

LIMITED CLIENTELE

570.208 (a) (2) Limited clientele activities. (i) An activity which benefits a limited clientele, at least 51 percent of whom are low and moderate-income persons. (The following kinds of activities may not qualify under this paragraph: activities, the benefits of which are available to all the residents of an area; activities involving the acquisition, construction or rehabilitation of property for housing; or activities where the benefit to low and moderate income persons to be considered is the creation or retention of jobs.) To qualify under this paragraph, the activity must meet one of the following tests:

(A) It must benefit a clientele who are generally presumed to be principally low and moderate-income persons. The following groups are presumed by HUD to meet this criterion: abused children, battered spouses, elderly persons, adults meeting the Bureau of the Census' Population Reports definition of "Severely disabled", homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or

(B) It must require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low and moderate-income limit; or

(C) It must have income eligibility requirements which limit the activity exclusively to low and moderate income persons; or

(D) It must be of such a nature, and be in such a location, that it may be concluded that the activity's clientele will primarily be low and moderate-income persons.