describes the information we seek to collect from the public. Before submitting this ICR to OIRA, the Coast Guard is inviting comments as described below.

DATES: Comments must reach the Coast Guard on or before October 6, 2017.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2017–0124] to the Coast Guard using the Federal eRulemaking Portal at *http://www.regulations.gov.* See the "Public participation and request for comments" portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

A copy of the ICR is available through the docket on the Internet at *http://www.regulations.gov.* Additionally, copies are available from: Commandant (CG–612), Attn: Paperwork Reduction Act Manager, U.S. Coast Guard, 2703 Martin Luther King Jr. Ave. SE., Stop 7710, Washington, DC 20593–7710.

FOR FURTHER INFORMATION CONTACT: Contact Mr. Anthony Smith, Office of Information Management, telephone 202–475–3532, or fax 202–372–8405, for questions on these documents.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

This Notice relies on the authority of the Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended. An ICR is an application to OIRA seeking the approval, extension, or renewal of a Coast Guard collection of information (Collection). The ICR contains information describing the Collection's purpose, the Collection's likely burden on the affected public, an explanation of the necessity of the Collection, and other important information describing the Collection. There is one ICR for each Collection.

The Coast Guard invites comments on whether this ICR should be granted based on the Collection being necessary for the proper performance of Departmental functions. In particular, the Coast Guard would appreciate comments addressing: (1) The practical utility of the Collection; (2) the accuracy of the estimated burden of the Collection; (3) ways to enhance the quality, utility, and clarity of information subject to the Collection; and (4) ways to minimize the burden of the Collection on respondents, including the use of automated collection techniques or other forms of information technology. In response to your comments, we may revise this ICR or decide not to seek an extension of approval for the Collection. We will consider all comments and material received during the comment period.

We encourage you to respond to this request by submitting comments and related materials. Comments must contain the OMB Control Number of the ICR and the docket number of this request, [USCG–2017–0124], and must be received by October 6, 2017.

Submitting Comments

We encourage you to submit comments through the Federal eRulemaking Portal at *http://www.regulations.gov.* If your material cannot be submitted using *http://www.regulations.gov,* contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions. Documents mentioned in this notice, and all public comments, are in our online docket at *http://www.regulations.gov* and can be viewed by following that Web site's instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted.

We accept anonymous comments. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

Information Collection Request

Title: Small Passenger Vessels—Title 46 Subchapters K and T.

OMB Control Number: 1625–0057.

Summary: The information requirements are necessary for the proper administration and enforcement of the program on safety of commercial vessels as it affects small passenger vessels. The requirements affect small passenger vessels (under 100 gross tons) that carry more than 6 passengers.

Need: Under the authority of 46 U.S.C. 3305 and 3306, the Coast Guard prescribed regulations for the design, construction, alteration, repair and operation of small passenger vessels to secure the safety of individuals and property on board. The Coast Guard uses the information in this collection to ensure compliance with the requirements.

Forms: CG–841, Certificate of Inspection; CG–854, Temporary Certificate of Inspection; CG–948, Permit to Proceed to Another Port for Repairs; CG–949, Permit to Carry Excursion Party; CG–3752, Application for Inspection of U.S. Vessel; CG–5256, U.S. Coast Guard Inspected Small Passenger Vessel.

Respondents: Owners and operators of small passenger vessels.

Frequency: On occasion.

Hour Burden Estimate: The estimated burden has decreased from 399,420 hours to 397,124 hours a year due to a decrease in the estimated annual number of respondents.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: August 1, 2017.

Marilyn L. Scott-Perez,

U.S. Coast Guard, Chief, Office of Information Management.

[FR Doc. 2017–16505 Filed 8–4–17; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6039–N–01]

Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This notice provides guidance on issues arising from Community Development Block Grant disaster recovery (CDBG–DR) funds.

Specifically, this notice allocates additional funds for 2015 and 2016 disasters; establishes an allocation framework for disasters that occur in 2017 and later; provides waivers for previously funded National Disaster Resilience Competition grants and for grantees that received certain CDBG–DR funding; provides a waiver for Rebuild By Design activities; and establishes an alternative requirement that creates new national objective criteria for grantees undertaking CDBG–DR buyouts and housing incentives.

DATES: This notice will apply on: August 14, 2017.

FOR FURTHER INFORMATION CONTACT: Stan Gimont, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number (202) 708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at (800) 877–8339. Facsimile inquiries may be sent to Mr. Gimont at (202) 401–2044. (Except for the "800" number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. 2015 and 2016 Allocations

A. Background

Since December 2015, four different public laws have been enacted that have provided CDBG–DR appropriations to address major declared disasters that occurred in 2015, 2016, 2017, and later. Table 1 lists these various public laws, the related **Federal Register** notices that govern the funds, grantees that have received allocations, and amounts provided to those grantees.

Table 1 – FY 2016 and 2017 CDBG-DR Appropriations and Allocations

Appropriation Act	Public Law 114-113	Public Law 114-223	Public Law 114-254	Public Law 115-31	
Date of Enactment	December 18, 2015	September 29, 2016	December 10, 2016	May 5, 2017	
Date of Applicable Federal Register Notice	June 17, 2016	November 21, 2016	January 18, 2017		
Federal Register Notice Reference Number	81 FR 39687	81 FR 83254	82 FR 5591		
CDBG-DR Available	$299,000,000	$500,000,000	$1,805,976,000	$400,000,000	
2015 Disaster Grantees					Totals
Lexington County SC	$16,332,000			$5,038,000	$21,370,000
Columbia SC	$19,989,000			$6,166,000	$26,155,000
Richland County, SC	$23,516,000			$7,254,000	$30,770,000
State of South Carolina	$96,827,000			$29,871,000	$126,698,000
Houston, TX	$66,560,000			$20,532,000	$87,092,000
San Marcos, TX	$25,080,000			$8,714,000	$33,794,000
State of Texas	$50,696,000			$23,872,000	$74,568,000
2016 Disaster Grantees					
State of Louisiana		$437,800,000	$1,219,172,000	$51,435,000	$1,708,407,000
State of West Virginia		$17,000,000	$87,280,000	$45,595,000	$149,875,000
State of Texas		$45,200,000	$177,064,000	$16,631,000	$238,895,000
State of North Carolina			$198,553,000	$37,976,000	$236,529,000
State of South Carolina			$65,305,000	$29,781,000	$95,086,000
State of Florida			$58,602,000	$59,335,000	$117,937,000
Total	$299,000,000	$500,000,000	$1,805,976,000	$342,200,000	

*The allocation amounts for Pub. L. 115-3 column include amounts announced by the Department on May 18, 2017.

Each of the public laws identified above provides CDBG–DR funds for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (HCDA) related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a qualifying major disaster declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (Stafford Act) (42 U.S.C. 5121 et seq.).

CDBG–DR grants under each appropriation are governed by one or more **Federal Register** notices that contain the requirements, applicable waivers, and alternative requirements that apply to the use of the funds. Congress requires that HUD publish waivers and alternative requirements in the **Federal Register**.

This **Federal Register** notice sets out the requirements, waivers, and alternative requirements that govern the funds appropriated under Public Law 115–31. Throughout this notice, references to **Federal Register** notices will be to the date the notices were published as noted in Table 1.

Under Public Law 115–31, Congress appropriated $400 million in CDBG–DR funding to address remaining unmet needs (as defined by HUD) arising from qualifying major disasters that occurred

in 2015 and 2016, and for qualifying major disasters that occur in 2017 or later, until the funds are fully allocated. Congress required that HUD, in distributing the $400 million, use the allocation methodologies identified in June 17, 2016, and January 18, 2017, **Federal Register** notices for disasters occurring in 2015 and 2016, respectively.

Table 1, under the column labeled Public Law 115–31, reflects the allocation of funds appropriated by that act for qualifying disasters in 2015 and 2016 (inclusive of the amounts announced on May 18, 2017). In HUD's June 17, 2016, **Federal Register** notice, HUD described the allocation and applicable waivers and alternative requirements, relevant statutory and regulatory requirements, grant award process, criteria for Action Plan approval, and eligible disaster recovery activities for the qualifying 2015 disasters. Grantees receiving an allocation of funds under this **Federal Register** notice for qualifying 2015 disasters are subject to the authority and conditions of Public Law 114–113 and the requirements, waivers, and alternative requirements provided in the June 17, 2016, notice.

In HUD's November 21, 2016, and January 18, 2017, **Federal Register** notices, HUD described the allocation and applicable waivers and alternative requirements, relevant statutory and regulatory requirements, grant award process, criteria for Action Plan approval, and eligible disaster recovery activities for the qualifying 2016 disasters. Grantees receiving allocations of funds under these **Federal Register** notices for qualifying 2016 disasters are subject to the authority and conditions of Public Law 114–223 and 114–254 and the requirements, waivers and alternative requirements provided in the November 21, 2016, and January 18, 2017, **Federal Register** notices.

HUD is allocating the funds for the 2015 and 2016 disasters based on updated data HUD received from the Federal Emergency Management Agency (FEMA), and the Small Business Administration (SBA). HUD's allocations match the difference between HUD's 100 percent estimate of the serious unmet needs for repair in most impacted counties after taking into consideration other resources, including insurance, FEMA, SBA and the amounts previously allocated. HUD's methodology for allocation as specified in the June 17, 2016, and January 18, 2017, notices does not include additional funds for resilience activities. Detailed explanations of HUD's allocation methodologies for qualifying disasters from 2015 and 2016, are provided at Appendix A in the June 17, 2016 notice and Appendix A of the January 18, 2017 notice, respectively.

TABLE 2—QUALIFYING 2015 AND 2016 DISASTERS AND "MOST IMPACTED AND DISTRESSED" AREAS

FEMA disaster No.	Grantee	Minimum amount that must be expended for recovery in the HUD-identified "most impacted and distressed" areas
2015 Disasters		
4241	Lexington County (Urban County), SC	Lexington County Urban County Jurisdiction ($5,038,000).
4241	Columbia, SC	Columbia ($6,166,000).
4241	Richland County, SC	Richland County Urban County Jurisdiction ($7,254,000).
4241	State of South Carolina	Charleston, Dorchester, Florence, Georgetown and Clarendon Counties* ($23,896,800).
4223, 4245	Houston, TX	City of Houston ($20,532,000).
4223, 4245	San Marcos, TX	City of San Marcos ($8,714,000).
4223, 4245, 4272	State of Texas	Harris, Hays, Hidalgo, and Travis Counties ($12,511,200).
2016 Disasters		
4263, 4277	State of Louisiana	East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, Lafayette, Lafayette, Vermilion, Acadia, Washington, and St. Tammany Parishes ($41,148,000).
4273	State of West Virginia	Kanawha, Greenbrier, Clay, and Nicholas Counties** ($36,476,000).
4266, 4269, 4272	State of Texas	Harris, Newton, Montgomery, Fort Bend, and Brazoria Counties ($13,304,800).
4285	State of North Carolina	Robeson, Cumberland, Edgecombe, and Wayne Counties ($30,380,800).
4286	State of South Carolina	Marion and Horry Counties ($23,824,800).
4280, 4283	State of Florida	St. Johns County ($47,468,000).

* Based on data presented by the grantee, HUD has approved the addition of Clarendon County to the 2015 South Carolina "most impacted and distressed" areas.

** Based on data presented by the grantee, HUD has approved the addition of Clay and Nicholas Counties to the 2016 West Virginia "most impacted and distressed" areas.

Use of funds for all grantees is limited to unmet recovery needs from the major disasters identified in Table 2. Table 2 shows the HUD-identified "most impacted and distressed" areas impacted by the identified disasters. At least 80 percent of the total funds provided to each grantee under this notice must address unmet needs within the HUD-identified "most impacted and distressed" areas, as identified in Table 2. Grantees may spend the remaining 20 percent in the HUD-identified areas or areas the grantee determines to be "most impacted and distressed."

B. Use of Funds

Public Law 115–31 requires funds to be used only for specific disaster recovery related purposes. This allocation provides funds to 2015 and 2016 CDBG–DR grantees for authorized disaster recovery efforts. Grantees allocated funds under this notice for 2015 and 2016 disasters must submit a

substantial Action Plan Amendment as outlined below.

C. Grant Amendment Process

To receive funds allocated by this notice, 2015 and 2016 grantees (listed in Table 1) must submit a substantial Action Plan Amendment to their approved Action Plan and meet the following requirements:

- Grantee must consult with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment;
- Grantee must amend its Action Plan to update its needs assessment, modify or create new activities, or reprogram funds. Each amendment must be highlighted, or otherwise identified within the context of the entire Action Plan. The beginning of every Action Plan Amendment must include a: (1) Section that identifies exactly what content is being added, deleted, or changed; (2) chart or table that clearly illustrates where funds are coming from and where they are moving to; and (3) a revised budget allocation table that reflects the entirety of all funds;
- Grantee must publish a substantial amendment to its previously approved Action Plan for Disaster Recovery prominently (see section VI.A.4.a of the November 21, 2016, notice and section VI.A.3.a of the June 17, 2016, notice) on the grantee's official Web site for no less than 14 calendar days. The manner of publication must include prominent posting on the grantee's official Web site and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the amendment's contents and provide feedback;
- Grantee must respond to public comment and submit its substantial Action Plan Amendment to HUD no later than 90 days after the effective date of this notice;
- HUD will review the substantial Action Plan Amendment within 45 days from date of receipt and determine whether to approve the Amendment per criteria identified in this notice and all applicable prior notices;
- HUD will send an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee must ensure that the HUD approved substantial Action Plan Amendment (and original Action Plan) is posted prominently on its official Web Site;
- Grantee must enter the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submit the updated DRGR Action Plan to HUD within the system;
- Grantee must sign and return the grant agreement to HUD;
- HUD will sign the grant agreement and revise the grantee's line of credit amount;
- Grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58, or adopts another Federal agency's environmental review where authorized under provisions incorporated by reference in Public Law 115–31, and, as applicable, receives a response from HUD or the state that approves the grantee's Request for Release of Funds and certification;
- Grantee must amend its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval.

D. Applicable Rules, Statutes, Waivers, and Alternative Requirements

Awards under this notice will be subject to the waivers and alternative requirements provided in the notices governing the award of CDBG–DR funds for 2015 and 2016disasters, as identified in Table 1. These waivers and alternative requirements provide additional flexibility in program design and implementation to support full and swift recovery following the disasters, while also ensuring that statutory requirements are met. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Waivers and alternative requirements are effective five days after they are published in the **Federal Register**.

E. Duration of Funding

Public Law 115–31 provides that these funds will remain available until expended. However, consistent with 31 U.S.C. 1555 and OMB Circular A–11, if the Secretary or the President determines that the purposes for which the appropriation has been made have been carried out and no disbursements have been made against the appropriation for two consecutive fiscal years, any remaining balance will be made unavailable for obligation or expenditure. Consistent with the June 17, 2016, November 21, 2016, and January 18, 2017 notices, the provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with alternative requirements under this notice. Grantees must expend 100 percent of their allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

II. Waivers and Alternative Requirements for CDBG–DR Funds Appropriated by Public Law 114–223, 114–254 and 115–31 (Applicable Only to the State of Louisiana)

This section of the notice provides a waiver for the state of Louisiana, which has received CDBG–DR allocations pursuant to Public Law 114–223, 114–254 and 115–31. The state of Louisiana was allocated $1,656,972,000 in CDBG–DR funds under Public Law 114–223 and 114–254 and HUD has approved the state's use of these CDBG–DR funds for three main recovery programs: Housing (86 percent), economic development (4 percent), and infrastructure (6 percent). These programs were developed to address the most urgent and significant unmet needs of those areas impacted by the eligible 2016 disasters. This notice allocates $51,435,000 to Louisiana pursuant to Public Law 115–31, bringing the total amount allocated to the state for 2016 disasters to $1,708,407,000.

1. *Waiver of the 70 percent overall benefit requirement (State of Louisiana only).* The overall benefit requirement set by the HCDA requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons. It can be difficult for grantees working in disaster recovery to meet the overall benefit test, because disasters do not always affect low- and moderate-income areas and, therefore, this requirement can in some cases limit grantees' ability to assist the most damaged areas.

The November 21, 2016, notice maintained the 70 percent overall benefit requirement for all grantees receiving funds under these public laws, but provided the state of Louisiana and all other grantees with additional flexibility to request a lower overall benefit requirement. Specifically, that notice allows a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative

requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 70 percent requirement; and (d) demonstrates that low- and moderate-income (LMI) persons' disaster-related needs have been sufficiently met and that the needs of non–LMI persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them.

The state of Louisiana submitted a request to establish a lower overall benefit requirement based on the above criteria. In its request, the state contends that out of the 57,600 households that suffered major or severe damage during the flooding in 2016, only 44 percent were low-and and moderate-income (LMI) persons. The State's request notes that due to the persistent flooding that occurs in these communities, offering assistance to all households in the areas affected by the storm, and not just LMI households, will help the impacted neighborhoods with critical rebuilding needs.

Accordingly, the state will target its CDBG–DR funds to households with major or severe damage that did not have flood insurance at the time of the storms (36,510 households). The state indicates that 53 percent of those households qualify as LMI, and that 65 percent of the funds for the state's homeowner program will benefit those LMI households. The state also estimates that 100 percent of its housing rental funds will benefit LMI households, and 50 percent of the funds allocated for infrastructure and economic development activities will also meet the LMI national objective. The state designed its program so that those in greatest need are provided with the greatest level of assistance, by covering 100 percent of unmet needs for households earning less than 120 percent of area median income (AMI) and covering 50 percent of unmet needs for households above 120 percent of AMI. This approach prioritizes the unmet needs of LMI households and encourages higher income households to leverage personal or private funds.

To enable the state to undertake the activities it has deemed most critical for its recovery, and to ensure that LMI households are sufficiently served and/or assisted, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement from 70 percent to not less than 55 percent of the state's allocation of CDBG–DR funds. This means that the state must use at least 55 percent of its CDBG–DR allocations under Public Law 114–223, 114–254 and 115–31 to benefit LMI households (or not less than $939,623,850.00).

Based on the analysis submitted by the state, the Secretary finds a compelling need for this reduction due to the circumstances outlined in the state's request. In particular, HUD notes that the areas most damaged by the storms have limited LMI populations; that all of the state's recovery programs will have some component that will specifically benefit LMI households; that the persistent nature of flooding has led the state to focus on the importance of rebuilding communities in a holistic manner; and that the state will prioritize the unmet needs of LMI households in its homeowner recovery programs. HUD does not see evidence that reduction to the 50 percent level sought by the state is necessary given its approved program design and early data with respect to its applicant pools. HUD, however, does advise the state to maintain its current program design and targeting strategy to ensure that projected LMI benefit levels are achieved and the state continues to demonstrate that low- and moderate-income persons' disaster-related needs have been sufficiently met.

This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the state of Louisiana must meet when carrying out activities identified in its approved action from 70 percent to not less than 55 percent of the state's allocations of CDBG–DR funds under Public Law 114–223, 114–254 and 115–31.

2. Waiver of Section 414 of the Stafford Act, 42 U.S.C. 5181 (State of Louisiana only). The state of Louisiana has requested a waiver of section 414 of the Stafford Act, as amended, for rehabilitation or reconstruction activities. This notice grants the State's request and specifies alternative requirements.

Section 414 of the Stafford Act (42 U.S.C. 5181) provides that "Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91–646) [42 U.S.C. 4601 *et seq.*] ["URA"] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by [the URA]". Accordingly, tenants displaced from their homes as a result of the identified disaster and who would have otherwise been displaced as a direct result of any acquisition, rehabilitation, or demolition, of real property for a federally assisted project or program may become eligible for a replacement housing payment notwithstanding their inability to meet occupancy requirements prescribed in the URA.

Section 414 of the Stafford Act (including its implementing regulation at 49 CFR 24.403(d)(1)), is waived to the extent that it would apply to the CDBG–DR funded rehabilitation and reconstruction activities undertaken by the state of Louisiana, or its subrecipients, for its grants under Public Law 114–223, Public Law 114–254 and Public Law 115–31; provided that the activities were not planned, approved, or otherwise underway prior to the disaster.

The Department has surveyed other federal agencies' interpretation and implementation of Section 414 and found varying views and strategies for long-term, post-disaster projects involving the acquisition, rehabilitation, or demolition of disaster-damaged housing. Under the CDBG–DR supplemental appropriations, the Secretary has the authority to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds. The Department, in special cases, has previously granted a waiver and provided alternative requirements of Section 414 to CDBG–DR grantees, including the Gulf States impacted by disasters in 2005 and 2008 (see 72 FR 48804) and the 2011 floods in the city of Minot, North Dakota (see 79 FR 60490).

The severe floods of 2016 damaged Louisiana's affordable rental housing stock. According to the State, approximately 28,470 rental units were damaged by the floods, resulting in lower vacancies, increased rental rates and further exacerbating the housing cost burden among low- and moderate-income renters. Many of the damaged rental housing units have since been vacated by tenants who have found permanent housing elsewhere.

The state of Louisiana's CDBG–DR Action Plan for recovery from the 2016 floods identifies this rental housing need and contains several programs geared toward the repair and increase of the affordable rental housing stock by using CDBG–DR funds to reconstruct or rehabilitate rental units that were damaged by the floods and to create new rental housing by providing funding for multi-family developments.

Existing CDBG–DR funding is only sufficient to bring less than six percent of disaster-impacted rental units into decent, safe, and sanitary condition. With a potential pool of 1,500 units eligible for rehabilitation or reconstruction, a strict interpretation of Section 414 of the Stafford Act and 49 CFR 24.403(d)(1) would pose a significant administrative burden and add delays to achieving overall program goals within the timeframe set forth by the applicable notices governing the use of the CDBG–DR funds. Additionally, the State has demonstrated that replacement housing payments for persons initially displaced by the disaster will reduce funds available for improving long-term housing affordability and sustainability.

The State has identified a relatively small population of households currently in need of continued temporary housing assistance of some form related to the flooding events, and the State's CDBG–DR Action Plan attempts to addresses this need by funding programs designed to assist the needs of persons who are homeless or at risk of becoming homeless due to the 2016 floods.

The Department's basis for this waiver and alternative requirements are unique to the State of Louisiana as documented in its request to the Department. The Department has considered the State's request and determined that good cause exists for a waiver and alternative requirements and that such waiver and alternative requirements are not inconsistent with the overall purposes of title I of the HCD Act.

1. The State's proposal maximizes its ability to increase the overall supply of affordable rental units. Such units will have affordability requirements for low-income persons.

2. The waiver will simplify the administration of the disaster recovery process and reduce the administrative burden associated with a strict interpretation of Stafford Act Section 414 requirements on the potential pool of 1,500 units eligible for rehabilitation or reconstruction.

3. This waiver does not apply to persons that meet the occupancy requirements to receive a replacement housing payment under the URA nor does it apply to persons displaced by other HUD-funded disaster recovery programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted.

Due to the specific circumstances of Louisiana's recovery process, the Department is providing a waiver of Section 414 of the Stafford Act and its implementing regulation at 49 CFR 24.403(d)(1), and establishing alternative requirements. For rehabilitation or reconstruction activities in support of bringing damaged rental units back into productive use, the State must adhere to the alternative requirements specified in this notice.

For tenants that have vacated housing units damaged by the 2016 floods, the State of Louisiana must:

1. Establish a publicly available re-housing plan for its rental housing programs that includes, at minimum, the following:

a. A rental registry containing information concerning the availability of all of the units assisted through its rental housing programs so that displaced low- and moderate-income households and other interested households may apply to live in these units;

b. Contact information and a description of any eligibility and applicable application process, including any deadlines;

c. Information on market rate rental units for non-LMI households displaced by the disaster;

d. A description of services to be made available, including, at minimum, outreach efforts to eligible persons and housing counseling providing information about available housing resources.

2. Establish and implement operating procedures to ensure that a good faith effort is made to contact each former residential tenants to inform them of the availability of their previous unit and other available units rehabilitated under the program.

3. Offer low- and moderate-income former tenants preferred status in the residential application process for the unit from which they were displaced and for other rental units repaired or created with CDBG–DR funds.

The State's request for waiver and alternative requirements indicates that landlords participating in the rental repair programs will be required to keep the restored units affordable for 5 to 20 years after initial occupancy. The State's policies and procedures governing each rental repair program must detail any imposed affordability requirements for that program.

This waiver has no effect on URA eligibility for relocation assistance and payments for existing tenant occupants of dwelling units who may be displaced or relocated temporarily as a direct result of a CDBG–DR activity.

III. Allocation Framework for Disasters in 2017 or Later

A. Background

After addressing remaining unmet need for 2015 and 2016 disasters, $57,800,000 in CDBG–DR funding remains available to be allocated for major disasters occurring in 2017 or later. Public Law 115–31 specifies that the funds allocated for disasters in 2017 or later are subject to the same authority and conditions as those applicable to CDBG–DR funds appropriated by Public Law 114– 223 and, therefore, these funds are also subject to the requirements of the November 21, 2016 notice, except the major disaster may occur in calendar year 2017 or later until such funds are fully allocated.

For 2017 and later disasters, HUD will use the methodology specified in Appendix A to the January 18, 2017 notice for determining if a disaster meets the minimum qualifications for funding using the limits established by that notice. For disasters that meet the minimum qualification, HUD will allocate the lesser of 100 percent of serious unmet needs as defined in the January 18, 2017 notice or remaining funds available from Public Law 115–31.

HUD will not evaluate a disaster for qualification to receive CDBG–DR funds until:

(i) The major disaster has been declared eligible for FEMA's Public Assistance (PA) Program and Individual and Households (IHP) Program;

(ii) FEMA has approved Individual Assistance applications totaling at least $13 million in IHP financial assistance for the declared disaster in a single county; and

(iii) four months have passed since the disaster declaration that made IHP available, or the IHP registration period is closed, whichever comes first.

These criteria do not assure CDBG–DR eligibility, but they will lead HUD to acquire the data necessary to determine eligibility, and if eligible, calculate a formula allocation. HUD will allocate funds to 2017 disasters using the best available data at that time.

B. Use of Funds

Grantees receiving an allocation of funds for 2017 and later disasters pursuant to a subsequent notice are subject to the requirements of the November 21, 2016 notice, as amended, which require that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan to HUD for approval detailing the proposed use of all funds, including criteria for eligibility, and how the use of these funds will address

long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. This Action Plan for disaster recovery must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (HCDA) or allowed by a waiver or alternative requirement; and (2) respond to disaster-related impact to infrastructure, housing, and economic revitalization in the most impacted and distressed areas. To inform the plan, grantees must conduct an assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities, pursuant to paragraph A.2.a. in section VI of the November 21, 2016 notice, as amended.

Pursuant to the November 21, 2016 notice, each grantee receiving an allocation of funds for 2017 or later disasters in a subsequent notice is also required to expend 100 percent of its allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

Grantees receiving an allocation of funds for 2017 or later disasters pursuant to a subsequent notice will be subject to the grant process provided for in section V of the November 21, 2016 notice.

IV. Public Law 113–2 Waivers and Alternative Requirements

A. Background

This section of the notice authorizes waivers and alternative requirements for certain grantees that received an allocation of funds appropriated under Public Law 113–2, which ultimately made available $15.2 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The full amount of the appropriation has been allocated as follows: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition (NDRC).

This section of the notice specifies waivers and alternative requirements and modifies requirements for grantees that received awards under the NDRC (CDBG–NDR grantees), described in the **Federal Register** notice published by the Department on June 7, 2016 (81 FR 36557). The requirements of the June 7, 2016 notice continue to apply to these grantees, except as modified by this notice.[1]

This section of the notice also provides a waiver of the low- and moderate-income overall benefit requirement for the City of Moore, OK, and the State of New York, which have each received a CDBG–DR award pursuant to Public Law 113–2. This section of the notice also modifies the process for the publication of the expenditure extensions approved by the Department under Public Law 113–2. This section of the notice additionally authorizes grantees receiving an allocation of CDBG–DR funds for Rebuild by Design projects to exclude expenditures of that allocation from the calculation of the grantee's overall low- and moderate-income benefit.

B. Applicable Rules, Statutes, Waivers, and Alternative Requirements

Public Law 113–2 authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waivers and alternative requirements described in this section of notice, the Secretary has determined that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purposes of title I of the HCDA. Grantees under Public Law 113–2 may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of Public Law 113–2, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Urgent need national objective certification requirements for CDBG–NDR grantees. The June 7, 2016 notice provided CDBG–NDR grantees with a waiver and alternative requirement to the certification requirements for the documentation of the urgent need national objective at 24 CFR 570.208(c) and 570.483(d), waiving the certification requirements until 24 months after the date the Department obligates funds to a grantee, and alternatively requiring each CDBG–NDR grantee to document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee. Elsewhere, this notice describes the extension of the expenditure deadline that the Department is authorized to provide to all CDBG–NDR grantees, allowing them to expend funds until September 30, 2022. For CDBG–NDR grantees funding activities that will satisfy the urgent need national objective, an extension of the existing alternative requirement to the standard urgent need certification requirement is also required, to ensure that the CDBG–NDR project can meet the urgent need national objective on a timeframe that coincides with an extended expenditure deadline.

Each CDBG–NDR grantee was required to document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact. For activities that meet the urgent need national objective, grantees were required to reference in their Action Plan the type, scale, and location of the disaster-related impacts that each project, program, and/or activity will address. Without an extension of the prior waiver and alternative requirement to the certification requirements for documentation of the urgent need national objective, HUD's extension of the 24-month expenditure deadline could penalize grantees whose successful applications relied on the availability of the alternative urgent need national objective criteria.

Grantees documented urgent needs in their initial applications, and the grantees will expend funds to meet these urgent needs throughout the grant period. Therefore, section 3.V.A.1.d. of the June 7, 2016 notice is modified to add the following alternative requirement for CDBG–NDR grantees: "Notwithstanding the two year limitation on the use of the urgent need national objective referenced in paragraph one of this section, for activities designed to respond to disaster-related impacts that pose a serious and immediate threat to the health or welfare of the community, and which were adequately documented within the grantee's initial Action Plan, the grantee may continue to use the alternative certification of the urgent

[1] Links to the June 7, 2016 notice, the text of Public Law 113–2, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/programs/cdbg-dr/resilient-recovery/*

need national objective until the end of the extended expenditure deadline approved by the Department, provided that the grantee updates the needs assessment of its Action Plan as new or more detailed/accurate disaster-related impacts are known."

As a reminder, Action Plans must be amended, as necessary, to ensure that an updated needs assessment is included for each project, program, or CDBG-eligible activity undertaken with CDBG–NDR funds. This alternative requirement does not contemplate new projects or activities that were not documented as meeting an urgent need within a grantee's initial Action Plan. Amendments to a CDBG–NDR Action Plan that describe additional projects or activities will trigger the substantial amendment requirements described in paragraph V.A.1.g.(i) in the June 7, 2016 notice and new projects or activities intended to meet the urgent need national objective may require a separate waiver from HUD to permit use of the alternative urgent need certification.

2. Revision of substantial amendment requirements for CDBG–NDR grantees. The June 7, 2016 notice specified the changes to an Action Plan that would constitute a substantial amendment, and described the process required for CDBG–NDR grantees to make a substantial amendment to an approved Action Plan. The June 7, 2016 notice indicated that HUD would review the proposed change(s) against the rating factors and threshold criteria and consider whether the revised Action Plan, inclusive of the proposed change, would continue to score in the fundable range for the NDRC. The June 7, 2016 notice also stated that HUD would only approve a substantial amendment if the revised score remains within the fundable range of CDBG–NDR scores. However, all NDR awards funded scaled and scoped versions of proposals in NDR applications, because the Department could not fully fund all the proposed activities described in applications that scored within the initial fundable range. Accordingly, determining whether a change to a grantee's Action Plan would fall within the initial fundable range of CDBG–NDR scores is not an accurate method of determining whether a revised project would still be fundable. To address this and to further clarify the criteria and process for amendments to CDBG–NDR Action Plans, the Department is amending the third paragraph of section 3.I.B. of the June 7, 2016 notice by replacing it in its entirety with the following:

"A grantee may amend the Action Plan, but must receive prior HUD approval for substantial amendments to the plan. Before making any substantial amendment to the Action Plan, a grantee must follow the same citizen participation requirements required by the NOFA for the preparation and submission of an NDRC application, FR–5800–N–29A2 (NOFA). Additional information about citizen participation requirements can be found in section 3.V.A.3 below."

Additionally, the Department is also amending section 3.V.A.1. of the June 7, 2016 notice by replacing it with the following:

"1. *Application for CDBG–NDR Waiver and Alternative Requirement.* The requirements for CDBG actions plans, located at 42 U.S.C. 12705(a)(2), 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), and 24 CFR 91.220 and 91.320 are waived for funds provided under the NOFA. Instead, HUD required each grantee to submit an application for CDBG–NDR, and the Applicant's Phase 1 and Phase 2 submissions for this competition together constitute an Action Plan required under Public Law 113–2. HUD notes that 24 CFR 570.304 and 24 CFR 570.485, to the extent they govern annual formula CDBG grant approvals, do not apply to National Disaster Resilience Competition (NDRC) allocations, but the standard of review of certifications continues to apply to grantee certifications. HUD will monitor the grantee's activities and use of funds for consistency with its approved Action Plan and all other requirements, including performance and timeliness. Per the Appropriations Act, and in addition to the requirements at 24 CFR 91.500, the Secretary may disapprove a substantial amendment to an Action Plan (application) if it is determined that the amended application does not satisfy all the required elements included in this notice at 3.V.A.1.g.(i). However, in reviewing substantial amendments, HUD will not penalize grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process."

The Appropriations Act, as used in the June 7, 2016 notice, refers to Public Law 113–2.

Additionally, the Department is also amending section 3.V.A.1.g. of the June 7, 2016 notice by replacing it in its entirety with the following:

"(g) *Action Plan Amendments, Submission to HUD, Treatment of Leverage, Partners, and BCA.* A grantee is encouraged to work with its HUD representative before making any amendments to its Action Plan to determine whether the amendment would constitute a substantial amendment and to ensure that the proposed change complies with all applicable requirements.

(i) *Substantial Amendments.* The following modifications constitute a substantial amendment requiring HUD approval: Any change to the funded portions of the application that HUD determines, based generally on the guidelines of the NOFA (as adjusted for HUD's scaling and scoping of the award), would present a significant change to the grantee's capacity to carry out the grant (including loss of a partner without addressing lost capacity through replacement or contingency plan identified in the application); any change to the funded portions of the application that HUD determines, based generally on the guidelines of the NOFA (as adjusted for HUD's scaling and scoping of the award), would undermine the grantee's soundness of approach (including the benefit cost analysis); any change to the Most Impacted and Distressed target area(s) (a revised area must meet Most Impacted and Distressed threshold requirements in the NOFA, including Appendix G to the NOFA); any change in program benefit, beneficiaries, or eligibility criteria, and the allocation or reallocation of more than 10 percent of the grant award; any change to the leverage that was pledged and approved in the grantee's grant agreement; or the addition or deletion of an eligible activity.

Amendments that do not fall within the definition of substantial amendment are referred to as 'nonsubstantial amendments.' A grantee must notify HUD at least 10 business days before a nonsubstantial amendment becomes effective.

For substantial amendments, grantees must complete the citizen participation requirements of this notice, at section 3.V.A.3, before HUD can approve the amendment. In addition to reviewing Action Plans against the criteria at 24 CFR 91.500, HUD will review and approve a substantial amendment to an Action Plan if the amendment results in an Action Plan that HUD determines: (i) Can be reasonably carried out by the grantee and that the grantee has addressed any loss in capacity due to dissolved partners that are not replaced; (ii) may differ from the previously approved Action Plan but does not significantly deviate from the scope and objectives of the previously approved Action Plan or the purpose of the NDRC; (iii) satisfies all of the required elements identified in the NOFA (as adjusted for HUD's scaling and scoping of the

award), this amended section 3.V.A.1.g. and elsewhere in the June 7, 2016 notice, including Tie-back requirements, and does not fund activities identified in section III.C.2. of the NOFA as ineligible; (iv) demonstrates (through an updated BCA, if requested) that the benefits to the grantee's community and to the United States continue to justify the costs of the award; and (v) does not differ in the amount of leverage identified in the grantee's grant agreement (substitution of leverage sources is permitted).

To allow HUD to make this determination, a grantee must submit adequate documentation that demonstrates the following: capacity of the grantee and partners to implement the funded activities, any changes to partners who will assist in the amended activity, scope and beneficiaries of the funded activities, the direct and supporting leverage committed by the grantee, and an updated BCA (if requested). Grantees are encouraged to work with their HUD representatives before making any amendment to an Action Plan. As indicated in the NOFA, if a grantee makes or proposes to make a substantial amendment to its project, HUD reserves the right to disapprove the amendment or amend the grantee's award and reduce the grant amount or recapture the grant, as necessary.

(ii) *Information for Substantial and Nonsubstantial Amendments.* If the grantee proposes to amend its Action Plan, each proposed amendment must be highlighted, or otherwise identified, within the context of the approved Action Plan and be submitted to HUD. All amendments must comply with provisions of this notice, including Tie-back requirements. Grantees may not amend an Action Plan to include funding for ineligible activities identified in section III.C.2 of the NOFA. The beginning of every proposed amendment must include a section that identifies exactly what content is being added, deleted, or changed, and whether the grantee believes that the proposed amendment would result in a significant change to the grantee's capacity or soundness of approach. This section must also include a chart or table that clearly illustrates where funds are coming from and to where they are moving. The amendment must include a revised budget allocation table that reflects the entirety of all funds, as amended. A grantee's most recent version of its approved NDR application and its DRGR Action Plan must be accessible for viewing as a single document, at any given point in time, rather than requiring the public or HUD to view and cross-reference changes among multiple amendments. Requirements for the full expenditure of CDBG–NDR funds by a date established by HUD will continue to be enforced under any amendment to the Action Plan. Every amendment to the Action Plan (substantial and nonsubstantial) must be numbered sequentially and posted on the grantee's website. The Department will acknowledge receipt of a proposed amendment via email or letter within 5 business days of receipt. HUD may seek additional information from the grantee to determine whether a proposed amendment is a substantial amendment.

(iii) *Amendments that may affect the BCA previously accepted by HUD.* If requested by HUD, a grantee must submit an update to its BCA to support a request for a substantial amendment.

(iv) *Leverage Accepted by HUD.* Grantees are required to show, through quarterly reports, evidence that firmly committed leverage resources in the amount required by the grant terms and conditions have been received and used for the intended purposes. A grantee may not propose an amendment to reduce the amount of leverage pledged and identified in the grant agreement. Sources of leverage funds, however, may be substituted after grant award with HUD approval, if the dollar amount of leverage is equal to or greater than the total amount of leverage required by the grant terms and conditions. Substitution of a leverage source in the same amount committed and identified in the grant terms and conditions is a nonsubstantial amendment. Section 3.V.A.2.e describes additional DRGR leverage reporting requirements.

(v) *Partners Accepted by HUD.* The NOFA permitted a grantee to identify a partner in its application that the grantee would be otherwise required by program requirements to competitively procure. A grantee is not required to secure the services of any partner by competitive procurement if the partner is duly documented and identified in the initial approved Action Plan for the CDBG–NDR grant. The Department has granted permission for single source procurement of these partners, pursuant to 2 CFR 200.320(f)(3) (cited in the NOFA as 24 CFR 85.36(d)(4)(i)(C), which has since been superseded by the Uniform Requirements) and advised state grantees that have not adopted the local government procurement requirements in 2 CFR part 200 to review state requirements associated with single source procurement and to follow all applicable procurement requirements. In many cases, this will entail the grantee undertaking a cost analysis prior to making payments to such a partner, and the grantee will be responsible for ensuring compliance with requirements that all CDBG–NDR costs be necessary and reasonable (for local government grantees, see 2 CFR 200.323, for state governments that have not adopted 2 CFR 200.323, see state procurement requirements applicable to single source procurements). If a partner dissolves the partnership after award and before activities are complete, a grantee should make its best effort to replace the partner with a similarly skilled partner, if the grantee's approved CDBG–NDR application was rated and ranked based on the capacity of the dissolved partner. If the grantee is not able to replace the lost capacity of a partner by following a contingency plan included in its approved CDBG–NDR application, the grantee must complete a substantial amendment to its Action Plan that addresses the lost capacity. If a grantee proposes to add a partner that would otherwise have to be procured as a contractor after the award or if the partner was identified in the approved CDBG–NDR application but was found by HUD to lack sufficient documentation, then that selection of that partner would not be covered by the single-source permission above and would be subject to procurement requirements under 2 CFR part 200 or state law, as applicable. Additionally, as required by Appendix D to the NOFA, the grantee shall execute a written subrecipient agreement, developer agreement, contract, or other agreement, as applicable, with each partner regarding the use of the CDBG–NDR funds, before disbursing any CDBG–NDR funds to the partner. The written agreement must conform with all CDBG–NDR requirements and shall require the partner to comply with all applicable CDBG–NDR requirements, including those found in Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2), title I of the HCDA (42 U.S.C. 5302 et seq.), the CDBG program regulations at 24 CFR part 570, this amended June 7, 2016 notice, and any other applicable **Federal Register** notices, and commitments made in the grantee's Phase 1 and Phase 2 approved CDBG–NDR applications."

Additionally, the Department is also amending the first paragraph of section 3.V.A.3.a. of the June 7, 2016 notice by replacing it in its entirety with the following:

a. Publication of the Action Plan, Access to Information, and Substantial Amendments: At all times, the grantee must maintain a public Web site that contains the latest versions of its Action Plan, including the DRGR Action Plan and the version as

submitted to HUD for the competition and including the following portions: Executive summary; Factor narratives; Eligibility; national objective; overall benefit; and schedule responses, threshold requirements documentation, and all exhibits (A–G) (but of the attachments, only Attachments D and F must be published); and opportunity for public comment, hearing, and substantial amendment criteria. Before the grantee submits a proposed substantial amendment, the grantee must publish the proposed submission, including a section that identifies exactly what content is being added, deleted, or changed, and whether the grantee believes that the proposed amendment would result in a significant change to the grantee's capacity or soundness of approach; a chart or table that clearly illustrates where funds are coming from and to where they are moving; and a revised budget allocation table that reflects the entirety of all funds, as amended.

3. *Projection of Expenditures and Outcomes.* The June 7, 2016 notice specified the time frames for grantees to report and update the projection of expenditures and performance outcomes for CDBG–NDR grants. As grantees have refined and finalized outcomes for each CDBG–NDR grant, the Department has determined that further clarification of the time frames for initially reporting and updating grantee projections of expenditures and outcomes is required. Accordingly, Section 3.II.B(9) of the June 7, 2016 notice is amended by replacing it in its entirety with the following:

(9) *Continuing responsibility related to certification.* After materials necessary to support the Secretary's certification are submitted and the grant agreement is signed, grantees have continuing responsibilities for maintaining the certification. HUD may request an update to the grantee's certification submission each time the grantee submits a substantial Action Plan Amendment, or if HUD has reason to believe the grantee has made material changes to grantee's support for its certifications.

Grantees must submit to the Department for approval an update to the program schedule (projection of expenditures) and milestones (outcomes) included in the approved CDBG–NDR application response to the Phase 2 Factor 3 Soundness of Approach rating factor. The projections must be based on each quarter's expected performance—beginning the quarter that funds are available to the grantee and continuing each quarter until all funds are expended. Each grantee must also include these projected expenditures and outcomes in the initial activity set-up in DRGR. Within 90 days of HUD's approval of the initial DRGR Action Plan, the projections entered into DRGR (as contained in the DRGR Action Plan) must be amended to reflect any subsequent changes, updates, or revision of the projections. Any subsequent changes, updates, or revision of the projections must receive written approval from HUD. Amending Action Plans solely to accommodate changes to the timeline for projected expenditures does not fall within the definition of substantial amendment and is not subject to citizen participation requirements.

Guidance on the preparation of projections is available on HUD's Web site under the headings Office of Community Planning and Development, Disaster Recovery Assistance (*https://www.hudexchange.info/resource/3685/cdbg-dr-grantee-projections-of-expenditures-and-outcomes/*). The projections will enable HUD, the public, and the grantee to track proposed versus actual performance. HUD will make the DRGR Action Plan and performance reports available on the DRGR public Web site (*https://drgr.hud.gov/public/*).

Additionally, following execution of a grant agreement, the DRGR Action Plan that reflects the components funded through the CDBG–NDR grant must be posted on the grantee's Web site.

Additional information on the DRGR reporting system requirements can be found in section 3.V.A.2. below.

Grantees are also required to ensure all agreements (with subrecipients, recipients, and contractors) clearly state the period of performance or the date of completion. In addition, grantees must enter expected completion dates for each activity in the DRGR system. When target dates are not met, grantees are required to explain why in the activity narrative in the system.

Other reporting, procedural, and monitoring requirements are discussed under "Grant Administration" in section 3.V.A. of this amended June 7, 2016 notice. The Department will institute risk analysis and on-site monitoring of grantee management as well as collaborate with the HUD Office of Inspector General to plan and implement oversight of these funds.

In addition to the above changes, HUD is modifying the last paragraph of section 3.IV of the June 7, 2106 notice, by replacing it in its entirety with the following:

• "Grantee amends its published Action Plan (the DRGR Action Plan) to include any updates to its projection of expenditures and outcomes within 90 days of HUD's approval of the initial DRGR Action Plan."

4. *Waiver of Limitation on Planning Costs (State of New Jersey only).* The Department is modifying the alternative requirement in the June 7, 2016 notice which imposes a 20 percent limit on planning and administrative costs, and is imposing an alternative requirement for the state of New Jersey to accommodate activities to be funded under the state's approved CDBG–NDR Action Plan. The June 7, 2016 notice waived section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) for states and provided an alternative requirement that limits CDBG–NDR grantees to using no more than 20 percent of the total grant amount on a combination of planning and general administrative costs (see paragraph V.A.10.b.(1) of the June 7, 2016 notice). The state submitted a Phase 2 application to HUD for the NDRC on October 27, 2015, describing an array of recovery and resilience activities that included both infrastructure and planning activities. In January 2016, the Department made a CDBG–NDR award of $15 million to the state for two proposed planning-only projects, a Regional Resiliency Planning (RRP) Grant Program and a best practices toolkit. As part of its RRP Grant Program, the state proposed to invest CDBG–NDR funds in a program evaluation that investigates the efficacy of its grant program and facilitates replication of the program in other communities. Because the entirety of the state's CDBG–NDR award is for the purpose of planning-only activities, HUD is modifying the limitation described in the June 7, 2016 notice for the state of New Jersey only, and imposing the following alternative requirement:

To ensure that the state of New Jersey can devote the full amount of CDBG–NDR grant funds to both of its approved planning-only projects, the Department is waiving section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) to remove the limitation on planning expenses for this grant, thereby permitting the state to expend 100 percent of its CDBG–NDR grant on planning and administration expenses. Additionally, to ensure that the state devotes a minimum amount of its funds to local level planning activities as described in its approved CDBG–NDR Action Plan, the Department is requiring that at least 80 percent of the $10 million provided for the RRP in the state's Action Plan ($8 million) be expended on local planning grants.

As a reminder, the state must continue to limit its general administrative costs for the CDBG–NDR grant to 5 percent of its total grant award, as provided in Public Law 113–2 and the June 7, 2016 notice. The state must also adhere to the program funding amounts in the state's grant agreement terms and conditions, as amended.

5. *Waiver of Limitation on Planning Costs (State of Connecticut only).* The Department is modifying the alternative requirement in the June 7, 2016 notice which imposes a 20 percent limit on planning and administrative costs, and is imposing an alternative requirement for the state of Connecticut to accommodate activities to be funded under the state's approved CDBG–NDR Action Plan. The June 7, 2016 notice waived section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) for states and provides an alternative requirement that limits CDBG–NDR grantees to using no more than 20 percent of the total

grant amount on a combination of planning and general administrative costs (see paragraph V.A.10.b.(1) of the June 7, 2016 notice). The state submitted a Phase 2 application to HUD for the NDRC on October 27, 2015, describing an array of recovery and resilience activities that included both infrastructure and planning activities. In January 2016, the Department made a CDBG–NDR award of $54,277,359 to the state for infrastructure and the following planning activities: Bridgeport South End Design Guidelines ($330,000), Bridgeport South End District Energy Feasibility ($350,000), Connecticut Connections Coastal Resilience Plan ($8,203,323), and the State Agencies Fostering Resilience (SAFR) program ($3,500,000), which includes both administration and planning expenses.

The sum of planning projects funded under this award is $12,383,323, or 22.8 percent of the total grant award amount, and the maximum allowable amount that can be used for general administrative expenses is 5 percent of the grant total or $2,713,868. In order to allow the state to fully fund its selected projects and properly administer its grant award, HUD is modifying the limitation described in the June 7, 2016 notice for the state of Connecticut, and imposing the following alternative requirement:

The Department is waiving section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) to increase the limitation on planning and general administration expenses for this grant to 27.8 percent or $15,097,191.

As a reminder, the state of Connecticut must continue to limit its general administrative costs for the CDBG–NDR grant to 5 percent of its total grant award, as provided in the Appropriations Act and the June 7, 2016 notice. The state must also adhere to the program funding amounts in the state's grant agreement terms and conditions, as amended. The Appropriations Act referenced in the amended June 7, 2016 notice is Public Law 113–2.

6. Waiver for Eligible Activity (Commonwealth of Virginia only). The Department awarded the Commonwealth of Virginia CDBG–NDR funds to develop a Coastal Resilience Lab and Accelerator Center (the Center) that supports new business initiatives aimed at addressing flood risk. Many of the Center's components, however, are not otherwise CDBG-eligible activities. Accordingly, the Commonwealth requested and the Department is granting a waiver and establishing an alternative requirement to create a CDBG-eligible activity that comprises all the components proposed for the Center.

The Commonwealth's approved Action Plan states that the Center will "serve as the nexus for technological and organizational innovation around community revitalization, water management, resilience measurement," and will "focus on generating economic growth by assisting entrepreneurs skilled at identifying problems, matching them with potential solutions, working with companies to create product, and moving product quickly to market." To this end, the Commonwealth will use its CDBG–NDR grant to fund specific components of the project including the design plan for the operations of the Center, training, office space, and capital investment for emerging businesses focused on regional resilience solutions, targeted workforce development and support, public outreach, and sharing best practices.

In rare instances when necessary to achieve recovery goals, HUD has previously granted waivers and alternative requirements to allow a grantee to treat a large complex project as a single eligible activity with multiple components that contribute to long-term recovery. HUD's approval of the Commonwealth's application through the NDRC is intended to support the creation of a new regional industry cluster to serve as a model for other communities that want to support businesses in this field.

HUD has determined that many of the proposed project components in the Commonwealth's application, including the development of a public facility, support for small businesses through training and capital, supporting workforce development, public engagement, and knowledge dissemination are already eligible CDBG activities. Therefore, to streamline implementation of the Center and its programs and allow the Commonwealth to proceed with valuable project components that are not eligible CDBG activities, HUD is waiving section 105(a) (42 U.S.C. 5305(a)) and establishing an alternative requirement only to the extent necessary to create a new eligible activity for the Commonwealth's CDBG–NDR grant, referred to as the Center, comprised of the activities outlined in the Commonwealth's approved Action Plan for its CDBG–NDR grant. However, HUD reminds grantees that the following provision in the June 7, 2016 notice remains in effect: "When CDBG–NDR grantees provide funds to for-profit businesses, such funds may only be provided to a small business, as defined by the SBA under 13 CFR part 121. CDBG–NDR funds may not be used to directly assist a privately-owned utility for any purpose".

7. Waiver and alternative requirement for low- and moderate-income area benefit activities (State of California only). The Department awarded the State of California CDBG–NDR funds to develop a Community and Watershed Resilience Program in response to the 2013 Rim Fire that was the third largest wildfire in California's history. The program will finance the development of a biomass facility and wood products campus in Tuolumne county as well as a forest and watershed health component focused on forest restoration efforts, rangeland improvements, and biomass removal and thinning throughout the region. The program also includes the establishment of a community resilience center that will offer business incubator and job training services, while also serving as an emergency evacuation center for the broader community.

The state's approved CDBG–NDR application noted that the most impacted and distressed area with remaining unmet disaster recovery needs to be served by the project encompasses the non-entitlement jurisdictions of Tuolumne, Mariposa and Calaveras counties, where 38 percent of the residents are low- and moderate-income (LMI). The state's application indicated that if CDBG–NDR funds were awarded for the program, the state would require a waiver that would permit activities carried out in areas with an LMI percentage of not less than 38 percent to qualify under the low- and moderate-income area benefit national objective.

Subsequent to the award and in response to HUD's scoping and scaling of the project, the state submitted a revised request to the Department, seeking a waiver and alternative requirement that would allow the state to apply exception criteria that recognizes that few, if any communities within the service area have 51 percent or more low- and moderate-income residents, per the requirements of 42 U.S.C. 5305(c)(2)(A), allowing the state to use a 38 percent LMI threshold to qualify activities under the LMI area benefit national objective. In its request, the state contends that the very nature of the initiatives financed with CDBG–NDR funds means that communities beyond the identified service area will also realize benefits, through reduced risks associated with wildfires, improved watersheds and new economic opportunities arising from efforts to commercialize the area's biomass.

Based on the state's request and the fact that the approved project has a combined LMI population that is not

greater than 38 percent of the area, HUD is granting a limited waiver modifying 42 U.S.C. 5305(c)(2)(A)(i), to the extent necessary to permit the state to use a percentage of not less than 38 percent to qualify activities under the low- and moderate-income area benefit national objective.

8. *Waiver of the 50 percent overall benefit requirement (City of Moore, OK only).* The primary objective of the HCDA is the "development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income." 42 U.S.C. 5301(c). To carry out this objective, the statute requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons. This target can be difficult for many CDBG–DR grantees to reach as a disaster impacts entire communities—regardless of income. Further, it may limit grantees' ability to provide assistance to the most damaged areas of need. Therefore, as described by the December 16, 2013 **Federal Register** notice (78 FR 76154), the city of Moore, Oklahoma, in addition to the other grantees under Public Law 113–2 received a waiver and alternative requirement reducing the amount of the city's CDBG–DR funds that must be used for activities that benefit LMI persons to 50 percent. Additional flexibility was provided in the March 5, 2013 **Federal Register** notice (78 FR 14329). It allowed a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 50 percent requirement; and (d) demonstrates that the needs of non-low and moderate-income persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them. Upon HUD's review of the justification, the request can be granted only if the Secretary finds a compelling need to reduce the overall benefit below 50 percent.

In response to the above, the city of Moore submitted a justification addressing the required criteria. The EF–5 tornado that struck Moore in 2013 also destroyed several affordable housing developments in the city which have not been replaced. The city council adopted a plan in March of 2013 that included infrastructure projects in support of a new affordable housing development project that will bring much needed LMI affordable units to the city. In order to carry out these activities the city acquired land in a closed mobile home park which will allow it to replace a portion of the LMI affordable rental housing destroyed by the EF–5 tornado. Demolition of the remaining structures and asbestos abatement has been completed and a Planned Unit Development (PUD) design for the site has been adopted. The SW 17th/Janeway Master Redevelopment plan will be a mixed use, mixed income urban village which will be built at an overall cost of $36–$40 million. This redevelopment will include the use of $13.5 million in CDBG–DR grant funds and provides for 170 affordable LMI units and 30 market rate units. The city council approved the master plan and PUD in October 2016, and staff are currently developing a Request for Proposals to solicit development bids. After the completion of the SW 17th/Janeway development, the city expects that the percent of LMI residents in the block group which contains the development will rise to 57.2 percent, well above the 51 percent required to classify a project under the low/mod area benefit (LMA) national objective.

Through its Infrastructure Recovery and Implementation Plan (IRIP), designed in 2014, the city identified several flood control and drainage projects that will support the development of SW 17th/Janeway and its affordable housing units, and thus will directly benefit the LMI residents that return to the area. Currently, there are three infrastructure projects associated with the Round Rock development that will not meet the area benefit test that requires at least 51 percent of the residents in the area are LMI using the most current HUD FY 2016 data. The three projects include the Little River Sewer Interceptor project, the S. Telephone Road Improvements project, and the Little River Channel and Greenway project totaling over $7.6 million in CDBG–DR investments. While these projects will directly benefit the new housing development, they will also benefit other block groups within the city. Without this waiver, the city could carry out these activities under the national objective of Urgent Need, but because of the large number of CDBG–DR funds dedicated to these activities, the city would then not be able to meet its 50 percent LMI overall benefit requirement. Hence, the city cannot carry out these infrastructure activities without a waiver.

To enable the city to undertake these infrastructure activities it has deemed most critical for its recovery, and to ensure that LMI residents are adequately served and/or assisted, HUD is granting a limited waiver and alternative requirement to reduce the overall benefit from 50 percent to not less than 42 percent. Based on the city's justification, the Secretary has found a compelling need for this reduction due to the circumstances outlined in Moore's request. In particular, HUD notes that these projects will all directly serve the new housing development that will provide 170 units of affordable LMI housing, prioritizing the needs of those LMI residents because these three projects will ensure that the redevelopment site is no longer in a FEMA floodway, will repair and replace sewage lines that will service the development, and install traffic control lights and widen an intersection to handle the increased density the development will bring. The city has identified these infrastructure projects as a top priority to ensure the success of the SW 17th/Janeway redevelopment and this waiver will allow LMI persons to live there safely. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the city must meet when carrying out activities with funds appropriated under Public Law 113–2 from 50 percent to not less than 42 percent.

9. *Waiver of the 50 percent overall benefit requirement (New York State, only).* As described in the March 5, 2013 notice, the state of New York and all other grantees under Public Law 113–2 received a waiver and alternative requirement requiring that at least 50 percent of CDBG–DR grant funds must be used for activities that benefit low- and moderate-income persons.

The state of New York has submitted a justification to HUD to reduce the overall benefit requirement for funds provided under Public Law 113–2. HUD has allocated $4,416,882,000 in CDBG–DR funds to the state pursuant to Public Law 113–2, including $185 million for projects identified by HUD through the Rebuild by Design competition. The state's CDBG–DR grant is administered by the Governor's Office of Storm Recovery (GOSR).

GOSR's approved action plan allocates its CDBG–DR grant to four main recovery programs: Housing (58 percent), economic development (3 percent), community reconstruction (18 percent) and infrastructure (21 percent). These programs were developed by GOSR to address the most urgent and significant unmet needs of those areas impacted by the storms that are eligible under Public Law 113–2—Hurricanes Sandy and Irene. In its request, GOSR contends that it has engaged in extensive and continued outreach to all persons and businesses impacted by the storms to inform the state's citizens of the availability of recovery programs and how to apply, and that all eligible applicants will receive assistance. Significantly, GOSR's analysis of the geographic areas most impacted by the storms demonstrates that the storms did not damage areas with significant LMI populations. Because HUD requires grantees receiving funds under Public Law 113–2 to spend at least 80 percent of each grant in the HUD identified most impacted counties, it is very difficult for the state to meet both this requirement and the requirement that at least 50 percent of the expended funds benefit LMI populations.

GOSR has submitted an extensive data analysis to illustrate that the demographics of the communities most impacted by the storms are generally not comprised of LMI block groups. GOSR's data illustrates that, outside of the five counties that comprise New York City, the storms impacted communities in which only about 20 percent of the population resides in LMI block groups. GOSR has reported that while there are 3.96 million people living in the state's most impacted counties (Nassau, Westchester, Suffolk, and Rockland), only 34 percent of those residents are LMI persons and only 25 percent of the block groups are considered LMI.

The state uses this data to illustrate its difficulty in meeting the LMI area benefit national objective, particularly as it relates to infrastructure. Many of the state's infrastructure projects are large in scale and have widespread positive impacts for persons of all income levels, including LMI persons, but it is nearly impossible for those projects to meet the LMI area benefit criteria. For example, one of the state's largest investments, the $101 million Bay Park Wastewater Treatment Plant project, benefits a service area that includes more than 370 block groups. Even though this project benefits many thousands of LMI residents within these block groups (approximately 135,000 LMI persons), there are not enough LMI persons to meet the 51 percent test for an LMI area benefit activity.

Given these challenges, the state has proposed allocating additional funds to initiatives that further address unmet needs of LMI persons, including the reallocation of $50,000,000 of Community Reconstruction (CR) funds to projects within the city of New York that will meet the applicable LMI area benefit criteria.

To enable the state to undertake the activities it has deemed most critical for its recovery, and to ensure that LMI households are adequately served and/or assisted, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement for the state's grant from 50 percent to not less than 35 percent of the state's allocation of CDBG–DR funds, excluding the $185 million allocated by HUD for Rebuild by Design projects and, consistent with existing program requirements and subject to the requirements in paragraph 10, below. This means that the state must use at least 35 percent of its CDBG–DR allocation (excluding RBD) under Public Law 113–2 to benefit LMI persons.

Based on the analysis submitted by the state, the Secretary has found a compelling need for this reduction due to the particular circumstances outlined in the state's request. In particular, HUD notes that the areas most damaged by the storms have limited LMI populations; that the infrastructure projects being undertaken by the state will nonetheless directly serve large populations of LMI persons; that the state has done significant outreach to communities in the most impacted counties and will serve all eligible applicants that have applied for assistance; and that the state will reallocate at least $50,000,000 of Community Reconstruction funds to increase the number of LMI persons served. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the state must meet when carrying out activities identified in its approved action with funds appropriated under Public Law 113–2 from 50 percent to not less than 35 percent.

10. Rebuild By Design Exception to Overall Benefit Requirement. In the October 16, 2014, **Federal Register** notice (79 FR 62182), HUD allocated $930,000,000 of CDBG–DR funds made available under Public Law 113–2, for the implementation of six proposals selected through the HUD-sponsored Rebuild by Design (RBD) competition. The RBD allocation was included as part of the larger allocation of CDBG–DR funds under Public Law 113–2 for long term recovery from Hurricane Sandy. Four grantees received an RBD allocation as part of their CDBG–DR grant for Hurricane Sandy recovery: The state of New York, the city of New York, the state of Connecticut, and the state of New Jersey.

The proposals selected through the Rebuild by Design Competition were identified prior to the development and approval of action plans for grantees receiving an allocation of CDBG–DR funds under Public Law 113–2. The October 16, 2014, notice notes that the individual proposals were selected to address the structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and to provide fundable solutions to better protect residents from future disasters. The notice also requires that projects funded with the RBD allocation reflect the proposals selected through the Rebuild by Design Competition to the greatest extent practicable and appropriate.

The RBD proposals were selected by HUD and the RBD allocation was included as part of each grantee's overall CDBG–DR allocation for Hurricane Sandy recovery, however, HUD recognizes that as the location and scope of an RBD project is further refined, the RBD portion of a grantee's overall CDBG–DR allocation may prevent certain grantees from meeting the requirement of the March 5, 2013, notice that at least 50 percent of each grantee's overall allocation of CDBG–DR funds be expended to meet the LMI national objective. Accordingly, the Secretary has found a compelling need for this waiver based on the facts presented above. In particular, HUD's selection of RBD projects within defined geographic areas may limit the ability of grantees to meet an LMI national objective within that defined area. This is a limited waiver and alternative requirement to modify 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to allow the four grantees receiving an allocation of CDBG–DR funds specifically for RBD projects, to either include or exclude the expenditure of its RBD allocation in the calculation of the grant's overall LMI benefit. If a grantee chooses to exclude the expenditures of its RBD allocation from its overall benefit calculation, it is required to notify HUD and the public through a non-substantial amendment to its approved action plan.

11. *Publication of Approved Expenditure Extension Requests.* Pursuant to the requirements of section 904(c) under title IX of Public Law 113–2, CDBG–DR and CDBG–NDR funds must be expended within 24 months following obligation, unless an extension is provided. The Office of Management and Budget (OMB) granted the Department a waiver of the statute's two-year expenditure timeline, recognizing that certain disaster recovery activities satisfy the OMB criteria for activities that are long-term by design where it is impracticable to expend funds within the 24-month period and achieve program missions. HUD may grant extensions for activities that satisfy the OMB criteria. The **Federal Register** notice published by the Department on May 11, 2015 (80 FR 26942) and the June 7, 2016 notice established the process and requirements for extension of the deadline for the expenditure of funds under Public Law 113–2, including the requirement that HUD publish its approval of the extension of grantee expenditure deadlines in the **Federal Register**. In order to provide the public with more timely information about the expenditure deadlines for funds provided under Public Law 113–2, the Department is amending both the May 11, 2015 notice and the June 7, 2016 notice, respectively, to provide for the publication of expenditure deadline extensions on the Department's Web site.

Accordingly, the last bullet of Section VI of the May 11, 2015 notice is amended to read:

- "If approved, HUD will publish the extension approval on its web site at: *https://www.hudexchange.info/programs/cdbg-dr/*. HUD will consolidate grantee extension approvals for publication. Therefore, extension approval is effective as of the date of the extension approval letter, rather than as of the date the approval is published on the HUD web site."

The first paragraph Section II.A.2 of the June 7, 2016 notice is also amended to read:

"For any portion of funds that the grantee believes will not be expended by the deadline and that it desires to retain, the NOFA required the Grantee to submit a letter to HUD justifying why it is necessary to extend the deadline for a specific portion of the funds. Appendix E of the NOFA also required Applicants to submit extension requests with the application if the Applicant submitted a schedule that indicated time needed for completion of the proposal exceeds 24 months. Some Applicants submitted extension requests to HUD within their applications and such extensions were considered within the application review process. If granted, any extensions will be published on the HUD web site at: *https://www.hudexchange.info/programs/cdbg-dr/*. Under the NOFA, grantees that did not submit an extension request with their Applications are eligible to request an extension prior to the expiration of the twenty-four month deadline for the expenditure of obligated funds. As required by Appendix E of the NOFA, the extension request must justify the need for the extension, detail the compelling legal, policy or operational challenges necessitating the extension, and identify the date when funds covered by the extension will be expended. The Grantee must justify how, under the proposed schedule, the Project will proceed in a timely manner. For example, large and complex infrastructure Projects are likely to require more than 24 months to complete. An extension request for such a Project should justify the new timeline for any proposed extension by comparing it to completion deadlines for other similarly sized Projects."

V. New LMI National Objective Criteria for Buyouts and Housing Incentives (Applicable to Multiple Appropriations)

Historically, various **Federal Register** notices published by HUD have authorized CDBG–DR grantees to carry out "buyouts," which have been generally limited to the acquisition of properties located in a floodway or floodplain or Disaster Risk Reduction Area for pre-or post-flood value for the purpose of reducing risk from future disasters. These notices also generally prohibit redevelopment of property acquired through buyouts. Certain previous CDBG–DR **Federal Register** notices also waive 42 U.S.C. 5305(a) and associated regulations to allow grantees to offer housing incentives to resettle beneficiaries who were in disaster-affected communities. As described in those notices, housing incentives are usually offered to encourage households to relocate to a suitable housing development or to an area promoted by the community's comprehensive recovery plan, and may be in addition to acquisition or buyout awards.

In this notice, HUD is establishing an alternative requirement to clarify the criteria under which buyout activities and housing incentives can meet an LMI national objective. Grantees authorized to use housing incentives as described above, must continue to comply with the other eligibility requirements of applicable **Federal Register** notices governing those incentives—specifically, the requirement that grantees "providing housing incentives must maintain documentation, at least at a programmatic level, describing how the amount of assistance was determined to be necessary and reasonable. In addition, the incentives must be in accordance with the grantee's approved Action Plan and published program design(s). Note that this waiver does not permit a compensation program. Additionally, a grantee may require the incentive to be used for a particular purpose by the household receiving the assistance."

The CDBG regulations limit activities that meet the LMI national objective to only the activities meeting the four established criteria in 24 CFR 570.208(a)(1) through (4) and 570.483(b)(1) through (4). Prior **Federal Register** notices have advised grantees of the criteria under which a buyout activity can meet a LMI housing (LMH) national objective (80 FR 72102). Notwithstanding that guidance, however, HUD has determined that providing CDBG–DR grantees with an additional method to demonstrate how buyouts and housing incentives can assist LMI households, beyond those described in the previous notices, will ensure that grantees and HUD can account for and assess the benefit that CDBG–DR assistance may have on LMI households when buyouts and housing incentives are used in long term recovery. Given the primary objective of the HCDA to assist low- and moderate income persons, the Secretary has determined that there is good cause to establish an alternative requirement under which CDBG–DR grantees are authorized to qualify the assistance provided to LMI persons through buyout and housing incentive programs, due to the benefits received by the individuals that receive buyout and housing incentive awards that allow them to move from areas that are likely to be affected by future disasters.

In addition to the existing criteria at 24 CFR 570.208(a)(1)–(4) and 570.483(b)(1)–(4), HUD is establishing an alternative requirement to include two new LMI national objective criteria for buyouts (LMB) and housing incentives (LMHI) that benefit LMI households that use CDBG–DR funding provided by Public Law 113–2, 114–113, 114–223, 114–254 and 115–31.

For a buyout award or housing incentive to meet the new LMB and LMHI national objectives, grantees must demonstrate the following:

(1) The CDBG–DR funds have been provided for an eligible buyout activity that benefits LMI households by

supporting their move from high risk areas. The following activities shall qualify under this criterion, and must also meet the eligibility criteria of the notices governing the use of the CDBG–DR funds:

(a) Low/Mod Buyout (LMB). When CDBG–DR funds are used for a buyout award to acquire housing owned by a qualifying LMI household, where the award amount is greater than the pre-disaster fair market value of that property;

(b) Low/Mod Housing Incentive (LMHI). When CDBG–DR funds are used for a housing incentive award, tied to the voluntary buyout or other voluntary acquisition of housing owned by a qualifying LMI household, for which the housing incentive is for the purpose of moving outside of the affected floodplain or to a lower-risk area; or when the housing incentive is for the purpose of providing or improving residential structures that, upon completion, will be occupied by an LMI household.

(2) Activities that meet the above criteria will be considered to benefit low and moderate income persons unless there is substantial evidence to the contrary.

Any activities that meet the newly established national objective criteria described above will count towards the calculation of a CDBG–DR grantee's overall LMI benefit to comply with the primary objective described in 24 CFR 570.200(a)(3) and 24 CFR 570.484(b).

Grantees receiving an allocation of CDBG–DR funds pursuant to the following appropriations acts must specifically request a waiver and alternative requirement from HUD in order apply the new national objective criteria established in this section of the notice: Public Law 109–148, 109–234, and 110–116 (Katrina, Rita, and Wilma); Public Law 110–252 and 110–328 (2008 Disasters), Public Law 111–112 (2010 disasters), and Public Law 112–55 (2011 disasters).

VI. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice are as follows: 14.218; 14.228; and 14.269.

VII. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

Dated: July 31, 2017.

Janet Golrick,

Acting Deputy Secretary.

[FR Doc. 2017–16411 Filed 8–4–17; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[Docket No. FWS–HQ–IA–2017–0037; FXIA16710900000–156–FF09A30000]

Foreign Endangered Species; Issuance of Permits

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of issuance of permits.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), have issued the following permits to conduct certain activities with endangered species, marine mammals, or both. We issue these permits under the Endangered Species Act (ESA).

ADDRESSES: Documents and other information submitted with these applications are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents to the U.S. Fish and Wildlife Service, Division of Management Authority, Branch of Permits, MS: IA, 5275 Leesburg Pike, Falls Church, VA 22041; fax (703) 358–2281. To locate the **Federal Register** notice that announced our receipt of the application for each permit listed in this document, go to *www.regulations.gov* and search on the permit number provided in the tables in SUPPLEMENTARY INFORMATION.

FOR FURTHER INFORMATION CONTACT: Joyce Russell, (703) 358–2023 (telephone); (703) 358–2281 (fax); or *DMAFR@fws.gov* (email).

SUPPLEMENTARY INFORMATION: On the dates below, as authorized by the provisions of the ESA, as amended (16 U.S.C. 1531 *et seq.*), we issued requested permits subject to certain conditions set forth therein. For each permit for an endangered species, we found that (1) the application was filed in good faith, (2) the granted permit would not operate to the disadvantage of the endangered species, and (3) the granted permit would be consistent with the purposes and policy set forth in section 2 of the ESA.

ENDANGERED SPECIES

Permit No.	Applicant	Receipt of application **Federal Register** notice	Permit issuance date
12500C	Charles Waibel	82 FR 4914 January 17, 2017	4/13/2017
06382C	Richard Killion	82 FR 4914 January 17, 2017	4/13/2017
15671C	New Mexico State University/Timothy F. Wright	82 FR 4914 January 17, 2017	3/27/2017
93065B	University of South Carolina	81 FR 63788 September 16, 2016	1/12/2017
209142	Adalgisa Caccone	82 FR 14742 March 22, 2017	4/25/2017
13615C	Stevens Forest Ranch	82 FR 13486 March 13, 2017	05/01/17

Duplication of Benefits Overview

- ✓ This section describes the duplication of benefits rules that apply to CDBG-DR under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Key Topics in This Section	✓ Duplication of benefits under CDBG-DR
Regulatory/Statutory Citations	§ 312 [42 U.S.C.§ 5155]
Other Reference Materials on This Topic	Duplication of Benefits Notice 76 FR 71060

- ✓ CDBG-DR funding is subject to the rules of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the "Stafford Act"), including rules related to duplication of benefits (DOB).
- ✓ The Stafford Act seeks to guard against fraud and ineligible use of taxpayer funding; it also is designed to ensure that federal assistance (and specifically, CDBG-DR funds) is the last source of recovery funding—made available after all other forms of disaster assistance have been exhausted.
- ✓ The Stafford Act prohibits any person, business, or other entity from receiving financial assistance with respect to any part of a loss resulting from a major disaster as to which he has received financial assistance under any other program or from insurance or any other source.
  - Grantees must ensure that activities provide assistance only to the extent that a disaster recovery need has not been fully met.
  - Disaster assistance may come in the form of donations, insurance proceeds, volunteer work, and state or local funds. It also includes assistance received from FEMA, the SBA, or the U.S. Army Corps of Engineers.
- ✓ Examples:
  - Assume the cost to rehabilitate a home following a disaster is $50,000 and the homeowner receives $50,000 from private insurance. Any CDBG-DR funding provided to the homeowner for rehabilitation would be considered a DOB because the homeowner had already received sufficient assistance to meet the need.
  - Assume FEMA provides $500 for debris removal but the actual cost is $850, CDBG-DR funds may be used to cover the difference.
- ✓ Assistance *is* duplicative when two sources exceed need for the same recovery item. Assistance is *not* duplicative when two sources contribute to the same need, but the total assistance did not exceed the total need. Even if a grantee attempts to design disaster relief programs to avoid all potential DOB issues, the grantee cannot deem any recipients categorically exempt from DOB calculations. The grantee must perform case-by-case examinations of available benefits.
- ✓ Grantees may determine the best method for avoiding or identifying potential DOB

issues. Grantees should have a process in place to check for all assistance applied for and/or previously received as well as a process for re-examining benefits that may be received over time (e.g. insurance proceeds). Typically, a grantee will require the following information from an applicant:

- All assistance sought or received, including insurance, loans and grants,
- A signed affidavit that indicates (1) the applicant acknowledges the DOB requirements and his obligation to report all funding he has received, and (2) the grantee may inquire about other assistance received (e.g. from the insurance company or FEMA), and
- A signed subrogation agreement.

✓ Wherever possible, grantees should seek third party documentation of disaster needs and assistance received.

✓ Generally, the agency responsible for duplicating assistance is required to collect the duplication.

ENFORCEMENT TESTING TECHNICAL ASSISTANCE

Applicant name	Contact	Region	Award amount
Metropolitan Milwaukee Fair Housing Council, Inc., 600 East Mason Street, Suite 401, Milwaukee, WI 53202–3876.	Mr. William Tisdale, 414–278–1240	5	$272,990.00

[FR Doc. 2011–29517 Filed 11–15–11; 8:45 am]
BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5582–N–01]

Clarification of Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice.

SUMMARY: This Notice clarifies the duplication of benefits requirements under the Stafford Act for all active Community Development Block Grant (CDBG) disaster recovery grants, and all future CDBG disaster recovery grants.

DATES: *Effective Date:* November 21, 2011.

FOR FURTHER INFORMATION CONTACT: Scott Davis, Director, Disaster Recovery and Special Issues Division, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW., Room 7286, Washington, DC 20410, telephone number (202) 708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at (800) 877–8339. Facsimile inquiries may be sent to Mr. Davis at (202) 401–2044. (Except for the "800" number, these telephone numbers are not toll-free.)

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I. Applicability

The guidance presented in this Notice is applicable to all active HUD CDBG disaster recovery grants, and will be incorporated by reference into Federal Register notices governing all future CDBG disaster recovery grants. Table 1, below, illustrates the active grants next to the pertinent appropriation law. The following guidance is applicable to all new programs initiated and submitted to HUD in an Action Plan Amendment subsequent to the date of this Notice.

TABLE 1—ACTIVE CDBG DISASTER RECOVERY GRANTS

Appropriation law	Date enacted	Grantee
Public Law 107–73	November 26, 2001	State of New York.
Public Law 107–117	January 10, 2002	State of New York.
Public Law 107–206	August 2, 2002	State of New York.
Public Law 108–324	October 13, 2004	States of Alabama, California, Florida, Maryland, North Carolina, Ohio, Pennsylvania, Puerto Rico, Virginia and West Virginia.
Public Law 109–148	December 30, 2005	States of Alabama, Florida, Louisiana, Mississippi, and Texas.
Public Law 109–234	June 15, 2006	States of Alabama, Florida, Louisiana, Mississippi, and Texas.
Public Law 110–116	November 13, 2007	State of Louisiana.
Public Law 110–252	June 30, 2008	States of Arkansas, Colorado, Illinois, Indiana, Iowa, Maine, Minnesota, Mississippi, Missouri, Montana, Nebraska, Oklahoma, South Dakota, West Virginia, and Wisconsin.
Public Law 110–329	September 30, 2008	States of Arkansas, California, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Mississippi, Missouri, Puerto Rico, Tennessee, Texas, and Wisconsin.
Public Law 111–212	July 29, 2010	States of Kentucky, Rhode Island, and Tennessee; City of Cranston, City of Warwick, City of Memphis, Nashville-Davidson County, and Shelby County..

This guidance applies to all CDBG disaster recovery expenditures, programs, and activities, regardless of whether a grantee or subgrantee administers a program. Although this Notice frequently references the term grantee, the actions described are not limited solely to grantees. Rather, it is ultimately the grantee's responsibility to ensure no recipient of funds under its CDBG disaster recovery award has received a duplicate benefit.

This Notice does not apply to any funds received annually under the State CDBG program, or the CDBG Entitlement program, unless those funds have specifically been awarded by the grantee for disaster recovery purposes. All uses of the term "CDBG" in this Notice refer to CDBG disaster recovery allocations.

II. Background

Grantees have requested clarification from HUD regarding the duplication of benefits. This Notice provides information to ensure all active CDBG disaster recovery grantees are in compliance with the Robert T. Stafford

Disaster Relief and Emergency Assistance Act, (42 U.S.C. 5121–5207), as amended, (Stafford Act), and all future CDBG disaster recovery grantees address duplication of benefits issues consistently. This Notice was also developed in consultation with the Small Business Administration (SBA) and the Federal Emergency Management Agency (FEMA).

Most of the CDBG disaster recovery supplemental appropriation laws to date have explicitly required the Secretary of Housing and Urban Development to establish procedures to prevent recipients from receiving any duplication of benefits. In addition, most supplemental appropriation laws also require the Secretary to report quarterly to the Committees on Appropriations with regard to all steps taken to prevent fraud, abuse of funds, and duplication of benefits. Even in the absence of these specific requirements, Stafford Act prohibition on duplication of benefits in section 312 (42 U.S.C. 5155) is applicable to all CDBG disaster recovery grants.

HUD has instituted specific reporting, written procedures, monitoring, and internal audit requirements for each grantee to ensure compliance with program rules for CDBG disaster recovery awards, including rules related to prevention of fraud, abuse, and duplication of benefits. However, HUD has neither designed nor mandated a specific process or method by which grantees must evaluate duplication of benefits; grantees have been encouraged to develop policies and procedures appropriate to their individualized programs. The Department has consistently monitored CDBG disaster recovery grantees to ensure that they are meeting the above requirements and that their policies and procedures are adequately preventing duplication of benefits.

III. Applicable Law

Two authorities form the foundation of duplication of benefit inquiries—the Stafford Act and applicable "necessary and reasonable cost principles in 24 CFR part 570 and in OMB Cost Circulars (codified in title 2 of the Code of Federal Regulations). Supplemental appropriations statutes often reinforce and supplement these authorities.

A. *The Stafford Act.* The Stafford Act directs administrators of Federal assistance to ensure that no "person, business concern or other entity" will receive duplicative assistance and imposes liability "to the extent such assistance duplicates benefits available to the person for the same purpose from another source." 42 U.S.C. 5155(a) and (c). Because assistance to each person varies widely based on individual insurance coverage and eligibility for Federal funding, grantees cannot comply with the Stafford Act without completing a duplication of benefits analysis specific to each applicant. The Stafford Act provides the framework for the Federal government's role in preparing for and recovering from a disaster. Its duplication of benefits requirements apply to all Federal agencies administering a disaster recovery program providing financial assistance, including CDBG disaster recovery grants. Under the Act's framework, Congress instituted a goal to achieve greater coordination and responsiveness of disaster preparedness and relief programs. 42 U.S.C. 5121.

It also sought to guard against fraud and ineligible uses of taxpayers' funds. The President makes major disaster declarations only when "response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary." (42 U.S.C. 5170). Similarly, the prohibition on duplication of benefits ensures that Federal assistance serves only "to supplement insurance and other forms of disaster assistance." To accomplish these goals, the Stafford Act implies a hierarchy of funding (see section VII of this notice: Collecting a Duplication), and prohibits Federal agencies from providing recovery assistance to the extent another source has covered the same portion of that recovery need.

Specifically, section 312 of the Stafford Act prohibits any person, business concern, or other entity from receiving "any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source." 42 U.S.C. 5155(a). A duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

The Stafford Act requires a fact-specific inquiry into assistance received by each person, household, or entity. A grantee may not make a blanket determination that a duplication of benefits does not exist for all beneficiaries or recipients under a disaster recovery program. As a result, all disaster recovery funds must be governed by policies and procedures to prevent duplication of benefits.

In disaster recovery, it is common for multiple sources of funds to be used to address a single need. Grantees are advised to coordinate program designs and choices with related funding sources. Together, grantees and funders can determine the best approaches to minimize or eliminate duplication, increase leverage, and maximize community and individual outcomes. Furthermore, the Stafford Act provides that receipt of partial benefits for a major disaster or emergency shall not preclude provision of additional Federal assistance for any part of a loss or need for which benefits have not been provided. 42 U.S.C. 5155(b). Thus, to comply with the Stafford Act, grantees should ensure that each program provides assistance to a person or entity only to the extent that the person or entity has a disaster recovery need that has not been fully met. Any recipient receiving a duplicate benefit may be liable to the Federal government. 42 U.S.C. 5155(c).

B. *Necessary and Reasonable Cost Principles.* Cost principles applicable to all CDBG disaster recovery grantees require that costs are necessary and reasonable. These Federal cost principles are described in OMB Circulars and codified in title 2 of the Code of Federal Regulations. HUD grantees and subrecipients must generally adhere to the cost principles applicable to the specific type of entity (2 CFR part 225 (OMB Circular A–87), *Cost Principles for State, Local, and Indian Tribal Governments,* 2 CFR part 230 (OMB Circular 122), *Cost Principles for Non-profit Organizations,* 2 CFR part 220 (OMB Circular A–21), *Cost Principles for Educational Institutions,* or 45 CFR part 74, *Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals,* as applicable). State grantees are subject to 24 CFR 570.489(d), which requires that states shall have fiscal and administrative requirements which ensure that funds received are only spent "for reasonable and necessary costs of operating programs."

Federal necessary and reasonable cost principles apply to:

- State grantees (and their state recipients) through 24 CFR 570.489(d);
- Subrecipients of state grantees according to CDBG disaster recovery Notices, which typically require subrecipient agreements to comply with 24 CFR 570.503; and
- Local government grantees receiving CDBG disaster recovery grants directly from HUD (and their subrecipients) through 24 CFR 570.610.

Section 570.489(d) of Title 24 Code of Federal Regulations and the Federal cost principles applicable to all types of entities include reasonability requirements that prohibit costs that have already been or will be paid from

another source. For example, principles and standards established by 2 CFR part 225 (OMB Circular A–87), *Cost Principles for State, Local, and Indian Tribal Governments,* state that a cost assigned to a grant must be "necessary and reasonable for proper and efficient performance and administration of Federal awards." 2 CFR part 225, Appendix A (C)(1)(a). A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made. Other factors related to the reasonableness of the cost are described in the basic guidelines in 2 CFR part 225, Appendix A (C)(2). This requirement applies to a grantee's costs in administering its disaster recovery program, as well as the ultimate uses of the funds by the grantee.

Grantees must also make decisions about which types and amounts of cost items are necessary and reasonable given the applicable Federal laws, terms, and conditions of the Federal award, or other governing regulations. In the context of the Stafford Act duplication of benefits provision, the grantee must conduct an individualized review of each beneficiary and the purpose for which CDBG disaster recovery funds are provided. Specifically, the grantee must determine whether a cost is necessary and reasonable; if a cost has already been or will be paid from another source, it is presumed to violate the necessary and reasonable standard.

IV. Framework for Determining CDBG Disaster Recovery Assistance

The paragraphs in this section of this Notice illustrate the primary considerations that must be taken into account when analyzing need and duplication of benefits under CDBG disaster recovery. While the Department is providing a suggested framework, grantees have the discretion to develop other methods or procedures to evaluate and address the calculation of need and assessment of duplication of benefits. Grantees are required to establish a duplication of benefits policy that explains and describes all methods and procedures to prevent the duplication of benefits. 42 U.S.C. 5155(a).

Although the potential for duplication of benefits arises most frequently under homeowner rehabilitation programs, it is not limited solely to that program type. Therefore, this Notice seeks to provide general, cross-cutting guidance that can apply to any program.

A grantee that creates several disaster recovery programs should consider whether one program will duplicate assistance provided by another program, even when the secondary program is funded entirely with non-Federal funds.

A. *Assessment of need prior to assistance.* A grantee should first determine the applicant's total post-disaster need in the absence of any duplicative benefits or program caps. Following the identification of total need, duplicative assistance can later be subtracted and program caps applied to arrive at a final award. A rebuilding project's cost estimate is often able to serve as the best demonstration of need.

Some recovery programs not involved with physical rebuilding, such as economic development to provide an affected business with working capital, may not necessarily base awards on construction cost estimates. In such scenarios, the potential award may be determined by the program and be guided by standard underwriting principles; however, it must still be determined to be cost reasonable.

B. *Total assistance available to the person or entity.* Assistance includes all benefits available to the person, including cash and other resources such as insurance proceeds, grants, and SBA loans (private loans not guaranteed by SBA are excepted—see paragraph C). Grantees should identify all assistance received by each person, business concern, or other entity, via insurance, FEMA, SBA, other local, state, or Federal programs, and private or nonprofit charity organizations. See, FEMA Disaster Assistance Policy 9525.3, *Duplication of Benefits—Non-Government Funds.*

Grantees should also identify reasonably anticipated assistance, such as future insurance claims or approved SBA loan proceeds. Reasonably anticipated funds include assistance that has been awarded, but has not yet been received. For example, assume a business was approved to receive an SBA loan for $30,000, but had only received $20,000 when it applied for CDBG disaster recovery assistance for the same purpose. The grantee should identify the full amount of assistance for which the applicant was approved ($30,000).

Funds are not reasonably anticipated when the source and/or amount is indefinite, or the applicant is unaware that he/she may be eligible to receive additional funds at a later date. To address any potential duplication, beneficiaries must enter a signed agreement to repay any assistance later received for the same purpose as the CDBG disaster recovery funds. The grantee must identify a method to monitor compliance with the agreement for a reasonable period, and should articulate this method in its written administrative procedures. Please note that if additional need is established, subsequent funds would not be considered a duplication. See paragraph E, Unmet Need, for more information on this issue.

C. *Non-duplicative assistance excluded from final benefit calculation.* Once the grantee has determined the potential award and the total assistance received or to be received, it can exclude for duplication of benefit purposes, assistance that was: (1) Provided for a different purpose; (2) used for a different, eligible purpose; (3) not available to the applicant; (4) a private loan not guaranteed by SBA; or (5) any other asset or line of credit available to the applicant. Below, each of these categories is explained in greater detail.

1. *Funds for a different purpose.* Any funds provided for a different purpose, or a general, non-specific purpose (*e.g.*, "disaster relief/recovery"), may be excluded from the final award calculation if they were not used by the applicant for the same purpose.

Funds provided to a homeowner typically fall under one of the following categories: Replacement housing, rehabilitation assistance, or interim (*i.e.*, temporary) housing. Funds provided for replacement housing are generally easy to identify—they assist an individual or household to secure a replacement home in the event their disaster-affected home cannot be rehabilitated. This includes, but is not limited to, downpayment assistance, interim mortgage assistance, and acquisition of the damaged property. While these types of funds may be delivered through separate programs, they all have a uniform purpose—to equip an individual or household with the funds necessary to gain replacement housing.

Rehabilitation includes repair and reconstruction. If a homeowner receives rehabilitation funds from CDBG disaster recovery, all other assistance provided to address that home's rehabilitation must be included. If award amounts are related to a property's value or estimated cost of repair/reconstruction, then HUD will consider them to be for the purpose of rehabilitation or replacement housing.

Funds provided for interim housing, which would be provided if a household is temporarily unable to reside in its permanent residence, are considered to have a different purpose than rehabilitation or replacement housing. For example, if FEMA funds were eligibly used for interim housing, and CDBG funds were provided for home rehabilitation, there is no

duplication regarding those funds because the funds were provided for different purposes. However, any FEMA funds eligibly used for housing replacement or rehabilitation must be considered for that purpose.

Economic development programs may address many unique purposes. Thus, for a more effective administration of these programs, each should be carefully designed from the beginning with clear, identified purposes of the funds.

Finally, when providing funds for the repair, replacement, rehabilitation, or new construction of public facilities or improvements, a grantee must address whether other sources of funds are available for that same purpose and for that specific project because funds used directly by grantees and other government entities for public facilities or other purposes are also subject to the duplication of benefits prohibitions under the Stafford Act.

2. *Funds for same purpose, different eligible use.* Funds used for a different eligible purpose may be excluded from the final award calculation. In some instances, funds provided for the same general purpose as the CDBG disaster recovery funds will have been used by the applicant for a different specific eligible purpose. In these circumstances, if the applicant can document that the funds received were used for a different, *eligible* purpose, then the funds are not duplicative. Each grantee can work with HUD to determine what documentation is appropriate. In general, acceptable documentation may include, but is not limited to, receipts as well as sworn statements and certifications that can be verified or substantiated. FEMA requires individuals to keep receipts or bills for three years to demonstrate how all FEMA-funded assistance was used in meeting an eligible, disaster related need. It is advisable for grantees to remind applicants of this requirement when submitting an application for CDBG assistance that supplements FEMA assistance already received.

Whether the funds are used for an eligible purpose is dependent upon the program that provided the funds. For example, assume a grantee is administering a homeowner rehabilitation program and an applicant to the program previously received housing assistance from FEMA. If the applicant can document that the FEMA funds were used for eligible interim housing costs (such as rent, in accordance with FEMA program eligibility), and not housing replacement or rehabilitation (which may also be an eligible use of the funds), then his or her CDBG award for permanent housing should not be reduced by the amount of FEMA assistance used for interim housing. Because FEMA may allow its recovery funds to be used for multiple purposes, CDBG disaster recovery funds may not duplicate the ultimate use of the FEMA funds.

Because grantees may not be familiar with other Federal programs and allowable uses of funds, should this issue arise, grantees are encouraged to immediately contact their assigned HUD Community Planning and Development (CPD) Representative for further guidance.

This issue may also emerge when a grantee provides multiple homeowner rehabilitation or replacement housing programs, or multiple economic development programs. Thus, grantees are encouraged to clearly define the purpose and intended use of funds under each program.

3. *Funds not available to the applicant.* Funds that are not available to an applicant may also be excluded from the final award calculation. A benefit is available if a person or entity: (1) Would receive it by acting in a commercially reasonable manner, or (2) has received it, and has legal control over it. Commercially reasonable efforts refer to efforts that use a standard of reasonableness defined by what a similar person would do as judged by the standards of the applicable community. Commercially reasonable efforts should be consistent with good faith business judgments. For example, it may be commercially reasonable for a person to elect to receive a lump sum insurance settlement based on estimated cost of repairs to avoid transaction costs associated with the alternative of receiving reimbursement based on actual replacement cost; any additional benefits that theoretically might have been received under another settlement option do not reduce eligibility for assistance.

Funds are not available to the person or entity if the person does not have legal control of the funds when they are received and are used for a non-duplicative purpose. For example, if a homeowner's mortgage requires any insurance proceeds to be applied to reduce the lien balance, then the bank/mortgage holder (not the homeowner) has legal control over those funds. Therefore, the homeowner is legally obligated to use insurance proceeds for that purpose and does not have a choice in using them for any other purpose, such as to rehabilitate the house. Under these circumstances, insurance proceeds do not reduce assistance eligibility. Alternatively, if a disaster-affected homeowner chooses to apply insurance proceeds to reduce an existing mortgage, or requests that the lender demand payment, insurance proceeds reduce the amount of disaster assistance eligibility. In addition, if a mortgage requires insurance proceeds to be used for rehabilitation of the property, those proceeds must be considered as assistance for that purpose.

A homeowner does not need to possess cash assistance to be considered as being in legal control over receiving benefits for a particular purpose. For example, it is common for homeowners to choose to apply to local- or state-administered housing repair or reconstruction programs where the program administrator acts directly to complete the repairs for the homeowner. In this case, the person asks/applies for $10,000 worth of repairs (for example) and the benefit they receive is $10,000 in repair work to the home. The person does not need to have personally possessed the $10,000 in order to be in legal control over receiving that benefit for that specific purpose.

4. *Private loans.* Similarly, for duplication of benefits purposes, private loans may be excluded from the final award calculation. Unlike SBA loans (or any other subsidized loan or Federal loan guarantee program that provides assistance after a major disaster or emergency), private loans not guaranteed by SBA need not be considered duplicative assistance. Congress provided for SBA loans (both direct and guaranteed) as part of the overall statutory scheme for disaster recovery. As such, SBA loans are made pursuant to a government program. Since private loans are not provided under a government program, they do not need to be considered as potentially duplicative assistance. However, when making final award determinations, necessary and reasonable cost principles such as OMB Circular A–87 (2 CFR part 225) apply. While private loans need not be considered for duplication of benefit purposes, a grantee is not prohibited from considering loans for other purposes, such as underwriting. For purposes of this Notice, private loans are non-Federal loans (neither direct nor guaranteed) that are made in a commercial lending transaction for fair market rates with a willing borrower and willing lender, under standard commercial lending terms in which the borrower must repay the full amount of the loan (plus interest, if applicable). This includes private loans for construction and bridge financing, but not forgivable loans. This policy applies regardless of whether the borrower is a business or an individual.

5. *Other assets or lines of credit.* Other assets or lines of credit available to a homeowner or a business owner need not be included in the award calculation. This includes, but is not limited to: Checking or savings accounts, stocks, bonds, mutual funds, pension or retirement benefits, credit cards, mortgages or lines of credit, and life insurance. Please note that these items may be held in the name of an individual, or in the name of a business.

D. *Calculate CDBG disaster recovery award.* The calculation may look as follows: (1) Identify total post-disaster need prior to any assistance; (2) Identify potentially duplicative assistance; (3) Subtract all assistance found to be duplicative, resulting in the maximum potential award amount, or unmet need.

E. *Unmet need.* Long-term recovery is a process, however, disaster recovery needs are calculated at points in time. As a result, a subsequent change in circumstances can affect need. If, after needs are initially calculated and/or a CDBG award has been made, an applicant for CDBG disaster recovery assistance can demonstrate a change in circumstances, such as vandalism, contractor fraud, an increase in the cost of materials and/or labor, a change in local zoning law or building code, or subsequent damage to a home or business that was partially repaired, the grantee may subsequently reevaluate the calculation of the award by taking into account the increased need. However, any reevaluation must be done before the initial need for which the assistance was granted has been fully met (*e.g.*, before the damaged house is fully repaired). In effect, once the house is fully repaired, the need resulting from the disaster impact will have been fully met; but actual costs to the point of completion are eligible.

Oftentimes, unmet need does not become apparent until after CDBG disaster recovery assistance has been provided. For example, a subsequent storm or disaster may affect the unrepaired house or business of an individual or entity that was previously assisted by CDBG disaster recovery for a prior disaster. Therefore, to the extent that an original disaster recovery need (*e.g.*, rehabilitation of a home) was not fully met, but was exacerbated by other factors beyond the government's and individual's control (*e.g.*, lack of contractor availability or vandalism), additional CDBG disaster recovery assistance can be provided to meet the outstanding need. Grantees have discretion to determine the best way to determine and verify additional or unmet need. Physical inspection and professional appraisals are highly recommended. If a subsequent appraisal demonstrates that the CDBG award is in excess of need, the grantee should evaluate whether a duplication of benefits has occurred or whether the applicant's award should be reduced based upon program eligibility criteria.

V. Example Frameworks for Calculating Disaster Recovery Awards

The tables below illustrate how a grantee may wish to address the process of making disaster recovery awards.

TABLE 2—BASIC FRAMEWORK FOR CALCULATING DISASTER RECOVERY AWARDS

1. Identify Applicant's Total Need Prior to Any Assistance	$100,000
2. Identify All Potentially Duplicative Assistance	35,000
3. Deduct Assistance Determined to be Duplicative	30,000
4. Maximum Eligible Award (Item 1 less Item 3)	70,000
5. Program Cap (if applicable)	50,000
6. Final Award (lesser of Items 4 and 5)	50,000

Table 2 illustrates a basic way to calculate an award for CDBG disaster recovery—taking into account any duplication of benefit and reducing the award since the total unmet need is greater than the program cap set by the grantee. Table 3, below, uses this basic framework to calculate a CDBG disaster recovery homeowner rehabilitation award:

TABLE 3—BASIC FRAMEWORK—HOMEOWNER REHABILITATION

1. Identify Applicant's Total Need Prior to Any Assistance (*e.g.*, rehabilitation cost estimate)	$60,000
2. Identify All Potentially Duplicative Assistance:	
a. FEMA Housing Grant (assumes interim housing is eligible use).	
Interim Housing (*e.g.*, rent)	5,000
Permanent Housing (*e.g.*, repair/rehabilitation)	15,000
b. SBA Loan	20,000
c. Insurance (Structure, not Contents)	15,000
	55,000
3. Deduct Assistance Determined to be Duplicative:	
a. FEMA Housing Grant (assumes interim housing is eligible use).	
Permanent Housing (*e.g.*, repair/rehabilitation)	15,000
b. SBA Loan	20,000
c. Insurance (Structure, not Contents)	15,000
	50,000
4. Maximum Eligible Award (Item 1 *less* Item 3)	10,000

TABLE 3—BASIC FRAMEWORK—HOMEOWNER REHABILITATION—Continued

5. Program Cap (if applicable)	50,000
6. Final Award (lesser of Items 4 and 5)	10,000

A similar method may be used for most programs, so long as Item 1 is reflective of the program, as for example, illustrated in table 4:

TABLE 4—BASIC FRAMEWORK—INFRASTRUCTURE

1. Identify Applicant's Total Need Prior to Any Assistance (*e.g.*, reconstruction cost estimate)	$100,000
2. Identify All Potentially Duplicative Assistance:	
a. Insurance	50,000
b. FEMA Public Assistance Funds for Permanent Work	25,000
	75,000
3. Deduct Assistance Determined to be Duplicative	75,000
4. Maximum Eligible Award (Item 1 *less* Item 3)	25,000
5. Program Cap (if applicable)	50,000
6. Final Award (lesser of Items 4 and 5)	25,000

While tables 2, 3, and 4 illustrate basic ways to calculate a CDBG disaster recovery award taking into account any duplication of benefit, table 5 below considers a scenario in which a CDBG award has already been made, however, additional unmet needs were identified subsequent to the award.

TABLE 5—POST-AWARD IDENTIFICATION OF ADDITIONAL UNMET NEED HOMEOWNER REHABILITATION

1. Identify Applicant's Total Need Prior to Any Assistance (*e.g.*, rehabilitation cost estimate)	$60,000
2. Identify All Potentially Duplicative Assistance:	
a. FEMA Housing Grant (assumes interim housing is eligible use).	
Interim Housing (*e.g.*, rent)	5,000
Permanent Housing (*e.g.*, repair/rehabilitation)	15,000
b. SBA Loan	20,000
c. Insurance (Structure, not Contents)	15,000
	55,000
3. Deduct Assistance Determined to be Duplicative:	
a. FEMA Housing Grant (assumes interim housing is eligible use).	
Permanent Housing (*e.g.*, repair/rehabilitation)	15,000
b. SBA Loan	20,000
c. Insurance (Structure, not Contents)	15,000
	50,000
4. Initial Award (Item 1 *less* Item 3)	10,000
5. Program Cap (if applicable)	50,000
6. Initial Final Award (lesser of Items 4 and 5)	10,000
7. Demonstrated Additional Unmet Need (*e.g.*, one year later):	
a. Actual cost ultimately greater than initially estimated cost	5,000
8. Amount Eligible for Additional Award	5,000
9. Program Cap (if applicable)	50,000
10. Additional Award (Item 8 if lesser of Items 6 + 8 and Item 9)	5,000

Please note that in the above example, some type of documentation must substantiate the amount determined by Item 5. That is, the project files should explain why the original CDBG award was insufficient, and/or why additional funds are necessary to complete the activity. In the above example, the cost of materials may have increased or a

fraudulent contractor may have performed defective construction. In either case, the grantee has the discretion to determine what documentation is sufficient to demonstrate these events. Ultimately, required documentation depends on each particular fact pattern.

VI. Use of CDBG Funds

A. *Use of funds for explicit and eligible purposes.* CDBG disaster recovery funds must be used for eligible purposes of the program or activity for which they have been provided. That is, CDBG funds provided for the sole purpose of repairing a home should be used strictly for the repair of that home. They should not be used for any other purpose. Similarly, funds provided to a business for equipment replacement, or structural repair, should be used only for those purposes. While some business assistance programs may provide for-profit entities with working capital, this purpose should be clearly identified from the outset of the program so as not to duplicate other programs or working capital assistance.

B. *Treatment of SBA Loans.* CDBG disaster recovery funds should not be used to pay down an SBA home or business loan. In cases where initial SBA loan amounts approved based on estimated costs are later determined to be inadequate relative to the actual costs to complete home repairs or reconstruction, the SBA will consider re-evaluating an applicant's maximum eligibility to explore if additional assistance may be provided. This also applies to recipients of SBA business loans (including loans for working capital). If need remains after all SBA eligibility has been exhausted, supplemental disaster recovery CDBG funds may be used to address that need.

SBA loans are among the Federal government's primary and standard forms of disaster assistance. As disaster recovery CDBG funds are provided by Congress through supplemental appropriations only in extraordinary circumstances, these funds are intended to supplement rather than supplant SBA assistance. Grantees may, on rare occasion and in extraordinary circumstances, contend that the payment of SBA loans with disaster recovery CDBG for a beneficiary is justified in keeping with all associate laws and regulations. In such an instance, the grantee should contact its CPD representative for guidance.

VII. Collecting a Duplication

If a potential duplication is discovered after CDBG disaster recovery assistance has been provided, the grantee may reassess need at that time. If additional need is not demonstrated, disaster recovery funds should be recaptured to the extent they are in excess of the need and duplicate other assistance received by the beneficiary for the same purpose. However, it may depend on what funds were provided last.

Under the Stafford Act, a Federal agency that provides duplicative funds must collect those funds. FEMA regulations at 44 CFR 206.191 set forth a hierarchy of delivery that determines the order in which beneficiaries should receive Federal assistance. This hierarchy is based on which agency has the primary responsibility for providing assistance following a disaster, not which agency actually delivers the assistance first. As an example, in most situations, FEMA and SBA assistance is provided to individuals before supplemental disaster recovery CDBG assistance is able to be delivered. However, there may be cases in which, prior to receiving FEMA or SBA assistance, an applicant receives CDBG assistance for a purpose for which they are FEMA/SBA eligible. In this latter case, subject to the agreement that the grantee should have in place with the applicant, the applicant should reimburse the grantee in an amount equal to all duplicative FEMA or SBA funds subsequently received for purposes which CDBG funds were initially used.

The regulations at 44 CFR 206.191(d) explain that a duplication of benefits occurs when an agency provides assistance which was the primary responsibility of another agency, and the agency with primary responsibility later provides assistance. When the delivery sequence has been disrupted, the disrupting agency is responsible for rectifying the duplication.

Since CDBG disaster recovery provides long-term recovery assistance via supplemental congressional appropriations, and falls lower in the hierarchy of delivery than FEMA or SBA assistance, it is intended to supplement rather than supplant these sources of assistance. If CDBG disaster recovery funds or non-Federal funds were provided last and unknowingly create a duplication, the method of recapturing the CDBG funds, and the timeframe, are the responsibility of the grantee. HUD has no set guidelines or regulations for this process. However, the recapture method and timeframe should be consistent with OMB Circular A–87 (2 CFR part 225) or other applicable cost principles, any relevant guidance or handbook issued by the HUD Office of the Inspector General, and the Stafford Act, which requires that duplicative assistance shall be collected in accordance with chapter 37 of title 31, relating to debt collection. HUD's CPD representatives are available to provide guidance to grantees setting up or revising their duplication of benefits policies and procedures.

Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this Notice are as follows: 14.218; 14.228.

Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at (202) 708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339.

Dated: November 4, 2011.

Mercedes M. Márquez,

Assistant Secretary for Community Planning and Development.

[FR Doc. 2011–29634 Filed 11–15–11; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5580–N–02]

HUD Draft Environmental Justice Strategy, Extension of Public Comment Period

AGENCY: Office of Sustainable Housing and Communities, HUD.

ACTION: Notice.

SUMMARY: Through this notice, HUD extends the period by which comments may be submitted on HUD's draft Environmental Justice Strategy, for which the availability of review and the opportunity to submit public comments were announced by notice published in the **Federal Register** on October 7, 2011.

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Duplication of Benefits (Non-Housing)

I. Records and Reports

		Yes	No	N/A	Notes
A.	Does the grantee have an executed Subrogation Agreement on file for CDBG Disaster Recovery Funds?				
B.	Does the grantee keep a record of all grants, insurance claims, private donations, etc. for disaster recovery related to the Tornadoes of 2011?				
C.	Does a review of these records indicate a duplication of benefits has occurred?				
D.	If yes, which CDBG activities are affected?				
E.	What is the duplicated amount to be returned to ADECA for each activity affected?				

INDEX OF POLICY LETTERS FOR THE CDBG PROGRAM

(Any revisions to the policy letters will be updated on the CDBG Web site)

Policy Letter No. 1	Policy on the selection of Engineers, Architects, consultants, and other professional services relating to procurement of, and expenditures made, in regard to state CDBG funds.
Policy Letter No. 2	Policy on program changes, amendments and cost underruns.
Policy Letter No. 3	Policy on the use of match in the Community development Block grant program as related to man hours and use of equipment.
Policy Letter No. 4	Liquidated damages (amounts and purposes).
Policy Letter No. 5	Policy on Grantee property management procedures.
Policy Letter No. 6	Policy on Fidelity Bond Requirements.
Policy Letter No. 7	Policy on program income.
Policy Letter No. 8	Policy on local contributions match.
Policy Letter No. 9	Policy on the applicability of Federal laws on other public funds.
Policy Letter No. 10	Rescinding of Policy Letter Number 10 (Revision 1).
Policy Letter No. 11	Policy letter on administrative costs for state CDBG projects.
Policy Letter No. 12	Policy on applicability of administrative and engineering costs when CDBG projects do not materialize.
Policy Letter No. 12(a)	Policy on allowable administrative costs.
Policy Letter No. 12(a)-1	Clarification of Policy Letter No. 12(a).
Policy Letter No. 13	Policy on housing standards and conditions.
Policy Letter No. 14	Policy on collateralization of CDBG funds by cash depositories.
Policy Letter No. 15	Liquidated Damages (disposition of).
Policy Letter No. 16	Policy on advertising for completion of construction contract and affect on close out of CDBG projects.
Policy Letter No. 17	Policy on timely start up.
Policy Letter No. 17(a)-1	Policy on acceptance of Drawdowns for construction.
Policy Letter No. 18	Policy on new residential water and sewer hookups (service connections) in CDBG projects.
Policy Letter No. 19	Requests for funds at close of fiscal year.
Policy Letter No. 20	Policy on volunteer labor on housing rehabilitation or new construction.
Policy Letter No. 21	Clarification of policy on construction contracting (labor and materials).
Policy Letter No. 22	Establishment of LMI benefit for area wide projects.
Policy Letter No. 23	Housing rehabilitation eligibility.
Policy Letter No. 24	Payment for local government employee's time or equipment used with CDBG funds.
Policy Letter No. 25	Policy on drawdowns for community development block grant administration engineering/architectural fees (including inspections).
Policy Letter No. 26	Policy on establishing a cost estimate for CDBG building activity and Davis-Bacon compliance.

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

BILL JOHNSON
DIRECTOR

STATE OF ALABAMA

October 1, 2008

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 1
(Revision 9)

To: Persons Interested in State CDBG Program

From: Bill Johnson
Director

POLICY ON SELECTION OF ENGINEERS, ARCHITECTS, CONSULTANTS, OTHER PROFESSIONAL SERVICES RELATING TO PROCUREMENT OF, AND EXPENDITURES MADE, IN REGARD TO STATE CDBG FUNDS

The method of procuring professional services for CDBG program purposes is governed by the Common Rule as revised by the ADECA.

Services Costing $100,000 or Less

For services costing in the aggregate not more than $100,000, the grantee may use "small purchase procedures." These are relatively simple and informal methods for the procurement of services, supplies, or other property. If small purchase procedures are used, price or rate quotations shall be obtained from an adequate number of qualified sources.

Services Costing More Than $100,000

For professional services costing over $100,000, the State is requiring that competitive negotiations be conducted as stipulated in the Common Rule as revised by ADECA.

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Optional Three Year Selection

Should a community so choose, it may follow the competitive negotiation process as stipulated in the Common Rule as revised by ADECA, and select firms for professional services for a three year period. An agreement would be drawn up outlining the time frame and the relationship to include all CDBG requirements. Contracts for specific projects would be negotiated upon issuance of a Letter of Conditional Commitment with fees and services required to be in accordance with the State approved project, budget and fee scales. The three year period is defined as three CDBG fiscal year cycles.

Type of Contract

Either a fixed price or cost reimbursable (with a maximum amount specified) contract will be used. No percentage or cost plus percentage type contract will be allowed.

Payment for Services Rendered Prior to Grant Approval

Payment for services rendered prior to grant approval are not normally eligible. The only exceptions are reasonable costs for services necessary for the preparation of the application, such as securing accurate cost estimates, preliminary maps or drawings, and surveys required to establish the extent of need and those determined through the optional three year selection process. All costs of services for which reimbursement is expected must be separately identified in the application as preagreement costs. No more than $2,500 will be approved as an eligible CDBG cost for application preparation. In no case will the payment be eligible on an unapproved application. The amount to be approved for administration or engineering/architectural services shall be based on the complexity of an application and shall be the State's determination.

Procurement of Non-Profit Agencies

An applicant will follow the procedures outlined in the Common Rule as adopted by ADECA when procuring the services of a non-profit agency. However, an applicant need not apply these procurement procedures if it chooses to contract with a regional planning and development commission for professional services. However, any non-profit agency may charge only the actual costs incurred in providing the services under contract. These actual costs incurred must be documented by the non-profit entity in accordance with OMB Circular A-110.

Exemption from Requirement for Cost or Price Analysis

The State will recognize as Match or pay from CDBG funds only those engineering or administrative costs that are within the State approved scales. In general, this ensures the reasonableness of costs and eliminates the need for cost or price analysis.

However, the State reserves the right to require a cost or price analysis when administrative fees do not appear to be appropriate for the complexity of the project or the scope of services to be provided.

Effective Date: Immediately

September 24, 1997

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 2
(Revision 6)

TO: Persons Interested in State CDBG Program

FROM: Jean D. Davis
Chief, Planning and Economic Development Division

POLICY ON PROGRAM CHANGES, AMENDMENTS AND COST UNDERRUNS

Amendments to CDBG Programs are changes to the approved program or any activities, necessitated by circumstances beyond the control of the municipality/county, which alter any of the following:

1. Dollar amounts spent on any activity;

2. Beneficiaries of any activity;

3. Geographic location(s) of any activity;

4. The design nature of an activity; for example, increasing the size of water lines, increasing the size of drainage pipes; or

5. The policies and procedures of a Housing Rehabilitation Program.

Given the possible range and types of amendments listed above, the state has determined that there will be two general types of amendments to programs which will be allowed. The types of amendments are formal amendments requiring state approval and local amendments which require that documentation be supplied to the State but which do not require formal state approval. All changes, revisions, or amendments to a program require prior written approval by either the state or the local governing body.

This policy letter provides guidance to localities on the types of changes which require state approval and the types which do not.

Formal State Approved Amendments

A Formal Amendment is necessitated by:

1. A proposed change in costs associated with a program of more than 10 percent of the total CDBG Program costs. This includes any change made that would cause the cumulative amount of changes to equal more than 10 percent, and this also includes those instances where the balance of funds resulting from a cost underrun is more than 10 percent of the CDBG grant amount;

2. An increase in the cost for the line item, "Administration", "Engineering" and/or "Architectural" services which exceeds 10 percent of the costs budgeted for that line item whether within the CDBG amount of the line item or the total line item. (This includes any proposed change made that would cause the cumulative amount of the line item, "Administration", "Engineering" and/or "Architectural" services to be increased by more than 10 percent.);

3. A proposed change in direct beneficiaries of the program so as to lower the total number of direct beneficiaries of the program by more than 10 percent;

4. A proposed change in direct beneficiaries of the program so as to lower the number of low and moderate income or minority beneficiaries by more than 10 percent;

5. A proposed change in the scope of activities so as:

   a. To add any activity not originally proposed in the application,

   b. To delete any activity originally proposed in the application,

c. To alter the location so that the originally proposed beneficiaries are reduced by more than 10 percent, or

d. To expand or reduce the area in which comprehensive program activities are occurring; or

6. A proposed change in housing rehabilitation program policies and procedures which alter the number of beneficiaries or the housing standard to be used.

7. An underrun on an activity or activities resulting in over 10 percent of grant funds being unobligated.

When a formal amendment is needed, the municipality and/or county shall:

1. Provide citizens with reasonable notice of and opportunity to comment on the change proposed to be made. This shall be accomplished by holding one or more public hearings to obtain the views of citizens concerning the proposed formal amendment.

   a. Such hearing shall be advertised far enough in advance of the public hearing and in enough detail to allow interested citizens to have a reasonable change to attend the hearing and make their viewpoints known.

   b. Information presented at the hearing shall describe: 1) the current program and the proposed change which may necessitate a formal amendment; 2) the amount of funds currently benefiting low and moderate income persons and the amount proposed to benefit low and moderate income persons; and 3) plans of the community for dealing with any displacement of persons that may occur due to the proposed change.

2. Provide the state with:

   a. Evidence that the circumstances necessitating the proposed change(s) are clearly beyond the control of the local government;

   b. A resolution from the municipality/county commission or council authorizing the change(s);

c. An explanation of the proposed change which includes:

1. A description of the proposed change;

2. A revised budget;

3. A description of the beneficiaries to be gained or lost;

4. A description of the percent of beneficiaries to be gained or lost which are low and moderate income or minority;

5. Appropriate map(s).

d. Other sufficient information on appropriate Alabama CDBG application forms to enable the state to re-rate the application taking the proposed change(s) into consideration. (The rating of the program with proposed change(s) must be equal to or greater than the lowest rating received by a funded program during that cycle of application ratings.)

Further, a municipality/county which proposes to noticeably reduce the number of percent of beneficiaries who are low or moderate incomes or minority persons must clearly substantiate the reasons for such reductions. In no case may the percent of low and moderate income beneficiaries be reduced to less than 51 percent.

When a municipality/county has determined that a program change is necessitated by circumstances beyond its control, and the change requires a formal amendment (according to criteria outlined in this policy letter), the chief elected official shall send to the ADECA a formal request for a program amendment and provide sufficient information, as described above, to permit the state to make a decision on the appropriateness of the change.

The municipality/county shall take no further action, i.e., obligate or use funds for any activity related to the proposed change, until the state gives preliminary approval. At this time the grantee will/will not be authorized to incur costs such as environmental review preparation/ads, preliminary engineering, etc., related to a significant change in scope, location, or

scale. No other obligation or expenditure of funds may be made until final approval by the state. Further, the State will not guarantee that a formal amendment that is submitted less than sixty days prior to a scheduled closeout, can be processed and approved in order to meet the closeout date.

Local Amendments

Local amendments may be used to make changes in the program of a more minor nature than those which require a formal amendment. Such changes must be necessitated by circumstances beyond the municipality/county's control and will generally consist of the following types of changes:

1. Expansion or addition to an activity in cases where there is a cost underrun 10 percent or less of the grant award. The money made available due to the cost underrun (the remainder of the amount budgeted for the activity) may be spent on a continuation of the same activity. The continuation of that activity must be in the original project area or adjacent to the original project area. The relationship of the current activity to the continuation should be in a neighborhood of the same economic character, i.e., one of at least 51 percent low and moderate income persons.

2. Change in the cost of a program of less than 10 percent of the total CDBG Program cost or changes in the Administration line item or less than 10% of that line item, provided that:

   a. The scope of the program is not noticeably reduced. (In the case of a Comprehensive Program the project area boundaries may not be reduced or expanded by local amendment.);

   b. The scope of any activity is not noticeably reduced;

   c. The beneficiaries of any activity are not reduced by more than 10 percent.

   In changes of this type when an activity is increased in size, the increase must consist of an expansion or addition to an approved activity and the relation of the extension to the approved activity must be readily apparent and must serve a neighborhood of essentially

the same economic character, i.e., one of at least 51 percent low and moderate income persons.

3. Changes in the design nature of an activity such as expanding the size of water lines or drainage pipe provided that Program costs are changed by no more than 10 percent of the total CDBG Program cost, and provided that the location and beneficiaries of the activity are in no way changed so as to require a formal amendment.

4. Changes in housing rehabilitation program policies or procedures which do not require a formal amendment.

In cases where the municipality/county desires to make changes by means of a local amendment the following information must be supplied to the state as evidence of that local amendment:

1. A letter from the chief elected official noting that such change is proposed to be made and is necessitated by circumstances beyond the jurisdiction's control or why it is to their advantage.

State approval of local amendments is not required. However, the municipality/county must have determined that a formal amendment was not required and then provide the information listed above to the appropriate CDBG Program Supervisor. Furthermore, the grantee should take particular care not to obligate or incur additional costs without prior written approval of the locality's chief elected official.

In the case of cost overruns, such shortfalls are to be paid out of local funds or contingency funds and are not viewed as justifiable grounds for program amendments requesting additional funds. However, a cost overrun on an approved activity or activities may be paid by funds made available due to a cost underrun or underruns on other approved activities provided that no approved activity has its direct beneficiaries reduced by more than 10 percent and provided that budgeted costs are not changed by more than 10 percent of the CDBG Program cost.

Effective Date: Immediately

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

STATE OF ALABAMA

May 15, 2013

To: Interested Parties

From: Shabbir Olia
CED Programs Manager

Re: Revision of Policy Letter #3 Related to Equipment Rates

In an effort to streamline the equipment rate process, Policy Letter #3 has been revised removing the requirement of State pre-approval of equipment to be used and equipment rates charged for projects including in-kind match. Effective immediately, the attached revised forms are to be used by the grantee in conjunction with FEMA's Schedule of Equipment Rates found on-line at: www.fema.gov/schedule-equipment-rates, to determine equipment rates. The revised "Equipment Rental Rate" form must be completed with a list of equipment and rates to be used and submitted to ADECA along with the Notice of Start of Construction. The "Weekly Employee Man Hours and Equipment Usage Report" is still required and should be kept on file for monitoring purposes.

If you have any questions, please contact the Program Supervisor assigned to your project.

SAO:WAJ:tn

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OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

STATE OF ALABAMA

April 1, 2013

Alabama CDBG Intergovernmental Policy Letter #3 (Revision 3)

To: Interested Parties

From: Beatrice M. Forniss BMF
Chief, Community and Economic Development Division

Re: POLICY ON THE USE OF MATCH IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM AS RELATED TO MAN HOURS AND USE OF EQUIPMENT

In order for there to be an auditable record of force account projects for the purpose of either local contribution or in lieu of contracting labor or equipment, statewide uniform standards are necessary. As such, any community using man hours or equipment usage as match should adhere to the following:

LABOR

1. Time sheets must be kept on each individual for each week throughout the life of the project. All hours worked each week according to service performed and project worked on must be shown to include all hours both on usual city/county work and CDBG project work.
2. Hourly rates should be in accordance with OMB A-87 and may not exceed actual compensation paid. Fringe benefits may not be counted.
3. Costs should be journalized on a weekly basis with time and equipment converted to cash credit in accordance with payroll timeframes.

EQUIPMENT

1. Equipment purchased with federal funds may not be used as credit toward local contribution.
2. Equipment must be in actual operation performing eligible work in order for reimbursement to be eligible.

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3. FEMA's Schedule of Equipment Rates is to be used to determine rates charged. This Schedule can be found at: www.fema.gov/schedule-equipment-rates. This document is updated as necessary and a copy of the Schedule should be printed on the date equipment rates are determined, and kept in the program files to enable review for proper rate determination.
4. For any equipment that is not listed on FEMA's Schedule, please contact the ADECA Program Supervisor assigned to the project for the rate.

BF:WAJ:tn

STATE OF ALABAMA CDBG PROGRAM
EQUIPMENT RENTAL RATES

EXAMPLE

City/County: _____

Project Number: _____

FEMA Cost Code	Make/Description	Size/Capacity/ Horsepower	Hourly Rate
8283	Excavator	2.5cy/260hp	$120.00
8252	Dozer, Crawler	155hp	$65.00

Equipment Rates are to be obtained at: www.fema.gov/schedule-equipment-rates

A "Weekly Employee Man Hours and Equipment Usage Report" should be available for review in the project files at all times.

For questions about equipment types, please contact:
Al Jones
334-353-2028
al.jones@adeca.alabama.gov

WEEKLY EMPLOYEE MAN HOURS AND EQUIPMENT USAGE REPORT

EMPLOYEE _____

CDBG PROJECT NUMBER _____

PAYROLL NUMBER _____

PROJECT NAME _____

PERIOD BEGINNING _____

PROJECT LOCATION (CITY, STATE) _____

PERIOD ENDING _____

DATE	WORK DESCRIPTION (INCLUDING EQUIPMENT USED)		(A) TOTAL HOURS	(B) PROJECT HOURS	(C) RATE OF PAY	(D) TOTAL GROSS PAY (A x C)	(E) PROJECT GROSS PAY (B x C)	(F) PROJECT EQ RENT	(G) EQUIP RENTAL RATE	(H) TOTAL EQ RENT (F x G)
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		S								
		O								
		S								
		O								
		S								
		O								
		S								
		O								
		S								
	TOTALS									

EMPLOYEE SIGNATURE _____ DATE _____

SUPERVISOR SIGNATURE _____ DATE _____

APPROVAL _____ DATE _____

TOTAL PROJECT MAN HOURS AND EQUIPMENT USAGE (E+H) _____

WEEKLY EMPLOYEE MAN HOURS AND EQUIPMENT USAGE REPORT
Instructions for Completion

Employee: Enter the Name of the Employee.

CDBG Project Number: Enter the CDBG Project Number.

CDBG Project Name: Enter the Name of the CDBG Project.

Project Location: Enter the Location of the Project.

Payroll Number: Enter the Payroll Number. Payrolls should be annotated as first through final.

Period Beginning: Enter beginning Date of this Payroll Period.

Period Ending: Enter the Ending Date of this Payroll Period.

Date: Enter the Date (Month/Date/Year) of the Work Day.

Work Description: Enter the Work Description, including Equipment Used.

Total Hours: Enter the Total Number of Hours the Employee Worked for the Day. Distribute the Hours by Straight (S) and Overtime (0).

Project Hours: Enter the Total Number of Hours the Employee Worked on the CDBG Project for the Day. Distribute the Hours by Straight (S) and Overtime (0).

Rate of Pay: Enter the Employee's Hourly Rate of Pay: (S) - Straight Hourly Rate and (0) Overtime Hourly Rate.

Total Gross Pay: Enter the Employee's Total Gross Pay (A x C) for the Day.

Project Gross Pay: Enter the Employee's Total Project Gross Pay (B x C) for the Day.

Project Equipment Use: Enter the Number of Hours the Employee used the Equipment on the CDBG Project for the Day.

Equipment Rental Rate: Enter the Hourly Equipment Rental Rate.

Total Equipment Rental: Enter the Employee's Total Equipment Rental Charges (F x G) for the Day.

Totals: Enter the Totals for Columns A through H.

Employee Signature: Have the Employee Certify the Validity of the Report by Affixing Signature.

Date: Enter the Date the Employee Signs the Report.

Supervisor Signature: Have the Supervisor Certify the Validity of the Report by Affixing Signature.

Date: Enter the Date the Supervisor Signs the Report.

Approval/Date: Have the Payroll Clerk Certify the Correctness of the Report by Affixing his Signature and the Date.

Total Project Man Hours and Equipment Usage: Enter the Employee's Total Project Man Hours and Equipment Usage for the Week (Column E Total + Column H Total).

Compute the Total of All Employees Man Hours and Equipment Usage for the Week and Make Appropriate Entries in the Journals and the General Ledger.

November 19, 1991

ALABAMA CDBG INTERGOVERNMENTAL
POLICY NUMBER 4
(Revised)

TO: All CDBG Grantees

FROM: Don C. Hines, Ph.D., Chief
Planning and Economic Development

LIQUIDATED DAMAGES

The Alabama Department of Economic and Community Affairs, at HUD's direction, has developed a policy and procedure for the resolution of Liquidated Damages.

Liquidated damages for the purpose of this policy letter are limited to those penalties ($10.00 per person, per day, per violation) that may or may not be imposed for violation (s) of the Contract Work Hours and Safety Standards Act-overtime pay requirements.

Violations of the Contract Work Hours and Safety Standards Act result not only in the payment of unpaid wages for the overtime worked but in "liquidated damages" due to the United Sates in the sum of $10.00 per person, per day, for each violation. Intentional violations are a Federal misdemeanor, punishable for each and every offense by a fine of not more than $1,000 or by imprisonment for not more than (6) months, or both. Violations may also be grounds for termination of contract.

Once a violation is observed or discovered, please forward a copy of the payroll that either should have contained the overtime or that has incorrect wages in behalf of overtime to the ADECA, Attention: Labor Standards Specialist. The payroll (s) should be accompanied by a letter of explanation from the grantee. This letter should contain the grantee's contract number as it appears on the contract between the locality and the ADECA, the number of the applicable wage determination, and an explanation regarding the nature of the violation (s). The ADECA will advise you of any additional information we may need and of additional steps necessary for the resolution of the violation (s).

Effective date: Reissued November 19, 1991

September 17, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 5
(Revision 4)

TO: Persons Interested in State CDBG Program

FROM: John D. Harrison, Director

POLICY ON GRANTEE PROPERTY
MANAGEMENT PROCEDURES

The Alabama Department of Economic and Community Affairs (ADECA) has developed the following property management procedures for grantees to provide uniform procedural guidance for CDBG projects involving the purchase of equipment/property in the amount of $5,000 or more. Typically, property purchases will be approved through the grant agreement. Any purchase not expressly allowed in the grant agreement will require prior written approval from ADECA. At a minimum, the grantee will be required to accept fiscal responsibility for the property; develop a system to ensure adequate safeguards to prevent loss, damage, or theft of property; maintain a current listing of the location and condition of all property purchased in whole or in part with CDBG funds; and follow the procedures outlined below.

PROCEDURES

Material Receipt Form: The grantee shall complete a Property Management Unit Material Receipt form (PMU-1) to be submitted with the drawdown request form for the purchase of the equipment. A copy of the paid invoice should be included with the PMU-1. For vehicle purchases, a copy of the title should also be attached. A PMU-1 and instructions are attached. Due to the nature of equipment purchases, funds for deposits or purchases may need to be drawn prior to the receipt of the property. When necessary, a partial PMU-1 will be acceptable documentation to draw funds. However, the grantee shall submit the completed PMU-1 and all attachments with the next drawdown request. A project cannot be closed until the completed PMU-1 and attachments have been submitted to ADECA.

Inventory Verification: Once the community has submitted the completed PMU-1 and attachments, ADECA will forward an inventory form and inventory identification tags (stickers) to the Chief Elected Official. The inventory form is to be completed and signed by the Chief Elected Official and returned to ADECA. The stickers are to be affixed to the property where they will be readily visible upon examination. A copy of the PMU-1 and attachments must be kept on file in the community.

The Property Management Unit (PMU) of ADECA is required to conduct an inventory at least once every two years. PMU accomplishes this by mailing inventory listings to grantees. Upon receipt of the inventory listing, the Chief Elected Official shall verify the location and condition of the property, complete and sign the inventory listing, and return it to ADECA.

Lost, Stolen, or Destroyed Property: If property is lost, stolen, or destroyed, the community must complete a Report of Survey (PMU-4) and submit it to ADECA. A copy of the PMU-4 and instructions are available from your CDBG program supervisor. If the property is lost, a complete description detailing all controls and safeguards exercised by the property custodian should be attached to the PMU-4. If the property is stolen, the incident should be reported to local law enforcement and the police report should accompany the PMU-4. If the property is destroyed by fire, the local fire marshall's report should be included with the PMU-4. If the property is destroyed by other means, a detailed report that completely explains the incident should be prepared to accompany the PMU-4.

Documentation regarding insurance reports and claims should also be submitted to ADECA. If the grantee receives insurance proceeds, please contact your CDBG program supervisor for additional instructions.

Disposition of Property: Property may not be sold, transferred, traded-in, or otherwise disposed of without prior written consent from ADECA. If the grantee no longer needs the equipment or the equipment is obsolete, the grantee must contact ADECA in writing for instructions regarding the disposition of property.

DEFINITIONS

The following definitions will apply to this policy and the Property Management Unit forms.

Equipment: The Common Rule defines equipment as tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of $5,000 or more per unit.

Acquisition Cost: The net invoice unit price of the property including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges such as the cost of installation, transportation (freight-in), taxes, duty, or protective in-transit insurance shall be included to calculate the unit acquisition cost.

Percentage of Federal Participation: Computed by dividing the total amount of federal cost by the total amount of the grant or award cost for which the property was acquired.

Total Grant Cost	-	$5,000	100%
Federal Share	-	$4,000	80%
Local Share	-	$1,000	20%

For additional guidance regarding property management, contact your program supervisor.

Effective Date: Immediately

Attachments

PMU-1

ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS
PROPERTY MANAGEMENT UNIT
COMMUNITY MATERIAL RECEIPT

1. Community _____
2. Address _____
3. Phone Number _____
4. Contract Number _____
5. Property Location and Address (if different from above) _____
6. Vendor _____
7. Address _____
8. Date Received _____

9. Property Description	10. Quantity	11. Serial No.	12. Unit Price	13. Total Price	14. Fed. Share	15. Condition

I hereby certify that I have received and checked the items listed above and that they are of the kind, quantity and condition noted.

16. Received By (type name) _____
17. Phone Number _____
18. Signature _____
19. Date _____

PMU-1
Instructions

Alabama Department of Economic and Community Affairs Community Material Receipt

Purpose: This form is to be used by ADECA communities to document the receipt of non-consumable personal property.

Instructions for Completion:

1. Enter legal name of the community receiving property.
2. Enter complete mailing/street address of the community.
3. Enter telephone number of the community.
4. Enter the CDBG project number as appropriate.
5. Enter exact location of the property, to include complete address, if different from address in item #2.
6. Enter name of vendor.
7. Enter complete mailing address of vendor.
8. Enter date the property was received by the community.
9. Enter a description of the property.
10. Enter number of units received.
11. Enter manufacturers serial number (and model number if available).
12. Enter unit price paid for the property.
13. Enter total price paid for the item(s).
14. Enter percentage of Federal participation in the cost of the contract.
15. Enter the condition of the property received.
    a. Good – Enter G for good condition
    b. Fair – Enter F for fair condition
    c. Poor – Enter P for poor condition
16. Enter the typed name/title of individual certifying receipt of the property.
17. Enter telephone number of the individual cited in #16.
18. Enter signature of the individual certifying receipt of the property.
19. Enter date the certifying agent signs the document. (For community only).

This completed form should accompany a paid vendor invoice to the ADECA Division designee.

If the property is a vehicle, a copy of the Title must also accompany this form.

November 14, 1994

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 6

REVISION 4

TO: Persons Interested in State
CDBG Program

FROM: Jackie Mitchell
Chief, Planning and Economic
Development Division

POLICY ON FIDELITY BOND REQUIREMENTS

Effective this date the State of Alabama is rescinding CDBG Policy Letter Number 6.

The State, however, reserves the right in those instances where a high risk situation exists to mandate fidelity bond coverage for persons having direct or indirect access to funds.

Effective Immediately

November 19, 1991

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 7
(Revision 1)

TO: Persons Interested in State
CDBG Program

FROM: Don C. Hines, Ph. D., Chief
Planning and Economic Development

POLICY ON PROGRAM INCOME*

Grantees shall return to the state any interest earned on grant funds advanced by the state except interest on rehabilitation loans or revolving funds.

All other Program Income earned during any period under which the community is assisted by state CDBG funds shall be retained by the community, unless otherwise stated in the Agreement between the community and the state, and used for approved activities in accordance with the following rules:

1. To the maximum extent feasible, Program Income shall be disbursed prior to making additional draws from the state to finance approved community development activities as follows:

    a. Program Income in the form of repayments to a revolving loan fund established to carry out an activity shall be substantially disbursed from such fund before additional draws are made for the same activity.

    b. All other Program Income shall be substantially disbursed for any approved activity before additional draws are made.

Included in the category of other Program Income are proceeds from the disposition of real property, payments of principle and interest on rehabilitation loans, interest earned on revolving loan funds.

Recipients shall record the receipt and expenditure of revenue related to the program (such as taxes, special assessments, levies, fines, etc.) as part of grant program transactions.

The disposition of Program Income received after the close-out of a grant shall be governed by the following rules:

> Except as may be otherwise provided by the terms of the Grant Agreement or any close-out assessment, Program Income received after grant close-out should be treated by the community as "miscellaneous revenue." However, if the community has another ongoing state funded CDBG program, the Program Income received from the closed-out program shall be treated as Program Income of the active CDBG Program. Additionally, the community must have accounted, at close-out, for any tangible personal property acquired with grant funds in accordance with the Common Rule and State Policy Letter Number 5.

* Loan repayments involved with the Economic Development Fund projects are governed by the specific terms of the Grant Agreement rather than this Policy Letter.

* Liquidated damage proceeds may be considered program income in <u>some</u> cases. They are governed by Policy Letter Number 15.

<u>Effective Date</u>: Immediately

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

BILL JOHNSON
DIRECTOR

STATE OF ALABAMA

October 1, 2008

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 8
(REVISION 3)

TO: Persons Interested in State CDBG Program

FROM: Bill Johnson,
Director

POLICY ON LOCAL CONTRIBUTIONS MATCH

Local match, either in cash or man-hours and equipment usage, is both a rating factor and a contractual requirement of CDBG grant agreements. Unfortunately, grantees sometime fail to utilize all match contributions pledged toward the accomplishment of program objectives.

In an effort to eliminate such occurrences from happening in the future, unless otherwise waived by the Director of ADECA, the following match expenditure requirements will apply:

1. All local cash match allocated to a project must be spent on a proportionate basis to the expenditure of CDBG funds. This local cash match expenditure requirement will not apply to projects with ARC, Rural Development, or other State funds where the participating agency's rules preclude its funds from being spent first.

2. In the case of in-kind contributions, CDBG funds may only be drawn down on a proportionate basis to the percentage of in-kind match that has or will be concurrently utilized for that particular budgetary line item. An exception will apply in the case of in-kind services for street patching at project completion and in-kind services used to install or construct CDBG purchased materials (the grantee shall identify such circumstances in the "remarks" section of the drawdown form when requesting payments).

3. In the case of a cost under-run, the grantee may request an amendment to the project budget to reduce the CDBG funds and the local match proportionately so that the originally approved grant to match ratio is maintained.

If for some reason the required amount of local match still does not materialize, then the State reserves the right to re-rate the project and, if appropriate, reduce the required match amount, disallow any or all of the CDBG monies spent, or impose other sanctions as may be fitting under the circumstances.

Effective Date: Immediately

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November 19, 1991

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 9
(Revision 1)

TO: Persons Interested in State
CDBG Program

FROM: Don C. Hines, Ph.D., Chief
Planning and Economic Development

POLICY ON THE APPLICABILITY OF FEDERAL LAWS
ON OTHER PUBLIC FUNDS

Virtually all federal laws and regulations, such as labor standards and environmental procedures, governing the use of CDBG funds also clearly apply to other public funds contributed to the same project. The purpose of this policy letter is to alert grantees to their responsibility to manage their other public funds accordingly.

On those CDBG projects which involve other public funds (including local bond and general revenues, as well as other federal funds), all federal laws and regulations applicable to the CDBG funds are also applicable to the other public funds. Any exception to the applicability of this policy letter must have prior written approval of the state.

Effective Date: Immediately

June 12, 2000

MEMORANDUM

TO: Persons Interested in State CDBG Program

FROM: Nick D. Bailey
Acting Director

SUBJECT: Rescinding of Policy Letter Number 10 (Revision 1)

Effective immediately, the Policy Letter Number 10 (Revision 1) involving drawdowns under the state letter of credit is rescinded. Therefore, the drawdown requests for CDBG funds will no longer be limited to a minimum of $10,000 nor no more than two drawdowns per month. Due to this change, it no longer will be necessary for grantees to drawdown funds in excess of those necessary for items listed under the state approved Detailed CDBG Budget. This change has become necessary due to the inability of the State to account for funds drawn down as "cash-on-hand" under the HUD's Information Disbursement and Information System (IDIS).

Even though no longer prohibited, it is the State's desire that grantees will limit drawdowns to no more than two per month and drawdown amounts of no less than $5,000-$10,000.

Grantees should be aware that the State reserves the right to reduce requested amounts if they appear to exceed allowable amounts for administration or engineering.

NDB:md

September 24, 1997

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 11
Revision 1

TO: Persons Interested in State
CDBG Program

FROM: Jean D. Davis, Chief
Planning and Economic Development Division

POLICY LETTER ON ADMINISTRATIVE COSTS
FOR STATE CDBG PROJECTS

Because of the nature of CDBG projects, it is necessary to devise procedures to provide for timely and efficient closings.

For those CDBG grantees receiving state CDBG administrative monies for the purpose of managing projects, a ceiling of 90 percent is established on approved administrative costs to be drawn until such time as acceptable closeout documents are submitted to, and approved by, ADECA. The minimum draw will be adjusted in those cases where necessary so as to permit drawing administrative monies with a 10 percent retainage by the state.

Effective Date: Immediately

November 19, 1991

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 12

TO: Persons Interested in State
CDBG Program

FROM: Don C. Hines, Ph.D., Chief
Planning and Economic Development

POLICY ON APPLICABILITY OF ADMINISTRATIVE AND ENGINEERING COSTS WHEN CDBG PROJECTS DO NOT MATERIALIZE

For those grantees who receive CDBG funds from FY 1987 and any other year thereafter, the following policy is established regarding applicability of administrative and engineering expenses;

> If for any reason a project does not materialize as funded, and no benefits are achieved, the grantee will not be eligible to receive funds for administrative or engineering costs. Any CDBG funds which may have already been drawn down for these purposes must be reimbursed to the state.

Effective Date: Reissued November 19, 1991

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

BILL JOHNSON
DIRECTOR

STATE OF ALABAMA

June 23, 2008

MEMORANDUM

TO: Persons Interested in the State CDBG Program

FROM: Bill Johnson
Director

SUBJECT: Clarification of Policy Letter 12(a) on allowable administrative cost for Economic Development Projects

This policy applies to all new CDBG Economic Development grants awarded after the date of this letter.

In general, the fee scale in policy letter 12(a) for CDBG project administration costs, i.e., program management, advertisements, audit, and eligible pre-agreement costs does not apply to Economic Development projects. Project administration costs for Economic Development projects will be determined for each project based on the complexity of the project and the extent of the administrative services required to carry out the project.

BJ:MEN:sp

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OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR

STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

BILL JOHNSON
DIRECTOR

October 1, 2008

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 12(a)

(REVISION 2)

TO: Persons Interested in the State CDBG Program

FROM: Bill Johnson
Director

POLICY ON ALLOWABLE ADMINISTRATIVE COST

This policy applies to all new CDBG grants awarded after the date of this letter.

CDBG project administration costs, i.e., program management, advertisements, audit, and eligible pre-agreement costs for Competitive Fund and Community Enhancement Fund projects, shall not exceed the percentages of total project cost or maximums listed below:

Total Project Cost	Administrative Percentage
Under $200,000	12% up to $20,000
$200,000 - $400,000	10% up to $32,000
Over $400,000	8% up to $50,000

For the purposes of determining total project cost, the amount will include the CDBG funds awarded in addition to the local matching funds and/or other non-federal/state grant funds up to the amount of the CDBG grant award (i.e., $400,000 grant award and $400,000 in local match for a total project cost of $800,000 is allowed, however $400,000 grant award and $500,000 local match would still be considered total project of $800,000). Any local and/or other funds exceeding the grant amount will not be included in the determination of administrative fees as a percentage of project cost.

Any project of a complex nature which could possibly warrant additional administrative costs in excess of the maximum allowed may be approved by ADECA on a case-by-case basis if sufficiently justified. Conversely, some projects are of a less complex

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nature and/or some administrative service agreements have minimal scopes of services and may require less administrative oversight, therefore, maximum fees may not be appropriate. As such, ADECA reserves the right to require a cost analysis for any project when fees do not appear to be appropriate. Further, if costs cannot be justified, ADECA reserves the right to reduce the administrative fees paid for with CDBG funds and/or local matching funds.

Due to the nature of Economic Development and Planning Fund projects, and projects funded due to emergencies or disasters, the fee scale above may not always be appropriate. Therefore, applicants are urged to contact ADECA for guidance regarding administrative fees and cost analyses during the project development phase, prior to application submission.

Costs budgeted for work write-ups and inspections for housing rehabilitation projects should be identified as a separate budget line item, and the amount allocated for this activity must continue to be reasonable and necessary. Also, appraisals, surveys, and legal fees associated with acquisition and/or relocation are considered service delivery costs and should be included in the applicable construction line item.

BJ:MEN:sj

February 27, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 13
REVISION 1

TO: Persons Interested in State CDBG Rehabilitation Program

FROM: John D. Harrison
Director

POLICY ON HOUSING STANDARDS AND CONDITIONS

For those CDBG grantees who receive housing rehabilitation funds, the state has developed the following definitions and guidelines for housing standards and conditions to be used in conjunction with program activities. These definitions and guidelines will be pertinent for compliance with Section 104 (d) of Title I of the Housing and Community Development Act of 1974, as amended (also known as the Barney Frank Amendment).

1. Substandard but suitable for rehabilitation (occupiable) – A substandard unit is considered suitable for rehabilitation (or occupiable) if the present fair market value of the structure is $5,000 or more; and the cost of bringing the unit into compliance with local housing codes, or at least (HUD) Section 8 Quality Standards for complete rehabilitation, or equivalent standards for partial rehabilitation, shall not exceed 75 percent of the estimated "after rehabilitation value" of the unit.

2. Standard – A standard housing unit is one which has no structural, electrical, plumbing, or mechanical defects or has only slight defects which can be corrected through maintenance. The unit should meet local housing codes or at a minimum (HUD) Section 8 Housing Quality Standards in the absence of local housing codes. The unit should be capable of providing decent, safe, and sanitary housing.

Effective Date: Projects Funded in FY 2003 Program Year and Thereafter

August 4, 1995

Alabama CDBG Intergovernmental
Policy Letter Number 14
(Revision 1)

To: Persons Interested in State CDBG Program

From: Edwin I. Gardner
Chief, Planning & Economic Development Division

Subject: Policy on Collateralization of CDBG Funds by Cash Depositories

At the time an account is established by a grantee, the bank should provide a statement that any balance in the account exceeding FDIC coverage shall be collaterally secured. This statement must then be made a part of the grantee's financial management records.

Effective Date: Immediately

EIG:md

November 19, 1991

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 15

TO: Persons Interested in State
CDBG Program

FROM: Don C. Hines, Ph.D., Chief
Planning and Economic Development

LIQUIDATED DAMAGES

Grantees shall treat proceeds from Liquidated damages levied on a contractor to recover damages during construction of a public work or facility as Program Income only to the extent that such funds may be needed to defer "damage" costs paid with state CDBG funds. If, due to contractor fault or default, CDBG grant/project activities are "damaged", jeopardized, incomplete, etc., and Liquidated Damages are levied; the income shall be treated as program income and the ADECA, CDBG office must be notified in writing.

Normally any extra costs incurred because of construction overrun, i.e., additional administrative, engineering, and/or legal fees, etc., should be paid with local funds and then if Liquidated Damages are recovered these costs would be offset by the penalty pay to the grantee. However, if extra costs incurred are CDBG eligible and are paid with CDBG funds, and then later Liquidated Damages are recovered; the CDBG program must be reimbursed for such costs.

To the extent that the CDBG grant activities are completed without damage, other than delay, assessed and recovered Liquidated Damages belong to the grantee.

Effective Date: Immediately

September 18, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 16

REVISION 1

TO Persons Interested in State CDBG Program

FROM: John D. Harrison
Director

POLICY ON ADVERTISEMENT FOR COMPLETION OF CONSTRUCTION AND EFFECT ON CLOSEOUT OF CDBG PROJECTS

Advertisements for Completion of Construction Contracts

Act 97-225 became effective on April 22, 1997. The Act amends the Public Works Law found in Title 39 of the Code of Alabama 1975. All public works contracts in excess of $50,000 are now subject to the competitive bidding requirements of Title 39 supra.

For our purposes, projects funded under CDBG or CDBG authority, the following interpretation of the Public Works Law shall apply. "The contractor shall immediately after the completion of the contract give notice of the completion by an advertisement in a newspaper of general circulation published within the city or county in which the work has been done, for a period of four successive weeks. A final settlement shall not be made upon the contract until the expiration of **30 days after the completion of the notice."**

This does not apply to contractors performing contracts of less than fifty thousand dollars ($50,000) in amount. In such cases the governing body of the contracting agency, to expedite final payment, shall cause notice of final completion of the contract to be published one time in a newspaper of general circulation, published in the county of the contracting agency and shall post notice of final completion on the agency's bulletin board for one week, and shall require the contractor to certify under oath that all bills have been paid in full. Final settlement with the contractor may be made at any time after the notice has been posted for one entire week."

According to the Public Works Law, "Proof of publication of the notice shall be made by the contractor to the authority by whom the contract was made by affidavit of the publisher and a printed copy of the notice published. **If no newspaper is published in the county** where the work is done, the notice may be given by posting at the courthouse for 30 days, and proof of same shall be made by the judge of probate, sheriff, and the contractor."

The proof of publication can only be made at the completion of the ad (run for four successive weeks) or at the completion of the posting (posted for 30 days) whichever applies.

The law does not specify what the ad should contain, but it should at a minimum contain the name of the contractor, his business address, name of the project, project location, CDBG project number, and any other identifiers that would allow persons who have provided labor, materials, or equipment for the contract to be aware that this "Notice of Completion" pertains to their labor, materials, or equipment.

Definitions

"Public works" shall mean "the construction, repair, renovation, or maintenance of public buildings, structures, sewers, waterworks, roads, bridges, docks, underpasses, and viaducts as well as any other improvements to be constructed, repaired, renovated, or maintained on public property and to be paid, in whole or in part, with public funds or with financing to be retired with public funds in the form of lease payments or otherwise."

"Immediately" shall mean within one week of completion. "After the completion" shall mean one day after the fourth advertisement runs.

"Completion" shall mean when the grantee/owner is satisfied that all work has been finished in accordance with the terms and conditions of the contract, and that no work within the terms and conditions of the contract remains to be done. Additionally, all non-construction contract conditions have been met. The final inspection form shall not be executed until this point is reached.

Effect on Closeout

Advertisement for Notice of Completion may not start until after the Chief Elected Official and the project Engineer/Architect execute the Final Inspection Certification. The Final Inspection Certification may not be executed until all work, including punch list items, has been completed. Additionally, the closeout public hearing may not be held until after the execution of the Final Inspection Certification.

The Alabama Public Works Law requires that construction retainage be held for 30 days after the last Notice of Completion advertisement appears in the local paper. Additionally, the CDBG Budget/Final Financial Form submitted with closeout documents is designed to reflect actual expenditures. Therefore, closeout documents reflecting settlement of all construction contracts should not be submitted until after the 4-week advertisement period and expiration of the 30-day hold from the last advertisement. Additionally, all funds other than administration retainage should have been drawn prior to the submittal of the closeout documents.

Overmatch should be reflected on the CDBG Budget/Final Financial Form submitted at close out and does not require an amended budget. To ensure timely closeout, amendments should be submitted prior to the closeout. The CDBG Budget/Final Financial submitted at closeout should not include budget adjustments other than deobligation of funds and/or overmatch reporting. A clean up budget should not be submitted.

Effective Date: Immediately

September 17, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 17

REVISION 3

TO: Persons Interested in State CDBG Program

FROM: John D. Harrison
Director

POLICY ON TIMELY START UP

Meeting Conditions

Generally speaking, all conditions of a grant as detailed in the Letter of Conditional Commitment (LCC) must be met within seventy-five (75) days of the mailing date of the LCC. For each day over the specified due date, the State will have the option of terminating the grant proposal or taking other actions as determined appropriate, such as reducing the approved administrative budget by $500.00 per day.

Starting Activity

Construction contracts must be fully executed within one hundred eighty (180) days of the date of the State's letter submitting the grant agreement. Should a community fail to meet this benchmark, the State may terminate the project. At that point, all administrative and engineering costs will become unallowable and have to be reimbursed to the State. The State reserves the right to grant an extension where reasons for not entering a construction contract, within the timeframe, were clearly valid.

With respect to comprehensive projects the one hundred eighty (180) days will apply to one (1) infrastructure activity and the first five (5) houses under rehabilitation contract in a housing rehabilitation project. With respect to in-kind projects, the one hundred eighty (180) days will apply to either materials having been purchased or documented time being spent on the project site.

If the one hundred eighty (180) day start-up deadline cannot be met, a written request should be submitted for an extension prior to the deadline date.

Submission to State

Within **10 days** of the full execution of the prime construction contract(s), a copy of the applicable **wage decision** and the **Notice of Start of Construction** form should be submitted to the State. This action provides the State with evidence of compliance with Policy Letter Number 17, provides the State with evidence of the correct wage decision "lock-in" date, indicates appropriateness of payment, and provides timely information required for HUD and Department of Labor mandated reports.

Effective Date: Immediately

Attachment

This Policy Letter supersedes Policy Letter 17 Revision 2 and Policy Letter 17(a) Revision 1

NOTICE OF START OF CONSTRUCTION

TO: Alabama Department of Economic and Community Affairs

ATTENTION : CDBG Program Supervisor

FROM: _____ / _____
(CITY / COUNTY) (PROJECT #)

A bid opening was held on _____ and the contract for
(DATE)

_____
(PROJECT NAME / DESCRIPTION)

was awarded to _____ on
(NAME OF PRIME CONTRACTOR)

_____ in the amount of _____.
(AWARD DATE) (AMOUNT)

The debarred status of the prime contractor has been verified and the contractor is eligible to participate in federal programs. The contractor will begin construction on _____. Construction will be completed by _____.
(DATE) (DATE)

The applicable wage decision is _____.
(NUMBER)

The applicable wage decision was checked 10 days prior to the bid opening.

There will be a total of _____ prime contractor(s) on this project.
(NUMBER)

_____
Signature of Mayor / Chairman

Reminder: This form should be submitted to the State within 10 days of the full execution of the prime construction contract(s) along with a copy of the applicable wage decision.

November 20, 2001

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 17 (a)

REVISION 1

TO: CDBG Grantees

FROM: Norman B. Davis, Jr.
Director

POLICY ON ACCEPTANCE OF DRAWDOWNS FOR CONSTRUCTION

Effective January 1, 2002, no request for payment (drawdown) will be processed that includes construction funds unless the State has received a copy of the **applicable wage decision** *and* the **fully executed two-page contract** that indicates the amount of the contract and the parties thereto. This provides the State with evidence of compliance with Policy Letter Number 17, indicates appropriateness of payment, and provides information required for HUD and Department of Labor mandated reports.

We appreciate your cooperation with this requirement and look forward to a continued working relationship. Should you have questions concerning this requirement, please contact your assigned Program Supervisor or Shabbir Olia at 334-242-5468.

NDB:SAO:md

February 27, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 18

REVISION 4

TO: Persons Interested in State CDBG Program

FROM: John D. Harrison
Director

POLICY ON NEW RESIDENTIAL WATER AND SEWER HOOKUPS
(SERVICE CONNECTIONS) IN CDBG PROJECTS

This notice is issued to clarify and/or amend the provisions of Policy Letter No. 18, Revision. 3, dated February 12, 2002, regarding the State's Rehabilitation Policy on household connections. It is the State's policy to require a CDBG grantee, as a part of new public facilities construction, to hookup (connect) Low and Moderate Income persons' residential structures on to water distribution lines and/or local sewer collection lines. This activity must be done for all verified LMI persons in the approved project area in accordance with the locality's approved Policies on Household Connections. This policy may also establish a reasonable ceiling for hookups. CDBG grant funds may be used for the hookup of low and moderate income households. However, CDBG funds may not be used to hookup high income households.

The units to be connected will not have to meet Section 8 Minimum Housing Quality Standards in order to be eligible to receive this assistance. However, such connections are considered to be housing rehabilitation and must be so designated as a separate activity. In those instances where connections are to be made to sewer collection lines, either a licensed plumber or qualified plumbing inspector must certify that the drain, waste, and venting system for each unit is safe. For all hookups, the necessary legal Right-of-Entry permits, income certification, etc. should be secured prior to construction from the individual property owners.

If a homeowner refuses the hookup, a plumbing inspection, or necessary repairs/connections, that unit cannot be connected. Further, if the cost of hookup exceeds the established ceiling and the homeowner does not wish to contribute the additional funds, the locality is not required to provide the hookup. Whenever a household connection is refused, a written refusal of service will be required. If a signed statement cannot be obtained, a written explanation signed by the chief elected official should be placed in the program files.

Reconnections are not subject to this policy letter. Reconnections are considered a construction activity caused or necessitated by the project's design for existing water and/or sewer projects.

Attachments: Sample Owner Certification
Sample Right of Entry Permit
Sample Refusal of Service
Sample Income Certification

Effective Date: Projects Funded in FY 2003 Program Year and Thereafter.

September 17, 1993

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 19

TO: Interested Parties

FROM: Lynn Greer
Division Chief, Planning and
Economic Development Division

REQUESTS FOR FUNDS AT
CLOSE OF FISCAL YEAR

In order to ensure that requests for payment or drawdowns are processed so that payment can be made during the month of September, a request must be received by the ADECA CDBG staff not later than noon on the last working day of August.

Any request received after that time will be worked up to be processed as quickly as possible after October 1.

Effective Date: Immediately

May 5, 1995

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 20

TO: Persons Interested in State CDBG Program

FROM: Edwin I. Gardner
Chief, Planning and Economic Development Division

POLICY ON VOLUNTEER LABOR ON HOUSING REHABILITATION OR NEW CONSTRUCTION

As it is the desire of ADECA to deliver to residents, as quickly as possible, decent, safe, and sanitary housing, the following policy of this Agency is implemented.

Volunteer labor will only be allowed on housing new construction or rehabilitation in the following circumstances:

1. Volunteers will be under the direct supervision of a contractor licensed by the Alabama Homebuilders Licensure Board.

2. This contractor will be liable for the volunteers and provide liability insurance, workmen's compensation, and a one year warranty on all work performed by the volunteers. Documentation on these requirements must be provided to the State prior to any work being started.

3. Time and attendance records will be kept on all volunteer work.

4. No volunteer can be compensated for work performed, and

5. Prior written approval must be obtained from ADECA.

In no other instance can volunteer labor be a part of either housing rehabilitation or new construction.

This policy is applicable to housing rehabilitation and new construction whether through relocation or other means and is effective immediately.

August 16, 1995

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 21

TO: Persons Interested in State CDBG Program

FROM: Edwin I. Gardner
Chief, Planning and Economic Development Division

CLARIFICATION OF POLICY ON CONSTRUCTION CONTRACTING

After careful review the State has determined that a construction contract bid for both labor and materials, wherein a unit of government purchases the materials from a vendor selected by the contractor and wherein the construction contractor only invoices a unit of government for labor, is not consistent with the Common Rule. Consequently, effective this date, a contract awarded using this procedure will result in disallowed costs.

The State will continue to consider solely material bids to be acceptable. Further, materials and labor can be bid together as well as separately.

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR

ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS

BILL JOHNSON
DIRECTOR

STATE OF ALABAMA

October 24, 2007

TO: Shabbir Olia

FROM: Bill Johnson
Director

SUBJECT: State CDBG Intergovernmental Policy Letter Number 21

After reviewing a May 24, 1999 Attorney General's opinion (1999-209) and the Common Rule, it appears that Policy Letter 21 is no longer necessary. Therefore, effective immediately, State CDBG Intergovernmental Policy Letter Number 21 is rescinded.

BJ:MEN:sd

401 ADAMS AVENUE • SUITE 580 • POST OFFICE BOX 5690 • MONTGOMERY, ALABAMA 36103-5690 • (334) 242-5100

February 27, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 22
Revision 3

TO: Persons Interested in State CDBG Program

FROM: John D. Harrison
Director

Establishment of Low- and Moderate-Income (LMI) Benefit For Area Wide Projects

With respect to LMI beneficiaries on area wide projects (both jurisdiction-wide and target area), the State will accept data from two sources.

First, LMI benefit may be established through the most recent HUD adjusted Census Data. Data is available specific to entire communities, census tracts, or blocks.

Second, the State will accept LMI benefit as determined through local income surveys so long as the following criteria are met:

Sample size and response rate must, at a minimum, be as outlined below:

Universe	Sample Size	Response Rate
0 – 50	100%	80%
50 - 100	50 + 80% of increase	80%
100 - 200	90 + 50% of increase	80%
200 - 400	140 + 25% of increase	80%
400 - 800	190 + 15% of increase	80%
800 - 1200	250 + 10% of increase	80%
1200 - 2700	290 + 6.5% of increase	80%
2700 +	400 +	80%

2. Households surveyed must be randomly selected with the method of selection detailed for review.

3. Survey instruments must include number of persons per household; number of disabled persons per household; the race, ethnicity, and gender of head of household; income status of household as very low, low, moderate or high by household size. Income limits must be shown on the instrument itself. Surveys must be signed and dated by the person conducting the interview. Each house must be numbered sequentially on the map with the survey instrument bearing the corresponding number. Both the occupant's name and the physical address of each unit must be given on each survey. The name of the person providing the information to the surveyor should also be included. Changes on responses must be initialed and dated by the person making the change. There should be a survey for every unit; occupied, vacant, or nonresidential.

4. In those instances where less than an 80 percent response rate is achieved, then the number of households needed to achieve an 80 percent response rate shall be assumed to be non-LMI and factored in the overall percentage.

5. The total number of beneficiaries and the number and percentage of LMI beneficiaries are calculated as follows:

   a) Add the total number of beneficiaries from the 80 percent response to the survey. This is accomplished by adding the number of persons per household from each household that responded to the survey.

   b) Divide the number you obtained from (a) by the number of households surveyed. This gives you the average number of persons per household.

   c) Multiply the average number of persons per household (b) times the total number of occupied households in the project area. This gives you the total number of beneficiaries.

   d) Add the very low-income beneficiaries, the low-income beneficiaries and the moderate-income beneficiaries.

e) Divide the total from (d) by the total from (a) if an 80 percent response was achieved. The result is the percentage of beneficiaries that are LMI. In those instances where less than 80 percent response was achieved, divide the total from (d) by the total from (a) plus the number of households needed to achieve the 80 percent response, times the average number of persons per household (b).

f) Multiply the percentage of LMI (e) times the total number of beneficiaries (c). This gives you the number of LMI beneficiaries.

g) Ethnicity, race, disabled, and female heads of household beneficiaries are determined in a like manner.

6. In projects that have more than one distinct "stand alone" area, then each area must follow steps one through five with respect to sample size, response rate, and qualification for the 51 percent test.

7. A community which is shown to be less than 51 percent LMI in the most recent Census Data provided by HUD, in the case of a community-wide project, can determine its eligibility as a predominantly LMI community (at least 51 percent LMI) by conducting an income survey of its residents. For this survey to be valid, the survey must, in addition to the 80 percent response rate for the randomly selected sample using the required instrument criteria, also identify each household by name and address.

8. An applicant may utilize surveys conducted up to three years prior to the program year for which funds are being requested. Should your community choose to use a previous year's survey, then the survey area must be re-examined and all changes incorporated. Additionally, new reporting criteria such as race and ethnicity must be provided to ADECA.

9. The race and ethnicity questions must determine if 1) each household is Hispanic *or Latino* or not Hispanic *or Latino*, and 2) the race for each household. The categories for race must be White, Black/African American, Asian, American Indian/Alaskan Native, Native Hawaiian/Other Pacific Islander, American Indian/Native Alaskan and White, Asian and White, Black/African American and White, American Indian/Alaskan Native and Black/African American, and Other Multi-Racial.

Effective Date: This policy is effective beginning with the FY2003 CDBG applications.

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 23

TO: Persons Interested in State CDBG Program

FROM: Jean D. Davis
Chief, Planning and Economic Development Division

SUBJECT: Housing Rehabilitation Eligibility

An individual housing unit may only be rehabilitated through the State CDBG Program if the unit has either not been brought to code using CDBG funds or has not been rehabilitated with CDBG funds in the previous ten years. Exceptions may be made for water or sewer hook ups and handicap accessibility. Other corrections not previously required or allowed by the adopted housing code, may be allowed with prior written approval from the State.

This policy is effective with projects funded in accordance with the FY98 CDBG Action Plan. Damage to units as the result of natural disasters are an exception to this policy.

September 22, 1998

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 24

TO: Persons Interested in State CDBG Program

FROM: Jean D. Davis
Chief, Community and Economic Development Division

SUBJECT: Payment for Local Government Employee's Time or Equipment Used with CDBG Funds

Title I of the Housing and Community Development Act of 1974, as amended, Section 101(c)(9) states:

> It is the intent of Congress that the Federal assistance made available under this Title not be utilized to reduce substantially the amount of local financial support for community development activities below the level of support prior to the availability of such assistance.

Consequently, it is the State's policy that work performed by local government staff, whether administrative or construction, may not be paid with CDBG funds. Local government staff time, or equipment usage as appropriate, may be counted as local match when properly documented, included in the budget, and approved by the State.

An exception to payment for local government staff time or equipment usage with CDBG funds might be a unit of government with full time community development staff and a cost allocation plan approved by the State. A case by case determination will be required.

This policy is effective immediately.

ALABAMA INTERGOVERNMENTAL
POLICY LETTER NUMBER 25
(Revision 1)

TO: Persons Interested in State CDBG Program

FROM: Norman B. Davis, Jr.
Director

POLICY ON DRAWDOWNS FOR CDBG
ADMINISTRATION, ENGINEERING/ARCHITECTURAL FEES
(INCLUDING INSPECTIONS)

For Total CDBG Project Administration and Engineering/Architectural Fees (including Inspections), the following general payment schedules, unless waived by the Director, will apply.

A. Total CDBG Project Administration

1. Up to 30 percent of the total project administration costs can be paid when all conditions have been met and the grant agreement is fully executed and delivered to all parties.

2. Upon the completion of 50 percent of project construction, as certified by the project engineer or housing inspector, an additional 45 percent of total project administration can be paid.

3. Between the 50 percent project completion stage and the 90 percent stage as certified by the project engineer or housing inspector, an additional 15 percent of total project administration can be paid.

4. Ten percent of approved CDBG administration costs will be held by ADECA until acceptable close out documents are submitted to and approved by ADECA.

B. Total CDBG Project Engineering/Architectural Fees (including Inspections)

1. A total of not more than 60 percent of total engineering/architectural costs can be paid for the project design phase of construction.

2. An additional 30 percent of total project engineering/architectural costs (including inspection fees) can be paid on a proportionate basis during project construction.

3. The remaining 10 percent of total project engineering/architectural costs (including inspection fees) will be retained until documentation that a final project inspection has been performed has been submitted to ADECA.

The above described general payment schedules are for guidance only. In no way is this format to be construed as limiting the review or recovery powers of the State on any CDBG grant fund activity or request for payment.

Effective Date:Immediately

February 27, 2003

ALABAMA CDBG INTERGOVERNMENTAL
POLICY LETTER NUMBER 26

Revision 1

TO: Persons Interested in State CDBG Program

FROM: John D. Harrison
Director

POLICY ON ESTABLISHING A COST ESTIMATE FOR CDBG BUILDING CONSTRUCTION ACTIVITY AND DAVIS-BACON COMPLIANCE

In order to make a more accurate determination in awarding CDBG grant funds, all applications submitted for CDBG assistance, which involve building construction must include a construction cost estimate prepared by a registered architect, licensed engineer, or licensed contractor.

Furthermore, it will be the responsibility of the successful grantee to notify the architectural/engineering firm of record that all bid packages must include the necessary documents for compliance with the "Davis-Bacon and Related Acts" for construction contracts in excess of two thousand dollars.

Effective Date: Immediately

GRANTEE MONITORING PLAN

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

STATE OF ALABAMA

Alabama Department of Economic and Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
(334) 242-0492 ● Fax (334) 353-3527 ● www.adeca.alabama.gov

Purpose: This plan establishes standards and provides guidance for monitoring CDBG and other projects funded by the Alabama Department of Economic and Community Affairs (ADECA) through the Community Development Block Grant (CDBG) and other HUD grant programs.

Objectives: ADECA's monitoring strategy is a management control technique for ongoing assessment of the quality of grantee performance over a period of time. Monitoring provides information about a grantee's program effectiveness and management efficiency. It also helps in identifying instances of fraud, waste and abuse. It is the principal means by which ADECA:

1. ensures that programs are carried out efficiently, effectively, and in compliance with applicable laws and regulations;

2. assists grantees in improving their performance, capacity, and management and technical skills; and

3. determines its own effectiveness and that of its programs and policies in meeting the community development needs of the grantees.

Applicability: This plan applies to monitoring strategies for the following program funds and compliance areas:

A. Programs:

1. Competitive Funds (Small City, Large City and County Funds);
2. Community Enhancement Fund;
3. Economic Development Funds (ED Infrastructure, Float Loans, Section 106, and Incubator projects);
4. Planning Grant Funds (desk review);
5. Neighborhood Stabilization Program Funds;
6. Disaster Recovery Assistance Funds; and
7. Others programs funded through HUD to be administered through the CDBG or other programs.

B. Compliance Areas:

1. National Objective and Eligibility;
2. Citizen Participation;
3. Environment;
4. Fair Housing and Equal Opportunity (FHEO);
5. Professional Services Procurement and Contract Management;
6. Financial Management and Common Rule Compliance;
7. Bidding and Contracting;
8. Labor;
9. Housing Rehabilitation and Lead Hazards;

10. Uniform Act and Section 104(d) (demolition, acquisition and relocation); and
11. Close-Outs.

C. High-risk Assessment

1. All grantees are considered to have some risk factors; therefore, all grantees will receive at least one compliance monitoring review.
2. Additional risk factors may be identified as discussed in the "Approach" section below.

D. Remedies

1. The overriding goal of monitoring is to determine compliance, prevent/identify deficiencies, and provide technical assistance to enhance grantee performance. However, when findings are made, ADECA will determine appropriate corrective actions to address the finding or deficiency.

2. In cases of serious findings, additional sanctions and penalties may be necessary up to and including debarment and suspensions of grantees and/or their contractors. The most recent version of the ADECA debarment and suspension policy is available form ADECA's Legal Section.

Approach: As stated above, ADECA staff view monitoring, not as a one-time compliance review, but as an ongoing process involving continuous communication and evaluation. Such a process involves frequent telephone/email contacts, written communications, analysis of reports and submitted documents, and compliance monitoring reviews.

The overriding goal of monitoring is to determine compliance, prevent/identify deficiencies, and provide technical assistance to enhance grantee performance. As part of this process, ADECA staff will also be alert for fraud, waste and mismanagement or situations with potential for such abuse. Additionally, monitoring will be used as an opportunity to identify program participant accomplishments, acknowledge successful management, and recognize implementation techniques that might be replicated by other grantees. Finally, the monitoring process will be used by ADECA as outreach and customer service to our grantees.

The following, from Alabama's current Consolidated Plan, is the basis for ADECA's monitoring strategy:

On behalf of the State of Alabama, ADECA does an on-site monitoring review of all CDBG and other HUD program construction grants at least once during the life of the project. Areas reviewed for compliance include adherence to one or more of the program's national objectives, eligibility, financial management, civil rights, environmental concerns, citizen participation, timeliness, procurement, contract management, labor standards enforcement, acquisition, relocation, job creation, and housing as appropriate.

For the CDBG program, the State utilizes a computerized tracking system to initiate each monitoring visit at the point when a reasonable percent of the grant funds has been drawn. Currently, most monitoring visits are scheduled at the time at least 30 percent of the funds have been drawn. The system also tracks the resulting resolution of any findings made in a timely manner. For other programs, appropriate tracking systems are developed/modified and utilized to ensure that the project is monitored at least once.

After each monitoring visit, a report is written to the grantee to explain the results of the review. Monitoring determinations range from "acceptable" to "finding" with appropriate corrective measures imposed. Corrective measures may include certifications that inadequacies will be resolved, documentary evidence that corrective actions have been instituted, reimbursement of disallowed costs, or other sanctions which limit the grantee's future participation in the program. Furthermore, no grant can be closed until all monitoring findings have been satisfactorily resolved.

In addition to the stated strategies in the Consolidated Plan, ADECA maintains the flexibility to schedule additional monitoring visits as may be necessitated by problems identified in a preliminary monitoring visit, projects of a particularly complex nature, inexperienced grantees and/or administrators, grantees and/or administrators with recent compliance problems, or when project conditions demonstrate a need for additional ADECA oversight. Further, a grantee may request additional monitoring and/or technical assistance visits if necessary.

In addition to maintaining flexibility in numbers and frequencies of monitoring reviews, ADECA will also maintain flexibility regarding the type of monitoring review. In other words, monitoring reviews may take the form of on-site visits or desk reviews. All projects that include construction activities will receive at least one on-site review. However, subsequent monitoring reviews may be conducted

without returning to the site. Further, planning-only projects generally will not require an on-site monitoring review.

Conclusion: ADECA has a long history of effectively administering the CDBG program. Part of that administration success stems from a diligence in monitoring. The preceding is meant to provide guidelines to ensure that CDBG and other HUD program funds are spent appropriately and that ADECA meets the needs of the grantees in the State of Alabama. However, ADECA may incorporate monitoring and review techniques not listed in order to ensure program compliance and to meet grantee needs.

CITIZEN PARTICIPATION PLAN

STATE OF ALABAMA

Community Planning and Development Programs
Not Part of the HUD Consolidated Plan

Effective June 8, 2012

Alabama Department of Economic and Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
(334) 242-0492 ● Fax (334) 353-3527 ● www.adeca.alabama.gov

Citizen Participation Plan
State of Alabama
Non-Consolidated Plan Community Planning and Development Programs

Adoption of Citizen Participation Plan

To permit a more streamlined process for Non-Consolidated Plan programs such as disaster recovery grants and to ensure funds are awarded in a timely manner, the State of Alabama will adhere to the following Citizen Participation process. However, the *Citizen Participation Plan, State of Alabama Consolidated Submission for Community Planning and Development Programs* will remain in effect for all Consolidated Plan programs (CDBG, HOME, ESG, and HOPWA).

Comments on the Citizen Participation Plan and Amendments

Citizen Participation is strongly encouraged in the development of all elements of the action plan, any substantial amendments to the action plan elements, and the performance reports of any Non-Consolidated Plan programs. This shall be accomplished through postings on the Alabama Department of Economic and Community Affairs website. All materials will be accessible to persons with disabilities and persons with Limited English Proficiency, upon request, where practicable.

The Citizen Participation Plan, as well as any amendments to that plan, will be presented for review and comment through posting on the ADECA website. All materials will be accessible to persons with disabilities and persons with Limited English Proficiency, upon request, where practicable.

Development of the Action Plan

For programs subject to this Citizen Participation Plan, public hearings at the state level will be governed by the program specific regulations. In any case, the State will provide a reasonable opportunity for citizen comment and ongoing citizen access to information about the use of grant funds. A reasonable period will be defined by the specific regulations of the program, or if not specified will be defined as not less than 7 days.

The streamlined citizen participation requirements for a grant administered under this plan are:

Before the State of Alabama adopts an action plan for a Non-Consolidated Plan program or any substantial amendment to a Non-Consolidated Plan program, the State of Alabama will publish the proposed plan or amendment (including any information required by the program specific regulations). The manner of publication will include prominent posting on ADECA's web site. Copies of the proposed plan or amendment will be made available at the office of the Alabama Department of Economic and Community Affairs. Citizens, affected local governments, and other interested parties

will be afforded a reasonable opportunity to examine the plan or amendment contents. The topic of the Non-Consolidated Plan program will be navigable by citizens from the Community and Economic Development Programs homepage. All materials will be accessible to persons with disabilities and persons with Limited English Proficiency, upon request, where practicable.

Despite the expedited process, the State of Alabama will ensure that all citizens have equal access to information about the Non-Consolidated Plan programs, including persons with disabilities and Limited English Proficiency. The State of Alabama will post program information in the appropriate languages for the geographic area served by the Non-Consolidated Plan program. For assistance in ensuring that this information is available to LEP populations, the State of Alabama will consult the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons published on January 22, 2007, in the Federal Register (72 FR 2732).

Subsequent to publication of an action plan or amendment for a Non-Consolidated Plan program, the State of Alabama will provide a reasonable time frame (7 days, unless otherwise specified in the Non-Consolidated Plan program's regulations) for receiving comments on the plan or substantial amendment. Comments will be accepted by mail, facsimile, or email.

Amendments

Each Non-Consolidated Plan program action plan will specify criteria for determining what changes constitute a substantial amendment to the plan. Unless specified by the Non-Consolidated Plan program's regulations, the following modifications will constitute a substantial amendment:

- Add or delete funding categories;
- Change evaluation criteria;
- Change thresholds for eligibility;
- Change grant ceiling or minimums; or
- Shift money from one fund category to another, whereby the shift is greater than 10 percent of the State allocation.

The State of Alabama may substantially amend a Non-Consolidated Plan program's action plan if it follows the same procedures required above for citizen participation pursuant to preparation and submission of an action plan.

The State of Alabama will notify HUD, but is not required to undertake public comment, when it makes any plan amendment that is not substantial. However, every amendment to the action plan of a Non-Consolidated Plan program (substantial and non-substantial) will be numbered sequentially and posted on the ADECA web site.

Amendments not covered above may be made at the discretion of the State and notice will be given through normal programmatic communications to elected officials and other persons having interest in the Non-Consolidated Plan program.

Comments

The State of Alabama will consider all comments received in writing or other means if necessary on an action plan or any substantial amendment to an action plan of a Non-Consolidated Plan program. A summary of these comments or views and the State of Alabama's response to each will be submitted to HUD with the action plan or substantial amendment.

Accessibility

The State of Alabama will post the action plan, any substantial amendments, and all performance reports on the Alabama Department of Economic and Community Affair's web site and will provide a reasonable number of copies to citizens upon request. In addition, these documents will be posted in English and Spanish. Other languages and other formats will be provided upon request to ensure accessibility to persons with disabilities and Limited English Proficiency.

During the term of the grant, the State of Alabama will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the action plan, any substantial amendments, and to the State's use of grant funds.

Complaints

The State of Alabama will consider all complaints, received in writing or other means if necessary on any Non-Consolidated Plan Program. A written response to the complaint will be provided within 15 business days. A copy of the complaint and the State of Alabama's response will be submitted to HUD prior to program close out.

Citizen Participation Requirements for Local Governments and Sub Grantees

All units of local government sub-grantees must have a written local Citizen Participation Plan and must follow that plan during the planning and implementation phases of their project. The local Citizen Participation Plan adopted for HUD programs covered under the Consolidated Plan may be used during the planning and implementation of proposed projects and funded projects under a Non-Consolidated Plan program as long as the local plan, at a minimum, meets the requirements of the Non-Consolidated Plan Program. All local Citizen Participation Plans should conform to the sample Citizen Participation Plan available on the ADECA website. The grantee must notify ADECA if the locality intends to adopt a plan that deviates from the Sample Plan.

All grantees must conduct a Four-Factor Analysis and, if necessary, develop a Language Access Plan for persons with Limited English Proficiency, prior to advertising for or conducting a public hearing. If the Four-Factor Analysis identifies a group of Limited English Proficient persons, the notices and citizen participation materials must be made accessible through the means identified in the grantee's Language Access Plan.

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Citizen Participation, National Objective, Eligibility, Progress, and Disclosure Compliance Checklist

I. Citizen Participation Plan

		Yes	No	N/A	Notes
A.	Did the grantee have a written Citizen Participation Plan on file?				
B.	Give the date the plan was adopted by the grantee.				
C.	How many public hearings were held prior to application submission?				
D.	Give the date of the public hearing(s).				
E.	Is the number of hearings consistent with the approved plan?				
F.	Was the required public hearing adequately advertised? If yes, was the method of advertisement consistent with the approved plan?				
G.	Was basic CDBG program information made available to the public?				

II. National Objective and Eligibility

		Yes	No	N/A	Notes
A.	Are there surveys on file?				
	❑ Does the survey instrument use the correct HUD Section 8 household income limits for the locality?				
	❑ Does the survey information (methodology, map, number, etc.) on file match the information provided in the application? If no, provide comments as to whether or not further review is required.				
	❑ Do the randomly reviewed survey forms match the tally provided in the application? If no, verify tally in space provided on last page.				
	❑ Does a sample review of the surveys or character of the area indicate the need for a full and separate review?				
B.	If the project was qualified as limited clientele, does the project appear to be serving the limited clientele identified in the application?				
C.	Does the character of the project area appear to match what was stated in the application?				
D.	Does the program activity meet a national objective? State which objective.				
E.	Is the program activity one that is clearly eligible?				
F.	Does the number of beneficiaries appear consistent with those stated in the application?				

III. Progress

		Yes	No	N/A	Notes
A.	What percentage of the program activity has been completed? For housing rehabilitation, give total number proposed and total number completed.				
B.	Is the project in compliance with the approved implementation schedule?				
C.	What percentage of funds has been drawn?				
D.	Are projects using faith-based or community-based organizations in compliance with the plan of actions and timetable submitted at LCC?				
E.	If more than 50% of grant funds have been drawn, has substantial involvement of the faith-based or community-based organizations been documented?				

IV. Disclosure

A.	Does the grantee maintain an updated disclosure file?				
B.	From Part IV (Interested Parties) of the disclosure file, list the names of the persons, firms, etc., with a reportable financial interest in the project.				

Complete this tally only if a random check of the surveys indicates irregularities.

Low/Moderate Income	High Income

Total:_____ Total:_____

Percent LMI:_____

INTRODUCTION

All projects and related activities funded through CDBG, ESG and HOPWA are subject to the provisions of the National Environmental Policy Act of 1969, as amended (NEPA). The primary purpose of the laws and authorities governing the environmental process is to establish national policy, goals and procedures to protect, restore and enhance environmental quality. Programs funded or assisted by the State with Federal money (HUD) must consider impacts on the environment and be consistent with Federal programs and policies. An Environmental Review Record (ERR) is required to be established for each project. An ERR is a concise public record containing original documentation related to the environmental review, decision-making, and activities undertaken in a project. The ERR must be available to the public upon request at the Responsible Entity's location; County Courthouse or City offices. It is a legal document and the best and often only defense to prove compliance with applicable laws and regulations.

This document contains information and links to information that can assist in conducting and preparing an ERR and the required documentation. The information provided here is ***not*** intended to be all inclusive and only serves as a ***possible*** form of documentation.

LEVELS OF REVIEW

There are five (5) possible levels of review and they are all subject to the laws and authorities located in the Code of Federal Regulations (CFR) Title 24, Part 58. Those levels are "Exempt", "Categorically Excluded Subject to §58.5", "Categorically Excluded Not Subject to §58.5", "Environmental Assessment", and "Environmental Impact Statement". In order to properly determine what level of review the project is subject to, consult 24 CFR Part 58. An online version of these regulations can be found here. Based on the types of activities in the project, determine what level of review is required. Below, the levels of review are listed, along with the required forms that must be completed in order to properly document the determinations.

1. EXEMPT

If it has been determined that the project consists of the exempt activities listed at 24 CFR 58.34(a), the following forms are required to be completed and a copy (or the original for forms not required to be submitted to ADECA) kept in the ERR.

1. Finding of Exemption form (ENV-FOE)
2. Other Requirements Checklist form (ENV-ORC)
3. Level of Review Determination form (ENV-LRD) *

*- Required form or documentation is required to be submitted to ADECA

2A. CATEGORICALLY EXCLUDED SUBJECT TO §58.5

If it has been determined that the project consists of the activities listed at 24 CRF 58.35(a), the following forms and documents are required to be completed and a copy (or the original for forms not required to be submitted to ADECA) kept in the ERR.

1. Categorically Excluded Subject to from (ENV-CEST)
2. Floodplain Notices (if required) *
3. Other Requirements Checklist form (ENV-ORC)
4. Notice of Intent (ENV-NOI) and affidavits of publication or posting *
5. Request for Release of Funds and Certification form (ENV-RROFC) *
6. Level of Review Determination form (ENV-LRD) *

*- Required form or documentation is required to be submitted to ADECA

2B. CATEGORICALLY EXCLUDED SUBJECT TO §58.5 CONVERTS TO EXEMPT

If after completing the Form ENV-CEST it has been determined that there are no mitigations required (all authorities are marked "No"), then the project converts to Exempt. The following forms and documents are required to be completed and a copy (or the original for forms not required to be submitted to ADECA) kept in the ERR.

1. Categorically Excluded Subject to from (ENV-CEST)
2. Other Requirements Checklist form (ENV-ORC)
3. Level of Review Determination form (ENV-LRD) *

*- Required form or documentation is required to be submitted to ADECA

3. CATEGORICALLY EXCLUDED NOT SUBJECT TO §58.5

If it has been determined that the project consists of the activities listed at 24 CFR 58.35(b), the following forms are required to be completed and a copy (or the original for forms not required to be submitted to ADECA) kept in the ERR.

1. Categorically Excluded Not Subject to form (ENV-CENST)
2. Other Requirements Checklist form (ENV-ORC)
3. Level of Review Determination form (ENV-LRD) *

*- Required form or documentation is required to be submitted to ADECA

4. ENVIRONMENTAL ASSESSMENT

If it has been determined that the project is not "Exempt" or "Categorically Excluded" under §58.34 and §58.35, prepare an Environmental Assessment (EA). The following forms are required to be completed and a copy (or the original for forms not required to be submitted to ADECA) kept in the ERR.

1. Environmental Assessment form (ENV-HUDEA)
2. Floodplain Notices (if required) *
3. Other Requirements Checklist form (ENV-ORC)
4. Combined Notice (ENV-CN) and affidavits of publication or posting *
5. Request for Release of Funds and Certification form (ENV-RROFC) *
6. Level of Review Determination form (ENV-LRD) *

*- Required form or documentation is required to be submitted to ADECA

5. ENVIRONMENTAL IMPACT STATEMENT

An Environmental Impact Statement (EIS) is required when the project is determined to have a potentially significant impact on the human environment. An EIS is required under any of the following circumstances:

1. The project would provide a site or sites for, or result in the construction of, hospitals or nursing homes containing a total of 2,500 or more beds.
2. The project would remove, demolish, convert or substantially rehabilitate 2,500 or more existing housing units (but not including rehabilitation projects categorically excluded under

§58.35), or would result in the construction or installation of 2,500 or more housing units, or would provide sites for 2,500 or more housing units.

3. The project would provide enough additional water and sewer capacity to support 2,500 or more additional housing units. The project does not have to be specifically intended for residential use nor does it have to be totally new construction. If the project is designed to provide upgraded service to existing development as well as to serve new development, only that portion of the increased capacity which is intended to serve new development should be counted.

Since the vast majority of CDBG, ESG and HOPWA projects either do not meet these thresholds or use previously conducted EIS's from other entities, this level of review is rarely needed. See 24 CFR 58.37 for more information on how and when to conduct an EIS or contact the ADECA Environmental Officer.

OTHER REQUIREMENTS @ 58.6

All projects are subject to the laws and authorities listed at 24 CFR 58.6. ***Every*** project, regardless of complexity, must comply with the regulations. These laws and authorities can be cleared by completing the Other Requirements Checklist (form ENV-ORC). Below the *Other Requirements* have been detailed along with guidelines on how to document that each item on the list has been cleared environmentally. HUD has provided guidance on the HUD Exchange that gives a detailed introduction to the regulation or authority as well as some guidance on how to clear that regulation or authority and what is considered as proper compliance and documentation.

Flood Insurance

Section 202 of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4106) requires that projects receiving federal assistance and located in an area identified by the Federal Emergency Management Agency (FEMA) as being within a Special Flood Hazard Areas (SFHA) be covered by flood insurance under the National Flood Insurance Program (NFIP). Steps on how to clear this regulation are provided below.

> These regulations do not apply to HUD financial assistance in the form of formula grants to states, including financial assistance under the State-administered CDBG Program and Emergency Shelter Grant amounts allocated to States and HOME funds provided to a state under Title II of the Cranston-Gonzalez National Affordable Housing Act per 24 CFR §55.1(b)(1), §58.6(a)(3) and 42 USC 4003(a)(3). The required forms should already have this field prepopulated with this information. If not, contact the ADECA Environmental Officer.

Coastal Barrier Resources

The Coastal Barrier Resources Act (CBRA) of 1982 designated relatively undeveloped coastal barriers along the Atlantic and Gulf coasts as part of Coastal Barrier Resources System (CBRS) and made these areas ineligible for most new Federal expenditures and financial assistance. Steps on how to clear this regulation are provided below.

1. Use the map below to determine if the project area is located in a CBRS unit.

2. If the project ***IS NOT*** located in a CBRS unit, document the determination on the map and place a copy in the ERR. Documentation is complete.

3. If the project ***IS*** located in a CBRS unit, contact the U.S. Fish & Wildlife Service for approval. Place all correspondence and concurrence in the ERR. Documentation is complete.

- CBRS Unit Map
- CBRS website

Airport Hazards

It is HUD's policy to apply standards to prevent incompatible development around civil airports and military airfields. The policy can be found at 24 CFR 51, Subpart D. Applicable airports are designated in the National Plan of Integrated Airport Systems. A list of these civilian airports and military airfields can be found below as well as a Google Earth file that contains the locations of both types of airports. Steps on how to clear this regulation are provided below.

1. Determine if the project is within 15,000 feet of a military airport or 2,500 feet of a civilian airport.

2. If the project ***IS NOT*** within the proximity of an airport, document the determination and place in the ERR. Documentation is complete.

3. If the project ***IS*** within the proximity of an airport, determine if the project activities involve major rehabilitation, new construction, or will significantly prolong the life of an existing building.

4. If the project ***DOES NOT*** involve any of the activities listed above, document the determination and place in the ERR. Documentation is complete.

5. If the project ***DOES*** involve any of the activities listed above, contact the airport operator to determine if the project is located in the Runway Protection Zone (civilian) or Accident Potential Zone (military).

6. If the project ***IS NOT*** located in the RPZ/APZ, document the correspondence and concurrence in the ERR. Documentation is complete.

7. If the project ***IS*** located in the RPZ/APZ, get approval from the airport operator. Place all correspondence and concurrence in the ERR. Documentation is complete.

If the project consists of down-payment assistance or minor rehabilitation, or the sale or purchase of land, the Airport Clear Zone Waiver form must be completed and placed in the ERR.

- NPIAS Airport List
- NPIAS Airport List kmz file
- Airport Clear Zone Waiver Request Form
- Sample Airport Proximity Map

STATUTORY CHECKLIST

In the process of completing the "Categorically Excluded Subject to" form (ENV-CEST) and the "Environmental Assessment" form (ENV-HUDEA) one must complete the Statutory Checklist. There are a total of fourteen Statutes, Executive Orders and Regulations that must be considered and cleared in order to

complete the environmental review. A detailed list can be found at 24 CFR 58.5. Below the Statutory Checklist has been detailed along with guidelines on how to document that each item on the list has been cleared environmentally. HUD has provided guidance on the HUD Exchange that gives a detailed introduction to the regulation or authority as well as some guidance on how to clear that regulation or authority and what is considered as proper compliance and documentation.

Historic Preservation

All projects are required to complete a Section 106 review. The Alabama State Historic Preservation Office (SHPO) and ADECA have entered into a Programmatic Agreement (PA) that allows for an automatic compliance of the regulation when the project activities are those listed in the PA. Steps on how to clear this regulation are provided below.

1. Compare the project activities to those listed in the Programmatic Agreement (PA).

2. If the project's activities ***ARE*** found in the PA, indicate which exemption activity applies and place a copy of the PA in the ERR. Documentation is complete.

3. If the project's activities ***ARE NOT*** found in the PA, submit a Project Review Consultation Form (found in Appendix A of the PA) to SHPO along with a letter of explanation. (30 Day comment period)

4. Complete any mitigation that SHPO may require and document all correspondence. Once concurrence from SHPO has been given place all correspondence in the ERR. Documentation is complete.

- ADECA SHPO Programmatic Agreement
- Project Review Consultation Form
- Sample SHPO Letter of No Adverse Effect

Tribal Historic Preservation

Tribal consultation must be considered with all projects. Steps on how to clear this regulation are provided below.

1. Determine if Tribal consultation is required by completing the "When to Consult with Tribes under Section 106 Checklist".

2. If it is indicated that consultation with Tribes ***SHOULD NOT*** be initiated, place the completed checklist in the ERR. Documentation is complete.

3. If it is indicated that consultation with Tribes ***SHOULD*** be initiated then use the Tribal Directory Assessment Tool (TDAT) to determine which, if any, Tribes have interests in the project area.

4. A request for consultation with the specified Tribe(s) should be sent from the Responsible Entity (RE) and await concurrence. If no response has been received after a thirty (30) day wait period, consider the concurrence given. If a response letter is received, then comply with any mitigation requirements that may have been stipulated. Place all correspondence and concurrence in the ERR. Documentation is complete.

A much more detailed process for complying with Tribal consultation is available in notice CPD 12-006 from HUD.

- Tribal Directory Assessment Tool (TDAT)
- Section 106 Checklist
- Sample Tribal Consultation Letter
- HUD Notice CPD 12-006

Floodplain Management

Executive Order (EO) 11988 requires that projects avoid impacts to floodplains and to avoid direct and indirect support of floodplain development to the extent practicable. Steps on how to clear this regulation are provided below.

1. Create a FIRMette by using a Flood Insurance Rate Map (FIRM) from the FEMA website and **outline the project area**. Determine if the project is located in a floodplain.

2. If the project ***IS NOT*** located in a floodplain put a copy of the map in the ERR. Documentation is complete.

3. If the project ***IS*** located in a floodplain put a copy of the map in the ERR and check to see if any of the exceptions listed at 24 CFR 55.12(c) apply.

4. If an exception ***DOES*** apply, document the exception and place it in the ERR. Documentation is complete.

5. If an exception ***DOES NOT*** apply, complete the 8-Step Process and request concurrence from U.S. Army Corps of Engineers and complete any mitigation requirements. Place the completed 8-Step Process and all correspondence with the Corps in the ERR. Documentation is complete.

- FEMA website
- How to Create a FIRMette Map
- Sample Floodplain Map (single)
- Sample Floodplain Map (area)
- Sample 8-Step Process
- Sample Floodplain/Wetland Notices

Wetlands Protection

Executive Order (EO) 11990 requires that projects avoid adverse impacts to wetlands where practicable. Steps on how to clear this regulation are provided below.

1. Create a wetland map by using the U.S. Fish and Wildlife Wetlands Mapper and **outline the project area**. Determine if the project is located in a wetland.

2. If the project ***IS NOT*** located in a wetland put a copy of the map in the ERR. Documentation is complete.

3. If the project ***IS*** located in a wetland put a copy of the map in the ERR and check to see if any of the following exceptions apply: 55.12(a)(3), 55.12(a)(4), 55.12(c)(3), 55.12(c)(7), 55.12(c)(10).

4. If an exception ***DOES*** apply, document the exception and place it in the ERR. Documentation is complete.

5. If an exception ***DOES NOT*** apply, complete the 8-Step Process and request concurrence from U.S. Army Corps of Engineers and complete any mitigation requirements. Place the completed 8-Step Process and all correspondence with the Corps in the ERR. Documentation is complete.

- U.S. Fish and Wildlife Wetland Mapper website
- How to Create a Wetlands Map
- Sample Wetland Maps (single)
- Sample Wetland Maps (area)
- Sample 8-Step Process
- Sample Floodplain/Wetland Notices

Coastal Zone Management

Projects that can affect the coastal zone must be carried out in a manner consistent with the state Coastal Zone Management Program (CZMP) under Section 307(c) and (d) of the Coastal Zone Management Act (CZMA) of 1972 (16 U.S.C. 1451 et seq). Steps on how to clear this regulation are provided below.

1. Use the Coastal Zone Management (CZM) Map (below) to determine if the project is located in the Coastal Zone Management Area (CZMA).

2. If the project ***IS NOT*** located in the CZMA, **mark the project location** on the CZM Map and place it in the ERR. Documentation is complete.

3. If the project ***IS*** located in the CZMA, contact the State CZM Agency to ensure the project is consistent with the CZM plan. Place all correspondence and concurrences in the ERR. Documentation is complete.

   The Google Earth file below can be used to create a map showing that the project is not within the CZMA for projects located along the coast in Alabama.

- Coastal Zone Management Area KMZ file
- Coastal Zone Management Map

Sole Source Aquifers

The Safe Drinking Water Act of 1974 requires the protection of drinking water systems that are the sole or principle drinking water source for an area and which, if contaminated, would create a significant hazard to public health. Steps on how to clear this regulation are provided below.

1. No Sole Source Aquifers in Alabama. Place a copy of the Sole Source Aquifer map in the ERR. Documentation is complete.

- Sole Source Aquifer Map

Endangered Species

The Endangered Species Act (ESA) of 1973, as amended, and its implementing regulations were designed to protect and recover species in danger of extinction and the ecosystems that they depend on. Steps on how to clear this regulation are provided below.

1. Determine if the project will consist of any of the following types of activities: ground disturbance, vegetation removal, an increase in impervious area, or generation of atypical noise levels (post-construction).

2. If the project ***DOES NOT*** consist of one of the listed activities, document this determination and place it in the ERR. Documentation is complete. (Example – minor rehabilitation of an existing structure)

3. If the project ***DOES*** consist of one of the listed activities, consult with the U.S. Fish & Wildlife Service (FWS) and ask for their concurrence on the project. Use the sample letter below as a guide. Place all correspondence and concurrence in the ERR. Documentation is complete.

- FWS Office List
- Endangered Species List
- Sample Endangered Species Consultation Letter

Wild and Scenic Rivers

The Wild and Scenic Rivers Act provides federal protection for the National Wild and Scenic Rivers System (NWSRS). There are **three (3)** types of rivers that have to be cleared. Steps on how to clear this regulation are provided below.

- **Wild & Scenic**: Use the Wild & Scenic River map below to determine if the project is located within ¼ mile of a Wild & Scenic River. Place the documentation in the ERR.

    1. If the project ***IS NOT*** located within ¼ mile of a Wild & Scenic River, **mark the project area on the map** and put a copy in the ERR.

    2. If the project ***IS*** located within ¼ mile of a Wild & Scenic River, **mark the project area on the map** and contact the U.S. Fish & Wildlife Services to get concurrence on the project. Place all correspondence and concurrences in the ERR.

AND

- **Study Rivers**: Use the Study River map below to determine if the project is located within ¼ mile of any Study Rivers. (As of January 2017, there is only one Study River, the Escatawpa River in Washington and Mobile Counties) Place the documentation in the ERR.

    1. If the project ***IS NOT*** located within ¼ mile of a Study River, **mark the project area on the map** and put a copy in the ERR.

    2. If the project location ***IS*** within a ¼ mile radius of a Study River, **mark the project area on the map** and then contact the U.S. Fish & Wildlife Services to get concurrence on the project. Place all correspondence and concurrences in the ERR.

AND

- **Nationwide Rivers Inventory (NRI):** Use the NRI Proximity Map to determine if the project is located within ¼ mile of a river on the NRI list. Place the documentation in the ERR.

1. If the project ***IS NOT*** located within ¼ mile of an NRI River, then **mark the project area on the map** and put a copy in the ERR.

2. If the project location ***IS*** within a ¼ mile radius of a NRI River, **mark the project area on the map** and contact the U.S. Fish & Wildlife Services to get concurrence on the project. Place all correspondence and concurrences in the ERR.

Documentation is only completed when all **three (3)** types of rivers have been cleared and the appropriate documentation is in the ERR. Use the provided GoogleEarth files (kmz) below if a better scale is needed.

- Wild and Scenic River website
- Wild & Scenic River Map
- Study River website
- Study River Map
- Study River kmz file
- NRI website
- NRI Proximity Map
- NRI kmz file

Air Quality

The Clean Air Act was implemented to remedy the damaging effects that bad air quality can have on human health and the environment. Steps on how to clear this regulation are provided below.

1. Determine if the project is located in a nonattainment area. Check the EPA Green Book on Nonattainment Areas for Criteria Pollutants for those locations.

2. If the project area ***IS NOT*** in a nonattainment area, document the determination and place it in the ERR. Documentation is complete. (Sample Non-Attainment Chart)

3. If the project area ***IS*** in a nonattainment area, determine if project will generate more than the de Minimis level of emissions. (Contact ADECA if for assistance in making the determination)

    a. If the project ***WILL NOT*** generate more than the de Minimis level of emissions, document the determination and place it in the ERR. Documentation is complete.

    b. If the project ***WILL*** generate more than the de Minimis level of emissions, contact the State Implementation Plan (SIP) agency (Alabama Department of Environmental Management [ADEM]). Place all correspondence and concurrence in the ERR. Documentation is complete.

Farmlands Protection

The purpose of the Farmland Protection Policy Act (7 U.S.C. 4201 et seq, implementing regulations 7 CFR Part 658, of the Agriculture and Food Act of 1981, as amended) is to minimize the effect of Federal programs on the unnecessary and irreversible conversion of farmland to nonagricultural uses. Steps on how to clear this regulation are provided below.

1. Determine if the project will result in the conversion (farmland to non-agricultural use) of prime, unique or state/locally important farmland.

2. If the project ***DOES NOT*** result in land conversion, document the determination and place it in the ERR. Documentation is complete.

3. If the project ***DOES*** result in land conversion, complete Form AD-1006 and submit it to the proper USDA office found on the website. Place all correspondence and concurrence in the ERR. Documentation is complete.

- USDA NRCS website
- Form AD-1006 Farmland Conversion Impact Rating form
- 7 CFR Part 658 link

Noise Abatement and Control

HUD's noise standards may be found in 24 CFR Part 51, Subpart B and apply to "noise sensitive activities", including projects that generate noise (other than during construction). Steps on how to clear this regulation are provided below.

1. Determine if the project involves a "noise sensitive activity". (i.e. senior/community centers, residential structures…)

2. If the project ***DOES NOT*** involve a noise sensitive activity, document the determination and place it in the ERR. Documentation is complete.

3. If the project ***DOES*** involve a noise sensitive activity, **mark the project area on a map** and determine if the project is located within 1,000 feet of a major roadway, 3,000 feet of a railroad, 15 miles of a military or FAA-regulated airport.

4. If the project ***IS NOT*** located within the vicinities given above, document the determination with a proximity map, **mark the project area on the map** and place it in the ERR. Documentation is complete.

5. If the project ***IS*** located within the vicinities give above, contact the Environmental Officer for assistance as well as refer to the HUD website to complete a noise assessment. Place all documents used to conduct the noise assessment along with the determination in the ERR. Documentation is complete.

- 24 CFR Part 51, Subpart B link
- NPIAS List
- NPIAS Airport List kmz file
- HUD Noise Assessment website

Explosive and Flammable Facilities

HUD requires that projects located near hazardous facilities which store, handle or process hazardous substances of a flammable or explosive nature include measures to reduce if not eliminate potential risk of injury in the event of an explosion to occupants or end-users of the project. Steps on how to clear this regulation are provided below. You must complete the documentation for both items below.

Aboveground Stationary Storage Tanks (AST)

1. Determine if the project activities include development, construction or rehabilitation that will increase residential densities, or conversion.

2. If the project ***DOES NOT*** include the activities above, document the determination and place it in the ERR. Documentation is complete.

3. If the project ***DOES*** include the activities above provide:
   a. evidence that there are no current or planned aboveground storage containers with a 100+ gallon capacity within 1 mile of the project location or
   b. that the Acceptable Separation Distance (ASD) is sufficient for the containers found or
   c. that existing or planned barriers would serve as sufficient mitigation, including correspondence with a licensed Engineer.

Place all documentation used to make the determination in the ERR. Compliance is complete.

Hazardous Facilities

1. Determine if the project includes a hazardous facility (one that mainly stores, handles or processes flammable or combustible chemicals such as bulk fuel storage facilities or refineries).

2. If the project ***DOES NOT*** involve a hazardous facility, document the determination and place it in the ERR. Documentation is complete.

3. If the project ***DOES*** involve a hazardous facility show that:
   a. the Acceptable Separation Distance (ASD) is sufficient with respect to residences and other facilities where people may congregate or be present or
   b. that existing or planned barriers would serve as sufficient mitigation, including correspondence with a licensed Engineer.

Place all documentation used to make the determination in the ERR. Compliance is complete.

- ASD Guidebook website
- ASD Assessment Tool website
- Barrier Design Guide website
- HUD Explosive & Hazardous Facilities website

Site Contamination

Guidance on HUD's policy concerning Site Contamination can be found at 24 CFR Part 50.3(i) and 24 CFR 58.5(i)(2). A basic summation of the policy is that project sites that are funded by HUD must be free from hazardous materials, contamination, toxic chemicals and gases, and radioactive substances. Steps on how to clear this regulation are provided below.

1. Use the ***Site Contamination Checklist*** to assist you in conducting your required "due diligence". At a minimum, the following steps should be taken:
   a. Conduct a Field Inspection
   b. Investigate project area for Historic uses
   c. Conduct a Records search (Use the How-to Guide to determine if the project is located within a 3,000 feet radius of a site listed on the Superfund (CERCLIS), Brownfields (ACRES) and Hazardous Waste (RCRAInfo) databases.

Multifamily housing with five (5) or more dwelling units and sites to be used as gathering places (community/senior centers, etc.) should have a Phase I Environmental Site Assessment conducted to search for possible contaminates.

- NEPAssist website
- Site Contamination Checklist
- How to for Site Contamination Reviews
- Sample Site Contamination Proximity Map

Environmental Justice

Environmental justice means ensuring that the environment and human health are protected fairly for all people regardless of race, color, national origin, or income. Since CDBG only funds projects that assist those residents in low to moderate income areas, it could be said that all projects fall under this provision and therefore are exempt from this regulation. The required forms should already have this field prepopulated with this information. If not, contact the ADECA Environmental Officer.

NOTICES

After completing the forms ENV-CEST and ENV-HUDEA a "Notice to the Public" is required to be made (except in the case of the ENV-CEST converting to "Exempt"). Below you will find the required notices as well as the distribution lists for those notices. Using the incorrect type of notice, not adhering to the correct time frame for the notice and not distributing the notice to the required agencies are all infractions that will result in a Finding at the time of the Environmental Monitoring. The forms are listed in order of publication/posting. Note – not all notices are required.

Categorically Excluded Subject to (Form ENV-CEST):

- Early Notice and Public Review of a Proposed Activity in a Floodplain/Wetland (Early Floodplain/Wetland Notice) (if required)
  - Must be ***PUBLISHED*** (needs to be published for ***1 day*** only)
  - Must have a ***15-day*** minimum Public Comment period

- Final Notice and Public Explanation of a Proposed Activity in a Floodplain/Wetland (Final Floodplain/Wetland Notice) (if required)
  - Must be ***PUBLISHED*** (needs to be published for ***1 day*** only)
  - Must have a ***7-day*** minimum Public Comment period

- Notice of Intent to Request Release of Funds (NOI/RROF)
  - Can be published or posted (remains posted ***throughout*** comment period)
  - Must have a ***7-day*** minimum Public Comment period if published
  - Must have a ***10-day*** minimum Public Comment period if posted

The NOI/RROF and the Final Floodplain/Wetland Notice may be disseminated simultaneously.

Environmental Assessment (Form ENV-HUDEA):

- Early Notice and Public Review of a Proposed Activity in a Floodplain/Wetland (Early Floodplain/Wetland Notice) (if required)
  - Must be ***PUBLISHED*** (needs to be published for ***1 day*** only)
  - Must have a ***15-day*** minimum Public Comment period

- Final Notice and Public Explanation of a Proposed Activity in a Floodplain/Wetland (Final Floodplain/Wetland Notice) (if required)
  - Must be ***PUBLISHED*** (needs to be published for ***1 day*** only)
  - Must have a ***7-day*** minimum Public Comment period

- Finding of No Significant Impact and Notice of Intent to Request Release of Funds (Combined Notice)
  - Can be published or posted (remains posted ***throughout*** comment period)
  - Must have a ***15-day*** minimum Public Comment period if published
  - Must have an ***18-day*** minimum Public Comment period if posted

The Combined Notice and the Final Floodplain/Wetland Notice may be disseminated simultaneously.

In addition to notifying the public through the methods listed above, appropriate Federal and State agencies must also be notified. Consult the Distribution Lists below to determine which Notices must be sent to Federal and State agencies and when they are required to be sent. Use the form letters below as a guide for notifying the agencies.

- Floodplain-Wetland Distribution List
- Combined Notice Distribution List
- Notice of Intent (ENV-NOI)
- Combined Notice (ENV-CN)
- Early and Final Floodplain-Wetland Notice
- Sample Early Floodplain-Wetland Notice Notification Letter
- Sample Final Floodplain-Wetland Notice Notification Letter
- Sample Combined Notice Notification Letter
- Sample Notice of Intent Notification Letter

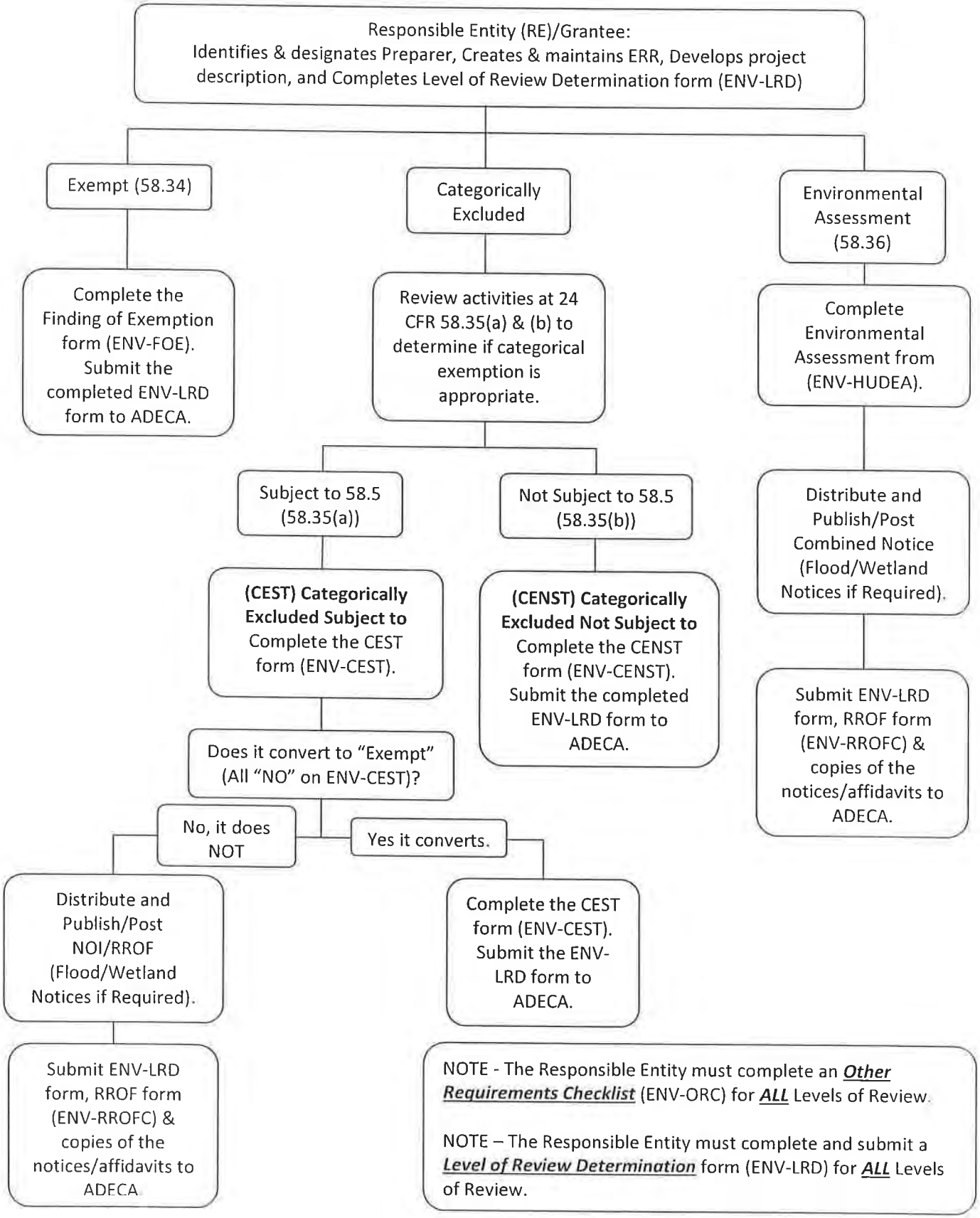
MONITORING

All projects are subject to monitoring. After submitting the required information to ADECA, a "desk review" will be made in order to determine if the submittal meets HUD's requirements. A copy of the form that is used for this review can be found below. Once it has been determined that the submittal has been made successfully a "Notice of Removal of Grant Conditions" will be issued. A copy will be forwarded along in the Grant Agreement Package.

At some point beyond the 30% fund expenditure point an "onsite review" will be conducted. This review is conducted during the monitoring visit. A copy of the form that is used for this review can be found below. A successful review is conducted when all appropriate fields of the form have been completely filled in and proper documentation has been included in the ERR.

- Desk Environmental Review Monitoring Checklist
- On-site Environmental Review Monitoring Checklist

ADECA CDBG ENVIRONMENTAL REVIEW PROCESS
GENERAL FLOW OF REVIEW PROCEDURES
24 CFR PART 58



ADECA

On-Site Environmental Review Monitoring Checklist

Grantee Name: _____ Project No: _____

Preparer: _____ Date Prepared: _____

Follow-Up Review Indicated: ☐ YES ☐ NO

Environmental Review Summary of Dates

1. If the Grantee mailed letters to organizations seeking concurrence with the project, record below the dates those letters were sent and the dates that any concurrence was received:

	Date Sent	Date Received
State Historic Preservation Office (SHPO) (Min 30 Days):	_____	_____
Tribal Historic Preservation Office (THPO) (Min 30 Days):	_____	_____
U.S. Fish & Wildlife Service (FWS):	_____	_____
U.S. Army Corps of Engineers (ACE):	_____	_____
(Other) _____:	_____	_____
(Other) _____:	_____	_____

2. Did any of the concurrences require any mitigation measures? ☐ Yes ☐ No

   a. If "Yes", list the date that the mitigation measures were completed or cleared: _____

3. Were any comments received by the Grantee during the Public Comment Period? ☐ Yes ☐ No

   a. If "Yes", were they addressed by the Grantee in writing? ☐ Yes ☐ No ☐ N/A

4. Record the date that the Level of Review Determination Form (ENV-LRD) was signed by the Certifying Officer and which level of review is indicated:

☐	1. Exempt	Date Signed: _____
☐	2A. Categorically Excluded Subject to (CEST)	Date Signed: _____
☐	2B. Categorically Excluded Subject to Converts to Exempt	Date Signed: _____
☐	3. Categorically Excluded Not Subject to (CENST)	Date Signed: _____
☐	4. Environmental Assessment (EA)	Date Signed: _____
☐	5. Environmental Impact Statement (EIS)	Date Signed: _____

5. List the date that the Notice was published/posted: _____
   CEST - Notice of Intent to Request Release of Funds (NOI/RROF)
   EA & EIS - Finding of No Significant Impact ***AND*** Notice of Intent to Request Release of Funds (Combined Notice)
   -No Notices required for the following categories: 1, 2B, and 3.

6. List the release date on the Notice of Removal of Grant Conditions (ENV-NRGC): _____

7. List the date that construction began on the project: _____

Part A: Level of Review Determination (Only one portion of Part A must be completed)

NOTE: Questions highlighted in Gray only apply to projects funded in 2015 or later

1. For **Exempt** activities, (which include administration, environmental studies, planning, engineering and design costs, temporary assistance for imminent threats, etc…) ensure that the Environmental Review Record (ERR) contains ***EACH*** of the following:

	Yes	No
a. A Level of Review Determination Form (ENV-LRD) completed and signed	☐	☐
b. A Finding of Exemption Form (ENV-FOE) completed	☐	☐
c. An Other Requirements Checklist Form (ENV-ORC) completed and signed	☐	☐
d. A copy of the Notice of Removal of Grant Conditions (ENV-NRGC)	☐	☐

2A. For **Categorically Excluded Subject to** activities, (which include rehabilitation of water and sewer lines, streets, drainage structures, senior centers, housing, etc…) ensure that the Environmental Review Record (ERR) contains ***EACH*** of the following:

	Yes	No
a. A Level of Review Determination Form (ENV-LRD) completed and signed	☐	☐
b. A Categorically Excluded Subject to Form (ENV-CEST) completed and signed	☐	☐
i. Was the ENV-CEST signed after all concurrences were received?	☐	☐
c. An Other Requirements Checklist Form (ENV-ORC) completed and signed	☐	☐
d. A copy of the Notice of Intent to Request Release of Funds (NOI/RROF)	☐	☐
i. Was the Notice published/posted after the ENV-CEST was signed?	☐	☐
ii. Was the Notice disseminated to the following:		
1. Interested Individuals and groups (if applicable)	☐	☐
2. All appropriate Tribal, Local State & Federal Agencies	☐	☐
3. Local Media	☐	☐
iii. Was the notice published/posted in compliance with Executive Order 13166 (Language Access Plan) (if required)?	☐	☐
e. A Request for Release of Funds & Certification Form (ENV-RROFC)	☐	☐
f. A copy of the Notice of Removal of Grant Conditions (ENV-NRGC)	☐	☐

2B. For **Categorically Excluded Subject to** activities that ***CONVERT*** to Exempt, (which can include rehabilitation of water and sewer lines, streets, drainage structures, senior centers, housing, etc…) ensure that the Environmental Review Record (ERR) contains ***EACH*** of the following:

	Yes	No
a. A Level of Review Determination Form (ENV-LRD) completed and signed	☐	☐
b. A Categorically Excluded Subject to Form (ENV-CEST) completed and signed	☐	☐
i. Was the ENV-CEST signed after all concurrences were received?	☐	☐
c. An Other Requirements Checklist Form (ENV-ORC) completed and signed	☐	☐
d. A copy of the Notice of Removal of Grant Conditions (ENV-NRGC)	☐	☐

3. For **Categorically Excluded Not Subject to** activities, (which include economic development (non-construction), supportive services, utilities, supplies, etc…) ensure that the Environmental Review Record (ERR) contains ***EACH*** of the following:

	Yes	No
a. A Level of Review Determination Form (ENV-LRD) completed and signed	☐	☐
b. A Categorically Excluded Not Subject to Form (ENV-CENST) completed	☐	☐
c. An Other Requirements Checklist Form (ENV-ORC) completed and signed	☐	☐
d. A copy of the Notice of Removal of Grant Conditions (ENV-NRGC)	☐	☐

4. For **Environmental Assessments**, (which can include new construction: new water & sewer lines, water tanks, pump stations, senior centers, etc…) ensure that the Environmental Review Record (ERR) contains ***EACH*** of the following:	Yes	No
a. A Level of Review Determination Form (ENV-LRD) completed and signed	☐	☐
b. An Environmental Assessment Form (ENV-HUDEA) completed and signed	☐	☐
i. Was the Statutory Checklist section of the form complete with documentation?	☐	☐
ii. Were the following sections completed on the form:		
1. Existing Conditions & Trends?	☐	☐
2. Environmental Assessment Factors (Chart)?	☐	☐
3. Alternatives/No Action Alternative?	☐	☐
4. Determination?	☐	☐
iii. Was the Environmental Assessment Factors section completed properly allowing for the reasonable determination of the Finding of No Significant Impact (FONSI)?	☐	☐
iv. Was a Finding of No Significant Impact indicated in the Determination section? (if "No" an EIS is required)	☐	☐
1. Was the form signed and dated ***after*** all concurrences had been received?	☐	☐
c. An Other Requirements Checklist (ENV-ORC) completed and signed?	☐	☐
d. A copy of the Finding of No Significant Impact and Notice of Intent to Request Release of Funds (Combined Notice)	☐	☐
i. Was the Combined Notice published/posted after the ENV-HUDEA was signed?	☐	☐
ii. Was the Notice disseminated to the following:	☐	☐
1. Interested Individuals and groups (if applicable)	☐	☐
2. All appropriate Tribal, Local State & Federal Agencies	☐	☐
3. Local Media	☐	☐
iii. Was the notice published/posted in compliance with Executive Order 13166 (Language Access Plan) (if required)?	☐	☐
e. A Request for Release of Funds & Certification (ENV-RROFC)	☐	☐
f. A Notice of Removal of Grant Conditions (ENV-NRGC)	☐	☐

5. For **Environmental Impact Statements (EIS)**, (which is required when a project is determined to have a potentially significant impact on the human environment) a specialized visit is required.	Yes	No
a. Is there an indication that an Environmental Impact Statement is required? (If "Yes" contact the ADECA Environmental Officer for further assistance)	☐	☐

Part B: Other Requirements Checklist Documentation (Applies to all projects)

	Comments/Documentation
1. Floodplain Insurance (24 CFR 58.6(a) & (b)) – The Environmental Review Record (ERR) should contain ***ONE*** of the following types of documentation (please select which documentation was in the ERR): ☒ Documentation supporting the determination that the project does not require flood insurance or is excepted from flood insurance.	CDBG, ESG & HOPWA funded projects are exempt from Flood Insurance Requirements per 42 USC 4003(a)(3), 24 CFR 58.6(a)(3) & 55.1(b)(1)
2. Coastal Barrier Resources (24 CFR 58.6(c)) – The Environmental Review Record (ERR) should contain ***ONE*** of the following types of documentation (please select which documentation was in the ERR): ☐ A map that establishes the Coastal Barrier Resource System Units location in relation to the project location. ☐ A map issued by the FWS or FEMA (or from their website) showing that the proposed project is not located within a designated Coastal Barrier Resource System Unit. The FEMA map panel number must be cited within the ERR. ☐ Approval of the project from the FWS, including all prior correspondence.	
3. Runway Clear Zones & Clear Zones (24 CFR 58.6(d)) - The Environmental Review Record (ERR) should contain ONE of the following types of documentation (please select which documentation was in the ERR): ☐ Documentation that the rule is not applicable to the proposed project (i.e., acquisition of an existing building, "minor" rehabilitation, or emergency action). ☐ A map showing the site is not within 15,000 feet of a military airport or within 2,500 feet of a civilian airport. ☐ If within 15,000 feet of a military airport, a map showing the site is not within a designated APZ (Accident Potential Zone) or a letter from the airport operator stating so. ☐ If within 2,500 feet of a civilian airport, a map showing the site is not within a designated RPZ/CZ (Runway Protection Zone/Clear Zone) or a letter from the airport operator stating so. ☐ If the site is in a designated APZ, documentation of consistency with DOD (Department of Defense) Land Use Compatibility Guidelines. ☐ If the site is in a designated RPZ/CZ and the project does not involve any facilities that will be frequently used or occupied by people, and a determination of such and a written assurance from the airport operator that there are no plans to purchase the land as part of a RPZ/CZ program. ☐ If the site is in a designated RPZ/CZ and the project involves the acquisition or sale of an existing property that will be frequently used or occupied by people, a copy of the notice to prospective buyers signed by the prospective buyer.	

Part C: Statutory Checklist – Related Federal Laws & Authorities at 24 CFR 58.5 *(Applies to Levels of Review 2A, 2B, & 4)*

1. **Historic Preservation** [36 CFR Part 800] – The Environmental Review Record (ERR) must indicate which ***ONE*** of the three following findings has been selected ***AND*** the type of documentation that was provided:	**Comments/ Documentation**
☐ **No Historic Properties Effected:** ☐ Documentation of the Programmatic Agreement (PA) between SHPO and ADECA confirming the activities are covered by the PA. ☐ Letter from SHPO (or THPO on tribal lands) that concurs with HUD's or the Responsible Entity's determination of "no historic properties affected." ☐ With documentation on 1) the undertaking and the Area of Potential Effect (APE) (including photographs, maps, and drawings, as necessary), 2) steps taken to identify historic properties, 3) the basis for determining that no historic properties are present or affected, 4) evidence of tribal consultation if required; and 5) copies or summaries of any views provided by consulting parties and the public. ☐ If the SHPO has not responded to a properly documented request for concurrence within 30 days of receipt of the request, document the request and lack of response as part of the record.	
☐ **No Adverse Effect:** ☐ Letter from SHPO (or THPO on tribal lands) that concurs with HUD'S or the Responsible Entity's finding of "no adverse effect." ☐ With documentation on 1) the undertaking and the APE (including photographs, maps, and drawings, as necessary), 2) steps taken to identify historic properties, 3) affected historic properties (including characteristics qualifying them for the NR), 4) the undertaking's effects on historic properties, 5) why the criteria of adverse effect were not applicable (§800.5), 6) evidence of tribal consultation if required, and 7) copies or summaries of any views provided by consulting parties and the public. ☐ If the SHPO has not responded to a properly documented request for concurrence within 30 days of receipt of the request, document the request and lack of response as part of the record.	
☐ **Adverse Effect:** ☐ Notification of adverse effect sent to Advisory Council on Historic Preservation. ☐ Letter from SHPO (or THPO on tribal lands) that concurs with a finding of "adverse effect." ☐ With documentation on 1) the undertaking and the APE (including photographs, maps, and drawings, as necessary), 2) steps taken to identify historic properties, 3) affected historic properties (including characteristics qualifying them for the NR), 4) the undertaking's effects on historic properties, 5) why the criteria of adverse effect are applicable (§ 800.5), 6) evidence of tribal consultation if required, and 7) copies or summaries of any views provided by consulting parties and the public. ☐ A Memorandum of Agreement (MOA) or a Programmatic Agreement (PA) signed by the HUD official or Responsible Entity, SHPO/THPO, the Advisory Council on Historic Preservation if participating, and other signatory and concurring parties. ☐ If resolution is not reached in an MOA or PA, provide correspondence and comments between the Advisory Council on Historic Preservation and HUD Secretary (for Part 50 projects) or Responsible Entity's chief elected local official (for Part 58 projects).	

2. **Tribal Consultation** [Notice CPD-12-006, issued June 15, 2012] – The Environmental Review Record (ERR) must contain evidence that Tribal Consultation was considered or completed and must contain ***ONE*** of the following types of documentation:	**Comments/ Documentation**
☐ A completed "When to Consult with Tribes" Checklist (found in the appendix of HUD Notice CPD-12-006) ☐ A letter from Tribal Historic Preservation Officer (THPO) concurring with the project or a letter documenting that "No Response" was received from THPO.	

3. **Floodplain Management** [24 CFR Part 55, EO 11988] – The Environmental Review Record (ERR) should contain evidence whether or not a project is located in a Floodplain or could have an effect on a Floodplain. Indicate the project's location and ***ONE*** of the types of documentation provided:	**Comments/ Documentation**
☐ The project ***IS NOT*** located in or ***DOES NOT*** impact a Floodplain: ☐ A FEMA map showing the project is not located in a Special Flood Hazard Area.	
☐ The project ***IS*** located in or ***DOES*** impact a Floodplain: ☐ Documentation supporting the determination that an exception at 55.12(c) applies. ☐ A FEMA map showing the project is located in a Special Flood Hazard Area along with documentation of the 8-Step Process and required notices. If the 5-Step Process is applicable, provide documentation of the 5-Step Process and indicate the applicable citation. If the 8-Step Process is inapplicable, indicate the applicable citation and document the determination. [55.20]	

4. **Wetlands Protection** [24 CFR Part 55, EO 11990] – The Environmental Review Record (ERR) must contain evidence whether or not a project is located in a Wetland or could have an effect on a Wetland. Indicate the project's location and ***ONE*** of the types of documentation provided:	**Comments/ Documentation**
☐ The project ***IS NOT*** located in and ***DOES NOT*** impact a Wetland: ☐ A map or other relevant documentation (i.e. concurrence with Fish & Wildlife Service, USDA/NRCS National Soils Survey and/or U.S. Army Corp of Engineers) supporting the determination that the project does not impact an on- or off-site wetland.	
☐ The project ***IS*** located in or ***DOES*** impact a Wetland: ☐ A completed 8-Step Process, including a map and the early and final public notices. ☐ Documentation supporting the determination that an exception at 55.12(a)(3), 55.12(a)(4), 55.12(c)(3), 55.12(c)(7), or 55.12(c)(10) applies. ☐ Documentation supporting the determination that the project does not involve new construction (as defined in Executive Order 11990), expansion of a building's footprint, or ground disturbance.	

5. **Coastal Zone Management** [16 U.S.C. 1451, 307(c) & (d)] – The Environmental Review Record (ERR) must contain evidence that the project's location, in relation to the Coastal Zone Management Area, was considered. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ A map indicating that the project is not located in the CZMA. ☐ A Federal consistency determination from the state coastal commission, including a description of any necessary mitigation.	

6. **Sole Source Aquifers** [40 CFR Part 149] – The Environmental Review Record (ERR) must contain evidence that the project's location, in relation to Sole Source Aquifers, was considered. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☒ Documentation, including a map, showing that the project site is not on a sole source aquifer. ☐ A determination that the project consists solely of acquisition, leasing, or rehabilitation of existing buildings. ☐ Documentation showing that a Memorandum of Understanding (MOU) or agreement with the EPA excludes your project from further review. ☐ Documentation that EPA has reviewed and commented on the proposed action within an SSA and a description of any mitigation measures, if necessary.	There are NO Sole Source Aquifers located in the state of Alabama. Map must be included in ERR.

7. **Endangered Species** [50 CFR 402] – The Environmental Review Record (ERR) must contain evidence that ***ONE*** of the following determinations has been made the documentation supporting the decision:	**Comments/ Documentation**
☐ **No Effect**, including a determination that the project does not involve any activities that have a potential to affect species or habitats, evidence that there are no federally listed species in the area, **a concurrence letter from U.S. Fish & Wildlife Service** or other analysis supporting a No Effect finding. ☐ **May Affect**, Unlikely to Adversely Affect, including all correspondence with the Fish and Wildlife Service or the National Marine Fisheries Service. ☐ **Likely to Adversely Affect**, including all correspondence with the Fish and Wildlife Service or the National Marine Fisheries Service.	

8. **Wild and Scenic Rivers** [36 CFR 297] – The Environmental Review Record (ERR) must contain evidence that the project is not located within ¼ mile of a river on the National Wild and Scenic River System (NWSRS) list. Which ***ONE*** of the following types of documentation is provided as support:	**Comments/ Documentation**
☐ Evidence the proposed action is not within ¼ mile of a river in the NWSRS listed below: ***EACH*** type of river must be cleared (indicate that each was considered): ☐ Wild & Scenic Rivers ☐ Study Rivers ☐ Nationwide Rivers Inventory (NRI) ☐ Documentation that contact was made with the Federal (or State) agency that has administrative responsibility for management of the river and that the proposed action will not affect river designation or is not inconsistent with the management and land use plan for the designated river area.	

9. **Air Quality** [40 CFR Parts 6, 51, 93] – The Environmental Review Record (ERR) must contain evidence that the project is in compliance with Air Quality standards. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ A determination that the project does not include new construction or conversion of land use facilitating the development of public, commercial, or industrial facilities OR five or more dwelling units. ☐ Documentation that the project's county or air quality management district is not in nonattainment or maintenance status for any criteria pollutants. ☐ Evidence that estimated emissions levels for the project do not exceed de minimis emissions levels for the nonattainment or maintenance level pollutants. ☐ A determination that the project can be brought into compliance with the State Implementation Plan (SIP) through modification or mitigation, including documentation on how the project can be brought into compliance.	

10. **Farmlands Protection** [7 CFR Part 658] – The Environmental Review Record (ERR) must contain evidence that the project does not adversely affect Farmlands. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ A determination that the project does not include any activities, including new construction, acquisition of undeveloped land, or conversion that could potentially convert one land use to another. ☐ Evidence that the exemption applies, including all applicable maps. ☐ Evidence supporting the determination that "Important Farmland," including prime farmland, unique farmland, or farmland of statewide or local importance regulated under the FPPA does not occur on the project site. ☐ Documentation of all correspondence with NRCS, including the completed AD-1006 and a description of the consideration of alternatives and means to avoid impacts to Important Farmland.	

11. **Noise Abatement & Control** [24 CFR 58.5(i)(2)] – The Environmental Review Record (ERR) must contain evidence that the project does not adversely affect existing noise conditions and/or does not involve a noise sensitive activity. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ Documentation that the proposed action does not involve a noise sensitive subject matter. ☐ Documentation the proposed action is not within 1000 feet of a major roadway, 3,000 feet of a railroad, or 15 miles of a military or FAA-regulated civil airfield. ☐ If within those distances, documentation showing the noise level is Acceptable (at or below 65 DNL). ☐ If within those distances, documentation showing that there's an effective noise barrier (i.e., that provides sufficient protection). ☐ Documentation showing the noise generated by the noise source(s) is Normally Unacceptable (66 – 75 DNL) and identifying noise attenuation requirements that will bring the interior noise level to 45 DNL and/or exterior noise level to 65 DNL.	

12. **Explosive & Flammable Facilities** [24 CFR 51c] – The Environmental Review Record (ERR) must contain evidence that the proximity to both aboveground storage tanks and hazardous facilities has been analyzed. For ***EACH*** of the categories below, mark which type of documentation was provided:	**Comments/ Documentation**
Indicate which ***ONE*** of the following types of documentation was included for aboveground storage tanks: ☐ A determination that the project does not include development, construction, rehabilitation that will increase residential densities, or conversion. ☐ Evidence that within one mile of the project site there are no current or planned stationary aboveground storage containers of more than 100-gallon capacity containing common liquid industrial fuels or of any capacity containing hazardous liquids or gases that are not common liquid industrial fuels. ☐ A determination along with all supporting documentation that the separation distance of such containers from the project is acceptable. ☐ Documentation of the existing or planned barrier that would serve as sufficient mitigation, including correspondence with a licensed engineer.	
Indicate which ***ONE*** of the following types of documentation was included for hazardous facilities: ☐ A determination that the project does not include a hazardous facility. ☐ A determination along with all supporting documentation that the hazardous facility is located at an acceptable separation distance from residences and any other facility or area where people may congregate or be present. ☐ Documentation of the existing or planned barrier that would serve as sufficient mitigation, including correspondence with a licensed engineer.	

13. **Site Contamination** [24 CFR 58.5(i)(2)] – The Environmental Review Record (ERR) must contain evidence that the project site is not contaminated or has been cleared of contaminations. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ Evidence the site is not contaminated (for multifamily housing projects this includes on site and off site contamination and previous uses of the site); a Phase I Environmental Site Assessment is strongly encouraged for multifamily and non-residential projects.	
☐ Evidence supporting a determination the hazard will not affect health and safety of the occupants or conflict with the intended use of the site, including any mitigation measures used.	
☐ Documentation the site has been cleaned up according to EPA or state standards for residential properties, which requires a letter of "No Further Action" (NFA) required from the appropriate state department/agency, or a RAO (Response Action Outcome) letter from the LSRP (Licensed Site Remediation Professional).	

14. **Environmental Justice** [EO 12898] – The Environmental Review Record (ERR) must contain evidence that the project protects the environment and human health fairly regardless of race, color, national origin or income. Indicate which ***ONE*** of the types of documentation was provided:	**Comments/ Documentation**
☐ Evidence that the site or surrounding neighborhood does not suffer from adverse environmental conditions and evidence that the proposed action will not create an adverse and disproportionate environmental impact or aggravate an existing impact. (Describe how the proposed action will not have a disproportionate adverse impact on minority or low-income populations.)	ADECA's Community & Economic Development Programs only fund low- to moderate- income level Communities improving/eliminating any Environmental Injustice that may exist in the Community.
☒ Evidence that the project is not in an environmental justice community of concern (demographics, income, etc.) or evidence that the project does not disproportionately affect a low-income or minority population.	
☐ If there are adverse effects on low-income or minority populations, documentation that that the affected community residents have been meaningfully informed and involved in a participatory planning process to address (remove, minimize, or mitigate) the adverse effect from the project and the resulting changes.	

Part D: Environmental Review Record (ERR) [58.38]

Answer the following questions about the ERR:	Yes	No	N/A	Comments/ Documentation
1. Has the Grantee established an ERR? [58.38]	☐	☐	☐	
2. Briefly describe the Grantee's system for carrying out its environmental review responsibilities (e.g. staff, consultant)				
3. Is there evidence that the staff person(s) designated by the Grantee lacks knowledge or training on environmental review requirements for ADECA programs?	☐	☐	☐	
4. Is there a separate ERR for each project?	☐	☐	☒	ADECA funds only one project at a time.
5. Do the ERRs reviewed contain project descriptions, including geographic boundaries (where applicable) and reference all activities included as part of the overall project? [§58.38]	☐	☐	☐	
6. For the time period reviewed, has ADECA received any objections raising noncompliance issues about the Grantee?	☐	☐	☐	
a. If "Yes", were the objections addressed by the Grantee after ADECA forwarded them? [§58.75]	☐	☐	☐	
7. Floodplain/Wetland Management: Where projects were located in floodplains/wetlands, does the ERR contain ***EACH*** of the following:				
a. A copy of the 8/5-step process? [§55.20]	☐	☐	☐	
b. Copies of the ***PUBLISHED*** Notices below:				
i. An Early Notice and Public Review of a Proposed Activity in a 100-year Floodplain	☐	☐	☐	
ii. A Final Notice and Public Review of a Proposed Activity in a 100-year Floodplain	☐	☐	☐	
8. For the records reviewed, do the Grantee records show that **no grant funds were obligated or spent** (other than activities under 24 CFR 58.22(f), 58.34, or 58.35(b)) prior to receipt of the ADECA's "Notice of Removal of Grant Conditions". [§58.22]	☐	☐	☐	
9. For the records reviewed, do the Grantee records show that **no physical development activities (e.g. construction)** began prior to receipt of the ADECA's "Notice of Removal of Grant Conditions". [§58.22]	☐	☐	☐	
10. If there were projects over a one or more year period, were environmental reviews conducted on the full scope of multi-year activities?	☐	☐	☒	ADECA does not fund multi-year projects even though a project's length can span multiple years.
11. If projects or activities were a continuation of a previously approved project, was a written decision supporting the continued applicability of the previous environmental review and clearance included in the ERR? (Re-evaluation of a previous Environmental Review)	☐	☐	☐	
12. If mitigation measures were required were they included in the ERR as part of the actions pertaining to the environmental review?	☐	☐	☐	

Civil Rights, Equal Opportunity and Fair Housing

I. INTRODUCTION

CDBG grant recipients must administer their programs in a nondiscriminatory manner without regard to race, color, national origin, sex, age, religion, handicap, or familial status. The five major areas where CDBG Civil Rights compliance is mandatory are:

* Equal provision of services, benefits, facilities, and improvements;
* Equal employment opportunity;
* Equal access to CDBG contract and business opportunities;
* Section 504 handicapped requirements; and
* Compliance with Federal Fair Housing legislation.

Each applicant and recipient of Community Development funds is expected to carry out the various equal opportunity provisions of the Housing and Community Development Act and other applicable Civil Rights laws and regulations. When you submit your grant application to the ADECA, your Chief Elected Official must sign a general assurances statement to that effect. Furthermore, grantee responsibilities in the area of equal opportunity, handicapped accessibility, and fair housing are specifically identified in the subject "Grant Agreement," and acceptance thereof binds your community' s compliance.

This chapter identifies the various Civil Rights requirements of the CDBG program, along with a number of suggested measures or actions that can be undertaken at the local government level to assure compliance with each. The following tasks have been identified to assist you in that endeavor:

TASKS A: Designate Equal Opportunity Official.

B: Maintain Local Government Employment Records.

C: Maintain Project Benefit Records.

D: Meet Equal Opportunity Contracting Requirements.

E: Provide Equal Access to CDBG Related Business Opportunities.

F: Affirmatively Further the Concept of Fair Housing.

G: Assess Handicapped Accessibility to Recipient Programs, Facilities and Employment.

H: Refer Civil Rights Complaints to the Appropriate Enforcement Agency.

II. COMPLIANCE MONITORING

Although the ADECA is required to monitor for Civil Rights violations, the U.S. Department of Housing and Urban Development has retained ultimate responsibility for compliance in this area. As such, they have the authority to visit and monitor your community's performance and recordkeeping. Also, they may require corrective actions or impose economic sanctions for infractions. To avoid the imposition of any such corrective actions, please refer to this manual and contact the ADECA Equal Opportunity Specialist for any additional resource information and technical assistance.

III. REGULATORY REFERENCES

Listed below are brief summaries of the Civil Rights provisions that apply to the CDBG program. You may refer to each source for a more in-depth understanding of the nondiscrimination requirements contained therein.

* Title VI of the Civil Rights Act of 1964 provides that no person shall be excluded from participation, be denied program benefits, or subjected to discrimination on the basis of race, color, or national origin under any program or activity receiving Federal financial assistance.

* Title VIII of the Civil Rights Act of 1968 (Federal Fair Housing Act) prohibits discrimination in the sale, rental, advertisement, and financing of residential real estate on the basis of race, color, religion, sex, or national origin. The Fair Housing Amendments Act of 1988 extended this protective coverage to handicapped individuals and families with children as well. Furthermore, Title VIII requires the U.S. Department of Housing and Urban Development to administer its programs in a manner that will affirmatively promote fair housing.

* Section 109 of the Housing and Urban Development Act of 1974, as amended, provides that no person shall be excluded from participation, including employment; denied program benefits; or subject to discrimination on the basis of race, color, national origin, sex, age, or handicap under any program or activity funded in whole or in part under Title I of the Act (CDBG).

* Section 3 of the Housing and Urban Development Act of 1968, as amended, provides that, to the greatest extent feasible, opportunities for training and employment that arise through CDBG financed projects shall be given to lower-income residents of the project area. Section 3 also provides that, to the greatest extent feasible, contracts awarded in connection with such projects be awarded to businesses located in the project area, or businesses owned, in substantial part, by residents of the project area.

* Section 504 of the Rehabilitation Act of 1973, as amended, provides that no otherwise qualified individual shall, solely by reason of his or her handicap, be excluded from participation, including employment; be

denied program benefits; or be subjected to discrimination under any program or activity receiving Federal funds. The Americans with Disabilities Act (ADA) extends Section 504 accessibility standards to all state and local government facilities, services, and communications.

* The Age Discrimination Act of 1975, as amended, provides that no person shall be excluded from participation, denied program benefits, or subjected to discrimination on the basis of age under any program or activity receiving Federal funds.

* Executive Order 10063 provides that no person shall, on the basis of race, color, religion, sex, or national origin, be discriminated against in housing and rclated facilities provided with Federal assistance, and lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the Federal Government.

* Executive Order 11246, as amended, provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin in any phase of employment during the performance of Federal or Federally assisted contracts in excess of $10,000.

* Section .36 of the Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (Common Rule) includes requirements to maximize the use of small, minority and female- owned businesses in procurement and contracting with Federal funds.

IV. GRANTEE RESPONSIBILITIES

This section highlights strategies, procedures and required actions for complying with the laws and regulations outlined above. You are responsible for developing ways to affirmatively further equal opportunity, handicapped accessibility, and fair housing in your community. The following tasks will provide information to assist you with fulfilling your community's Civil Rights responsibilities. These tasks identify areas that must be addressed by each recipient of CDBG funds, and provides suggested and/or required actions that are necessary to meet that particular requirement of the program. The activities identified are designed to satisfy all applicable CDBG Civil Rights requirements. However, from time to time you may find it necessary to modify one or more of them to address the special needs and demands of your community.

TASK A: DESIGNATE EQUAL OPPORTUNITY OFFICIAL

As required by the "Letter of Conditional Commitment" process:

1. Designate an Equal Opportunity Official who will be responsible for Civil Rights compliance and recordkeeping for your community development program.

2. Send the "Designation of Responsible Officials" form to the ADECA to identify the individual selected (Exhibit 1-6).

TASK B: MAINTAIN LOCAL GOVERNNENT EMPLOYMENT RECORDS

As a CDBG recipient, your local government is required to affirmatively further and promote equal opportunity in employment. As such, the following policies and procedures should be in place and documented:

1. Maintain personnel records sufficiently detailed to identify and monitor workforce composition by race, sex, and handicapped status.

2. Make sure local government hiring practices adhere to equal opportunity guidelines:

   * Identify the local government as an equal opportunity employer in all job announcements.

   * Post all job openings in places frequented by the general public.

   * Advertise job vacancies in the local newspaper and/or utilize the services of the State of Alabama Employment Service.

3. Develop written personnel policies and procedures sufficient to guarantee equal opportunity with respect to hiring, firing, advancement and compensation.

4. Document the circumstances surrounding any employment discrimination complaint filed against the grantee.

TASK C: MAINTAIN PROJECT BENEFIT RECORDS

All activities funded, in whole or in part, by the grant must be implemented in a way that does not exclude from participation, deny the benefits of, or discriminate against persons on the basis of race, religion, color, national origin, handicap, age, marital status or sex. It is your community's responsibility to take whatever actions are necessary to prevent discrimination providing CDBG funded services, facilities and improvements.

To document compliance with this requirement of the CDBG program, the following data must be accurately collected and maintained:

1. A total count of direct project beneficiaries (customers served, recipients of housing rehabilitation grants, employees hired or retained, etc.).

2. A breakdown of beneficiaries by race, income level, handicap and female head of household status.

3. A statistical analysis of program beneficiaries, by activity, to be submitted to the ADECA in the grant closeout documents (Small Cities Performance Assessment Report).

TASK D: MEET EQUAL OPPORTUNITY CONTRACTING REQUIREMENTS

Your community must undertake the following measures to satisfy CDBG equal opportunity contractual requirements:

1. For all CDBG related contract opportunities, construction and otherwise, seek to maximize the utilization of minority firms, female-owned businesses, and other small business enterprises in the project area (see TASK E).

2. Require contractors and subcontractors to develop and submit a Section 3 Affirmative Action Plan for contracts totaling more than $10,000.

3. Obtain goals for minority/female participation, and include all required equal opportunity clauses and certifications in bid and contract documents (see sample contract documents in Exhibit IV-1 for an example of the necessary language to be included in the equal opportunity provisions listed below).

   * Title VI, Civil Rights Act of 1964.

   * Certification of Non-Segregated Facilities.

   * Section 109, Housing and Community Development Act of 1974.

   * Section 3, Housing and Urban Development Act of 1968.

   * Section 504, Rehabilitation Act of 1973.

   * Age Discrimination Act of 1975.

4. Conduct a preconstruction conference to apprise contractors and subcontractors of their civil rights responsibilities, along with other contract requirements.

5. Make sure an equal employment opportunity poster is placed on the job site for convenient inspection (see Exhibit VI-5).

TASK E: PROVIDE EQUAL ACCESS TO CDBG RELATED BUSINESS OPPORTUNITIES

All grantees, to the maximum extent possible, are required to involve minority and female-owned firms, along with other small businesses in the project area, in the procurement of CDBG related contract opportunities. To fulfill this responsibility, grant recipients must implement the measures listed below:

1. Develop a solicitation list of qualified contractors and professional service providers, including minority/female firms, in and around the project area. Suggested sources for compiling this list include:

   * The local Chamber of Commerce.

   * Telephone and local business directories.

   * Local civic and educational organizations.

   * The Alabama Department of Transportation's list of "Certified Disadvantaged Business Enterprises."

2. Solicit proposals and bids from qualified minority/female firms whenever CDBG related contract opportunities arise. Suggested solicitation methods include:

   * Contact contractors and professional service providers on the above-referenced solicitation list by mail or telephone.

   * Advertise invitations for bid and requests for proposals in newspapers of general circulation.

   * Utilize the services of the Alabama Small Business Procurement System (use form shown in Exhibit V-1).

   * Notify the Alabama Office of Minority Business Enterprise of bid opportunities (keep copy of letter in files for documentation).

3. Document and provide data on CDBG related contracts and subcontracts entered into with minority and female-owned businesses:

   * Collect data on the type of business, contract amount, and race/gender of all contractors and professional service providers participating in the CDBG program.

   * Complete and submit two copies of the ADECA Form 2516 "Contract and Subcontract Activity" semi-annually in April and October of each year during the life of the grant (Exhibit V-2).

4. Ensure that contractor/subcontractors fulfill their Section 3 responsibilities. Section 3 of the Housing and Urban Development Act of 1968 requires recipients of HUD funding, to the greatest extent feasible, to award contracts to businesses that contribute to the economic advancement of low or very low-income persons. Section 3 business concerns are defined as those that meet at least one of the following conditions:

* Majority ownership is held by Section 3 residents (contact the ADECA Civil Rights Specialist for the definition of a Section 3 resident in your community).

* At least 30 percent of the employees are Section 3 residents or were within the first 3 years of their employment.

* More than 25 percent of their work is subcontracted to businesses that meet either of the first two conditions.

Section 3 preference requirements are triggered by the need for new hires (whether employees of the recipient, contractor or subcontractor). As such, CDBG grantee Section 3 responsibilities include:

* Incorporate specific Section 3 language in all solicitations (Requests for Proposals and bids) and all "covered" contracts.

* Require statement of workforce needs from contractors, and obtain a Section 3 Affirmative Action Plan for all contracts of more than $10,000.

* Implement procedures to notify Section 3 residents of training and employment opportunities and to notify Section 3 businesses of contracting opportunities generated by Section 3 projects.

* Provide training, employment, and contracting opportunities to Section 3 residents and businesses "to the greatest extent feasible", and document such efforts.

* Collect data on the number of employment opportunities generated by such projects and the number of opportunities made available to Section 3 residents. This information should be provided annually to the ADECA for the duration of your grant (see HUD Form 60002 at Exhibit V-5).

* Attempt to meet the numerical goals as currently required by Section 3.

* Cooperate with HUD in obtaining compliance from contractors and subcontractors.

Each grantee is also responsible for compliance with Section 3 in its own operations, as well as ensuring compliance by its contractors and subcontractors. This responsibility includes, but is not limited to, the following:

* Implementing procedures for notifying Section 3 residents about training and employment opportunities and Section 3 businesses about contracting opportunities.

* Notifying all potential contractors of Section 3 requirements and incorporating the Section 3 clause into all solicitations and contracts.

* Facilitation training, employment and contract awards pertaining to Section 3.

* Ensuring Section 3 compliance by contractors and subcontractors, and refraining from contracting with those contractors found in violation of Section 3 regulations.

* Documenting actions taken to comply with Section 3 requirements, as well as results of those actions and any impediments.

* If appropriate, providing Section 3 information in languages other than English.

* Collecting data and submitting reports as required.

Contact the ADECA Civil Rights Specialist if questions arise concerning required actions needed to guarantee equal access to CDBG related employment and business opportunities.

TASK F: AFFIRMATIVELY FURTHER THE CONCEPT OF FAIR HOUSING

The U.S. Department of Housing and Urban Development (DHUD) requires that each State' s CDBG program conduct an analysis to identify impediments to Fair Housing choice. The State also must take appropriate actions to overcome the effects of any impediments identified through that analysis. The State of Alabama's CDBG program will require all grantees receiving state administered CDBG funds to submit a Fair Housing Analysis to ADECA. This means that all grantees must conduct an analysis to identify impediments to Fair Housing choice within their communities, take appropriate actions to overcome the effects of the impediments, and develop a timetable or schedule of action to resolve the identified problems.

In an effort to assist you in preparing a brief survey/guide to analyze the needs necessary in identifying impediments to Fair Housing choice, below is a suggested guide that should be used in conducting your analysis which should accomplish the following:

1. Identify the existing conditions that limit Fair Housing choice for owners and renters (i.e., private sector, financial institutions, and governmental actions impacting Fair Housing choice).

2. Determine changes needed in governmental policies, real estate, and lending practices to correct the impediments identified.

3. Develop a timetable or schedule for the resolution of the problems of impediments to Fair Housing choice.

TASK G: ASSESS HANDICAPPED ACCESSIBILITY TO RECIPIENT PROGRAMS, FACILITIES AND EMPLOYMENT

Section 504 of the Rehabilitation Act of 1973 provides that no qualified person shall, solely on the basis of handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. As such, all CDBG grantees must review their entire operations of local government (public facilities, employment practices, communications systems, programs, services, etc.) to determine the extent to which they are accessible to handicapped individuals.

1. Each CDBG grantee, with the assistance of interested disabled persons and/or organizations representing individuals with handicaps, must develop and make available for public inspection a written Self-Evaluation to assess its current efforts to comply with applicable Section 504 requirements. In fulfilling this requirement, you are encouraged to use the Self-Evaluation/Transition Plan Guide shown in Exhibit V-4.

2. Public buildings and facilities (parking areas, entrances, interior doorways, restrooms, water fountains, elevators, etc.) must not contain physical obstructions to the handicapped. If during the Self-Evaluation process any of the grantee's facilities are found to be not fully accessible, then a written Transition Plan must be prepared (see Exhibit V-4 referenced above) which identifies all physical impediments that need to be eliminated; a schedule for correcting each deficiency, if feasible; and the person(s) responsible for implementation.

3. Grant recipients must take the special needs of the handicapped into consideration in the design and construction of CDBG financed improvements, and data must be collected and maintained in the

project files showing to what extent handicapped individuals are beneficiaries of the program (see TASK C, above).

4. All grantees must develop an information dissemination process that will provide program information to interested beneficiaries and members of the general public who are handicapped.

   * Make the locations of all public hearings accessible to the handicapped, and provide a sign language interpreter whenever there is reason to believe deaf persons will be in attendance.

   * Utilize a telecommunications device for the deaf (TDD) should the grantee have to converse with hearing impaired applicants or beneficiaries over the telephone. Hearing impaired applicants or beneficiaries may be referred to the Alabama Relay Service if the grantee includes the Alabama Relay Service number and an explanation of its purpose in all public notices, as well as posting the same information in public places. Contact the ADECA Equal Opportunity Specialist for information on TDD's or utilization of the Alabama Relay Service.

5. Each grantee must insure that its employment and personnel practices do not discriminate against qualified disabled job applicants and employees, and that employment opportunities are not denied or restricted for handicapped workers based on the need to make reasonable accommodations to the workplace (see Self-Evaluation/Transition Plan Guide for more detail).

6. Unless it can be clearly demonstrated that to do so would pose an undue administrative or financial hardship, handicapped individuals must be given access to, or be eligible to participate in, any program, service or activity of general local government (public transportation, recreation/cultural activities, nutrition/senior citizen programs, etc.) provided by a recipient of a CDBG grant or loan.

7. Additionally, grantees with 15 or more employees must undertake the following actions to further satisfy Section 504 requirements:

   * Designate a Section 504 Coordinator.

   * Establish a grievance procedure that provides for the prompt and equitable resolution of complaints alleging violations of Section 504 requirements.

* Provide continuing notice to employees, program beneficiaries, and the general public of the local government's policy of nondiscrimination on the basis of handicap (public notice, newspaper ads, media announcements, etc.).

* Maintain the written Self-Evaluation on file for a period of three years after its completion.

TASK H: REFER CIVIL RIGHTS COMPLAINTS TO THE APPROPRIATE ENFORCEMENT AGENCY

If any individual, group, or organization has a Civil Rights complaint about your community's program, the U.S. Department of Housing and Urban Development requires you to advise them to contact the Regional Director of Fair Housing and Equal Opportunity at:

U.S. Department of Housing and
Urban Development
Birmingham Field Office
Fair Housing and Equal Opportunity
600 Beacon Parkway West
Birmingham, Alabama 35209

The Field Office of Fair Housing and Equal Opportunity will investigate the complaint and advise the community of its findings, recommendations, and if necessary, any required corrective actions.

V. REQUIRED RECORDKEEPING

It is very important that the project files contain information necessary to fully document your community's compliance with all applicable Civil Rights mandates. At a minimum the following data, records, forms, etc., should be maintained and made readily available for review:

1. "Designation of Responsible Officials" form.

2. Analysis of local government workforce by race, sex, and handicap.

3. Written personnel policies and procedures.

4. Correspondence concerning the status or resolution of any citizen complaints involving minority individuals.

5. Data and records documenting the race, income, handicap, and female head of household status of all persons benefiting from CDBG funded activities.

6. Civil rights clauses and certifications in bid and contract documents.

7. Evidence to document attempts to solicit the participation of minority/female-owned firms and other small businesses in CDBG related bid and contract opportunities.

8. Complete ADECA Form 2516, "Contract and Subcontract Activity."

9. Complete HUD Form 60002, "Economic Opportunities for Low-and Very Low-Income Persons in Connection with Assisted Projects."

10. Documentation of all actions (correspondence, resolutions, studies, promotional material, etc.) to further fair housing initiatives in the community.

11. Section 504 Self-Evaluation and Transition Plan.

VI. REPORTING

The documents, reports, and forms listed below must be submitted to the ADECA as indicated:

1. "Designation of Responsible Officials" form (Exhibit 1-6). Submit as required by the "Letter of Conditional Commitment."

2. ADECA Form 2516, "Contract and Subcontract Activity." Submit two (2) copies semi-annually in April and October of each year (Exhibit V-2).

3. HUD Form 60002, "Economic Opportunities for Low-and Very Low-Income Persons in Connection with Assisted Projects" (Exhibit V-5). Submit annually.

4. Small Cities Performance Assessment Report, "Program Benefit" and "Direct Benefit" forms (Exhibit XI-1). Submit at project closeout.

VII. COMMON PROBLEMS/DEFIENCIES

* Failure to document efforts and actions that satisfy compliance.

* Failure to keep accurate records and statistical data on persons benefiting from the CDBG program.

* Equal opportunity provisions and documents are not included in bid and contract documents.

* Failure to implement actions to promote fair housing in the community.

* Failure to remedy impediments to accessibility for handicapped beneficiaries, employees, and members of the general public.

VIII. TECHNICAL ASSISTANCE

Contact the ADECA Equal Opportunity Specialist for advice or technical assistance in developing all policies, procedures, reports, etc. required for CDBG compliance.

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Civil Rights Compliance Checklist

Part A: EQUAL EMPLOYMENT OPPORTUNITY

Does the grantee maintain a separate file on Equal Opportunity?
Yes _____ No _____

If no, explain_____
_____
_____
_____

Part B: SECTION 3/CONTRACT MANAGEMENT

1. Does the grantee seek female and minority-owned businesses in CDBG funded contracts and subcontracts by:

   a) Notifying the Alabama Office of Minority Business Enterprise (OMBE), Yes☐ No☐ N/A☐

   b) Submitting a bid notification to the Alabama Small Business Development Center, Yes☐ No☐ N/A☐

   c) Direct solicitation to contractors listed on the ALDOT DBE certified listing, Yes☐ No☐ N/A☐

   d) Other activities. Yes☐ No☐ N/A☐

   Please describe all actions taken and list documents checked for verification. If the answer to a, b, or c above was "No," please explain.

   _____
   _____
   _____
   _____
   _____

2. Does the grantee seek Section 3 businesses in CDBG funded contracts and subcontracts by:

a) Direct solicitation to local contractors, Yes☐ No☐ N/A☐

b) Locally advertising and/or posting in public places any CDBG contracting or job opportunities, Yes☐ No☐ N/A☐

c) Coordination with the local housing authority or other community group in the project area, Yes☐ No☐ N/A☐

d) Other activities Yes☐ No☐ N/A☐

Please describe all actions taken and list documents checked for verification. If the answer to a or b above was "No," please explain.

_____
_____
_____
_____
_____

3. Has the grantee documented to ADECA the participation of Minority and Female-owned businesses and low- and very low-income persons in the CDBG program (Form 2516 – Contract/Subcontract Activity and Form 60002 - Section 3 Summary Report Economic Opportunities for Low- and Very Low-Income Persons)?
Yes _____ No _____

If no, explain_____
_____
_____
_____
_____

CDBG DISASTER RECOVERY
PROCUREMENT POLICY

ADECA fully adopts 24 CFR 200.317-326 in full.

§200.317 Procurements by states.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entitles, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

§200.318 General procurement standards.

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.213 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 43309, July 22, 2015]

§200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(1) Placing unreasonable requirements on firms in order for them to qualify to do business;

(2) Requiring unnecessary experience and excessive bonding;

(3) Noncompetitive pricing practices between firms or between affiliated companies;

(4) Noncompetitive contracts to consultants that are on retainer contracts;

(5) Organizational conflicts of interest;

(6) Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and

(7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

(1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a "brand name or equivalent" description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and

(2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.320 Methods of procurement to be followed.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

(i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 54409, Sept. 10, 2015]

§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

§200.322 Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity acquired during the preceding fiscal year exceeded $10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

§200.324 Federal awarding agency or pass-through entity review.

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a "brand name" product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be reviewed by the Federal awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

§200.325 Bonding requirements.

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The "bid guarantee" must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

§200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Professional Services Contracts Compliance Checklist (Engineering/Architecture, Administration, Appraisals, Legal, and Audit)

I. Preagreement Costs

		Yes	No	N/A	Notes
A.	Were preagreement costs identified in the application and approved budget? If so, list each cost item and the amount paid from grant/match funds:				
B.	Was a separate procurement process used (RFP or small purchase procedures) and contract awarded for application preparation?				
C.	Were all payments associated with approved preagreement costs properly documented and invoiced?				

II. Post-Award Professional Services

A.	Were all contracts properly executed?				
B.	Were all services properly procured? (Request for Proposals or small purchase procedures if less than or equal to $100,000)				
	❑ Do services provided in contracts coincide with those advertised?				
	❑ Were services advertised and solicited from an adequate number of providers?				
	❑ Were RFP's evaluated consistently with published system?				
C.	Was price part of RFP? If no, is there a cost/price analysis and/or do costs fall within accepted industry standards?				
D.	Was debarred status verified?				

		Yes	No	N/A	Notes
E.	Are contracts dated after the effective date of the State's Grant Agreement?				
F.	Are contract services provided on a fixed fee basis rather than a percentage?				
G.	Do contracts include required CDBG clauses?				
	❑ Termination for cause/breach of contract.				
	❑ Termination for convenience.				
	❑ Audits and inspection, access to records, and five year records retention clause.				
	❑ Title VI, Civil Rights Act of 1964.				
	❑ Section 109, H&CD Act of 1974.				
	❑ Conflict of interest.				
	❑ Section 504 Rehabilitation Act of 1973.				
	❑ Age Discrimination Act of 1975.				
	❑ "Section 3" Compliance.				
	❑ Section 3 Plan.				
	❑ Executive Order 11246 and E.O. clause (for contractors with more than 50 employees and contracts over $10,000).				
	❑ Section 402 of the 1974 Vietnam Veterans Act ($10,000 or more).				
H.	Was the Beason-Hammon Clause included in each of the contracts? (Any contract or amendment with an effective date of 4/1/12 or later.)				
I.	Did the grantee maintain a copy of the Certification of Compliance with the Beason-Hammon Act and the E-Verify MOU for each of the contracts in the CDBG Program Files? (Any contract or amendment with an effective date of 4/1/12 or later.)				

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Bidding and Contracting Construction Compliance Checklist

I. Bidding Procedures

		Yes	No	N/A	Notes
A.	Did grantee use competitive sealed bids for projects exceeding $50,000? If no, please see the Other Procurement Methods checklist.				
	❑ Was project advertised?				
	▪ If by county, once a week for 3 weeks in a newspaper of general circulation published in that county.				
	▪ If by municipality, once in a newspaper of general circulation published in that municipality (can be posted if no local newspaper).				
	▪ If over $500,000, was it advertised additionally in 3 newspapers of general circulation throughout the State?				
	❑ The project was not advertised; if yes, please see the Other Procurement Methods checklist:				
	❑ Did all bids on projects over $50,000 include a State License number on the outside of the bid?				
	❑ Were bids opened publicly?				
	❑ Are there minutes to the bid opening?				
	❑ Was the lowest bid accepted?				

		Yes	No	N/A	Notes
	❑ If not, was the rejection based on sound reasons?				
	❑ Did the grantee utilize a local preference zone? (Not allowed with federal funds.)				

II. Bonding, Insurance, and Contract Requirements

A.	Were contracts properly executed?				
B.	Were contracts entered into after the Removal of Grant Conditions?				
C.	How was the contract price determined (lump sum, unit price, etc.)?				
D.	For construction contracts for public works projects has the grantee obtained:				
	❑ A bid guarantee of 5%.				
	❑ A performance bond from the contractor for 100% of the contract price?				
	A payment bond from the contractor: ▪ 50% for contracts under $100,000 ▪ 100% for contracts $100,000 or over				
	❑ Evidence of insurance as required by bid documents?				
E.	For contracts $100,000 or over, were the bid documents and contract awards processes certified to by the grantee's attorney?				
F.	Was the Beason-Hammon Clause included in the contract? (Any contract or amendment with an effective date of 4/1/12 or later.)				
G.	Did the grantee maintain a copy of the Certification of Compliance with the Beason-Hammon Act and the E-Verify MOU in the CDBG Program Files? (Any contract or amendment with an effective date of 4/1/12 or later.)				

III. General Conditions

		Yes	No	N/A	Notes
A.	Does the contract require the contractors to keep all records for five years and to provide access to records?				
B.	Does the contract provide for legal remedies for breach of contract by the contractor?				
C.	Does the contract provide a termination clause for the grantee stating conditions under which this can happen in contracts over $10,000?				
D.	Is there any evidence of conflict of interest between the parties involved?				
E.	Were all required labor standards provisions included in bid specifications and contracts? (HUD 4010 or comparable language.)				

IV. Supplemental General Conditions

A.	Did the contract include clauses for compliance with Executive Order 11246 or E.O. clause?				
B.	Were goals for minority and female participation stated?				
C.	Did the contract include a Certification of Non-segregated Facilities?				
D.	Did contract include clauses for compliance with Title VI, Civil Rights Act of 1964 and Section 109 of the H&CD Act of 1974?				
E.	Was certification to "Section 3" compliance included?				
F.	Was there a clause for compliance to Section 504 of the Rehabilitation Act of 1973 ($2,500 or more)?				
G.	Is there a clause for compliance with Section 402 of the 1974 Vietnam Veterans Act ($10,000 or more)?				

		Yes	No	N/A	Notes
H.	Is there a clause for compliance with the Age Discrimination Act of 1975 ($2,000 or more)?				
I.	Is there a clause for compliance with the Clean Air Act, Clean Water Act, and EPA regulations in all contracts over $100,000?				
J.	Were wage rates included in the solicitation of bid specifications?				

V. Change Orders

A.	Is the final contract amount different from the award price due to change orders?				
	❑ Do cumulative changes result in less than a ten percent increase in the contract award price?				
	❑ Do change orders pertain to minor changes consistent with the general scope of the original project?				
	❑ If cumulative changes exceed ten percent, are contract items and unit costs consistent with the original contract?				
	❑ If the answers to all of the above are no, then are the changes necessitated by extraordinary circumstances that have been documented by the architect and/or engineer?				
B.	Have all contract change orders been approved by the local governing body?				
C.	For projects from 2009 or later, were all change orders approved by ADECA's Engineer?				

VI. Hook Ups

		Yes	No	N/A	Notes
A.	If hookups were a requirement of the project, is there a construction contract with the community to provide all documented hookups, or are there individual rehabilitation contracts for all documented hookups?				
B.	Is there sufficient documentation for all LMI households not being hooked up?				
C.	Does number being hooked up correspond to approved application and contracts? If so, how many have been completed to date?_____				
D.	Are there temporary easements/rights of entry for each household that is being hooked up?				
E.	How is household income documented for households being hooked up?				
F.	Did a Licensed Plumber or a Certified Inspector approve the connections?				

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Bidding and Contracting - Other Procurement Methods

I. Small Purchase Procedures

		Yes	No	N/A	Notes
A.	Did grantee use procurement by small purchase procedures?				
	❑ Was the purchase amount $15,000 or less for purchases covered by the Alabama Bid Law, or $50,000 or less for purchases covered by the Alabama Public Works Law?				
	❑ Did the grantee follow their written procurement procedures?				
	❑ Were price or rate quotations obtained from an adequate number of qualified sources?				
	▪ List sources.				
	❑ Was the low bidder selected?				
	❑ Was a purchase order issued? If no, please see part III below.				

II. Sole Source Procurement and/or Emergency Procurement

B.	Did grantee use procurement by noncompetitive proposals (sole source)				
	❑ Did the grantee follow their written procurement procedures?				
	❑ Was the award of the contract infeasible under small purchase procedures, sealed bids?				

		Yes	No	N/A	Notes
	▪ Is there adequate documentation that the item or service was only available from a single source?				
	▪ Is there adequate documentation that the public exigency or emergency was such that the requirement would not permit a delay resulting from competitive solicitation?				
	▪ Is there adequate documentation that competition was considered inadequate after solicitation of a number of sources?				
	❑ In the case of a negotiated price, was the price negotiated lower than any previously received bids?				
	❑ Was a purchase order issued? If no, please see part III below.				

III. Bonding, Insurance, and Contract Requirements

A.	Were contracts properly executed?				
B.	Were contracts entered into after the Removal of Grant Conditions?				
C.	How was the contract price determined (lump sum, unit price, etc.)?				
D.	For construction contracts for public works projects has the grantee obtained:				
	❑ A bid guarantee of 5%.				
	❑ A performance bond from the contractor for 100% of the contract price?				
	A payment bond from the contractor: ▪ 50% for contracts under $100,000 ▪ 100% for contracts $100,000 or over				

		Yes	No	N/A	Notes
	❑ Evidence of insurance as required by bid documents?				
E.	For contracts $100,000 or over, were the bid documents and contract awards processes certified to by the grantee's attorney?				
F.	Was the Beason-Hammon Clause included in the contract? (Any contract or amendment with an effective date of 4/1/12 or later.)				
G.	Did the grantee maintain a copy of the Certification of Compliance with the Beason-Hammon Act and the E-Verify MOU in the CDBG Program Files? (Any contract or amendment with an effective date of 4/1/12 or later.)				

IV. General Conditions

A.	Does the contract require the contractors to keep all records for five years and to provide access to records?				
B.	Does the contract provide for legal remedies for breach of contract by the contractor?				
C.	Does the contract provide a termination clause for the grantee stating conditions under which this can happen in contracts over $10,000?				
D.	Is there any evidence of conflict of interest between the parties involved?				
E.	Were all required labor standards provisions included in bid specifications and contracts? (HUD 4010 or comparable language.)				

V. Supplemental General Conditions

A.	Did the contract include clauses for compliance with Executive Order 11246 or E.O. clause?				
B.	Were goals for minority and female participation stated?				

		Yes	No	N/A	Notes
C.	Did the contract include a Certification of Non-segregated Facilities?				
D.	Did contract include clauses for compliance with Title VI, Civil Rights Act of 1964 and Section 109 of the H&CD Act of 1974?				
E.	Was certification to "Section 3" compliance included?				
F.	Was there a clause for compliance to Section 504 of the Rehabilitation Act of 1973 ($2,500 or more)?				
G.	Is there a clause for compliance with Section 402 of the 1974 Vietnam Veterans Act ($10,000 or more)?				
H.	Is there a clause for compliance with the Age Discrimination Act of 1975 ($2,000 or more)?				
I.	Is there a clause for compliance with the Clean Air Act, Clean Water Act, and EPA regulations in all contracts over $100,000?				
J.	Were wage rates included in the solicitation of bid specifications?				

VI. Change Orders

A.	Is the final contract amount different from the award price due to change orders?				
	❑ Do cumulative changes result in less than a ten percent increase in the contract award price?				
	❑ Do change orders pertain to minor changes consistent with the general scope of the original project?				
	❑ If cumulative changes exceed ten percent, are contract items and unit costs consistent with the original contract?				
	❑ If the answers to all of the above are no, then are the changes necessitated by extraordinary circumstances that have been documented by the architect and/or engineer?				

B.	Have all contract change orders been approved by the local governing body?				
C.	For projects from 2009 or later, were all change orders approved by ADECA's Engineer?				

Labor Standards – Contract Administration

I. INTRODUCTION

Implementing a construction project involves many major tasks from preliminary design to payment of retainage to the construction contractor. Labor Standards and Contract Administration are very important parts of this process.

Many procedures required for proper labor standards and contract implementation and administration overlap other sections of this manual. The following tasks must be completed prior to contract bid and award, but if they have been overlooked, stop and complete them now.

TASKS

A: Designate a Labor Standards Officer

B: Obtain wage rates and contractor's debarred status from the ADECA website

Once the construction contract has been awarded, the following tasks are necessary:

C: Coordinate with the ADECA Engineer

D: Conduct Pre-Construction Conference

E: Issue Notice to Proceed

F: Send Notice of Start of Construction to ADECA

G: Establish Labor Standards Enforcement File

H: Receive and Review Weekly Payrolls

I: Inspect Construction Site and Conduct Employee Interviews

J: Review and Approve Requests for Payment

K: Approve Change Orders, if any

L: Initiate Final Inspection

M: Accept Work

N: Complete and Forward Final Wage Compliance Report

O: Obtain and Submit Newspaper Advertisement of Notice of Completion

II. REFERENCES

- Code of Alabama, Title 39, Public Works, provides requirements for bonding and contract execution for public works projects.

- Section 110, Title I, Housing and Community Development Act of 1974, as amended, (42 USC 5301) provides that "All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with grants received under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis—Bacon Act, as amended, (40 USC 276a - et seq.): Provided that this section shall apply to the rehabilitation of residential property only if such property is designed for residential use for eight or more families..." (emphasis added).

- Davis-Bacon Act (40 USC 276a - 276a - 7) requires that workers receive no less than the prevailing wages being paid for similar work in their locality. Prevailing wages are computed by the Department of Labor and are issued in the form of federal wage decisions for each classification of work. The law applies to most construction, alteration, or repair contracts over $2,000. (Residential rehabilitation contracts involving single structures designed for less than eight units are exempt.)

- Copeland "Anti-Kickback" Act (18 USC 874(c)) requires that workers be paid at least once a week without any deductions or rebates except permissible deductions. Permissible deductions include taxes, deductions the worker authorizes in writing, and deductions required by court processes. The Act also requires contractors to submit payroll records weekly along with Statements of Compliance to the contracting agency. The Copeland Act applies to all contracts covered by Davis-Bacon.

- Contract Work House and Safety Standards Act – CWHSSA (40 ISC 327 - 330, Sections 103 and 107) requires that workers receive "overtime" compensation at a rate of 1-1/2 times their regular hourly wage after they have worked 40 hours in one week. This provision applies to all construction contracts using State CDBG funds.

- Title 29, Code of Federal Regulations, Subtitle A, Parts 1, 3 and 5 detail regulations and procedures as issued by the Secretary of Labor for the administration and enforcement of the Davis—Bacon Act, as amended, by the various Federal contracting agencies.

- Title 41, Code of Federal Regulations, Chapter 60, provides compliance responsibility for equal employment opportunity.

Contact the ADECA for reference materials not found in this manual.

III. GRANTEE RESPONSIBILITIES

Construction contracts must be monitored to make sure contractors and subcontractors comply with technical specifications, and State and Federal requirements. Contract administration involves monitoring labor standards and equal opportunity requirements, as well as general inspection and supervision of construction work.

Supervision of construction work is the responsibility of a qualified individual such as the Project Engineer. The Equal Opportunity Officer is responsible for equal opportunity compliance. Labor standards compliance is reviewed by the Labor Standards Officer. In small communities, labor standards and equal opportunity compliance are often assigned to the same individual such as a Contract Compliance Officer. Regardless of the assignment of responsibility, your community must ensure compliance.

The tasks are not difficult, they just require your time, persistence and attention to detail. These tasks begin once the construction contract has been awarded.

For information, technical assistance, or for any questions you may have contact the ADECA:

- Grantee Program Supervisor for general contract compliance issues
- Labor Relations Specialist for labor standards and enforcement administration
- Civil Rights Specialist for equal opportunity compliance
- ADECA Engineer for contracting assistance

TASK A: DESIGNATE A LABOR STANDARDS OFFICER

A Labor Standards Officer should be designated as part of program management within the requirements of the Letter of Conditional Commitment. This person is responsible for administration and enforcement of labor standards. Duties begin with making sure bid and contract documents contain required provisions, continue through contract award, and end with the final stage - Labor Standards and Contract Administration and the following tasks.

Federal Labor Standards Compliance in Housing and Community Development Programs, July 1987, HUD Handbook 1344.1, Rev. 1, Chg. 1, is an essential resource for the Labor Standards Officer. It provides policies and procedures to use in carrying out statutory and regulatory mandates for construction labor standards enforcement. The ADECA Labor Relations Specialist is available for technical assistance and information.

TASK B: OBTAIN WAGE RATES

1. As soon as possible upon completion of the final plans and specifications, obtain wage rates from http://www.wdol.gov/ at least 30 working days prior to bid advertising

2. Check wage rate to verify that it is applicable to your county and appears to be appropriate for your construction needs

3. Revisit http://www.wdol.gov/ and obtain updated wage rates ten (10) days prior to bid opening to verify that the wage decision has not changed (if changes have been made, you may need to include such changes in the bid documents and the bid opening may need to be postponed)

TASK C: COORDINATION WITH THE ADECA ENGINEER

1. Submit plans, specifications, and contract documents to the ADECA Engineer for review and concurrence

2. Once concurrence is received, the project may be bid. However, prior to bid award, bid documents must be submitted to the ADECA Engineer for concurrence

TASK D: CONDUCT PRE-CONSTRUCTION CONFERENCE

1. Send notice to prime contractor verifying date and requesting that he/she have all subcontractors attend (allow sufficient time for contractor to arrange for all subcontractors to attend)

2. Advise your ADECA Program Supervisor of the date at least ten working days in advance by sending a copy of the above notice (EXCEPT that on all joint CDBG/RD projects, the date of the conference must be coordinated with your CDBG Program Supervisor)

3. Conduct a pre-construction conference to apprise the contractor and his/her subcontractors of their labor standards, equal opportunity and other contract obligations and responsibilities (it also allows an opportunity to obtain any outstanding contract documents and provide the contractor with posters for the construction site - "Notice to Employees" (WH 1321), "Equal Employment Opportunity is The Law" posters and a copy of the applicable Wage Decision are required to be posted at the construction site)

   NOTE: A pre-construction conference is required by HUD to satisfy equal opportunity requirements of Executive Order 11246.

4. Keep attendance roster and minutes of the conference

5. Review wage decision with all contractors and subcontractors to determine if additional classifications are needed. If required, use HUD Form 4230A, Report of Additional Classification and Rate

6. Obtain from the contractor his general scheduling time for the subcontractors to begin their work (require contractors to notify the Labor Standards Officer, who will be completing HUD 11, Employee Interview Forms, one week prior to subcontractor(s) beginning work at job site

7. Prepare pre-construction conference minutes, the minutes must contain:

   - Project name, location and description
   - Contractor and known subcontractor's names
   - Date, time and place of conference
   - Conference attendees
   - Summary of items covered

8. File minutes of pre-construction conference in the Labor Standards Enforcement File and cross reference in the Civil Rights Enforcement File

TASK E: ISSUE NOTICE TO PROCEED

Following execution of contract documents and completion of the pre-construction conference:

1. Issue a Notice to Proceed to each prime contractor

   - Notice to Proceed should establish the construction start date and scheduled completion date (submit copy of Notice to Proceed to the ADECA Engineer)

TASK F. SEND NOTICE OF START OF CONSTRUCTION AND THE APPLICABLE WAGE DECISIONS TO THE ADECA

Send the Notice of Start of Construction and the wage decision to the ADECA Labor Relations Specialist to verify the correct wage decision was used and that construction was underway within the required 180 day timeframe.

1. The Notification and Wage Decision must be sent to the ADECA within 10 days of contract execution.

TASK G: ESTABLISH LABOR STANDARDS ENFORCEMENT FILE

The Labor Standards Officer should immediately establish a comprehensive Labor Standards Enforcement File. This file is in addition to the contract administration files discussed in Chapter IV, Task I.

TASK H: RECEIVE AND REVIEW WEEKLY PAYROLLS

Submission Requirements - Each contractor, subcontractor and any lower tier subcontractor is required to (payrolls from subcontractor(s) should be submitted first to the prime contractor for review):

1. Complete and submit payrolls no later than seven work days following the completion of the workweek

   - You must date stamp payrolls as they are received

2. Submit weekly payrolls from the time he/she starts work on the project and for each work week thereafter until he/she completes work

3. Weekly payrolls must be numbered consecutively beginning with Number 1 and the last payroll must be marked "FINAL"

4. The payroll should be signed by an officer of the company or an employee whose name appears on the "Certification from Contractor/Subcontractor Designating Officer or Employee to Supervise Payment of Employee and Sign Payrolls" form (this form designates the individual authorized to sign the payroll "Statement of Compliance" found on back of the payroll, should the appointee be changed, a new certificate must accompany the next payroll

5. Submit Payroll Form WH-347; or a form providing the same information as the WH-347, including a "Statement of Compliance" Form WH-347 for each payroll (to assist contractors and subcontractors in submitting complete and accurate payrolls, you may want to provide them with a copy of the Instructions for Completing Payroll Form WH-347, the Payroll Checklist, and the "Contractor's Guide to Davis Bacon")

6. "Other Deductions" authorization(s) must be submitted with the first payroll for which deductions are made and must authorize any and all deductions except taxes and those required by court

   Review of Payrolls

   1. Insist on prompt submission of all payrolls and do not make

progress payments unless all payrolls have been submitted for the period covered in the invoice or request for payment

2. Examine all payrolls upon receipt and check them against the wage decision (prompt review will allow you to initiate corrective action before the problem multiplies and while the workmen are still available - PROMPT examination of payrolls is absolutely necessary)

   - Check payroll deductions, review the list of Permissible Payroll Deductions, and obtain "Authorization to Make Other Deductions" from the employee in question

   - A contractor and subcontractor can pay trainee or apprenticeship rates only if his/her training program is certified by and registered with the Office of Apprentices and Training, Department of Labor (obtain proof of certification/registration)

   - To assist with reviewing payrolls, refer to the Payroll Checklist, Instructions for Completing Payroll Form (WH-347), Contractor's Guide to Davis Bacon or Basically CDBG, Chapter 16

3. When any violation of labor standards requirements results in an underpayment of wages to employees, the recipient shall take necessary action to ensure restitution is made to each affected employee

   - Consult the HUD Handbook 1344.1, Rev. 1 Chg. 1, Section 3, "Violations," and Section 5, "Sanctions," for procedures

   - Consult State CDBG Intergovernmental Policy Letter Number 4, "Liquidated Damages" for additional information

   - Contact the ADECA Labor Relations Specialist when violations occur and for assistance

4. Check information on Form HUD-11, "Record of Employee Interview" against weekly payrolls (payroll examiner must sign the HUD-11's)

TASK I: INSPECT CONSTRUCTION SITE AND CONDUCT EMPLOYEE INTERVIEWS

1. Architect/Engineer must conduct inspections of contractor's work

for compliance with specifications, drawings, and conditions of the contract

2. Equal Opportunity Officer must conduct site visits to see if equal opportunity poster is posted and to ensure compliance

3. Labor Standards Officer must conduct on site employee interviews and inspections to see that the applicable wage decision and the "Notice to Employees" poster is posted at the construction site

   - Interviewer should observe duties of workmen before initiating interviews
   - Use HUD Form 11, "Record of Employee Interview" to document interviews
   - "HUD 11 Job Site Interviews," should be reviewed and followed
   - Employee interviews should be sufficient in number to establish the degree of accuracy of records and payrolls
   - Employee interviews should be representative of all classifications of employees working on the project (at least one interview for each classification)
   - Employee interviews must be representative of the subcontractor's workers and in the same degree and number as stated above
   - The employee interviewed must be informed that information given is confidential and that the identity will be disclosed to the employer only with the employee's written permission
   - Payroll examiner must check information on HUD-11, "Record of Employee Interview" form, against payrolls and the Payroll examiner must sign the HUD-11's
   - Conduct interviews according to "Instructions for Completing Employee Interviews" and use the HUD 11 checklist

TASK J: REVIEW AND APPROVE REQUEST FOR PAYMENT

Prior to payment make sure:

1. All work is completed as stated

2. All payrolls and "Statements of Compliance" have been submitted and are accurate and complete

3. Wage violations are corrected and any restitution paid (A Restitution Report should be completed and submitted to the ADECA Labor Specialist)

4. Charges are allowable

The contractor may be paid the invoice amount minus the retainage

TASK K: APPROVE CHANGE ORDERS, IF ANY

1. Change orders should be kept to an absolute minimum

2. Contact your ADECA Program Supervisor and the ADECA Engineer regarding any change order request

3. Change orders may be permissible where the cumulative cost of all such orders do not exceed ten percent (10%) of the original contract price (additional guidance is required if change orders exceed 10 percent, in such cases, coordinate with the ADECA Engineer as soon as possible)

4. Each change order must be coordinated with the ADECA Engineer and accompanied by a supporting statement which describes why the change is necessary, cost estimates, and any needed change in plans and specifications (changes which materially or substantially alter or extend the scope of the contract are not allowable except in an emergency and through proper amendment procedures)

5. Change orders must be prepared by the construction architect/engineer

6. The city/county must approve and authorize change orders in writing before they are given to the contractor

TASK L: INITIATE FINAL INSPECTION

When construction work has been completed, the contractor must certify completion of work to the city/county and submit a final request for payment.

The final inspection of the last construction contract of a public works grant also initiates the grant program closeout activities.

1. The engineer/architect initiates the final inspection

2. Representatives of your program, the contractor, and the engineering/architectural firm should all be present during the final inspection

3. Notify your ADECA Program Supervisor of the date ten (10) working days in advance

4. File the Final Quantities Change Order, the As Built Drawings, and the "Final Inspection Certification" (showing warranty date) with the ADECA Engineer (the Final Inspection Certification should also be submitted to the ADECA Program Supervisor at closeout)

   - If your grant program involves more than one prime construction contract, complete and retain all "Final Inspection Certifications" and file all at closeout

TASK M: ACCEPT WORK

Before you accept work and make final payment of retainage, verify that:

1. All payrolls have been received and checked, any necessary restitution has been made, and a Restitution Report has been completed and submitted to the ADECA Labor Specialist

2. All other required Equal Opportunity and Labor Standards provisions have been satisfied

3. All contract submissions have been received

4. All claims and disputes involving the contractor have been resolved

5. Files are complete

6. As-built plans have been filed with the city/county, if applicable and with the ADECA Engineer

TASK N: COMPLETE AND FORWARD FINAL WAGE COMPLIANCE REPORTS

The Davis-Bacon Act requires a "Final Wage Compliance Report" on each construction contract.

1. After approval of all "FINAL" payrolls, complete the "Final Wage Compliance Report". Ensure information previously submitted on

Restitution Report is the same.

2. Submit the report to your ADECA Program Supervisor at closeout

   - If your grant program involves more than one prime construction contract, retain the reports and file them all at closeout

TASK O: OBTAIN AND SUBMIT NEWSPAPER ADVERTISEMENT OF NOTICE OF COMPLETION; MAKE FINAL PAYMENT

The Alabama "Public Works" law requires the construction contractor to give public "Notice of Completion" of a construction. It is your responsibility to:

1. Make sure the "Notice of Completion" met State requirements:

   - Did the contractor place the advertisement in a newspaper of local distribution where the project is located?

     - If there is no newspaper published or circulated in the county where the project is located, the notice must be given by posting at the courthouse for 30 days and proof of posting must be made by the probate judge or sheriff and the contractor

   - Did the "Notice of Completion" include the identity of the completed project, project number and the name of the person (usually project engineer) to contact if anyone has a claim against the project?

   - Was the "Notice" published a minimum of once a week for four (4) consecutive weeks?

2. Hold the retainage until the contractor fulfills the "Notice of Completion" requirements

3. Obtain from the contractor the newspaper "Affidavit of Publication" for the "Notice of Completion" or proof from the probate judge or sheriff and the contractor.

   - Forward to your ADECA Program Supervisor at closeout

     - If your grant program involves more than one prime construction contract retain all "Notice of Completion" advertisements and submit at closeout

4. Settle claims, if any

5. Make final payment

IV. REQUIRED RECORDKEEPING AND FILES

Comprehensive Labor Standards Compliance files must be established for each construction job. The file must contain, at a minimum, the following:

- A copy of "Designation of Responsible Officials" form
- Applicable Wage Decision(s) obtained 30 days prior to bid advertisement, and a copy ten (10) days prior to bid opening
- Verification of contractor eligibility/debarred and license
- Notice to Proceed
- Pre-Construction Conference Minutes
- Additional Classifications, if any
- Notice of Start of Construction
- Apprenticeship/Training Certifications, if any
- Employee Authorization of Deductions (if applicable)
- Equal Opportunity certifications and documents (cross reference in the Civil Rights file)
- Certification from Contractor/Subcontractor Designating Officer or Employee to Supervise Payment of Employee and Sign Payrolls
- Weekly payrolls, Statements of Compliance, and evidence that payrolls were checked against the wage decision
- Employee interviews - HUD 11's
- Evidence that the on-site interview records were checked against payrolls and the applicable wage rate decision
- Evidence of restitution/resolution of identified discrepancies
- Complaints from workers, if any, and actions taken

- Liquidated damages assessed, appeals, if any, and outcome
- Final Wage Compliance Report, cross-referenced in Closeout File
- Final Inspection Certification, cross-referenced in Closeout File
- Notice of Completion, cross-referenced in Closeout File
- Correspondence

V. REPORTING

- Designation of Labor Standards Officer; send within ten (10) days of execution of Grant Agreement to your ADECA Program Supervisor
- Plans, specifications, and contract, and bid documentation to ADECA Engineer
- Notice of Pre-construction Conference- send to the contractor and to your ADECA Program Supervisor and schedule the conference immediately after contract award (your ADECA Program Supervisor and the Labor Relations Specialist must be given advance notice and meeting coordinated with those persons on CDBG/RD projects)
- Pre-construction Conference Minutes - place in appropriate file and distribute to pertinent pre-construction conference attendee
- Notice to Proceed – submit to ADECA Engineer
- Notice of Start of Construction - submit to your ADECA Program Supervisor
- Final Inspection of Construction Project - notify your ADECA Program Supervisor of the date and submit the "Final Inspection Certification," at closeout (the Final Inspection Certification with warranty date, As Built drawing, and Final Quantities Change order must also be submitted to the ADECA Engineer prior to closeout)
- Notice of Completion - submit at closeout to your ADECA Program Supervisor the proof of publication, or "Affidavit of Publication"
    - Comprehensive Public Works grants - retain and submit all at closeout

- Final Wage Compliance Report - transmit at closeout after approval of all "Final" payrolls

    - Comprehensive Public Works grants -retain and submit all at closeout

VI. COMMON PROBLEMS/DEFICIENCIES

- Failure to check if additional classifications are needed
- Failure to make sure that payrolls have actual working classifications listed
- Use of incorrect or superseded wage rate decisions
- Labor Standard File not established
- Weekly payrolls and Statement of Compliance not obtained
- Weekly payrolls not checked
- On-site interviews not conducted
- On-site interviews not checked against payroll
- Failure to establish administrative compliance responsibility
- Wage rate and posters - Equal Opportunity and Labor not posted at job site
- Written Section 3 plan not obtained where applicable
- Contractor Section 3 Certification not obtained
- Contractor Equal Employment certification not obtained
- Notice of Start of Construction not sent to the ADECA in a timely manner (within 10 days of execution of the prime contract)
- Plans, specifications, contracts, and bid documents not coordinated with the ADECA Engineer, and Notice to Proceed not submitted to the ADECA Engineer
- Notice Pre-construction Conference not sent to the ADECA
- Civil Rights Compliance File not cross-referenced

- Pre-construction minutes not in files
- Project Construction File inadequate
- No construction monitoring responsibility assigned
- Contractor's failure to submit cost breakdown
- Schedule of payments not established
- Construction inspection inadequate
- Delays in processing requests for progress payments
- Failure to obtain prior written approval of change orders
- Change orders in excess of 10 percent
- Failure to notify the ADECA of the date of final inspection
- Failure to provide timely Final Wage Compliance Report and/or Restitution Report

VII SUPPORT MATERIALS

Support Materials may be accessed at the below website.

http://adeca.alabama.gov/Divisions/ced/cdp/Pages/CDBG-Management-and-Implementation.aspx#CVI

Grantee Name: _____
Project No.: _____
Preparer : _____
Date Prepared: _____
Follow-up Review Indicated: _____

Labor Standards Compliance Checklist

(All applicable items apply both to prime and sub-contractor)

Part A. **Desk Review**

		Yes	No	N/A	(Circle one) Prime 1 or Sub	(Circle one) Prime 2 or Sub
A.	Who is the Designated Labor Standards Officer?					
B.	Has the Mayor or Chairman signed a completed Notice of Start of Construction?					
C.	Give name of contractor(s) and the contract amount(s), if over $2,000.					
D.	When was the bid opening date?					
E.	When was the contract award date?					
F.	Was the contract awarded within 90 days of the bid opening?					
	❑ If not, is there evidence that the wage decision was rechecked?					
G.	Give the wage decision number(s), type(s), and date(s).					
H.	Is there evidence of the required check on wage determination(s) status 10 days prior to bid opening?					
I.	Give a description of the project including major construction work (i.e., water, sewer, drainage, streets, water tank, building, etc.).					
J.	Does the wage decision appear to match the construction work? If no, explain.					

Part B. **On-Site Review**

		Yes	No	N/A	(Circle one) Prime 1 or Sub	(Circle one) Prime 2 or Sub
A.	Was a pre-construction conference held prior to start of construction with all necessary persons attending?					
	❑ Do minutes indicate legal (Davis Bacon, etc.) as well as local (permits, etc.) concerns were covered?					
B.	Is there evidence of verification of the prime contractor's debarred status?					
C.	Has a copy of the Certificate From Contractor/Subcontractor Designating Officer or Employee to Supervise Payment of Employees (Signature Appointee Form) been executed for the prime contractor(s) and any subcontractors?					
D.	Have weekly statements of compliance been completed on the back of the payroll (Form WH-347), or on Form WH-348, and signed by the person on the Signature Appointee form or by an owner or officer of the company?					
E.	Is there evidence that payrolls were submitted and received on a weekly basis, within 7 days of the completion of the work week?					
	❑ If more than 7 days, were steps taken by grantee to correct this problem?					
F.	Are payrolls numbered #1, consecutively through, till the last and marked "Final"?					
G.	Is all payroll information complete (at least on the first payroll) containing each worker's name and the last 4 digits of the social security number?					

		Yes	No	N/A	(Circle one) Prime 1 or Sub	(Circle one) Prime 2 or Sub
H.	Were workers paid on a weekly basis?					
I.	Do all workers' classifications conform to the classification(s) listed on the wage determination?					
	❑ If not, is there a record of a HUD 4230A requesting and granting additional classification(s) and rates; or a record of conformance with the ADECA Labor Specialist?					
J.	Do the wage rates shown on the payrolls equal or exceed those shown on the wage decision(s)?					
K.	Were apprentices used?					
	❑ If so, are there copies of the apprentice registration forms showing required ratios and pay rates?					
L.	Are there deductions on the payrolls other than those required by law (Income taxes, FICA, etc.) or court-ordered processes?					
	❑ If so, is there a statement on file from the worker authorizing such 'Other' deduction(s)?					
M.	Have workers worked in excess of 40 hours a week?					
	❑ If so, has time and one-half for all overtime been paid?					
N.	If workers have worked in more than one classification (split classifications), have daily time records been kept for all hours worked in each classification and signed by the workers? (If not, use the higher rate on wage decision)					
O.	Do payrolls show evidence of having been checked by the payroll examiner?					

		Yes	No	N/A	(Circle one) Prime 1 or Sub	(Circle one) Prime 2 or Sub
P.	Does a spot check of the payrolls indicate mathematical accuracy?					
Q.	Is there documentation for any errors/problems on payrolls that have been corrected?					
R.	Has a reasonable representation of HUD-11 interviews been conducted? (give number)					
S.	Is there reason to be concerned that the contractor may be deliberately falsifying payrolls?					
	❑ If so, have HUD-11 Employee Interviews been utilized to target areas of suspicion/concern?					
T.	Are HUD 11s signed by the interviewer, and the payroll examiner?					
U.	Do payrolls and HUD 11s show evidence of having been compared?					
V.	Has restitution (back payments) been deemed necessary?					
	❑ If so, has the ADECA Labor Specialist been notified?					
	❑ If so, is there a Certified Correction Payroll on hand which shows the additional pay and dates for which restitution was necessary?					
	❑ If so, is there an explanation of the reason(s) for the restitution?					
W.	Are the DOL "Notice to Employees" poster and applicable wage decision(s) posted at the work site(s)?					

Land Acquisition

I. INTRODUCTION

Any real property, including permanent easements, acquired by a public agency for an activity assisted with CDBG and/or local matching funds is subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (The Uniform Act). The Uniform Act provides for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by Federal and Federally assisted programs (Chapter IX). It also establishes uniform and equitable land acquisition procedures as described herein.

Acquisition is an intricate, time-consuming, step-by-step process. A copy of the HUD 1378, Relocation and Real Property Acquisition Handbook, updated April 1997 is available upon request from ADECA's CDBG Section. Also, pertinent excerpts of the Uniform Relocation and Real Property Acquisition Policies Act of 1970, as amended, are included as Exhibit VIII-1 of this manual.

Failure to acquire properties subject to the Uniform Act in accordance with regulations can cause HUD to require the State to:

* Have you undertake the entire acquisition process again even if you have already acquired the property by deed; or

* Withdraw funding for CDBG activities related to the acquisition.

Since acquisition of real property is so complex and does not pertain to all recipients, contact the ADECA Acquisition/Relocation Specialist for technical assistance and information. Upon request, the Acquisition/Relocation Specialist can provide copies of the HUD 1378, Relocation and Real Property Acquisition Handbook, and other brochures and documents required to administer acquisition.

This chapter will only list the tasks, references, common problems and deficiencies related to acquisition. More detailed information necessary to implement the Uniform Act is found in the HUD 1378 Handbook.

Acquiring property subject to the Uniform Act involves the following tasks:

TASKS A: Determine Properties to be Acquired.

B: Issue Preliminary Acquisition Notice and Brochure "When a Public Agency Acquires Your Property."

C: Obtain Preliminary Title Evidence, Boundary Survey, and Legal Description.

D: Where Necessary Select Appraiser, Including Review Appraiser, and Contract for Appraisals; Invite Owner to Accompany Appraiser (s).

E: Appraisal(s) Performed, Completed and Submitted to Your Agency. Appraisal C(s) Reviewed by Your Agency. (SEE: para 5-2, Part C. (1) of the HUD 1378 Acquisition Relocation Handbook for exceptions to appraisal requirement.)

F: Establish Just Compensation.

G: Provide Written Purchase Offer and Furnish Summary Statement.

H: Negotiate with Owner; Explain Acquisition Procedures.

I: Resolve Negotiations.

J: Complete Project Acquisition File.

K: Use Special Proceedings:

1. Not to Acquire.

2. Donations.

3. Voluntary Acquisition.

II. REFERENCES

* Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, P.L. 91-646, as amended (The Uniform Act).

* HUD 1378, Relocation and Real Property Acquisition Handbook, as updated April 1997.

* Title VI, Civil Rights Act of 1964.

* Title VIII, Civil Rights Act of 1968.

Contact the ADECA Acquisition/Relocation Specialist regarding these references.

III. GRANTEE RESPONSIBILITIES

It is the grantee's responsibility to implement the tasks in accordance with the regulations when carrying out land acquisitions for a CDBG project. If assistance is needed in this area, you are advised to contact the ADECA Acquisition Specialist. Please do not assume that the real property needed

is already in the public domain. You should verify this fact by your attorney. For example, activities such as street widening, relocation of utility lines, and sidewalk or sewer line construction do not always indicate an obvious property acquisition requirement, but there is often a need to acquire easements and/or rights-of-way in a CDBG assisted project. Please remember that the basic purpose of the Uniform Act is to assure consistent and equitable treatment of all property owners by the public body in the acquisition process. The tasks outlined below are designed to ensure that the intent of the Uniform Act is followed.

TASK A: DETERMINE PROPERTIES TO BE ACQUIRED

Project planning is a must where there is anticipated land acquisition activities. In collaboration with the Project Engineer, the locality must make efforts early in the planning stage of the project to accurately identify the number of parcels to be acquired and obtain a cost estimate for the property. The locality should decide on a workable plan of action, including staffing needs necessary to accomplish the land acquisitions in a timely and cost-effective manner. Hopefully, these planning actions will prevent unnecessary project construction delays.

TASK B: ISSUE PRELIMINARY ACQUISITION NOTICE AND BROCHURE "WHEN A PUBLIC AGENCY ACQUIRES YOUR PROPERTY"

After all project conditions have been met by the locality, the property owner(s) shall be notified in writing of the locality's interest in acquiring the real property. The locality must have evidence in its files that the notices were personally delivered. The notice of intent to acquire and land acquisition informational brochure should explain to the owner (s) his or her basic rights under the Uniform Act such as the right to an appraisal of the property. (See Exhibit VIII-3 for copy of the acquisition brochure (Paragraph 5-2(b).)

TASK C: OBTAIN PRELIMINARY TITLE EVIDENCE, BOUNDARY SURVEY AND LEGAL DESCRIPTION

Although not addressed in the HUD acquisition regulations, we strongly recommend that evidence of title to the real property to be acquired be secured from a qualified source such as an attorney. An accurate legal description of the parcel and/or part to be acquired is necessary to adequately locate the property, as well as for other legal purposes such as the conveyance instrument.

TASK D: WHERE NECESSARY SELECT APPRAISER, INCLUDING REVIEW APPRAISER, AND CONTRACT FOR APPRAISALS; INVITE OWNER TO ACCOMPANY APPRAISER

A qualified independent real estate appraiser shall be properly selected in accordance with the procurement procedures outlined in the Common

Rule, including the review appraiser to appraise (or review) each parcel to be acquired by the locality for the project. The property owner shall be given an opportunity to accompany the appraiser during the appraiser's inspection of the property. Evidence of the invitation must be adequately documented by the locality.

TASK E: UNLESS EXCLUDED BY PARA 5-2, PART. C(1) OF THE HUD 1378 HANDBOOK, APPRAISAL(S) PERFORMED, COMPLETTED, AND SUBMITTED TO YOUR AGENCY. APPRAISAL(S) REVIEWED BY YOUR AGENCY

The appraiser's written appraisal report must contain sufficient documentation, including valuation data and the appraiser's analysis of that data, to support his or her opinion of value. Also, where applicable the locality must have an appraisal review process to ensure that all appraisal reports are reviewed by a qualified review appraiser. A written report is submitted by the review appraiser to the locality which recommends a value for the property and assures that the appraisal(s) meet acceptable standards and are properly documented. This is necessary to clearly demonstrate the soundness of the appraiser's opinion of value. In no event can the review appraiser recommend to the locality a Fair Market Value which is less than the amount established by the acquisition appraiser unless the review appraiser is authorized to do an appraisal himself or herself (Paragraph 5-3 and 5-4 of the HUD 1378 Handbook).

TASK F: ESTABLISH JUST COMPENSATION

Before the initiation of negotiations, the locality must officially establish an amount which it believes is just compensation for the real property to be acquired. This is usually accomplished by a resolution of the governing body of the locality. Where applicable, this amount shall not be less than the review appraiser's recommended Fair Market Value. Although not encouraged by this office, the review appraiser may recommend a Fair Market Value amount greater than the appraised value, provided that the review appraiser soundly documents the basis for such action in a written report (Paragraph 5-2(d) of the HUD 1378 Handbook).

TASK G: PROVIDE WRITTEN PURCHASE OFFER AND FURNISH SUMMARY STATEMENT

A written purchase offer for the full amount of the established Fair Market Value must be presented to the property owner(s) promptly after the locality officially establishes the price. Along with the initial written offer, the owner(s) shall be given a written statement explaining the basis for the purchase offer.

This statement should include such items as a delineation of any damages to the remaining property, a legal description of the part to be acquired, and an identification of any real property improvements which are to be acquired and are included in the appraisal report or value determination (Paragraph 5-2 (d)

and 5-2(e) of the HUD 1378 Handbook).

TASK H: NEGOTIATE WITH OWNER: EXPLAIN ACQUISITION PROCEDURES

The locality must make personal contact with the property owner(s) to discuss the offer to purchase the real property. Upon contact, the locality's representative must be prepared to explain the basic land acquisition policies and procedures that apply, as required by the Uniform Act. The property owner must not be coerced in any way to accept the locality's offer and the owner should be given adequate time to consider the offer. Also, an owner may present evidence to show that the price offered by the locality is too low. This evidence, such as an appraisal report, must be taken into consideration by the locality in determining if a price change is justified. If the parcel or part to be acquired would leave the owner with an uneconomic remnant, the locality must, in addition, offer to acquire the "whole" parcel. Before the locality can require the owner to surrender possession of the real property to be acquired, the locality shall have paid the agreed purchase price, or in the case of condemnation, deposited with the court the full amount of the court awarded just compensation for the property (Paragraph 5-2 (f-m) of the handbook).

TASK I: RESOLVE NEGOTIATIONS

We suggest that you refer to the flow chart at Appendix 19 of the HUD 1378, Relocation and Real Property Acquisition Handbook. A clear outline is shown of the complete acquisition process from start to finish on a parcel of real property to be acquired. This chart identifies the procession of steps which are necessary for the locality to take in cases where the negotiations are successful, as well as unsuccessful negotiations, which result in the filing of a condemnation suit to acquire title to the property.

If negotiations are successful the purchase agreement is signed, the deed is executed, the Settlement Cost Statement is completed and payment of closing costs is made. If negotiations are unsuccessful and the Final Offer Letter has been sent, the locality's attorney then files the suit to condemn. Unless the case is settled "out of court," the trial is held and the award of just compensation is made by jury. Either party has the right to appeal the decision of the court. As stated earlier in this chapter, prior to the locality being legally able to take possession of the property, the full amount of the just compensation due the property owner must be deposited in court for the benefit of the owner.

TASK J: COMPLETE PROJECT ACQUISITION FILE

For each parcel acquired, the locality's case file(s) must include such items as:

* Identification of property and property owner(s);

* Evidence that the owner was informed on a timely basis about the acquisition and his or her rights under the Uniform Act;

* Copy of the appraisal report, including the review appraisal and evidence or value determination data, when applicable. Also needed is verification that the owner was personally invited to accompany the appraiser on the property inspection;

* Copy of the written purchase offer letter, summary statement and date of delivery to the owner;

* Copy of the purchase contract and documents of conveyance, including evidence that the deed was recorded;

* Copy of the Closing Cost Settlement Statement and evidence to show that the owner received the net amount due from the sale; and

* Copy of any appeal or complaint filed and the locality's response.

The acquisition case files must be retained by the locality in safekeeping for a period of not less than three (3) years after project close out.

TASK K: USING SPECIAL PROCEEDINGS

1. Not to Acquire: Prior to acceptance of the locality's offer to purchase by both parties, the locality may in some instances determine to withdraw from the purchase of the parcel. If this be the case, the locality must inform the property owner in writing of its intent "not to acquire" the real property. This notice must explain the reason for the locality's change of plans and indicate that the parcel is no longer needed for the project to be successfully completed.

2. Donations: An owner may, after being fully informed by the locality of his or her right to receive payment for the property, donate the property or any part thereof, or any compensation paid thereof, to the locality. The locality must obtain an appraisal of the real property unless the owner indicates in writing that he or she releases the locality from such obligation, or as provided in Para 5-2, Part C. (1) (b) of the HUD 1378 Handbook, the valuation problem is uncomplicated and the fair market value does not exceed $2,500. See sample Acquisition Waiver form located at Exhibit VIII-4. In short, whenever a locality acquires real property by donation, it must have written consent (Acquisition Waiver) from the owner. Such consent must indicate that the owner understands that according to the Uniform Act he or she cannot be required to sell the real property to the locality for

less than its appraised Fair Market Value (Paragraph 5-8, HUD 1378 Handbook).

3. Voluntary Acquisition: The requirements of the Uniform Act do not apply to a locality with the power of condemnation if the acquisition is clearly a voluntary, arm' s length transaction. Solicitation by the locality of potential property sellers in the geographic area of the project is generally done via public notice in the local newspaper. Such voluntary transactions must meet, at a minimum, the following conditions:

   a. No specific site or particular piece of property is or has been designated for acquisition by the locality; and,

   b. All interested property owners are informed in writing that the locality will not acquire the property by condemnation if negotiations fail; and,

   c. Once a potentially feasible site is identified, the locality must inform the property owner in writing of its estimate of the Fair Market Value of the property. Even though an appraisal is not required, the estimate must be prepared by a person familiar with real estate values in the area (Paragraph 5-1(a-(1)), HUD 1378 Handbook).

IV. REQUIRED RECORDKEEPING AND FILES

Complete and accurate records and files must be kept.

* The HUD 1378, Relocation and Real Property Acquisition Handbook as updated April 1997, provides information about required records and files.

* Separate files must be maintained on each acquisition.

* The ADECA Acquisition/Relocation Specialist will assist in this critical area.

V. REPORTING

You may be required to report annually the acquisition activity for all open CDBG projects in your locality. A notice will be sent by this office to you with the required forms to complete at the appropriate times when this data is needed.

VI. COMMON PROBLEMS/DEFICIENCIES

* Acquisition of property without following acquisition policies.

* Absence of written statement of Intent to Acquire and HUD Brochure "When a Public Agency Acquires Your Property."

* Securing appraisals or doing preliminary negotiations prior to providing Preliminary Acquisition Notice.

* Failure to secure an independent appraisal and a review appraisal.

* Failure to invite property owner to accompany appraiser(s) during property inspection.

* Failure to send acquisition notices on a return receipt requested basis or to secure documentation of receipt, if hand delivered.

* Failure to provide a written statement of settlement costs.

* Failure to provide a written Notice of Intent Not to Acquire.

* Failure to secure written Waiver of Acquisition Compensation for donation.

* Failure to publicly list all conditions of acquisition in a voluntary acquisition.

* Leaving property owner with an uneconomical remnant.

* Failure to properly document a voluntary acquisition.

VII. SUPPORT MATERIALS

Contact the ADECA for the following:

* HUD 1378, Relocation and Real Property Acquisition Handbook

* "When a Public Agency Acquires Your Property"

* Other supporting material such as forms, sample notices, appraisal services contract, etc. will be identified in the HUD 1378 Handbook.

* ADECA Land Acquisition Kit

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Uniform Act Land Acquisition Compliance Checklist

I. Records and Reports

		Yes	No	N/A	Notes
A.	Number of parcels acquired to date. _____				
B.	Number of parcels scheduled to be acquired. _____				
C.	Is there an inventory of parcels?				
D.	Is there a separate file for each parcel?				

II. Informing Property Owners

A.	Were property owners informed in writing of the local government's interest in acquiring their property?				
B.	Were the property owners given a copy of "When a Public Agency Acquires Your Property?"				

III. Appraisals

A.	Were parcels valued at $10,000 or less?				
	▫ If so, what method was used to determine the fair market value?				
B.	Were appraisers licensed?				

		Yes	No	N/A	Notes
D.	Were minimum appraisal report standards established?				
E.	Was owner invited to accompany appraiser?				
F.	Do the data appear to indicate soundness of appraiser's conclusion of fair market value?				

IV. Offer to Purchase

A.	Did the grantee provide a written offer of fair market value to property owners?				
	▫ Did it include all terms and conditions of the sale?				
	▫ Did it include a written explanation of the determination of just compensation?				
B.	Did grantee discuss purchase offer with property owner and respond to concerns?				
C.	Did grantee coordinate relocation activities, if any, as part of the purchase offer ?				

V. Settlement

A.	Did the owner receive at least the appraised value?				
B.	Did grantee pay incidental acquisition cost (mortgage prepayment penalties, mortgage releases, prorated property taxes)?				

		Yes	No	N/A	Notes
C.	If owner donated all or part of his/her property is an executed waiver of rights on file?				
D.	Is there a copy of a properly executed and recorded deed on file?				
E.	If grantee allowed property to be temporarily occupied after acquisition, how was the rent established?				

VI. Appeals

A.	Did the grantee receive any written acquisition appeals or complaints?				
B.	Have complaints and appeals been adequately resolved?				
	▫ If not, have property owners been informed of their right to appeal to the State?				

VII. Temporary Easements

A.	Was there an executed temporary easement?				
B.	Was there an executed right of entry permit?				

VIII. Comments

_____

_____

_____

_____

_____

_____

Economic Development Fund

The Economic Development Fund (ED fund) is a special set aside of CDBG funds established to enhance the economic growth of the state and create permanent jobs for persons of low and moderate income households. The fund is designed to finance public and private activities necessary for industrial and other significant economic development projects.

ED projects are funded under thee distinct categories. They are:

1. ED Infrastructure Grants for improvements such as extension of water and sewer lines and access roads.

2. ED Loans for private activities such as purchase of land, buildings and equipment, or construction or renovation of buildings.

ED INFRASTRUCTURE GRANTS

I. INTRODUCTION

The purpose of an ED Infrastructure grant is to create jobs for persons of low and moderate income by providing funds for the construction of public infrastructure such as water lines, sewer lines, or an access road to facilitate location or expansion of any industry or other business having a prospect of significant economic impact. The infrastructure grants are governed by specific grant ceilings as well as general and specific thresholds listed in each year's Action Plan. applications for an ED Infrastructure grant are accepted anytime during the program year and applications are funded on an "as needed" basis.

To assist in implementing your ED Infrastructure grant, the following tasks are presented in this chapter. Please note that these tasks are, for the most part, no different than the tasks involved in implementing a regular CDBG public improvements grant.

TASKS

A: Receive Governor's Letter of Award

B: Receive Letter of Conditional Commitment and Satisfy Start-Up Requirements.

C: Execute Grant Agreement.

D: Identify Laws and Regulations Binding the Use of Your CDBG Infrastructure Grant.

E: Establish Program and Project Files.

F: Establish Citizen Participation File and Adopt Written Grievance Procedure.

G: Establish Financial Management Procedures.

H: Establish General Procurement and Contracting Procedures.

I: Comply with Civil Rights Requirements.

J: Determine Applicability of Labor Standards for Construction Projects.

K: Determine Properties to be Acquired Subject to the Uniform Act.

L: Determine if Relocation of Persons, Businesses or Nonprofit Organizations is Subject to the Uniform Act.

M: Determine Procedures to Secure Employee Certifications.

N: Monitoring and Reporting.

O: Comply with Audit Requirements.

P: Close Out Grant.

III. GRANTEE RESPONSIBILITIES

The recipient, regardless of the amount of grant or activity, must comply with specific program requirements such as environmental review, equal opportunity, financial management, etc. It shall be the recipient's responsibility to identify and comply with all requirements applicable to the recipient's specific program.

TASK A: **RECEIVE GOVERNOR'S LETTER OF AWARD**
The CDBG infrastructure grant award officially takes place when a grant award letter is issued by the Governor. The date of the governor's letter established the grant award date and this date becomes the effective date of the Agreement between the recipient and the ADECA.

TASK B: **RECEIVE LETTER OF CONDITIONAL COMMITMENT AND SATISFY START-UP REQUIREMENTS TO INCLUDE ENVIRONMENTAL CLEARANCE**
The recipient shall satisfy the conditions listed in the Letter of Conditional Commitment within the time period specified, or seek extension if requirements or conditions warrant such extension. For additional detail on this task, see Chapter I, TASK B.

TASK C: **EXECUTE GRANT AGREEMENT**

TASK D: **IDENTIFY LAWS AND REGULATIONS BINDING THE USE OF YOUR CDBG INFRASTRUCTURE GRANT**

TASK E: **ESTABLISH PROGRAM AND PROJECT FILES**

TASK F: **ESTABLISH CITIZEN PARTICIPATION FILE AND ADOPT WRITTEN GRIEVANCE PROCEDURE**

TASK G: **ESTABLISH FINANCIAL MANAGEMENT PROCEDURES**

TASK H: **ESTABLISH GENERAL PROCUREMENT AND CONTRACTING PROCEDURES**

TASK I: **COMPLY WITH CIVIL RIGHTS REQUIREMENTS**

TASK J: **DETERMINE APPLICABILITY OF LABOR STANDARDS FOR CONSTRUCTION PROJECTS**

TASK K: **DETERMINE PROPERTIES TO BE ACQUIRED SUBJECT TO THE UNIFORM ACT**

TASK L: **DETERMINE IF RELOCATION OF PERSONS, BUSINESSES, OR NONPROFIT ORGANIZATIONS IS SUBJECT TO THE UNIFORM ACT**

TASK M: **DETERMINE PROCEDURES TO SECURE EMPLOYEE INCOME CERTIFICATES**

The creation of jobs, primarily for persons of low and moderate income, is the basis for the funding of ED Infrastructure projects. Hence, to ensure that the national objective is met, the recipient shall secure certifications from new (or retained) employees showing their income in relation to their household site. The employees from low and moderate income households shall account for at least 51 percent (51%) of the new (or retained) jobs. It is strongly recommended that recipients secure these certifications at the time the job applications are accepted. This system allows the business to continuously monitor its hiring and undertake whatever extra steps necessary if it appears anytime during hiring that LMI employees may not account for 51 percent (51%) of the total beneficiaries. Please see Exhibit XII-7 for an Employee Income Certification. The recipient should verify household income for an appropriate percent of employees using such means as tax returns and such other documents showing incomes for the household.

TASK N: **MONITORING AND REPORTING**

TASK O: **COMPLY WITH AUDIT REQUIREMENTS**

TASK P: **CLOSE OUT GRANT**

IV. COMMON PROBLEMS/DEFICIENCIES

- Failure on the part of the private sector to carry out the expansion.

- Failure on the part of the private business to understand the seriousness of its commitment to create jobs, especially for persons of low and moderate income.

- Failure on the part of the recipient/business to secure employee certifications and income verifications.

V. SUPPORT MATERIALS

Support Materials may be accessed at the below website.

http://adeca.alabama.gov/Divisions/ced/cdp/Pages/CDBG-Management-and-Implementation.aspx#CXII

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Jobs for Low/Moderate Income Persons Compliance Checklist

		Yes	No	N/A	Notes
A.	Is there evidence to document the total number of jobs created or retained?				
	❑ If answer is NO, when do you expect the jobs will be in place? Explain:				
B.	What was the company's employment total at the date of the payroll reviewed?				
C.	Was the company a new industry with no prior employment?				
D.	If the company was an existing company, give the number of employees prior to the effective date of the grant agreement.				
E.	How many total jobs were created?				
F.	If applicable, how many jobs were retained by the company?				
G.	Does this match the employment goals stated in the application?				
H.	How many and what percentage of the jobs are taken by, or made available to: L/M income persons? _____ _____%				
	❑ Do certifications match the company's payroll?				
	❑ If low-moderate percentage is less than 51 percent, explain what efforts the company undertook to hire L/M people.				
I.	L/M Tally Sheet				

LOW/MODERATE TALLY SHEET

LOW/MODERATE	HIGHER INCOME

Financial Management

I. INTRODUCTION

Effective financial management is the heart of grant management. It must accomplish complete, effective control over and accountability for all funds, property and other assets of the CDBG program. Financial management is critical to the locality's ability to properly administer Federal funds. The locality should meet Federal and State requirements with its existing management and financial systems. However, a need to augment your present system by developing special procedures for grant administration may exist.

Prior to implementing the grant, your community must review its financial systems to see if they meet the requirements discussed in this chapter and required by Federal and State law. Effective financial management includes the following tasks:

TASKS A: Designate One Individual to Coordinate the Financial Transactions Related to the CDBG Program.

B: Establish Standards for Grantee Financial Management System.

C: Address Procedures and Criteria Regarding Matching Share (If Applicable).

D: Address Program Income.

E: Identify State and Federal Bonding and Insurance Requirements.

F: Determine Costs Applicable to Grants and Contracts.

G: Set Up Accounting System.

H: Draw Down Funds.

I: Develop Property Management Standards.

J: Establish Retention and Custodial Requirements for Records.

K: Address Budget Revisions, Program Amendments, and Grant Terminations.

Other important responsibilities of financial management are discussed in other chapters or are the subject of a chapter. For example, procurement and contracting procedures is the subject of Chapter IV; assignment of grant management responsibilities, filing systems, and monitoring and reporting are tasks in Chapter I; and audits are discussed in Chapter X. Remember, financial management is the heart of grant management.

II. REFERENCES

* Title I, Housing and Community Development Act of 1974, as amended, 1990.

  ** Section 104 provides that financial records must allow for reviews and audits.

  ** Section 105 provides that accounting principles and procedures are established to demonstrate that funds are used for eligible activities.

* CDBG Regulations, 24 CFR 570.489(e) addresses program income.

* Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, or the Common Rule, as adopted by the ADECA.

* OMB Circular A-87, Cost Principles for State and Local Governments provides requirements for determining the allowable costs of programs administered by State and local governments under grants and contracts with or from the Federal government.

Contact your ADECA Program Supervisor for references not included in the Management and Implementation Manual.

III. GRANTEE RESPONSIBILITIES

Effective financial controls are essential to grant management. Make sure your community's present system conforms to Federal and State requirements. The following tasks will assist in meeting this responsibility.

TASK A: DESIGNATE ONE INDIVIDUAL TO COORDINATE THE FINANCIAL TRANSACTIONS RELATED TO THE CDBG PROGRAM

This individual should serve as fiscal coordinator and approve all purchase documents, contract invoices, payroll actions, etc. related to your CDBG funds. However, this person should not perform the disbursing and recording functions associated with accounting documents and the accounting department. This approval process should be incorporated as a part of the agency's internal controls, Task B.3.

This person might be a member of your local finance or accounting department, or a member of the county commissioner's/mayor's or city manager's staff. Where a Community Development Department has been established, a Fiscal Coordinator may be designated within the department to perform these duties.

TASK B: ESTABLISH STANDARDS FOR GRANTEE FINANCIAL MANAGEMENT SYSTEM

The Common Rule, Subpart C prescribes standards for financial management systems for grant supported activities (Exhibit III-9). Review your community's financial management systems to make sure they provide the following:

1. Accurate, current and complete disclosure of the financial results of each grant program according to reporting requirements established in Subpart C, .20.

Accrual basis reporting is prescribed; however, your locality is not required to establish an accrual accounting system. Instead, develop such accrual data for required reports by analyzing accounting records on hand.

2. Records that identify adequately the source and application of funds for grant supported activities. These records must contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income. Task G, "Set up Accounting System," provides further discussion on preserving the audit trail.

3. Effective control over and accountability for all funds, property, and other assets. Your systems must adequately safeguard all such assets and assure they are used solely for authorized purposes. The "Internal Control Questionnaire" is an excellent checklist for internal accounting controls of an organization. It is highly recommended that you use this questionnaire to analyze the effectiveness of your local internal accounting controls (Exhibit III-1). Task G, "Set up Accounting System," provides information about proper accounting systems, ledgers, etc.

4. Comparison of actual outlays with budgeted amounts for each grant. Also, relation of financial information with performance or productivity data, including the production of unit cost information whenever appropriate and required. Budgetary controls are discussed in Task G, below.

5. Procedures to make drawdowns by the letter of credit from the ADECA. The State CDBG Intergovernmental Policy Letter Number 10, revised, "Policy on State Letter of Credit Drawdowns," establishes drawdown procedures. These procedures are presented in Task H, below.

6. Procedures for determining reasonableness, allowability, and allocability of costs according to the provisions of 0MB Circular A-87. Task F, below, identifies costs applicable to grants and contracts.

7. Accounting records supported by source documentation. Refer to Task G, below, and "Source Documentation Guide" for additional information (Exhibit III-2).

8. A systematic method to assure timely and appropriate resolution of audit findings and recommendations. 0MB Circular A-128, and Chapter X, "Audit", as well as the ADECA audit policy discuss audit procedures.

As a recipient of CDBG funds, you must require subgrantees to adopt the standards of the Common Rule as adopted by the ADECA.

TASK C: ADDRESS PROCEDURES AND THE CRITERIA REGARDING MATCHING SHARE (IF APPLICABLE)

If your community agreed to a grant "Matching Share" the following applies:

The Common Rule, Subpart C.24, "Matching or Cost Sharing," establishes criteria and procedures for allowing matching (Exhibit III-9).

When the grant application was submitted and your Chief Executive Officer executed the "Grant Agreement," your community agreed to match the expenditures incurred in executing activities through expenditures of local funds, or the value of third party contributions.

The ADECA has established uniform policies governing the use and recordkeeping for local contributions (See Exhibit PL-3, State CDBG Intergovernmental Policy Letter Number 3, "Policy on the Use of Match in the Community Development Block Grant Program as Related to Local Man Hours and Use of Equipment").

Failure to Meet Local Contributions

If the cash or local contributions cannot be met, your Program Supervisor should be notified immediately. The ADECA may reduce the CDBG grant so that the original local match/CDBG ratio is maintained. The grantee will also be considered to have serious program performance problems. Future eligibility for funds may be jeopardized.

Recordkeeping

State CDBG Intergovernmental Policy Letter Number 3 specifies requirements for local man hours and equipment usage (labor and use of equipment). Refer to Exhibit PL-3 for detail as well as Exhibit III-6, Equipment Rental Rates Request form.

The Common Rule as adopted by the ADECA and 0MB Circular A-87 recordkeeping requirements must be kept. All CDBG records must be retained for five years past notification by the State that the grant has been closed or all audit findings have been resolved, whichever is longer.

TASK D: ADDRESS PROGRAM INCOME

Program income is gross income earned by a grant recipient from grant supported activities other than interest earned on advances. Such earnings include, but are not limited to:

* Proceeds from the disposition of real property.
* Payments of principle *and* interest on rehabilitation loans.
* Reimbursements to and interest from revolving loan funds.
* Proceeds from special assessments levied to recover the cost of constructing a public work or facility to the extent such cost was paid with State CDBG funds.
* Usage or rental fees.

The Common Rule Subpart C.25, "Program Income" and State CDBG Intergovernmental Policy Letter Number 7 establish standards and policies that govern program income (Exhibits III-9 and PL-7, respectively).

Your community must return to the State any interest earned on grant funds advanced by the State.

Exception: interest on housing rehabilitation loans and revolving loan funds, or accumulated interest less than $100.00 per twelve-month period as defined by ADECA. A unit of local government may keep up to $100.00 per fiscal year for administrative costs.

Unless otherwise stated in the "Grant Agreement" or close out assessment, your community shall retain program income and use it for approved activities according to the following rules:

Program Income Received During the Grant Period

* Accumulated program income less than $25,000 per twelve month period as defined by the ADECA may be treated as miscellaneous income. If $25,000 or over, all such income must be returned to the State.

* Program income in the form of repayments to a revolving fund established to carry out an activity must be substantially disbursed from such fund before additional draws are made from the letter of credit for the same activity.

* All other program income must be substantially disbursed for any approved activity before additional draws are made from the letter of credit.

* Program income should be recorded as part of the grant program transactions.

TASK E: IDENTIFY STATE AND FEDERAL BONDING AND INSURANCE REQUIREMENTS

State CDBG Intergovernmental Policy Letter Number 6, "Policy of Fidelity Bond Requirements" and State Intergovernmental Policy Letter No. 14, provide standards and requirements for bonding and insurance (Exhibits PL—6 and PL-14, respectively). The following must be met:

Fidelity Bond

* State policy reserves the right to require a fidelity bond for positions of trust having direct or indirect access to CDBG cash, securities, or other assets convertible to cash.

* The cost of a fidelity bond is an eligible CDBG expenditure. However, if bonding is obtained for the entire workforce of the community only a pro rata share is allowable for CDBG.

Insurance Requirements for Cash Depositories

* CDBG funds must be deposited in a bank with Federal Deposit Insurance Corporation (FDIC) insurance coverage. (State Policy Letter No. 14, Exhibit PL-14.)

* Any balance of CDBG funds deposited in a bank with FDIC coverage which exceeds $100,000 must be collaterally secured.

Bonding and Insurance Requirements for Contracts

* Chapter IV, "Procurement and Contracting Procedures," Task B, outlines bonding and insurance requirements for contracts.

TASK F: DETERMINE COSTS APPLICABLE TO GRANTS AND CONTRACTS

Establish a system to review and determine the reasonableness, allowability and allocability of expenditures under the CDBG program. To assist with this task follow the principles and standards established in 0MB Circular A-87. This task will only highlight and list A-87's contents. Refer to Exhibit III-11 for details.

Allowable Costs

An allowable cost must meet the following general criteria:

* Be necessary and reasonable for the proper and efficient administration of grant activities.

* Be allocable to the grant.

* Be authorized under State or local law.

* Conform to any limitations or exclusions of Federal laws and regulations.

* Be accorded consistent treatment.

Allocable Costs

* A cost is allocable to a particular cost objective to the extent of benefits received by such objective.

  For example: An individual spends 75% of his/her time on a FY1999 grant and 25% on FY2000. The FY99 grant is charged with 100% of the time. Salaries are allowable costs but only in the percent (%) allocable. Proper charges should be 75% for FY99 and 25% for FY00.

* Costs allocable to a particular grant or cost objective may not be shifted to other Federal grant programs to overcome fund deficiencies or to avoid restrictions of the law or grant agreements.

* Where an allocation of joint cost results in charges to a grant program a cost allocation plan is required.

Applicable Credits

* Applicable credits refer to those receipts or reduction of expenditure type transactions which offset or reduce expense items allocable to grants as direct or indirect costs. Examples are purchase discounts, rebates or allowances, sale of equipment, adjustments of overpayments or erroneous charges, etc.

Composition of Costs

* The total cost of a grant program is comprised of allowable direct costs incident to its performance, plus its allocable portion of allowable indirect costs less applicable credits.

Direct Costs

* Direct costs are those identified specifically with a particular cost objective.

  Examples: Labor and materials, etc.

Indirect Costs

* Indirect costs are those:

  ** Incurred for a common or joint purpose benefiting more than one cost objective, and

  ** Not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.

* Indirect costs may include costs originating in the Community Development Department and/or those incurred by other departments in supplying goods, services, or facilities to the Community Development Department or grant program. Indirect costs must be supported by an Indirect Cost Plan which must be available for review.

Cost Allocation Plan

* A plan for allocation of costs is required to support the distribution of any joint costs of the grant program. Formal accounting records must support these costs.

* For specific cost allocation plan requirements refer to Circular A-87, Attachment A, Section J. Contact your ADECA Program Supervisor assigned to your program for assistance.

Allowable Costs

Attachment B of Circular A-87 provides standards for determining the allowability of selected items of costs (Items listed below). The standards apply whether the item of cost is a direct or indirect cost. Failure to list a particular item of cost does not imply that it is either allowable or unallowable. Base the determination of allowability on the treatment of standards provided in the 0MB Circular A-87.

For Example: Accounting. The cost of establishing and maintaining accounting and other informal systems required for the management of the grant program is allowable. The cost of maintaining central accounting records required for overall government purposes, such as appropriation and fund accounts by the Treasurer, Comptroller, or similar officials, is considered to be a general expense of government and is not allowable.

TASK G: SET UP ACCOUNTING SYSTEM

Accounting systems provide a means for measuring and reporting resources that flow into and out of a jurisdiction, resources controlled by the jurisdiction, and claims against those resources. Your local accounting procedures should systematize the collection, processing, evaluation, and reporting of CDBG transactions. Grant transactions should

be recorded in your existing system; however, some adjustments may be required to comply with Federal standards.

Federal standards for CDBG accounting are described in two principle documents:

* The Common Rule as adopted by the ADECA.

* OMB Circular A-87.

Maintain a financial accounting system for the CDBG program that provides accurate, current and complete disclosure of the financial status of each activity. This system may serve many purposes. Among these are to:

* Record all project transactions (CDBG, local, third party in kind);

* Generate regular financial status reports;

* Measure periodic results of operation against budget; and

* Report results of operations to the ADECA, local officials and the public.

Procedures must be in place to make sure that:

* Sound internal accounting and administrative controls are maintained over financial transactions; and

* Effective control is maintained to safeguard physical assets.

The "Internal Control Questionnaire" is a useful tool to help assess your locality's internal controls (see Exhibit III-1).

Accounting Procedures to Address

1. Establish the CDBG Fund (a special revenue fund) to account for all project monies within the fund, including program income, local contributions, CDBG and other sources of revenue.

    * Maintain a complete set of general ledger and subsidiary accounts for the fund.

    * Conduct double entry bookkeeping where the Debit (DR) or Credit (CR) balances are maintained on each general ledger account and the sum of all debits equals the sum of all credits.

    * Record all project transactions whether funded from CDBG or other resources.

2. Create a complete chart of accounts for the CDBG fund. Exhibit III-3 presents a sample set of general ledger accounts.

* Maintain supporting records to summarize expenditures and revenues by the following categories:

    ** Activity.

    ** Project.

    ** Objects of expenditure.

    ** Revenue source.

3. Assign standard coding to each element in the chart of accounts. As much as possible, this coding should be consistent with the coding structure already in use by your community.

    * Apply coding on all source documents.

CDBG Accounting Records

Accounting records make it possible to identify the financial position and operations of the CDBG funded project. These records must identify the source and application of all funds committed to the project. Records must identify the results of project operations by fiscal year and by contract.

Books of original and final entry are essential to an accounting system. Books of original entry are the accounting records into which information is first posted. Books of final entry are the summary records used to accumulate accounting information for financial reporting. You must maintain the following books of original and final entry:

Books of Original Entry

1. Cash Receipts Journal - This register maintains a record of all cash received and deposited into the CDBG fund. The record should include:

    * The date the funds are received,

    * The document number,

    * The source of funds (State, local, program income, etc.),

    * Amount,

    * Account to which funds were assigned.

2. Cash Disbursement Journal - This register records all expenditures. This record should include the:

    * Date of payment,

    * Name of payee,

    * Check Number,

* Amount,

* Account for which disbursement was made.

3. General Journal — This journal records all noncash transactions. This book of original entry shows:

   * The account and amount to be debited,

   * The account and amount to be credited,

   * A description of the transaction (For example — sale of equipment on account).

Books of Final Entry

1. General Ledger - This ledger summarizes the status of each account in the CDBG accounting system. One ledger should be designated for each account listed in the chart of accounts.

2. CDBG Cash Control Worksheet-This important document:

   * Summarizes the status of Federal cash on hand,

   * Assists in determining subsequent cash requests,

   * Provides the ADECA with a review document for analyzing CDBG cash on hand,

   * Is more effective when completed on a daily basis.

The ADECA developed this document to use in lieu of the 'Federal Cash Control Register" with which many of you may be familiar. You may use either document. The "CDBG Cash Control Worksheet" is not a required record to maintain; however, it is strongly recommended (see Exhibit III-4).

Additional Accounting Records

To enhance CDBG financial reporting and control you may use many other accounting records. Some examples follow:

1. Fixed Asset Ledger - This ledger book of final entry provides a listing of all fixed assets acquired with CDBG funds. It may be used in conjunction with the "ADECA Property Management Inventory of Nonconsumable Personal Property" (Task I, below, Exhibit PL—5A).

2. CDBG Expenditure Summary Report - This report provides details by activity and project on the status of expenditures in relation to budgeted amounts. This book of final entry:

* Allows you to track the status of each budget item as well as provide a method to avoid exceeding appropriations, and

* Serves as a cross-check to certain general ledger accounts.

The total of all appropriations, expenditures, and encumbrances summarized on this report should equal the total appropriations, expenditures, and encumbrances in the general ledger.

3. Receivable and Payable Subsidiary Ledger - This is a book of final entry. A separate account is maintained in this record for each individual or vendor that owes money to (Receivable) or is owed money from (Payable) the CDBG program. Such a subsidiary ledger might also be used to record travel advances to employees.

Source Documents

Accounting records must be supported by source documentation. Source documents include internally and externally generated forms such as:

* Purchase requisitions,

* Purchase orders,

* Contracts,

* Contract invoices,

* Payment vouchers or check requests,

* Employee time and equipment usage report (Exhibit III—5),

* Travel reimbursement vouchers,

* Journal vouchers.

The Sample "Source Documentation Guide" provides additional examples (see Exhibit III-2).

Source documents initiate accounting transactions. Payment must never be made without delivery of goods and services and without vouchers and invoices physically in hand. You must secure and retain these documents for three years from the date of close out or until any litigation or audit findings are resolved, whichever time period is greater.

For technical assistance and information regarding accounting records contact your ADECA Program Supervisor.

TASK H: DRAW DOWN FUNDS

State CDBG Intergovernmental Policy Letter Number 10, "Policy on State Letter of Credit Drawdowns," establishes procedures for drawdowns of CDBG funds (Exhibit PL10). The policy is:

* A limit of two (2) draws per month. (Exception: To meet unexpected cash needs vital to program progress. Grantee must obtain your ADECA Program Supervisor's prior approval.)

* "immediate cash needs" is interpreted as not to exceed 14-16 days depending on the month.

A "CDBG Cash Control Worksheet" has been designed to help minimize CDBG cash on hand by providing a daily analysis of cash receipts and disbursements. Exhibit III-4 will assist you with determining subsequent drawdowns and provides the ADECA with a review document to analyze CDBG cash on hand.

You are encouraged to complete the worksheet on a daily basis and retain one copy in the project's financial records. This document is not required, but is highly recommended.

To request cash:

1. Determine cash needs.

2. Prepare "Request for Payment" Form 001 State CDBG (Exhibit III-8, REQUIRED). The "Request for Payment" must contain one of the three signatures on the "Certification" submitted as required by the "Letter of Conditional Commitment" (Exhibit 1-7).

3. Make sure the above report is complete, accurate and executed by authorized officials.

4. Submit the report to your ADECA Program Supervisor. Allow 14 days for processing.

5. After receipt of the State warrant, disburse cash on hand as soon as possible, but no later than 16 days.

TASK I: DEVELOP PROPERTY MANAGEMENT STANDARDS

State CDBG Intergovernmental Policy Letter Number 5, "Policy on Grantee Property Management Procedures," and the Common Rule, Subpart C.31 and the ADECA Subgrantee Property Manual provide uniform standards and procedures governing the use and disposition of property acquired in whole or in part with Federal funds. Please refer and adhere to these three (3) documents for uniform guidance (Exhibits PL-5 and III-9, respectively). The ADECA Subgrantee Property Manual can be obtained by contacting your ADECA Program Supervisor.

TASK J: ESTABLISH RETENTION AND CUSTODIAL REQUIREMENTS FOR RECORDS

The Common Rule, Subpart C.20 and .42, requires you to maintain accurate and complete CDBG records concerning management, financial transactions, supporting documents, statistical documents, contracts, etc., of the CDBG program. You must also retain these records and allow access as noted below:

1. Financial records, supporting documents, statistical records, and all other records pertinent to the grant program must be retained for a period of three years from the date of close out, except as follows:

* If any litigation, claim or audit is started before the expiration of the 3-year period the records must be retained until all litigations, claims, or audit findings are resolved. If resolved prior to the end of the 3-year period, records must be maintained for the entire three years.

* Records for nonconsumable personal property acquired with CDBG funds must be retained for three years after its final disposition.

2. Authorized representatives of the State of Alabama, the U.S. Department of Housing and Urban Development and the Comptroller General of the U.S., or any of their duly authorized representatives, shall have access to any pertinent books, documents, papers, or records of grantees and subgrantees to make audits, examinations, excerpts, and transcripts.

   The above requirements regarding access to and retention of records must be included in agreements or contracts for goods, services, or labor.

TASK K: ADDRESS BUDGET REVISIONS, PROGRAM AMENDMENTS, AND GRANT TERMINATIONS

Budget Revisions

* Budget revisions as a result of grant reduction or elimination identified in the "Letter of Conditional Commitment" are discussed in Chapter I, Task B.

* Budget revisions due to changes in the approved program or any activity are discussed in State CDBG Intergovernmental Policy Letter Number 2 (Exhibit PL-2).

Amendments

Amendments to CDBG programs are changes to the approved program or activities which alter any of the following:

* Dollar amounts spent on any activity.

* Beneficiaries of any activity.

* Geographic location(s) of any activity.

* Design nature of an activity. (Example: increasing size of water lines or drainage pipes, etc.)

* Policies and procedures of the approved Housing Rehabilitation Program.

State CDBG Intergovernmental Policy Letter Number 2, "Policy on Program Changes, Amendments, and Cost Underruns (Revised)" provides guidance to localities on the types of changes which require State approval (Formal Amendments) and the types which do not (Local Amendments). Exhibit PL-2 provides detailed requirements.

Terminations

* The "Grant Agreement" between the recipient and the State provides two sections, "E" and "F", for termination, thus revoking grant funds. Refer to the "Grant Agreement" for provisions.

* The ADECA has prepared a document "Termination of Grant Agreement." It addresses reasons for termination initiated by the grantee as well as the State and provides detailed procedures and responsibilities. Contact your ADECA Program Supervisor concerning this information.

IV. RECORDKEEPING AND FILES

Recordkeeping and files for financial management must be complete, accurate, and in compliance with Federal and State law. Auditable records are essential to a CDBG program. The following records and files must be physically located on the premises of the locality, not with a consultant:

* Designation of Fiscal Coordinator.

* Accounting books of original and final entry and additional records maintained on the CDBG program.

* Letter of Credit documents.

    ** Certification of Signatures. (Exhibit I-7 and Form 001 State CDBG, "Requests for Payment" for ARC projects).

    ** Copies of drawdown request.

    ** Cash Control Worksheet. (optional)

* Source documents.

* Canceled checks, deposit slips, bank statements, etc.

* Property inventory, reports, certifications, and other property records.

* Correspondence to and from the ADECA regarding any required waivers or prior approvals.

* Grant Agreement, Letter of Conditional Commitment, etc.

* Amendments and budget revisions, if any.

* Evidence of fidelity bond, if appropriate.

* Cost Allocation Plan, if any (including indirect cost rate proposal).

* System to value and record matching expenditures.

* Evidence of safeguarding assets and retention of records.

V. REPORTING

If appropriate, the following approvals and notifications must be obtained from the ADECA:

* Request to substitute local man hours and equipment usage for cash contributions or vice versa when originally approved contribution cannot be met (Task C).

* Notify immediately the ADECA if local match cannot be met (Task C).

* Return interest earned on CDBG grant funds (Task D).

* Prior approval to purchase nonconsumable personal property with a unit cost of $1,500 or more (Task I).

* Approval of formal amendments to the CDBG approved grant program (Task K).

VI. COMMON PROBLEMS/DEFICIENCIES

* Failure to designate a Fiscal Coordinator.

* Fiscal Coordinator approving purchase documents and performing disbursing and recording functions.

* Inadequate procedures for financial management.

* Failure to meet local contributions as required.

* Inadequate financial records.

* Inadequate accounting source documentation.

* Inadequate procedures for verification of cost allowability.

* Unreasonable delays between drawdown and expenditure of funds.

* Inadequate accounting and use of program income.

* Untimely or inadequate financial reports.

* Failure to obtain required waivers or approvals from the State

* Letter of Credit Drawdown requests not completed properly.

* Failure to follow proper amendment procedures.

* Failure to safeguard assets.

VII. SUPPORT MATERIALS

Support Materials may be accessed at the below website.

http://adeca.alabama.gov/Divisions/ced/cdp/Pages/CDBG-Management-and-Implementation.aspx

* State CDBG Intergovernmental Policy Letter Number 2, "Policy on Program Changes, Amendments, and Cost Underruns (Revised)" (Exhibit PL-2).

* State CDBG Intergovernmental Policy Letter Number 3, "Policy on the Use of Match in the Community Development Block Grant Program as Related to Local Man Hours and Use of Equipment" (Exhibit PL-3).

* State CDBG Intergovernmental Policy Letter Number 5, "Policy on Grantee Property Management Procedures" (Exhibit PL-5).

* State CDBG Intergovernmental Policy Letter Number 6, "Policy on Fidelity Bond Requirements" (Exhibit PL-6).

* State CDBG Intergovernmental Policy Letter Number 7, "Policy on Program Income" (Exhibit PL-7).

* State CDBG Intergovernmental Policy Letter Number 10, "Policy on State Letter of Credit Drawdowns" (Exhibit PL-10).

* State CDBG Intergovernmental Policy Letter Number 14, "Insurance Requirements for Cash Depositories" (Exhibit PL-14).

* Signature Certification (Exhibit I-7).

* Internal Control Questionnaire (Exhibit III-1).

* Source Documentation Guide (Exhibit III-2).

* Chart of Accounts (Exhibit III-3).

* CDBG Cash Control Worksheet (Exhibit III-4).

* Time and Equipment Usage Report (Exhibit III-5).

* Request for Payment, Form 001 State CDBG, (Exhibit III-8).

* Financial Status Report (Exhibit XI-2).

* Alabama County Finance Manual (1990).

* Alabama Municipal Finance Manual (1990).

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Common Rule Compliance Checklist

I. Standards for Grantee Financial Management Systems

		Yes	No	N/A	Notes
A.	Records to identify the source and application of funds: (including the local matching share and private investment)				
	❑ Is there a cash receipts journal? If so, is it current? Record date and amount of most recent transaction. _____				
	❑ Is there a cash disbursement journal? If so, is it current? Record date and amount of most recent transaction. _____				
	❑ Is there a general ledger? If so, is it current? Record most recent date and balance. _____				
	❑ Are all CDBG related transactions recorded in the grantee's general ledger?				
	❑ Are audit trails provided that permit tracing of any transaction back to the original source document and forward to summary records?				
	❑ What is the total amount of CDBG funds deposited?				
	❑ What is the total amount of local match deposited?				

		Yes	No	N/A	Notes
	❑ Do deposits equal expenditures? Total CDBG: _____ Total Local: _____ Total Checks: _____ Balance: _____				
	❑ If there is a difference, please explain.				
	❑ Were CDBG or ARC funds held for more than 14-16 days? ▪ If so, why?				
B.	The effective control over and accountability for all funds, property and assets:				
	❑ Are there dual signatures on checks?				
	❑ Are signature stamps used?				
	❑ If yes, does one person have access to both signatures?				
	❑ Are signature stamps locked up securely?				
	❑ Are checks numbered consecutively and all accounted for?				
	❑ Are blank checks unsigned?				
	❑ Are unused checks kept in a secure area?				
	❑ Are voided checks defaced?				
C.	Proper supporting documentation of accounting records:				
	❑ Is there prior approval of invoices before payment, as evidenced by initial of grantee staff on invoice?				
	❑ Are invoices coded with the grant name and number or the general ledger account code?				
	❑ Do invoices include a description of the service being performed or the goods purchased, identification of the vendor, the unit price where appropriate, and the total cost to be charged to the CDBG program?				

		Yes	No	N/A	Notes
	❑ For professional services contracts, do invoices make detailed references to contract's scope of services and do invoices specify what percentage of each project task has been accomplished?				
	❑ Are there any unresolved audit or monitoring findings? If so, why?				
	❑ Are bank statements reconciled monthly by grantee staff? ▪ If not, why?				
	❑ On projects involving private funds, is there evidence of private expenditure?				

II. Matching Share

A.	Is matching share required?				
	❑ Does match requirement include cash?				
	❑ Does match requirement include in-kind?				
	❑ Were both cash and in-kind match posted to the general ledger on a monthly basis?				
B.	Are in-kind contributions valued in the following way:				
	❑ Is the value of donated property being properly charged to the grant?				
	❑ Was the value properly determined? (For space, the value may not exceed fair market value of comparable space in the same locality. For non-expendable personal property, the value may not exceed the fair market for equipment of the same age and condition. For loaned equipment, the value may not exceed the fair rental value.)				

		Yes	No	N/A	Notes
	❑ Is there evidence that grantee obtained approval of rates from ADECA prior to usage?				
	❑ Are personnel charges supported by time and attendance records that accurately reflect all hours worked by the employee and are attendance records signed by the employee and the supervisor?				
C.	Are volunteer services recorded to show:				
	❑ The same information kept for volunteer services as is kept for grantee employees?				
	❑ The basis for valuation of personal services, material, equipment, buildings, and land?				

III. Program Income

A.	Does grantee have any program income? If so, is it properly documented and recorded?				
B.	If program income is designated for a grant project, are the receipt and expenditure of receipts part of grant project transactions?				
C.	Is program income recorded in accounting records?				
D.	Does program income exceed $25,000 in any one fiscal year? If so, have funds been remitted to the state?				
E.	What is the total amount of interest earned on CDBG funds? _____ If this amount was over $100, has it been returned to the state?				

IV. Amendments

A.	If applicable, were local amendments done in accordance with state criteria?				
B.	If applicable, were formal amendments approved by the state as required?				

V. Property Management

A.	If CDBG funds were used to acquire non-expendable personal property, is a copy of the completed PMU1 form on file in the community and has an executed copy been submitted to ADECA?				
B.	Is grantee aware that any property acquired with CDBG funds may not be sold or otherwise disposed of without prior written approval from ADECA?				

VI. Procurement Standards

A.	Does grantee have written and adopted procurement policies which include the state bid law, the public works law, and purchases not subject to the state bid law, (i.e., professional services procurement and small purchase procedures)?				
B.	Do procurement policies specify who has the authority to initiate purchase requests and enter into contracts?				

VII. Records Retention

A.	Is the grantee aware that all CDBG records must be retained for five years past notification by the State that the grant has been closed or all audit findings have been resolved, whichever is longer?				

VIII. Special Assessments

A.	Are CDBG funds used to pay the special assessment on behalf of all low and moderate income property owners?				
B.	Does the grantee collect funds through special assessments made against low and moderate income owner occupants where the special assessments are used to recover all or part of the non-CDBG, non-match portion of the public improvement? (These assessments do not constitute program income.)				
C.	Are assessments of high income households not used in construction costs recorded as program income (water and sewer authority records)? If so, have they exceeded $25,000?				
D.	Does the grantee collect funds through special assessments made against low and moderate income owner occupants where the special assessments are used to recover all or part of the CDBG, portion of the public improvement? (These assessments do not constitute program income.)				
E.	What is the total amount of program income collected through special assessments in a single year? _____				
F.	If this amount was $25,000 or more and received in a single year, has it been returned to the state?				

Procurement of Noncompetitive Proposals for
Housing Assistance Intake Services
2011 Tornado Disaster Recovery Program
ALABAMA

The replacement or rehabilitation of housing damaged by the 2011 tornadoes presents a special challenge for the State. The entire State was designated a Presidentially Declared Disaster Area and the State's Action Plan qualified thirty counties, based on damage, for homeowner assistance to replace or rehabilitate owner occupied homes. This comprises almost one-half of the State, and with the exception of entitlement communities, a large majority of these counties and communities are rural in nature with no public or private capacity to implement the State's homeowner assistance program in a reliable and consistent manner. Based on experience from previous disasters, the outreach is of utmost importance to ensure eligible homeowners become aware of the available assistance and have the ability to make applications for such assistance. It is for this reason the State chose the option to implement the single family housing assistance program in the qualified area.

Based on FEMA, SBA and Red Cross information, the State is aware of extensive damage and destruction of housing stock over a wide area. What is not known is that out of thousands of homeowners affected by the tornadoes, how many are true candidates for assistance. The insurance pay out data is unavailable in Alabama and as a consequence, this was largely a guessing exercise as to the potential number of eligible homeowners who might be candidates for assistance under the State program.

Clearly, it was neither efficient nor advisable for the State to hire a large contingency of contract people to attempt to implement the program out of Montgomery. This proposition would not only have been prohibitively expensive but would have run across regulatory hurdles causing long implementation delays. Under State law, all professional services contracts must be reviewed and approved by the Contract Review Committee and the State Personnel Board. In addition, without a local presence, the State was fearful of encountering the same complaints from affected citizens as it did with earlier disaster grants, which is "we didn't apply because nobody told us about the grant assistance". With thirty counties and hundreds of communities, the State had to consider all possible options.

In the State's opinion, intake is comprised of several tasks. They are:

1. Conduct outreach using various methods to inform affected home owners of available assistance.

2. Provide means of communications for affected home owners to call and seek information.

3. Receive applications from affected home owners/provide assistance for affected home owners to complete applications.

4. Review applications for completeness.

5. Verify information such as income, employment, household size, disability, home ownership, etc.

6. Verify duplication of benefits.

7. Verify eligibility of housing unit based on location and damage.

8. Evaluate applications to determine applicant's priority score.

9. Submit completed applications to the State.

Recently, the Governor's Office of Faith-Based and Community Initiatives awarded Disaster Case Management grants from FEMA to three agencies to employ the disaster case managers and the case management supervisors to operate intake services in the tornado disaster affected areas. The FEMA contract provided for a large contingency of case workers in the field to provide intake services. These three agencies are: Community Action Partnership of North Alabama, Inc., Community Services of West Alabama, Inc., and the Alabama Rural Coalition for the Homeless, Inc. Coincidentally, these three agencies possessed not only a lot of case management and housing experience, they also covered all thirty counties designated to qualify for the single family homeowner assistance program under the State Program. These agencies are ideally suited to provide intake services for the State's single family homeowner assistance program as well.

Based on the reasons discussed above, the State has decided to acquire services of these three nonprofit agencies under noncompetitive proposals (also sole source) to assist with the application intake for the state's single family disaster housing program under 24 CFR Part 85 (d)4.

To determine appropriate compensation for these services, the State assumed it would take one-half the time for a manager, field agent, and a phone operator for six months (est. 13 weeks) at an average case load of approximately 15 applications per week. While the State expects a large volume of applications, for the purpose in determining appropriate level of compensation, the State has assumed a minimum of 200 applications per agency.

Manager	$65,000/year	$16,250/13 weeks
Field Agent	$50,000/year	$12,500/13 weeks
Phone operator	$35,000/year	$ 8,750/13 weeks
Fringe/Travel/Etc.	---	$12,500/13 weeks
Total		$50,000/13 weeks (appr. $250/app)

At least one agency, Community Action Partnership of North Alabama, provided a written estimate of $168,589 to provide intake for 100 homes minimum. However, the State believed a fee of $50,000 for at least 200 units (without any maximum) was appropriate at a rate of $250 per unit. The State also considered the option to pay these fees out of the State's administration to expedite the negotiation process.

Olia, Shabbir

From: Castaldo, Lisa
Sent: Monday, March 12, 2012 2:29 PM
To: Olia, Shabbir
Cc: Fussell, Brooke; Mason, Jon
Subject: Disaster Case Management Provider Agencies

Shabbir,
It was great meeting with you today. Below are the 3 agencies that have been awarded Disaster Case Management grants by the Governor's Office of Faith-Based and Community Initiatives. They will employ the disaster case managers and the case mgmt. supervisors. Brooke is getting an updated list of Long Term Recovery Committees and their points of contact. Please let me know if you have any questions.
Lisa

Lisa Castaldo

Lisa Castaldo
Deputy Director
Governor's Office of Faith-Based and Community Initiatives
One Commerce Street, Suite 620
Montgomery, AL 36130
Blackberry: 334.558.4186
Fax: 334.242.2885
lisa.castaldo@ServeAlabama.gov
www.ServeAlabama.gov

The Alabama Rural Coalition for the Homeless, Inc.
Felecia Martin
felicia@archconnection.org
540 South Perry Street
Montgomery, AL 36104
Autauga, Blount, Calhoun, Chambers, Cherokee, Chilton, Choctaw, Clarke, Coosa, DeKalb, Elmore, Escambia, Etowah, Hale, Jackson, Jefferson, Madison, Marengo, Marshall, Monroe, Perry, Shelby, St. Clair, Talladega, Tallapoosa and Washington

Community Action Partnership of North Alabama, Inc.
Jack Green JGreen@capna.org
1909 Central Pkwy, SW
Decatur, AL 35601
Colbert, Cullman, Franklin, Lauderdale, Lawrence, Limestone, Marion, Morgan, Walker and Winston.

Community Service Programs of West Alabama, Inc.
Cynthia Burton cburton@cspwal.com
601 Black Bears Way
Tuscaloosa, AL 35401
Bibb, Fayette, Greene, Lamar, Pickens, Sumter and Tuscaloosa

POLICIES AND PROCEDURES

DISASTER RECOVERY:
TORNADOES OF APRIL 2011

SINGLE-FAMILY HOUSING ASSISTANCE

COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM

STATE OF ALABAMA
August 2012

Alabama Department of Economic & Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
(334) 242-0492 – Fax (334) 353-3527 – www.adeca.alabama.gov

Revised 2019

POLICIES AND PROCEDURES

Disaster Recovery: Tornadoes of April 2011
Single-Family Housing Assistance

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I. INTRODUCTION

Authorization and Purpose

In April 2011 a large geographical segment of the State of Alabama, along with other portions of the United States, sustained substantial damage from a series of tornadoes and other weather-related disasters. Funds have been allocated by the United States Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) program to assist in recovery from the extraordinary impact of these Presidentially-declared disasters. Disaster recovery projects may include infrastructure, economic development and housing; however, the policies and procedures contained herein address only the single-family, owner-occupied housing assistance portion of disaster recovery.

The State of Alabama Disaster Recovery Program will be administered by the Alabama Department of Economic and Community Affairs (ADECA). ADECA is establishing a comprehensive housing assistance program to provide financial assistance to qualified homeowners who occupied residential units in the affected areas during the tornadoes of April 2011. The storms caused extensive damage to the housing stock of specified counties, and based on the greatest need, ADECA has chosen to address as many as possible of those needs in accordance with the approved State of Alabama Action Plan for Disaster Recovery: Tornadoes of April 2011.

The objective of the housing assistance program is to help as many affected homeowners as possible by providing funds to assist in addressing housing needs. Housing assistance funds may be used alone or to attract other funds to aid the homeowner with housing repairs or replacement. To be eligible, an applicant must be able to prove that: 1) they own their home; 2) their housing unit was damaged by tornadoes (and/or other weather-related conditions) which occurred during April of 2011; and 3) they have not received reimbursement from other sources (considered duplication of benefit) to cover the full amount of damages sustained by their home.

Thirty counties in Alabama are qualified to receive assistance with owner-occupied single-family units in DTR-12. These counties are:

> *Jefferson, Cullman, DeKalb, Tuscaloosa, Marshall, Jackson, Madison, St. Clair, Lawrence, Walker, Calhoun, Blount, Limestone, Marengo, Choctaw, Elmore, Clarke, Marion, Hale, Autauga, Etowah, Greene, Perry, Colbert, Sumter, Talladega, Pickens, Cherokee, Franklin and Shelby.*

In addition to the above, six counties in Alabama were added to receive assistance with owner-occupied single-family units in DTR-13. All counties in DTR-13 are:

> *Jefferson, Cullman, DeKalb, Tuscaloosa, Marshall, Jackson, Madison, St. Clair, Lawrence, Walker, Calhoun, Blount, Limestone, Marengo, Choctaw, Elmore, Clarke, Marion, Hale, Autauga, Etowah, Greene, Perry, Colbert, Sumter, Talladega, Pickens, Cherokee, Franklin, Shelby, Bibb, Fayette, Lauderdale, Tallapoosa, Washington, Winston.*

The $11,731,534 set-aside for housing in the State of Alabama will not only address single-family, owner-occupied housing, but will also address unmet need for multi-family rental housing. No specific balances are set for each housing type; instead, ADECA will use requests submitted for each housing type to seek the appropriate balance.

This policy sets forth the procedures and guidelines under which the housing assistance program will be conducted, and is within the eligibility guidelines set by the U.S. Department of Housing and Urban Development, the Alabama Department of Economic and Community Affairs and the Housing and Community Development Act of 1974, as amended.

II. PROGRAM ADMINISTRATION / IMPLEMENTATION

The Alabama Department of Economic and Community Affairs will be the administrative entity for the State of Alabama to manage the CDBG Housing Assistance Program. ADECA will contract for outside support assistance as necessary, including but not limited to: Non-Profit Agencies, Housing Rehabilitation Specialist; Architect; Engineer; Appraiser; Environmental Consultant; Hazardous Materials Tester (lead based paint tester); Title Researcher; Archaeological Consultant; Legal Service Provider and/or Case Manager. In addition to ADECA staff and support professionals, Housing Committees will be utilized to make decisions relative to beneficiary selection.

III. PROGRAM ELIGIBILITY REQUIREMENTS

This program is designed to provide housing assistance to eligible owner-occupant(s) who resided at the address of the structure damaged by tornadoes or related causes during the tornadoes of April 2011. In addition to proving ownership, applicants must document that the address of the structure for which assistance is being sought was their primary residence during the tornadoes of April 2011. A deed to the property will document ownership, and proof of residence may include copies of utility bills, etc.

If the dwelling is located within a designated flood zone, the applicant must provide flood insurance on the dwelling pursuant to the provision of housing assistance. No future Federal disaster benefits will be provided unless flood insurance is maintained as provided under current Federal law.

Housing assistance grant eligibility requirements include the following:

A. Occupancy/Ownership

Home must have been owned and occupied by the applicant as primary residence during the tornadoes of April 2011. Applicant must provide proof of ownership.

B. Damage Documentation

The applicant must provide documentation, (i.e., FEMA application number for disaster 1971-DR, insurance damage reports, etc.), that the structure for which assistance is being applied was damaged during the tornadoes of April 2011.

C. Income Criteria

All eligible homeowners must meet applicable Section 8 Housing Assistance Income Limits as established by the U.S. Department of Housing and Urban Development, with the exception of hardship cases as described below under "D. Housing Assistance as an Urgent Need Activity."

All homeowners must provide sufficient documentation of total combined household income from all persons residing in the household; from any source earned or received; for the previous twelve months at the time of income verification, including changes taking place impacting source and income.

Income tables applicable to each of the 36 eligible counties are provided beginning on Page 28 of this Manual.

D. Housing Assistance as an Urgent Need Activity

Income ineligible applicants who are otherwise eligible for program participation will be considered for housing assistance under hardship condition. Household income limits for tornado victims have been waived for participation in this program based on urgent need, up to 50% of the total beneficiaries.

To qualify under this category, a homeowner must be recommended by the Housing Committee to ADECA as a hardship case. ADECA then has the option to grant a waiver under the "Urgent Need" national objective.

IV. PROGRAM REQUIREMENTS

All housing assistance grant components require the following:

- For any property located within a designated flood zone and required for current and future eligibility for Federal funds, owner must obtain and maintain flood insurance as required;
- Owner is strongly encouraged to obtain and maintain hazard/homeowner's insurance as a means of investment protection;
- All housing activities will be in accordance with local ordinances and State-adopted building codes.

V. HOUSING ASSISTANCE GRANT CEILING

Single-family housing grants will not exceed $25,000.00 per household, pending extenuating circumstances which could warrant a waiver of that ceiling by ADECA. This grant may be used alone if appropriate for making needed repairs; it may be used to supplement other funds which have been generated through insurance proceeds, FEMA funds, grants from other charitable or volunteer organizations, or SBA loans or grants, etc.; or it may be used to leverage other loan or grant funds.

CIRCUMSTANCES AFFECTING GRANT AMOUNT

A. **Primary Sources of Disaster Assistance:** SBA and FEMA are the federal government's primary sources of disaster assistance. Disaster Recovery CDBG funds must supplement rather than replace these sources. Applicants should have applied for FEMA and SBA assistance prior to receiving CDBG disaster assistance, and home repair or replacement funds received through these sources, if any, will be documented during the intake process.

   Application periods for both SBA and FEMA are now closed. If they should reopen during the implementation of this program, the applicant will be directed to apply.

B. **Duplication of Benefits:** Duplication of benefits includes "total assistance available" to the homeowner. Assistance includes all benefits available to the homeowner, including cash and other resources. In order to avoid duplication of benefits, housing assistance program grants cannot be used to replace amounts previously paid by any of the following:

   - FEMA Home Repair Funds (not including relocation assistance or replacement of personal belongings, etc.);
   - Homeowner Insurance or Mortgage Insurance Proceeds;
   - NFIP Insurance Proceeds (which includes ICC funds);
   - Other local, state or federal programs;
   - Grants from any other charitable or volunteer organization for home repair;
   - SBA Housing Assistance;
   - Volunteer labor provided by charitable organizations.

   If any flood benefits were received prior to or after the April 2011 tornadoes, and flood insurance was not maintained, the homeowner is ineligible for grant funds. Any funds received for home repair will be deducted from the total repair cost prior to the awarding of grant funds unless documentation is provided showing funds were expended for repairs not listed on the assessment/estimate. If funds were received for home replacement, the applicant will be deemed ineligible for grant funds to avoid a duplication of benefits.

C. **Repayment of Grant Funds:** No repayment of grant funds will be required so long as no duplication of benefit occurs and expenditure of grant funds is for the intended purpose. All expenditures must be documented with receipts, invoices, etc.

D. **Insufficient Grant Funding:** In cases where the grant maximum of $25,000 is insufficient to resolve housing problems, authorization for use of additional grant funds may be recommended to the Housing Committee. After review and approval, the Housing Committee may request a waiver of the grant ceiling from ADECA. Justification for waiving the grant ceiling includes, but is not limited to: household includes elderly or disabled persons or children; replacement mobile home is more cost effective than repairing and bringing the home to building code standards; insufficient household income and absence of other resources.

VI. OPTIONS FOR EXPENDITURE OF GRANT FUNDS

The housing assistance program will provide financial support in accordance with policies established herein. Funds provided for housing assistance may be used to help offset any of the costs related to housing rehabilitation, house elevation, on-site sewage treatment and disposal, new house construction, manufactured housing (only if zoning and subdivision regulations permit), and demolition and clearance (if required). If it is known that other agencies have provided, or will provide, benefits which represent a duplication of assistance, then ADECA will not assist the applicant.

A. Home Ownership

The single-family housing assistance element includes rehabilitation or replacement of owner-occupied structures or those occupied by persons holding a life estate interest. Vacation and/or second homes are not eligible.

B. Housing Rehabilitation

Grant assistance is based on damage to a home's structure and funds are not to be used to replace contents.

C. House Elevation

If required, grant assistance may be used to elevate an owner-occupied housing unit that was damaged by tornado and/or other weather-related elements during the dates specified herein. Elevation must be completed as required by building code and/or the National Flood Insurance Program. No replacement house will qualify if located in the 100-year flood plain.

D. On-Site Sewage Treatment and Disposal

Grant funds may be used for the installation of an on-site sewage treatment and disposal system. Coordination with appropriate local authorities will be necessary in determining the type of system, size of system, and installation requirements.

E. New House Construction / Replacement Home

Grant funds may be used to supplement other funds obtained or in the process of being obtained for new home construction of a home that was destroyed, is unsafe to inhabit, or is less expensive to rebuild than to repair. The housing unit must be in compliance with all State and local building codes and ordinances as well as zoning and land use ordinances/restrictions. Grant funds may not be used to purchase furnishings.

New house construction refers to conventional stick built housing as well as manufactured housing if zoning and land use laws permit.

F. Demolition and Clearance

When necessary, demolition and clearance of a housing unit and/or lot are eligible uses of grant funds.

VII. OTHER USES FOR HOUSING ASSISTANCE GRANTS

Each household situation is unique and each solution is different. Where no other funding source is available, ADECA reserves the right to consider innovative ways to use CDBG funds to provide assistance to persons who were displaced by tornadoes. Approval for use of grant funds for these options will be limited, as most situations are addressed by other grant options. Any use of grant funds must be approved within HUD's policies.

In addition to providing grant funds for direct housing assistance, the housing assistance program may provide funds for other housing support services. Some examples of this type of housing assistance follow:

1. Temporary Storage Unit – provision of temporary on-site storage units for homeowners to store their household furnishing while the house is being elevated, rehabilitated or constructed.

2. Temporary On-Site Dumpster – provision of an on-site dumpster for debris removal during housing rehabilitation.

3. Tree Trimming / Removal – prov1s1on of services to remove tree limbs and/or trees that prohibit housing assistance activities.

4. Associated Expenses – provision of temporary power poles for manufactured housing, removal of fixtures (fences, out buildings, etc.), and other minor costs that prohibit implementation of housing assistance activities due to lack of applicant funding for such items.

VIII. INTAKE PROCESS

The intake process is extremely critical to the success of the housing assistance program and must be conducted in a fair and timely manner. To assure the effectiveness of this process, several steps are involved.

A. Housing Intake Agencies

To work directly with homeowners in completing the intake process, ADECA will enter into a grant agreement with three nonprofit agencies: Community Action Partnership of North Alabama; Community Service Programs of West Alabama; and the Alabama Rural Coalition for the Homeless. These agencies are hereinafter referred to as the Housing Intake Agencies (HIA). Between the three agencies, residents in all eligible counties will have access to the housing assistance intake process. Specific contact information for each Housing Intake Agency and a list of the specific eligible counties they serve is provided on Page 25 of this manual.

The HIA's are currently under contract with FEMA through the Governor's Office of Faith and Community-Based Initiatives to provide disaster case management. The purpose of the FEMA Disaster Case Management Program is to rapidly return individuals and families who have survived the April storms to a state of self-sufficiency or near pre-storm status. The program provides an organized and coordinated approach to assess storm-related unmet needs of storm survivors. These unmet needs include housing, healthcare, mental health and other human-resource related needs caused by the April storms. The experience and capacity of the HIA agencies and their Case Management staff will provide a natural linkage to the CDBG housing assistance program.

The Housing Intake Agencies will assist in the following manner:

1. Establish a Housing Committee to direct the housing assistance selection process. Each Housing Committee will be comprised of at least seven members.

2. Release announcements (as scheduled with ADECA) of the locations, dates and times for homeowners to submit applications for housing assistance. In order to address the needs of limited English-proficient persons[1], project-related public notices will be published in Spanish and, if necessary, other languages.

3. Use all means at their disposal, including their existing database, to assure that potential clients are aware of the housing assistance program. Conduct outreach to identify individuals who have storm-related unmet housing needs resulting from the April 2011 storms.

[1]Limited English Proficient Persons are those that represent 5% or 1,000 persons (whichever is lesser) per the most recent decennial Census or as identified locally as having a specific need.

4. Assign a unique homeowner identification number to each case. That number will incorporate identity of the nonprofit agency, county identification based on the damaged home address, and a four-digit number representing the order in which applications were received. Instructions for determining the application number are included on Page 26 of this manual.

5. Complete a screening process to identify homeowners who are potentially eligible for assistance. Homeowners seeking assistance must complete the application form, and can be assisted by the HIA in this process if necessary. The form, which includes information related to the applicant's income, residency, homeownership and presence of unmet housing need, will help determine if the homeowner is qualified for CDBG assistance. A copy of the Application Form is included in *Single-Family Housing Assistance Forms* section of this manual.

6. Make an initial assessment of applicant's eligibility based on income, homeownership, location, and unmet housing need based on information provided in the application.

7. Promptly inform the applicant in writing with a copy of the letter in applicant's file if the initial assessment indicates the applicant is ineligible based on any of these criteria.

8. Identify and hold over for review by the Housing Committee hardship cases as identified by the Case Manager based on undue financial condition, sickness, or other compelling reason.

9. Arrange a home inspection for eligible homeowners to ascertain eligibility of unit and approximate cost to repair or rebuild.

10. Attempt to identify other resources if rehabilitation costs involved are estimated at more than $25,000. These may include volunteer donations, volunteer labor, homeowner contributions or other resources which can be used to fill the gap.

11. Ensure that, for replacement homes, the homeowner is able to qualify for loans and other sources of funding in addition to the CDBG assistance of up to $25,000 to build a new house. In order to assist as many households as possible, the HIAs will incorporate maximum volunteer donations, labor, and other resources to reduce the need for CDBG dollars for all cases regardless of cost.

12. Determine financial feasibility to complete repairs or replacement. Provide repair cost estimate and replacement home estimate to justify replacement home is more cost effective – subject to code, maintenance, quality, and longevity issues – than repairing the storm-damaged home.

13. Determine and document potential duplication of benefit.

14. Verify information related to the household and the housing unit of potentially qualified homeowners – including benefits received to avoid a duplication of benefits. The file must contain all documentation listed on the "Disaster Case File Checklist" located in the *Single-Family Housing Assistance Forms* in this manual.

15. Due to limited funds during the first allocation (DTR-12) the HIA was required to score each eligible homeowner based on a point system to give special consideration to households with very low, low and moderate incomes and those with residents who were elderly, disabled, and/or had dependent children. With the supplemental funds of DTR-13, scoring will only be used to classify applicants if funds are deemed not sufficient to serve all eligible program applicants.

16. Present each potential case for review to the Housing Committee. The decision of the Housing Committee will be documented in the homeowner's case tile.

17. Submit completed files to ADECA for grant consideration and final approval.

18. Retain all records for a minimum of five years after grant closeout.

If, during the application review, the homeowner fails to respond to any request for additional information within the specified time limit to be determined by the HIA, the application will be closed and the applicant will be notified in writing. If the applicant makes a concerted and meaningful effort to respond, but is unable to provide all requested information, then the Housing Intake Agency may continue to work with the applicant until such time that it is determined that the must be closed due to a lack of information/cooperation by the homeowner or other factors that would preclude program participation.

The Housing Intake Agencies must develop forms and procedures to assist them in implementing the intake and qualification process in a fair and consistent manner. The procedures must be in conformance with ADECA's Policies and Procedures, and a copy must be provided to ADECA prior to program implementation.

B. Housing Committees

Each Housing Committee will be established by the Housing Intake Agency in the area which it serves. The Housing Committee will play an essential role in the implementation of the single-family housing assistance program. The purpose of the Housing Committee is to direct and bring legitimacy to the housing assistance selection process. Each Housing Committee will be comprised of at least seven members.

The Housing Committee will generally attempt to accommodate the best interest of the applicant for housing assistance. In addition, the Committee will ensure that the HIA's intake process treats each applicant fairly and consistently; that all hardship cases are given proper consideration; and that all complaints are addressed in a timely manner. The Housing Committee will review each case with regard to unmet needs, hardship, eligibility, and feasibility. For projects where the need exceeds the $25,000 ceiling, the Housing Committee will carefully consider other sources to fill the gap. These sources may include homeowner contribution, loans, grants, donations, volunteer labor, etc. If no other option is available, the Housing Committee may recommend that ADECA grant a waiver of the $25,000 ceiling in hardship cases. Likewise, the Housing Committee will verify hardship status in situations where the household is not income qualified.

Housing Committee membership may include members from Long Term Recovery Committees, volunteer organizations, fair housing and housing coalitions, and other interested and relevant groups and organizations. The Housing Committee will meet at regular intervals or upon call by the Chairman. The committee will vote whether or not to send each case to ADECA for final grant consideration and their recommendation will be documented in the applicant file.

C. ADECA

At a date and time specified by ADECA, the HIAs will submit to ADECA a completed case file for each qualified homeowner who was recommended by the Housing Committee for final review and approval.

IX. DOCUMENTATION & VERIFICATION REQUIREMENTS

All files submitted to ADECA for review and approval must contain documentation of the following:

A. Statement of Verification & Authorization to Share Information

The homeowner (or his/her designated representative) must sign the application form which certifies to the accuracy of the information provided and allows consent to make information available to other agencies when necessary to assist in obtaining verification of assistance.

B. Ownership

Each applicant must provide a copy of the deed to the property and subject dwelling for which financial assistance is being sought. The deed must be dated and recorded in the name of the applicant. If the person is living in the housing unit as a party to a life estate interest, then a copy of the deed and life estate interest documentation should be provided. Life estate interests should be

recorded along with the mortgage. Assistance will be limited to a single dwelling per applicant, and only those homes used as a primary, permanent residence will be considered.

C. Storm Damage

The applicant must provide documentation that the structure for which housing assistance is being requested was damaged by the tornadoes or storm-related event which occurred during April 2011. Acceptable documentation includes, but is not limited to: a copy of disaster number 1971-DR claim from FEMA establishing an application number; an insurance company damage assessment report from the time period immediately following the tornadoes; pictures taken at the residence following the storm damage.

D. Household Income

The applicant must provide documented evidence to the satisfaction of ADECA of the total combined household income from all persons residing in the household; from any source earned or received; for the previous 12 months at the time of verification including changes taking place impacting source and income. Acceptable documentation includes, but is not limited to: W-2 form, tax statement, paystub, Social Security Administration letter of benefits, bank statement showing income electronically deposited. Housing Intake Agencies must provide an income calculation form that represents the total combined income of all household members.

E. Duplication of Benefits

CDBG disaster recovery funds must supplement rather than replace FEMA, SBA and other sources of funds. In order to prevent a duplication of benefits, applicants must provide documentation of any benefits other than CDBG received for housing assistance related to the tornadoes. If any flood benefits were received prior to or after the April 2011 tornadoes, and flood insurance was not maintained, the homeowner is ineligible for grant funds. Any funds received for home repair will be deducted from the total repair cost prior to the awarding of grant funds unless documentation is provided showing funds were expended for repairs not listed on the assessment/estimate. If funds were received for home replacement, the applicant will be deemed ineligible for grant funds to avoid a duplication of benefits.

F. Disability

The applicant must provide documentation of disability in order to receive additional accessibility items in home repairs or replacement mobile homes. Acceptable documentation includes, but is not limited to: a Social Security Administration letter verifying Social Security Disability (SSDI) or Supplemental Security Income (SSI); a bank statement showing SSDI or SSI benefits electronically deposited; a letter from a medical professional; visible sign of disability.

X. AWARD OF HOUSING ASSISTANCE GRANTS

The ADECA staff will review each file to determine that information is complete and eligibility criteria has been documented.

Every effort will be made to assist those whose homes were demolished or damaged by the April 2011 tornadoes. ADECA anticipates awarding approximately 600 housing grants. The actual number may be significantly different.

XI. BIDDING AND CONTRACTING

A. Contracts with Housing Program Administrators

ADECA will enter into contracts to carry out disaster housing activities with cities and counties who have the capacity and willingness to administer HUD housing programs in their jurisdiction. For cities and counties with no experience in administering HUD housing programs, ADECA will invite and award proposals from experienced private consultants or nonprofit agencies to carry out housing grants. The recipients of ADECA contracts will be referred to as Housing Program Administrators (HPA). As a last resort, ADECA may directly carry out disaster housing activities and may enter into contracts for specific elements.

ADECA will accomplish this phase of the process by either individual housing unit or by bundling several housing units. Under contract with ADECA, Housing Program Administrators will assist in carrying out the housing assistance program to repair and replace units for qualifying households. While all repair and replacement units will have CDBG dollars, some will also have varying amounts of volunteer donations, volunteer labor, insurance proceeds, other grants, private loans and other resources. It will be the HPA's responsibility to coordinate among various resources as well as to ensure the housing units are repaired or new units are built in compliance with all governing requirements.

Housing Program Administrator's tasks include the following:

1. Coordinate with all parties, if the unit involves sources in addition to CDBG dollars, to establish specific responsibilities before rehabilitation or construction activities begin.

2. Prepare a work write-up and cost estimate when rehabilitation bids are required, ensuring that at a minimum all CDBG work meets the State of Alabama adopted building code. Work will be limited to disaster-related damage and health and safety issues. Changes to the work write-up will only be made by necessity to address structural or construction issues that are unknown at the time of the write-up.

3. Bid work on rehabilitation units, establish the lowest bidder, and secure ADECA's grant approval for each unit in order to allow ADECA to manage funds within budget.

4. Award contract for rehabilitation work, and provide necessary oversight and inspections to ensure work conforms to work write-up.

5. Carry out a necessary role for new houses depending upon how the grant is structured to ensure that the unit is built to conform to the State of Alabama adopted building code.

6. Ensure compliance with HUD lead rules for housing units built prior to 1978 where Federal funds total more than $25,000 for hard costs of single-family housing rehabilitation.

7. Ensure that CDBG-funded work meets the State of Alabama's adopted Building Codes to produce high-quality, durable, energy-efficient, and mold-resistant housing. Adherence will be verified by ADECA at each monitoring visit.

B. Contractor Requirements

1. Minimum Qualifications

All private contractors must be licensed by the State of Alabama; a member of the Home Builders Licensure Board; must be familiar with and able to implement the current International Building Code and must have completed the Lead Safe Work Practices for Renovators and Remediators (offered by the University of Alabama) or equivalent coursework related to construction practices involving lead. Further, if the projected "hard costs" of rehabilitation will be $25,000 or greater, then the contractor must also be a certified lead abatement contractor, as required by the State of Alabama (in accordance with the Alabama Lead Reduction Act of 1997 and regulations of the State Board of Health Bureau of Environmental Services Chapter 420-3-27) and must be familiar with and able to implement and comply with 24 CFR Part 35 et al.

In order for a contractor to be able to abate asbestos-containing materials in eligible dwellings, certain requirements are mandatory for participation. These contractors must be certified by the Alabama Department of Environmental Management and must be familiar with and able to remove asbestos in accordance with the National Emissions Standards for Hazardous Air Pollutants (NESHAP). Further, EPA guidelines for asbestos handling, removal, storage and transport under 40 CRF Part 61, Subpart M and 40 CFR Part 763 will apply for rehabilitation and/or demolition actions.

2. Insurance

All private contractors must be required to furnish evidence of Comprehensive Public Liability Insurance of not less than $500,000 in the event of bodily injury, including death and $100,000 in the event of property damage arising out of work performed by the contractor. In addition, all private contractors will be required to submit evidence of "workman's compensation" coverage (if necessary), and will be required to maintain "builder's risk insurance" on all properties under construction. In the event of asbestos or lead abatement, the contractor must have liability insurance in an amount equal to $1,000,000 in the event of bodily injury (including death) and $250,000 in the event of property damage arising out of work performed. Insurance limits may be adjusted (as deemed necessary) by ADECA.

3. Warranty Period

All private contractors must be required to provide a one-year warranty to the homeowner for all work specified under the contract. Warranties for home appliances and/or fixtures (e.g., stove, refrigerator, HVAC unit, water heater, bathroom fan/light fixtures, etc.) will be covered for workmanship only. Information on warranties for the appliance and/or fixture will be provided to the homeowner for all equipment installed so that the homeowner can contact the manufacturer if necessary during the specified warranty period.

XII. SPECIAL REQUIREMENTS

A. Handicap

All housing replacement or rehabilitation will expressly address needs of handicapped persons who dwell in the structures.

B. Elevation

Any housing unit may be required to be elevated or otherwise brought into compliance with elevation requirements of the National Flood Insurance Program and FEMA as part of the overall rehabilitation. Upon final approval of the application and the determination that a house must be elevated the HPA will contact the Architect or Engineer to conduct all necessary soil investigations, survey work and design/other tasks that may be necessary. The HPA will document the elevation on the Closeout Certification to ensure correct reporting.

C. On-Site Sewage Treatment and Disposal

On-site sewage treatment system must be approved by the County Public Health Department.

D. Demolition and Clearance

Demolition and clearance will be determined based on site-specific conditions.

XIII. INVESTIGATION OF FRAUD, ABUSE, AND MITIGATION

ADECA will make every effort to prevent fraud and program abuse, and will work very closely with representatives of the HUD Office of Inspector General (OIG), the FBI, Department of Justice, and U.S. Attorney's Office when necessary to monitor and investigate instances of fraud.

ADECA will not tolerate program fraud or duplication of benefits. In order to limit the chances for abuse, very specific documentation will be required.

XIV. CONFLICT OF INTEREST

ADECA 's partnering agencies and the Housing Committee will ensure that a conflict of interest or potential conflict of interest does not exist among agency staff or members of the Housing Committee and the applicant. Any individual within a partnering agency or on the Housing Committee who has direct involvement with the applicant must recuse themselves from participating in any action or decision making process. If an appearance of conflict exists, the partnering agency must secure an opinion from the Alabama Ethics Commission before proceeding.

XV. GRIEVANCE PROCEDURE

Purpose:

The purpose of the grievance procedure is to provide a process for receiving, evaluating and resolving complaints and grievances related to determinations made which affect housing assistance grants. The grievance procedure is intended to assure that all applicants are treated equally, to allow the hearing and resolution of complaints in a fair and timely manner, and to determine the appropriate action(s) needed to assist the requester and to resolve the concern.

What is a grievance?

A grievance is defined as a complaint filed by an applicant (referred to as a "requester" herein) for housing assistance alleging that he/she has been treated unfairly related to grant assistance issues including eligibility, amount of assistance and scope of work.

Steps:

Any requester having a grievance must first file a complaint in writing with the Housing Intake Agency (HIA) on the Homeowner's Request for Grievance Review form on Page 27 of this manual. The HIA will review the complaint and prepare an appropriate

response or remedy for review by the Housing Committee. The Housing Committee's decision will be communicated to the requester in writing with a copy to ADECA.

A requester who is not satisfied with the response from the HIA has an option to submit a written complaint to ADECA providing the specific reason for dissatisfaction with the response. After reviewing the complaint, ADECA will respond in writing to the requester. If no satisfaction is obtained by the requester from ADECA, the requester has the option to take their grievance to HUD.

Both the HIA and ADECA will respond to all grievances as soon as possible, but not later than 15 days from the receipt of the grievance unless a valid reason exists to delay the response.

XVI. REVISIONS/AMENDMENTS

The purpose of ADECA's Policies and Procedures is to guide the implementation of the single-family housing assistance program for tornado victims (1) in a fair and consistent manner, and (2) as efficiently and expeditiously as possible. While these policies and procedures have been thoroughly discussed and debated, revisions and amendments may become necessary during the course of implementation to ensure that the program serves its intended purposes. Should revisions/amendments become necessary, they shall be approved by the ADECA Director and posted on the ADECA website.

For any issue or subject not addressed in these Policies, or in the case of conflicting issues, the Director will make a final ruling based on precedents, established practices, or determination as to what action is in the best interest of the program.

XVII. ADOPTION

The Policies and Procedures of Disaster Recovery: Tornadoes of April 2011, Single-Family Housing Assistance were officially adopted by the Alabama Department of Economic and Community Affairs as of August 14, 2012, and updated as of the date below.

Kenneth W. Boswell, Director
Alabama Department of Economic
and Community Affairs

1/29/19
Date

ADDENDUM TO THE POLICIES AND PROCEDURES
SINGLE-FAMILY HOUSING ASSISTANCE
ALABAMA

As a result of the Disaster Relief Appropriations Act of 2013 (Public Law 113-2), the State of Alabama was approved to receive an additional $49,157,000 in Disaster Funds to continue with the recovery efforts to mitigate the damage resulting from the tornadoes of April 2011. The supplemental funds will now permit the State to fund more of the needs that it could not adequately address with the limited funds available in the first round of disaster funding. The State's Disaster Action Plan for Supplemental Funds has provided a breakdown of overall anticipated awards by four Program Areas- housing, infrastructure, economic revitalization, and administration. Of the total amount available, approximately 27 percent or $13,132,246 is budgeted for single-family and multi-family housing. Of this total, $11,046,981 is budgeted for single-family housing assistance. This amount, added to the first round of funding for single-family housing assistance, brings the total to nearly $18.7 million. The additional housing funds will permit the State to not only address housing needs for a greater number of households, the funds will permit the State to reach out to more households to aid in the rebuilding of communities.

Housing Assistance Goals: As a result of damage to existing housing due to the April 2011 tornadoes, Alabama's stated housing goals are as follows.

1. **Assist as many households as possible which suffered damage to the place of residence at the time of the storm but have not yet recovered from said damage.**

2. **Assist in rebuilding communities most impacted by the storm.**

Lessons Learned: During the course of administering the single-family housing assistance program, the State faced several issues that need to be recognized and addressed.

1. Insurance companies paid hundreds of millions of dollars for damage resulting from the tornadoes, and most homeowners with hazard insurance policies were able to rebuild and recover. As a consequence, the number of households with low and very low incomes without such insurance coverage constitutes nearly 100 percent of the requests for assistance from the State.

2. A large segment of households without such insurance coverage lived in mobile homes scattered throughout the large 30-county predominantly rural area affected by the storm.

3. As is typical in Alabama and elsewhere in many other states, the majority of these mobiles homes lacked access to public sanitary sewer or were not hooked to functioning sanitary septic systems.

4. The requests for assistance indicated that nearly all of the houses and mobile homes that suffered storm damage also suffered from significant deferred maintenance issues.

5. A significant portion of households seeking housing assistance have no earned income; instead they are dependent on fixed government entitlement payments. These affected families have no ability to contribute any income towards their housing recovery efforts.

6. A significant prevalence of disability exists among one or more members of the qualifying households.

7. There is an absence of qualified contractors within a reasonable commuting distance to most housing units needing repairs or replacement.

8. With many households, documentation to show the household's ownership of property is either not conclusive or not readily available.

9. Costs of repairs for many households far exceed the value of those homes.

Housing Assistance Policies: The following policies will govern the State's housing assistance program under the supplemental funds.

1. Reach out to the households which suffered storm damage to their residences in the target counties but which have not yet recovered.

2. Ensure the households are not receiving duplicative benefits through these grant funds for the same work paid for by other sources such as FEMA, SBA, or insurance.

3. Ascertain all work to be performed by these grant funds will comply with the State's adopted building code.

4. Control expenditure of grant funds per household so that grant assistance can be extended to the maximum number of households.

5. Concentrate on making repairs to items such as roofs, doors, windows, and exterior walls, in order to seal the houses from the elements to prevent further interior and exterior damage, and to make living conditions comfortable and reduce energy costs.

6. Whenever estimates for repair costs to mobile homes are extensive, consider replacement units as a viable option to making those repairs.

7. In cases of replacement mobile homes, ensure those units are hooked-up to the functioning septic systems. Also, ensure the damaged units that are replaced are demolished and cleared from the premises.

8. All replacement mobile homes will be considered to meet governing building standards since they are built to HUD specifications.

9. Each replacement unit will be sized to meet the needs of the family occupying it.

10. The housing assistance program is designed to improve the housing conditions of storm-impacted households and to assist in the rebuilding of communities. The program is not an entitlement program and is not designed to make the family whole.

11. In most cases, the housing assistance program benefits will be limited to low and moderate income households. However, when a great need persists, households which do not qualify as low and moderate income will qualify under the National Objective addressing Urgent Need.

12. The nature of the housing assistance program dictates discretion on the part of the State to achieve the best utilization of funds to assist the largest number of storm-affected households to the extent such discretion does not conflict with applicable State or HUD rules.

13. The State has added six counties to the original list of thirty targeted counties that were qualified for home owner assistance program for the storm-affected households. These six additional counties are: Bibb, Fayette, Lauderdale, Tallapoosa, Washington and Winston Counties.

14. Any renters in the 36 targeted counties affected by the storm who have not recovered will also qualify for program assistance to become a homeowner.

15. To encourage the most-impacted communities to rebuild, the State will assist individual households which were not affected by the storm to qualify for program assistance as a means to acquire a home in Cullman, DeKalb, Franklin, Marion, Jefferson, and/or Tuscaloosa Counties.

This **Addendum** to the State of Alabama's Disaster Recovery Housing Policies and Procedures adopted on August 14, 2012 is hereby approved.

Jim Byard, Jr., Director
Alabama Department of Economic
and Community Affairs

March 9, 2014
Date

CDBG DISASTER RECOVERY
LEAD-BASED PAINT POLICY

Any construction or rehabilitation of structures containing residential units with assistance provided shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint.

Notifications shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

The following evaluation and assessment methods are used with CDBG-funded activities:

1. Visual assessment - A visual assessment for deteriorated paint consists of a visual search for cracking, scaling, peeling, or chipping paint as well as visible dust, debris and paint chips. Because a visual assessment is not considered a method of lead hazard evaluation, there is no requirement for a Notice of Lead Hazard Evaluation associated with this procedure.

2. Paint testing - Paint testing entails testing painted surfaces to determine if they contain lead-based paint using methods such as an XRF analyzer or laboratory analysis.

3. Risk assessment - A risk assessment is a comprehensive investigation of a dwelling to identify lead-based paint hazards. It includes paint testing, dust and soil sampling, and a visual evaluation. A certified risk assessor must perform risk assessment. Risk assessment results are summarized in a written report with recommendations for action.

Requirements of Lead Reduction are: if hard costs are $5,000 or under, do no harm; $5,001 to $24,999, use standard treatments; $25,000 or more, lead paint must be abated. No treatment is required if the housing unit is tested and no lead is found, or if the house was built in 1978 or after.

Homeowners, please refer to pamphlet “Protect Your Family From Lead in Your Home”, EPA747-K-99-001, April 1999; U.S. Environmental Protection Agency, U.S. Consumer Product Safety Commission, U.S. Department of Housing and Urban Development.

CDBG DISASTER RECOVERY
GREEN BUILDING STANDARDS

The projects described below that use Hurricane Sandy funds are required to meet the "Green Building Standard."

- All new construction of residential buildings; and,
- All replacement of substantially-damaged residential buildings.

Meeting the Green Building Standard requires the Grantee to ensure all new construction of residential buildings and all replacement of substantially-damaged residential buildings, meets an industry-recognized standard that has achieved certification under at least one of the following programs:

- ENERGY STAR (Certified Homes or Multifamily High Rise);
- Enterprise Green Communities;
- LEED (NC, Homes, Midrise, Existing Buildings O&M, or Neighborhood Development);
- ICC–700 National Green Building Standard;
- EPA Indoor AirPlus (ENERGY STAR a prerequisite); or,
- Any other equivalent comprehensive green building program, including regional programs.

To meet the standards for rehabilitation of non-substantially-damaged residential buildings, grantees must apply the guidelines outlined in the HUD CPD Green Building Retrofit Checklist (http://portal.hud.gov/hudportal/documents/huddoc?id=drsi_retrofit.xls), to the extent applicable, on the rehabilitation work undertaken. Examples include the following:

- The use of mold resistant products when replacing surfaces such as drywall.
- When older or obsolete products are replaced as part of the rehabilitation work, use ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)-designated products and appliances.
    - If the furnace, air conditioner, windows, and appliances are replaced, the replacements must be ENERGY STAR-labeled or FEMP-designated products
    - WaterSense-labeled products (e.g., faucets, toilets, showerheads) must be used when water products are replaced.

Exceptions
There are circumstances under which a Grantee is not required to meet the specifications described in the previous sections. They include, but are not limited to, the following:

- For construction projects completed, under construction, or under contract prior to the date that assistance is approved for the project, the Grantee is encouraged to apply the applicable standards to the extent feasible, but the Green Building Standard is not required.
- If the Grantee is required to replace specific required equipment or materials for which an ENERGY STAR- or Water- Sense-labeled or FEMP-designated product does not exist, the requirement to use such products does not apply.

CDBG DISASTER RECOVERY
FLOODPLAIN POLICY

No Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received flood disaster assistance that was conditional on the person first having obtained flood insurance under the applicable Federal law and subsequently having failed to obtain and maintain flood insurance as required under applicable Federal law on such property.

Alabama's disaster grant program will not permit new or replacement activities to take place in the designated floodplain. For other activities, grantees are required to elevate or otherwise flood-proof all structures that were impacted by the disaster (whether they are homes, businesses or utilities) to mitigate flood or sea level rise risk as indicated by relevant data sources. Elevating at least one foot higher than the latest FEMA-issued base flood elevation or best available data (which includes advisory base flood elevation data), as required by the April 19, 2013 Notice has the added benefit of making flood insurance more affordable, particularly for economically disadvantaged home and business owners. The relevant data source and best available data under Executive Order 11988 is the latest FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

In addition, all rehabilitation projects should apply appropriate construction standards to mitigate risk, which may include: (a) raising utilities or other mechanical devices above expected flood level; (b) wet flood proofing in a basement or other areas below ABFE/best available data + 1 foot; (c) using water resistant paints or other materials; or (d) dry flood proofing non-residential structures by strengthening walls, sealing openings, or using waterproof compounds or plastic sheeting on walls to keep water out.

Reconstruction and substantial improvement projects located in a floodplain, according to the best available data as defined above, must be designed using the base flood elevation plus one foot as the baseline standard for lowest floor elevation. If higher elevations are required by locally adopted code or standards, those higher standards apply.

CDBG DISASTER RECOVERY

REPLACEMENT MOBILE HOME SIZE GUIDELINES

Regarding the size (i.e., number of bedroom units) of a replacement mobile home, HUD occupancy guidelines are as follows:

A. No more than two persons are required to occupy a bedroom.

B. Persons of different generations (i.e. grandparents, parents, children), persons of the opposite sex (other than spouses/couples), and unrelated adults are not required to share a bedroom (An adult is a person 18 years or older).

C. Couples living as spouses (whether or not legally married) must share the same bedroom for issuance size purposes.

D. A live-in aide who is not a member of the family is not required to share a bedroom with another member of the household. The need for a full time live-in aide must be documented.

E. Individual medical problems (e.g. chronic illness) sometimes require separate bedrooms for household members who would otherwise be required to share a bedroom. Documentation supporting the larger sized unit and related subsidy must be provided and verified as valid.

F. In most instances, a bedroom is not provided for a family member who will be absent most of the time, such as a member who is away in the military.

G. When determining family issuance size, include all children expected to reside in the unit in the next year as members of the household. Examples include, but are not limited to the following:

1. Children who are in the process of being adopted are included as members of the household.
2. Children expected to be born to pregnant women are included as members of the household.
3. Foster children residing in the unit along with families who are certified for foster care and are awaiting placement of children are included as members of the household. If children are anticipated to occupy the unit within a reasonable period of time, they must be considered when determining the issuance size.
4. In most instances children in joint/shared custody arrangements occupying the unit at least 50% of the time are included as members of the household. The custody arrangement may be verified by the divorce decree/legal documents or by self-certification.
5. Children whose custody is in the process of being obtained by an adult household member may be included as members of the household. Evidence that there is a reasonable likelihood that the child will be awarded to the adult (i.e. within three months) must be provided in order for such child to be included.
6. Children temporarily absent from the home due to placement in foster care may be included as members of the household. Evidence that there is a reasonable likelihood that the child will return to the household (i.e. within three months) must be provided in order for such child to be included.
7. Children who are away at school, but live with the family during school recesses are included as members of the household.

Contact Information for

Disaster Recovery: Tornadoes of April 2011

Single-Family Housing Assistance

Housing Intake Agencies:

Community Action Partnership of North AL, Inc.
1909 Central Parkway, SW
Decatur, Alabama 35601
Contact: Jack Green, Chief Outcomes Officer
Telephone: 256-260-3128
Email: jgreen@capna.org

Counties covered by CAPNA for single-family housing assistance:
Cullman, Lawrence, Limestone, Colbert, Franklin, Marion, Walker

Community Service Programs of West AL, Inc.
601 Seventeenth Street
Tuscaloosa, Alabama 35401
Contact: Cynthia W. Burton, Executive Director
Telephone: 205-469-1018
Email: cburton@cspwal.com

Counties covered by CSPWA for single-family housing assistance:
Tuscaloosa, Pickens, Sumter, Greene

Alabama Rural Coalition for the Homeless (ARCH)
540 South Perry Street, Post Office Box 451
Montgomery, Alabama 36101
Contact: Felicia Watkins-Jackson, Executive Director
Telephone: 334-239-7833
Email: Felicia@archconnection.org

Counties covered by ARCH for single-family housing assistance: *Jefferson, DeKalb, Marshall, Jackson, Madison, St. Clair, Calhoun, Blount, Marengo, Choctaw,* Elmore, Clarke, Hale, Autauga, Etowah, Perry, Talladega, Cherokee, Shelby

Administering Agency:

AL Department of Economic and Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
Contact: Shabbir Olia, Manager
Community & Economic Development Programs
Telephone: 334-242-5468
Email: shabbir.olia@adeca.alabama.gov

APPLICANT IDENTIFICATION NUMBERS FOR CDBG
SINGLE-FAMILY HOMEOWNER HOUSING ASSISTANCE PROGRAM

Each applicant for pre-screening will be assigned a unique identification code (case number) that will incorporate the 1) non-profit's identity, 2) the county's identity, and 3) a four-digit number specific to the applicant. The numbers will be assigned as follows:

Applicant Number: _____ - _____ - _____
Non-profit ID County ID Applicant ID

The non-profit ID will be as follows:

CAPN - Community Action Partnership of North Alabama
CSPW - Community Services Program of West Alabama
ARCH - Alabama Rural Coalition for the Homeless

The county identifier will be the same as the two digits of the Alabama County designation on a car tag as listed below in alphabetical order. If the county tag number has only one digit (i.e., Jefferson County), a zero will be placed in the first position.

Autauga ---------- 04
Bibb ---------- 07
Blount ---------- 08
Calhoun ---------- 11
Cherokee ---------- 13
Choctaw---------- 15
Clarke ---------- 16
Colbert ---------- 20
Cullman ---------- 25
DeKalb ---------- 28
Elmore---------- 29
Etowah ---------- 31
Fayette ---------- 32
Franklin---------- 33
Greene ---------- 35
Hale ---------- 36
Jackson ---------- 39
Jefferson ---------- 01
Lauderdale ---------- 41
Lawrence ---------- 42
Limestone ---------- 44
Madison---------- 47
Marengo ---------- 48
Marion ---------- 49
Marshall ---------- 50
Perry ---------- 53
Pickens ---------- 54
Shelby ---------- 58
St. Clair ---------- 59
Sumter ---------- 60
Talladega ---------- 61
Tallapoosa ---------- 62
Tuscaloosa---------- 63
Walker---------- 64
Washington ---------- 65
Winston ---------- 67

The applicant identifier will be numbered based on the order in which the applicant's request for assistance comes in to the non-profit agency. Since this number will require 4 digits, it will begin with leading zeros (i.e., 0001) until the number increases (i.e., 0128).
Therefore, the 115th application received by Community Action Partnership of North Alabama for Madison County will be: **CAPN-47-0115.**

HOMEOWNER'S REQUEST FOR GRIEVANCE REVIEW

Date of Request:_____

Name:_____

Address:_____

_____

Telephone: Home _____ Cell _____

What is the reason for your grievance?_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Attach Supporting Documents

_____
Homeowner's Signature

Return completed form to:_____

_____
(Address of Housing Intake Agency (HIA) working with Homeowner to be entered here.)

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Anniston-Oxford, AL MSA									
FY 2013 MFI: 53100	30% OF MEDIAN	11200	12800	14400	15950	17250	18550	19800	21100
	VERY LOW INCOME	18600	21250	23900	26550	28700	30800	32950	35050
	LOW-INCOME	29750	34000	38250	42500	45900	49300	52700	56100
Auburn-Opelika, AL MSA									
FY 2013 MFI: 63000	30% OF MEDIAN	13250	15150	17050	18900	20450	21950	23450	24950
	VERY LOW INCOME	22050	25200	28350	31500	34050	36550	39100	41600
	LOW-INCOME	35300	40350	45400	50400	54450	58500	62500	66550
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2013 MFI: 57100	30% OF MEDIAN	12550	14350	16150	17900	19350	20800	22200	23650
	VERY LOW INCOME	20900	23900	26900	29850	32250	34650	37050	39450
	LOW-INCOME	33450	38200	43000	47750	51600	55400	59250	63050
Chilton County, AL HMFA									
FY 2013 MFI: 52000	30% OF MEDIAN	10950	12500	14050	15600	16850	18100	19350	20600
	VERY LOW INCOME	18200	20800	23400	26000	28100	30200	32250	34350
	LOW-INCOME	29150	33300	37450	41600	44950	48300	51600	54950
Walker County, AL HMFA									
FY 2013 MFI: 41400	30% OF MEDIAN	9750	11150	12550	13900	15050	16150	17250	18350
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Columbus, GA-AL MSA									
FY 2013 MFI: 48200	30% OF MEDIAN	10450	11950	13450	14900	16100	17300	18500	19700
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27900	31850	35850	39800	43000	46200	49400	52550
Decatur, AL MSA									
FY 2013 MFI: 55200	30% OF MEDIAN	11600	13250	14900	16550	17900	19200	20550	21850
	VERY LOW INCOME	19350	22100	24850	27600	29850	32050	34250	36450
	LOW-INCOME	30950	35350	39750	44150	47700	51250	54750	58300
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2013 MFI: 50000	30% OF MEDIAN	10500	12000	13500	15000	16200	17400	18600	19800
	VERY LOW INCOME	17500	20000	22500	25000	27000	29000	31000	33000
	LOW-INCOME	28000	32000	36000	40000	43200	46400	49600	52800
Henry County, AL HMFA									
FY 2013 MFI: 49900	30% OF MEDIAN	10500	12000	13500	14950	16150	17350	18550	19750
	VERY LOW INCOME	17500	20000	22500	24950	26950	28950	30950	32950
	LOW-INCOME	27950	31950	35950	39900	43100	46300	49500	52700
Florence-Muscle Shoals, AL MSA									
FY 2013 MFI: 51000	30% OF MEDIAN	10750	12300	13850	15350	16600	17850	19050	20300
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Gadsden, AL MSA									
FY 2013 MFI: 42100	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Huntsville, AL MSA									
FY 2013 MFI: 71500	30% OF MEDIAN	15050	17200	19350	21450	23200	24900	26600	28350
	VERY LOW INCOME	25050	28600	32200	35750	38650	41500	44350	47200
	LOW-INCOME	40050	45800	51500	57200	61800	66400	70950	75550
Mobile, AL MSA									
FY 2013 MFI: 52400	30% OF MEDIAN	11000	12600	14150	15700	17000	18250	19500	20750
	VERY LOW INCOME	18350	21000	23600	26200	28300	30400	32500	34600
	LOW-INCOME	29350	33550	37750	41900	45300	48650	52000	55350
Montgomery, AL MSA									
FY 2013 MFI: 61500	30% OF MEDIAN	12950	14800	16650	18450	19950	21450	22900	24400
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Tuscaloosa, AL MSA									
FY 2013 MFI: 55700	30% OF MEDIAN	11700	13400	15050	16700	18050	19400	20750	22050
	VERY LOW INCOME	19500	22300	25100	27850	30100	32350	34550	36800
	LOW-INCOME	31200	35650	40100	44550	48150	51700	55250	58850
Baldwin County, AL									
FY 2013 MFI: 60400	30% OF MEDIAN	12700	14500	16300	18100	19550	21000	22450	23900
	VERY LOW INCOME	21150	24200	27200	30200	32650	35050	37450	39900
	LOW-INCOME	33850	38650	43500	48300	52200	56050	59900	63800
Barbour County, AL									
FY 2013 MFI: 44400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Bullock County, AL									
FY 2013 MFI: 40200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Butler County, AL									
FY 2013 MFI: 39800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Chambers County, AL									
FY 2013 MFI: 42000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Cherokee County, AL									
FY 2013 MFI: 50300	30% OF MEDIAN	10600	12100	13600	15100	16350	17550	18750	19950
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Choctaw County, AL									
FY 2013 MFI: 42600	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Clarke County, AL									
FY 2013 MFI: 46000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Clay County, AL									
FY 2013 MFI: 46100	30% OF MEDIAN	9700	11100	12500	13850	15000	16100	17200	18300
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Cleburne County, AL									
FY 2013 MFI: 44200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Coffee County, AL									
FY 2013 MFI: 58400	30% OF MEDIAN	12250	14000	15750	17500	18900	20300	21700	23100
	VERY LOW INCOME	20450	23400	26300	29200	31550	33900	36250	38550
	LOW-INCOME	32700	37400	42050	46700	50450	54200	57950	61650
Conecuh County, AL									
FY 2013 MFI: 42500	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Coosa County, AL									
FY 2013 MFI: 50400	30% OF MEDIAN	10550	12050	13550	15050	16300	17500	18700	19900
	VERY LOW INCOME	17550	20050	22550	25050	27100	29100	31100	33100
	LOW-INCOME	28100	32100	36100	40100	43350	46550	49750	52950
Covington County, AL									
FY 2013 MFI: 46200	30% OF MEDIAN	9700	11100	12500	13850	15000	16100	17200	18300
	VERY LOW INCOME	16200	18500	20800	23100	24950	26800	28650	30500
	LOW-INCOME	25900	29600	33300	36950	39950	42900	45850	48800
Crenshaw County, AL									
FY 2013 MFI: 50700	30% OF MEDIAN	10500	12000	13500	14950	16150	17350	18550	19750
	VERY LOW INCOME	17500	20000	22500	24950	26950	28950	30950	32950
	LOW-INCOME	27950	31950	35950	39900	43100	46300	49500	52700
Cullman County, AL									
FY 2013 MFI: 45000	30% OF MEDIAN	10350	11800	13300	14750	15950	17150	18300	19500
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Dale County, AL									
FY 2013 MFI: 53900	30% OF MEDIAN	11350	12950	14550	16150	17450	18750	20050	21350
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Dallas County, AL									
FY 2013 MFI: 38800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
DeKalb County, AL									
FY 2013 MFI: 42900	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Escambia County, AL									
FY 2013 MFI: 44400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Fayette County, AL									
FY 2013 MFI: 44700	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Franklin County, AL									
FY 2013 MFI: 47100	30% OF MEDIAN	9950	11350	12750	14150	15300	16450	17550	18700
	VERY LOW INCOME	16500	18850	21200	23550	25450	27350	29250	31100
	LOW-INCOME	26400	30200	33950	37700	40750	43750	46750	49800
Jackson County, AL									
FY 2013 MFI: 48300	30% OF MEDIAN	10150	11600	13050	14500	15700	16850	18000	19150
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27100	30950	34800	38650	41750	44850	47950	51050
Lamar County, AL									
FY 2013 MFI: 45200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Macon County, AL									
FY 2013 MFI: 45000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Marengo County, AL									
FY 2013 MFI: 46500	30% OF MEDIAN	9800	11200	12600	13950	15100	16200	17300	18450
	VERY LOW INCOME	16300	18600	20950	23250	25150	27000	28850	30700
	LOW-INCOME	26050	29800	33500	37200	40200	43200	46150	49150
Marion County, AL									
FY 2013 MFI: 47000	30% OF MEDIAN	9900	11300	12700	14100	15250	16400	17500	18650
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marshall County, AL									
FY 2013 MFI: 50800	30% OF MEDIAN	10700	12200	13750	15250	16500	17700	18950	20150
	VERY LOW INCOME	17800	20350	22900	25400	27450	29500	31500	33550
	LOW-INCOME	28500	32550	36600	40650	43950	47200	50450	53700
Monroe County, AL									
FY 2013 MFI: 41200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Perry County, AL									
FY 2013 MFI: 32800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Pickens County, AL									
FY 2013 MFI: 43400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Pike County, AL									
FY 2013 MFI: 44200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Randolph County, AL									
FY 2013 MFI: 46300	30% OF MEDIAN	9750	11150	12550	13900	15050	16150	17250	18350
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Sumter County, AL									
FY 2013 MFI: 34100	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Talladega County, AL									
FY 2013 MFI: 41700	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Tallapoosa County, AL									
FY 2013 MFI: 50900	30% OF MEDIAN	10700	12200	13750	15250	16500	17700	18950	20150
	VERY LOW INCOME	17850	20400	22950	25450	27500	29550	31600	33600
	LOW-INCOME	28500	32600	36650	40700	44000	47250	50500	53750
Washington County, AL									
FY 2013 MFI: 55000	30% OF MEDIAN	11550	13200	14850	16500	17850	19150	20500	21800
	VERY LOW INCOME	19250	22000	24750	27500	29700	31900	34100	36300
	LOW-INCOME	30800	35200	39600	44000	47550	51050	54600	58100
Wilcox County, AL									
FY 2013 MFI: 29000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Winston County, AL									
FY 2013 MFI: 42300	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Anniston-Oxford, AL MSA									
FY 2014 MFI: 51600	EXTR LOW INCOME	11670	15730	19790	23850	27900	29950	32000	34100
	VERY LOW INCOME	18100	20650	23250	25800	27900	29950	32000	34100
	LOW-INCOME	28950	33050	37200	41300	44650	47950	51250	54550
Auburn-Opelika, AL MSA									
FY 2014 MFI: 59700	EXTR LOW INCOME	12600	15730	19790	23850	27910	31970	36030	39550
	VERY LOW INCOME	21000	24000	27000	29950	32350	34750	37150	39550
	LOW-INCOME	33550	38350	43150	47900	51750	55600	59400	63250
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2014 MFI: 61000	EXTR LOW INCOME	12850	15730	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	21350	24400	27450	30500	32950	35400	37850	40300
	LOW-INCOME	34200	39050	43950	48800	52750	56650	60550	64450
Chilton County, AL HMFA									
FY 2014 MFI: 53100	EXTR LOW INCOME	11670	15730	19790	23850	27910	30800	32950	35050
	VERY LOW INCOME	18600	21250	23900	26550	28700	30800	32950	35050
	LOW-INCOME	29750	34000	38250	42500	45900	49300	52700	56100
Walker County, AL HMFA									
FY 2014 MFI: 48200	EXTR LOW INCOME	11670	15730	19790	23850	26050	28000	29900	31850
	VERY LOW INCOME	16900	19300	21700	24100	26050	28000	29900	31850
	LOW-INCOME	27000	30850	34700	38550	41650	44750	47850	50900
Columbus, GA-AL MSA									
FY 2014 MFI: 51000	EXTR LOW INCOME	11670	15730	19790	23850	27550	29600	31650	33700
	VERY LOW INCOME	17850	20400	22950	25500	27550	29600	31650	33700
	LOW-INCOME	28600	32650	36750	40800	44100	47350	50600	53900
Decatur, AL MSA									
FY 2014 MFI: 53500	EXTR LOW INCOME	11670	15730	19790	23850	27910	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2014 MFI: 51700	EXTR LOW INCOME	11670	15730	19790	23850	27910	30000	32100	34150
	VERY LOW INCOME	18100	20700	23300	25850	27950	30000	32100	34150
	LOW-INCOME	28950	33100	37250	41350	44700	48000	51300	54600
Henry County, AL HMFA									
FY 2014 MFI: 50600	EXTR LOW INCOME	11670	15730	19790	23850	27350	29350	31400	33400
	VERY LOW INCOME	17750	20250	22800	25300	27350	29350	31400	33400
	LOW-INCOME	28350	32400	36450	40500	43750	47000	50250	53500
Florence-Muscle Shoals, AL MSA									
FY 2014 MFI: 52100	EXTR LOW INCOME	11670	15730	19790	23850	27910	30250	32350	34400
	VERY LOW INCOME	18250	20850	23450	26050	28150	30250	32350	34400
	LOW-INCOME	29200	33400	37550	41700	45050	48400	51750	55050
Gadsden, AL MSA									
FY 2014 MFI: 46900	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Huntsville, AL MSA FY 2014 MFI: 69700	EXTR LOW INCOME	14650	16750	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	24400	27900	31400	34850	37650	40450	43250	46050
	LOW-INCOME	39050	44600	50200	55750	60250	64700	69150	73600
Mobile, AL MSA FY 2014 MFI: 53900	EXTR LOW INCOME	11670	15730	19790	23850	27910	31300	33450	35600
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Montgomery, AL MSA FY 2014 MFI: 59600	EXTR LOW INCOME	12550	15730	19790	23850	27910	31970	36030	39350
	VERY LOW INCOME	20900	23850	26850	29800	32200	34600	37000	39350
	LOW-INCOME	33400	38200	42950	47700	51550	55350	59150	63000
Tuscaloosa, AL MSA FY 2014 MFI: 54400	EXTR LOW INCOME	11670	15730	19790	23850	27910	31600	33750	35950
	VERY LOW INCOME	19050	21800	24500	27200	29400	31600	33750	35950
	LOW-INCOME	30450	34800	39150	43500	47000	50500	53950	57450
Baldwin County, AL FY 2014 MFI: 68800	EXTR LOW INCOME	13300	15730	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	22200	25400	28550	31700	34250	36800	39350	41850
	LOW-INCOME	35500	40600	45650	50700	54800	58850	62900	66950
Barbour County, AL FY 2014 MFI: 44700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Bullock County, AL FY 2014 MFI: 43400	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Butler County, AL FY 2014 MFI: 40300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Chambers County, AL FY 2014 MFI: 42700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Cherokee County, AL FY 2014 MFI: 49100	EXTR LOW INCOME	11670	15730	19790	23850	26550	28500	30450	32450
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Choctaw County, AL FY 2014 MFI: 43800	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Clarke County, AL FY 2014 MFI: 49100	EXTR LOW INCOME	11670	15730	19790	23850	26100	28050	29950	31900
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27050	30900	34750	38600	41700	44800	47900	51000

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Clay County, AL									
FY 2014 MFI: 45200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Cleburne County, AL									
FY 2014 MFI: 46200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Coffee County, AL									
FY 2014 MFI: 58900	EXTR LOW INCOME	12400	15730	19790	23850	27910	31970	36030	38900
	VERY LOW INCOME	20650	23600	26550	29450	31850	34200	36550	38900
	LOW-INCOME	33000	37700	42400	47100	50900	54650	58450	62200
Conecuh County, AL									
FY 2014 MFI: 42300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Coosa County, AL									
FY 2014 MFI: 50900	EXTR LOW INCOME	11670	15730	19790	23850	27500	29550	31600	33600
	VERY LOW INCOME	17850	20400	22950	25450	27500	29550	31600	33600
	LOW-INCOME	28500	32600	36650	40700	44000	47250	50500	53750
Covington County, AL									
FY 2014 MFI: 43500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Crenshaw County, AL									
FY 2014 MFI: 52800	EXTR LOW INCOME	11670	15730	19790	23850	27910	30350	32450	34550
	VERY LOW INCOME	18350	20950	23550	26150	28250	30350	32450	34550
	LOW-INCOME	29300	33500	37700	41850	45200	48550	51900	55250
Cullman County, AL									
FY 2014 MFI: 55200	EXTR LOW INCOME	11670	15730	19790	23850	27850	29900	31950	34000
	VERY LOW INCOME	18050	20600	23200	25750	27850	29900	31950	34000
	LOW-INCOME	28850	33000	37100	41200	44500	47800	51100	54400
Dale County, AL									
FY 2014 MFI: 56500	EXTR LOW INCOME	11900	15730	19790	23850	27910	31970	35050	37300
	VERY LOW INCOME	19800	22600	25450	28250	30550	32800	35050	37300
	LOW-INCOME	31650	36200	40700	45200	48850	52450	56050	59700
Dallas County, AL									
FY 2014 MFI: 39200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
DeKalb County, AL									
FY 2014 MFI: 42600	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Escambia County, AL									
FY 2014 MFI: 42500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Fayette County, AL									
FY 2014 MFI: 45300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Franklin County, AL									
FY 2014 MFI: 49300	EXTR LOW INCOME	11670	15730	19790	23850	26650	28600	30600	32550
	VERY LOW INCOME	17300	19750	22200	24650	26650	28600	30600	32550
	LOW-INCOME	27650	31600	35550	39450	42650	45800	48950	52100
Jackson County, AL									
FY 2014 MFI: 48500	EXTR LOW INCOME	11670	15730	19790	23850	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Lamar County, AL									
FY 2014 MFI: 45700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Macon County, AL									
FY 2014 MFI: 45200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marengo County, AL									
FY 2014 MFI: 47800	EXTR LOW INCOME	11670	15730	19790	23850	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Marion County, AL									
FY 2014 MFI: 42700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marshall County, AL									
FY 2014 MFI: 48100	EXTR LOW INCOME	11670	15730	19790	23850	26100	28050	29950	31900
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27100	30950	34800	38650	41750	44850	47950	51050
Monroe County, AL									
FY 2014 MFI: 39600	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Perry County, AL									
FY 2014 MFI: 32500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Pickens County, AL									
FY 2014 MFI: 41800	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Pike County, AL									
FY 2014 MFI: 45300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Randolph County, AL									
FY 2014 MFI: 47300	EXTR LOW INCOME	11670	15730	19790	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Sumter County, AL									
FY 2014 MFI: 30300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Talladega County, AL									
FY 2014 MFI: 42000	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Tallapoosa County, AL									
FY 2014 MFI: 48900	EXTR LOW INCOME	11670	15730	19790	23850	26450	28400	30350	32300
	VERY LOW INCOME	17150	19600	22050	24450	26450	28400	30350	32300
	LOW-INCOME	27400	31300	35200	39100	42250	45400	48500	51650
Washington County, AL									
FY 2014 MFI: 56100	EXTR LOW INCOME	11800	15730	19790	23850	27910	31970	34800	37050
	VERY LOW INCOME	19650	22450	25250	28050	30300	32550	34800	37050
	LOW-INCOME	31450	35950	40450	44900	48500	52100	55700	59300
Wilcox County, AL									
FY 2014 MFI: 27900	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Winston County, AL									
FY 2014 MFI: 42000	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Anniston-Oxford, AL MSA									
FY 2015 MFI: 49400	EXTR LOW INCOME	11770	15930	20090	24250	26700	28700	30650	32650
	VERY LOW INCOME	17300	19800	22250	24700	26700	28700	30650	32650
	LOW-INCOME	27650	31600	35550	39500	42700	45850	49000	52150
Auburn-Opelika, AL MSA									
FY 2015 MFI: 67600	EXTR LOW INCOME	13300	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	22200	25400	28550	31700	34250	36800	39350	41850
	LOW-INCOME	35500	40600	45650	50700	54800	58850	62900	66950
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2015 MFI: 62500	EXTR LOW INCOME	13150	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	21900	25000	28150	31250	33750	36250	38750	41250
	LOW-INCOME	35000	40000	45000	50000	54000	58000	62000	66000
Chilton County, AL HMFA									
FY 2015 MFI: 53600	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Walker County, AL HMFA									
FY 2015 MFI: 48000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Columbus, GA-AL MSA									
FY 2015 MFI: 58200	EXTR LOW INCOME	11770	15930	20090	24250	28410	31350	33500	35650
	VERY LOW INCOME	18900	21600	24300	27000	29200	31350	33500	35650
	LOW-INCOME	30250	34600	38900	43200	46700	50150	53600	57050
Decatur, AL MSA									
FY 2015 MFI: 54300	EXTR LOW INCOME	11770	15930	20090	24250	28410	31500	33700	35850
	VERY LOW INCOME	19050	21750	24450	27150	29350	31500	33700	35850
	LOW-INCOME	30450	34800	39150	43450	46950	50450	53900	57400
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2015 MFI: 53600	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Henry County, AL HMFA									
FY 2015 MFI: 54400	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Florence-Muscle Shoals, AL MSA									
FY 2015 MFI: 58600	EXTR LOW INCOME	11770	15930	20090	24250	28410	32050	34250	36450
	VERY LOW INCOME	19350	22100	24850	27600	29850	32050	34250	36450
	LOW-INCOME	30950	35350	39750	44150	47700	51250	54750	58300
Gadsden, AL MSA									
FY 2015 MFI: 48800	EXTR LOW INCOME	11770	15930	20090	24250	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Huntsville, AL MSA									
FY 2015 MFI: 75000	EXTR LOW INCOME	15550	17750	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	25850	29550	33250	36900	39900	42850	45800	48750
	LOW-INCOME	41350	47250	53150	59050	63800	68500	73250	77950
Mobile, AL MSA									
FY 2015 MFI: 53300	EXTR LOW INCOME	11770	15930	20090	24250	28410	30950	33050	35200
	VERY LOW INCOME	18700	21350	24000	26650	28800	30950	33050	35200
	LOW-INCOME	29900	34150	38400	42650	46100	49500	52900	56300
Montgomery, AL MSA									
FY 2015 MFI: 59400	EXTR LOW INCOME	12500	15930	20090	24250	28410	32570	36730	39250
	VERY LOW INCOME	20800	23800	26750	29700	32100	34500	36850	39250
	LOW-INCOME	33250	38000	42750	47500	51300	55100	58900	62700
Tuscaloosa, AL MSA									
FY 2015 MFI: 52900	EXTR LOW INCOME	11770	15930	20090	24250	28410	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Baldwin County, AL									
FY 2015 MFI: 60000	EXTR LOW INCOME	12700	15930	20090	24250	28410	32570	36730	39800
	VERY LOW INCOME	21150	24150	27150	30150	32600	35000	37400	39800
	LOW-INCOME	33800	38600	43450	48250	52150	56000	59850	63700
Barbour County, AL									
FY 2015 MFI: 45900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Bullock County, AL									
FY 2015 MFI: 45000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Butler County, AL									
FY 2015 MFI: 41800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Chambers County, AL									
FY 2015 MFI: 43400	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cherokee County, AL									
FY 2015 MFI: 49800	EXTR LOW INCOME	11770	15930	20090	24250	26900	28900	30900	32900
	VERY LOW INCOME	17450	19950	22450	24900	26900	28900	30900	32900
	LOW-INCOME	27900	31900	35900	39850	43050	46250	49450	52650
Choctaw County, AL									
FY 2015 MFI: 48100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Clarke County, AL									
FY 2015 MFI: 48300	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Clay County, AL									
FY 2015 MFI: 45300	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cleburne County, AL									
FY 2015 MFI: 48800	EXTR LOW INCOME	11770	15930	20090	24250	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Coffee County, AL									
FY 2015 MFI: 61900	EXTR LOW INCOME	13000	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	21700	24800	27900	30950	33450	35950	38400	40900
	LOW-INCOME	34650	39600	44550	49500	53500	57450	61400	65350
Conecuh County, AL									
FY 2015 MFI: 36400	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Coosa County, AL									
FY 2015 MFI: 51100	EXTR LOW INCOME	11770	15930	20090	24250	27600	29650	31700	33750
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Covington County, AL									
FY 2015 MFI: 45800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Crenshaw County, AL									
FY 2015 MFI: 53400	EXTR LOW INCOME	11770	15930	20090	24250	28410	31000	33150	35250
	VERY LOW INCOME	18700	21400	24050	26700	28850	31000	33150	35250
	LOW-INCOME	29900	34200	38450	42700	46150	49550	52950	56400
Cullman County, AL									
FY 2015 MFI: 49500	EXTR LOW INCOME	11770	15930	20090	24250	26750	28750	30700	32700
	VERY LOW INCOME	17350	19800	22300	24750	26750	28750	30700	32700
	LOW-INCOME	27750	31700	35650	39600	42800	45950	49150	52300
Dale County, AL									
FY 2015 MFI: 58500	EXTR LOW INCOME	12300	15930	20090	24250	28410	32570	36300	38650
	VERY LOW INCOME	20500	23400	26350	29250	31600	33950	36300	38650
	LOW-INCOME	32800	37450	42150	46800	50550	54300	58050	61800
Dallas County, AL									
FY 2015 MFI: 40000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
DeKalb County, AL									
FY 2015 MFI: 46800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Escambia County, AL									
FY 2015 MFI: 39100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Fayette County, AL									
FY 2015 MFI: 46200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Franklin County, AL									
FY 2015 MFI: 50100	EXTR LOW INCOME	11770	15930	20090	24250	27100	29100	31100	33100
	VERY LOW INCOME	17550	20050	22550	25050	27100	29100	31100	33100
	LOW-INCOME	28100	32100	36100	40100	43350	46550	49750	52950
Jackson County, AL									
FY 2015 MFI: 51600	EXTR LOW INCOME	11770	15930	20090	24250	27750	29800	31850	33900
	VERY LOW INCOME	18000	20550	23100	25650	27750	29800	31850	33900
	LOW-INCOME	28750	32850	36950	41050	44350	47650	50950	54200
Lamar County, AL									
FY 2015 MFI: 45100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Macon County, AL									
FY 2015 MFI: 42500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marengo County, AL									
FY 2015 MFI: 48200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marion County, AL									
FY 2015 MFI: 43200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marshall County, AL									
FY 2015 MFI: 47500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Monroe County, AL									
FY 2015 MFI: 40900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Perry County, AL									
FY 2015 MFI: 36100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Pickens County, AL									
FY 2015 MFI: 40000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Pike County, AL									
FY 2015 MFI: 46900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Randolph County, AL FY 2015 MFI: 48200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Sumter County, AL FY 2015 MFI: 30900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Talladega County, AL FY 2015 MFI: 44200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tallapoosa County, AL FY 2015 MFI: 47500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Washington County, AL FY 2015 MFI: 56700	EXTR LOW INCOME	11900	15930	20090	24250	28410	32570	35200	37450
	VERY LOW INCOME	19850	22700	25550	28350	30650	32900	35200	37450
	LOW-INCOME	31750	36300	40850	45350	49000	52650	56250	59900
Wilcox County, AL FY 2015 MFI: 28600	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Winston County, AL FY 2015 MFI: 42600	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2016 MFI: 46700	EXTR LOW INCOME	11880	16020	20160	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Auburn-Opelika, AL MSA									
FY 2016 MFI: 60800	EXTR LOW INCOME	12800	16020	20160	24300	28440	32580	36730	40150
	VERY LOW INCOME	21300	24350	27400	30400	32850	35300	37700	40150
	LOW-INCOME	34100	38950	43800	48650	52550	56450	60350	64250
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2016 MFI: 64000	EXTR LOW INCOME	13450	16020	20160	24300	28440	32580	36730	40890
	VERY LOW INCOME	22400	25600	28800	32000	34600	37150	39700	42250
	LOW-INCOME	35850	41000	46100	51200	55300	59400	63500	67600
Chilton County, AL HMFA									
FY 2016 MFI: 53500	EXTR LOW INCOME	11880	16020	20160	24300	28440	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500
Walker County, AL HMFA									
FY 2016 MFI: 46300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Columbus, GA-AL MSA									
FY 2016 MFI: 51800	EXTR LOW INCOME	11880	16020	20160	24300	28000	30050	32150	34200
	VERY LOW INCOME	18150	20750	23350	25900	28000	30050	32150	34200
	LOW-INCOME	29050	33200	37350	41450	44800	48100	51400	54750
Daphne-Fairhope-Foley, AL MSA									
FY 2016 MFI: 61100	EXTR LOW INCOME	12850	16020	20160	24300	28440	32580	36730	40350
	VERY LOW INCOME	21400	24450	27500	30550	33000	35450	37900	40350
	LOW-INCOME	34250	39150	44050	48900	52850	56750	60650	64550
Decatur, AL MSA									
FY 2016 MFI: 56200	EXTR LOW INCOME	11880	16020	20160	24300	28440	32580	34850	37100
	VERY LOW INCOME	19700	22500	25300	28100	30350	32600	34850	37100
	LOW-INCOME	31500	36000	40500	44950	48550	52150	55750	59350
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2016 MFI: 51300	EXTR LOW INCOME	11880	16020	20160	24300	27750	29800	31850	33900
	VERY LOW INCOME	18000	20550	23100	25650	27750	29800	31850	33900
	LOW-INCOME	28750	32850	36950	41050	44350	47650	50950	54200
Henry County, AL HMFA									
FY 2016 MFI: 56200	EXTR LOW INCOME	11880	16020	20160	24300	28440	32580	34850	37100
	VERY LOW INCOME	19700	22500	25300	28100	30350	32600	34850	37100
	LOW-INCOME	31500	36000	40500	44950	48550	52150	55750	59350
Florence-Muscle Shoals, AL MSA									
FY 2016 MFI: 54200	EXTR LOW INCOME	11880	16020	20160	24300	28440	31450	33650	35800
	VERY LOW INCOME	19000	21700	24400	27100	29300	31450	33650	35800
	LOW-INCOME	30350	34700	39050	43350	46850	50300	53800	57250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Gadsden, AL MSA									
FY 2016 MFI: 51200	EXTR LOW INCOME	11880	16020	20160	24300	27650	29700	31750	33800
	VERY LOW INCOME	17950	20500	23050	25600	27650	29700	31750	33800
	LOW-INCOME	28700	32800	36900	40950	44250	47550	50800	54100
Huntsville, AL MSA									
FY 2016 MFI: 71800	EXTR LOW INCOME	15100	17250	20160	24300	28440	32580	36730	40890
	VERY LOW INCOME	25150	28750	32350	35900	38800	41650	44550	47400
	LOW-INCOME	40250	46000	51750	57450	62050	66650	71250	75850
Mobile, AL MSA									
FY 2016 MFI: 52900	EXTR LOW INCOME	11880	16020	20160	24300	28440	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Montgomery, AL MSA									
FY 2016 MFI: 60400	EXTR LOW INCOME	12700	16020	20160	24300	28440	32580	36730	39900
	VERY LOW INCOME	21150	24200	27200	30200	32650	35050	37450	39900
	LOW-INCOME	33850	38650	43500	48300	52200	56050	59900	63800
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2016 MFI: 39700	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Tuscaloosa, AL HMFA									
FY 2016 MFI: 58800	EXTR LOW INCOME	11880	16020	20160	24300	28440	32200	34450	36650
	VERY LOW INCOME	19450	22200	25000	27750	30000	32200	34450	36650
	LOW-INCOME	31100	35550	40000	44400	48000	51550	55100	58650
Barbour County, AL									
FY 2016 MFI: 44600	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Bullock County, AL									
FY 2016 MFI: 46100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Butler County, AL									
FY 2016 MFI: 39500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Chambers County, AL									
FY 2016 MFI: 42100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Cherokee County, AL									
FY 2016 MFI: 47200	EXTR LOW INCOME	11880	16020	20160	23700	25600	27500	29400	31300
	VERY LOW INCOME	16600	19000	21350	23700	25600	27500	29400	31300
	LOW-INCOME	26550	30350	34150	37900	40950	44000	47000	50050
Choctaw County, AL									
FY 2016 MFI: 47100	EXTR LOW INCOME	11880	16020	20160	23550	25450	27350	29250	31100
	VERY LOW INCOME	16500	18850	21200	23550	25450	27350	29250	31100
	LOW-INCOME	26400	30200	33950	37700	40750	43750	46750	49800

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Clarke County, AL									
FY 2016 MFI: 46700	EXTR LOW INCOME	11880	16020	20160	23350	25250	27100	29000	30850
	VERY LOW INCOME	16350	18700	21050	23350	25250	27100	29000	30850
	LOW-INCOME	26150	29900	33650	37350	40350	43350	46350	49350
Clay County, AL									
FY 2016 MFI: 44700	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Cleburne County, AL									
FY 2016 MFI: 47300	EXTR LOW INCOME	11880	16020	20160	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Coffee County, AL									
FY 2016 MFI: 60500	EXTR LOW INCOME	12750	16020	20160	24300	28440	32580	36730	39950
	VERY LOW INCOME	21200	24200	27250	30250	32700	35100	37550	39950
	LOW-INCOME	33900	38750	43600	48400	52300	56150	60050	63900
Conecuh County, AL									
FY 2016 MFI: 32800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Coosa County, AL									
FY 2016 MFI: 48000	EXTR LOW INCOME	11880	16020	20160	24300	26250	28200	30150	32100
	VERY LOW INCOME	17050	19450	21900	24300	26250	28200	30150	32100
	LOW-INCOME	27250	31150	35050	38900	42050	45150	48250	51350
Covington County, AL									
FY 2016 MFI: 45000	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Crenshaw County, AL									
FY 2016 MFI: 50200	EXTR LOW INCOME	11880	16020	20160	24300	27450	29500	31500	33550
	VERY LOW INCOME	17800	20350	22900	25400	27450	29500	31500	33550
	LOW-INCOME	28500	32550	36600	40650	43950	47200	50450	53700
Cullman County, AL									
FY 2016 MFI: 48800	EXTR LOW INCOME	11880	16020	20160	24300	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Dale County, AL									
FY 2016 MFI: 57600	EXTR LOW INCOME	12150	16020	20160	24300	28440	32580	35750	38050
	VERY LOW INCOME	20200	23050	25950	28800	31150	33450	35750	38050
	LOW-INCOME	32300	36900	41500	46100	49800	53500	57200	60900
Dallas County, AL									
FY 2016 MFI: 39100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
DeKalb County, AL									
FY 2016 MFI: 49500	EXTR LOW INCOME	11880	16020	20160	24300	26750	28750	30700	32700
	VERY LOW INCOME	17350	19800	22300	24750	26750	28750	30700	32700
	LOW-INCOME	27750	31700	35650	39600	42800	45950	49150	52300

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Escambia County, AL									
FY 2016 MFI: 37500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Fayette County, AL									
FY 2016 MFI: 45200	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Franklin County, AL									
FY 2016 MFI: 47800	EXTR LOW INCOME	11880	16020	20160	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Greene County, AL									
FY 2016 MFI: 32600	EXTR LOW INCOME	11880	16020	20160	24300	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Jackson County, AL									
FY 2016 MFI: 48600	EXTR LOW INCOME	11880	16020	20160	24300	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Lamar County, AL									
FY 2016 MFI: 43600	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Macon County, AL									
FY 2016 MFI: 42300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Marengo County, AL									
FY 2016 MFI: 49400	EXTR LOW INCOME	11880	16020	20160	24300	26700	28700	30650	32650
	VERY LOW INCOME	17300	19800	22250	24700	26700	28700	30650	32650
	LOW-INCOME	27650	31600	35550	39500	42700	45850	49000	52150
Marion County, AL									
FY 2016 MFI: 42800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Marshall County, AL									
FY 2016 MFI: 50700	EXTR LOW INCOME	11880	16020	20160	24300	27400	29450	31450	33500
	VERY LOW INCOME	17750	20300	22850	25350	27400	29450	31450	33500
	LOW-INCOME	28400	32450	36500	40550	43800	47050	50300	53550
Monroe County, AL									
FY 2016 MFI: 37800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Perry County, AL									
FY 2016 MFI: 33000	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Pike County, AL									
FY 2016 MFI: 47800	EXTR LOW INCOME	11880	16020	20160	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Randolph County, AL									
FY 2016 MFI: 46300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Sumter County, AL									
FY 2016 MFI: 36500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Talladega County, AL									
FY 2016 MFI: 46400	EXTR LOW INCOME	11880	16020	20160	23200	25100	26950	28800	30650
	VERY LOW INCOME	16250	18600	20900	23200	25100	26950	28800	30650
	LOW-INCOME	26000	29700	33400	37100	40100	43050	46050	49000
Tallapoosa County, AL									
FY 2016 MFI: 48100	EXTR LOW INCOME	11880	16020	20160	24050	26000	27900	29850	31750
	VERY LOW INCOME	16850	19250	21650	24050	26000	27900	29850	31750
	LOW-INCOME	26950	30800	34650	38500	41600	44700	47750	50850
Washington County, AL									
FY 2016 MFI: 51700	EXTR LOW INCOME	11880	16020	20160	24300	28440	31300	33450	35600
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Wilcox County, AL									
FY 2016 MFI: 27400	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Winston County, AL									
FY 2016 MFI: 42200	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2017 MFI: 53000	EXTR LOW INCOME	12060	16240	20420	24600	27150	29150	31150	33150
	VERY LOW INCOME	17600	20100	22600	25100	27150	29150	31150	33150
	LOW-INCOME	28150	32150	36150	40150	43400	46600	49800	53000
Auburn-Opelika, AL MSA									
FY 2017 MFI: 59200	EXTR LOW INCOME	12450	16240	20420	24600	28780	32960	36750	39100
	VERY LOW INCOME	20750	23700	26650	29600	32000	34350	36750	39100
	LOW-INCOME	33150	37900	42650	47350	51150	54950	58750	62550
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2017 MFI: 63100	EXTR LOW INCOME	13300	16240	20420	24600	28780	32960	37140	41320
	VERY LOW INCOME	22100	25250	28400	31550	34100	36600	39150	41650
	LOW-INCOME	35350	40400	45450	50500	54550	58600	62650	66700
Chilton County, AL HMFA									
FY 2017 MFI: 52700	EXTR LOW INCOME	12060	16240	20420	24600	28500	30600	32700	34800
	VERY LOW INCOME	18450	21100	23750	26350	28500	30600	32700	34800
	LOW-INCOME	29550	33750	37950	42150	45550	48900	52300	55650
Walker County, AL HMFA									
FY 2017 MFI: 46800	EXTR LOW INCOME	12060	16240	20420	23400	25300	27150	29050	30900
	VERY LOW INCOME	16400	18750	21100	23400	25300	27150	29050	30900
	LOW-INCOME	26250	30000	33750	37450	40450	43450	46450	49450
Columbus, GA-AL MSA									
FY 2017 MFI: 53400	EXTR LOW INCOME	12060	16240	20420	24600	28780	31000	33150	35250
	VERY LOW INCOME	18700	21400	24050	26700	28850	31000	33150	35250
	LOW-INCOME	29900	34200	38450	42700	46150	49550	52950	56400
Daphne-Fairhope-Foley, AL MSA									
FY 2017 MFI: 61500	EXTR LOW INCOME	12950	16240	20420	24600	28780	32960	37140	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Decatur, AL MSA									
FY 2017 MFI: 57700	EXTR LOW INCOME	12150	16240	20420	24600	28780	32960	35800	38100
	VERY LOW INCOME	20200	23100	26000	28850	31200	33500	35800	38100
	LOW-INCOME	32350	36950	41550	46150	49850	53550	57250	60950
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2017 MFI: 50700	EXTR LOW INCOME	12060	16240	20420	24600	27400	29450	31450	33500
	VERY LOW INCOME	17750	20300	22850	25350	27400	29450	31450	33500
	LOW-INCOME	28400	32450	36500	40550	43800	47050	50300	53550
Henry County, AL HMFA									
FY 2017 MFI: 58300	EXTR LOW INCOME	12250	16240	20420	24600	28780	32960	36150	38500
	VERY LOW INCOME	20450	23350	26250	29150	31500	33850	36150	38500
	LOW-INCOME	32700	37350	42000	46650	50400	54150	57850	61600
Florence-Muscle Shoals, AL MSA									
FY 2017 MFI: 53500	EXTR LOW INCOME	12060	16240	20420	24600	28780	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Gadsden, AL MSA									
FY 2017 MFI: 54700	EXTR LOW INCOME	12060	16240	20420	24600	28780	31750	33950	36150
	VERY LOW INCOME	19150	21900	24650	27350	29550	31750	33950	36150
	LOW-INCOME	30650	35000	39400	43750	47250	50750	54250	57750
Huntsville, AL MSA									
FY 2017 MFI: 78200	EXTR LOW INCOME	16150	18450	20750	24600	28780	32960	37140	41320
	VERY LOW INCOME	26900	30750	34600	38400	41500	44550	47650	50700
	LOW-INCOME	43050	49200	55350	61450	66400	71300	76200	81150
Mobile, AL MSA									
FY 2017 MFI: 55100	EXTR LOW INCOME	12060	16240	20420	24600	28780	32000	34200	36400
	VERY LOW INCOME	19300	22050	24800	27550	29800	32000	34200	36400
	LOW-INCOME	30900	35300	39700	44100	47650	51200	54700	58250
Montgomery, AL MSA									
FY 2017 MFI: 59700	EXTR LOW INCOME	12550	16240	20420	24600	28780	32960	37050	39450
	VERY LOW INCOME	20900	23900	26900	29850	32250	34650	37050	39450
	LOW-INCOME	33450	38200	43000	47750	51600	55400	59250	63050
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2017 MFI: 42100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Tuscaloosa, AL HMFA									
FY 2017 MFI: 61100	EXTR LOW INCOME	12500	16240	20420	24600	28780	32960	36800	39150
	VERY LOW INCOME	20800	23750	26700	29650	32050	34400	36800	39150
	LOW-INCOME	33250	38000	42750	47450	51250	55050	58850	62650
Barbour County, AL									
FY 2017 MFI: 46100	EXTR LOW INCOME	12060	16240	20420	23050	24900	26750	28600	30450
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Bullock County, AL									
FY 2017 MFI: 46100	EXTR LOW INCOME	12060	16240	20420	23050	24900	26750	28600	30450
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Butler County, AL									
FY 2017 MFI: 40900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Chambers County, AL									
FY 2017 MFI: 44700	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Cherokee County, AL									
FY 2017 MFI: 46800	EXTR LOW INCOME	12060	16240	20420	23400	25300	27150	29050	30900
	VERY LOW INCOME	16400	18750	21100	23400	25300	27150	29050	30900
	LOW-INCOME	26250	30000	33750	37450	40450	43450	46450	49450
Choctaw County, AL									
FY 2017 MFI: 52500	EXTR LOW INCOME	12060	16240	20420	24600	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Clarke County, AL									
FY 2017 MFI: 48100	EXTR LOW INCOME	12060	16240	20420	24050	26000	27900	29850	31750
	VERY LOW INCOME	16850	19250	21650	24050	26000	27900	29850	31750
	LOW-INCOME	26950	30800	34650	38500	41600	44700	47750	50850
Clay County, AL									
FY 2017 MFI: 44100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Cleburne County, AL									
FY 2017 MFI: 48400	EXTR LOW INCOME	12060	16240	20420	24200	26150	28100	30050	31950
	VERY LOW INCOME	16950	19400	21800	24200	26150	28100	30050	31950
	LOW-INCOME	27100	31000	34850	38700	41800	44900	48000	51100
Coffee County, AL									
FY 2017 MFI: 61500	EXTR LOW INCOME	12950	16240	20420	24600	28780	32960	37140	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Conecuh County, AL									
FY 2017 MFI: 34900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Coosa County, AL									
FY 2017 MFI: 45100	EXTR LOW INCOME	12060	16240	20420	23100	24950	26800	28650	30500
	VERY LOW INCOME	16200	18500	20800	23100	24950	26800	28650	30500
	LOW-INCOME	25900	29600	33300	37000	40000	42950	45900	48850
Covington County, AL									
FY 2017 MFI: 46600	EXTR LOW INCOME	12060	16240	20420	23300	25200	27050	28900	30800
	VERY LOW INCOME	16350	18650	21000	23300	25200	27050	28900	30800
	LOW-INCOME	26150	29850	33600	37300	40300	43300	46300	49250
Crenshaw County, AL									
FY 2017 MFI: 51000	EXTR LOW INCOME	12060	16240	20420	24600	27550	29600	31650	33700
	VERY LOW INCOME	17850	20400	22950	25500	27550	29600	31650	33700
	LOW-INCOME	28600	32650	36750	40800	44100	47350	50600	53900
Cullman County, AL									
FY 2017 MFI: 48000	EXTR LOW INCOME	12060	16240	20420	24000	25950	27850	29800	31700
	VERY LOW INCOME	16800	19200	21600	24000	25950	27850	29800	31700
	LOW-INCOME	26900	30750	34600	38400	41500	44550	47650	50700
Dale County, AL									
FY 2017 MFI: 57800	EXTR LOW INCOME	12150	16240	20420	24600	28780	32960	35850	38150
	VERY LOW INCOME	20250	23150	26050	28900	31250	33550	35850	38150
	LOW-INCOME	32400	37000	41650	46250	49950	53650	57350	61050
Dallas County, AL									
FY 2017 MFI: 38900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
DeKalb County, AL									
FY 2017 MFI: 48700	EXTR LOW INCOME	12060	16240	20420	24350	26300	28250	30200	32150
	VERY LOW INCOME	17050	19500	21950	24350	26300	28250	30200	32150
	LOW-INCOME	27300	31200	35100	38950	42100	45200	48300	51450

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Escambia County, AL									
FY 2017 MFI: 38000	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Fayette County, AL									
FY 2017 MFI: 45200	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Franklin County, AL									
FY 2017 MFI: 46900	EXTR LOW INCOME	12060	16240	20420	23450	25350	27250	29100	31000
	VERY LOW INCOME	16450	18800	21150	23450	25350	27250	29100	31000
	LOW-INCOME	26250	30000	33750	37500	40500	43500	46500	49500
Greene County, AL									
FY 2017 MFI: 29800	EXTR LOW INCOME	12060	16240	20420	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Jackson County, AL									
FY 2017 MFI: 47000	EXTR LOW INCOME	12060	16240	20420	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Lamar County, AL									
FY 2017 MFI: 42400	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Macon County, AL									
FY 2017 MFI: 42300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Marengo County, AL									
FY 2017 MFI: 50300	EXTR LOW INCOME	12060	16240	20420	24600	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Marion County, AL									
FY 2017 MFI: 43500	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Marshall County, AL									
FY 2017 MFI: 43000	EXTR LOW INCOME	12060	16240	20420	24100	26050	28000	29900	31850
	VERY LOW INCOME	16900	19300	21700	24100	26050	28000	29900	31850
	LOW-INCOME	27000	30850	34700	38550	41650	44750	47850	50900
Monroe County, AL									
FY 2017 MFI: 41300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Perry County, AL									
FY 2017 MFI: 31100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Pike County, AL									
FY 2017 MFI: 47300	EXTR LOW INCOME	12060	16240	20420	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Randolph County, AL									
FY 2017 MFI: 46400	EXTR LOW INCOME	12060	16240	20420	23200	25100	26950	28800	30650
	VERY LOW INCOME	16250	18600	20900	23200	25100	26950	28800	30650
	LOW-INCOME	26000	29700	33400	37100	40100	43050	46050	49000
Sumter County, AL									
FY 2017 MFI: 38600	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Talladega County, AL									
FY 2017 MFI: 47700	EXTR LOW INCOME	12060	16240	20420	23850	25800	27700	29600	31500
	VERY LOW INCOME	16700	19100	21500	23850	25800	27700	29600	31500
	LOW-INCOME	26750	30550	34350	38150	41250	44300	47350	50400
Tallapoosa County, AL									
FY 2017 MFI: 48500	EXTR LOW INCOME	12060	16240	20420	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Washington County, AL									
FY 2017 MFI: 53700	EXTR LOW INCOME	12060	16240	20420	24600	28780	31150	33300	35450
	VERY LOW INCOME	18800	21500	24200	26850	29000	31150	33300	35450
	LOW-INCOME	30100	34400	38700	42950	46400	49850	53300	56700
Wilcox County, AL									
FY 2017 MFI: 29300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Winston County, AL									
FY 2017 MFI: 43200	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2018 MFI: 56800	EXTR LOW INCOME	12140	16460	20780	25100	29420	32450	34700	36900
	VERY LOW INCOME	19600	22400	25200	27950	30200	32450	34700	36900
	LOW-INCOME	31300	35800	40250	44700	48300	51900	55450	59050
Auburn-Opelika, AL MSA									
FY 2018 MFI: 66900	EXTR LOW INCOME	13850	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	23100	26400	29700	32950	35600	38250	40900	43500
	LOW-INCOME	36900	42200	47450	52700	56950	61150	65350	69600
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2018 MFI: 71000	EXTR LOW INCOME	14800	16900	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	24650	28150	31650	35150	38000	40800	43600	46400
	LOW-INCOME	39400	45000	50650	56250	60750	65250	69750	74250
Chilton County, AL HMFA									
FY 2018 MFI: 54600	EXTR LOW INCOME	12140	16460	20780	25100	29420	31700	33900	36050
	VERY LOW INCOME	19150	21850	24600	27300	29500	31700	33900	36050
	LOW-INCOME	30600	35000	39350	43700	47200	50700	54200	57700
Walker County, AL HMFA									
FY 2018 MFI: 51700	EXTR LOW INCOME	12140	16460	20780	25100	27950	30000	32100	34150
	VERY LOW INCOME	18100	20700	23300	25850	27950	30000	32100	34150
	LOW-INCOME	28950	33100	37250	41350	44700	48000	51300	54600
Columbus, GA-AL MSA									
FY 2018 MFI: 56000	EXTR LOW INCOME	12140	16460	20780	25100	29420	32500	34750	37000
	VERY LOW INCOME	19600	22400	25200	28000	30250	32500	34750	37000
	LOW-INCOME	31400	35850	40350	44800	48400	52000	55600	59150
Daphne-Fairhope-Foley, AL MSA									
FY 2018 MFI: 69400	EXTR LOW INCOME	14400	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	24000	27400	30850	34250	37000	39750	42500	45250
	LOW-INCOME	38400	43850	49350	54800	59200	63600	68000	72350
Decatur, AL MSA									
FY 2018 MFI: 58700	EXTR LOW INCOME	12350	16460	20780	25100	29420	33740	36400	38750
	VERY LOW INCOME	20550	23500	26450	29350	31700	34050	36400	38750
	LOW-INCOME	32900	37600	42300	46950	50750	54500	58250	62000
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2018 MFI: 52200	EXTR LOW INCOME	12140	16460	20780	25100	28200	30300	32400	34500
	VERY LOW INCOME	18300	20900	23500	26100	28200	30300	32400	34500
	LOW-INCOME	29250	33400	37600	41750	45100	48450	51800	55150
Henry County, AL HMFA									
FY 2018 MFI: 58300	EXTR LOW INCOME	12250	16460	20780	25100	29420	33740	36150	38500
	VERY LOW INCOME	20450	23350	26250	29150	31500	33850	36150	38500
	LOW-INCOME	32700	37350	42000	46650	50400	54150	57850	61600
Florence-Muscle Shoals, AL MSA									
FY 2018 MFI: 57500	EXTR LOW INCOME	12140	16460	20780	25100	29420	33350	35650	37950
	VERY LOW INCOME	20150	23000	25900	28750	31050	33350	35650	37950
	LOW-INCOME	32200	36800	41400	46000	49700	53400	57050	60750

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Gadsden, AL MSA									
FY 2018 MFI: 54100	EXTR LOW INCOME	12140	16460	20780	25100	29250	31400	33550	35750
	VERY LOW INCOME	18950	21650	24350	27050	29250	31400	33550	35750
	LOW-INCOME	30350	34650	39000	43300	46800	50250	53700	57200
Huntsville, AL MSA									
FY 2018 MFI: 78700	EXTR LOW INCOME	16550	18900	21250	25100	29420	33740	38060	42380
	VERY LOW INCOME	27550	31500	35450	39350	42500	45650	48800	51950
	LOW-INCOME	44100	50400	56700	62950	68000	73050	78100	83100
Mobile, AL MSA									
FY 2018 MFI: 59800	EXTR LOW INCOME	12600	16460	20780	25100	29420	33740	37100	39500
	VERY LOW INCOME	20950	23950	26950	29900	32300	34700	37100	39500
	LOW-INCOME	33500	38300	43100	47850	51700	55550	59350	63200
Montgomery, AL MSA									
FY 2018 MFI: 62900	EXTR LOW INCOME	13200	16460	20780	25100	29420	33740	38060	41550
	VERY LOW INCOME	22050	25200	28350	31450	34000	36500	39000	41550
	LOW-INCOME	35250	40250	45300	50300	54350	58350	62400	66400
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2018 MFI: 44100	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tuscaloosa, AL HMFA									
FY 2018 MFI: 61500	EXTR LOW INCOME	12950	16460	20780	25100	29420	33740	38060	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Barbour County, AL									
FY 2018 MFI: 44500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Bullock County, AL									
FY 2018 MFI: 44300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Butler County, AL									
FY 2018 MFI: 42300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Chambers County, AL									
FY 2018 MFI: 48200	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cherokee County, AL									
FY 2018 MFI: 47900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Choctaw County, AL									
FY 2018 MFI: 49700	EXTR LOW INCOME	12140	16460	20780	24850	26850	28850	30850	32850
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27850	31800	35800	39750	42950	46150	49300	52500

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Clarke County, AL									
FY 2018 MFI: 49700	EXTR LOW INCOME	12140	16460	20780	24850	26850	28850	30850	32850
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27850	31800	35800	39750	42950	46150	49300	52500
Clay County, AL									
FY 2018 MFI: 45500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cleburne County, AL									
FY 2018 MFI: 51400	EXTR LOW INCOME	12140	16460	20780	25100	27800	29850	31900	33950
	VERY LOW INCOME	18000	20600	23150	25700	27800	29850	31900	33950
	LOW-INCOME	28800	32900	37000	41100	44400	47700	51000	54300
Coffee County, AL									
FY 2018 MFI: 65400	EXTR LOW INCOME	13750	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	22900	26200	29450	32700	35350	37950	40550	43200
	LOW-INCOME	36650	41850	47100	52300	56500	60700	64900	69050
Conecuh County, AL									
FY 2018 MFI: 34500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Coosa County, AL									
FY 2018 MFI: 44800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Covington County, AL									
FY 2018 MFI: 48200	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Crenshaw County, AL									
FY 2018 MFI: 52900	EXTR LOW INCOME	12140	16460	20780	25100	28600	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Cullman County, AL									
FY 2018 MFI: 45100	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Dale County, AL									
FY 2018 MFI: 59500	EXTR LOW INCOME	12500	16460	20780	25100	29420	33740	36900	39300
	VERY LOW INCOME	20850	23800	26800	29750	32150	34550	36900	39300
	LOW-INCOME	33350	38100	42850	47600	51450	55250	59050	62850
Dallas County, AL									
FY 2018 MFI: 38700	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
DeKalb County, AL									
FY 2018 MFI: 45900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Escambia County, AL									
FY 2018 MFI: 42800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Fayette County, AL									
FY 2018 MFI: 45800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Franklin County, AL									
FY 2018 MFI: 47300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Greene County, AL									
FY 2018 MFI: 28500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Jackson County, AL									
FY 2018 MFI: 47900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Lamar County, AL									
FY 2018 MFI: 42900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Macon County, AL									
FY 2018 MFI: 42800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marengo County, AL									
FY 2018 MFI: 48000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marion County, AL									
FY 2018 MFI: 43900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marshall County, AL									
FY 2018 MFI: 52700	EXTR LOW INCOME	12140	16460	20780	25100	28500	30600	32700	34800
	VERY LOW INCOME	18450	21100	23750	26350	28500	30600	32700	34800
	LOW-INCOME	29550	33750	37950	42150	45550	48900	52300	55650
Monroe County, AL									
FY 2018 MFI: 42000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Perry County, AL									
FY 2018 MFI: 32000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Pike County, AL									
FY 2018 MFI: 49200	EXTR LOW INCOME	12140	16460	20780	24600	26600	28550	30550	32500
	VERY LOW INCOME	17250	19700	22150	24600	26600	28550	30550	32500
	LOW-INCOME	27550	31500	35450	39350	42500	45650	48800	51950
Randolph County, AL									
FY 2018 MFI: 49100	EXTR LOW INCOME	12140	16460	20780	24550	26550	28500	30450	32450
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Sumter County, AL									
FY 2018 MFI: 37500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Talladega County, AL									
FY 2018 MFI: 48400	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tallapoosa County, AL									
FY 2018 MFI: 52100	EXTR LOW INCOME	12140	16460	20780	25100	28150	30250	32350	34400
	VERY LOW INCOME	18250	20850	23450	26050	28150	30250	32350	34400
	LOW-INCOME	29200	33400	37550	41700	45050	48400	51750	55050
Washington County, AL									
FY 2018 MFI: 50600	EXTR LOW INCOME	12140	16460	20780	25100	27600	29650	31700	33750
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Wilcox County, AL									
FY 2018 MFI: 34500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Winston County, AL									
FY 2018 MFI: 43700	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

APPLICATION FORM – SINGLE-FAMILY HOUSING ASSISTANCE PROGRAM

Name:_____ Homeowner ID No: _____ - _____ - _____
(To be completed by Case Manager)

Current Mailing Address:_____ Date:_____

_____ SS No:_____

Address of Storm Damaged Home:_____

Was applicant living in the storm-damaged home when the April 2011 tornadoes occurred? ☐ Yes ☐ No

Telephone: Home_____ Work_____ Cell_____ Email_____

Name of Each Person Currently Residing in Homeowner's Household (Attach additional page if necessary)	Relationship	Age	Male/ Female	Disabled Yes/No	Annual Income	Source (i.e., Employment, Retirement, SS, Disability, etc.
	Head of Household					

Is homeowner Hispanic or Latino? ☐ Yes ☐ No Check race of homeowner: White ☐ Black/African American ☐

Asian ☐ American Indian/Alaskan Native ☐ Native Hawiian/Other Pacific Islander ☐ Am. Indian/Alaskan Native & White ☐

Asian & White ☐ Black/African American and White ☐ Am. Indian/Alaskan Native & Black ☐ Other Multi-Racial ☐

INFORMATION REGARDING STORM-DAMAGED HOME:

Work Completed:_____

Work Remaining:_____

FEMA Application Number: _____ FEMA Home Repair Funds Received: $_____

Insurance Reimbursement: $_____ SBA Application Number: _____SBA Loan: $_____

Other Assistance Received: $_____ From What Agencies?_____

Presence of hardship condition (explain):_____

_____

Estimate of cost to complete repair work to home (if known):_____

HOMEOWNER CERTIFICATION:

I certify to the accuracy of the above information and agree that inaccurate information may be cause for rejection. I further agree that this information may be shared with other agencies available to assist me in making needed home repairs.

Date_____ Signature_____

THIS SIDE FOR OFFICIAL USE ONLY

To be completed by Case Manager:

Documentation provided for: ☐ Homeownership ☐ Income ☐ Location ☐ Unmet Housing Need

For possible housing assistance, I determine this homeowner initially:

☐ Eligible ☐ Ineligible ☐ To be held for hardship consideration

Reason for ineligibility or hardship: _____

_____

_____

A letter detailing the above decision was sent to homeowner on _____
(Date)

_____ _____
Case Manager Date

_____ _____
Supervisor Date

HOMEOWNER IDENTIFICATION NUMBER (FOR CASE MANAGER USE ONLY)

Each homeowner will be assigned a unique identification code (case number) by the Case Manager with numbers based as follows:

Homeowner Number: _____ - _____ - _____ (Add Homeowner ID Number to top, front of this form.)
Non-profit ID County ID Applicant ID

The non-profit ID is as follows, with additional ID's added as necessary:

CAPN - Community Action Partnership of North Alabama
CSPW - Community Services Program of West Alabama
ARCH - Alabama Rural Coalition for the Homeless

The county identifier is to be based on the County of the homeowner's storm-damaged address, and is the same as the two digits of the Alabama County designation on a car tag, as follows:

Autauga	04	Fayette	32	Marshall	50
Bibb	07	Franklin	33	Perry	53
Blount	08	Greene	35	Pickens	54
Calhoun	11	Hale	36	Shelby	58
Cherokee	13	Jackson	39	St. Clair	59
Choctaw	15	Jefferson	01	Sumter	60
Clarke	16	Lauderdale	41	Talladega	61
Colbert	20	Lawrence	42	Tallapoosa	62
Cullman	25	Limestone	44	Tuscaloosa	63
DeKalb	28	Madison	47	Walker	64
Elmore	29	Marengo	48	Washington	65
Etowah	31	Marion	49	Winston	67

The homeowner identifier number will be based on the order in which the homeowner's request for assistance comes in to the non-profit agency. Since this number will require 4 digits, it will begin with leading zeros (i.e., 0001) until the number increases (i.e., 0128). Therefore, *for example*, the identification number for the 115th application received by Community Action Partnership of North Alabama which was from Madison County will be: CAPN-47-0115.

AGREEMENT OF UNDERSTANDING

& DECLARATION OF RESTRICTIONS

Community Development Block Grant - Housing Assistance Program

I (We),_____, the Owner(s) of the property located at _____, Alabama_____, herein referred to as the Owner(s), have requested to participate in the CDBG Housing Assistance Program (HAP) administered by _____, hereinafter referred to as Agency, for the 2011 Tornado Recovery Assistance from the U.S. Department of Housing and Urban Development. I/we the Owner(s) do hereby certify that I/we understand and agree with the following program terms and conditions:

I. Grant Funds and Owner's Obligations

A. ( ) Home Rehabilitation or Replacement

The Owner(s) understand that he/she/they are receiving assistance from the HAP in the amount of _____ and he/she/they are contributing the amount of _____ toward the cost of repairing or replacing their home at the above address. If the total amount of grant funds provided by the HAP exceeds $10,000, the Owner(s) agree to execute a mortgage to the Agency for the full amount of grant funds for the period of time specified in Section B. below.

( ) Manufactured Home

The Owner(s) understand that they are receiving a manufactured home at the above address with funding from the HAP in the amount of _____ and he/she/they are contributing the amount of _____ toward the cost of purchase and installation. Further, owner(s) agree that the Agency will hold the original Title to the manufactured home for the Subject Period specified In Section B. below if the total amount of grant funds provided exceeds $10,000.

The Owner(s) agree to register the Title with the County Probate Office in which the home is located. The Agency will secure and maintain a copy of the inspection report from Alabama Manufactured Housing Commission.

B. Purpose and Subject Period

A housing unit assisted with Federal disaster funds is to be used only as the primary residence of the Owner(s) or, upon death or disability of the Owner(s), the Owner's heirs. The purpose of the mortgage or possession of the Title by the Agency is to ensure that the property is used only for that purpose.

If the total grant funds provided for housing and related costs are $25,000 or less, the mortgage or Title will be released at the end of three (3) years (hereinafter referred to as the Subject Period). If total grant funds expended exceed $25,000, the mortgage or Title will be released at the end of five (5) years. If the Owner or Owner's heirs occupy the property as a primary residence for the Subject Period, the mortgage or Title will be released and no payments will be required from the Owner or Owner's heirs.

If the Owner(s) or the Owner's heirs wish to sell the home prior to the expiration of the Subject Period, all or a portion of the grant funds provided will become due and payable to the Agency for transfer to the State Grantor Agency. For total grant funds $25,000 or less, the payable amount will be determined by multiplying the grant by 0.000913 per day for each day the property is occupied by the Owner or Owner's heirs as a primary residence, and reducing the grant by this amount. If grant funds exceed $25,000, the payable amount will be determined by multiplying the grant by 0.000548 per day for each day the property is occupied by the Owner or Owner's heirs and reducing the grant by this amount.

II. Housing Assistance to be Provided and Procedures to Follow

A. Relevant Activity Determination

The Owner(s) acknowledge that, prior to the execution of this agreement, a work write-up of housing activities to be completed through the HAP grant has been provided in writing to the Owner(s). The Owner(s) agree with the scope of activities to be provided. Any work requested by the Owner and not previously approved by the Agency will be the financial responsibility of the Owner.

In case of home repair and rehabilitation, the Owner(s) understand that the contractor has been certified by the Agency and meets requisite insurance and/or licensing requirements. The contractor has agreed to perform all specified work for the cost determined between the contractor and the Agency.

The Owner(s) understand that for home repair/rehabilitation or new home construction, the contract is made directly between the contractor and the homeowner. For a manufactured home, the Title is in the name of the Owner.

The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials are not responsible for work performed or any guarantees of work. The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials are not responsible for the manufactured home during the warranty period, or any time thereafter. The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials will not assume liabilities resulting from these grant-related activities.

B. Change Orders

All issues involving a change in work orders during the contract period will be communicated between the contractor and the Agency staff.

Any work requested or omitted by order of the Owner, and not previously approved by the Agency staff will be the financial responsibility of the Owner and not authorized for payment under the HAP.

C. Completion

Once all approved activities are complete, a "FINAL INSPECTION & COMPLETION CERTIFICATE" will be executed. This Certifiacte assures that all approved work has been completed, that all required inspections have been obtained and that warranties have been reviewed with the Owner.

The Owner(s) understand and agree that upon issuance of the Project Completion Form, and approval of the Agency staff, final payment will be made.

The Owner(s) understand that the Agency or the Agency staff have no additional responsibility in enforcing the contractor's or manufacturer's warranties.

III. Certifications/Agreements

The Owner(s) certify that the property to be assisted with grant funds is the primary residence of the Owner(s).

The Owner(s) certify that all information provided in the application and in all documents pertaining to the HAP are true, accurate and subject to verification by the Agency, the Alabama Department of Economic and Community Affairs, and/or the U. S. Department of Housing and Urban Development. The Owner(s) understand and agree that any misrepresentation, false or frudelent information will be reported to the Alabama Attorney General, and/or Federal Bureau of Investigation, as appropriate, and the Owner(s) may be subject to penalties as specified by law (U.S.C. Title 18, Sec. 1001).

The Owner(s) certify that they have reviewed all documents, that these documents have been explained and that they have been given the opportunity to ask questions. The Owner(s) further certify that they understand all of the terms and conditions set forth in this agreement and in all documents executed in connection with this Housing Assistance Program.

The Owner(s) agree that they are entering into this agreement voluntarily and of their own volition. The Owner(s) certify that if for any reason they seek the advice of an independent attorney, they must do so at their own expense.

The Owner(s) agree to indemnify and hold the Agency and Agency staff; Local, State or Federal Government; agencies of these governments and their officials harmless from any dispute arising from work performed by the contractor or lack of warranty provision compliance.

The Owner(s) certify that they will maintain homeowner's insurance to protect Owner's interest as well as the investment of Federal funds. The Owner(s) further certify that they will maintain a flood insurance policy if the property is deemed to be in the federally designated flood zone. Owner(s) understand and agree that maintenance of insurance is entirely Owner's obligation.

Pursuant to this agreement, the owner's acknowlege that the amount of assistance is limited to the relevant activity determination and the associated grant ceiling as provided in governing Policy by the State.

IN WITNESS WHEREOF, I/we hereby execute this agreement on this the _____day of _____, 20____.

OWNER	Date	WITNESSED BY:	Date
OWNER	Date	WITNESSED BY:	Date

LEAD-SAFE HOUSING RULE – APPLICABILITY FORM

Address/location of subject property:

_____

Regulation Eligibility Statements (check all that apply):

☐ Property is receiving Federal funds.
☐ Unit was built prior to 1978.

Note: If both Eligibility Statements above have been checked, continue with the Exemption Statements below. Otherwise, the regulation does not apply, sign and date the form.

Regulation Exemption Statements [24 CFR 35.115] (check all that apply):

☐ Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.
☐ The property will not be used for human residential habitation. This does not apply to common areas such as hallways and stairways of residential and mixed-use properties.
☐ Housing "exclusively" for the elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.
☐ An inspection performed according to HUD standards found the property contained no lead-based paint.
☐ According to documented methodologies, lead-based paint has been identified and removed; and the property has achieved clearance.
☐ The rehabilitation will not disturb any painted surface.
☐ The property has no bedrooms.
☐ The property is currently vacant and will remain vacant until demolition.

If any of the above Exemption Statements have been checked, the Regulation does not apply. In all cases, sign and date the form.

I, _____, certify that the information listed above is true and accurate to the best of my knowledge.

_____

Signature Date

Single Family Housing Assistance Revised 5/2017

DUPLICATION OF BENEFITS WORKSHEET

Client Name:_____ Case No.: _____

Address: _____

County:_____

Estimate Cost of Repair/Replacement $ _____
Temporary Relocation/Housing $ _____
Storage $ _____
Other _____ $ _____

TOTAL ESTIMATE COSTS $_____

FEMA Home Repair Assistance $ _____
SBA $ _____
Insurance $ _____
Other _____ $ _____

TOTAL Home Repair Assistance RECEIVED $_____
LESS:
REPAIR AMOUNT EXPENDED/DISBURSED* ($ _____)

TOTAL AVAILABLE TOWARDS COSTS $_____

DISASTER ASSISTANCE REQUIRED** (Total Estimated Costs minus Total Available) $_____

*Explain where and how any FEMA and other assistance was expended/disbursed:

_____
_____
_____
_____

**If Disaster Amount Required is greater than $25,000 Program Cap, explain hardship case:

_____
_____
_____
_____

Prepared by: _____ Date_____

Verification of SBA Benefits

The following information was verified using the SBA Homeowner Applicant Data Report received on June 13, 2017, from the Processing and Disbursement Center of the US Small Business Administration. A printed copy of SBA Funds Received by Alabama Homeowners for Home Repair, Reconstruction, Manufactured Homes, and Debris Removal due to the April 2011 Tornadoes is located in the Agency's Master Disaster Recovery file for DTR-12 and DTR-13.

Homeowner Name:_____

Address: _____

County: _____

SBA Home Repair Funds: $ _____

SBA Reconstruction Funds: $ _____

SBA Manufactured Home Funds: $ _____

SBA Debris Removal Funds: $ _____

Total SBA Housing Assistance Received: $ _____

Verified by: _____Date: _____

Certification of Expenditure of Home Repair Funds

Homeowner: _____ Case No_____

Address: _____

Homeowner Certification:

I, _____, a potential recipient of housing assistance from CDBG Disaster Recovery: Tornadoes of April 2011, do hereby certify that a total of at least $_____ has been spent in an effort to repair damage to my home following the tornadoes of April 2011. Expenses included the following items or contract work as specified: _____

_____

_____

I have provided all the documentation that I have or could obtain to justify the above costs, and I certify that the information is true and correct.

_____ _____

Date Signature of Homeowner

SELF CERTIFICATION OF NO BENEFIT

I, _____ (print name), hereby certify that I have not received FEMA Assistance, Homeowner Insurance, Flood Insurance, SBA Loan, Private Non-Profit and/or other funds related to the April 27, 2011 tornadoes. I understand that any person who makes a false statement or knowingly withholds benefits received information may be subject to punishment by law.

_____ _____

Homeowner Signature Date

SUBROGATION AGREEMENT

As a recipient of HUD CDBG-DR funds, I understand these funds are funds of last resort, and I agree to return to the Alabama Department of Economic and Community Affairs (ADECA) any additional disaster assistance received subsequent to CDBG-DR and in excess of disaster related needs for the activity funded.

_____ _____

Homeowner Signature Date

Attest:

_____ _____

Name Date

SINGLE-FAMILY HOUSING ASSISTANCE REVIEW (DTR-13)

Name of Applicant: _____ ID Number: _____

Address of Home: _____

County: _____ Target County: ☐ Yes ☐ No

Number of people currently residing in household: _____

Number of dependents residing in household: _____

Elderly (65+) household members: ☐ Yes ☐ No

Disabled household members: ☐ Yes ☐ No

Income Category:

- ☐ Very Low
- ☐ Low
- ☐ Moderate
- ☐ High
- ☐ Very High

Income verification was provided for all residents of the home: ☐ Yes ☐ No

Information is provided to document *no* duplication of benefits: ☐ Yes ☐ No

FEMA ("Home Repair" funds): _____

SBA: _____

Private Insurance: _____

Other Resources: _____

Preliminary damage estimate: _____

Proof of ownership: ☐ Yes ☐ No

Proof of Residency: _____

Applicant is Hispanic or Latino: ☐ Yes ☐ No

Race of Homeowner:

- ☐ White
- ☐ Black/African American
- ☐ Asian
- ☐ American Indian/Alaskan Native
- ☐ Native Hawaiian/Other Pacific Islander
- ☐ Am. Indian/Alaskan Native & White
- ☐ Asian & White
- ☐ Black/African American and White
- ☐ Am. Indian/Alaskan Native & Black
- ☐ Other Multi-Racial

Has applicant received flood benefits? ☐ Yes ☐ No

If yes, has flood insurance been maintained? ☐ Yes ☐ No

If no to flood insurance applicant is ineligible: ☐ Ineligible

Does applicant own the home? ☐ Yes ☐ No

Does applicant rent the home? ☐ Yes ☐ No

Estimate covers: ☐ Repair ☐ Rebuild ☐ Mobile Home

Reviewer Comments

_____

_____

_____

_____

_____

Other Resources to be provided: _____ CDBG Funds Requested: _____

☐ **Ineligible**

ADECA Reviewer: _____ Date: _____

Single-Family Housing Assistance

Ineligible Application

*****Before completing this form, ADECA reviewer should attach the supporting documentation explaining the application's ineligibility*****

Applicant: _____ Application No.: _____

Reason:

_____

_____

_____

_____

_____

_____

_____

_____

Reviewer: _____ Date: _____

Confirmed: _____ Date: _____

Shabbir Olia, Manager

Community Development Programs

Implemented on: 3/1/13

Revised 03/2017

HPA Documentation- Single-Family Housing Assistance (Tornadoes of April 2011)

HOUSING PROGRAM ADMINISTRATOR: Before single-family housing applications can be approved, ADECA must have the following information accurately completed by the Housing Program Administrator. When information is received from you, we will complete the Environmental Review and Authorization to Proceed.

Name of Homeowner:_____ ID Number:_____

Address of Storm Damaged Home:_____

City:_____ County_____ Zip:_____

Prior to or after the April 2011 tornadoes, did applicant receive any flood benefits? ☐Yes ☐No

If yes, has flood insurance been maintained? ☐Yes ☐No

-**If no to flood insurance applicant is ineligible.**

If over $25,000 will lead abatement be performed: ☐Yes ☐No

Will Green Standards be used for this project: ☐Yes ☐No

Which of the following best describes the client:

☐ Homeowner

☐ Affected renter who wishes to own home

☐ Non affected owner/renter in most impacted county

1. If **new construction or replacement housing** is required, it will be:
   ☐At the Address of the storm-damaged home listed above, or
   ☐At the new address as follows: _____

   Descripiton of **new construction or replacement housing**: (Example: brick, 3 bedroom, composite roof, ~1,500 square feet)

   Estimated cost of new construction: _____ CDBG Funds Requested: _____

2. In the case of **home repair or rehabilitation** on the same site, please provide:
   Year built: _____ Estimated pre-disaster value: _____
   Indicate the estimated value of the improvements:
   ☐0 to 39% of market value of structure ☐40-49.9% of market value of structure
   ☐50-74.9% of market value of structure ☐75% (and above) of market value of structure

   Description of **repair/rehabilitation**: (example: Replace roof, windows, doors, sheetrock, plumbing, wiring, etc)

   Estimated cost of repair: _____ CDBG Funds Requested: _____

3. If a replacement mobile home is being provided, please indicate whether it is to be located:
   ☐At the address of the storm-damaged home listed above, or
   ☐At the new address as follows: _____

   Estimated cost of replacement home: _____ CDBG Funds Requested: _____

_____ _____ _____

Completed By **Approved By** **Date**

Please return to: Shabbir Olia, CED Programs, ADECA
401 Adams Avenue, Montgomery, AL 36104

Or scan and email to: shabbir.olia@adeca.alabama.gov

Alabama Department of Economic and Community Affairs
Site Specific Checklist

Applicant Name: _____ Case Number: _____

Location: _____
(Street Address)

Hazardous & Toxic Materials:

1. Distressed Vegetation ☐ **Yes** ☐ **No**
(Could be an indication of Soil Contamination)

2. Vent or Fill Pipes ☐ **Yes** ☐ **No**
(Could indicate current or previous existence of underground storage tanks)

3. Storage/Oil Tanks or Questionable Containers ☐ **Yes** ☐ **No**
(Could indicate heating fuel, chemical and petroleum product storage)

4. Pits, Ponds or Lagoons ☐ **Yes** ☐ **No**
(Could potentially hold liquids or sludge containing hazardous substances. Potential is increased if 1) water discoloration, 2) distressed vegetation, and 3) wastewater discharge indications exist)

5. Stained Soil of Pavement (other than water stains) ☐ **Yes** ☐ **No**
(Could indicate soil contamination, pipe or storage container leakage)

6. Pungent, Foul or Noxious Odors ☐ **Yes** ☐ **No**
(Could indicate leaks of hazardous or petroleum products)

7. Dumped Material or Soil, Mounds of Dirt, Rubble etc. ☐ **Yes** ☐ **No**
(Located within 3,000 feet of a toxic or solid waste landfill)

8. If the land is currently vacant, ask the owner about the previous site usage. _____

Property Description:

9. Front of house or lot: _____

10. Northerly Direction: _____

11. Southerly Direction: _____

12. Easterly Direction: _____

13. Westerly Direction: _____

Comments: _____

_____
Name of Field Inspector

_____ _____
Signature of Field Inspector **Date**

Original _____

Revision - _____

SINGLE-FAMILY HOUSING ASSISTANCE

AUTHORIZATION TO PROCEED

Name of Homeowner: _____ ID Number: _____

Address of Storm Damaged Home: _____

Address of Rebuild or Replacement Home (If not same as above) _____

County: _____ Income Level of Household:

Very low _____ Moderate _____

Low _____ High _____

_____ Hardship Waiver (To Exceed $25,000 Ceiling) Granted _____ Based on "Urgent Need" National Objective

CDBG Funds Requested: _____ Amount Approved: _____

Approved For: _____ Repair Home _____ Home Rebuild _____ Repair Mobile Home _____ Replace Mobile Home

Other: _____ Demolition _____ Septic System _____ Required Elevation _____ Mortgage Downpayment Assistance

Note: _____

_____

_____

_____

_____ is approved to proceed with assistance for the above named applicant subject to _____ verification of eligibility requirements.

Reviewer Approval: _____ Date: _____

(Reviewer Signature)

Environmental Approval: _____ Date: _____

(Engineer Signature)

Approved:

_____ Date: _____

Shabbir Olia, Manager
Community & Economic Development Programs

Implemented on: 3/4/14

Single-Family Housing Assistance

Confirmation of Applicant Withdrawal

*****Before completing this form, ADECA reviewer should attach the Housing Program Administrator's (HPA) explanation for the application's withdrawal*****

Applicant: _____ Application No.: _____

Reason: _____

_____

_____

_____

_____

_____ , representative of _____ HPA,

has indicated the application listed above is to be withdrawn from CDBG

Single-Family Housing Assistance.

Reviewer: _____ Date: _____

Confirmed: _____ Date: _____

Shabbir Olia, Manager

Community Development Programs

Implemented on: 3/1/13

FINAL INSPECTION & COMPLETION CERTIFICATE
LIEN WAIVER

Community Development Block Grant – 2011 Tornado Housing Assistance Program

( ) I, _____, certify that I inspected the construction job located at _____ and find that all work performed under the contract between _____ (owner) and _____ _____ (contractor) has been completed as per the scope of work/work write-up and applicable building codes, and is hereby granted final approval.

( ) I, _____, certify that I inspected the manufactured home and it's installation at _____ by_____ (dealer/vendor) for_____ _____ (owner) and find the manufactured home and the installation as per the contract/purchase order.

_____ _____

Date Housing Rehabilitation Specialist

( ) The undersigned, on behalf of _____(contractor) certifies that all construction work has been completed as per the scope of work/work writeup and applicable building codes at the property located at _____ _____ and further certify that all work is guaranteed for a period of (twelve months). The owner(s) have been furnished with manufacturer's warranties for specific materials and supplies, and there are no liens on the contractor or the owner(s) for materials, labor, or supplies.

( ) The undersigned, on behalf of_____(dealer/vendor) certifies that the manufactured home was built in accordance with HUD's Manufactured Home Construction and safety Standards and Regulations and meets Energy Star® requirements, and installation meets HUD Model Manufactured Home Installation Standards. The owner(s) have been furnished with the manufacturer and material warranties associated with the manufactured housing unit, and a separate warranty for (one year) for materials and labor involving installation.

_____ _____

Date Contractor/Vendor

I/We, _____, owner(s) of the above referenced dwelling unit, hereby acknowledge that I/We have attended the final inspection conducted on the above date, accept all work performed, and authorize distribution of final payment. I/We further acknowledge that all warranties have been explained to me/us and further acknowledge that as of this date it is my/our responsibility to enforce warranties directly with the contractor/vendor, and that it is not the responsibility of the Community Partnership of North Alabama, Inc., or it's staff; or Local, State or Federal Government or agencies of these Governments and their officials.

_____ _____

Owner Date Owner Date

HUD CPD Green Building Retrofit Checklist

The CPD Green Retrofit Checklist promotes energy efficiency and green building practices for residential retrofit projects. Grantees must follow the checklist in its entirety and apply all measures within the Checklist to the extent applicable to the particular building type being retrofitted. The phrase "when replacing" in the Checklist refers to the mandatory replacement with specified green improvements, products, and fixtures only when replacing those systems during the normal course of the retrofit.

*** Please provide QUANTITY, if applicable.**

WATER AND ENERGY CONSERVATION MEASURES

☐ **Water-Conserving Fixtures**
Install or retrofit water conserving fixtures in any unit and common facility, use the following specifications: Toilets-- 1.28 gpf; Urinals-- 0.5 gpf; Showerheads-- 2.0 gpm; Kitchen faucets-- 2.0 gpm; and Bathroom faucets-- 1.5gpm. [gpf = gallons per flush; gpm = gallons per minute]

☐ **ENERGY STAR Appliances**
Install ENERGY STAR-labeled clothes washers, dishwashers, and refrigerators, if these appliance categories are provided in units or common areas.

☐ **Air Sealing: Building Envelope**
Seal all accessible gaps and penetrations in the building envelope. If applicable, use low VOC caulk or foam.

☐ **Insulation: Attic** (if applicable to building type)

For attics with closed floor cavities directly above the conditioned space, blow in insulation per manufacturer's specifications to a minimum density of 3.5 Lbs. per cubic foot (CF). For attics with open floor cavities directly above the conditioned space, install insulation to meet or exceed IECC levels.

☐ **Insulation: Flooring** (if applicable to building type)
Install ≥ R-19 insulation in contact with the subfloor in buildings with floor systems over vented crawl spaces. Install a 6-mil vapor barrier in contact with 100% of the floor of the crawl space (the ground), overlapping seams and piers at least 6 inches.

☐ **Duct Sealing** (if applicable to building type)

In buildings with ducted forced-air heating and cooling systems, seal all penetrations of the air distribution system to reduce leakage in order to meet or exceed ENERGY STAR for Homes' duct leakage standard.

☐ **Air Barrier System**
Ensure continuous unbroken air barrier surrounding all conditioned space and dwelling units. Align insulation completely and continuously with the air barrier.

☐ **Radiant Barriers: Roofing**
When replacing or making a substantial repair to the roof, use radiant barrier sheathing or other radiant barrier material; if economically feasible,also use cool roofing materials.

☐ **Windows**
When replacing windows, install geographically appropriate ENERGY STAR rated windows.

☐ **Sizing of Heating and Cooling Equipment**
When replacing, size heating and cooling equipment in accordance with the Air Conditioning Contractors of America (ACCA) Manuals, Parts J and S, or 2012 ASHRAE Handbook--HVAC Systems and Equipment or most recent edition.

☐ **Domestic Hot Water Systems**
When replacing domestic water heating system(s), ensure the system(s) meet or exceed the efficiency requirements of ENERGY STAR for Homes' Reference Design. Insulate pipes by at least R-4.

☐ **Efficient Lighting: Interior Units**
Follow the guidance appropriate for the project type: install the ENERGY STAR Advanced Lighting Package (ALP); ***OR*** follow the ENERGY STAR MFHR program guidelines, which require that 80% of installed lighting fixtures within units must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; ***OR*** when replacing, new fixtures and ceiling fans must meet or exceed ENERGY STAR efficiency levels.

☐ **Efficient Lighting: Common Areas and Emergency Lighting** (if applicable to building type)
Follow the guidance appropriate for the project type: use ENERGY STAR-labeled fixtures or any equivalent high-performance lighting fixtures and bulbs in all common areas; ***OR*** when replacing, new common space and emergency lighting fixtures must meet or exceed ENERGY STAR efficiency levels. For emergency lighting, if installing new or replacing, all exist signs shall meet or exceed LED efficiency levels and conform to local building codes.

☐ **Efficient Lighting: Exterior**
Follow the guidance appropriate for the project type: install ENERGY STAR-qualified fixtures or LEDs with a minimum efficacy of 45 lumens/watt; ***OR*** follow the ENERGY STAR MFHR program guidelines, which require that 80% of outdoor lighting fixtures must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; ***OR*** when replacing, install ENERGY STAR compact fluorescents or LEDs with a minimum efficacy of 45 lumens/watt.

INDOOR AIR QUALITY

☐ **Air Ventilation: Single Family and Multifamily** (three stories or fewer)
Install an in-unit ventilation system capable of providing adequate fresh air per ASHRAE 62.2 requirements.

☐ **Air Ventilation: Multifamily** (four stories or more)
Install apartment ventilation systems that satisfy ASHRAE 62.2 for all dwelling units and common area ventilation systems that satisfy ASHRAE 62.1 requirements. If economically feasible, consider heat/energy recovery for 100% of corridor air supply.

☐ **Composite Wood Products that Emit Low/No Formaldehyde**
Composite wood products must be certified compliant with California 93120. If using a composite wood product that does not comply with California 93120, all exposed edges and sides must be sealed with low-VOC sealants.

☐ **Environmentally Preferable Flooring**
When replacing flooring, use environmentally preferable flooring, including the FloorScore certification. Any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives.

☐ **Low/No VOC Paints and Primers**
All interior paints and primers must be less than or equal to the following VOC levels: Flats--50 g/L; Non-flats--50 g/L; Floor--100 g/L. [g/L = grams per liter; levels are based on a combination of the Master Painters Institute (MPI) and GreenSeal standards.]

☐ **Low/No VOC Adhesives and Sealants**

All adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. All caulks and sealants must comply with regulation 8, rule 51, of the Bay Area Air Quality Management District.

☐ **Clothes Dryer Exhaust**
Vent clothes dryers directly to the outdoors using rigid-type duct work.

☐ **Mold Inspection and Remediation**
Inspect the interior and exterior of the building for evidence of moisture problems. Document the extent and location of the problems, and implement the proposed repairs according to the Moisture section of the EPA Healthy Indoor Environment Protocols for Home Energy Upgrades.

☐ **Combustion Equipment**
When installing new space and water-heating equipment, specify power-vented or direct vent combustion equipment.

☐ **Mold Prevention: Water Heaters**
Provide adequate drainage for water heaters that includes drains or catch pans with drains piped to the exterior of the dwelling.

☐ **Mold Prevention: Surfaces**
When replacing or repairing bathrooms, kitchens, and laundry rooms, use materials that have durable, cleanable surfaces.

☐ **Mold Prevention: Tub and Shower Enclosures**
When replacing or repairing tub and/or shower enclosures, use non-paper-faced backing materials such as cement board, fiber cement board, or equivalent in bathrooms.

☐ **Integrated Pest Management**
Seal all wall, floor, and joint penetrations with low-VOC caulking or other appropriate sealing methods to prevent pest entry. [If applicable, provide training to multifamily buildings staff.]

☐ **Lead-Safe Work Practices**
For properties built before 1978, if the project will involve disturbing painted surfaces or cleaning up lead contaminated dust or soil, use certified renovation or lead abatement contractors and workers using lead-safe work practices and clearance examinations consistent with the more stringent of EPA's Renovation, Repair, and Painting Rule and HUD's Lead Safe Housing Rule.

☐ **Radon Testing and Mitigation** (if applicable based on building location)

For buildings in EPA Radon Zone 1 or 2, test for radon using the current edition of American Association of Radon Scientists and Technologists (AARST)'s Protocols for Radon Measurement in Homes Standard for Single-Family Housing or Duplexes, or AARST's Protocol for Conducting Radon and Radon Decay Product Measurements in Multifamily Buildings. To install radon mitigation systems in buildings with radon level of 4 pCi/L or more, use ASTM E 2121 for single-family housing or duplexes, or AARST's Radon Mitigation Standards for Multifamily Buildings. For new construction, use AARST's Reducing Radon in New Construction of 1 & 2 Family Dwellings and Townhouses, or ASTM E 1465.

Case Number: _____ **Revised 5/2017**

Client Name: _____

Disaster Case File Checklist

Yes	No	N/A	
☐	☐	☐	CDBG Application
☐	☐	☐	Release of Information
☐	☐	☐	Identification *(Photo ID and Social Security Card)*
☐	☐	☐	Mobile Home Proof of Ownership *(Title, Notarized Bill of Sale, Notarized Statement)*
☐	☐	☐	Mobile Home Land Status *(ONLY - Deed, Life Estate, Notarized Statement from Heirs if Heir Property)*
☐	☐	☐	Single Family Home Proof of Ownership *(Deed, Life Estate, Tax Assessment, Heirs Statement)*
☐	☐	☐	Mortgage Verification
☐	☐	☐	Utility Statements for 2011
☐	☐	☐	Utility Statements for Present
☐	☐	☐	Income Verification *(W2, Tax Statements, Social Security, etc.)*
☐	☐	☐	Income Calculation Form
☐	☐	☐	Disability Documentation *(Social Security Letter, Medical Letter, Case Worker Statement)*
☐	☐	☐	Duplication of Benefits Worksheet and Verification of the following:

Yes	No	N/A	
☐	☐	☐	FEMA *(Must have proof of received or that none was received)*
☐	☐	☐	SBA
☐	☐	☐	Insurance – *Assessment, if applicable*
☐	☐	☐	Homeowners Insurance Verification Form
☐	☐	☐	Other source of funds received
☐	☐	☐	Flood benefits – *Proof Flood Insurance has been maintained if funds received*
☐	☐	☐	Flood Insurance Verification Form
☐	☐	☐	Self Certification of No Benefit – *Required if no benefits received*
☐	☐	☐	Certification of Expenditures – *Provide Receipts or Assessor Statement that work was performed for at least amount of expenditures noted*

☐	☐	☐	Damage Estimate/Assessment with Storm Damage vs. Deferred Maintenance
☐	☐	☐	Photos of Damage and Photos of Deferred Maintenance *(inside and outside)*
☐	☐	☐	Total Repair Estimate
☐	☐	☐	Replacement Mobile Home Estimate
☐	☐	☐	Mobile Home Replacement Detailed Justification
☐	☐	☐	Hardship Statement
☐	☐	☐	Lead Safe Documentation
☐	☐	☐	Agreement of Understanding
☐	☐	☐	Proof of Green Standards *(HUD checklist with applicable numbers noted, listed on estimate as appropriate energy or water saving product, RMH HUD Certification Label Number or photo)*
☐	☐	☐	Subrogation Agreement
☐	☐	☐	UCC Financing Statement
☐	☐	☐	Loan Agreement
☐	☐	☐	Promissory Note
☐	☐	☐	Security Agreement
☐	☐	☐	Final Inspection Documents
☐	☐	☐	Final Photos
☐	☐	☐	Warranty

Community Development Block Grant (CDBG-DTR) Program

Grantee Closeout Certification

Grantee Name:
Grant Number:
Client Name:
CDBG Identification Number:
Pre-Disaster Address (*Street Number, City, Zip***):**
Address (*where CDBG work was performed*)
County:
Contractor:

The Grantee hereby certifies that: (1) the grant as described in the approved application has been performed in accordance with the terms and conditions of the executed Grant Agreement and applicable CDBG-DTR Grant Award and that there are no known outstanding programmatic or financial issues; and (2) all data provided below fairly reflects costs and client current demographic information.

1. Grant amount authorized *(Excludes Activity Delivery Cost)* .
2. Cumulative grant funds disbursed *(Excludes Activity Delivery Cost)* .
3. Household is Hispanic:
4. Race/Ethnicity:
5. Income Level:
6. Number of Persons in Household:
7. Number of Elderly Persons (Age 62 or Older) in Household:
8. Number of Disabled Persons in Household:
9. Number of Children Less than Age 18:
10. Female Head of Household:

Female Head of Household is based on our proposed definitions for Female Head of Household and Dependent that were submitted to HUD on 1/6/14. Female Head of Household: *A married or unmarried female who maintains a household for a dependent, or non-dependent relative, and provides more than half of the dependent's financial support.* Dependent: *A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.*

_____
Executive Director

_____
Finance Director

_____
Project Director

_____
Case Closure Date

For ADECA use only

_____
ADECA Reviewer Signature Date

Final Drawdown Number _____

Final Drawdown Date _____

ADDENDUM TO THE POLICIES AND PROCEDURES
SINGLE-FAMILY HOUSING ASSISTANCE
ALABAMA

As a result of the Disaster Relief Appropriations Act of 2013 (Public Law 113-2), the State of Alabama was approved to receive an additional $49,157,000 in Disaster Funds to continue with the recovery efforts to mitigate the damage resulting from the tornadoes of April 2011. The supplemental funds will now permit the State to fund more of the needs that it could not adequately address with the limited funds available in the first round of disaster funding. The State's Disaster Action Plan for Supplemental Funds has provided a breakdown of overall anticipated awards by four Program Areas- housing, infrastructure, economic revitalization, and administration. Of the total amount available, approximately 27 percent or $13,132,246 is budgeted for single-family and multi-family housing. Of this total, $11,046,981 is budgeted for single-family housing assistance. This amount, added to the first round of funding for single-family housing assistance, brings the total to nearly $18.7 million. The additional housing funds will permit the State to not only address housing needs for a greater number of households, the funds will permit the State to reach out to more households to aid in the rebuilding of communities.

Housing Assistance Goals: As a result of damage to existing housing due to the April 2011 tornadoes, Alabama's stated housing goals are as follows.

1. **Assist as many households as possible which suffered damage to the place of residence at the time of the storm but have not yet recovered from said damage.**

2. **Assist in rebuilding communities most impacted by the storm.**

Lessons Learned: During the course of administering the single-family housing assistance program, the State faced several issues that need to be recognized and addressed.

1. Insurance companies paid hundreds of millions of dollars for damage resulting from the tornadoes, and most homeowners with hazard insurance policies were able to rebuild and recover. As a consequence, the number of households with low and very low incomes without such insurance coverage constitutes nearly 100 percent of the requests for assistance from the State.

2. A large segment of households without such insurance coverage lived in mobile homes scattered throughout the large 30-county predominantly rural area affected by the storm.

3. As is typical in Alabama and elsewhere in many other states, the majority of these mobiles homes lacked access to public sanitary sewer or were not hooked to functioning sanitary septic systems.

4. The requests for assistance indicated that nearly all of the houses and mobile homes that suffered storm damage also suffered from significant deferred maintenance issues.

5. A significant portion of households seeking housing assistance have no earned income; instead they are dependent on fixed government entitlement payments. These affected families have no ability to contribute any income towards their housing recovery efforts.

6. A significant prevalence of disability exists among one or more members of the qualifying households.

7. There is an absence of qualified contractors within a reasonable commuting distance to most housing units needing repairs or replacement.

8. With many households, documentation to show the household's ownership of property is either not conclusive or not readily available.

9. Costs of repairs for many households far exceed the value of those homes.

Housing Assistance Policies: The following policies will govern the State's housing assistance program under the supplemental funds.

1. Reach out to the households which suffered storm damage to their residences in the target counties but which have not yet recovered.

2. Ensure the households are not receiving duplicative benefits through these grant funds for the same work paid for by other sources such as FEMA, SBA, or insurance.

3. Ascertain all work to be performed by these grant funds will comply with the State's adopted building code.

4. Control expenditure of grant funds per household so that grant assistance can be extended to the maximum number of households.

5. Concentrate on making repairs to items such as roofs, doors, windows, and exterior walls, in order to seal the houses from the elements to prevent further interior and exterior damage, and to make living conditions comfortable and reduce energy costs.

6. Whenever estimates for repair costs to mobile homes are extensive, consider replacement units as a viable option to making those repairs.

7. In cases of replacement mobile homes, ensure those units are hooked-up to the functioning septic systems. Also, ensure the damaged units that are replaced are demolished and cleared from the premises.

8. All replacement mobile homes will be considered to meet governing building standards since they are built to HUD specifications.

9. Each replacement unit will be sized to meet the needs of the family occupying it.

10. The housing assistance program is designed to improve the housing conditions of storm-impacted households and to assist in the rebuilding of communities. The program is not an entitlement program and is not designed to make the family whole.

11. In most cases, the housing assistance program benefits will be limited to low and moderate income households. However, when a great need persists, households which do not qualify as low and moderate income will qualify under the National Objective addressing Urgent Need.

12. The nature of the housing assistance program dictates discretion on the part of the State to achieve the best utilization of funds to assist the largest number of storm-affected households to the extent such discretion does not conflict with applicable State or HUD rules.

13. The State has added six counties to the original list of thirty targeted counties that were qualified for home owner assistance program for the storm-affected households. These six additional counties are: Bibb, Fayette, Lauderdale, Tallapoosa, Washington and Winston Counties.

14. Any renters in the 36 targeted counties affected by the storm who have not recovered will also qualify for program assistance to become a homeowner.

15. To encourage the most-impacted communities to rebuild, the State will assist individual households which were not affected by the storm to qualify for program assistance as a means to acquire a home in Cullman, DeKalb, Franklin, Marion, Jefferson, and/or Tuscaloosa Counties.

This **Addendum** to the State of Alabama's Disaster Recovery Housing Policies and Procedures adopted on August 14, 2012 is hereby approved.

Jim Byard, Jr., Director
Alabama Department of Economic
and Community Affairs

March 9, 2014
Date

CDBG DISASTER RECOVERY
LEAD-BASED PAINT POLICY

Any construction or rehabilitation of structures containing residential units with assistance provided shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35, Subpart B. Such regulations pertain to all CDBG-assisted housing and require that all owners, prospective owners, and tenants of properties constructed prior to 1978 be properly notified that such properties may include lead-based paint.

Notifications shall point out the hazards of lead-based paint and explain the symptoms, treatment and precautions that should be taken when dealing with lead-based paint poisoning and the advisability and availability of blood lead level screening for children under seven. The notice should also point out that if lead-based paint is found on the property, abatement measures may be undertaken. The regulations further require that, depending on the amount of Federal funds applied to a property, paint testing, risk assessment, treatment and/or abatement may be conducted.

The following evaluation and assessment methods are used with CDBG-funded activities:

1. Visual assessment - A visual assessment for deteriorated paint consists of a visual search for cracking, scaling, peeling, or chipping paint as well as visible dust, debris and paint chips. Because a visual assessment is not considered a method of lead hazard evaluation, there is no requirement for a Notice of Lead Hazard Evaluation associated with this procedure.

2. Paint testing - Paint testing entails testing painted surfaces to determine if they contain lead-based paint using methods such as an XRF analyzer or laboratory analysis.

3. Risk assessment - A risk assessment is a comprehensive investigation of a dwelling to identify lead-based paint hazards. It includes paint testing, dust and soil sampling, and a visual evaluation. A certified risk assessor must perform risk assessment. Risk assessment results are summarized in a written report with recommendations for action.

Requirements of Lead Reduction are: if hard costs are $5,000 or under, do no harm; $5,001 to $24,999, use standard treatments; $25,000 or more, lead paint must be abated. No treatment is required if the housing unit is tested and no lead is found, or if the house was built in 1978 or after.

Homeowners, please refer to pamphlet "Protect Your Family From Lead in Your Home", EPA747-K-99-001, April 1999; U.S. Environmental Protection Agency, U.S. Consumer Product Safety Commission, U.S. Department of Housing and Urban Development.

CDBG DISASTER RECOVERY
GREEN BUILDING STANDARDS

The projects described below that use Hurricane Sandy funds are required to meet the "Green Building Standard."

- All new construction of residential buildings; and,
- All replacement of substantially-damaged residential buildings.

Meeting the Green Building Standard requires the Grantee to ensure all new construction of residential buildings and all replacement of substantially-damaged residential buildings, meets an industry-recognized standard that has achieved certification under at least one of the following programs:

- ENERGY STAR (Certified Homes or Multifamily High Rise);
- Enterprise Green Communities;
- LEED (NC, Homes, Midrise, Existing Buildings O&M, or Neighborhood Development);
- ICC–700 National Green Building Standard;
- EPA Indoor AirPlus (ENERGY STAR a prerequisite); or,
- Any other equivalent comprehensive green building program, including regional programs.

To meet the standards for rehabilitation of non-substantially-damaged residential buildings, grantees must apply the guidelines outlined in the HUD CPD Green Building Retrofit Checklist (http://portal.hud.gov/hudportal/documents/huddoc?id=drsi_retrofit.xls), to the extent applicable, on the rehabilitation work undertaken. Examples include the following:

- The use of mold resistant products when replacing surfaces such as drywall.
- When older or obsolete products are replaced as part of the rehabilitation work, use ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)-designated products and appliances.
    - If the furnace, air conditioner, windows, and appliances are replaced, the replacements must be ENERGY STAR-labeled or FEMP-designated products
    - WaterSense-labeled products (e.g., faucets, toilets, showerheads) must be used when water products are replaced.

Exceptions

There are circumstances under which a Grantee is not required to meet the specifications described in the previous sections. They include, but are not limited to, the following:

- For construction projects completed, under construction, or under contract prior to the date that assistance is approved for the project, the Grantee is encouraged to apply the applicable standards to the extent feasible, but the Green Building Standard is not required.
- If the Grantee is required to replace specific required equipment or materials for which an ENERGY STAR- or Water- Sense-labeled or FEMP-designated product does not exist, the requirement to use such products does not apply.

CDBG DISASTER RECOVERY
FLOODPLAIN POLICY

No Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person at any time has received flood disaster assistance that was conditional on the person first having obtained flood insurance under the applicable Federal law and subsequently having failed to obtain and maintain flood insurance as required under applicable Federal law on such property.

Alabama's disaster grant program will not permit new or replacement activities to take place in the designated floodplain. For other activities, grantees are required to elevate or otherwise flood-proof all structures that were impacted by the disaster (whether they are homes, businesses or utilities) to mitigate flood or sea level rise risk as indicated by relevant data sources. Elevating at least one foot higher than the latest FEMA-issued base flood elevation or best available data (which includes advisory base flood elevation data), as required by the April 19, 2013 Notice has the added benefit of making flood insurance more affordable, particularly for economically disadvantaged home and business owners. The relevant data source and best available data under Executive Order 11988 is the latest FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps.

In addition, all rehabilitation projects should apply appropriate construction standards to mitigate risk, which may include: (a) raising utilities or other mechanical devices above expected flood level; (b) wet flood proofing in a basement or other areas below ABFE/best available data + 1 foot; (c) using water resistant paints or other materials; or (d) dry flood proofing non-residential structures by strengthening walls, sealing openings, or using waterproof compounds or plastic sheeting on walls to keep water out.

Reconstruction and substantial improvement projects located in a floodplain, according to the best available data as defined above, must be designed using the base flood elevation plus one foot as the baseline standard for lowest floor elevation. If higher elevations are required by locally adopted code or standards, those higher standards apply.

CDBG DISASTER RECOVERY
REPLACEMENT MOBILE HOME SIZE GUIDELINES

Regarding the size (i.e., number of bedroom units) of a replacement mobile home, HUD occupancy guidelines are as follows:

A. No more than two persons are required to occupy a bedroom.

B. Persons of different generations (i.e. grandparents, parents, children), persons of the opposite sex (other than spouses/couples), and unrelated adults are not required to share a bedroom (An adult is a person 18 years or older).

C. Couples living as spouses (whether or not legally married) must share the same bedroom for issuance size purposes.

D. A live-in aide who is not a member of the family is not required to share a bedroom with another member of the household. The need for a full time live-in aide must be documented.

E. Individual medical problems (e.g. chronic illness) sometimes require separate bedrooms for household members who would otherwise be required to share a bedroom. Documentation supporting the larger sized unit and related subsidy must be provided and verified as valid.

F. In most instances, a bedroom is not provided for a family member who will be absent most of the time, such as a member who is away in the military.

G. When determining family issuance size, include all children expected to reside in the unit in the next year as members of the household. Examples include, but are not limited to the following:

   1. Children who are in the process of being adopted are included as members of the household.

   2. Children expected to be born to pregnant women are included as members of the household.

   3. Foster children residing in the unit along with families who are certified for foster care and are awaiting placement of children are included as members of the household. If children are anticipated to occupy the unit within a reasonable period of time, they must be considered when determining the issuance size.

   4. In most instances children in joint/shared custody arrangements occupying the unit at least 50% of the time are included as members of the household. The custody arrangement may be verified by the divorce decree/legal documents or by self-certification.

   5. Children whose custody is in the process of being obtained by an adult household member may be included as members of the household. Evidence that there is a reasonable likelihood that the child will be awarded to the adult (i.e. within three months) must be provided in order for such child to be included.

   6. Children temporarily absent from the home due to placement in foster care may be included as members of the household. Evidence that there is a reasonable likelihood that the child will return to the household (i.e. within three months) must be provided in order for such child to be included.

   7. Children who are away at school, but live with the family during school recesses are included as members of the household.

Contact Information for

Disaster Recovery: Tornadoes of April 2011

Single-Family Housing Assistance

Housing Intake Agencies:

Community Action Partnership of North AL, Inc.
1909 Central Parkway, SW
Decatur, Alabama 35601
Contact: Jack Green, Chief Outcomes Officer
Telephone: 256-260-3128
Email: jgreen@capna.org

Counties covered by CAPNA for single-family housing assistance:
Cullman, Lawrence, Limestone, Colbert, Franklin, Marion, Walker

Community Service Programs of West AL, Inc.
601 Seventeenth Street
Tuscaloosa, Alabama 35401
Contact: Cynthia W. Burton, Executive Director
Telephone: 205-469-1018
Email: cburton@cspwal.com

Counties covered by CSPWA for single-family housing assistance:
Tuscaloosa, Pickens, Sumter, Greene

Alabama Rural Coalition for the Homeless (ARCH)
540 South Perry Street, Post Office Box 451
Montgomery, Alabama 36101
Contact: Felicia Watkins-Jackson, Executive Director
Telephone: 334-239-7833
Email: Felicia@archconnection.org

Counties covered by ARCH for single-family housing assistance: *Jefferson, DeKalb, Marshall, Jackson, Madison, St. Clair, Calhoun, Blount, Marengo, Choctaw,* Elmore, Clarke, Hale, Autauga, Etowah, Perry, Talladega, Cherokee, Shelby

Administering Agency:

AL Department of Economic and Community Affairs
401 Adams Avenue, Post Office Box 5690
Montgomery, Alabama 36103-5690
Contact: Shabbir Olia, Manager
Community & Economic Development Programs
Telephone: 334-242-5468
Email: shabbir.olia@adeca.alabama.gov

APPLICANT IDENTIFICATION NUMBERS FOR CDBG
SINGLE-FAMILY HOMEOWNER HOUSING ASSISTANCE PROGRAM

Each applicant for pre-screening will be assigned a unique identification code (case number) that will incorporate the 1) non-profit's identity, 2) the county's identity, and 3) a four-digit number specific to the applicant. The numbers will be assigned as follows:

Applicant Number: _____ - _____ - _____
Non-profit ID County ID Applicant ID

The non-profit ID will be as follows:

CAPN - Community Action Partnership of North Alabama
CSPW - Community Services Program of West Alabama
ARCH - Alabama Rural Coalition for the Homeless

The county identifier will be the same as the two digits of the Alabama County designation on a car tag as listed below in alphabetical order. If the county tag number has only one digit (i.e., Jefferson County), a zero will be placed in the first position.

Autauga ---------- 04
Bibb ---------- 07
Blount ---------- 08
Calhoun ---------- 11
Cherokee ---------- 13
Choctaw---------- 15
Clarke ---------- 16
Colbert ---------- 20
Cullman ---------- 25
DeKalb---------- 28
Elmore---------- 29
Etowah ---------- 31
Fayette ---------- 32
Franklin---------- 33
Greene ---------- 35
Hale ---------- 36
Jackson ---------- 39
Jefferson ---------- 01
Lauderdale ---------- 41
Lawrence ---------- 42
Limestone ---------- 44
Madison---------- 47
Marengo---------- 48
Marion ---------- 49
Marshall ---------- 50
Perry ---------- 53
Pickens ---------- 54
Shelby ---------- 58
St. Clair ---------- 59
Sumter ---------- 60
Talladega ---------- 61
Tallapoosa ---------- 62
Tuscaloosa---------- 63
Walker---------- 64
Washington ---------- 65
Winston ---------- 67

The applicant identifier will be numbered based on the order in which the applicant's request for assistance comes in to the non-profit agency. Since this number will require 4 digits, it will begin with leading zeros (i.e., 0001) until the number increases (i.e., 0128).
Therefore, the 115th application received by Community Action Partnership of North Alabama for Madison County will be: **CAPN-47-0115.**

HOMEOWNER'S REQUEST FOR GRIEVANCE REVIEW

Date of Request:_____

Name:_____

Address:_____

_____

Telephone: Home _____ Cell _____

What is the reason for your grievance?_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Attach Supporting Documents

_____
Homeowner's Signature

Return completed form to:_____

_____
(Address of Housing Intake Agency (HIA) working with Homeowner to be entered here.)

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Anniston-Oxford, AL MSA									
FY 2013 MFI: 53100	30% OF MEDIAN	11200	12800	14400	15950	17250	18550	19800	21100
	VERY LOW INCOME	18600	21250	23900	26550	28700	30800	32950	35050
	LOW-INCOME	29750	34000	38250	42500	45900	49300	52700	56100
Auburn-Opelika, AL MSA									
FY 2013 MFI: 63000	30% OF MEDIAN	13250	15150	17050	18900	20450	21950	23450	24950
	VERY LOW INCOME	22050	25200	28350	31500	34050	36550	39100	41600
	LOW-INCOME	35300	40350	45400	50400	54450	58500	62500	66550
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2013 MFI: 57100	30% OF MEDIAN	12550	14350	16150	17900	19350	20800	22200	23650
	VERY LOW INCOME	20900	23900	26900	29850	32250	34650	37050	39450
	LOW-INCOME	33450	38200	43000	47750	51600	55400	59250	63050
Chilton County, AL HMFA									
FY 2013 MFI: 52000	30% OF MEDIAN	10950	12500	14050	15600	16850	18100	19350	20600
	VERY LOW INCOME	18200	20800	23400	26000	28100	30200	32250	34350
	LOW-INCOME	29150	33300	37450	41600	44950	48300	51600	54950
Walker County, AL HMFA									
FY 2013 MFI: 41400	30% OF MEDIAN	9750	11150	12550	13900	15050	16150	17250	18350
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Columbus, GA-AL MSA									
FY 2013 MFI: 48200	30% OF MEDIAN	10450	11950	13450	14900	16100	17300	18500	19700
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27900	31850	35850	39800	43000	46200	49400	52550
Decatur, AL MSA									
FY 2013 MFI: 55200	30% OF MEDIAN	11600	13250	14900	16550	17900	19200	20550	21850
	VERY LOW INCOME	19350	22100	24850	27600	29850	32050	34250	36450
	LOW-INCOME	30950	35350	39750	44150	47700	51250	54750	58300
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2013 MFI: 50000	30% OF MEDIAN	10500	12000	13500	15000	16200	17400	18600	19800
	VERY LOW INCOME	17500	20000	22500	25000	27000	29000	31000	33000
	LOW-INCOME	28000	32000	36000	40000	43200	46400	49600	52800
Henry County, AL HMFA									
FY 2013 MFI: 49900	30% OF MEDIAN	10500	12000	13500	14950	16150	17350	18550	19750
	VERY LOW INCOME	17500	20000	22500	24950	26950	28950	30950	32950
	LOW-INCOME	27950	31950	35950	39900	43100	46300	49500	52700
Florence-Muscle Shoals, AL MSA									
FY 2013 MFI: 51000	30% OF MEDIAN	10750	12300	13850	15350	16600	17850	19050	20300
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Gadsden, AL MSA									
FY 2013 MFI: 42100	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Huntsville, AL MSA FY 2013 MFI: 71500	30% OF MEDIAN	15050	17200	19350	21450	23200	24900	26600	28350
	VERY LOW INCOME	25050	28600	32200	35750	38650	41500	44350	47200
	LOW-INCOME	40050	45800	51500	57200	61800	66400	70950	75550
Mobile, AL MSA FY 2013 MFI: 52400	30% OF MEDIAN	11000	12600	14150	15700	17000	18250	19500	20750
	VERY LOW INCOME	18350	21000	23600	26200	28300	30400	32500	34600
	LOW-INCOME	29350	33550	37750	41900	45300	48650	52000	55350
Montgomery, AL MSA FY 2013 MFI: 61500	30% OF MEDIAN	12950	14800	16650	18450	19950	21450	22900	24400
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Tuscaloosa, AL MSA FY 2013 MFI: 55700	30% OF MEDIAN	11700	13400	15050	16700	18050	19400	20750	22050
	VERY LOW INCOME	19500	22300	25100	27850	30100	32350	34550	36800
	LOW-INCOME	31200	35650	40100	44550	48150	51700	55250	58850
Baldwin County, AL FY 2013 MFI: 60400	30% OF MEDIAN	12700	14500	16300	18100	19550	21000	22450	23900
	VERY LOW INCOME	21150	24200	27200	30200	32650	35050	37450	39900
	LOW-INCOME	33850	38650	43500	48300	52200	56050	59900	63800
Barbour County, AL FY 2013 MFI: 44400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Bullock County, AL FY 2013 MFI: 40200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Butler County, AL FY 2013 MFI: 39800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Chambers County, AL FY 2013 MFI: 42000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Cherokee County, AL FY 2013 MFI: 50300	30% OF MEDIAN	10600	12100	13600	15100	16350	17550	18750	19950
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Choctaw County, AL FY 2013 MFI: 42600	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Clarke County, AL FY 2013 MFI: 46000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Clay County, AL FY 2013 MFI: 46100	30% OF MEDIAN	9700	11100	12500	13850	15000	16100	17200	18300
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Cleburne County, AL FY 2013 MFI: 44200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Coffee County, AL FY 2013 MFI: 58400	30% OF MEDIAN	12250	14000	15750	17500	18900	20300	21700	23100
	VERY LOW INCOME	20450	23400	26300	29200	31550	33900	36250	38550
	LOW-INCOME	32700	37400	42050	46700	50450	54200	57950	61650
Conecuh County, AL FY 2013 MFI: 42500	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Coosa County, AL FY 2013 MFI: 50400	30% OF MEDIAN	10550	12050	13550	15050	16300	17500	18700	19900
	VERY LOW INCOME	17550	20050	22550	25050	27100	29100	31100	33100
	LOW-INCOME	28100	32100	36100	40100	43350	46550	49750	52950
Covington County, AL FY 2013 MFI: 46200	30% OF MEDIAN	9700	11100	12500	13850	15000	16100	17200	18300
	VERY LOW INCOME	16200	18500	20800	23100	24950	26800	28650	30500
	LOW-INCOME	25900	29600	33300	36950	39950	42900	45850	48800
Crenshaw County, AL FY 2013 MFI: 50700	30% OF MEDIAN	10500	12000	13500	14950	16150	17350	18550	19750
	VERY LOW INCOME	17500	20000	22500	24950	26950	28950	30950	32950
	LOW-INCOME	27950	31950	35950	39900	43100	46300	49500	52700
Cullman County, AL FY 2013 MFI: 45000	30% OF MEDIAN	10350	11800	13300	14750	15950	17150	18300	19500
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Dale County, AL FY 2013 MFI: 53900	30% OF MEDIAN	11350	12950	14550	16150	17450	18750	20050	21350
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Dallas County, AL FY 2013 MFI: 38800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
DeKalb County, AL FY 2013 MFI: 42900	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Escambia County, AL FY 2013 MFI: 44400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Fayette County, AL FY 2013 MFI: 44700	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Franklin County, AL FY 2013 MFI: 47100	30% OF MEDIAN	9950	11350	12750	14150	15300	16450	17550	18700
	VERY LOW INCOME	16500	18850	21200	23550	25450	27350	29250	31100
	LOW-INCOME	26400	30200	33950	37700	40750	43750	46750	49800
Jackson County, AL FY 2013 MFI: 48300	30% OF MEDIAN	10150	11600	13050	14500	15700	16850	18000	19150
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27100	30950	34800	38650	41750	44850	47950	51050
Lamar County, AL FY 2013 MFI: 45200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Macon County, AL FY 2013 MFI: 45000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Marengo County, AL FY 2013 MFI: 46500	30% OF MEDIAN	9800	11200	12600	13950	15100	16200	17300	18450
	VERY LOW INCOME	16300	18600	20950	23250	25150	27000	28850	30700
	LOW-INCOME	26050	29800	33500	37200	40200	43200	46150	49150
Marion County, AL FY 2013 MFI: 47000	30% OF MEDIAN	9900	11300	12700	14100	15250	16400	17500	18650
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marshall County, AL FY 2013 MFI: 50800	30% OF MEDIAN	10700	12200	13750	15250	16500	17700	18950	20150
	VERY LOW INCOME	17800	20350	22900	25400	27450	29500	31500	33550
	LOW-INCOME	28500	32550	36600	40650	43950	47200	50450	53700
Monroe County, AL FY 2013 MFI: 41200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Perry County, AL FY 2013 MFI: 32800	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Pickens County, AL FY 2013 MFI: 43400	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Pike County, AL FY 2013 MFI: 44200	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Randolph County, AL									
FY 2013 MFI: 46300	30% OF MEDIAN	9750	11150	12550	13900	15050	16150	17250	18350
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Sumter County, AL									
FY 2013 MFI: 34100	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Talladega County, AL									
FY 2013 MFI: 41700	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Tallapoosa County, AL									
FY 2013 MFI: 50900	30% OF MEDIAN	10700	12200	13750	15250	16500	17700	18950	20150
	VERY LOW INCOME	17850	20400	22950	25450	27500	29550	31600	33600
	LOW-INCOME	28500	32600	36650	40700	44000	47250	50500	53750
Washington County, AL									
FY 2013 MFI: 55000	30% OF MEDIAN	11550	13200	14850	16500	17850	19150	20500	21800
	VERY LOW INCOME	19250	22000	24750	27500	29700	31900	34100	36300
	LOW-INCOME	30800	35200	39600	44000	47550	51050	54600	58100
Wilcox County, AL									
FY 2013 MFI: 29000	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600
Winston County, AL									
FY 2013 MFI: 42300	30% OF MEDIAN	9700	11050	12450	13800	14950	16050	17150	18250
	VERY LOW INCOME	16100	18400	20700	23000	24850	26700	28550	30400
	LOW-INCOME	25800	29450	33150	36800	39750	42700	45650	48600

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Anniston-Oxford, AL MSA									
FY 2014 MFI: 51600	EXTR LOW INCOME	11670	15730	19790	23850	27900	29950	32000	34100
	VERY LOW INCOME	18100	20650	23250	25800	27900	29950	32000	34100
	LOW-INCOME	28950	33050	37200	41300	44650	47950	51250	54550
Auburn-Opelika, AL MSA									
FY 2014 MFI: 59700	EXTR LOW INCOME	12600	15730	19790	23850	27910	31970	36030	39550
	VERY LOW INCOME	21000	24000	27000	29950	32350	34750	37150	39550
	LOW-INCOME	33550	38350	43150	47900	51750	55600	59400	63250
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2014 MFI: 61000	EXTR LOW INCOME	12850	15730	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	21350	24400	27450	30500	32950	35400	37850	40300
	LOW-INCOME	34200	39050	43950	48800	52750	56650	60550	64450
Chilton County, AL HMFA									
FY 2014 MFI: 53100	EXTR LOW INCOME	11670	15730	19790	23850	27910	30800	32950	35050
	VERY LOW INCOME	18600	21250	23900	26550	28700	30800	32950	35050
	LOW-INCOME	29750	34000	38250	42500	45900	49300	52700	56100
Walker County, AL HMFA									
FY 2014 MFI: 48200	EXTR LOW INCOME	11670	15730	19790	23850	26050	28000	29900	31850
	VERY LOW INCOME	16900	19300	21700	24100	26050	28000	29900	31850
	LOW-INCOME	27000	30850	34700	38550	41650	44750	47850	50900
Columbus, GA-AL MSA									
FY 2014 MFI: 51000	EXTR LOW INCOME	11670	15730	19790	23850	27550	29600	31650	33700
	VERY LOW INCOME	17850	20400	22950	25500	27550	29600	31650	33700
	LOW-INCOME	28600	32650	36750	40800	44100	47350	50600	53900
Decatur, AL MSA									
FY 2014 MFI: 53500	EXTR LOW INCOME	11670	15730	19790	23850	27910	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2014 MFI: 51700	EXTR LOW INCOME	11670	15730	19790	23850	27910	30000	32100	34150
	VERY LOW INCOME	18100	20700	23300	25850	27950	30000	32100	34150
	LOW-INCOME	28950	33100	37250	41350	44700	48000	51300	54600
Henry County, AL HMFA									
FY 2014 MFI: 50600	EXTR LOW INCOME	11670	15730	19790	23850	27350	29350	31400	33400
	VERY LOW INCOME	17750	20250	22800	25300	27350	29350	31400	33400
	LOW-INCOME	28350	32400	36450	40500	43750	47000	50250	53500
Florence-Muscle Shoals, AL MSA									
FY 2014 MFI: 52100	EXTR LOW INCOME	11670	15730	19790	23850	27910	30250	32350	34400
	VERY LOW INCOME	18250	20850	23450	26050	28150	30250	32350	34400
	LOW-INCOME	29200	33400	37550	41700	45050	48400	51750	55050
Gadsden, AL MSA									
FY 2014 MFI: 46900	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Huntsville, AL MSA									
FY 2014 MFI: 69700	EXTR LOW INCOME	14650	16750	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	24400	27900	31400	34850	37650	40450	43250	46050
	LOW-INCOME	39050	44600	50200	55750	60250	64700	69150	73600
Mobile, AL MSA									
FY 2014 MFI: 53900	EXTR LOW INCOME	11670	15730	19790	23850	27910	31300	33450	35600
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Montgomery, AL MSA									
FY 2014 MFI: 59600	EXTR LOW INCOME	12550	15730	19790	23850	27910	31970	36030	39350
	VERY LOW INCOME	20900	23850	26850	29800	32200	34600	37000	39350
	LOW-INCOME	33400	38200	42950	47700	51550	55350	59150	63000
Tuscaloosa, AL MSA									
FY 2014 MFI: 54400	EXTR LOW INCOME	11670	15730	19790	23850	27910	31600	33750	35950
	VERY LOW INCOME	19050	21800	24500	27200	29400	31600	33750	35950
	LOW-INCOME	30450	34800	39150	43500	47000	50500	53950	57450
Baldwin County, AL									
FY 2014 MFI: 68800	EXTR LOW INCOME	13300	15730	19790	23850	27910	31970	36030	40090
	VERY LOW INCOME	22200	25400	28550	31700	34250	36800	39350	41850
	LOW-INCOME	35500	40600	45650	50700	54800	58850	62900	66950
Barbour County, AL									
FY 2014 MFI: 44700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46550	49650
Bullock County, AL									
FY 2014 MFI: 43400	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46550	49650
Butler County, AL									
FY 2014 MFI: 40300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46550	49650
Chambers County, AL									
FY 2014 MFI: 42700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46550	49650
Cherokee County, AL									
FY 2014 MFI: 49100	EXTR LOW INCOME	11670	15730	19790	23850	26550	28500	30450	32450
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Choctaw County, AL									
FY 2014 MFI: 43800	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Clarke County, AL									
FY 2014 MFI: 49100	EXTR LOW INCOME	11670	15730	19790	23850	26100	28050	29950	31900
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27050	30900	34750	38600	41700	44800	47900	51000

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------INCOME LIMITS----------							
Clay County, AL FY 2014 MFI: 45200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Cleburne County, AL FY 2014 MFI: 46200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Coffee County, AL FY 2014 MFI: 58900	EXTR LOW INCOME	12400	15730	19790	23850	27910	31970	36030	38900
	VERY LOW INCOME	20650	23600	26550	29450	31850	34200	36550	38900
	LOW-INCOME	33000	37700	42400	47100	50900	54650	58450	62200
Conecuh County, AL FY 2014 MFI: 42300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Coosa County, AL FY 2014 MFI: 50900	EXTR LOW INCOME	11670	15730	19790	23850	27500	29550	31600	33600
	VERY LOW INCOME	17850	20400	22950	25450	27500	29550	31600	33600
	LOW-INCOME	28500	32600	36650	40700	44000	47250	50500	53750
Covington County, AL FY 2014 MFI: 43500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Crenshaw County, AL FY 2014 MFI: 52800	EXTR LOW INCOME	11670	15730	19790	23850	27910	30350	32450	34550
	VERY LOW INCOME	18350	20950	23550	26150	28250	30350	32450	34550
	LOW-INCOME	29300	33500	37700	41850	45200	48550	51900	55250
Cullman County, AL FY 2014 MFI: 55200	EXTR LOW INCOME	11670	15730	19790	23850	27850	29900	31950	34000
	VERY LOW INCOME	18050	20600	23200	25750	27850	29900	31950	34000
	LOW-INCOME	28850	33000	37100	41200	44500	47800	51100	54400
Dale County, AL FY 2014 MFI: 56500	EXTR LOW INCOME	11900	15730	19790	23850	27910	31970	35050	37300
	VERY LOW INCOME	19800	22600	25450	28250	30550	32800	35050	37300
	LOW-INCOME	31650	36200	40700	45200	48850	52450	56050	59700
Dallas County, AL FY 2014 MFI: 39200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
DeKalb County, AL FY 2014 MFI: 42600	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Escambia County, AL FY 2014 MFI: 42500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Fayette County, AL									
FY 2014 MFI: 45300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Franklin County, AL									
FY 2014 MFI: 49300	EXTR LOW INCOME	11670	15730	19790	23850	26650	28600	30600	32550
	VERY LOW INCOME	17300	19750	22200	24650	26650	28600	30600	32550
	LOW-INCOME	27650	31600	35550	39450	42650	45800	48950	52100
Jackson County, AL									
FY 2014 MFI: 48500	EXTR LOW INCOME	11670	15730	19790	23850	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Lamar County, AL									
FY 2014 MFI: 45700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Macon County, AL									
FY 2014 MFI: 45200	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marengo County, AL									
FY 2014 MFI: 47800	EXTR LOW INCOME	11670	15730	19790	23850	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Marion County, AL									
FY 2014 MFI: 42700	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Marshall County, AL									
FY 2014 MFI: 48100	EXTR LOW INCOME	11670	15730	19790	23850	26100	28050	29950	31900
	VERY LOW INCOME	16950	19350	21750	24150	26100	28050	29950	31900
	LOW-INCOME	27100	30950	34800	38650	41750	44850	47950	51050
Monroe County, AL									
FY 2014 MFI: 39600	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Perry County, AL									
FY 2014 MFI: 32500	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Pickens County, AL									
FY 2014 MFI: 41800	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Pike County, AL									
FY 2014 MFI: 45300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		INCOME LIMITS							
Randolph County, AL FY 2014 MFI: 47300	EXTR LOW INCOME	11670	15730	19790	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Sumter County, AL FY 2014 MFI: 30300	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Talladega County, AL FY 2014 MFI: 42000	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Tallapoosa County, AL FY 2014 MFI: 48900	EXTR LOW INCOME	11670	15730	19790	23850	26450	28400	30350	32300
	VERY LOW INCOME	17150	19600	22050	24450	26450	28400	30350	32300
	LOW-INCOME	27400	31300	35200	39100	42250	45400	48500	51650
Washington County, AL FY 2014 MFI: 56100	EXTR LOW INCOME	11800	15730	19790	23850	27910	31970	34800	37050
	VERY LOW INCOME	19650	22450	25250	28050	30300	32550	34800	37050
	LOW-INCOME	31450	35950	40450	44900	48500	52100	55700	59300
Wilcox County, AL FY 2014 MFI: 27900	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Winston County, AL FY 2014 MFI: 42000	EXTR LOW INCOME	11670	15730	19790	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Anniston-Oxford, AL MSA									
FY 2015 MFI: 49400	EXTR LOW INCOME	11770	15930	20090	24250	26700	28700	30650	32650
	VERY LOW INCOME	17300	19800	22250	24700	26700	28700	30650	32650
	LOW-INCOME	27650	31600	35550	39500	42700	45850	49000	52150
Auburn-Opelika, AL MSA									
FY 2015 MFI: 67600	EXTR LOW INCOME	13300	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	22200	25400	28550	31700	34250	36800	39350	41850
	LOW-INCOME	35500	40600	45650	50700	54800	58850	62900	66950
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2015 MFI: 62500	EXTR LOW INCOME	13150	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	21900	25000	28150	31250	33750	36250	38750	41250
	LOW-INCOME	35000	40000	45000	50000	54000	58000	62000	66000
Chilton County, AL HMFA									
FY 2015 MFI: 53600	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Walker County, AL HMFA									
FY 2015 MFI: 48000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Columbus, GA-AL MSA									
FY 2015 MFI: 58200	EXTR LOW INCOME	11770	15930	20090	24250	28410	31350	33500	35650
	VERY LOW INCOME	18900	21600	24300	27000	29200	31350	33500	35650
	LOW-INCOME	30250	34600	38900	43200	46700	50150	53600	57050
Decatur, AL MSA									
FY 2015 MFI: 54300	EXTR LOW INCOME	11770	15930	20090	24250	28410	31500	33700	35850
	VERY LOW INCOME	19050	21750	24450	27150	29350	31500	33700	35850
	LOW-INCOME	30450	34800	39150	43450	46950	50450	53900	57400
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2015 MFI: 53600	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Henry County, AL HMFA									
FY 2015 MFI: 54400	EXTR LOW INCOME	11770	15930	20090	24250	28410	31100	33250	35400
	VERY LOW INCOME	18800	21450	24150	26800	28950	31100	33250	35400
	LOW-INCOME	30050	34350	38650	42900	46350	49800	53200	56650
Florence-Muscle Shoals, AL MSA									
FY 2015 MFI: 58600	EXTR LOW INCOME	11770	15930	20090	24250	28410	32050	34250	36450
	VERY LOW INCOME	19350	22100	24850	27600	29850	32050	34250	36450
	LOW-INCOME	30950	35350	39750	44150	47700	51250	54750	58300
Gadsden, AL MSA									
FY 2015 MFI: 48800	EXTR LOW INCOME	11770	15930	20090	24250	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Huntsville, AL MSA FY 2015 MFI: 75000	EXTR LOW INCOME	15550	17750	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	25850	29550	33250	36900	39900	42850	45800	48750
	LOW-INCOME	41350	47250	53150	59050	63800	68500	73250	77950
Mobile, AL MSA FY 2015 MFI: 53300	EXTR LOW INCOME	11770	15930	20090	24250	28410	30950	33050	35200
	VERY LOW INCOME	18700	21350	24000	26650	28800	30950	33050	35200
	LOW-INCOME	29900	34150	38400	42650	46100	49500	52900	56300
Montgomery, AL MSA FY 2015 MFI: 59400	EXTR LOW INCOME	12500	15930	20090	24250	28410	32570	36730	39250
	VERY LOW INCOME	20800	23800	26750	29700	32100	34500	36850	39250
	LOW-INCOME	33250	38000	42750	47500	51300	55100	58900	62700
Tuscaloosa, AL MSA FY 2015 MFI: 52900	EXTR LOW INCOME	11770	15930	20090	24250	28410	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Baldwin County, AL FY 2015 MFI: 60000	EXTR LOW INCOME	12700	15930	20090	24250	28410	32570	36730	39800
	VERY LOW INCOME	21150	24150	27150	30150	32600	35000	37400	39800
	LOW-INCOME	33800	38600	43450	48250	52150	56000	59850	63700
Barbour County, AL FY 2015 MFI: 45900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Bullock County, AL FY 2015 MFI: 45000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Butler County, AL FY 2015 MFI: 41800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Chambers County, AL FY 2015 MFI: 43400	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cherokee County, AL FY 2015 MFI: 49800	EXTR LOW INCOME	11770	15930	20090	24250	26900	28900	30900	32900
	VERY LOW INCOME	17450	19950	22450	24900	26900	28900	30900	32900
	LOW-INCOME	27900	31900	35900	39850	43050	46250	49450	52650
Choctaw County, AL FY 2015 MFI: 48100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Clarke County, AL FY 2015 MFI: 48300	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Clay County, AL									
FY 2015 MFI: 45300	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cleburne County, AL									
FY 2015 MFI: 48800	EXTR LOW INCOME	11770	15930	20090	24250	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Coffee County, AL									
FY 2015 MFI: 61900	EXTR LOW INCOME	13000	15930	20090	24250	28410	32570	36730	40890
	VERY LOW INCOME	21700	24800	27900	30950	33450	35950	38400	40900
	LOW-INCOME	34650	39600	44550	49500	53500	57450	61400	65350
Conecuh County, AL									
FY 2015 MFI: 36400	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Coosa County, AL									
FY 2015 MFI: 51100	EXTR LOW INCOME	11770	15930	20090	24250	27600	29650	31700	33750
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Covington County, AL									
FY 2015 MFI: 45800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Crenshaw County, AL									
FY 2015 MFI: 53400	EXTR LOW INCOME	11770	15930	20090	24250	28410	31000	33150	35250
	VERY LOW INCOME	18700	21400	24050	26700	28850	31000	33150	35250
	LOW-INCOME	29900	34200	38450	42700	46150	49550	52950	56400
Cullman County, AL									
FY 2015 MFI: 49500	EXTR LOW INCOME	11770	15930	20090	24250	26750	28750	30700	32700
	VERY LOW INCOME	17350	19800	22300	24750	26750	28750	30700	32700
	LOW-INCOME	27750	31700	35650	39600	42800	45950	49150	52300
Dale County, AL									
FY 2015 MFI: 58500	EXTR LOW INCOME	12300	15930	20090	24250	28410	32570	36300	38650
	VERY LOW INCOME	20500	23400	26350	29250	31600	33950	36300	38650
	LOW-INCOME	32800	37450	42150	46800	50550	54300	58050	61800
Dallas County, AL									
FY 2015 MFI: 40000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
DeKalb County, AL									
FY 2015 MFI: 46800	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Escambia County, AL									
FY 2015 MFI: 39100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOMELIMITS----------							
Fayette County, AL FY 2015 MFI: 46200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Franklin County, AL FY 2015 MFI: 50100	EXTR LOW INCOME	11770	15930	20090	24250	27100	29100	31100	33100
	VERY LOW INCOME	17550	20050	22550	25050	27100	29100	31100	33100
	LOW-INCOME	28100	32100	36100	40100	43350	46550	49750	52950
Jackson County, AL FY 2015 MFI: 51600	EXTR LOW INCOME	11770	15930	20090	24250	27750	29800	31850	33900
	VERY LOW INCOME	18000	20550	23100	25650	27750	29800	31850	33900
	LOW-INCOME	28750	32850	36950	41050	44350	47650	50950	54200
Lamar County, AL FY 2015 MFI: 45100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Macon County, AL FY 2015 MFI: 42500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marengo County, AL FY 2015 MFI: 48200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marion County, AL FY 2015 MFI: 43200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marshall County, AL FY 2015 MFI: 47500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Monroe County, AL FY 2015 MFI: 40900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Perry County, AL FY 2015 MFI: 36100	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Pickens County, AL FY 2015 MFI: 40000	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Pike County, AL FY 2015 MFI: 46900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Randolph County, AL									
FY 2015 MFI: 48200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Sumter County, AL									
FY 2015 MFI: 30900	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Talladega County, AL									
FY 2015 MFI: 44200	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tallapoosa County, AL									
FY 2015 MFI: 47500	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Washington County, AL									
FY 2015 MFI: 56700	EXTR LOW INCOME	11900	15930	20090	24250	28410	32570	35200	37450
	VERY LOW INCOME	19850	22700	25550	28350	30650	32900	35200	37450
	LOW-INCOME	31750	36300	40850	45350	49000	52650	56250	59900
Wilcox County, AL									
FY 2015 MFI: 28600	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Winston County, AL									
FY 2015 MFI: 42600	EXTR LOW INCOME	11770	15930	20090	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2016 MFI: 46700	EXTR LOW INCOME	11880	16020	20160	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Auburn-Opelika, AL MSA									
FY 2016 MFI: 60800	EXTR LOW INCOME	12800	16020	20160	24300	28440	32580	36730	40150
	VERY LOW INCOME	21300	24350	27400	30400	32850	35300	37700	40150
	LOW-INCOME	34100	38950	43800	48650	52550	56450	60350	64250
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2016 MFI: 64000	EXTR LOW INCOME	13450	16020	20160	24300	28440	32580	36730	40890
	VERY LOW INCOME	22400	25600	28800	32000	34600	37150	39700	42250
	LOW-INCOME	35850	41000	46100	51200	55300	59400	63500	67600
Chilton County, AL HMFA									
FY 2016 MFI: 53500	EXTR LOW INCOME	11880	16020	20160	24300	28440	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500
Walker County, AL HMFA									
FY 2016 MFI: 46300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Columbus, GA-AL MSA									
FY 2016 MFI: 51800	EXTR LOW INCOME	11880	16020	20160	24300	28000	30050	32150	34200
	VERY LOW INCOME	18150	20750	23350	25900	28000	30050	32150	34200
	LOW-INCOME	29050	33200	37350	41450	44800	48100	51400	54750
Daphne-Fairhope-Foley, AL MSA									
FY 2016 MFI: 61100	EXTR LOW INCOME	12850	16020	20160	24300	28440	32580	36730	40350
	VERY LOW INCOME	21400	24450	27500	30550	33000	35450	37900	40350
	LOW-INCOME	34250	39150	44050	48900	52850	56750	60650	64550
Decatur, AL MSA									
FY 2016 MFI: 56200	EXTR LOW INCOME	11880	16020	20160	24300	28440	32580	34850	37100
	VERY LOW INCOME	19700	22500	25300	28100	30350	32600	34850	37100
	LOW-INCOME	31500	36000	40500	44950	48550	52150	55750	59350
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2016 MFI: 51300	EXTR LOW INCOME	11880	16020	20160	24300	27750	29800	31850	33900
	VERY LOW INCOME	18000	20550	23100	25650	27750	29800	31850	33900
	LOW-INCOME	28750	32850	36950	41050	44350	47650	50950	54200
Henry County, AL HMFA									
FY 2016 MFI: 56200	EXTR LOW INCOME	11880	16020	20160	24300	28440	32580	34850	37100
	VERY LOW INCOME	19700	22500	25300	28100	30350	32600	34850	37100
	LOW-INCOME	31500	36000	40500	44950	48550	52150	55750	59350
Florence-Muscle Shoals, AL MSA									
FY 2016 MFI: 54200	EXTR LOW INCOME	11880	16020	20160	24300	28440	31450	33650	35800
	VERY LOW INCOME	19000	21700	24400	27100	29300	31450	33650	35800
	LOW-INCOME	30350	34700	39050	43350	46850	50300	53800	57250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Gadsden, AL MSA									
FY 2016 MFI: 51200	EXTR LOW INCOME	11880	16020	20160	24300	27650	29700	31750	33800
	VERY LOW INCOME	17950	20500	23050	25600	27650	29700	31750	33800
	LOW-INCOME	28700	32800	36900	40950	44250	47550	50800	54100
Huntsville, AL MSA									
FY 2016 MFI: 71800	EXTR LOW INCOME	15100	17250	20160	24300	28440	32580	36730	40890
	VERY LOW INCOME	25150	28750	32350	35900	38800	41650	44550	47400
	LOW-INCOME	40250	46000	51750	57450	62050	66650	71250	75850
Mobile, AL MSA									
FY 2016 MFI: 52900	EXTR LOW INCOME	11880	16020	20160	24300	28440	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Montgomery, AL MSA									
FY 2016 MFI: 60400	EXTR LOW INCOME	12700	16020	20160	24300	28440	32580	36730	39900
	VERY LOW INCOME	21150	24200	27200	30200	32650	35050	37450	39900
	LOW-INCOME	33850	38650	43500	48300	52200	56050	59900	63800
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2016 MFI: 39700	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Tuscaloosa, AL HMFA									
FY 2016 MFI: 58800	EXTR LOW INCOME	11880	16020	20160	24300	28440	32200	34450	36650
	VERY LOW INCOME	19450	22200	25000	27750	30000	32200	34450	36650
	LOW-INCOME	31100	35550	40000	44400	48000	51550	55100	58650
Barbour County, AL									
FY 2016 MFI: 44600	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Bullock County, AL									
FY 2016 MFI: 46100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Butler County, AL									
FY 2016 MFI: 39500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Chambers County, AL									
FY 2016 MFI: 42100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Cherokee County, AL									
FY 2016 MFI: 47200	EXTR LOW INCOME	11880	16020	20160	23700	25600	27500	29400	31300
	VERY LOW INCOME	16600	19000	21350	23700	25600	27500	29400	31300
	LOW-INCOME	26550	30350	34150	37900	40950	44000	47000	50050
Choctaw County, AL									
FY 2016 MFI: 47100	EXTR LOW INCOME	11880	16020	20160	23550	25450	27350	29250	31100
	VERY LOW INCOME	16500	18850	21200	23550	25450	27350	29250	31100
	LOW-INCOME	26400	30200	33950	37700	40750	43750	46750	49800

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Clarke County, AL									
FY 2016 MFI: 46700	EXTR LOW INCOME	11880	16020	20160	23350	25250	27100	29000	30850
	VERY LOW INCOME	16350	18700	21050	23350	25250	27100	29000	30850
	LOW-INCOME	26150	29900	33650	37350	40350	43350	46350	49350
Clay County, AL									
FY 2016 MFI: 44700	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Cleburne County, AL									
FY 2016 MFI: 47300	EXTR LOW INCOME	11880	16020	20160	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Coffee County, AL									
FY 2016 MFI: 60500	EXTR LOW INCOME	12750	16020	20160	24300	28440	32580	36730	39950
	VERY LOW INCOME	21200	24200	27250	30250	32700	35100	37550	39950
	LOW-INCOME	33900	38750	43600	48400	52300	56150	60050	63900
Conecuh County, AL									
FY 2016 MFI: 32800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Coosa County, AL									
FY 2016 MFI: 48000	EXTR LOW INCOME	11880	16020	20160	24300	26250	28200	30150	32100
	VERY LOW INCOME	17050	19450	21900	24300	26250	28200	30150	32100
	LOW-INCOME	27250	31150	35050	38900	42050	45150	48250	51350
Covington County, AL									
FY 2016 MFI: 45000	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Crenshaw County, AL									
FY 2016 MFI: 50200	EXTR LOW INCOME	11880	16020	20160	24300	27450	29500	31500	33550
	VERY LOW INCOME	17800	20350	22900	25400	27450	29500	31500	33550
	LOW-INCOME	28500	32550	36600	40650	43950	47200	50450	53700
Cullman County, AL									
FY 2016 MFI: 48800	EXTR LOW INCOME	11880	16020	20160	24300	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Dale County, AL									
FY 2016 MFI: 57600	EXTR LOW INCOME	12150	16020	20160	24300	28440	32580	35750	38050
	VERY LOW INCOME	20200	23050	25950	28800	31150	33450	35750	38050
	LOW-INCOME	32300	36900	41500	46100	49800	53500	57200	60900
Dallas County, AL									
FY 2016 MFI: 39100	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
DeKalb County, AL									
FY 2016 MFI: 49500	EXTR LOW INCOME	11880	16020	20160	24300	26750	28750	30700	32700
	VERY LOW INCOME	17350	19800	22300	24750	26750	28750	30700	32700
	LOW-INCOME	27750	31700	35650	39600	42800	45950	49150	52300

STATE:ALABAMA

----------S E C T I O N 8 I N C O M E L I M I T S----------

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
Escambia County, AL									
FY 2016 MFI: 37500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Fayette County, AL									
FY 2016 MFI: 45200	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Franklin County, AL									
FY 2016 MFI: 47800	EXTR LOW INCOME	11880	16020	20160	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Greene County, AL									
FY 2016 MFI: 32600	EXTR LOW INCOME	11880	16020	20160	24300	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Jackson County, AL									
FY 2016 MFI: 48600	EXTR LOW INCOME	11880	16020	20160	24300	26400	28350	30300	32250
	VERY LOW INCOME	17100	19550	22000	24400	26400	28350	30300	32250
	LOW-INCOME	27350	31250	35150	39050	42200	45300	48450	51550
Lamar County, AL									
FY 2016 MFI: 43600	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Macon County, AL									
FY 2016 MFI: 42300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Marengo County, AL									
FY 2016 MFI: 49400	EXTR LOW INCOME	11880	16020	20160	24300	26700	28700	30650	32650
	VERY LOW INCOME	17300	19800	22250	24700	26700	28700	30650	32650
	LOW-INCOME	27650	31600	35550	39500	42700	45850	49000	52150
Marion County, AL									
FY 2016 MFI: 42800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Marshall County, AL									
FY 2016 MFI: 50700	EXTR LOW INCOME	11880	16020	20160	24300	27400	29450	31450	33500
	VERY LOW INCOME	17750	20300	22850	25350	27400	29450	31450	33500
	LOW-INCOME	28400	32450	36500	40550	43800	47050	50300	53550
Monroe County, AL									
FY 2016 MFI: 37800	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Perry County, AL									
FY 2016 MFI: 33000	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Pike County, AL									
FY 2016 MFI: 47800	EXTR LOW INCOME	11880	16020	20160	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Randolph County, AL									
FY 2016 MFI: 46300	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Sumter County, AL									
FY 2016 MFI: 36500	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Talladega County, AL									
FY 2016 MFI: 46400	EXTR LOW INCOME	11880	16020	20160	23200	25100	26950	28800	30650
	VERY LOW INCOME	16250	18600	20900	23200	25100	26950	28800	30650
	LOW-INCOME	26000	29700	33400	37100	40100	43050	46050	49000
Tallapoosa County, AL									
FY 2016 MFI: 48100	EXTR LOW INCOME	11880	16020	20160	24050	26000	27900	29850	31750
	VERY LOW INCOME	16850	19250	21650	24050	26000	27900	29850	31750
	LOW-INCOME	26950	30800	34650	38500	41600	44700	47750	50850
Washington County, AL									
FY 2016 MFI: 51700	EXTR LOW INCOME	11880	16020	20160	24300	28440	31300	33450	35600
	VERY LOW INCOME	18900	21600	24300	26950	29150	31300	33450	35600
	LOW-INCOME	30200	34500	38800	43100	46550	50000	53450	56900
Wilcox County, AL									
FY 2016 MFI: 27400	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950
Winston County, AL									
FY 2016 MFI: 42200	EXTR LOW INCOME	11880	16020	20160	23150	25050	26900	28750	30600
	VERY LOW INCOME	16250	18550	20850	23150	25050	26900	28750	30600
	LOW-INCOME	25950	29650	33350	37050	40050	43000	45950	48950

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2017 MFI: 53000	EXTR LOW INCOME	12060	16240	20420	24600	27150	29150	31150	33150
	VERY LOW INCOME	17600	20100	22600	25100	27150	29150	31150	33150
	LOW-INCOME	28150	32150	36150	40150	43400	46600	49800	53000
Auburn-Opelika, AL MSA									
FY 2017 MFI: 59200	EXTR LOW INCOME	12450	16240	20420	24600	28780	32960	36750	39100
	VERY LOW INCOME	20750	23700	26650	29600	32000	34350	36750	39100
	LOW-INCOME	33150	37900	42650	47350	51150	54950	58750	62550
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2017 MFI: 63100	EXTR LOW INCOME	13300	16240	20420	24600	28780	32960	37140	41320
	VERY LOW INCOME	22100	25250	28400	31550	34100	36600	39150	41650
	LOW-INCOME	35350	40400	45450	50500	54550	58600	62650	66700
Chilton County, AL HMFA									
FY 2017 MFI: 52700	EXTR LOW INCOME	12060	16240	20420	24600	28500	30600	32700	34800
	VERY LOW INCOME	18450	21100	23750	26350	28500	30600	32700	34800
	LOW-INCOME	29550	33750	37950	42150	45550	48900	52300	55650
Walker County, AL HMFA									
FY 2017 MFI: 46800	EXTR LOW INCOME	12060	16240	20420	23400	25300	27150	29050	30900
	VERY LOW INCOME	16400	18750	21100	23400	25300	27150	29050	30900
	LOW-INCOME	26250	30000	33750	37450	40450	43450	46450	49450
Columbus, GA-AL MSA									
FY 2017 MFI: 53400	EXTR LOW INCOME	12060	16240	20420	24600	28780	31000	33150	35250
	VERY LOW INCOME	18700	21400	24050	26700	28850	31000	33150	35250
	LOW-INCOME	29900	34200	38450	42700	46150	49550	52950	56400
Daphne-Fairhope-Foley, AL MSA									
FY 2017 MFI: 61500	EXTR LOW INCOME	12950	16240	20420	24600	28780	32960	37140	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Decatur, AL MSA									
FY 2017 MFI: 57700	EXTR LOW INCOME	12150	16240	20420	24600	28780	32960	35800	38100
	VERY LOW INCOME	20200	23100	26000	28850	31200	33500	35800	38100
	LOW-INCOME	32350	36950	41550	46150	49850	53550	57250	60950
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2017 MFI: 50700	EXTR LOW INCOME	12060	16240	20420	24600	27400	29450	31450	33500
	VERY LOW INCOME	17750	20300	22850	25350	27400	29450	31450	33500
	LOW-INCOME	28400	32450	36500	40550	43800	47050	50300	53550
Henry County, AL HMFA									
FY 2017 MFI: 58300	EXTR LOW INCOME	12250	16240	20420	24600	28780	32960	36150	38500
	VERY LOW INCOME	20450	23350	26250	29150	31500	33850	36150	38500
	LOW-INCOME	32700	37350	42000	46650	50400	54150	57850	61600
Florence-Muscle Shoals, AL MSA									
FY 2017 MFI: 53500	EXTR LOW INCOME	12060	16240	20420	24600	28780	31050	33200	35350
	VERY LOW INCOME	18750	21400	24100	26750	28900	31050	33200	35350
	LOW-INCOME	30000	34250	38550	42800	46250	49650	53100	56500

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Gadsden, AL MSA									
FY 2017 MFI: 54700	EXTR LOW INCOME	12060	16240	20420	24600	28780	31750	33950	36150
	VERY LOW INCOME	19150	21900	24650	27350	29550	31750	33950	36150
	LOW-INCOME	30650	35000	39400	43750	47250	50750	54250	57750
Huntsville, AL MSA									
FY 2017 MFI: 78200	EXTR LOW INCOME	16150	18450	20750	24600	28780	32960	37140	41320
	VERY LOW INCOME	26900	30750	34600	38400	41500	44550	47650	50700
	LOW-INCOME	43050	49200	55350	61450	66400	71300	76200	81150
Mobile, AL MSA									
FY 2017 MFI: 55100	EXTR LOW INCOME	12060	16240	20420	24600	28780	32000	34200	36400
	VERY LOW INCOME	19300	22050	24800	27550	29800	32000	34200	36400
	LOW-INCOME	30900	35300	39700	44100	47650	51200	54700	58250
Montgomery, AL MSA									
FY 2017 MFI: 59700	EXTR LOW INCOME	12550	16240	20420	24600	28780	32960	37050	39450
	VERY LOW INCOME	20900	23900	26900	29850	32250	34650	37050	39450
	LOW-INCOME	33450	38200	43000	47750	51600	55400	59250	63050
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2017 MFI: 42100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Tuscaloosa, AL HMFA									
FY 2017 MFI: 61100	EXTR LOW INCOME	12500	16240	20420	24600	28780	32960	36800	39150
	VERY LOW INCOME	20800	23750	26700	29650	32050	34400	36800	39150
	LOW-INCOME	33250	38000	42750	47450	51250	55050	58850	62650
Barbour County, AL									
FY 2017 MFI: 46100	EXTR LOW INCOME	12060	16240	20420	23050	24900	26750	28600	30450
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Bullock County, AL									
FY 2017 MFI: 46100	EXTR LOW INCOME	12060	16240	20420	23050	24900	26750	28600	30450
	VERY LOW INCOME	16150	18450	20750	23050	24900	26750	28600	30450
	LOW-INCOME	25850	29550	33250	36900	39900	42850	45800	48750
Butler County, AL									
FY 2017 MFI: 40900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Chambers County, AL									
FY 2017 MFI: 44700	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Cherokee County, AL									
FY 2017 MFI: 46800	EXTR LOW INCOME	12060	16240	20420	23400	25300	27150	29050	30900
	VERY LOW INCOME	16400	18750	21100	23400	25300	27150	29050	30900
	LOW-INCOME	26250	30000	33750	37450	40450	43450	46450	49450
Choctaw County, AL									
FY 2017 MFI: 52500	EXTR LOW INCOME	12060	16240	20420	24600	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Clarke County, AL									
FY 2017 MFI: 48100	EXTR LOW INCOME	12060	16240	20420	24050	26000	27900	29850	31750
	VERY LOW INCOME	16850	19250	21650	24050	26000	27900	29850	31750
	LOW-INCOME	26950	30800	34650	38500	41600	44700	47750	50850
Clay County, AL									
FY 2017 MFI: 44100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Cleburne County, AL									
FY 2017 MFI: 48400	EXTR LOW INCOME	12060	16240	20420	24200	26150	28100	30050	31950
	VERY LOW INCOME	16950	19400	21800	24200	26150	28100	30050	31950
	LOW-INCOME	27100	31000	34850	38700	41800	44900	48000	51100
Coffee County, AL									
FY 2017 MFI: 61500	EXTR LOW INCOME	12950	16240	20420	24600	28780	32960	37140	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Conecuh County, AL									
FY 2017 MFI: 34900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Coosa County, AL									
FY 2017 MFI: 45100	EXTR LOW INCOME	12060	16240	20420	23100	24950	26800	28650	30500
	VERY LOW INCOME	16200	18500	20800	23100	24950	26800	28650	30500
	LOW-INCOME	25900	29600	33300	37000	40000	42950	45900	48850
Covington County, AL									
FY 2017 MFI: 46600	EXTR LOW INCOME	12060	16240	20420	23300	25200	27050	28900	30800
	VERY LOW INCOME	16350	18650	21000	23300	25200	27050	28900	30800
	LOW-INCOME	26150	29850	33600	37300	40300	43300	46300	49250
Crenshaw County, AL									
FY 2017 MFI: 51000	EXTR LOW INCOME	12060	16240	20420	24600	27550	29600	31650	33700
	VERY LOW INCOME	17850	20400	22950	25500	27550	29600	31650	33700
	LOW-INCOME	28600	32650	36750	40800	44100	47350	50600	53900
Cullman County, AL									
FY 2017 MFI: 48000	EXTR LOW INCOME	12060	16240	20420	24000	25950	27850	29800	31700
	VERY LOW INCOME	16800	19200	21600	24000	25950	27850	29800	31700
	LOW-INCOME	26900	30750	34600	38400	41500	44550	47650	50700
Dale County, AL									
FY 2017 MFI: 57800	EXTR LOW INCOME	12150	16240	20420	24600	28780	32960	35850	38150
	VERY LOW INCOME	20250	23150	26050	28900	31250	33550	35850	38150
	LOW-INCOME	32400	37000	41650	46250	49950	53650	57350	61050
Dallas County, AL									
FY 2017 MFI: 38900	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
DeKalb County, AL									
FY 2017 MFI: 48700	EXTR LOW INCOME	12060	16240	20420	24350	26300	28250	30200	32150
	VERY LOW INCOME	17050	19500	21950	24350	26300	28250	30200	32150
	LOW-INCOME	27300	31200	35100	38950	42100	45200	48300	51450

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOME LIMITS----------							
Escambia County, AL									
FY 2017 MFI: 38000	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Fayette County, AL									
FY 2017 MFI: 45200	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Franklin County, AL									
FY 2017 MFI: 46900	EXTR LOW INCOME	12060	16240	20420	23450	25350	27250	29100	31000
	VERY LOW INCOME	16450	18800	21150	23450	25350	27250	29100	31000
	LOW-INCOME	26250	30000	33750	37500	40500	43500	46500	49500
Greene County, AL									
FY 2017 MFI: 29800	EXTR LOW INCOME	12060	16240	20420	23900	25850	27750	29650	31550
	VERY LOW INCOME	16750	19150	21550	23900	25850	27750	29650	31550
	LOW-INCOME	26800	30600	34450	38250	41350	44400	47450	50500
Jackson County, AL									
FY 2017 MFI: 47000	EXTR LOW INCOME	12060	16240	20420	23500	25400	27300	29150	31050
	VERY LOW INCOME	16450	18800	21150	23500	25400	27300	29150	31050
	LOW-INCOME	26350	30100	33850	37600	40650	43650	46650	49650
Lamar County, AL									
FY 2017 MFI: 42400	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Macon County, AL									
FY 2017 MFI: 42300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Marengo County, AL									
FY 2017 MFI: 50300	EXTR LOW INCOME	12060	16240	20420	24600	27200	29200	31200	33200
	VERY LOW INCOME	17650	20150	22650	25150	27200	29200	31200	33200
	LOW-INCOME	28200	32200	36250	40250	43500	46700	49950	53150
Marion County, AL									
FY 2017 MFI: 43500	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Marshall County, AL									
FY 2017 MFI: 43000	EXTR LOW INCOME	12060	16240	20420	24100	26050	28000	29900	31850
	VERY LOW INCOME	16900	19300	21700	24100	26050	28000	29900	31850
	LOW-INCOME	27000	30850	34700	38550	41650	44750	47850	50900
Monroe County, AL									
FY 2017 MFI: 41300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Perry County, AL									
FY 2017 MFI: 31100	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250

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	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Pike County, AL									
FY 2017 MFI: 47300	EXTR LOW INCOME	12060	16240	20420	23650	25550	27450	29350	31250
	VERY LOW INCOME	16600	18950	21300	23650	25550	27450	29350	31250
	LOW-INCOME	26500	30300	34100	37850	40900	43950	46950	50000
Randolph County, AL									
FY 2017 MFI: 46400	EXTR LOW INCOME	12060	16240	20420	23200	25100	26950	28800	30650
	VERY LOW INCOME	16250	18600	20900	23200	25100	26950	28800	30650
	LOW-INCOME	26000	29700	33400	37100	40100	43050	46050	49000
Sumter County, AL									
FY 2017 MFI: 38600	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Talladega County, AL									
FY 2017 MFI: 47700	EXTR LOW INCOME	12060	16240	20420	23850	25800	27700	29600	31500
	VERY LOW INCOME	16700	19100	21500	23850	25800	27700	29600	31500
	LOW-INCOME	26750	30550	34350	38150	41250	44300	47350	50400
Tallapoosa County, AL									
FY 2017 MFI: 48500	EXTR LOW INCOME	12060	16240	20420	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Washington County, AL									
FY 2017 MFI: 53700	EXTR LOW INCOME	12060	16240	20420	24600	28780	31150	33300	35450
	VERY LOW INCOME	18800	21500	24200	26850	29000	31150	33300	35450
	LOW-INCOME	30100	34400	38700	42950	46400	49850	53300	56700
Wilcox County, AL									
FY 2017 MFI: 29300	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250
Winston County, AL									
FY 2017 MFI: 43200	EXTR LOW INCOME	12060	16240	20420	22850	24700	26550	28350	30200
	VERY LOW INCOME	16000	18300	20600	22850	24700	26550	28350	30200
	LOW-INCOME	25600	29250	32900	36550	39500	42400	45350	48250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Anniston-Oxford-Jacksonville, AL MSA									
FY 2018 MFI: 56800	EXTR LOW INCOME	12140	16460	20780	25100	29420	32450	34700	36900
	VERY LOW INCOME	19600	22400	25200	27950	30200	32450	34700	36900
	LOW-INCOME	31300	35800	40250	44700	48300	51900	55450	59050
Auburn-Opelika, AL MSA									
FY 2018 MFI: 66900	EXTR LOW INCOME	13850	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	23100	26400	29700	32950	35600	38250	40900	43500
	LOW-INCOME	36900	42200	47450	52700	56950	61150	65350	69600
Birmingham-Hoover, AL MSA									
Birmingham-Hoover, AL HMFA									
FY 2018 MFI: 71000	EXTR LOW INCOME	14800	16900	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	24650	28150	31650	35150	38000	40800	43600	46400
	LOW-INCOME	39400	45000	50650	56250	60750	65250	69750	74250
Chilton County, AL HMFA									
FY 2018 MFI: 54600	EXTR LOW INCOME	12140	16460	20780	25100	29420	31700	33900	36050
	VERY LOW INCOME	19150	21850	24600	27300	29500	31700	33900	36050
	LOW-INCOME	30600	35000	39350	43700	47200	50700	54200	57700
Walker County, AL HMFA									
FY 2018 MFI: 51700	EXTR LOW INCOME	12140	16460	20780	25100	27950	30000	32100	34150
	VERY LOW INCOME	18100	20700	23300	25850	27950	30000	32100	34150
	LOW-INCOME	28950	33100	37250	41350	44700	48000	51300	54600
Columbus, GA-AL MSA									
FY 2018 MFI: 56000	EXTR LOW INCOME	12140	16460	20780	25100	29420	32500	34750	37000
	VERY LOW INCOME	19600	22400	25200	28000	30250	32500	34750	37000
	LOW-INCOME	31400	35850	40350	44800	48400	52000	55600	59150
Daphne-Fairhope-Foley, AL MSA									
FY 2018 MFI: 69400	EXTR LOW INCOME	14400	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	24000	27400	30850	34250	37000	39750	42500	45250
	LOW-INCOME	38400	43850	49350	54800	59200	63600	68000	72350
Decatur, AL MSA									
FY 2018 MFI: 58700	EXTR LOW INCOME	12350	16460	20780	25100	29420	33740	36400	38750
	VERY LOW INCOME	20550	23500	26450	29350	31700	34050	36400	38750
	LOW-INCOME	32900	37600	42300	46950	50750	54500	58250	62000
Dothan, AL MSA									
Dothan, AL HMFA									
FY 2018 MFI: 52200	EXTR LOW INCOME	12140	16460	20780	25100	28200	30300	32400	34500
	VERY LOW INCOME	18300	20900	23500	26100	28200	30300	32400	34500
	LOW-INCOME	29250	33400	37600	41750	45100	48450	51800	55150
Henry County, AL HMFA									
FY 2018 MFI: 58300	EXTR LOW INCOME	12250	16460	20780	25100	29420	33740	36150	38500
	VERY LOW INCOME	20450	23350	26250	29150	31500	33850	36150	38500
	LOW-INCOME	32700	37350	42000	46650	50400	54150	57850	61600
Florence-Muscle Shoals, AL MSA									
FY 2018 MFI: 57500	EXTR LOW INCOME	12140	16460	20780	25100	29420	33350	35650	37950
	VERY LOW INCOME	20150	23000	25900	28750	31050	33350	35650	37950
	LOW-INCOME	32200	36800	41400	46000	49700	53400	57050	60750

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------SECTION 8 INCOMELIMITS----------							
Gadsden, AL MSA									
FY 2018 MFI: 54100	EXTR LOW INCOME	12140	16460	20780	25100	29250	31400	33550	35750
	VERY LOW INCOME	18950	21650	24350	27050	29250	31400	33550	35750
	LOW-INCOME	30350	34650	39000	43300	46800	50250	53700	57200
Huntsville, AL MSA									
FY 2018 MFI: 78700	EXTR LOW INCOME	16550	18900	21250	25100	29420	33740	38060	42380
	VERY LOW INCOME	27550	31500	35450	39350	42500	45650	48800	51950
	LOW-INCOME	44100	50400	56700	62950	68000	73050	78100	83100
Mobile, AL MSA									
FY 2018 MFI: 59800	EXTR LOW INCOME	12600	16460	20780	25100	29420	33740	37100	39500
	VERY LOW INCOME	20950	23950	26950	29900	32300	34700	37100	39500
	LOW-INCOME	33500	38300	43100	47850	51700	55550	59350	63200
Montgomery, AL MSA									
FY 2018 MFI: 62900	EXTR LOW INCOME	13200	16460	20780	25100	29420	33740	38060	41550
	VERY LOW INCOME	22050	25200	28350	31450	34000	36500	39000	41550
	LOW-INCOME	35250	40250	45300	50300	54350	58350	62400	66400
Tuscaloosa, AL MSA									
Pickens County, AL HMFA									
FY 2018 MFI: 44100	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tuscaloosa, AL HMFA									
FY 2018 MFI: 61500	EXTR LOW INCOME	12950	16460	20780	25100	29420	33740	38060	40600
	VERY LOW INCOME	21550	24600	27700	30750	33250	35700	38150	40600
	LOW-INCOME	34450	39400	44300	49200	53150	57100	61050	64950
Barbour County, AL									
FY 2018 MFI: 44500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Bullock County, AL									
FY 2018 MFI: 44300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Butler County, AL									
FY 2018 MFI: 42300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Chambers County, AL									
FY 2018 MFI: 48200	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cherokee County, AL									
FY 2018 MFI: 47900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Choctaw County, AL									
FY 2018 MFI: 49700	EXTR LOW INCOME	12140	16460	20780	24850	26850	28850	30850	32850
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27850	31800	35800	39750	42950	46150	49300	52500

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Clarke County, AL									
FY 2018 MFI: 49700	EXTR LOW INCOME	12140	16460	20780	24850	26850	28850	30850	32850
	VERY LOW INCOME	17400	19900	22400	24850	26850	28850	30850	32850
	LOW-INCOME	27850	31800	35800	39750	42950	46150	49300	52500
Clay County, AL									
FY 2018 MFI: 45500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Cleburne County, AL									
FY 2018 MFI: 51400	EXTR LOW INCOME	12140	16460	20780	25100	27800	29850	31900	33950
	VERY LOW INCOME	18000	20600	23150	25700	27800	29850	31900	33950
	LOW-INCOME	28800	32900	37000	41100	44400	47700	51000	54300
Coffee County, AL									
FY 2018 MFI: 65400	EXTR LOW INCOME	13750	16460	20780	25100	29420	33740	38060	42380
	VERY LOW INCOME	22900	26200	29450	32700	35350	37950	40550	43200
	LOW-INCOME	36650	41850	47100	52300	56500	60700	64900	69050
Conecuh County, AL									
FY 2018 MFI: 34500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Coosa County, AL									
FY 2018 MFI: 44800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Covington County, AL									
FY 2018 MFI: 48200	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Crenshaw County, AL									
FY 2018 MFI: 52900	EXTR LOW INCOME	12140	16460	20780	25100	28600	30700	32800	34950
	VERY LOW INCOME	18550	21200	23850	26450	28600	30700	32800	34950
	LOW-INCOME	29650	33850	38100	42300	45700	49100	52500	55850
Cullman County, AL									
FY 2018 MFI: 45100	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Dale County, AL									
FY 2018 MFI: 59500	EXTR LOW INCOME	12500	16460	20780	25100	29420	33740	36900	39300
	VERY LOW INCOME	20850	23800	26800	29750	32150	34550	36900	39300
	LOW-INCOME	33350	38100	42850	47600	51450	55250	59050	62850
Dallas County, AL									
FY 2018 MFI: 38700	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
DeKalb County, AL									
FY 2018 MFI: 45900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Escambia County, AL FY 2018 MFI: 42800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Fayette County, AL FY 2018 MFI: 45800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Franklin County, AL FY 2018 MFI: 47300	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Greene County, AL FY 2018 MFI: 28500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Jackson County, AL FY 2018 MFI: 47900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Lamar County, AL FY 2018 MFI: 42900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Macon County, AL FY 2018 MFI: 42800	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marengo County, AL FY 2018 MFI: 48000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marion County, AL FY 2018 MFI: 43900	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Marshall County, AL FY 2018 MFI: 52700	EXTR LOW INCOME	12140	16460	20780	25100	28500	30600	32700	34800
	VERY LOW INCOME	18450	21100	23750	26350	28500	30600	32700	34800
	LOW-INCOME	29550	33750	37950	42150	45550	48900	52300	55650
Monroe County, AL FY 2018 MFI: 42000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Perry County, AL FY 2018 MFI: 32000	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

STATE:ALABAMA

	PROGRAM	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
		----------S E C T I O N 8 I N C O M E L I M I T S----------							
Pike County, AL									
FY 2018 MFI: 49200	EXTR LOW INCOME	12140	16460	20780	24600	26600	28550	30550	32500
	VERY LOW INCOME	17250	19700	22150	24600	26600	28550	30550	32500
	LOW-INCOME	27550	31500	35450	39350	42500	45650	48800	51950
Randolph County, AL									
FY 2018 MFI: 49100	EXTR LOW INCOME	12140	16460	20780	24550	26550	28500	30450	32450
	VERY LOW INCOME	17200	19650	22100	24550	26550	28500	30450	32450
	LOW-INCOME	27550	31450	35400	39300	42450	45600	48750	51900
Sumter County, AL									
FY 2018 MFI: 37500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Talladega County, AL									
FY 2018 MFI: 48400	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Tallapoosa County, AL									
FY 2018 MFI: 52100	EXTR LOW INCOME	12140	16460	20780	25100	28150	30250	32350	34400
	VERY LOW INCOME	18250	20850	23450	26050	28150	30250	32350	34400
	LOW-INCOME	29200	33400	37550	41700	45050	48400	51750	55050
Washington County, AL									
FY 2018 MFI: 50600	EXTR LOW INCOME	12140	16460	20780	25100	27600	29650	31700	33750
	VERY LOW INCOME	17900	20450	23000	25550	27600	29650	31700	33750
	LOW-INCOME	28650	32750	36850	40900	44200	47450	50750	54000
Wilcox County, AL									
FY 2018 MFI: 34500	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250
Winston County, AL									
FY 2018 MFI: 43700	EXTR LOW INCOME	12140	16460	20780	24250	26200	28150	30100	32050
	VERY LOW INCOME	17000	19400	21850	24250	26200	28150	30100	32050
	LOW-INCOME	27200	31050	34950	38800	41950	45050	48150	51250

APPLICATION FORM – SINGLE-FAMILY HOUSING ASSISTANCE PROGRAM

Name:_____ Homeowner ID No: _____ - _____ - _____
(To be completed by Case Manager)

Current Mailing Address:_____ Date:_____

_____ SS No:_____

Address of Storm Damaged Home:_____

Was applicant living in the storm-damaged home when the April 2011 tornadoes occurred? ☐ Yes ☐ No

Telephone: Home_____ Work_____ Cell_____ Email_____

Name of Each Person Currently Residing in Homeowner's Household (Attach additional page if necessary)	Relationship	Age	Male/ Female	Disabled Yes/No	Annual Income	Source (i.e., Employment, Retirement, SS, Disability, etc.
	Head of Household					

Is homeowner Hispanic or Latino? ☐ Yes ☐ No Check race of homeowner: White ☐ Black/African American ☐

Asian ☐ American Indian/Alaskan Native ☐ Native Hawiian/Other Pacific Islander ☐ Am. Indian/Alaskan Native & White ☐

Asian & White ☐ Black/African American and White ☐ Am. Indian/Alaskan Native & Black ☐ Other Multi-Racial ☐

INFORMATION REGARDING STORM-DAMAGED HOME:

Work Completed:_____

Work Remaining:_____

FEMA Application Number: _____ FEMA Home Repair Funds Received: $_____

Insurance Reimbursement: $_____ SBA Application Number: _____SBA Loan: $_____

Other Assistance Received: $_____ From What Agencies?_____

Presence of hardship condition (explain):_____

_____

Estimate of cost to complete repair work to home (if known):_____

HOMEOWNER CERTIFICATION:

I certify to the accuracy of the above information and agree that inaccurate information may be cause for rejection. I further agree that this information may be shared with other agencies available to assist me in making needed home repairs.

Date_____ Signature_____

THIS SIDE FOR OFFICIAL USE ONLY

To be completed by Case Manager:

Documentation provided for: ☐ Homeownership ☐ Income ☐ Location ☐ Unmet Housing Need

For possible housing assistance, I determine this homeowner initially:

☐ Eligible ☐ Ineligible ☐ To be held for hardship consideration

Reason for ineligibility or hardship: _____

_____

_____

A letter detailing the above decision was sent to homeowner on _____
(Date)

_____ _____
Case Manager Date

_____ _____
Supervisor Date

HOMEOWNER IDENTIFICATION NUMBER (FOR CASE MANAGER USE ONLY)

Each homeowner will be assigned a unique identification code (case number) by the Case Manager with numbers based as follows:

Homeowner Number: _____ - _____ - _____ (Add Homeowner ID Number to top, front of this form.)
Non-profit ID County ID Applicant ID

The non-profit ID is as follows, with additional ID's added as necessary:

CAPN - Community Action Partnership of North Alabama
CSPW - Community Services Program of West Alabama
ARCH - Alabama Rural Coalition for the Homeless

The county identifier is to be based on the County of the homeowner's storm-damaged address, and is the same as the two digits of the Alabama County designation on a car tag, as follows:

Autauga	04	Fayette	32	Marshall	50
Bibb	07	Franklin	33	Perry	53
Blount	08	Greene	35	Pickens	54
Calhoun	11	Hale	36	Shelby	58
Cherokee	13	Jackson	39	St. Clair	59
Choctaw	15	Jefferson	01	Sumter	60
Clarke	16	Lauderdale	41	Talladega	61
Colbert	20	Lawrence	42	Tallapoosa	62
Cullman	25	Limestone	44	Tuscaloosa	63
DeKalb	28	Madison	47	Walker	64
Elmore	29	Marengo	48	Washington	65
Etowah	31	Marion	49	Winston	67

The homeowner identifier number will be based on the order in which the homeowner's request for assistance comes in to the non-profit agency. Since this number will require 4 digits, it will begin with leading zeros (i.e., 0001) until the number increases (i.e., 0128). Therefore, *for example*, the identification number for the 115th application received by Community Action Partnership of North Alabama which was from Madison County will be: CAPN-47-0115.

AGREEMENT OF UNDERSTANDING

& DECLARATION OF RESTRICTIONS

Community Development Block Grant - Housing Assistance Program

I (We),_____, the Owner(s) of the property located at _____, Alabama_____, herein referred to as the Owner(s), have requested to participate in the CDBG Housing Assistance Program (HAP) administered by _____, hereinafter referred to as Agency, for the 2011 Tornado Recovery Assistance from the U.S. Department of Housing and Urban Development. I/we the Owner(s) do hereby certify that I/we understand and agree with the following program terms and conditions:

I. Grant Funds and Owner's Obligations

A. ( ) Home Rehabilitation or Replacement

The Owner(s) understand that he/she/they are receiving assistance from the HAP in the amount of _____ and he/she/they are contributing the amount of _____ toward the cost of repairing or replacing their home at the above address. If the total amount of grant funds provided by the HAP exceeds $10,000, the Owner(s) agree to execute a mortgage to the Agency for the full amount of grant funds for the period of time specified in Section B. below.

( ) Manufactured Home

The Owner(s) understand that they are receiving a manufactured home at the above address with funding from the HAP in the amount of _____ and he/she/they are contributing the amount of _____ toward the cost of purchase and installation. Further, owner(s) agree that the Agency will hold the original Title to the manufactured home for the Subject Period specified In Section B. below if the total amount of grant funds provided exceeds $10,000.

The Owner(s) agree to register the Title with the County Probate Office in which the home is located. The Agency will secure and maintain a copy of the inspection report from Alabama Manufactured Housing Commission.

B. Purpose and Subject Period

A housing unit assisted with Federal disaster funds is to be used only as the primary residence of the Owner(s) or, upon death or disability of the Owner(s), the Owner's heirs. The purpose of the mortgage or possession of the Title by the Agency is to ensure that the property is used only for that purpose.

If the total grant funds provided for housing and related costs are $25,000 or less, the mortgage or Title will be released at the end of three (3) years (hereinafter referred to as the Subject Period). If total grant funds expended exceed $25,000, the mortgage or Title will be released at the end of five (5) years. If the Owner or Owner's heirs occupy the property as a primary residence for the Subject Period, the mortgage or Title will be released and no payments will be required from the Owner or Owner's heirs.

If the Owner(s) or the Owner's heirs wish to sell the home prior to the expiration of the Subject Period, all or a portion of the grant funds provided will become due and payable to the Agency for transfer to the State Grantor Agency. For total grant funds $25,000 or less, the payable amount will be determined by multiplying the grant by 0.000913 per day for each day the property is occupied by the Owner or Owner's heirs as a primary residence, and reducing the grant by this amount. If grant funds exceed $25,000, the payable amount will be determined by multiplying the grant by 0.000548 per day for each day the property is occupied by the Owner or Owner's heirs and reducing the grant by this amount.

II. Housing Assistance to be Provided and Procedures to Follow

A. Relevant Activity Determination

The Owner(s) acknowledge that, prior to the execution of this agreement, a work write-up of housing activities to be completed through the HAP grant has been provided in writing to the Owner(s). The Owner(s) agree with the scope of activities to be provided. Any work requested by the Owner and not previously approved by the Agency will be the financial responsibility of the Owner.

In case of home repair and rehabilitation, the Owner(s) understand that the contractor has been certified by the Agency and meets requisite insurance and/or licensing requirements. The contractor has agreed to perform all specified work for the cost determined between the contractor and the Agency.

The Owner(s) understand that for home repair/rehabilitation or new home construction, the contract is made directly between the contractor and the homeowner. For a manufactured home, the Title is in the name of the Owner.

The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials are not responsible for work performed or any guarantees of work. The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials are not responsible for the manufactured home during the warranty period, or any time thereafter. The Agency or Agency staff; Local, State, or Federal Government; agencies of these governments and their officials will not assume liabilities resulting from these grant-related activities.

B. Change Orders

All issues involving a change in work orders during the contract period will be communicated between the contractor and the Agency staff.

Any work requested or omitted by order of the Owner, and not previously approved by the Agency staff will be the financial responsibility of the Owner and not authorized for payment under the HAP.

C. Completion

Once all approved activities are complete, a "FINAL INSPECTION & COMPLETION CERTIFICATE" will be executed. This Certifiacte assures that all approved work has been completed, that all required inspections have been obtained and that warranties have been reviewed with the Owner.

The Owner(s) understand and agree that upon issuance of the Project Completion Form, and approval of the Agency staff, final payment will be made.

The Owner(s) understand that the Agency or the Agency staff have no additional responsibility in enforcing the contractor's or manufacturer's warranties.

III. Certifications/Agreements

The Owner(s) certify that the property to be assisted with grant funds is the primary residence of the Owner(s).

The Owner(s) certify that all information provided in the application and in all documents pertaining to the HAP are true, accurate and subject to verification by the Agency, the Alabama Department of Economic and Community Affairs, and/or the U. S. Department of Housing and Urban Development. The Owner(s) understand and agree that any misrepresentation, false or frudelent information will be reported to the Alabama Attorney General, and/or Federal Bureau of Investigation, as appropriate, and the Owner(s) may be subject to penalties as specified by law (U.S.C. Title 18, Sec. 1001).

The Owner(s) certify that they have reviewed all documents, that these documents have been explained and that they have been given the opportunity to ask questions. The Owner(s) further certify that they understand all of the terms and conditions set forth in this agreement and in all documents executed in connection with this Housing Assistance Program.

The Owner(s) agree that they are entering into this agreement voluntarily and of their own volition. The Owner(s) certify that if for any reason they seek the advice of an independent attorney, they must do so at their own expense.

The Owner(s) agree to indemnify and hold the Agency and Agency staff; Local, State or Federal Government; agencies of these governments and their officials harmless from any dispute arising from work performed by the contractor or lack of warranty provision compliance.

The Owner(s) certify that they will maintain homeowner's insurance to protect Owner's interest as well as the investment of Federal funds. The Owner(s) further certify that they will maintain a flood insurance policy if the property is deemed to be in the federally designated flood zone. Owner(s) understand and agree that maintenance of insurance is entirely Owner's obligation.

Pursuant to this agreement, the owner's acknowlege that the amount of assistance is limited to the relevant activity determination and the associated grant ceiling as provided in governing Policy by the State.

IN WITNESS WHEREOF, I/we hereby execute this agreement on this the _____day of _____, 20____.

OWNER Date	WITNESSED BY: Date
OWNER Date	WITNESSED BY: Date

LEAD-SAFE HOUSING RULE – APPLICABILITY FORM

Address/location of subject property:

_____

Regulation Eligibility Statements (check all that apply):

- ☐ Property is receiving Federal funds.
- ☐ Unit was built prior to 1978.

Note: If both Eligibility Statements above have been checked, continue with the Exemption Statements below. Otherwise, the regulation does not apply, sign and date the form.

Regulation Exemption Statements [24 CFR 35.115] (check all that apply):

- ☐ Emergency repairs to the property are being performed to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage due to natural disaster, fire or structural collapse. The exemption applies only to repairs necessary to respond to the emergency.
- ☐ The property will not be used for human residential habitation. This does not apply to common areas such as hallways and stairways of residential and mixed-use properties.
- ☐ Housing "exclusively" for the elderly or persons with disabilities, with the provision that children less than six years of age will not reside in the dwelling unit.
- ☐ An inspection performed according to HUD standards found the property contained no lead-based paint.
- ☐ According to documented methodologies, lead-based paint has been identified and removed; and the property has achieved clearance.
- ☐ The rehabilitation will not disturb any painted surface.
- ☐ The property has no bedrooms.
- ☐ The property is currently vacant and will remain vacant until demolition.

If any of the above Exemption Statements have been checked, the Regulation does not apply. In all cases, sign and date the form.

I, _____, certify that the information listed above is true and accurate to the best of my knowledge.

_____

Signature Date

Single Family Housing Assistance

Revised 5/2017

DUPLICATION OF BENEFITS WORKSHEET

Client Name: _____ Case No.: _____

Address: _____

County: _____

Estimate Cost of Repair/Replacement $ _____

Temporary Relocation/Housing $ _____

Storage $ _____

Other _____ $ _____

TOTAL ESTIMATE COSTS $_____

FEMA Home Repair Assistance $ _____

SBA $ _____

Insurance $ _____

Other _____ $ _____

TOTAL Home Repair Assistance RECEIVED $_____

LESS:

REPAIR AMOUNT EXPENDED/DISBURSED* ($ _____)

TOTAL AVAILABLE TOWARDS COSTS $_____

DISASTER ASSISTANCE REQUIRED** (Total Estimated Costs minus Total Available) $_____

*Explain where and how any FEMA and other assistance was expended/disbursed:

_____

_____

_____

_____

**If Disaster Amount Required is greater than $25,000 Program Cap, explain hardship case:

_____

_____

_____

_____

Prepared by: _____ Date_____

Verification of SBA Benefits

The following information was verified using the SBA Homeowner Applicant Data Report received on June 13, 2017, from the Processing and Disbursement Center of the US Small Business Administration. A printed copy of SBA Funds Received by Alabama Homeowners for Home Repair, Reconstruction, Manufactured Homes, and Debris Removal due to the April 2011 Tornadoes is located in the Agency's Master Disaster Recovery file for DTR-12 and DTR-13.

Homeowner Name: _____

Address: _____

County: _____

SBA Home Repair Funds: $ _____

SBA Reconstruction Funds: $ _____

SBA Manufactured Home Funds: $ _____

SBA Debris Removal Funds: $ _____

Total SBA Housing Assistance Received: $ _____

Verified by: _____ Date: _____

Certification of Expenditure of Home Repair Funds

Homeowner: _____ Case No_____

Address: _____

Homeowner Certification:

I, _____, a potential recipient of housing assistance from CDBG Disaster Recovery: Tornadoes of April 2011, do hereby certify that a total of at least $_____ has been spent in an effort to repair damage to my home following the tornadoes of April 2011. Expenses included the following items or contract work as specified: _____

_____

_____

I have provided all the documentation that I have or could obtain to justify the above costs, and I certify that the information is true and correct.

_____ _____

Date Signature of Homeowner

SELF CERTIFICATION OF NO BENEFIT

I, _____ (print name), hereby certify that I have not received FEMA Assistance, Homeowner Insurance, Flood Insurance, SBA Loan, Private Non-Profit and/or other funds related to the April 27, 2011 tornadoes. I understand that any person who makes a false statement or knowingly withholds benefits received information may be subject to punishment by law.

_____ _____

Homeowner Signature Date

SUBROGATION AGREEMENT

As a recipient of HUD CDBG-DR funds, I understand these funds are funds of last resort, and I agree to return to the Alabama Department of Economic and Community Affairs (ADECA) any additional disaster assistance received subsequent to CDBG-DR and in excess of disaster related needs for the activity funded.

_____ _____

Homeowner Signature Date

Attest:

_____ _____

Name Date

SINGLE-FAMILY HOUSING ASSISTANCE REVIEW (DTR-13)

Name of Applicant: _____ ID Number: _____

Address of Home: _____

County: _____ Target County: ☐ Yes ☐ No

Number of people currently residing in household: _____

Number of dependents residing in household: _____

Elderly (65+) household members: ☐ Yes ☐ No

Disabled household members: ☐ Yes ☐ No

Income Category:

- ☐ Very Low
- ☐ Low
- ☐ Moderate
- ☐ High
- ☐ Very High

Income verification was provided for all residents of the home: ☐ Yes ☐ No

Information is provided to document *no* duplication of benefits: ☐ Yes ☐ No

FEMA ("Home Repair" funds): _____

SBA: _____

Private Insurance: _____

Other Resources: _____

Preliminary damage estimate: _____

Proof of ownership: ☐ Yes ☐ No

Proof of Residency: _____

Applicant is Hispanic or Latino: ☐ Yes ☐ No

Race of Homeowner:

- ☐ White
- ☐ Black/African American
- ☐ Asian
- ☐ American Indian/Alaskan Native
- ☐ Native Hawaiian/Other Pacific Islander
- ☐ Am. Indian/Alaskan Native & White
- ☐ Asian & White
- ☐ Black/African American and White
- ☐ Am. Indian/Alaskan Native & Black
- ☐ Other Multi-Racial

Has applicant received flood benefits? ☐ Yes ☐ No

If yes, has flood insurance been maintained? ☐ Yes ☐ No

If no to flood insurance applicant is ineligible: ☐ Ineligible

Does applicant own the home? ☐ Yes ☐ No

Does applicant rent the home? ☐ Yes ☐ No

Estimate covers: ☐ Repair ☐ Rebuild ☐ Mobile Home

Reviewer Comments

_____

_____

_____

_____

_____

Other Resources to be provided: _____ CDBG Funds Requested: _____

☐ **Ineligible**

ADECA Reviewer: _____ Date: _____

Single-Family Housing Assistance

Ineligible Application

*****Before completing this form, ADECA reviewer should attach the supporting documentation explaining the application's ineligibility*****

Applicant: _____ Application No.: _____

Reason:

_____

_____

_____

_____

_____

_____

_____

_____

Reviewer: _____ Date: _____

Confirmed: _____ Date: _____

Shabbir Olia, Manager

Community Development Programs

Implemented on: 3/1/13

Revised 03/2017

HPA Documentation- Single-Family Housing Assistance (Tornadoes of April 2011)

HOUSING PROGRAM ADMINISTRATOR: Before single-family housing applications can be approved, ADECA must have the following information accurately completed by the Housing Program Administrator. When information is received from you, we will complete the Environmental Review and Authorization to Proceed.

Name of Homeowner:_____ ID Number:_____

Address of Storm Damaged Home:_____

City:_____ County_____ Zip:_____

Prior to or after the April 2011 tornadoes, did applicant receive any flood benefits? ☐Yes ☐No

If yes, has flood insurance been maintained? ☐Yes ☐No

-**If no to flood insurance applicant is ineligible.**

If over $25,000 will lead abatement be performed: ☐Yes ☐No

Will Green Standards be used for this project: ☐Yes ☐No

Which of the following best describes the client:

☐ Homeowner

☐ Affected renter who wishes to own home

☐ Non affected owner/renter in most impacted county

1. If **new construction or replacement housing** is required, it will be:
   ☐ At the Address of the storm-damaged home listed above, or
   ☐ At the new address as follows: _____

   Descripiton of **new construction or replacement housing:** (Example: brick, 3 bedroom, composite roof, ~1,500 square feet)

   _____

   Estimated cost of new construction: _____ CDBG Funds Requested: _____

2. In the case of **home repair or rehabilitation** on the same site, please provide:
   Year built: _____ Estimated pre-disaster value: _____
   Indicate the estimated value of the improvements:
   ☐0 to 39% of market value of structure ☐40-49.9% of market value of structure
   ☐50-74.9% of market value of structure ☐75% (and above) of market value of structure

   Description of **repair/rehabilitation**: (example: Replace roof, windows, doors, sheetrock, plumbing, wiring, etc)

   _____

   Estimated cost of repair: _____ CDBG Funds Requested: _____

3. If a replacement mobile home is being provided, please indicate whether it is to be located:
   ☐ At the address of the storm-damaged home listed above, or
   ☐ At the new address as follows: _____

   Estimated cost of replacement home: _____ CDBG Funds Requested: _____

_____ _____ _____

Completed By Approved By Date

Please return to: Shabbir Olia, CED Programs, ADECA
401 Adams Avenue, Montgomery, AL 36104

Or scan and email to: shabbir.olia@adeca.alabama.gov

Alabama Department of Economic and Community Affairs
Site Specific Checklist

Applicant Name: _____ Case Number: _____

Location: _____
(Street Address)

Hazardous & Toxic Materials:

1. Distressed Vegetation ☐ **Yes** ☐ **No**
   (Could be an indication of Soil Contamination)

2. Vent or Fill Pipes ☐ **Yes** ☐ **No**
   (Could indicate current or previous existence of underground storage tanks)

3. Storage/Oil Tanks or Questionable Containers ☐ **Yes** ☐ **No**
   (Could indicate heating fuel, chemical and petroleum product storage)

4. Pits, Ponds or Lagoons ☐ **Yes** ☐ **No**
   (Could potentially hold liquids or sludge containing hazardous substances. Potential is increased if 1) water discoloration, 2) distressed vegetation, and 3) wastewater discharge indications exist)

5. Stained Soil of Pavement (other than water stains) ☐ **Yes** ☐ **No**
   (Could indicate soil contamination, pipe or storage container leakage)

6. Pungent, Foul or Noxious Odors ☐ **Yes** ☐ **No**
   (Could indicate leaks of hazardous or petroleum products)

7. Dumped Material or Soil, Mounds of Dirt, Rubble etc. ☐ **Yes** ☐ **No**
   (Located within 3,000 feet of a toxic or solid waste landfill)

8. If the land is currently vacant, ask the owner about the previous site usage. _____

Property Description:

9. Front of house or lot: _____

10. Northerly Direction: _____

11. Southerly Direction: _____

12. Easterly Direction: _____

13. Westerly Direction: _____

Comments: _____

_____
Name of Field Inspector

_____ _____
Signature of Field Inspector **Date**

Original _____

Revision _____

SINGLE-FAMILY HOUSING ASSISTANCE

AUTHORIZATION TO PROCEED

Name of Homeowner: _____ ID Number: _____

Address of Storm Damaged Home: _____

Address of Rebuild or Replacement Home (If not same as above) _____

County: _____ Income Level of Household:

Very low _____ Moderate _____

Low _____ High _____

_____ Hardship Waiver (To Exceed $25,000 Ceiling) Granted _____ Based on "Urgent Need" National Objective

CDBG Funds Requested: _____ Amount Approved: _____

Approved For: ____ Repair Home ____ Home Rebuild ____ Repair Mobile Home ____ Replace Mobile Home

Other: ____ Demolition ____ Septic System ____ Required Elevation ____ Mortgage Downpayment Assistance

Note: _____

_____

_____

_____

_____ is approved to proceed with assistance for the above named applicant subject to _____ verification of eligibility requirements.

Reviewer Approval: _____ Date: _____

(Reviewer Signature)

Environmental Approval: _____ Date: _____

(Engineer Signature)

Approved:

_____ Date: _____

Shabbir Olia, Manager
Community & Economic Development Programs

Implemented on: 3/4/14

Single-Family Housing Assistance

Confirmation of Applicant Withdrawal

*****Before completing this form, ADECA reviewer should attach the Housing Program Administrator's (HPA) explanation for the application's withdrawal*****

Applicant: _____ Application No.: _____

Reason: _____

_____

_____

_____

_____

_____, representative of _____ HPA,

has indicated the application listed above is to be withdrawn from CDBG

Single-Family Housing Assistance.

Reviewer: _____ Date: _____

Confirmed: _____ Date: _____

Shabbir Olia, Manager

Community Development Programs

Implemented on: 3/1/13

FINAL INSPECTION & COMPLETION CERTIFICATE
LIEN WAIVER

Community Development Block Grant – 2011 Tornado Housing Assistance Program

( ) I, _____, certify that I inspected the construction job located at _____ and find that all work performed under the contract between _____ (owner) and _____ _____ (contractor) has been completed as per the scope of work/work write-up and applicable building codes, and is hereby granted final approval.

( ) I, _____, certify that I inspected the manufactured home and it's installation at _____ by_____ (dealer/vendor) for_____ _____ (owner) and find the manufactured home and the installation as per the contract/purchase order.

_____ Date

_____ Housing Rehabilitation Specialist

( ) The undersigned, on behalf of _____(contractor) certifies that all construction work has been completed as per the scope of work/work writeup and applicable building codes at the property located at _____ _____ and further certify that all work is guaranteed for a period of (twelve months). The owner(s) have been furnished with manufacturer's warranties for specific materials and supplies, and there are no liens on the contractor or the owner(s) for materials, labor, or supplies.

( ) The undersigned, on behalf of_____(dealer/vendor) certifies that the manufactured home was built in accordance with HUD's Manufactured Home Construction and safety Standards and Regulations and meets Energy Star® requirements, and installation meets HUD Model Manufactured Home Installation Standards. The owner(s) have been furnished with the manufacturer and material warranties associated with the manufactured housing unit, and a separate warranty for (one year) for materials and labor involving installation.

_____ Date

_____ Contractor/Vendor

I/We, _____, owner(s) of the above referenced dwelling unit, hereby acknowledge that I/We have attended the final inspection conducted on the above date, accept all work performed, and authorize distribution of final payment. I/We further acknowledge that all warranties have been explained to me/us and further acknowledge that as of this date it is my/our responsibility to enforce warranties directly with the contractor/vendor, and that it is not the responsibility of the Community Partnership of North Alabama, Inc., or it's staff; or Local, State or Federal Government or agencies of these Governments and their officials.

_____ Owner Date

_____ Owner Date

HUD CPD Green Building Retrofit Checklist

The CPD Green Retrofit Checklist promotes energy efficiency and green building practices for residential retrofit projects. Grantees must follow the checklist in its entirety and apply all measures within the Checklist to the extent applicable to the particular building type being retrofitted. The phrase "when replacing" in the Checklist refers to the mandatory replacement with specified green improvements, products, and fixtures only when replacing those systems during the normal course of the retrofit.

* Please provide QUANTITY, if applicable.

WATER AND ENERGY CONSERVATION MEASURES

☐ **Water-Conserving Fixtures**
Install or retrofit water conserving fixtures in any unit and common facility, use the following specifications: Toilets-- 1.28 gpf; Urinals-- 0.5 gpf; Showerheads-- 2.0 gpm; Kitchen faucets-- 2.0 gpm; and Bathroom faucets-- 1.5gpm. [gpf = gallons per flush; gpm = gallons per minute]

☐ **ENERGY STAR Appliances**
Install ENERGY STAR-labeled clothes washers, dishwashers, and refrigerators, if these appliance categories are provided in units or common areas.

☐ **Air Sealing: Building Envelope**
Seal all accessible gaps and penetrations in the building envelope. If applicable, use low VOC caulk or foam.

☐ **Insulation: Attic** (if applicable to building type)

For attics with closed floor cavities directly above the conditioned space, blow in insulation per manufacturer's specifications to a minimum density of 3.5 Lbs. per cubic foot (CF). For attics with open floor cavities directly above the conditioned space, install insulation to meet or exceed IECC levels.

☐ **Insulation: Flooring** (if applicable to building type)
Install ≥ R-19 insulation in contact with the subfloor in buildings with floor systems over vented crawl spaces. Install a 6-mil vapor barrier in contact with 100% of the floor of the crawl space (the ground), overlapping seams and piers at least 6 inches.

☐ **Duct Sealing** (if applicable to building type)

In buildings with ducted forced-air heating and cooling systems, seal all penetrations of the air distribution system to reduce leakage in order to meet or exceed ENERGY STAR for Homes' duct leakage standard.

☐ **Air Barrier System**
Ensure continuous unbroken air barrier surrounding all conditioned space and dwelling units. Align insulation completely and continuously with the air barrier.

☐ **Radiant Barriers: Roofing**
When replacing or making a substantial repair to the roof, use radiant barrier sheathing or other radiant barrier material; if economically feasible,also use cool roofing materials.

☐ **Windows**
When replacing windows, install geographically appropriate ENERGY STAR rated windows.

☐ **Sizing of Heating and Cooling Equipment**
When replacing, size heating and cooling equipment in accordance with the Air Conditioning Contractors of America (ACCA) Manuals, Parts J and S, or 2012 ASHRAE Handbook--HVAC Systems and Equipment or most recent edition.

☐ **Domestic Hot Water Systems**
When replacing domestic water heating system(s), ensure the system(s) meet or exceed the efficiency requirements of ENERGY STAR for Homes' Reference Design. Insulate pipes by at least R-4.

☐ **Efficient Lighting: Interior Units**
Follow the guidance appropriate for the project type: install the ENERGY STAR Advanced Lighting Package (ALP); ***OR*** follow the ENERGY STAR MFHR program guidelines, which require that 80% of installed lighting fixtures within units must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; ***OR*** when replacing, new fixtures and ceiling fans must meet or exceed ENERGY STAR efficiency levels.

☐ **Efficient Lighting: Common Areas and Emergency Lighting** (if applicable to building type)
Follow the guidance appropriate for the project type: use ENERGY STAR-labeled fixtures or any equivalent high-performance lighting fixtures and bulbs in all common areas; ***OR*** when replacing, new common space and emergency lighting fixtures must meet or exceed ENERGY STAR efficiency levels. For emergency lighting, if installing new or replacing, all exist signs shall meet or exceed LED efficiency levels and conform to local building codes.

☐ **Efficient Lighting: Exterior**
Follow the guidance appropriate for the project type: install ENERGY STAR-qualified fixtures or LEDs with a minimum efficacy of 45 lumens/watt; ***OR*** follow the ENERGY STAR MFHR program guidelines, which require that 80% of outdoor lighting fixtures must be ENERGY STAR-qualified or have ENERGY STAR-qualified lamps installed; ***OR*** when replacing, install ENERGY STAR compact fluorescents or LEDs with a minimum efficacy of 45 lumens/watt.

INDOOR AIR QUALITY

☐ **Air Ventilation: Single Family and Multifamily** (three stories or fewer)
Install an in-unit ventilation system capable of providing adequate fresh air per ASHRAE 62.2 requirements.

☐ **Air Ventilation: Multifamily** (four stories or more)
Install apartment ventilation systems that satisfy ASHRAE 62.2 for all dwelling units and common area ventilation systems that satisfy ASHRAE 62.1 requirements. If economically feasible, consider heat/energy recovery for 100% of corridor air supply.

☐ **Composite Wood Products that Emit Low/No Formaldehyde**
Composite wood products must be certified compliant with California 93120. If using a composite wood product that does not comply with California 93120, all exposed edges and sides must be sealed with low-VOC sealants.

☐ **Environmentally Preferable Flooring**
When replacing flooring, use environmentally preferable flooring, including the FloorScore certification. Any carpet products used must meet the Carpet and Rug Institute's Green Label or Green Label Plus certification for carpet, pad, and carpet adhesives.

☐ **Low/No VOC Paints and Primers**
All interior paints and primers must be less than or equal to the following VOC levels: Flats--50 g/L; Non-flats--50 g/L; Floor--100 g/L [g/L = grams per liter; levels are based on a combination of the Master Painters Institute (MPI) and GreenSeal standards.]

☐ **Low/No VOC Adhesives and Sealants**

All adhesives must comply with Rule 1168 of the South Coast Air Quality Management District. All caulks and sealants must comply with regulation 8, rule 51, of the Bay Area Air Quality Management District.

☐ **Clothes Dryer Exhaust**
Vent clothes dryers directly to the outdoors using rigid-type duct work.

☐ **Mold Inspection and Remediation**
Inspect the interior and exterior of the building for evidence of moisture problems. Document the extent and location of the problems, and implement the proposed repairs according to the Moisture section of the EPA Healthy Indoor Environment Protocols for Home Energy Upgrades.

☐ **Combustion Equipment**
When installing new space and water-heating equipment, specify power-vented or direct vent combustion equipment.

☐ **Mold Prevention: Water Heaters**
Provide adequate drainage for water heaters that includes drains or catch pans with drains piped to the exterior of the dwelling.

☐ **Mold Prevention: Surfaces**
When replacing or repairing bathrooms, kitchens, and laundry rooms, use materials that have durable, cleanable surfaces.

☐ **Mold Prevention: Tub and Shower Enclosures**
When replacing or repairing tub and/or shower enclosures, use non-paper-faced backing materials such as cement board, fiber cement board, or equivalent in bathrooms.

☐ **Integrated Pest Management**
Seal all wall, floor, and joint penetrations with low-VOC caulking or other appropriate sealing methods to prevent pest entry. [If applicable, provide training to multifamily buildings staff.]

☐ **Lead-Safe Work Practices**
For properties built before 1978, if the project will involve disturbing painted surfaces or cleaning up lead contaminated dust or soil, use certified renovation or lead abatement contractors and workers using lead-safe work practices and clearance examinations consistent with the more stringent of EPA's Renovation, Repair, and Painting Rule and HUD's Lead Safe Housing Rule.

☐ **Radon Testing and Mitigation** (if applicable based on building location)

For buildings in EPA Radon Zone 1 or 2, test for radon using the current edition of American Association of Radon Scientists and Technologists (AARST)'s Protocols for Radon Measurement in Homes Standard for Single-Family Housing or Duplexes, or AARST's Protocol for Conducting Radon and Radon Decay Product Measurements in Multifamily Buildings. To install radon mitigation systems in buildings with radon level of 4 pCi/L or more, use ASTM E 2121 for single-family housing or duplexes, or AARST's Radon Mitigation Standards for Multifamily Buildings. For new construction, use AARST's Reducing Radon in New Construction of 1 & 2 Family Dwellings and Townhouses, or ASTM E 1465.

Case Number: _____

Revised 5/2017

Client Name: _____

Disaster Case File Checklist

Yes	No	N/A	
☐	☐	☐	CDBG Application
☐	☐	☐	Release of Information
☐	☐	☐	Identification *(Photo ID and Social Security Card)*
☐	☐	☐	Mobile Home Proof of Ownership *(Title, Notarized Bill of Sale, Notarized Statement)*
☐	☐	☐	Mobile Home Land Status *(ONLY - Deed, Life Estate, Notarized Statement from Heirs if Heir Property)*
☐	☐	☐	Single Family Home Proof of Ownership *(Deed, Life Estate, Tax Assessment, Heirs Statement)*
☐	☐	☐	Mortgage Verification
☐	☐	☐	Utility Statements for 2011
☐	☐	☐	Utility Statements for Present
☐	☐	☐	Income Verification *(W2, Tax Statements, Social Security, etc.)*
☐	☐	☐	Income Calculation Form
☐	☐	☐	Disability Documentation *(Social Security Letter, Medical Letter, Case Worker Statement)*
☐	☐	☐	Duplication of Benefits Worksheet and Verification of the following:

Yes	No	N/A	
☐	☐	☐	FEMA *(Must have proof of received or that none was received)*
☐	☐	☐	SBA
☐	☐	☐	Insurance – *Assessment, if applicable*
☐	☐	☐	Homeowners Insurance Verification Form
☐	☐	☐	Other source of funds received
☐	☐	☐	Flood benefits – *Proof Flood Insurance has been maintained if funds received*
☐	☐	☐	Flood Insurance Verification Form
☐	☐	☐	Self Certification of No Benefit – *Required if no benefits received*
☐	☐	☐	Certification of Expenditures – *Provide Receipts or Assessor Statement that work was performed for at least amount of expenditures noted*

☐	☐	☐	Damage Estimate/Assessment with Storm Damage vs. Deferred Maintenance
☐	☐	☐	Photos of Damage and Photos of Deferred Maintenance *(inside and outside)*
☐	☐	☐	Total Repair Estimate
☐	☐	☐	Replacement Mobile Home Estimate
☐	☐	☐	Mobile Home Replacement Detailed Justification
☐	☐	☐	Hardship Statement
☐	☐	☐	Lead Safe Documentation
☐	☐	☐	Agreement of Understanding
☐	☐	☐	Proof of Green Standards *(HUD checklist with applicable numbers noted, listed on estimate as appropriate energy or water saving product, RMH HUD Certification Label Number or photo)*
☐	☐	☐	Subrogation Agreement
☐	☐	☐	UCC Financing Statement
☐	☐	☐	Loan Agreement
☐	☐	☐	Promissory Note
☐	☐	☐	Security Agreement
☐	☐	☐	Final Inspection Documents
☐	☐	☐	Final Photos
☐	☐	☐	Warranty

Community Development Block Grant (CDBG-DTR) Program

Grantee Closeout Certification

Grantee Name:
Grant Number:
Client Name:
CDBG Identification Number:
Pre-Disaster Address (*Street Number, City, Zip*):
Address (*where CDBG work was performed*)
County:
Contractor:

The Grantee hereby certifies that: (1) the grant as described in the approved application has been performed in accordance with the terms and conditions of the executed Grant Agreement and applicable CDBG-DTR Grant Award and that there are no known outstanding programmatic or financial issues; and (2) all data provided below fairly reflects costs and client current demographic information.

1. Grant amount authorized *(Excludes Activity Delivery Cost)* .
2. Cumulative grant funds disbursed *(Excludes Activity Delivery Cost)* .
3. Household is Hispanic:
4. Race/Ethnicity:
5. Income Level:
6. Number of Persons in Household:
7. Number of Elderly Persons (Age 62 or Older) in Household:
8. Number of Disabled Persons in Household:
9. Number of Children Less than Age 18:
10. Female Head of Household:

Female Head of Household is based on our proposed definitions for Female Head of Household and Dependent that were submitted to HUD on 1/6/14. Female Head of Household: *A married or unmarried female who maintains a household for a dependent, or non-dependent relative, and provides more than half of the dependent's financial support.* Dependent: *A member of the family (except foster children and foster adults) other than the family head or spouse, who is under 18 years of age, or is a person with a disability, or is a full-time student.*

_____
Executive Director

_____
Finance Director

_____
Project Director

_____
Case Closure Date

For ADECA use only

_____
ADECA Reviewer Signature Date

Final Drawdown Number _____

Final Drawdown Date _____

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Single-Family Housing Disaster Recovery Program Compliance Checklist

I. Citizen Participation

A.	Describe actions taken to ensure citizen participation.

II. Fair Housing

A.	Describe actions taken to affirmatively further fair housing.				
		Yes	No	N/A	Notes
B.	Were any fair housing complaints received?				
	If "Yes", explain each complaint and its resolution.				

III. Equal Employment Opportunity and Section 3

A.	Describe actions taken to ensure compliance with Equal Employment Opportunity requirements.				
		Yes	No	N/A	Notes
B.	Have any employment discrimination complaints been filed against the grantee within the past year?				
C.	Describe actions taken to seek minority and women-owned businesses in DR funded contracts and subcontracts.				
D.	Has grantee documented to ADECA the participation of Minority and Women-Owned Businesses in the Disaster program (Form 2516 – Contract/Subcontract Activity and Form)?				
E.	Describe actions taken to ensure compliance with Section 3 requirements.				
F.	Has grantee documented to ADECA the participation of Low- and Very Low-Income Persons in the Disaster program (Form 60002 - Section 3 Summary Report Economic Opportunities for Low- and Very Low-Income Persons)?				

IV. Disclosure

		Yes	No	N/A	Notes
A.	Does grantee maintain an updated disclosure file?				

V. Environmental *(Conducted by ADECA)*

		Yes	No	N/A	Notes
A.	Tier 1 Review (N/A for Non-Profit)				
	❑ Finding of Categorical Exclusion (subject to 58.5)			✓	
	❑ NEPA Environmental Assessment			✓	
	❑ Was the Finding of No Significant Impact signed and dated after all concurrences had been received?			✓	
	❑ Was the Finding of No Significant Impact signed and dated prior to the publication or posting of the Notice of Finding of No Significant Impact?			✓	
	❑ Was a significant impact determined? (If "yes", a specialized visit is indicated and an Environmental Impact Statement should be on file.)			✓	
B.	Tier 2 Site Specific Reviews: (N/A for Non-Profit)				
	❑ Documentation of Compliance with 24 CFR Part 58.6 a-d "Other Requirements".			✓	
	❑ Number of Tier 2 site specific environmental reviews completed.	N/A			

		Yes	No	N/A	Notes
	❑ Were any properties located within a flood plain and/or wetland area? If "yes", does documentation demonstrate the 8-step process for either or both of the applicable Executive Orders 11988/11990 was carried out?			✓	
	❑ Were any properties located within the Coastal Zone? If "yes", was the Coastal Zone Management Board advised?			✓	
	❑ Were all properties over 50 years old documented to assure compliance with the National Historic Preservation Act?			✓	
C.	Were funds obligated or expended on covered items prior to ADECA authorization to use funds?			✓	

VI. Professional Services

A.	List all professional services contracts:			
	Contractor Name	Service Provided	Date Executed	Contract Amount
1.				
2.				
3.				
4.				
5.				
6.				
B.	How were professional services procured?			

		Yes	No	N/A	Notes
C.	Do services provided in contracts coincide with those advertised?				
D.	Was debarred status verified?				
E.	Are contracts dated after the effective date of the State's Grant Agreement?				
F.	Are contracts provided on a fixed fee basis (not percentage)?				
G.	Do contracts contain the necessary provisions/clauses?				
H.	Were any contracts amended?				
	❑ If "yes", why?				

VII. Rehabilitation

A.	How was the list of qualified rehabilitation contractors developed?

B.	List all approved contractors.				
		Yes	No	N/A	Notes
C.	Is there evidence of conflict of interest between the parties involved?				
D.	Did grantee employees perform any construction activities associated with rehabilitation?				
	❑ If "yes", are personnel charges supported by time and attendance records that accurately reflect all hours worked by the employee and signed by both the employee and the supervisor?				
E.	Was Davis-Bacon triggered? If "yes", complete *Labor Standards Compliance Checklist*.				
F.	What housing codes were utilized?				
G.	Describe process for preparing work specifications and cost estimates.				

H.	What procedure is used to change scope of work and/or specifications?				
		Yes	No	N/A	Notes
I.	Were housing activities conducted in compliance with accessibility requirements, if applicable?				
J.	For properties constructed prior to 1978 was lead-based paint compliance met? (Note how).				

VIII. Demolition

		Yes	No	N/A	Notes
A.	Were any demolition activities conducted? If "yes", complete *Section 104(d) Demolition Compliance Checklist*.				
B.	Did properties which were demolished meet the definition of "blighted"?				

IX. Relocation

		Yes	No	N/A	Notes
A.	Was permanent displacement or relocation of any homeowner triggered?				
	❑ If "yes", was grantee in compliance with displacement and relocation policy?				

X. Other Procurement Methods

A.	Describe other procurement methods used.

XI. Financial

A.	Describe financial records available to identify source and use of funds.				
		Yes	No	N/A	Notes
B.	Can all transactions be traced back to the original source document and forward to summary records?				
C.	What is the total amount of DR funds deposited?				
D.	What is the total amount of checks written?				
	◻ If there is a difference, explain.				
		Yes	No	N/A	Notes
E.	Were DR funds held for an extended period of time?				
	◻ If "yes", why?				

F.	Describe the effective control over and accountability for all funds.				
G.	Describe the supporting documentation of accounting records.				
		Yes	No	N/A	Notes
H.	Does grantee have any unresolved audit or monitoring findings?				
	❑ If "yes", why?				
		Yes	No	N/A	Notes
I.	Are personnel charges for activity delivery costs supported by time and attendance records that accurately reflect all hours worked by the employee and signed by both the employee and the supervisor?				

J.	If $5,000 or more in DR funds were used to acquire non-expendable personal property, is a copy of the completed PMU1 form on file and has an executed copy been submitted to ADECA?				
K.	Is grantee aware that any property acquired with DR funds may not be sold or otherwise disposed of without prior written approval from ADECA?				
L.	Does grantee have program income?				
	❑ If "yes", is it properly documented and expended in accordance with DR requirements?				
M.	Is grantee aware all DR records must be retained for at least five years past notification by the State that the grant has been closed or all audit findings have been resolved, whichever is longer?				

SINGLE-FAMILY HOUSING ACTIVITY MONITORING CHECKLIST

Grantee Name: _____ Grant #: _____

Date of Monitoring Visit: _____ Preparer: _____

Housing File #: _____ FEMA #: _____

CASE FILE REVIEW

Name: _____

Address: _____

City: _____, AL Zip: _____

Status of Work: Not Started _____ Underway _____ Completed _____

1. Is there evidence housing unit was damaged by April 2011 tornadoes? Yes No
2. Was a Storm Damage Estimate/Assessment done? Yes No
3. Were photos of damage taken? Yes No

Income Verification

4. How many persons reside in household? _____
5. What is the **total** income of the household? _____
6. How was the **total** household income verified? (Circle appropriate responses.)

   Social Security SSI Disability Veteran's Affairs Pay Stub

   Employer Bank Statement W-2 Form Income Tax Return

   Other: _____

7. If household is considered High Income, did the recipient follow policy provisions for Urgent Need National Objective eligibility? Yes No N/A

   _____

   _____

Beneficiary Information

8. What is race of household? _____

9. Is ethnicity of household Hispanic or Latino? Yes No

10. Is this a female headed household? Yes No

11. How many persons with disabilities reside in household? _____

12. Are housing activities in compliance with ADA requirements? Yes No N/A

_____

_____

Unit Information

13. Type of structure (pre-Tornado): Circle appropriate responses.

    Single Family Site Built Modular/Manufactured

    Multi-Family Mobile Home

    Other: _____

14. How was residency during time of April 2011 tornadoes verified?

    _____

15. How was current residency verified? _____

16. How was ownership of the housing unit verified? (Circle appropriate responses.)

    Warranty Deed Property Tax Records Title Bill of Sale

    Other: _____

17. How was ownership of the land verified? (Circle appropriate responses.)

    Warranty Deed Property Tax Records

    Other: _____

18. Is the housing unit located in a flood zone? Yes No

19. If **yes**, is a flood insurance policy in place? Yes No N/A

20. Are housing activities in compliance with NFIP? Yes No N/A

Duplication of Benefits

21. Did the beneficiary report receipt of benefits from other sources? Yes No
(Circle appropriate sources:)

FEMA SBA Insurance Flood Benefits Charitable Organization

Other: _____

22. How were benefits from other sources verified?

_____
_____
_____

23. If received, were benefits applied to reduce costs charged to the grant? Yes No N/A

24. If **no**, does file contain a Certificate of Expenditures and/or invoices of homeowner's repairs? Yes No N/A

_____
_____

25. Does the file confirm that no duplication of benefits has occurred? Yes No

_____
_____

CDBG Funds

26. What is the total amount of CDBG funds invested in the unit? _____

27. Is the CDBG amount within the limits set by ADECA policy? Yes No

28. If **no**, did the recipient follow policy provisions for exceeding this amount? Yes No N/A

_____
_____

Lead-Based Paint

29. Was this house constructed prior to January 1, 1978? Yes No N/A

30. If **yes**, were lead-based paint requirements met? Yes No N/A

How? _____

Construction Progress and Contractor Performance

31. Activity (circle one): Rehabilitation New Site Built New Mobile Home

    Other: _____

32. Does the file contain the Contractors' bids? Yes No

33. Contractor's Name: _____

34. Contractor's License Number: _____

35. Does file contain verification of contractor's insurance? Yes No

36. Does Repair Estimate differentiate Storm Damage vs. Deferred Maintenance? Yes No

37. Is the final contract amount different from the award price due to change orders? Yes No

38. Have all change orders been approved? Yes No N/A

39. Does it appear that requested changes should have been included on the initial work write-up? Yes No N/A

40. Do change orders appear to be limited to eligible items? Yes No N/A

41. Is documentation available to support:

    (a) The housing inspector made site inspections? Yes No

    (b) Site inspections were made periodically? Yes No

    (c) The housing inspector and/or rehabilitation specialist made an inspection prior to final payment to contractor? Yes No

42. Are photos of completed housing unit in file? Yes No

43. Did the homeowner sign a satisfaction statement (i.e. final inspection report)? Yes No

44. Did the contractor sign a release of liens? Yes No

45. Did the contractor provide a warranty? Yes No

46. If **yes**, how long is the warranty? _____

Relocation

47. Did the recipient provide temporary relocation benefits to this household? Yes No

48. If **yes**, how much was paid to the homeowner for relocation? _____

49. Do relocation costs appear necessary and reasonable? Yes No N/A

Loans

50. Did the homeowner secure any type of loan? Yes No

51. Are there deed restrictions/covenants or a lien? Yes No

52. If **yes**, for what length of time? _____

Green Standards

53. Does file contain verification of Green Standards? Yes No

_____

_____

54. List Green Standards used:

_____

_____

_____

Field Inspection

55. Is there evidence the property owner is not complying with local nuisance, trash, environmental, and/or health codes? Yes No

56. If **yes**, why was this not corrected before the initiation of the housing activity?

_____

_____

_____

_____

_____

57. Was the work done according to the work write-up specifications? Yes No

_____

_____

_____

_____

_____

58. Explain any findings or concerns and specify actions the recipient must take to resolve the issues. Describe any technical assistance provided.

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

_____

Grantee Name _____

Project No. _____

Preparer _____

Date Prepared _____

Follow-up Review Indicated _____

Duplication of Benefits (Housing)

I. Records and Reports

		Yes	No	N/A	Notes
A.	Does the grantee have an executed Subrogation Agreement on file for CDBG Disaster Recovery Funds?				
B.	Does the grantee keep a record of all FEMA awards, SBA loans, insurance claims, etc. for disaster recovery related to the Tornadoes of 2011?				
D.	Does grantee maintain a copy of the SBA spreadsheet of homeowners who received SBA Disaster loans?				
C.	Does a review of these records indicate a duplication of benefits has occurred?				
E.	If yes, which CDBG activities are affected?				
F.	What is the duplicated amount to be returned to ADECA for each activity affected?				

CDBG DISASTER RECOVERY
RECAPTURED FUNDS POLICY

ADECA adopts following policy to govern the use of Disaster Recovery Recapture Funds. The Recaptured funds are all funds returned to the State during the program year, except program income as defined by applicable regulations.

Recaptured funds will generally result due to the following:

1. The activity for which the funds were obligated cannot be carried out due to one or more reasons including environmental release cannot be secured, bids are too high, circumstances have changed, and/or need does not materialize.

2. Project costs are under estimates and the balance of the funds is not needed.

3. Recaptured funds can also result when costs incurred by a grantee are disallowed due to inappropriate use of funds, failure to follow rules, and/or expenditures predating the environmental release and effective date of the grant agreement.

When Recaptured Funds are received, the following will govern the use of these funds:

1. For smaller amounts (e.g. $10,000), when requested by a current grantee, allow the grantee to use funds to extend further an eligible activity to serve additional beneficiaries.

2. For greater amounts (e.g. $25,000), when requested by a current grantee, allow the grantee to undertake a new eligible activity.

3. In the absence of above, transfer funds to another eligible current grantee that has requested assistance to extend further an eligible activity or a new eligible activity.

4. In the absence of above 1-3, consider awarding a new eligible community that applied but did not receive original allocation for an eligible activity due to insufficient funds to address all needs.

5. When all efforts fail to distribute Recaptured Funds for an eligible activity to a disaster recovery eligible community, return unobligated funds to HUD for redistribution.

The disaster recovery grantees receiving Recaptured Funds will be required to comply with the State's policy governing local and formal amendments. Likewise, the State will amend the Disaster Recovery Action Plan if and when necessary, and make necessary entries in the DRGR System to accurately reflect grantees, activities and amounts.

CDBG DISASTER RECOVERY
INTERNAL AUDIT POLICY AND PROCEDURES
(as required for P.L. 113-2 grants March 5, 2013 Federal Register Notice, page 14334, paragraph 10)

ADECA'S Audit Section functions as the CDBG-DR Internal Auditor, reporting independently to the Director (see following ADECA organizational chart) any detection of fraud, waste and abuse. These matters are communicated at the time of occurrence and through an annual report for all P.L. 113-2 grants. ADECA has several internal controls in place to help mitigate fraud, waste and abuse. Internal controls are part of a continuous process in the management of programs. The Audit Section provides independent, objective assurance and consulting services designed to add value and improve the organization's operations. ADECA's Audit Section helps the agency accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Desk reviews are performed throughout the year to ensure that all audit reports submitted by subrecipients of ADECA meet minimum reporting standards established by the Generally Accepted Government Auditing Standards (GAGAS) and Generally Accepted Auditing Standards (GAAS). All subrecipients are required to submit annual audit and/or single audit reports if they meet the threshold requirements as established by 2 CFR 200.501 and ADECA in their respective contract and/or grant agreements. Additionally, the reports' financial statements related to ADECA financial assistance are reconciled to the accounting records of the Department in order to determine completeness. Deficiencies and audit findings related to federal programs funded through ADECA are reviewed and reported to Program Management so that follow-up can be included in program monitoring activities. This action includes any findings related to fraud, waste and abuse, which is also reported to the Director once discovered.

The Audit Section also has a separate fraud hotline and email address where reports of fraud may be made. This information is found on the CDBG Disaster Recovery website of ADECA under the "How to report fraud within ADECA programs" link. Investigations include following up on tips of suspected irregularities reported through the fraud hotline or email, program monitors and others. Irregularities involve such matters as conflicts of interest, falsification of records, misappropriation of assets and other allegations of fraud, waste and abuse.

In addition, ADECA is reviewed annually by the Department of Examiners of Public Accounts, an independent legislative audit agency for the State of Alabama. The Department has the authority to perform audits of the accounts of all entities receiving or disbursing public funds. As part of the Legislative branch of state government, the Department is independent of the Executive and Judicial branches of state government, as well as all local governments in the State.

State of Alabama Disaster Recovery Program Management Organizational Chart

Kenneth W. Boswell
ADECA Director

Shabbir Olia
Division Chief
Community and Economic Development

Kathleen Rasmussen
Unit Chief
Statewide Initiatives

Tammy T. Perdew
Disaster Recovery Coordinator
Reed Collar
Disaster Recovery Specialist

COMPLIANCE
Christopher Perkins
Environmental
Dave Veatch
FH&EO
Kathleen Rasmussen
Con Plan/Labor Standards
Chelese Beck
Acquisition/Relocation
Randy Ray
Bidding and Contracting
Teresa Nobles
Administrative Support

Tammy Rolling
Chief Financial Officer
Financial Services Section

Alesia Dooley
Control/Payroll Unit Supervisor

Kathy Avinger
CED Accounting Unit Supervisor
Senior Accountant

Jimmie Baker
Accountant Technician

Claudia Smith
Chief Legal Counsel

Wendy Hester
Chief Auditor

ADECA
Community and Economic Development (CED) Programs Unit
Staff Contact Information

CED Staff	Telephone	E-Mail Address
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