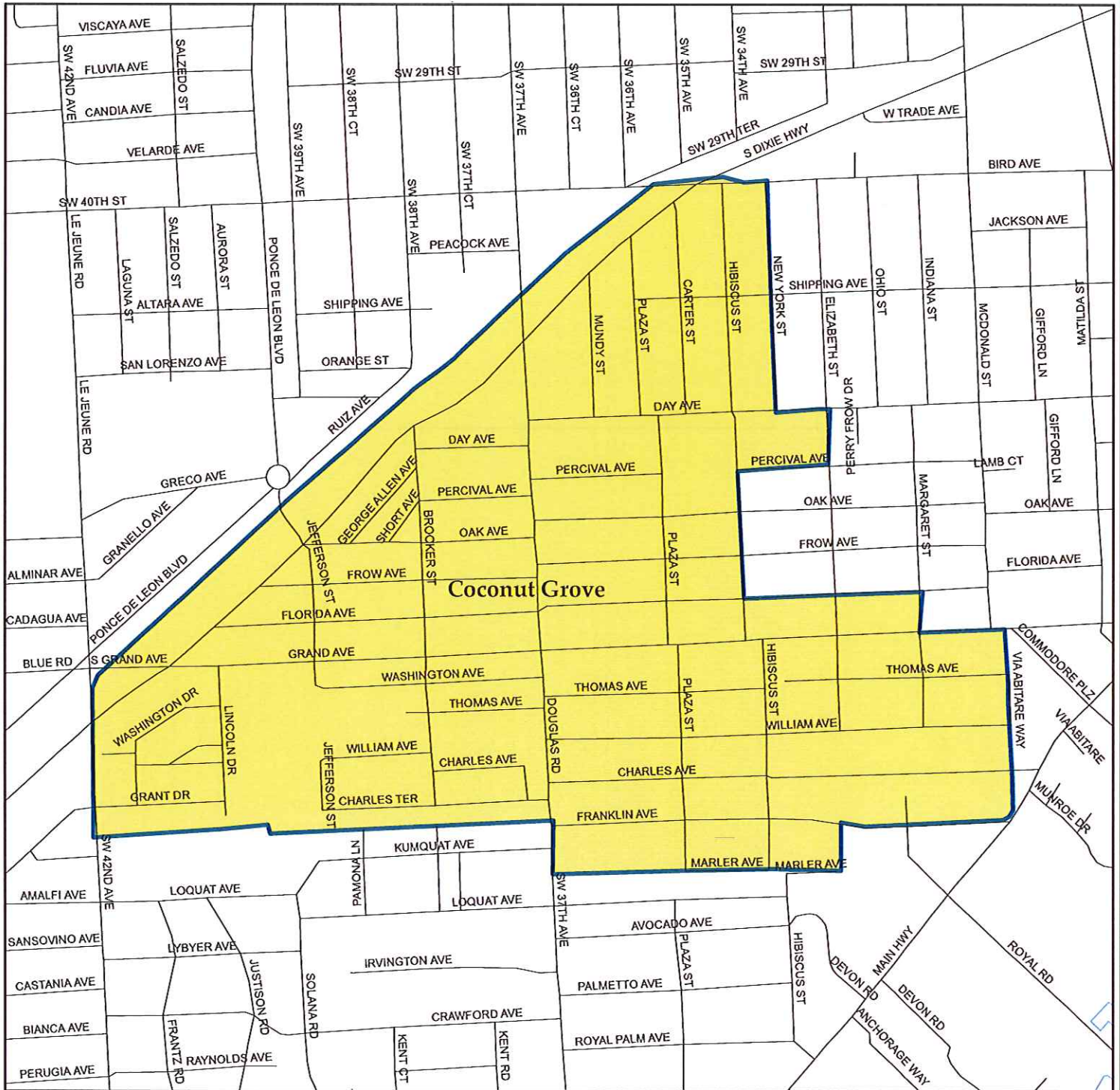


Attachment # 1

Maps of Targeted Urban Areas

COCONUT GROVE TARGETED URBAN AREA

MIAMI- DADE COUNTY, FLORIDA

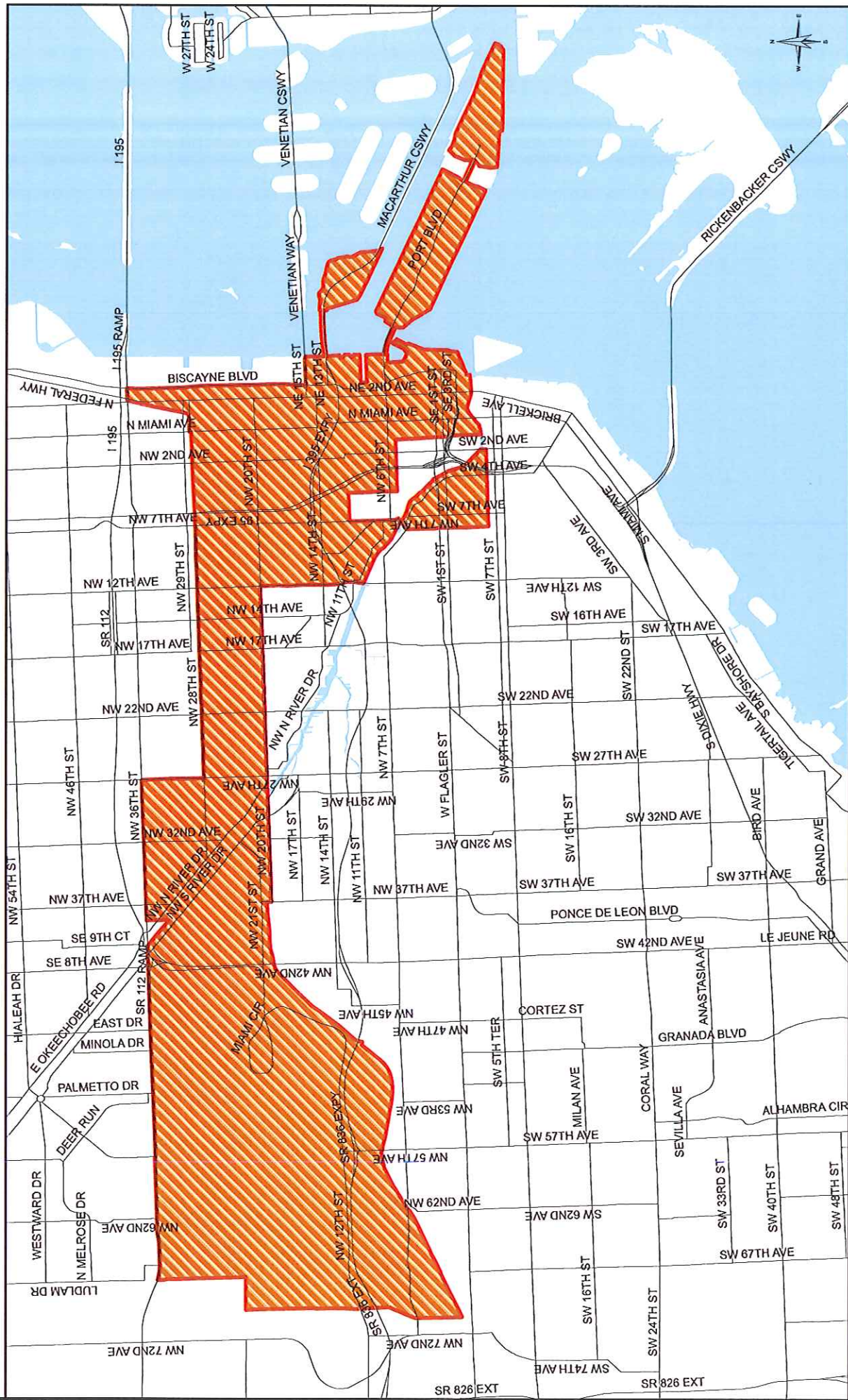


 TARGETED URBAN AREA

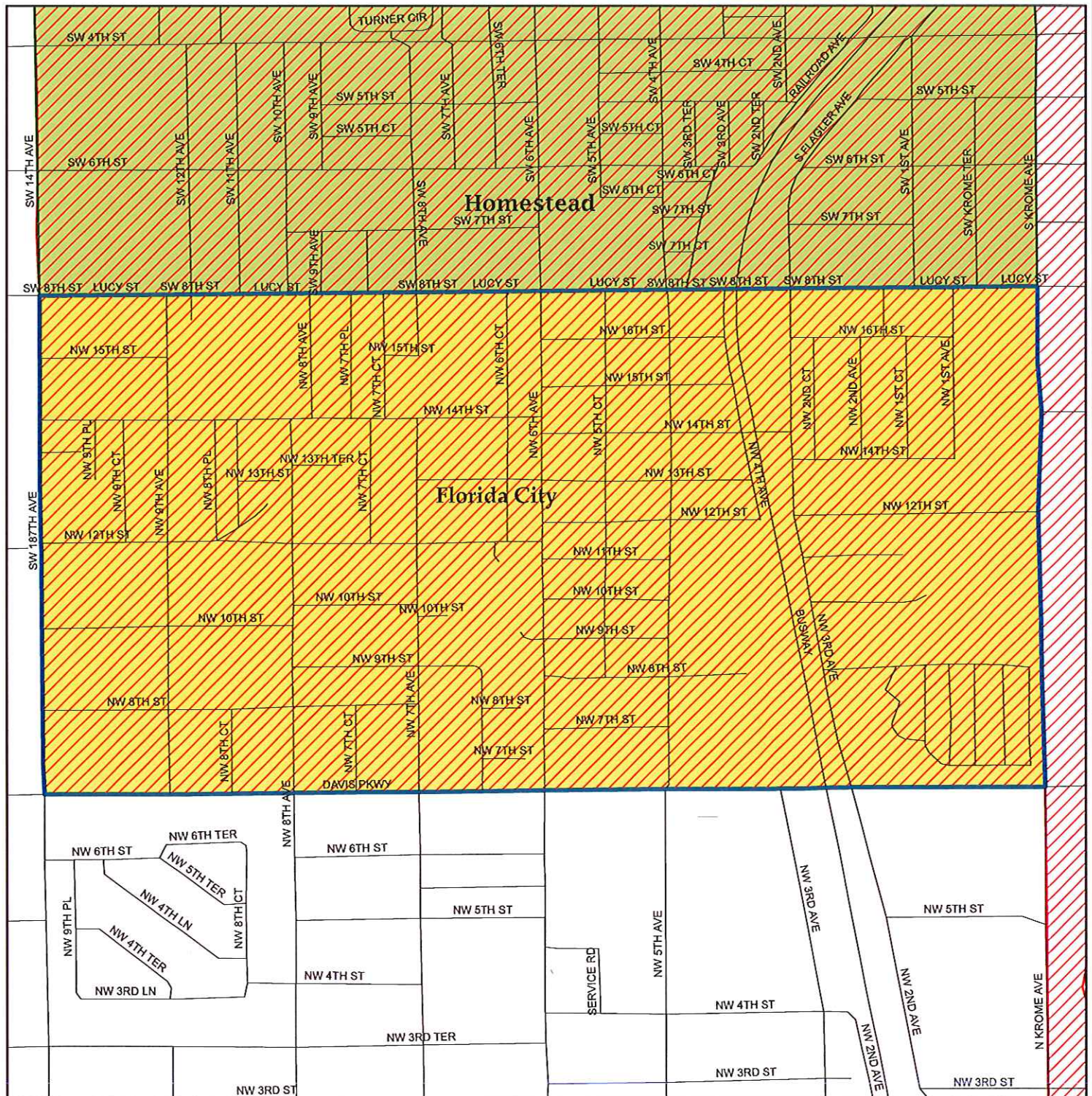
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Miles

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**CENTRAL EMPOWERMENT ZONE
TARGETED URBAN AREA**



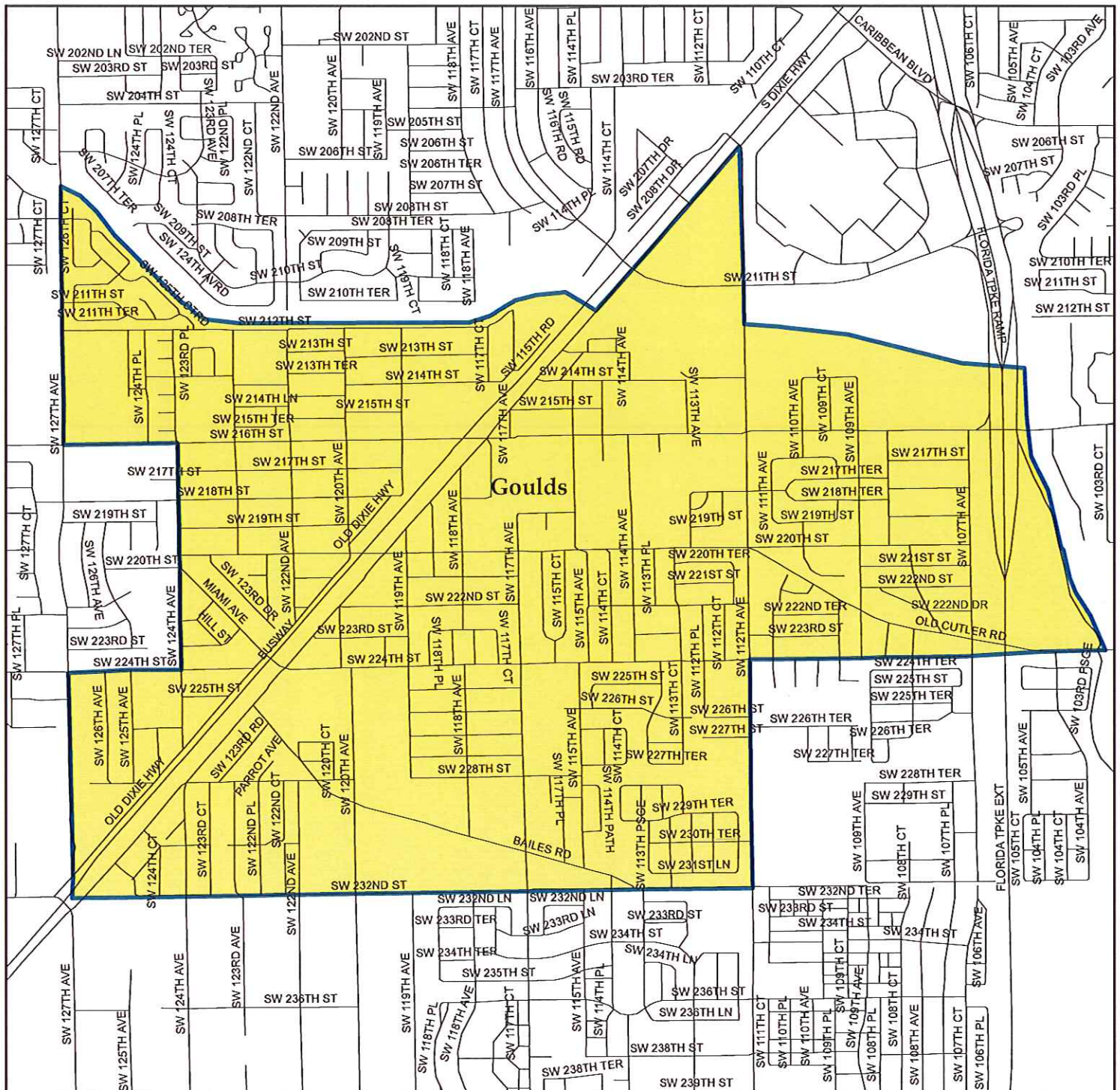
MIAMI- DADE COUNTY, FLORIDA

 TARGETED URBAN AREA EMPOWERMENT ZONE

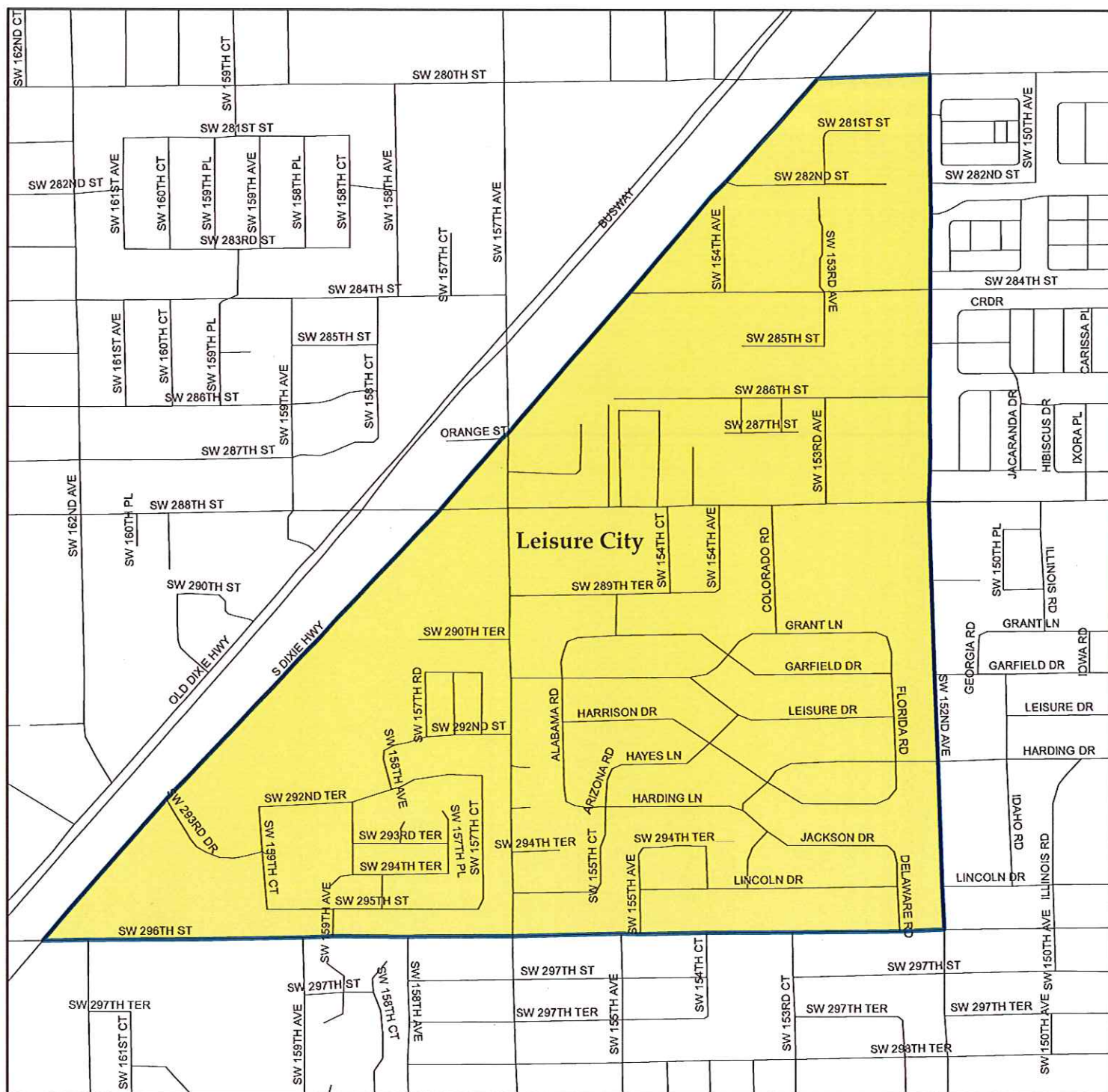
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DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

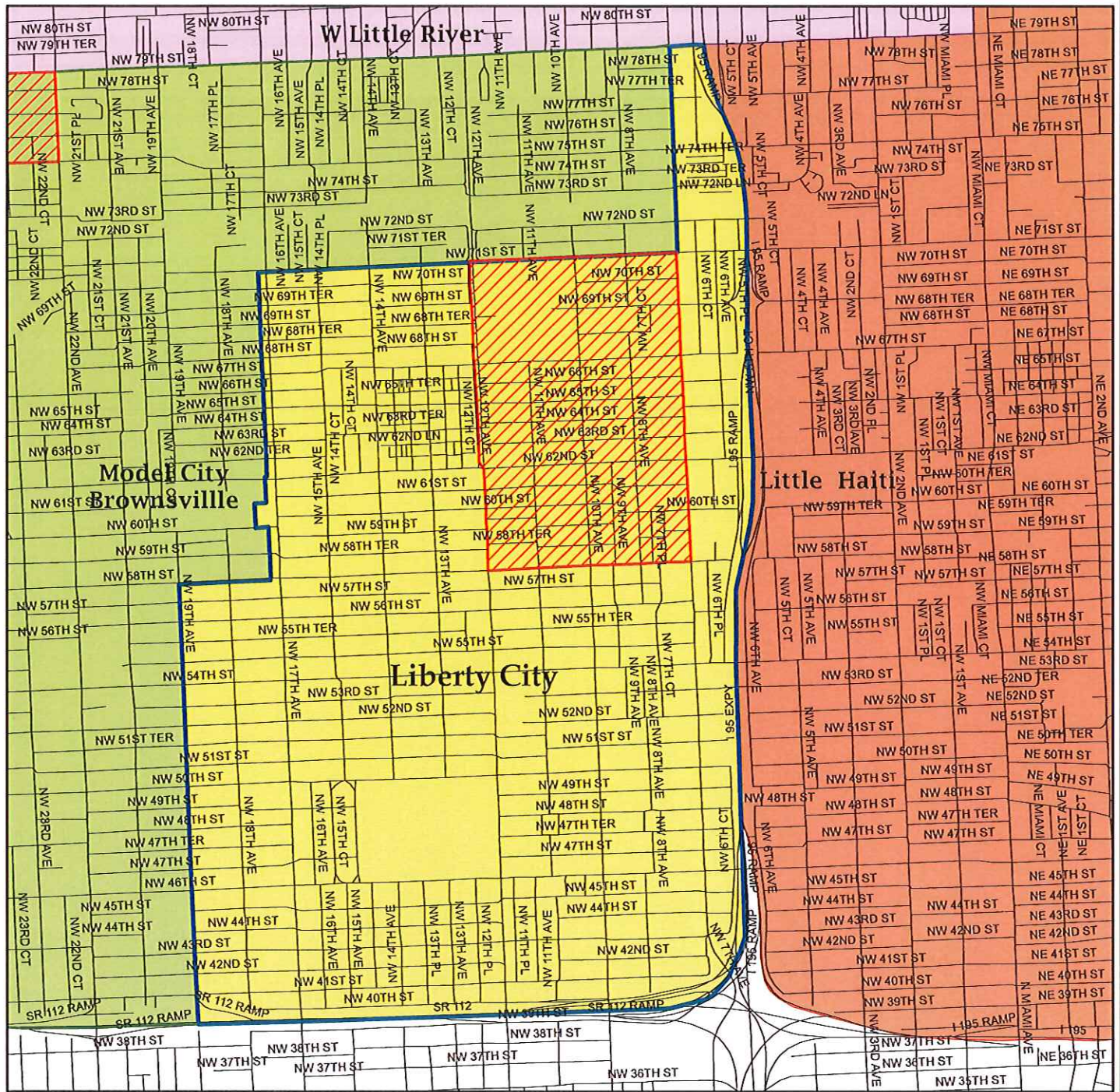
GOULDS
TARGETED URBAN AREA
MIAMI- DADE COUNTY, FLORIDA

 TARGETED URBAN AREA

MIAMI- DADE COUNTY, FLORIDA

 TARGETED URBAN AREA

MIAMI- DADE COUNTY, FLORIDA

 TARGETED URBAN AREA EMPOWERMENT ZONE

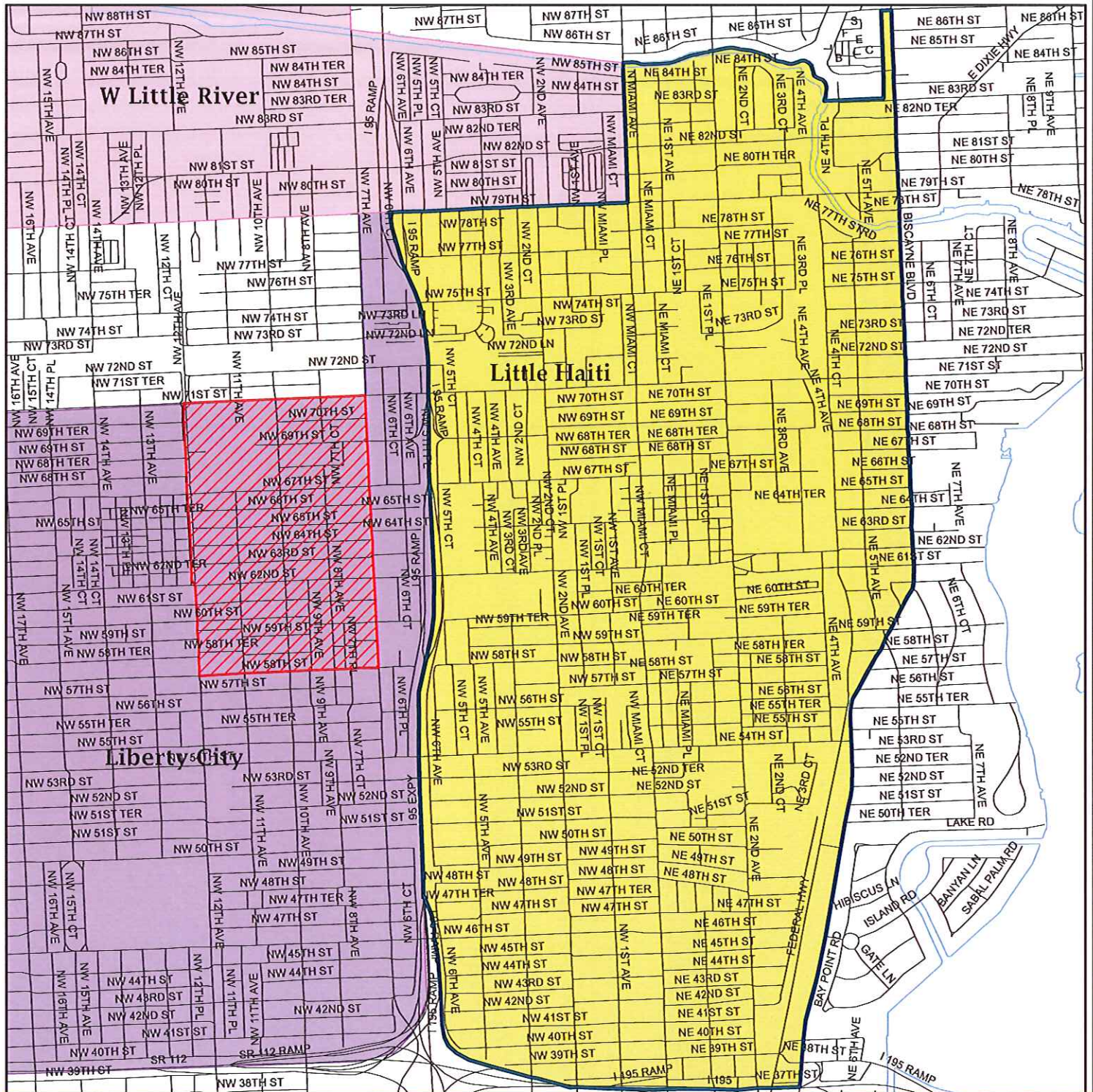
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 DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

LITTLE HAITI

TARGETED URBAN AREA & EMPOWERMENT ZONE

MIAMI- DADE COUNTY, FLORIDA



- TARGETED URBAN AREA
- EMPOWERMENT ZONE

0 1
Miles



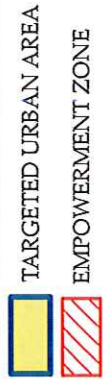
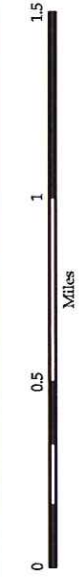
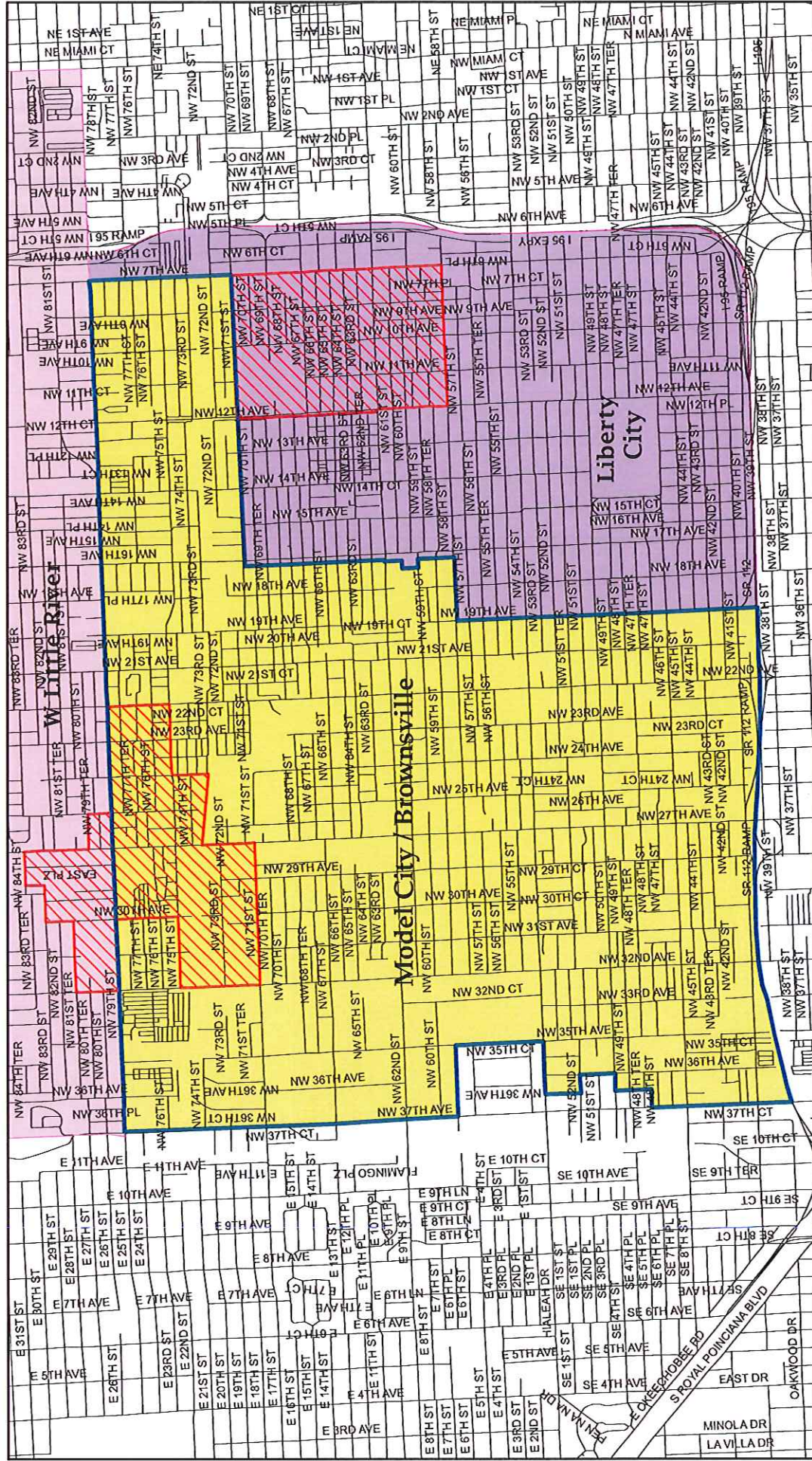
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DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

MODEL CITY / BROWNSVILLE TARGETED URBAN AREA & EMPOWERMENT ZONE

MIAMI-DADE COUNTY, FLORIDA



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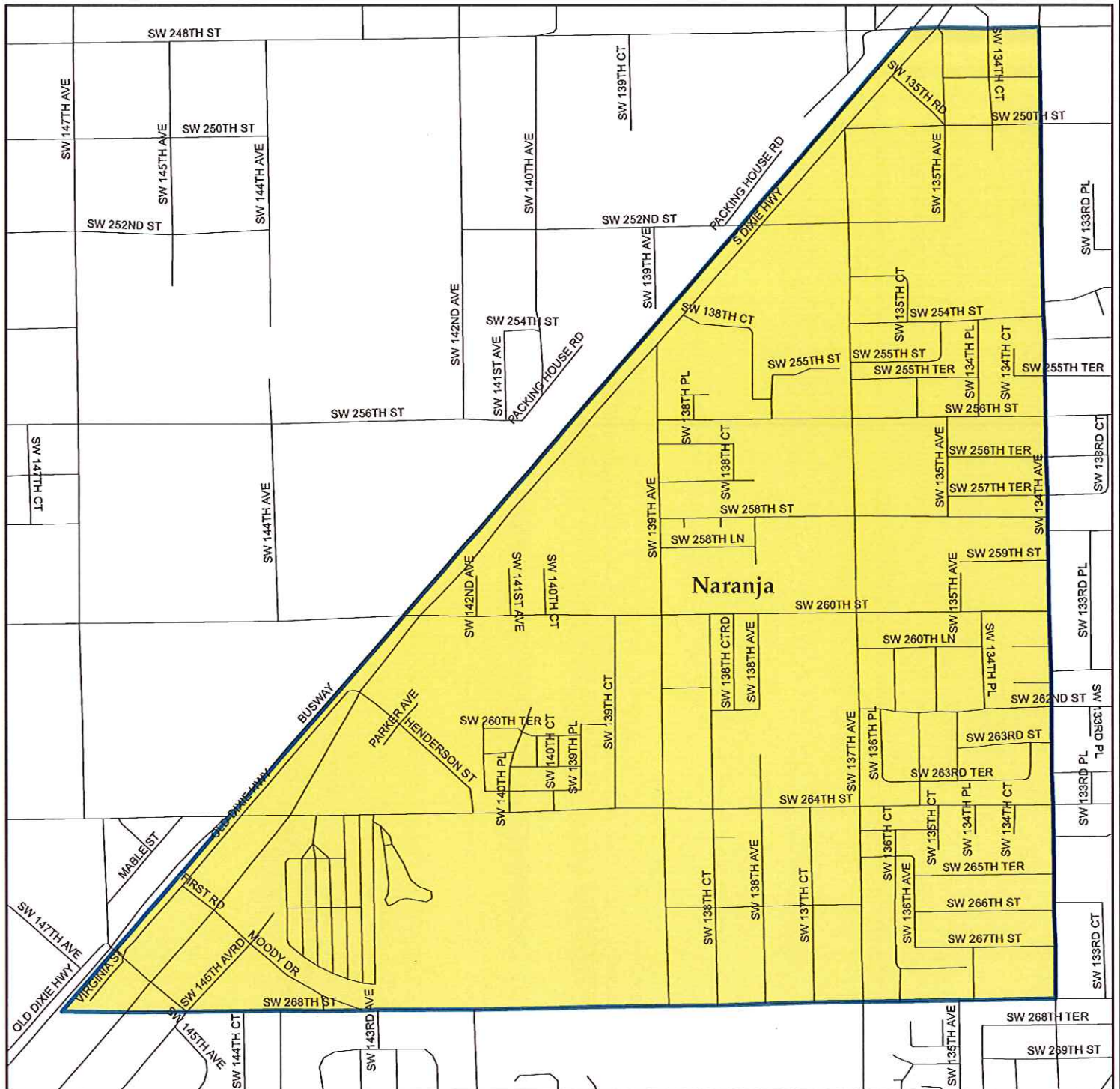


DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

NARANJA

TARGETED URBAN AREA

MIAMI- DADE COUNTY, FLORIDA

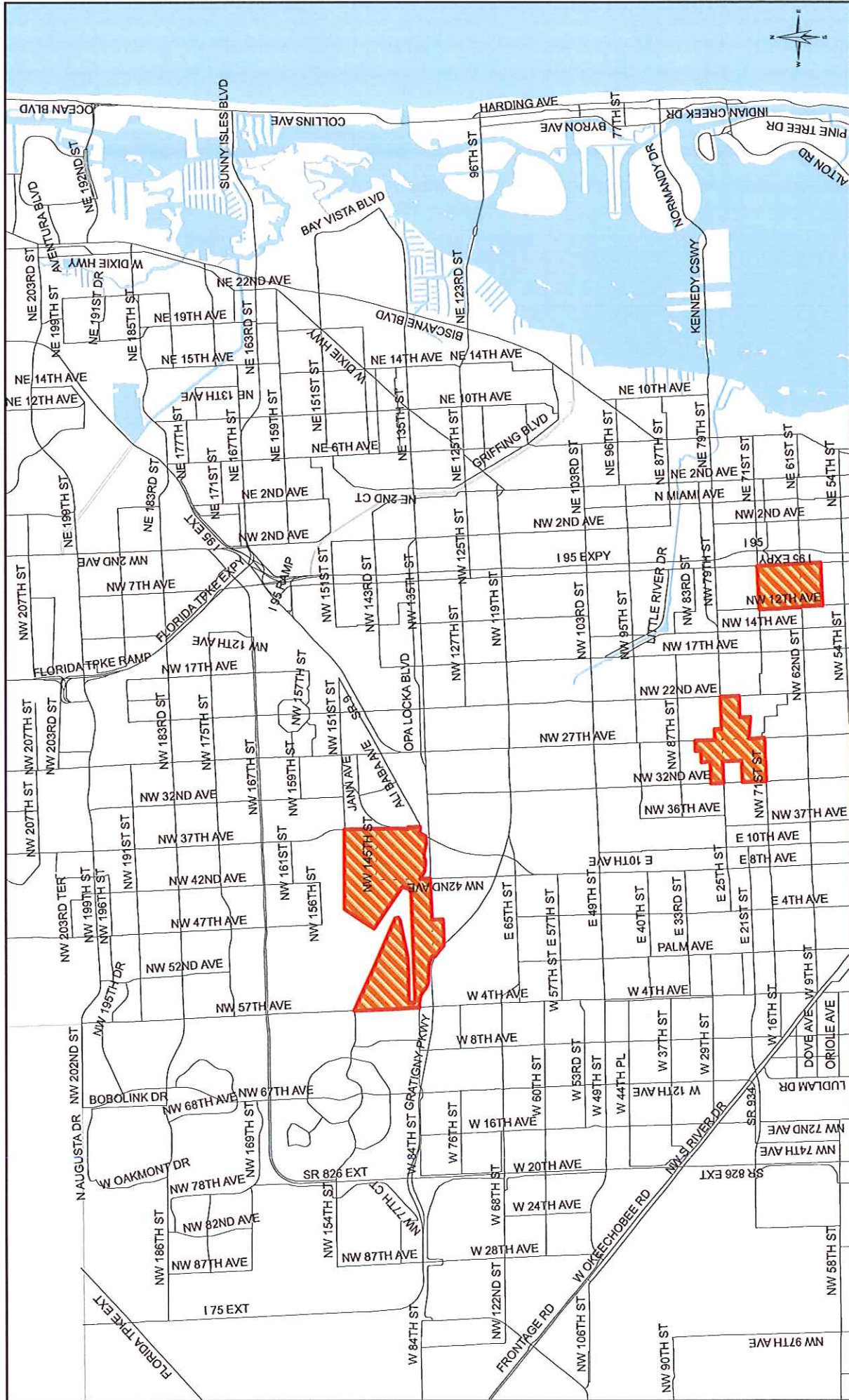


TARGETED URBAN AREA

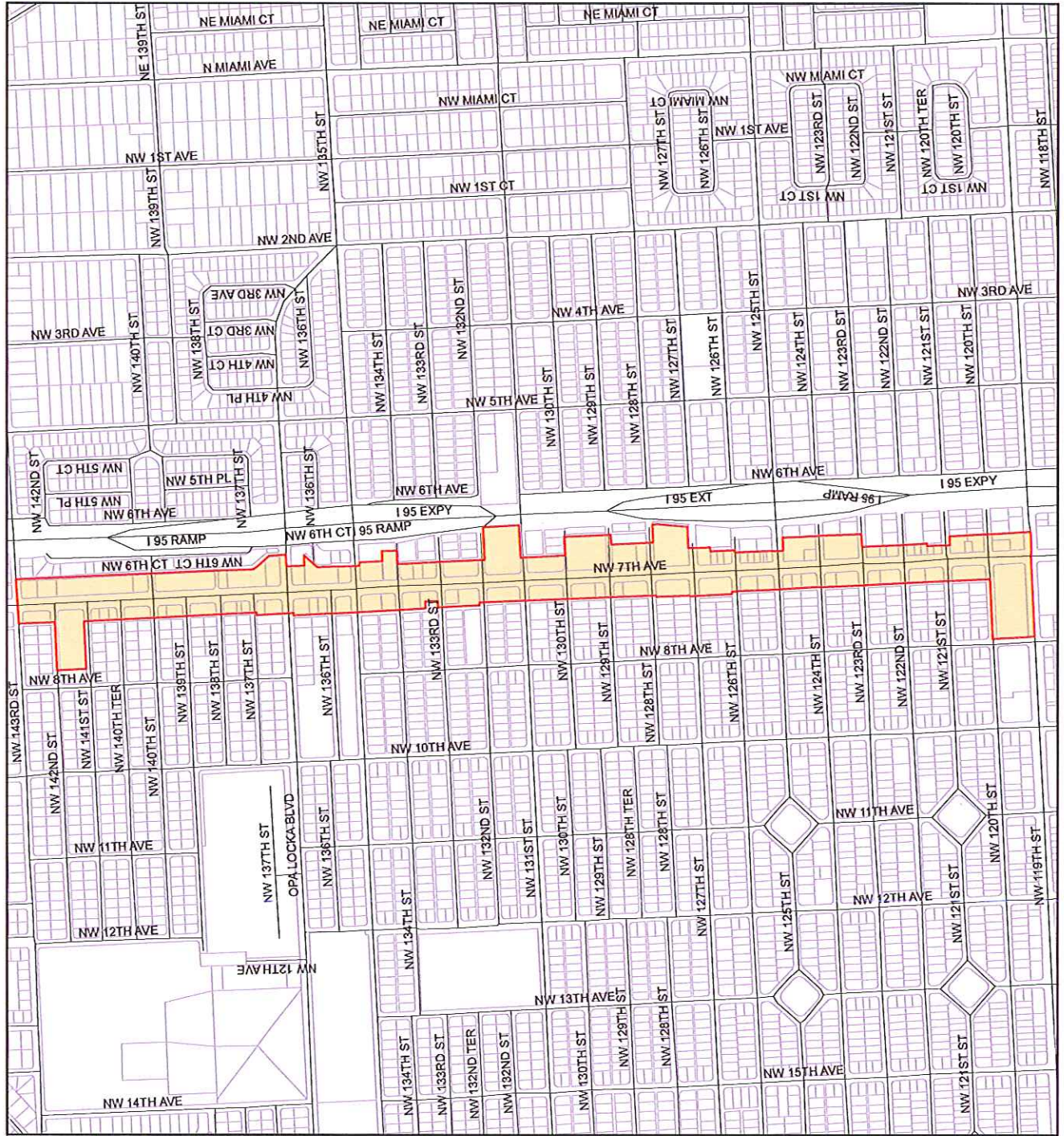
0 0.25 0.5
Miles

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NORTH EMPOWERMENT ZONE TARGETED URBAN AREAS



NORTH MIAMI 7th AVENUE DISTRICT TARGETED URBAN AREA



* Includes all Parcels Fronting NW 7th Avenue
from NW 119 Street to NW 143 Street
Major Streets and Highways

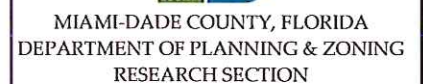
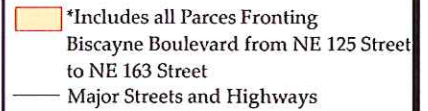
0 1,320 2,640
Feet



MIAMI-DADE COUNTY, FLORIDA
DEPARTMENT OF PLANNING & ZONING
RESEARCH SECTION

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TARGETED URBAN AREA



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223



MIAMI-DADE COUNTY, FLORIDA
DEPARTMENT OF PLANNING & ZONING
RESEARCH SECTION

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TARGETED URBAN AREA



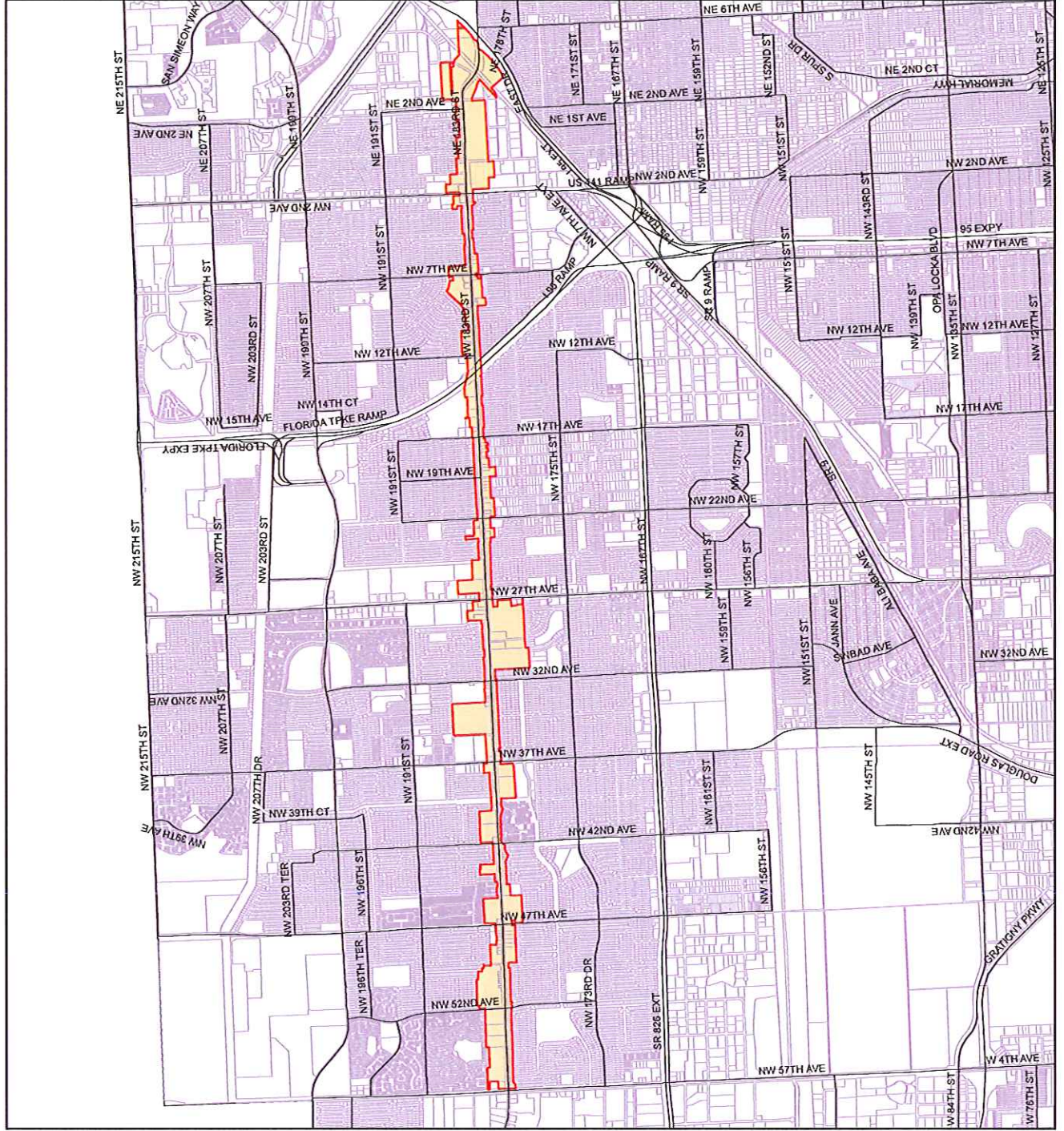
*Includes all Parcels Fronting West Dixie HWY
from NE 6 Avenue 125 Street to
NE 14 Avenue 143 street
Major Streets and Highways



MIAMI-DADE COUNTY, FLORIDA
DEPARTMENT OF PLANNING & ZONING
RESEARCH SECTION

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NORTHWEST 183rd STREET CORRIDOR TARGETED URBAN AREA



* Includes all Parcels Fronting NW 183 Street.
from NW 57 Avenue to NE 6th Avenue
Major Streets and Highways

0 2,640 5,280 10,560
Feet



MIAMI-DADE COUNTY, FLORIDA
DEPARTMENT OF PLANNING & ZONING
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MIAMI-DADE COUNTY, FLORIDA

MIAMI-DADE COUNTY, FLORIDA



TARGETED URBAN AREA

EMPOWERMENT ZONE



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MIAMI-DADE COUNTY, FLORIDA

MIAMI-DADE COUNTY, FLORIDA



EMPOWERMENT ZONE

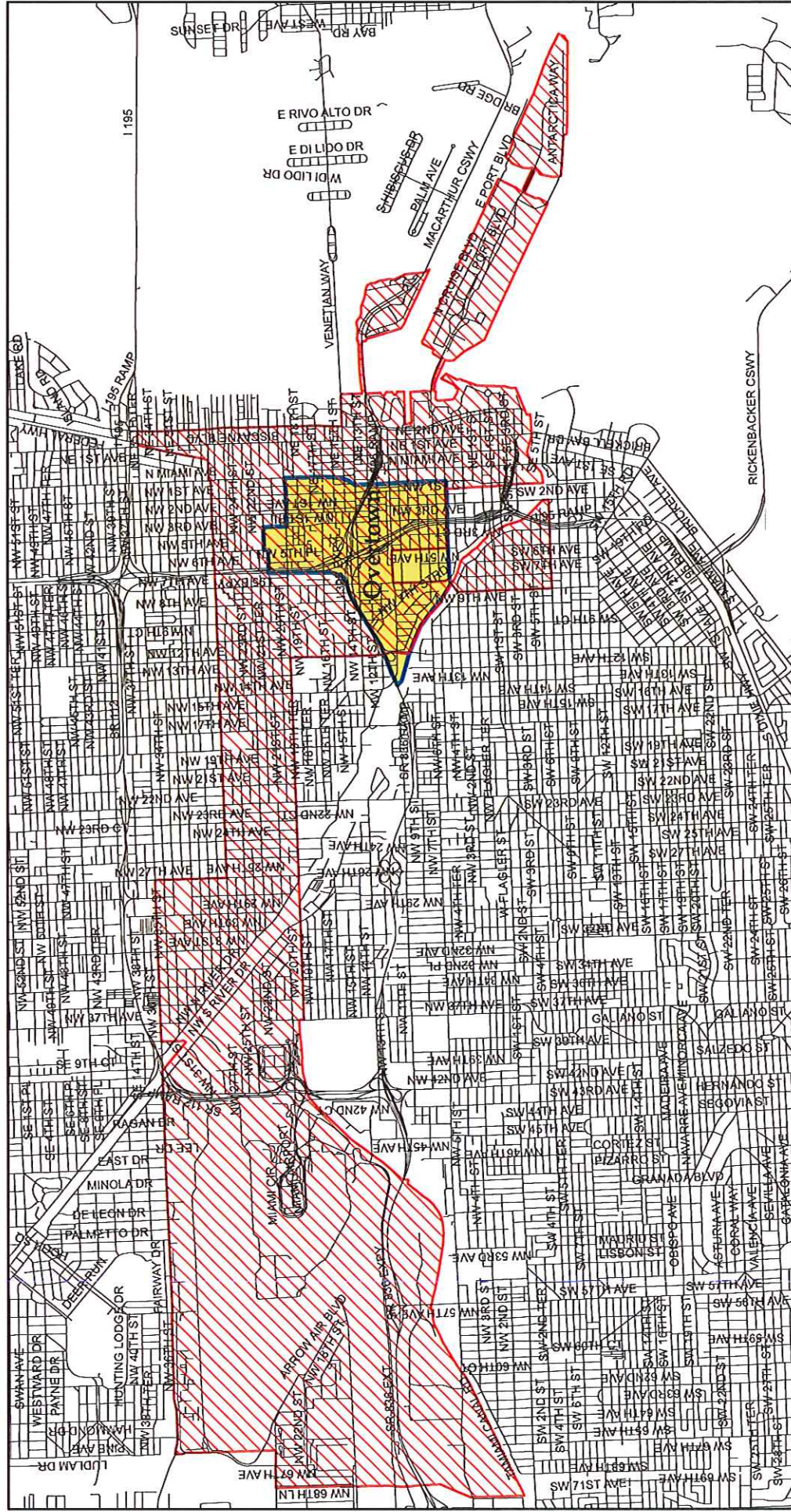


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DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

OVERTOWN TARGETED URBAN AREA & EMPOWERMENT ZONE

MIAMI-DADE COUNTY, FLORIDA



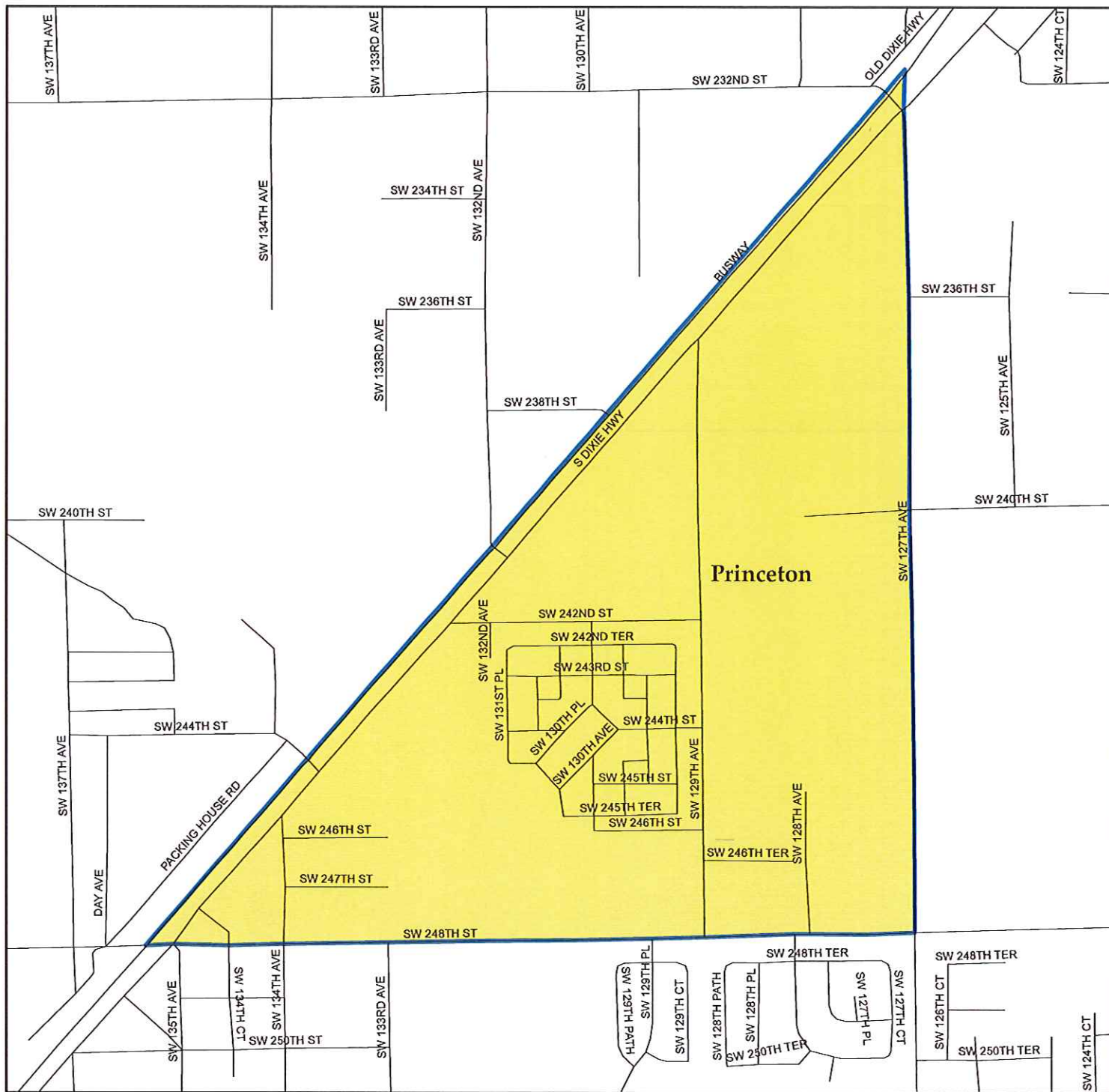
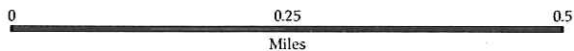
DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

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MIAMI- DADE COUNTY, FLORIDA



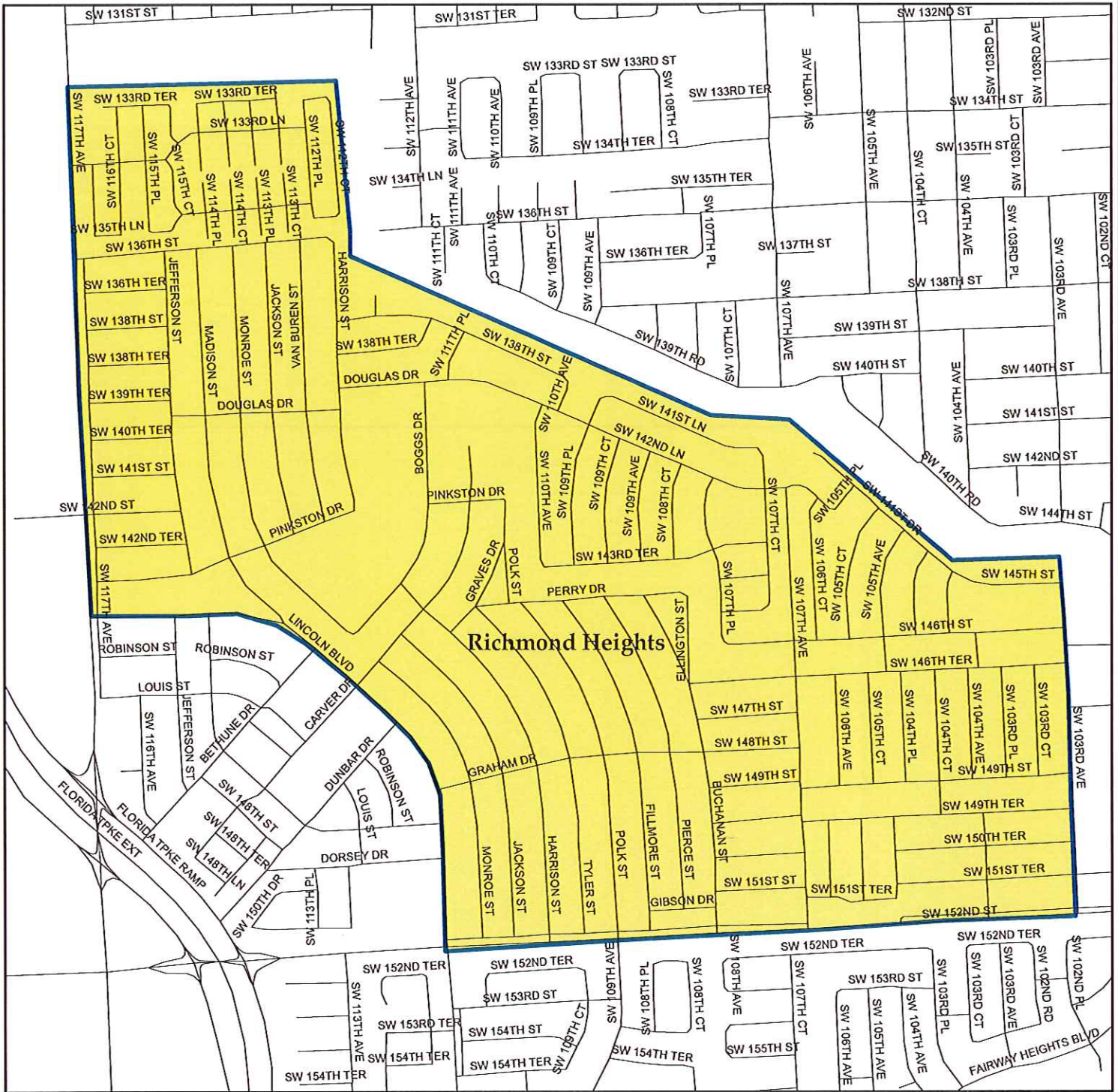
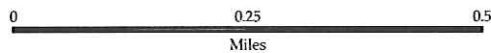
**PRINCETON
TARGETED URBAN AREA
MIAMI- DADE COUNTY, FLORIDA**

 TARGETED URBAN AREA

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 DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

**RICHMOND HEIGHTS
TARGETED URBAN AREA
MIAMI- DADE COUNTY, FLORIDA**

 TARGETED URBAN AREA

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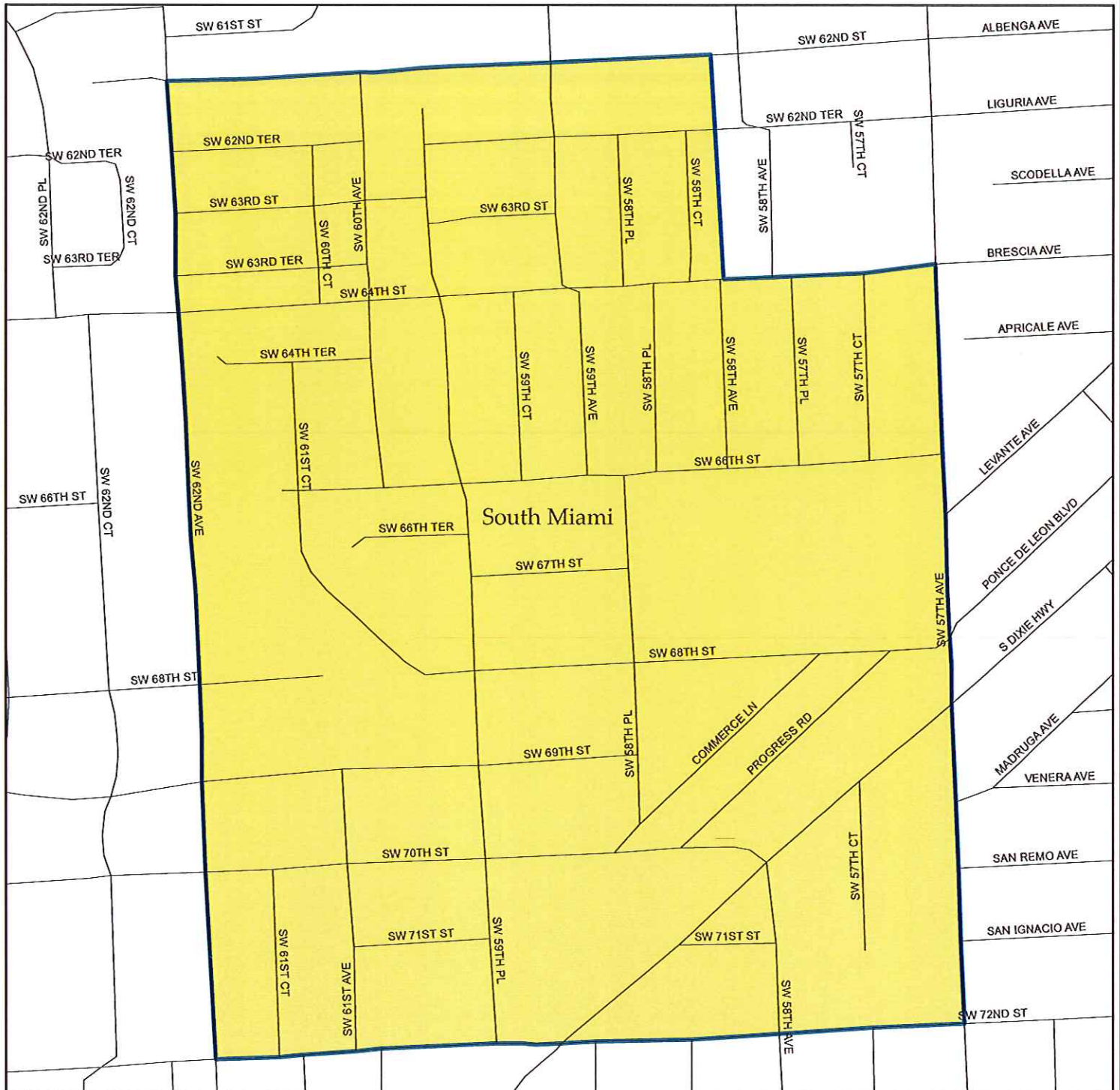


DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

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SOUTH MIAMI TARGETED URBAN AREA

MIAMI- DADE COUNTY, FLORIDA



 TARGETED URBAN AREA

0 0.25
Miles

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MIAMI-DADE COUNTY, FLORIDA

MIAMI-DADE COUNTY, FLORIDA



A horizontal scale bar with a black background and white markings. It is labeled '0' at the left end and '1' at the right end. Below the bar, the word 'Miles' is written in a serif font.

DEPARTMENT OF PLANNING & ZONING
PLANNING RESEARCH SECTION

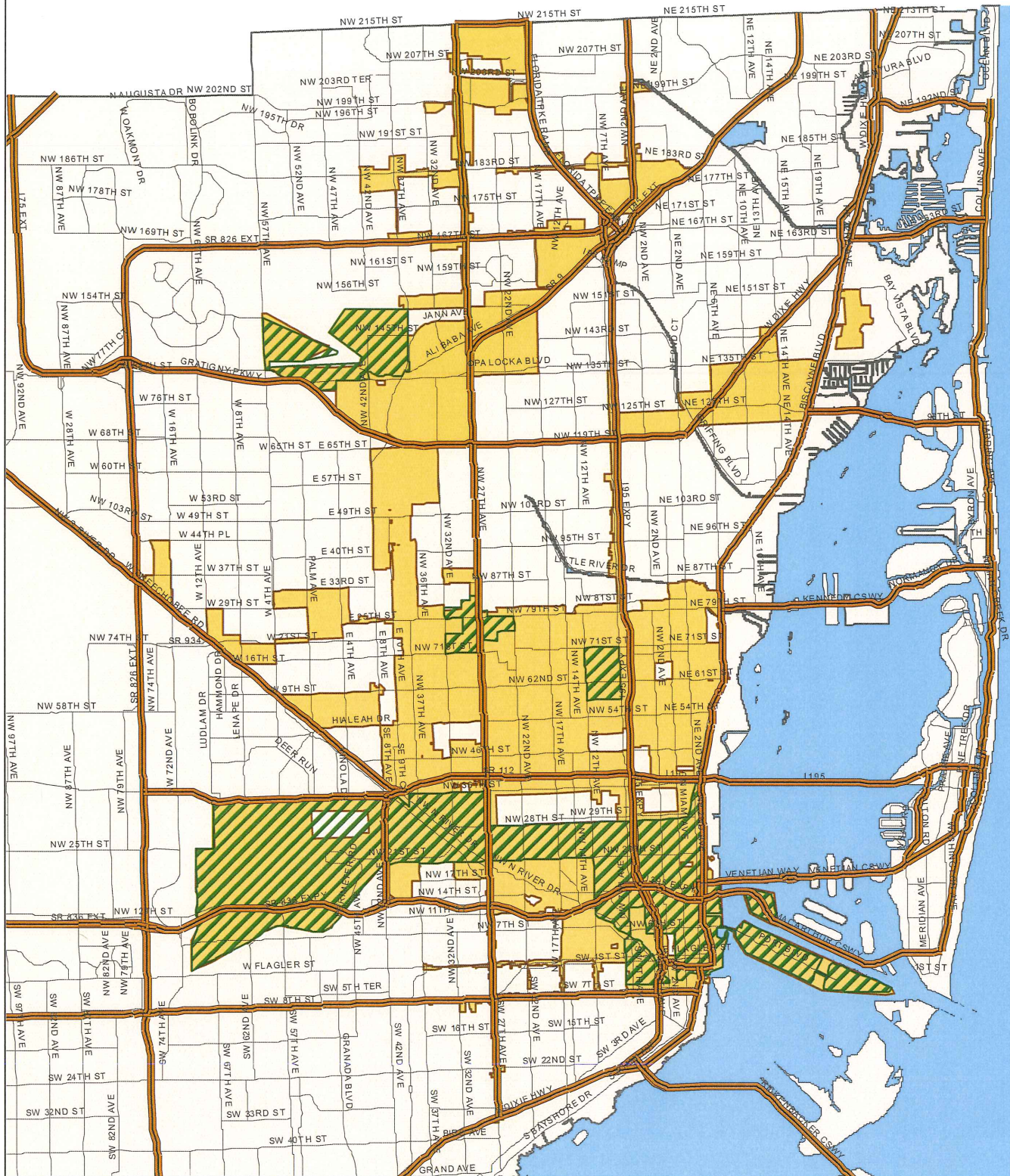
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Attachment # 2

Maps of State Enterprise Zones

Miami-Dade County

Enterprise Zone Central



Legend

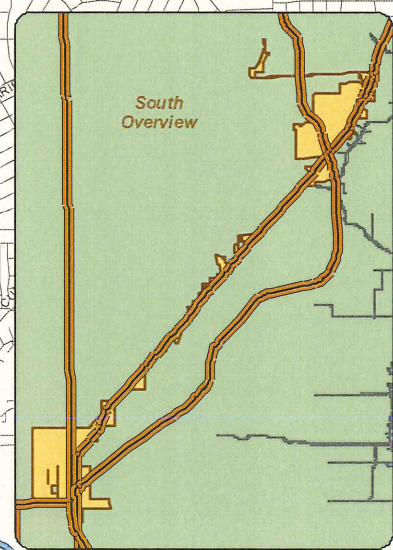
- Central Enterprise Zone
- Empowerment Zone
- Highway
- Major Road

This map was prepared by the Miami-Dade County
Enterprise Technology Services Department
Geographic Information Systems (GIS) Division



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Enterprise Zone
Cutler Ridge/ Perrine



Legend

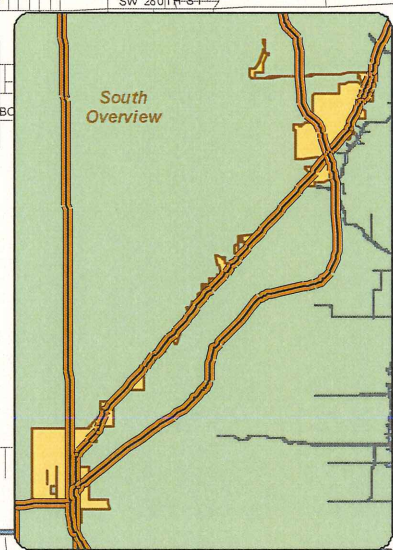
-  South Enterprise Zone
  Highway
 Major Road

This map was prepared by the Miami Dade County
Enterprise Technology Services Department
Geographic Information Systems (GIS) Division



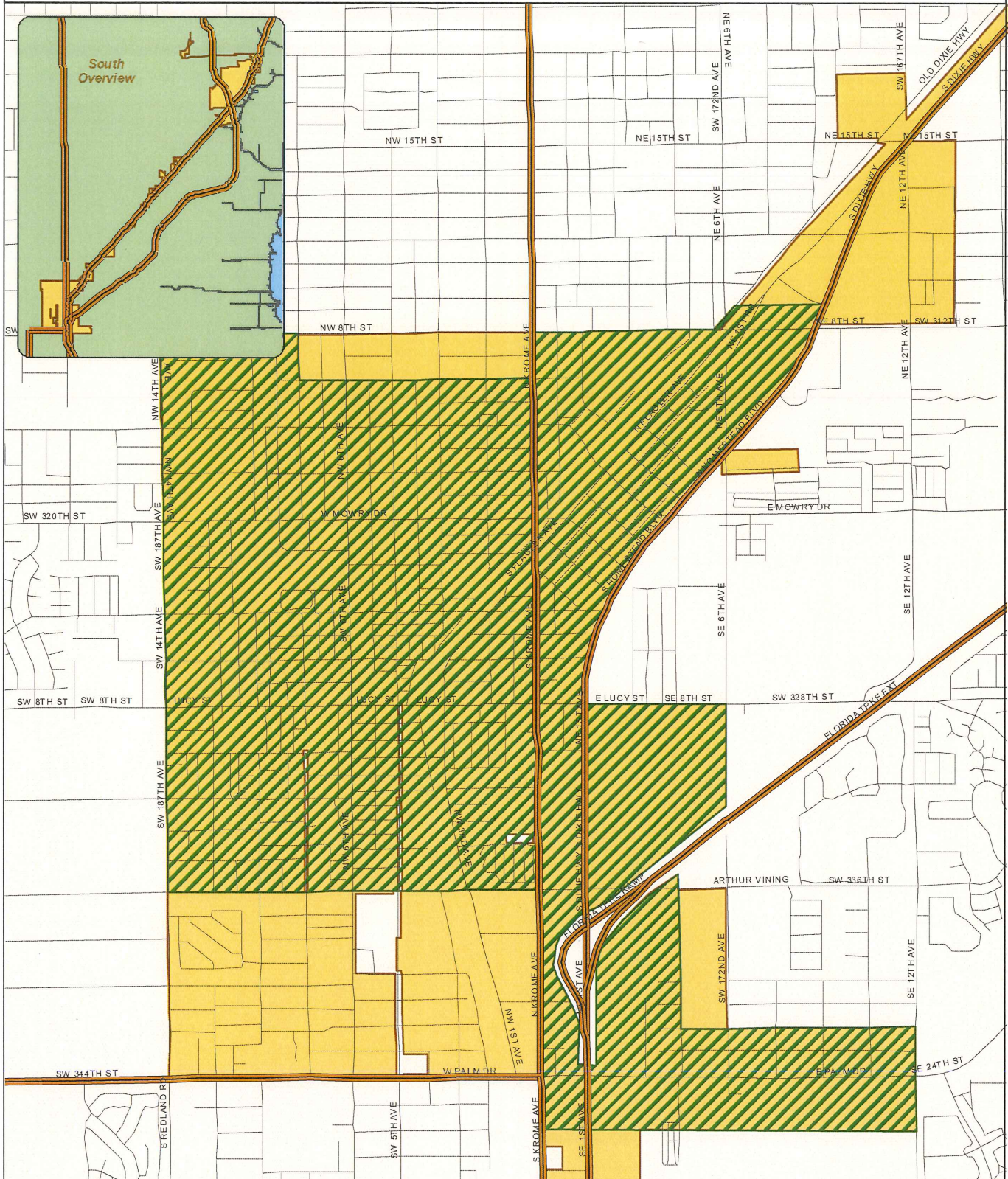
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Enterprise Zone
Goulds - Princeton/ Naranja



Miami-Dade County

Enterprise Zone
Homestead/ Florida City



Legend

- South Enterprise Zone
- Empowerment Zone
- Highway
- Major Road



This map was prepared by the Miami-Dade County
Enterprise Technology Services Department
Geographic Information Systems (GIS) Division




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Enterprise Zone
North Beach



Legend

 North Beach Enterprise Zone

 Highway
 Major Road

This map was prepared by the Miami Dade County
Enterprise Technology Services Department
Geographic Information Systems (GIS) Division



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Miami-Dade County

Enterprise Zone
South Beach



Legend

- Miami Beach Zone
- Highway
- Major Road



This map was prepared by the Miami-Dade County
Enterprise Technology Services Department
Geographic Information Systems (GIS) Division



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Attachment # 3

Contractual Job Agreement



PUBLIC HOUSING AND COMMUNITY DEVELOPMENT

Attachment C-1

AGREEMENT FOR FINANCIAL ASSISTANCE/TECHNICAL ASSISTANCE SERVICES FOR THE CREATION OF JOBS

In order to receive the various forms of Financial/Technical Assistance available through _____, businesses must enter into an Agreement to make "available" and to "document" the job creation for the benefit of low and moderate-income residents resulting from the technical assistance and/or financial assistance provided to your business.

Through this Agreement, you are committing your business operating under the name of _____ to:

- 1) Make available 51% of the resulting jobs to low- and moderate-income individuals.
- 2) Provide a list of the job titles of the permanent jobs expected to be created, which will be available to low/moderate-income individuals and which jobs require special skills or education and which are part-time, if any;
- 3) Provide a description of steps to be taken by your business to ensure that low- and moderate-income individuals receive first consideration for the jobs created;
- 4) Maintain a list of permanent jobs filled, available to low- and moderate-income individuals, and a brief description of the hiring process; and
- 5) Complete an annual report of all jobs created with names, income status, position titles, healthcare benefits, if any, and whether persons hired were unemployed at the time of hiring.

The applicant signing below understands the information in this Agreement, understands that _____ will not provide all the assistance requested by your business until action is executed.

(Agreed By) Signature of Applicant

Date

Duns Number – Required/Mandatory
(To obtain a DUNS #, PLEASE CALL 1-866-705-5711)

Intake Office (Name of Agency)

Date

Warning: Title 18, US Code Section 1001, states that a person who knowingly and willingly makes false or fraudulent statements to any Department or Agency of the United States is guilty of a felony. State law may also provide penalties for false or fraudulent statements.



This material is available in an accessible format upon request.

AMCD/___/62112

Attachment # 4

Miami Dade County

FY 2013 -2017

Consolidated Plan

Priorities

MEMORANDUM

Agenda Item No. 8 (K) (1)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

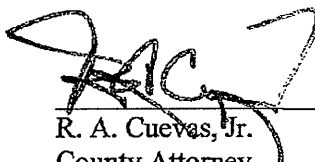
DATE: September 4, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving Miami-Dade County's FY 2013 – 2017 Consolidated Plan; authoring the County Mayor to submit the FY 2013 – 2017 Consolidated Plan to the U.S. Department of Housing & Urban Development

This item was amended from the original version as stated on the County Mayor's memorandum.

The accompanying resolution was prepared by the Public Housing and Community Development Department and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

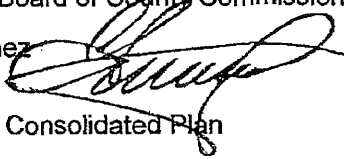
RAC/jls

Memorandum



Date: September 4, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: FY 2013 – 2017 Consolidated Plan

This item was amended at the July 11, 2012 Economic Development and Social Services Committee meeting to reflect the following changes: Commissioner Dennis C. Moss and Commissioner Jean Monestime amended the plan to include Goulds and Biscayne North as Neighborhood Revitalization Strategy Areas and an additional section was added as Section 7 in the Resolution to comply with the directives, as set forth in Resolution No. R-596-12.

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the FY 2013-2017 Consolidated Plan and Citizen's Participation Plan. It is also recommended that the Board authorize the County Mayor or County Mayor's designee to submit the FY 2013-2017 Consolidated Plan to the United States Department of Housing and Urban Development (U.S. HUD) by November 15, 2012. A copy of the FY 2013-2017 Consolidated Plan is included as Attachment 1. It is further recommended that the Board adopt a policy for allocation of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) program funds in the FY 2013 Action Plan; as well as a composition of Neighborhood Revitalization Strategy Areas (NRSAs) for the next five years. It is also recommended that the BCC authorize the County Mayor or County Mayor's designee to approve the inclusion of State Housing Initiative Partnership (SHIP) and Documentary Stamp Surtax (SURTAX), and any other local, state or federal funds, which may become available in any Request for Application or other application process in accordance with policy set by the Board. It is recommended that the Board authorize the Mayor or the Mayor's designee to receive and expend grant funds, and to execute such contracts, agreements, Memoranda of Understanding (MOU), and amendments, after approval by the County Attorney, as required by program guidelines. It is also recommended that the Board authorize the Mayor or the Mayor's designee to apply for, receive, and expend additional funds that may become available during the term of the grant; to file and execute any amendments to the application for and on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office.

SCOPE

Miami-Dade County's (the County) proposed strategies for application of the County's annual award of CDBG, HOME, and ESG program funds, to address the needs of low-to-moderate income communities within the County's entitlement boundaries during the next five-year period, are reflected in Attachment 1.

PURPOSE OF THE CONSOLIDATED PLAN

Miami-Dade County is required to submit a Consolidated Plan (the Plan) to U.S. HUD in accordance with the Consolidated Submissions for Community Planning and Development programs (24 CFR Parts 91.1 through 91.600). Public Housing and Community Development (PHCD), which is the County's lead agency for coordination of the Consolidated Plan, follows the rule of a single consolidated submission. The rule requires a single submission for the planning and application aspects of the following programs: CDBG, HOME, and ESG. The Housing Opportunities for People with AIDS (HOPWA) program is administered by the City of Miami, and therefore, is not addressed in this Plan. The subject Plan will cover a five-year period starting January 1, 2013 through December 31, 2017. The current five-year plan

(fourth revision), under which the County is operating, is for the period starting January 1, 2008 through December 31, 2012.

OVERALL GOALS OF THE CONSOLIDATED PLAN

There are four (4) overall goals of the County's community planning and development programs covered by the Plan:

1. Provide very low- to moderate-income households increased access to decent and affordable housing;
2. Expand economic opportunities to create and retain jobs through business development and/or expansion;
3. Provide adequate public facilities and capital improvements (primarily drainage, water and sewer and facility improvements) to benefit low- to moderate-income areas and residents; and
4. Provide access to essential public services.

The major components of the Consolidated Plan are:

- Housing and Homeless Needs Assessment
- Housing Market Analysis
- Community Development
- Non-Homeless Special Needs
- Citizen Participation Plan

Housing and Homeless Needs Assessment

The Housing and Homeless Needs Assessment includes estimated housing needs for the five-year period. In the preparation of this section, reliance was placed on 2010 U.S. Census and the American Community Survey data, along with demographic, housing and labor statistics maintained by the Department of Regulatory and Economic Resource (RER); Shimberg Center, Florida Bureau of Economic Research (University of Florida); and Claritas, Inc.

Additionally, the Miami-Dade County Homeless Trust and PHCD provided supplemental information on homeless and public housing-related needs. The category of affected beneficiaries included, extremely low-income, low-income, moderate-income and middle-income families, both renters and owners, the elderly, the homeless, and others with special needs. Other factors considered were the extent of overcrowding, as well as substandard housing suitable for rehabilitation and an analysis of the rent burden, defined as the percentage of household income spent for monthly rent or mortgage expenses.

Housing Market Analysis

The Housing Market Analysis presents significant characteristics of Miami-Dade County's housing market. It includes the evaluation of the supply, demand, condition and cost of housing, with a focus on low- to moderate-income households, as well as persons with disabilities or special needs. Areas with low-income or minority concentrations are also identified. Public and assisted housing is described, including physical condition, restoration and revitalization needs, and accessibility under Section 504 of the Rehabilitation Act of 1973. PHCD, as the local public housing authority, presents its strategy for improving the management and operation of public housing as well as the living environment of its residents. Public and assisted housing developments, homeless facilities, special needs facilities and services, and barriers to affordable housing are also inventoried.

Community Development

The Strategic Plan component of the FY 2013-2017 Consolidated Plan describes the basis for allocating CDBG and other matching funds throughout the County. Guiding the County are seven (7) strategic objectives for neighborhood revitalization:

1. Empower communities to meet local needs;
2. Help communities establish a full continuum of housing services designed to assist homeless individuals and families to achieve permanent housing and self-sufficiency;
3. Increase access by families and individuals to affordable housing in suitable living conditions;
4. Promote equal housing opportunities for those protected by law;
5. Reduce the isolation of low-income groups within specific communities or geographic areas;
6. Provide empowerment and self-sufficiency opportunities to support low-income individuals and families as they make the transition from dependency to self-sufficiency; and
7. Provide economic opportunities for low- and moderate-income persons through the promotion of small business and microenterprise development programs, resulting in the creation and retention of jobs.

Miami-Dade County, like many communities across the nation, is facing a significant problem addressing community needs due to the poor economy and the reduction in Federal and State funding for housing and neighborhood issues. Community needs continue to rise at an increasing rate, while essential Federal programs continue to experience drastic funding cuts. The Strategic Plan seeks to implement strategies, programs, and projects that offer the greatest potential for leveraging the shrinking pool of Federal funds, while offering the greatest return on investment to the County and its underserved communities.

Non-Homeless Special Needs

The Plan addresses the challenge of estimating, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, the disabled, persons with alcohol or other drug addictions, victims of domestic violence, and others with special needs.

PROPOSED FIVE-YEAR FUNDING PRIORITIES AND STRATEGIES

PMG Associates, Inc. was hired as the consultants to develop the FY 2013–2017 Consolidated Plan. Based on a review of current census and demographic data, as well as direct feedback received from local residents, community agencies, and other stakeholders, PHCD proposes the following programmatic CDBG, HOME and ESG funding priorities for FY 2013 through FY 2017, as reflected in Table 1:

Community Development Block Grant Program

1. **Small Business Lending:** The County shall prioritize funding for financial intermediaries engaged in direct lending to small businesses and microenterprises. Investment in small business development and expansion is viewed as essential to the promotion of job creation and wealth-building opportunities in the County's lower-income target areas. Such funding will also work to eliminate slum and blighted conditions in the County's lower-income target areas, foster a more vibrant business environment, and stimulate private economic investment along critical commercial corridors.
2. **Small Business Incubators:** The County shall prioritize funding for the operation of small business incubators in the County's lower-income target areas. Investment in small business incubators has proven in the past to be a good investment for the County, serving as breeding grounds for fledgling businesses, and promoting low- and moderate-income job growth.
3. **Special Economic Development Projects:** The County shall prioritize funding for the rehabilitation or new construction of mixed-use commercial, retail, and/or office developments. The County shall invest in catalytic projects in the County's lower-income target

areas that will eliminate existing slum and blighted conditions, stimulate investment in critical commercial corridors, create a more vibrant business investment climate, and promote job creation for low- and moderate-income residents.

4. **Technical Assistance to Small Businesses:** The County shall prioritize funding to agencies that provide comprehensive small business technical assistance services. In an effort to promote job growth and economic expansion in the County's lower-income target areas, the County shall continue to invest in agencies that offer a broad range of services to small businesses, including, but not limited to: business planning; accounting and bookkeeping; marketing and advertising; information technology solutions; taxation; and financial planning.

It is anticipated that through the County's support of the above-mentioned economic development activities that a minimum of 77 new jobs will be created annually.

5. **Public Services:** The County shall prioritize funding to agencies that provide vital public services to residents of the County's lower-income target areas. Services that will receive the greatest priority include:

- Meals programs for the elderly and disabled
- Childcare
- Juvenile diversion programs
- Transportation Services
- Employment training and assistance

In a series of community outreach meetings conducted by PHCD, local residents throughout the County consistently prioritized these services. It is projected that a minimum of 4,548 persons will benefit from various CDBG-funded public service programs annually.

6. **Public Facilities and Capital Improvements:** The County shall prioritize funding to upgrade parks, community centers, and street and roadway improvements to benefit low- to moderate-income residents of Miami-Dade County. Community input throughout the County consistently prioritized improvements to public facilities and infrastructure inclusive of the above-listed activities. It is projected that a minimum of 3 facilities will be improved and 7,072 persons would be served.
7. **Housing:** The County shall prioritize funding to be utilized for housing code enforcement, graffiti abatement, and for the administration of Tenant-based Rental Assistance programs. These activities will continue to be important revitalization strategies in the County's NRSAs and Eligible Block Groups. It is projected that a minimum of 1,226 people will be served and 16 housing units assisted.

HOME Investment Partnerships Program

Current data analyzed by PHCD places Miami-Dade County's rent burden among the highest in the nation. Rent burden is defined as the percentage of a household's income that is used to pay rent and related housing expenses. During recent community engagement meetings held throughout the County, residents consistently complained about the lack of affordable housing in their communities. While many of these communities have experienced new housing development, rent levels remain unaffordable, particularly for seniors on fixed incomes, youth aging out of foster care, families at risk of homelessness, and working households with incomes at or below thirty percent (30%) of the area median income. To address this need, PHCD recommends the following funding priorities:

1. **Tenant-based Rental Assistance (TBRA):** The County shall prioritize funding to agencies that administer TBRA programs. TBRA programs operate similarly to the more commonly known

Section 8 program. Under the TBRA program, households will pay no more than 30% of their incomes toward rent and related housing expenses, with the TBRA subsidy covering the difference, up to the County's Fair Market Rent (FMR). The County will target households with the greatest need, represented by those households with incomes at or below thirty percent (30%) of the area median income. Priority will be given to seniors, youth aging out of foster care, families at risk of homelessness, and persons with disabilities. Based on current funding levels, the County would expect to assist a minimum of 288 households annually.

2. **Multi-family Residential New Construction and/or Rehabilitation:** The County shall provide pre-development, construction/rehabilitation, and/or permanent financing to developers of affordable rental housing. Priority shall be given to projects in the County's lower-income target areas. Preference will be given to projects being undertaken by a qualified Community Housing Development Organization (CHDO). HOME funding is expected to produce or assist a minimum of 20 units of rental housing annually.
3. **Homeownership Rehabilitation:** The County shall provide funding to qualified nonprofit agencies, including CHDOs, to undertake the rehabilitation of homes owned by seniors and persons with disabilities who reside in the County's lower-income target areas. Based on current data, several of the County's lower-income target areas have among the oldest housing stock in the County, with many homes failing to meet code requirements, or deemed to be in substandard condition. HOME funds would be used to correct code violations, address deferred maintenance, enhance energy efficiency, and address accessibility issues, among other things. HOME funding is expected to assist a minimum of 10 elderly/senior/disabled owner-occupied households annually.

Emergency Solutions Grant Program

1. **Rapid Re-housing:** The County shall provide funding to qualified nonprofit agencies to administer rapid re-housing programs and services to individuals and families who are at risk of homelessness. The Program shall target households with incomes at or below 30% of the area median income. Such funding shall be intended to prevent displacement of households from existing housing or to provide rapid re-housing options for households recently displaced by eviction. Under the Rapid Re-housing program, the County expects to serve a minimum of 488 households or individuals annually.
2. **Emergency Shelter:** The County shall provide continued administrative funding to support the operation of the Beckham Hall Homeless Shelter. The County shall continue administrative funding for the 88-bed Beckham Hall Homeless Shelter. The shelter is expected to provide short-term (90-day maximum stay) emergency housing to a minimum of 350 homeless single men and women annually. When determining the use of ESG funds, priority shall be given to ensure the continued operation of Beckham Hall.

CITIZEN'S PARTICIPATION PLAN

U.S. HUD requires that the Five Year Consolidated Plan for each entitlement agency adopt a Citizen's Participation Plan. PHCD makes every effort to encourage the participation of all citizens, including minorities and non-English speaking persons, as well as persons with disabilities. Additionally, PHCD works to fully engage residents of public housing, along with other low-income residents of the Neighborhood Revitalization Strategy areas (NRSAs) and eligible block groups, in the process of developing and implementing the Consolidated Plan. The Citizen's Participation Plan (Appendix A) includes a clarification to the language regarding administrative approval of non-substantial changes.

To obtain community input, PHCD conducted nine (9) community-wide meetings in the north and the south areas of the County during the months of December 2011, January 2012, and May 2012. The

meetings were held in publicly accessible, transit-oriented facilities with representatives of all NRSAs, community agencies and groups, and local residents. These meetings were scheduled during the week and weekend as well as during the day and evening times so that all who desired to participate would be able to attend one or more of the meetings. PHCD also established a dedicated e-mail address on the County website so that any comments or concerns could be delivered to staff in an electronic format.

The community input for the FY 2013-2017 Consolidated Plan included the following high priorities: economic development, public service, capital improvements/infrastructure, and housing. Submitted comments are attached to the plan, as Appendix B and priorities of the Community Advisory Committees are contained in the Community Development section of the Plan.

DISCUSSION OF THE NEIGHBORHOOD REVITALIZATION STRATEGY AREAS

The Federal Register published on January 5, 1995 authorized entitlement grantees to develop comprehensive approaches to address economic development and housing needs in a designated neighborhood within their community. This approach is referred to as a Neighborhood Revitalization Strategy Area (NRSA). To meet the needs of the community, Miami-Dade County previously established NRSAs in a concerted effort to focus on the issues within specific neighborhoods. These areas must meet certain criteria established by U.S. HUD, as follows:

- The selected area must be primarily residential.
- The selected area must represent a contiguous geographic area.
- The area must contain a high percentage of Low-Mod Income (LMI) households. The percentage of LMI residents within the neighborhood must be equal to:
 - 70 percent of the total population in the selected area (if the grantee's upper quartile is greater than 70 percent LMI residents);
 - The upper quartile percentage, if the grantee's upper quartile is greater than 51 percent, but less than 70 percent LMI in the total population)

As of June 2012, Miami-Dade County's existing NRSAs include eight (8) communities representing the poorest segments of the population. These eight (8) areas include:

- | | |
|-------------------------|----------------------|
| 1. Goulds | 5. Opa-Locka |
| 2. Leisure City/Naranja | 6. Perrine |
| 3. Melrose | 7. South Miami |
| 4. Model City | 8. West Little River |

The following discussion is intended to set forth the most viable options for continuing the County's NRSA targeted investment strategy.

Option I - Existing Structure

This option proposes the continuation of six of the eight existing NRSAs to exclude Melrose and Goulds and the addition of Cutler Ridge for a total of seven NRSAs. Although the demographic analysis notes that the Melrose area contains nearly 79% low- to moderate-income households, Melrose contains only one Eligible Block Group based on the most recent Census. With an area of this nominal size, developing projects of any significant and meaningful impact and facilitating the organizational structure and capacity on a neighborhood basis will be severely reduced. The combination of Goulds' lower population and poverty rate in comparison to Cutler Ridge resulted in the Goulds NRSAs now being considered as a Neighborhood Outreach Areas (as described below in Tier 2). The remaining six NRSAs have active organizations and contain a larger geographic area to be serviced. The recent Census data

will dictate a change in boundaries to these NRSAs, with the current West Little River NRSA increasing in size exponentially.

A recent demographic analysis conducted by the Department of Regulatory and Economic Resource (RER) in April 2012, identified an additional five (5) new neighborhoods as meeting the U.S. HUD NRSA criteria: Biscayne North, Cutler Ridge, North Miami, Sweet Water, and West Kendall. These areas currently do not have an existing community engagement structure in place. Table 2 (attached), provides a summary of the proposed target areas under consideration for designation as an NRSA.

Option II - Prioritization Based on Need

This is a hybrid option that has demonstrated successful application in other similar communities across the nation. In Arlington County, Virginia, for example, the County has established an NRSA strategy that prioritizes the eligible target areas based on an assessment of the degree of poverty, need and other key economic indicators. These neighborhoods are then categorized into tiers, with each tier defining a level of need and establishing the foundation for the type and scope of assistance that is provided. Using a similar approach, the County's eligible low-income target areas would be divided into one of two (2) tiers: 1) Neighborhood Focus NRSAs, or 2) Neighborhood Outreach Areas, as follows:

Tier 1 – Neighborhood Focus NRSAs: PHCD recommends designating nine (9) areas as Neighborhood Focus NRSAs: Leisure City/Naranja, Goulds, Model City, Opa Locka, Perrine, South Miami, West Little River, Biscayne North, and Cutler Ridge. These areas represent the County's neighborhoods with the greatest socio-economic needs and would receive the highest level and scope of services. As is the case with Arlington County, Virginia, the Neighborhood Focus NRSAs would be represented by Community Advisory Committees (CACs) and would be targeted to receive CDBG-funded neighborhood-specific programs and services. Based on this tiered strategy, PHCD would recommend the classification of its neighborhood "focus" areas as reflected in Table 3 (attached).

Tier 2 – Neighborhood Outreach Areas: PHCD recommends designating four (4) areas as Neighborhood Outreach Areas: Melrose, North Miami, Sweet Water, and West Kendall. These areas represent relatively stable neighborhoods with high populations of low-income persons but without major revitalization needs. They would be designated to receive outreach, civic engagement support and monitoring. The focus in Outreach Areas would be to ensure that low-income households are aware of County-funded programs for which they are eligible, and to foster their participation in civic affairs. Based on this tiered strategy, PHCD would recommend the classification of its neighborhood "outreach" areas, as reflected in Table 3 (attached):

Option III – Regional Target Areas

PHCD considered a third option which would have combined the West Little River and Model City NRSAs, since both of these areas form one large, contiguous low-income area, that, when combined, would have served the North Dade area. The same is true of Goulds, Perrine, and Cutler Ridge, which, when combined, would have formed one large, contiguous area serving primarily South Dade. However, this option was not given full consideration after representatives of the impacted areas expressed a strong desire to maintain their separate, individual community identities and geographic boundaries.

Summary of NRSA Discussion

Based on the analysis contained herein, PHCD recommends Option II. This option provides for nine (9) low-income target areas to be designated as NRSAs and four (4) low-income areas to be designated for special outreach. The proposed funding recommendations and priorities, as stated herein for the period of FY 2013 through FY 2017, would largely be targeted to address needs of low- and moderate-income

households residing in the nine (9) NRSAs but would focus some outreach efforts within the four (4) Neighborhood Outreach Areas. Given a shrinking pool of federal funding for housing, economic development, public facilities, and public service activities, it is strongly felt that this strategy would offer the greatest economic return on investment to the County and would likely result in more measurable economic, social, and physical impact in these low-income target areas.

POLICY FOR ALLOCATION OF FY 2013 ALLOCATION OF CDBG, HOME AND ESG FUNDS

The drastic reduction in funding in FY 2012 requires consideration of alternatives that would employ the best use of limited funds. Accordingly, PHCD is providing the Board with two options to consider in the allocation of FY 2013 federal funds, which are conservatively estimated at the same level of current year funding.

Option I – Request for Applications (RFA) Process

This option would allocate funds to be consistent with the categories reflected in Table 1, as follows:

I. CDBG (\$10.6 million)

Economic Development	24 Percent
Public Services	15 Percent
Public Facilities	34 Percent
Housing	7 Percent
Administration	20 Percent

II. HOME (\$3.5 million)

Tenant Based Rental Assistance	46 Percent
Multi-Family Housing Construction and /or Rehabilitation	29 Percent
Homeowner Rehabilitation (seniors/disabled)	15 Percent
Administration	10 Percent

III. ESG (\$1.4 million)

Rapid Re-housing	44 Percent
Emergency Shelter	56 Percent

This option is the traditional approach which PHCD currently utilizes in the annual award of CDBG, HOME and ESG funds, where agencies are awarded funding through a Request for Application (RFA). Through this process multiple projects compete for funding in the categories referenced above.

The Request for Application (RFA) would also include the award of funds for SURTAX, SHIP and any other local, state or federal funds in any RFA or other application process in accordance with policy set by the Board. This system may continue to be utilized over the next five years, but the exact types of services and facilities may change based on needs and conditions each year.

Option II – Strategic RFA Allocation Process

Excluding the administrative portion of the federal allocation, this option would target the use of funds as follows:

Fifty percent (50%) of CDBG funds to one or more specific NRSA(s) project(s). The objective of this approach is to identify and fund a project or projects which will have significant impact on a low- to moderate-income community. The determination of which NRSA(s) should be awarded the funds would be based on the ranking of the NRSAs, as reflected in Table 4 (attached). The activities to be funded would be determined from the list of priorities reported in the Consolidated Plan as established by the community and its respective Community Advisory Committee (CAC) during the Consolidated Plan workshops. Subsequent to the determination of which NRSA or Eligible Block Group will receive the funding for the current plan year, if a specific project has already been identified by the community, then a Request for Proposals (RFP) or Request for Applications (RFA) will be issued to find an agency to complete the specific project. The subsequent award of funds to the project/agency will be brought to the Board for approval. In those instances where there has not been a specific project identified, but the community has identified a priority need, then applications will be reviewed pursuant to an RFA to find projects which meet the priority need identified. The subsequent award of funds to the project/agency will be brought to the Board for approval.

Thirty-seven percent (37%) of CDBG funds would be reserved county-wide projects, including eligible block groups, NRSAs and Neighborhood Outreach Areas; thirteen percent (13%) of the funds would be reserved for Commission District Fund allocations. HOME funds would be prioritized for countywide shovel-ready projects and ESG funds would be allocated county-wide, both through the RFA process. In the event the ESG allocation is significantly decreased, the priority for funding would be focused on emergency shelter, specifically to ensure that Beckham Hall continues to operate.

Further, County departments' allocation can be accomplished within the overall 87 percent (50% + 37% categories) of remaining funds to be distributed via the RFA process, by directing the County departments to focus their activities within the NRSA's.

Gap Financing

In addition, PHCD requests authority to issue a SURTAX RFA for gap financing, if necessary. The County typically makes funding available for projects that have been awarded 9 percent tax credits from the State of Florida. Such gap financing would allow the projects to be completed, and avoid risking loss of the credits. The SURTAX RFA would be issued together with the method chosen by the Board or as a separate process.

SUMMARY

This item requires the following decisions by the Board:


1. Choose one (1) of the three (3) structures for Neighborhood Revitalization Strategy Areas.
 - 1.1. Option I – Maintain the Existing Structure
 - 1.2. Option II - Prioritization Based on Need (**Staff recommends this option.**)
 - 1.3. Option III – Regional Target Areas
2. Choose one (1) of the two (2) methods by which the FY 2013 federal awards should be allocated.
 - 2.1. Option I – Request for Applications (RFA) Process
 - 2.2. Option II – Strategic RFA Allocation Process (**Staff recommends this option.**)

Staff recommends an NRSA structure that is prioritized based on need (Recommendation 1.2, Option II) and a strategic RFA allocation process (Recommendation 2.2, Option II) for the use of FY 2013 federal funds.

In addition, Staff recommends the Board gives the authority to make available State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local and state funds in future RFAs, which will be expended county wide.

Chairman Joe A. Martinez
and Members, Board of County Commissioners
Page 10

Attachments



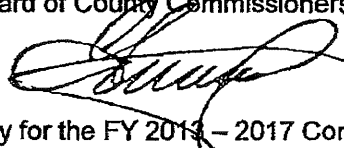
Russell Benford, Deputy Mayor

Memorandum



Date: September 4, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Executive Summary for the FY 2013 – 2017 Consolidated Plan

This item was amended at the July 11, 2012 Economic Development and Social Services Committee meeting to reflect changes requested by Commissioner Dennis C. Moss and Commissioner Jean Monestime. These changes are incorporated within this item. Miami-Dade County (the County) is required to submit a Consolidated Plan (the Plan), to the United States Department of Housing and Urban Development (U.S. HUD), by November 15, 2012, in accordance with U.S. HUD's Consolidated Submissions for Community Planning and Development programs. The purpose of the Plan is to establish how the County, after a comprehensive assessment of its housing, community development, homeless and non-homeless special needs environment, proposes to utilize its Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) and Emergency Solutions Grant (ESG) program funds to address the identified needs of its low-to moderate income residents.

The Plan is required to be submitted every five years with annual updates through an Annual Action Plan. The proposed Consolidated Plan is for the period FY 2013 – FY 2017. In November 2011, Public Housing and Community Development began preparations for the development of the Plan. PMG Associates, Inc. was hired as the consultants to develop the FY 2013 – FY 2017 Consolidated Plan. Through a series of 9 workshops, residents of the impacted communities within the entitlement areas of Miami-Dade County were given the opportunity to provide significant input into the priority needs of their respective communities; their input has been incorporated into the final Plan.

As the basis of our analyses, a comparison of the 2000 and 2010 census data revealed there have been significant demographic changes among communities within the Miami-Dade County entitlement areas. As a consequence of the demographic changes, there have been some major shifts in the communities with the highest concentration of low- to moderate-income individuals and households. These demographic changes will require the Board of County Commissioners (the Board) in their approval of the Plan to make some critical decisions on which low- to moderate-income communities should be given priority for funding. In the past, the County has utilized U.S. HUD's guidelines to establish Neighborhood Revitalization Strategy Areas (NRSAs), for the purpose of prioritizing which communities should be the focus of the County's allocation of its federal grant funds.

In FY 2012 the County experienced reductions of 31 percent and 44 percent in its CDBG and HOME allocations respectively, in its annual entitlement from U.S HUD. These reductions will require the Board, during their deliberations on the Plan, to make strategic decisions on how the County's FY 2013 federal funds will be allocated, as funding projections are anticipated at the same levels as the current year.

STAFF RECOMMENDATIONS

This item seeks approval from the Board on the following:

1. Approve and authorize submission of the FY 2013 – FY 2017 Consolidated Plan to US HUD by November 15, 2012.
2. Adopt a policy for composition of NRSAs for the next five years with three (3) options:
 - a. **Option I - Continue Existing Structure:** Continue with 6 of 8 existing NRSAs and add one (1) new NRSA for a total of 7 NRSAs.
 - b. **Option II - Prioritization Based on Need: (Staff recommends this option.)** Establish NRSA strategy that prioritizes the eligible target areas (categorized into tiers) based on an assessment of the degree of poverty, need and other key economic indicators to provide for nine (9) Neighborhood Focus NRSAs and four (4) Neighborhood Outreach Areas.

- c. **Option III – Regional Target Areas:** Combine NRSAs to form one large, contiguous low-income area serving the North Dade, Central Dade and South Dade communities.
 3. Adopt a policy for allocation of FY 2013 CDBG, HOME, and ESG funds based on two options:
 - a. **Option I - Request for Applications (RFA) Process:** Allocate funds through an annual Request-For-Application process.
 - b. **Option II - Strategic RFA Allocation Process: (Staff recommends this option.)** Allocate funds through a strategic RFA process to projects or activities which will have a significant impact on the NRSA, which has been ranked as having the greatest need, based on an evaluation of approximately 15 variables representing indicators of poverty with the community. Excluding the administrative portion of the federal allocation, this option would target the use of funds as follows:
 - Excluding the administrative portion and funds allocated to County departments, a minimum of fifty percent (50%) of the remaining CDBG funds are to be used for economic development in the specific NRSA(s).
 - Thirty-seven percent (37%) of CDBG funds would be reserved county-wide projects, including eligible block groups, NRSAs and Neighborhood Outreach Areas.
 - Thirteen percent (13%) of the funds would be reserved for Commission District Fund allocations.
 - County departments' allocation can be accomplished within the overall 87 percent (50% + 37% categories) of remaining funds to be distributed via the RFA process, by directing the County departments to focus their activities within the NRSA's.
 - HOME funds would be prioritized for countywide shovel-ready projects and ESG funds would be allocated county-wide, both through the RFA process. In the event the ESG allocation is significantly decreased, the priority for funding would be focused on emergency shelter.
4. Authorize the County Mayor or County Mayor's designee to approve the inclusion of State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local, state or federal funds, which may become available in the FY 2013 Action Plan. In addition, PHCD requests authority to issue a SURTAX RFA for gap financing, if necessary. The County typically makes funding available for projects that have been awarded 9 percent tax credits from the State of Florida. Such gap financing would allow the projects to be completed, and avoid risking loss of the credits. The SURTAX RFA would be issued together with the method chosen by the Board or as a separate process.
5. Authorize the County Mayor or the County Mayor's designee to receive and expend grant funds, and to execute such contracts, agreements, Memoranda of Understanding (MOU), and amendments, after approval by the County Attorney, as required by program guidelines; apply for, receive, and expend additional funds that may become available during the term of the grant; to file and execute any amendments to the application for and on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office.

SUMMARY

Staff recommends an NRSA structure that is prioritized based on need (Recommendation 2, Option II) and a strategic RFA allocation process (Recommendation 3, Option II) for the use of FY 2013 federal funds. In addition, Staff recommends the Board gives the authority to make available State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local and state funds in future RFAs, which will be expended county wide.



Russell Benford, Deputy Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: September 4, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(K)(1)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor

Agenda Item No. 8(K)(1)

Veto _____

9-4-12

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING MIAMI-DADE COUNTY'S FY 2013 - 2017 CONSOLIDATED PLAN; AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO SUBMIT THE FY 2013 - 2017 CONSOLIDATED PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; ADOPTING A POLICY FOR ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS, AND EMERGENCY SOLUTIONS GRANT PROGRAM FUNDS IN THE FY 2013 ACTION PLAN; ADOPTING A POLICY FOR COMPOSITION OF NEIGHBORHOOD REVITALIZATION STRATEGY AREAS FOR THE NEXT FIVE YEARS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying justification memorandum, a copy of which is incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board approves the FY 2013-2017 Consolidated Plan and authorizes the County Mayor or the County Mayor's designee to submit the FY 2013 - 2017 Consolidated Plan to the U.S. Department of Housing and Urban Development.

Section 2. The Board adopts Option II as set forth in the accompanying justification memorandum, as a policy for composition of Neighborhood Revitalization Strategy Areas (NRSAs) for the next five years.

Section 3. The Board adopts Option II, as set forth in the accompanying justification memorandum, as a policy for allocation of Community Development Block Grant, HOME

Investment Partnerships, and Emergency Solutions Grant program funds applicable to the FY 2013 Action Plan.

Section 4. The Board authorizes the County Mayor or County Mayor's designee to include any available State Housing Initiative Partnership; Documentary Stamp Surtax and any other local state or federal funds in any Request for Application or other application process in accordance with policy set by the Board.

Section 5. The Board authorizes the County Mayor or County Mayor's designee to apply for and receive other federal, state or local grant funds as they become available.

Section 6. The Board authorizes the County Mayor or County Mayor's designee to execute such contracts, agreements, memoranda of understanding, and amendments, after approval by the County Attorney, as required by program guidelines or to fulfill the purposes of this resolution. The Board further authorizes the County Mayor or County Mayor's designee to file and execute any amendments to the applications for grant funds on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office

Section 7. The County Mayor or County Mayor's designee is directed to execute the Consolidated Plan and subsequent Request For Applications (RFA) or other processes in a manner consistent with Resolution No. R-596-12.

The foregoing resolution was offered by Commissioner ,
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman
Audrey M. Edmonson, Vice Chairwoman

Bruno A. Barreiro
Esteban L. Bovo, Jr.
Sally A. Heyman
Jean Monestime
Rebeca Sosa
Xavier L. Suarez

Lynda Bell
Jose "Pepe" Diaz
Barbara J. Jordan
Dennis C. Moss
Sen. Javier D. Souto

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of September, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Brenda Kuhns Neuman



Table 1: FY 2013 Priorities and Proposed Outcomes

Proposed Activity	Funding Source	Category	Projected Funding Amount	Annual Outcomes
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG):				
Economic Development – 24% (includes Small Business and Microenterprise lending; Technical Assistance to Businesses; Small Business Incubators; and, Special Economic Development)	CDBG	Economic Development	\$2,538,843	77 Jobs created
Public Services – 15% (Includes Meals programs for the elderly and disabled, Juvenile diversion programs, Employment training and assistance, Childcare and Transportation Services)	CDBG	Public Service	\$1,591,676	4,548 people served
Public Facilities & Capital Improvements – 34.2% (includes parks and recreational facilities; Street, Sidewalk, Roadway, and Drainage Improvements; and improvements to senior and youth facilities)	CDBG	Public Facilities and Capital Improvements	\$3,633,859	7,072 people served; 3 facilities improved
Housing – 6.8% (includes housing code enforcement, graffiti abatement, and Tenant-based Rental Assistance)	CDBG	Housing	\$724,562	1,226 people served; 16 housing units assisted
Administrative – 20%	CDBG	Program Administration	\$2,122,235	
	TOTAL – CDBG:		\$10,611,175	
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME):				
Tenant-based Rental Assistance (TBRA) – 46.5%	HOME	Housing	\$1,630,596	288 households served
Multi-Family Housing Construction and/or Rehabilitation – 28.5%	HOME	Housing	\$1,000,000	20 rental units constructed or rehabilitated
Homeowner Rehabilitation (seniors/disabled) – 15%	HOME	Housing	\$526,120	10 owner-occupied units rehabilitated
Administration – 10%	HOME	Program Administration	\$350,746	
	TOTAL – HOME:		\$3,507,462	
EMERGENCY SOLUTIONS GRANT PROGRAM (ESG):				
Rapid Re-housing – 44%	ESG	Homeless/AIDS Housing	\$621,431	488 households served
Emergency Shelter – 56%	ESG	Homeless/AIDS Housing	\$788,826	350 individuals served
	TOTAL – ESG:		\$1,410,257	

Table 2: Areas Eligible for Designation as a Neighborhood Revitalization Strategy Area

Target Area	Advantages	Disadvantages	Recommendation
Biscayne North	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a new NRSA designation.
Cutter Ridge	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a new NRSA designation.
Goulds	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.
Leisure City/Naranja	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.
Melrose	Existing NRSA; CAC community engagement infrastructure in place.	Very limited geographic area will not result in measurable economic impact to County; extremely low community participation. No existing community development capacity and infrastructure in place to implement projects, activities, or services.	Not recommended for a continued NRSA designation.
Model City	Existing NRSA; CAC community engagement infrastructure in place; large geographic area; large low-mod population; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services. Leadership development required.	Recommended for a continued NRSA designation.
North Miami	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
Opa-Locka	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	None	Recommended for a continued NRSA designation.

Table 2: Areas Eligible for Designation as a Neighborhood Revitalization Strategy Area

Target Area	Advantages	Disadvantages	Recommendation
Perrine	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	None	Recommended for a continued NRSA designation.
South Miami	Existing NRSA; CAC community engagement infrastructure in place; community plans/charrettes in place and ready for implementation; high level of community participation.	No existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a continued NRSA designation.
Sweetwater	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
West Kendall	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
West Little River	Existing NRSA; CAC community engagement infrastructure in place; large geographic area; large low-mod population; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.

Table 3: Neighborhood Revitalization Strategy Area - Tiered Classification System

Tier 1 Neighborhood Focus NRSAs	Tier 2 Neighborhood Outreach Areas
1. Model City	1. Sweetwater
2. Opa-Locka	2. Melrose
3. Leisure City/Naranja	3. West Kendall
4. West Little River	4. North Miami
5. Perrine	
6. Cutler Ridge	
7. South Miami	
8. Goulds	
9. Biscayne North	

Table 4: NRSAs and OUTREACH AREAS: NEED ESTIMATES

Area	Total Population	Poverty Rate	Less Than High School Diploma (Percent of Population 25 Years and Over)	Median Household Income	Cost Burdened Households (Percent of Total Households)	Female Households with one or more people under 18 years (Percent of Total Households)	Structures Built before 1950 (%)	Percent Low Mod	Percent Vacant HU	Unemployment Rate	Households with No Vehicle	RANKING SCORE
Model City	23,014	40.8%	34.3%	\$22,710	59.3%	26.7%	17.0%	79.9%	20.4%	16.4%	28.8%	165
Opel-Locke	15,356	30.3%	37.6%	\$21,322	52.5%	17.9%	12.3%	71.3%	13.1%	14.3%	21.9%	143
Leisure City / Naranja	25,665	33.0%	38.9%	\$23,256	53.8%	20.0%	2.0%	69.2%	12.4%	10.7%	12.0%	139
West Little River	40,671	29.2%	34.4%	\$30,454	50.3%	19.1%	14.8%	69.3%	8.1%	12.1%	18.8%	137
Perrine	5,602	41.3%	17.8%	\$19,999	50.7%	31.5%	9.0%	74.1%	16.5%	18.4%	34.5%	129
Cutter Ridge	7,377	29.0%	32.8%	\$22,266	61.9%	13.8%	4.5%	77.1%	9.7%	11.3%	34.5%	128
South Miami	1,711	52.1%	36.3%	\$14,819	72.2%	27.8%	17.9%	88.5%	19.4%	13.1%	37.2%	128
Couids	5,743	27.9%	32.2%	\$30,165	53.4%	20.6%	2.2%	71.3%	13.8%	9.2%	18.7%	94
Biscayne North	4,975	20.8%	32.2%	\$29,773	64.0%	19.1%	7.9%	75.2%	8.5%	14.1%	19.3%	91
Sweetwater	5,508	32.9%	39.1%	\$23,308	65.3%	14.8%	1.0%	71.1%	2.5%	7.3%	15.5%	91
Meirose	2,492	30.7%	39.0%	\$27,370	62.9%	6.5%	28.6%	79.0%	7.3%	6.0%	17.2%	80
West Kendall	5,875	15.8%	24.7%	\$39,999	64.8%	13.5%	0.0%	67.9%	9.1%	6.4%	6.7%	76
North Miami	4,850	25.0%	29.0%	\$37,872	54.5%	13.5%	9.1%	71.6%	10.8%	10.0%	10.2%	69
Miami-Dade County	2,457,044	16.9%	23.5%	\$42,999	55.7%	10.8%	10.8%	48.5%	14.0%	7.6%	11.3%	

* Families and owners with or without a mortgage, paying 30 percent or more of their household income for monthly housing costs (excluding housing units where monthly housing costs could not be computed).

Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year estimates. Prepared by Planning Research Section, Department of Regulatory and Economic Resources, June 2012.

Note: The above Neighborhood Revitalization Strategy Areas (NRSAs) satisfy the HUD criteria regarding areas designated as NRSAs. The criteria include that the area must be comprised of at least 70 percent low/moderate persons or in the upper quartile of the jurisdiction, is predominantly residential, and that all block groups that comprise the NSRA are contiguous. In order to rank the relative needs of these areas a distress Index was developed using factors that are associated with socio-economic distress. These factors are indicated above. In addition to these qualitative measures of the intensity of distress, population was included in order to capture the magnitude of need in the area.

Attachment # 5

Priority Needs Level for Neighborhood Revitalization Areas (NRSAs)

PUBLIC HOUSING AND COMMUNITY DEVELOPMENT

NEIGHBORHOOD PRIORITY NEEDS TABLE

Neighborhood	BCC District	Housing Needs	Homeless Needs	Public Facility Needs	Infrastructure Needs	Public Service Needs	Economic Development Needs
Opa-locka	1	L	L	M	H	H	H
West Little River	2	L	L	H	H	H	L
Melrose	2	L	L	L	H	L	H
Model City	2/3	H	L	H	H	H	H
South Miami	7	H	L	H	H	H	H
Perrine	9	H	L	H	H	L	M
Goulds	9	M	L	M	H	L	H
Leisure City/Naranja	8/9	H	L	M	L	M	H

Attachment # 6

FY 2013 -2017 Consolidated Plan

MEMORANDUM

Agenda Item No. 8 (K) (1)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners


DATE: September 4, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution approving Miami-Dade County's FY 2013 – 2017 Consolidated Plan; authoring the County Mayor to submit the FY 2013 – 2017 Consolidated Plan to the U.S. Department of Housing & Urban Development

This item was amended from the original version as stated on the County Mayor's memorandum.

The accompanying resolution was prepared by the Public Housing and Community Development Department and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

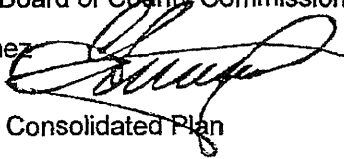
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Memorandum



Date: September 4, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: FY 2013 – 2017 Consolidated Plan

This item was amended at the July 11, 2012 Economic Development and Social Services Committee meeting to reflect the following changes: Commissioner Dennis C. Moss and Commissioner Jean Monestime amended the plan to include Goulds and Biscayne North as Neighborhood Revitalization Strategy Areas and an additional section was added as Section 7 in the Resolution to comply with the directives, as set forth in Resolution No. R-596-12.

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the FY 2013-2017 Consolidated Plan and Citizen's Participation Plan. It is also recommended that the Board authorize the County Mayor or County Mayor's designee to submit the FY 2013-2017 Consolidated Plan to the United States Department of Housing and Urban Development (U.S. HUD) by November 15, 2012. A copy of the FY 2013-2017 Consolidated Plan is included as Attachment 1. It is further recommended that the Board adopt a policy for allocation of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), and Emergency Solutions Grant (ESG) program funds in the FY 2013 Action Plan; as well as a composition of Neighborhood Revitalization Strategy Areas (NRSAs) for the next five years. It is also recommended that the BCC authorize the County Mayor or County Mayor's designee to approve the inclusion of State Housing Initiative Partnership (SHIP) and Documentary Stamp Surtax (SURTAX), and any other local, state or federal funds, which may become available in any Request for Application or other application process in accordance with policy set by the Board. It is recommended that the Board authorize the Mayor or the Mayor's designee to receive and expend grant funds, and to execute such contracts, agreements, Memoranda of Understanding (MOU), and amendments, after approval by the County Attorney, as required by program guidelines. It is also recommended that the Board authorize the Mayor or the Mayor's designee to apply for, receive, and expend additional funds that may become available during the term of the grant; to file and execute any amendments to the application for and on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office.

SCOPE

Miami-Dade County's (the County) proposed strategies for application of the County's annual award of CDBG, HOME, and ESG program funds, to address the needs of low-to-moderate income communities within the County's entitlement boundaries during the next five-year period, are reflected in Attachment 1.

PURPOSE OF THE CONSOLIDATED PLAN

Miami-Dade County is required to submit a Consolidated Plan (the Plan) to U.S. HUD in accordance with the Consolidated Submissions for Community Planning and Development programs (24 CFR Parts 91.1 through 91.600). Public Housing and Community Development (PHCD), which is the County's lead agency for coordination of the Consolidated Plan, follows the rule of a single consolidated submission. The rule requires a single submission for the planning and application aspects of the following programs: CDBG, HOME, and ESG. The Housing Opportunities for People with AIDS (HOPWA) program is administered by the City of Miami, and therefore, is not addressed in this Plan. The subject Plan will cover a five-year period starting January 1, 2013 through December 31, 2017. The current five-year plan

(fourth revision), under which the County is operating, is for the period starting January 1, 2008 through December 31, 2012.

OVERALL GOALS OF THE CONSOLIDATED PLAN

There are four (4) overall goals of the County's community planning and development programs covered by the Plan:

1. Provide very low- to moderate-income households increased access to decent and affordable housing;
2. Expand economic opportunities to create and retain jobs through business development and/or expansion;
3. Provide adequate public facilities and capital improvements (primarily drainage, water and sewer and facility improvements) to benefit low- to moderate-income areas and residents; and
4. Provide access to essential public services.

The major components of the Consolidated Plan are:

- Housing and Homeless Needs Assessment
- Housing Market Analysis
- Community Development
- Non-Homeless Special Needs
- Citizen Participation Plan

Housing and Homeless Needs Assessment

The Housing and Homeless Needs Assessment includes estimated housing needs for the five-year period. In the preparation of this section, reliance was placed on 2010 U.S. Census and the American Community Survey data, along with demographic, housing and labor statistics maintained by the Department of Regulatory and Economic Resource (RER); Shimberg Center, Florida Bureau of Economic Research (University of Florida); and Claritas, Inc.

Additionally, the Miami-Dade County Homeless Trust and PHCD provided supplemental information on homeless and public housing-related needs. The category of affected beneficiaries included, extremely low-income, low-income, moderate-income and middle-income families, both renters and owners, the elderly, the homeless, and others with special needs. Other factors considered were the extent of over-crowding, as well as substandard housing suitable for rehabilitation and an analysis of the rent burden, defined as the percentage of household income spent for monthly rent or mortgage expenses.

Housing Market Analysis

The Housing Market Analysis presents significant characteristics of Miami-Dade County's housing market. It includes the evaluation of the supply, demand, condition and cost of housing, with a focus on low- to moderate-income households, as well as persons with disabilities or special needs. Areas with low-income or minority concentrations are also identified. Public and assisted housing is described, including physical condition, restoration and revitalization needs, and accessibility under Section 504 of the Rehabilitation Act of 1973. PHCD, as the local public housing authority, presents its strategy for improving the management and operation of public housing as well as the living environment of its residents. Public and assisted housing developments, homeless facilities, special needs facilities and services, and barriers to affordable housing are also inventoried.

Community Development

The Strategic Plan component of the FY 2013-2017 Consolidated Plan describes the basis for allocating CDBG and other matching funds throughout the County. Guiding the County are seven (7) strategic objectives for neighborhood revitalization:

1. Empower communities to meet local needs;
2. Help communities establish a full continuum of housing services designed to assist homeless individuals and families to achieve permanent housing and self-sufficiency;
3. Increase access by families and individuals to affordable housing in suitable living conditions;
4. Promote equal housing opportunities for those protected by law;
5. Reduce the isolation of low-income groups within specific communities or geographic areas;
6. Provide empowerment and self-sufficiency opportunities to support low-income individuals and families as they make the transition from dependency to self-sufficiency; and
7. Provide economic opportunities for low- and moderate-income persons through the promotion of small business and microenterprise development programs, resulting in the creation and retention of jobs.

Miami-Dade County, like many communities across the nation, is facing a significant problem addressing community needs due to the poor economy and the reduction in Federal and State funding for housing and neighborhood issues. Community needs continue to rise at an increasing rate, while essential Federal programs continue to experience drastic funding cuts. The Strategic Plan seeks to implement strategies, programs, and projects that offer the greatest potential for leveraging the shrinking pool of Federal funds, while offering the greatest return on investment to the County and its underserved communities.

Non-Homeless Special Needs

The Plan addresses the challenge of estimating, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, the disabled, persons with alcohol or other drug addictions, victims of domestic violence, and others with special needs.

PROPOSED FIVE-YEAR FUNDING PRIORITIES AND STRATEGIES

PMG Associates, Inc. was hired as the consultants to develop the FY 2013–2017 Consolidated Plan. Based on a review of current census and demographic data, as well as direct feedback received from local residents, community agencies, and other stakeholders, PHCD proposes the following programmatic CDBG, HOME and ESG funding priorities for FY 2013 through FY 2017, as reflected in Table 1:

Community Development Block Grant Program

1. **Small Business Lending:** The County shall prioritize funding for financial intermediaries engaged in direct lending to small businesses and microenterprises. Investment in small business development and expansion is viewed as essential to the promotion of job creation and wealth-building opportunities in the County's lower-income target areas. Such funding will also work to eliminate slum and blighted conditions in the County's lower-income target areas, foster a more vibrant business environment, and stimulate private economic investment along critical commercial corridors.
2. **Small Business Incubators:** The County shall prioritize funding for the operation of small business incubators in the County's lower-income target areas. Investment in small business incubators has proven in the past to be a good investment for the County, serving as breeding grounds for fledgling businesses, and promoting low- and moderate-income job growth.
3. **Special Economic Development Projects:** The County shall prioritize funding for the rehabilitation or new construction of mixed-use commercial, retail, and/or office developments. The County shall invest in catalytic projects in the County's lower-income target

areas that will eliminate existing slum and blighted conditions, stimulate investment in critical commercial corridors, create a more vibrant business investment climate, and promote job creation for low- and moderate-income residents.

4. **Technical Assistance to Small Businesses:** The County shall prioritize funding to agencies that provide comprehensive small business technical assistance services. In an effort to promote job growth and economic expansion in the County's lower-income target areas, the County shall continue to invest in agencies that offer a broad range of services to small businesses, including, but not limited to: business planning; accounting and bookkeeping; marketing and advertising; information technology solutions; taxation; and financial planning.

It is anticipated that through the County's support of the above-mentioned economic development activities that a minimum of 77 new jobs will be created annually.

5. **Public Services:** The County shall prioritize funding to agencies that provide vital public services to residents of the County's lower-income target areas. Services that will receive the greatest priority include:

- Meals programs for the elderly and disabled
- Childcare
- Juvenile diversion programs
- Transportation Services
- Employment training and assistance

In a series of community outreach meetings conducted by PHCD, local residents throughout the County consistently prioritized these services. It is projected that a minimum of 4,548 persons will benefit from various CDBG-funded public service programs annually.

6. **Public Facilities and Capital Improvements:** The County shall prioritize funding to upgrade parks, community centers, and street and roadway improvements to benefit low- to moderate-income residents of Miami-Dade County. Community input throughout the County consistently prioritized improvements to public facilities and infrastructure inclusive of the above-listed activities. It is projected that a minimum of 3 facilities will be improved and 7,072 persons would be served.
7. **Housing:** The County shall prioritize funding to be utilized for housing code enforcement, graffiti abatement, and for the administration of Tenant-based Rental Assistance programs. These activities will continue to be important revitalization strategies in the County's NRSAs and Eligible Block Groups. It is projected that a minimum of 1,226 people will be served and 16 housing units assisted.

HOME Investment Partnerships Program

Current data analyzed by PHCD places Miami-Dade County's rent burden among the highest in the nation. Rent burden is defined as the percentage of a household's income that is used to pay rent and related housing expenses. During recent community engagement meetings held throughout the County, residents consistently complained about the lack of affordable housing in their communities. While many of these communities have experienced new housing development, rent levels remain unaffordable, particularly for seniors on fixed incomes, youth aging out of foster care, families at risk of homelessness, and working households with incomes at or below thirty percent (30%) of the area median income. To address this need, PHCD recommends the following funding priorities:

1. **Tenant-based Rental Assistance (TBRA):** The County shall prioritize funding to agencies that administer TBRA programs. TBRA programs operate similarly to the more commonly known

Section 8 program. Under the TBRA program, households will pay no more than 30% of their incomes toward rent and related housing expenses, with the TBRA subsidy covering the difference, up to the County's Fair Market Rent (FMR). The County will target households with the greatest need, represented by those households with incomes at or below thirty percent (30%) of the area median income. Priority will be given to seniors, youth aging out of foster care, families at risk of homelessness, and persons with disabilities. Based on current funding levels, the County would expect to assist a minimum of 288 households annually.

2. **Multi-family Residential New Construction and/or Rehabilitation:** The County shall provide pre-development, construction/rehabilitation, and/or permanent financing to developers of affordable rental housing. Priority shall be given to projects in the County's lower-income target areas. Preference will be given to projects being undertaken by a qualified Community Housing Development Organization (CHDO). HOME funding is expected to produce or assist a minimum of 20 units of rental housing annually.
3. **Homeownership Rehabilitation:** The County shall provide funding to qualified nonprofit agencies, including CHDOs, to undertake the rehabilitation of homes owned by seniors and persons with disabilities who reside in the County's lower-income target areas. Based on current data, several of the County's lower-income target areas have among the oldest housing stock in the County, with many homes failing to meet code requirements, or deemed to be in substandard condition. HOME funds would be used to correct code violations, address deferred maintenance, enhance energy efficiency, and address accessibility issues, among other things. HOME funding is expected to assist a minimum of 10 elderly/senior/disabled owner-occupied households annually.

Emergency Solutions Grant Program

1. **Rapid Re-housing:** The County shall provide funding to qualified nonprofit agencies to administer rapid re-housing programs and services to individuals and families who are at risk of homelessness. The Program shall target households with incomes at or below 30% of the area median income. Such funding shall be intended to prevent displacement of households from existing housing or to provide rapid re-housing options for households recently displaced by eviction. Under the Rapid Re-housing program, the County expects to serve a minimum of 488 households or individuals annually.
2. **Emergency Shelter:** The County shall provide continued administrative funding to support the operation of the Beckham Hall Homeless Shelter. The County shall continue administrative funding for the 88-bed Beckham Hall Homeless Shelter. The shelter is expected to provide short-term (90-day maximum stay) emergency housing to a minimum of 350 homeless single men and women annually. When determining the use of ESG funds, priority shall be given to ensure the continued operation of Beckham Hall.

CITIZEN'S PARTICIPATION PLAN

U.S. HUD requires that the Five Year Consolidated Plan for each entitlement agency adopt a Citizen's Participation Plan. PHCD makes every effort to encourage the participation of all citizens, including minorities and non-English speaking persons, as well as persons with disabilities. Additionally, PHCD works to fully engage residents of public housing, along with other low-income residents of the Neighborhood Revitalization Strategy areas (NRSAs) and eligible block groups, in the process of developing and implementing the Consolidated Plan. The Citizen's Participation Plan (Appendix A) includes a clarification to the language regarding administrative approval of non-substantial changes.

To obtain community input, PHCD conducted nine (9) community-wide meetings in the north and the south areas of the County during the months of December 2011, January 2012, and May 2012. The

meetings were held in publicly accessible, transit-oriented facilities with representatives of all NRSAs, community agencies and groups, and local residents. These meetings were scheduled during the week and weekend as well as during the day and evening times so that all who desired to participate would be able to attend one or more of the meetings. PHCD also established a dedicated e-mail address on the County website so that any comments or concerns could be delivered to staff in an electronic format.

The community input for the FY 2013-2017 Consolidated Plan included the following high priorities: economic development, public service, capital improvements/infrastructure, and housing. Submitted comments are attached to the plan, as Appendix B and priorities of the Community Advisory Committees are contained in the Community Development section of the Plan.

DISCUSSION OF THE NEIGHBORHOOD REVITALIZATION STRATEGY AREAS

The Federal Register published on January 5, 1995 authorized entitlement grantees to develop comprehensive approaches to address economic development and housing needs in a designated neighborhood within their community. This approach is referred to as a Neighborhood Revitalization Strategy Area (NRSA). To meet the needs of the community, Miami-Dade County previously established NRSAs in a concerted effort to focus on the issues within specific neighborhoods. These areas must meet certain criteria established by U.S. HUD, as follows:

- The selected area must be primarily residential.
- The selected area must represent a contiguous geographic area.
- The area must contain a high percentage of Low-Mod Income (LMI) households. The percentage of LMI residents within the neighborhood must be equal to:
 - 70 percent of the total population in the selected area (if the grantee's upper quartile is greater than 70 percent LMI residents);
 - The upper quartile percentage, if the grantee's upper quartile is greater than 51 percent, but less than 70 percent LMI in the total population)

As of June 2012, Miami-Dade County's existing NRSAs include eight (8) communities representing the poorest segments of the population. These eight (8) areas include:

- | | |
|-------------------------|----------------------|
| 1. Goulds | 5. Opa-Locka |
| 2. Leisure City/Naranja | 6. Perrine |
| 3. Melrose | 7. South Miami |
| 4. Model City | 8. West Little River |

The following discussion is intended to set forth the most viable options for continuing the County's NRSA targeted investment strategy.

Option I - Existing Structure

This option proposes the continuation of six of the eight existing NRSAs to exclude Melrose and Goulds and the addition of Cutler Ridge for a total of seven NRSAs. Although the demographic analysis notes that the Melrose area contains nearly 79% low- to moderate-income households, Melrose contains only one Eligible Block Group based on the most recent Census. With an area of this nominal size, developing projects of any significant and meaningful impact and facilitating the organizational structure and capacity on a neighborhood basis will be severely reduced. The combination of Goulds' lower population and poverty rate in comparison to Cutler Ridge resulted in the Goulds NRSAs now being considered as a Neighborhood Outreach Areas (as described below in Tier 2). The remaining six NRSAs have active organizations and contain a larger geographic area to be serviced. The recent Census data

will dictate a change in boundaries to these NRSAs, with the current West Little River NRSA increasing in size exponentially.

A recent demographic analysis conducted by the Department of Regulatory and Economic Resource (RER) in April 2012, identified an additional five (5) new neighborhoods as meeting the U.S. HUD NRSA criteria: Biscayne North, Cutler Ridge, North Miami, Sweet Water, and West Kendall. These areas currently do not have an existing community engagement structure in place. Table 2 (attached), provides a summary of the proposed target areas under consideration for designation as an NRSA.

Option II - Prioritization Based on Need

This is a hybrid option that has demonstrated successful application in other similar communities across the nation. In Arlington County, Virginia, for example, the County has established an NRSA strategy that prioritizes the eligible target areas based on an assessment of the degree of poverty, need and other key economic indicators. These neighborhoods are then categorized into tiers, with each tier defining a level of need and establishing the foundation for the type and scope of assistance that is provided. Using a similar approach, the County's eligible low-income target areas would be divided into one of two (2) tiers: 1) Neighborhood Focus NRSAs, or 2) Neighborhood Outreach Areas, as follows:

Tier 1 – Neighborhood Focus NRSAs: PHCD recommends designating nine (9) areas as Neighborhood Focus NRSAs: Leisure City/Naranja, Goulds, Model City, Opa Locka, Perrine, South Miami, West Little River, Biscayne North, and Cutler Ridge. These areas represent the County's neighborhoods with the greatest socio-economic needs and would receive the highest level and scope of services. As is the case with Arlington County, Virginia, the Neighborhood Focus NRSAs would be represented by Community Advisory Committees (CACs) and would be targeted to receive CDBG-funded neighborhood-specific programs and services. Based on this tiered strategy, PHCD would recommend the classification of its neighborhood "focus" areas as reflected in Table 3 (attached).

Tier 2 – Neighborhood Outreach Areas: PHCD recommends designating four (4) areas as Neighborhood Outreach Areas: Melrose, North Miami, Sweet Water, and West Kendall. These areas represent relatively stable neighborhoods with high populations of low-income persons but without major revitalization needs. They would be designated to receive outreach, civic engagement support and monitoring. The focus in Outreach Areas would be to ensure that low-income households are aware of County-funded programs for which they are eligible, and to foster their participation in civic affairs. Based on this tiered strategy, PHCD would recommend the classification of its neighborhood "outreach" areas, as reflected in Table 3 (attached):

Option III – Regional Target Areas

PHCD considered a third option which would have combined the West Little River and Model City NRSAs, since both of these areas form one large, contiguous low-income area, that, when combined, would have served the North Dade area. The same is true of Goulds, Perrine, and Cutler Ridge, which, when combined, would have formed one large, contiguous area serving primarily South Dade. However, this option was not given full consideration after representatives of the impacted areas expressed a strong desire to maintain their separate, individual community identities and geographic boundaries.

Summary of NRSA Discussion

Based on the analysis contained herein, PHCD recommends Option II. This option provides for nine (9) low-income target areas to be designated as NRSAs and four (4) low-income areas to be designated for special outreach. The proposed funding recommendations and priorities, as stated herein for the period of FY 2013 through FY 2017, would largely be targeted to address needs of low- and moderate-income

households residing in the nine (9) NRSAs but would focus some outreach efforts within the four (4) Neighborhood Outreach Areas. Given a shrinking pool of federal funding for housing, economic development, public facilities, and public service activities, it is strongly felt that this strategy would offer the greatest economic return on investment to the County and would likely result in more measurable economic, social, and physical impact in these low-income target areas.

POLICY FOR ALLOCATION OF FY 2013 ALLOCATION OF CDBG, HOME AND ESG FUNDS

The drastic reduction in funding in FY 2012 requires consideration of alternatives that would employ the best use of limited funds. Accordingly, PHCD is providing the Board with two options to consider in the allocation of FY 2013 federal funds, which are conservatively estimated at the same level of current year funding.

Option I – Request for Applications (RFA) Process

This option would allocate funds to be consistent with the categories reflected in Table 1, as follows:

I. CDBG (\$10.6 million)

Economic Development	24 Percent
Public Services	15 Percent
Public Facilities	34 Percent
Housing	7 Percent
Administration	20 Percent

II. HOME (\$3.5 million)

Tenant Based Rental Assistance	46 Percent
Multi-Family Housing Construction and /or Rehabilitation	29 Percent
Homeowner Rehabilitation (seniors/disabled)	15 Percent
Administration	10 Percent

III. ESG (\$1.4 million)

Rapid Re-housing	44 Percent
Emergency Shelter	56 Percent

This option is the traditional approach which PHCD currently utilizes in the annual award of CDBG, HOME and ESG funds, where agencies are awarded funding through a Request for Application (RFA). Through this process multiple projects compete for funding in the categories referenced above.

The Request for Application (RFA) would also include the award of funds for SURTAX, SHIP and any other local, state or federal funds in any RFA or other application process in accordance with policy set by the Board. This system may continue to be utilized over the next five years, but the exact types of services and facilities may change based on needs and conditions each year.

Option II – Strategic RFA Allocation Process

Excluding the administrative portion of the federal allocation, this option would target the use of funds as follows:

Fifty percent (50%) of CDBG funds to one or more specific NRSA(s) project(s). The objective of this approach is to identify and fund a project or projects which will have significant impact on a low- to moderate-income community. The determination of which NRSA(s) should be awarded the funds would be based on the ranking of the NRSAs, as reflected in Table 4 (attached). The activities to be funded would be determined from the list of priorities reported in the Consolidated Plan as established by the community and its respective Community Advisory Committee (CAC) during the Consolidated Plan workshops. Subsequent to the determination of which NRSA or Eligible Block Group will receive the funding for the current plan year, if a specific project has already been identified by the community, then a Request for Proposals (RFP) or Request for Applications (RFA) will be issued to find an agency to complete the specific project. The subsequent award of funds to the project/agency will be brought to the Board for approval. In those instances where there has not been a specific project identified, but the community has identified a priority need, then applications will be reviewed pursuant to an RFA to find projects which meet the priority need identified. The subsequent award of funds to the project/agency will be brought to the Board for approval.

Thirty-seven percent (37%) of CDBG funds would be reserved county-wide projects, including eligible block groups, NRSAs and Neighborhood Outreach Areas; thirteen percent (13%) of the funds would be reserved for Commission District Fund allocations. HOME funds would be prioritized for countywide shovel-ready projects and ESG funds would be allocated county-wide, both through the RFA process. In the event the ESG allocation is significantly decreased, the priority for funding would be focused on emergency shelter, specifically to ensure that Beckham Hall continues to operate.

Further, County departments' allocation can be accomplished within the overall 87 percent (50% + 37% categories) of remaining funds to be distributed via the RFA process, by directing the County departments to focus their activities within the NRSA's.

Gap Financing

In addition, PHCD requests authority to issue a SURTAX RFA for gap financing, if necessary. The County typically makes funding available for projects that have been awarded 9 percent tax credits from the State of Florida. Such gap financing would allow the projects to be completed, and avoid risking loss of the credits. The SURTAX RFA would be issued together with the method chosen by the Board or as a separate process.

SUMMARY

This item requires the following decisions by the Board:

1. Choose one (1) of the three (3) structures for Neighborhood Revitalization Strategy Areas.
 - 1.1. Option I – Maintain the Existing Structure
 - 1.2. Option II - Prioritization Based on Need (**Staff recommends this option.**)
 - 1.3. Option III – Regional Target Areas
2. Choose one (1) of the two (2) methods by which the FY 2013 federal awards should be allocated.
 - 2.1. Option I – Request for Applications (RFA) Process
 - 2.2. Option II – Strategic RFA Allocation Process (**Staff recommends this option.**)

Staff recommends an NRSA structure that is prioritized based on need (Recommendation 1.2, Option II) and a strategic RFA allocation process (Recommendation 2.2, Option II) for the use of FY 2013 federal funds.

In addition, Staff recommends the Board gives the authority to make available State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local and state funds in future RFAs, which will be expended county wide.

Chairman Joe A. Martinez
and Members, Board of County Commissioners
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Attachments

A handwritten signature in black ink, appearing to be 'R Benford', written over a horizontal line.

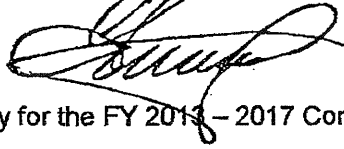
Russell Benford, Deputy Mayor

Memorandum



Date: September 4, 2012

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Executive Summary for the FY 2013 – 2017 Consolidated Plan

This item was amended at the July 11, 2012 Economic Development and Social Services Committee meeting to reflect changes requested by Commissioner Dennis C. Moss and Commissioner Jean Monestime. These changes are incorporated within this item. Miami-Dade County (the County) is required to submit a Consolidated Plan (the Plan), to the United States Department of Housing and Urban Development (U.S. HUD), by November 15, 2012, in accordance with U.S. HUD's Consolidated Submissions for Community Planning and Development programs. The purpose of the Plan is to establish how the County, after a comprehensive assessment of its housing, community development, homeless and non-homeless special needs environment, proposes to utilize its Community Development Block Grant (CDBG), Home Investment Partnerships (HOME) and Emergency Solutions Grant (ESG) program funds to address the identified needs of its low-to moderate income residents.

The Plan is required to be submitted every five years with annual updates through an Annual Action Plan. The proposed Consolidated Plan is for the period FY 2013 – FY 2017. In November 2011, Public Housing and Community Development began preparations for the development of the Plan. PMG Associates, Inc. was hired as the consultants to develop the FY 2013 – FY 2017 Consolidated Plan. Through a series of 9 workshops, residents of the impacted communities within the entitlement areas of Miami-Dade County were given the opportunity to provide significant input into the priority needs of their respective communities; their input has been incorporated into the final Plan.

As the basis of our analyses, a comparison of the 2000 and 2010 census data revealed there have been significant demographic changes among communities within the Miami-Dade County entitlement areas. As a consequence of the demographic changes, there have been some major shifts in the communities with the highest concentration of low- to moderate-income individuals and households. These demographic changes will require the Board of County Commissioners (the Board) in their approval of the Plan to make some critical decisions on which low- to moderate-income communities should be given priority for funding. In the past, the County has utilized U.S. HUD's guidelines to establish Neighborhood Revitalization Strategy Areas (NRSAs), for the purpose of prioritizing which communities should be the focus of the County's allocation of its federal grant funds.

In FY 2012 the County experienced reductions of 31 percent and 44 percent in its CDBG and HOME allocations respectively, in its annual entitlement from U.S HUD. These reductions will require the Board, during their deliberations on the Plan, to make strategic decisions on how the County's FY 2013 federal funds will be allocated, as funding projections are anticipated at the same levels as the current year.

STAFF RECOMMENDATIONS

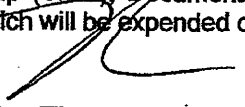
This item seeks approval from the Board on the following:

1. Approve and authorize submission of the FY 2013 – FY 2017 Consolidated Plan to US HUD by November 15, 2012.
2. Adopt a policy for composition of NRSAs for the next five years with three (3) options:
 - a. **Option I - Continue Existing Structure:** Continue with 6 of 8 existing NRSAs and add one (1) new NRSA for a total of 7 NRSAs.
 - b. **Option II - Prioritization Based on Need: (Staff recommends this option.)** Establish NRSA strategy that prioritizes the eligible target areas (categorized into tiers) based on an assessment of the degree of poverty, need and other key economic indicators to provide for nine (9) Neighborhood Focus NRSAs and four (4) Neighborhood Outreach Areas.

- c. **Option III – Regional Target Areas:** Combine NRSAs to form one large, contiguous low-income area serving the North Dade, Central Dade and South Dade communities.
3. Adopt a policy for allocation of FY 2013 CDBG, HOME, and ESG funds based on two options:
 - a. **Option I - Request for Applications (RFA) Process:** Allocate funds through an annual Request-For-Application process.
 - b. **Option II - Strategic RFA Allocation Process:** (*Staff recommends this option.*) Allocate funds through a strategic RFA process to projects or activities which will have a significant impact on the NRSA, which has been ranked as having the greatest need, based on an evaluation of approximately 15 variables representing indicators of poverty with the community. Excluding the administrative portion of the federal allocation, this option would target the use of funds as follows:
 - Excluding the administrative portion and funds allocated to County departments, a minimum of fifty percent (50%) of the remaining CDBG funds are to be used for economic development in the specific NRSA(s).
 - Thirty-seven percent (37%) of CDBG funds would be reserved county-wide projects, including eligible block groups, NRSAs and Neighborhood Outreach Areas.
 - Thirteen percent (13%) of the funds would be reserved for Commission District Fund allocations.
 - County departments' allocation can be accomplished within the overall 87 percent (50% + 37% categories) of remaining funds to be distributed via the RFA process, by directing the County departments to focus their activities within the NRSA's.
 - HOME funds would be prioritized for countywide shovel-ready projects and ESG funds would be allocated county-wide, both through the RFA process. In the event the ESG allocation is significantly decreased, the priority for funding would be focused on emergency shelter.
4. Authorize the County Mayor or County Mayor's designee to approve the inclusion of State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local, state or federal funds, which may become available in the FY 2013 Action Plan. In addition, PHCD requests authority to issue a SURTAX RFA for gap financing, if necessary. The County typically makes funding available for projects that have been awarded 9 percent tax credits from the State of Florida. Such gap financing would allow the projects to be completed, and avoid risking loss of the credits. The SURTAX RFA would be issued together with the method chosen by the Board or as a separate process.
5. Authorize the County Mayor or the County Mayor's designee to receive and expend grant funds, and to execute such contracts, agreements, Memoranda of Understanding (MOU), and amendments, after approval by the County Attorney, as required by program guidelines; apply for, receive, and expend additional funds that may become available during the term of the grant; to file and execute any amendments to the application for and on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office.

SUMMARY

Staff recommends an NRSA structure that is prioritized based on need (Recommendation 2, Option II) and a strategic RFA allocation process (Recommendation 3, Option II) for the use of FY 2013 federal funds. In addition, Staff recommends the Board gives the authority to make available State Housing Initiative Partnership (SHIP), Documentary Stamp Surtax (SURTAX), and any other local and state funds in future RFAs, which will be expended county wide.


Russell Benford, Deputy Mayor



MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: September 4, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 8(K)(1)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____

Mayor _____

Agenda Item No. 8 (K) (1)

Veto _____

9-4-12

Override _____

RESOLUTION NO. _____

RESOLUTION APPROVING MIAMI-DADE COUNTY'S FY 2013 – 2017 CONSOLIDATED PLAN; AUTHORIZING THE COUNTY MAYOR OR THE COUNTY MAYOR'S DESIGNEE TO SUBMIT THE FY 2013 – 2017 CONSOLIDATED PLAN TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT; ADOPTING A POLICY FOR ALLOCATION OF COMMUNITY DEVELOPMENT BLOCK GRANT, HOME INVESTMENT PARTNERSHIPS, AND EMERGENCY SOLUTIONS GRANT PROGRAM FUNDS IN THE FY 2013 ACTION PLAN; ADOPTING A POLICY FOR COMPOSITION OF NEIGHBORHOOD REVITALIZATION STRATEGY AREAS FOR THE NEXT FIVE YEARS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying justification memorandum, a copy of which is incorporated herein by reference.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board approves the FY 2013-2017 Consolidated Plan and authorizes the County Mayor or the County Mayor's designee to submit the FY 2013 – 2017 Consolidated Plan to the U.S. Department of Housing and Urban Development.

Section 2. The Board adopts Option II as set forth in the accompanying justification memorandum, as a policy for composition of Neighborhood Revitalization Strategy Areas (NRSAs) for the next five years.

Section 3. The Board adopts Option II, as set forth in the accompanying justification memorandum, as a policy for allocation of Community Development Block Grant, HOME

Investment Partnerships, and Emergency Solutions Grant program funds applicable to the FY 2013 Action Plan.

Section 4. The Board authorizes the County Mayor or County Mayor's designee to include any available State Housing Initiative Partnership; Documentary Stamp Surtax and any other local state or federal funds in any Request for Application or other application process in accordance with policy set by the Board.

Section 5. The Board authorizes the County Mayor or County Mayor's designee to apply for and receive other federal, state or local grant funds as they become available.

Section 6. The Board authorizes the County Mayor or County Mayor's designee to execute such contracts, agreements, memoranda of understanding, and amendments, after approval by the County Attorney, as required by program guidelines or to fulfill the purposes of this resolution. The Board further authorizes the County Mayor or County Mayor's designee to file and execute any amendments to the applications for grant funds on behalf of the County; and to exercise amendments, modifications, renewal, cancellation, and termination clauses of any contracts and agreements, subject to the approval of the County Attorney's Office

Section 7. The County Mayor or County Mayor's designee is directed to execute the Consolidated Plan and subsequent Request For Applications (RFA) or other processes in a manner consistent with Resolution No. R-596-12.

The foregoing resolution was offered by Commissioner
who moved its adoption. The motion was seconded by Commissioner
and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman

Audrey M. Edmonson, Vice Chairwoman

Bruno A. Barreiro

Esteban L. Bovo, Jr.

Sally A. Heyman

Jean Monestime

Rebeca Sosa

Xavier L. Suarez

Lynda Bell

Jose "Pepe" Diaz

Barbara J. Jordan

Dennis C. Moss

Sen. Javier D. Souto

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of September, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: _____
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Brenda Kuhns Neuman



Table 1: FY 2013 Priorities and Proposed Outcomes

Proposed Activity	Funding Source	Category	Projected Funding Amount	Annual Outcomes
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG):				
Economic Development – 24% (includes Small Business and Microenterprise lending; Technical Assistance to Businesses; Small Business Incubators; and, Special Economic Development)	CDBG	Economic Development	\$2,538,843	77 Jobs created
Public Services – 15% (includes Meals programs for the elderly and disabled, Juvenile diversion programs, Employment training and assistance, Childcare and Transportation Services)	CDBG	Public Service	\$1,591,676	4,548 people served
Public Facilities & Capital Improvements – 34.2% (includes parks and recreational facilities; Street, Sidewalk, Roadway, and Drainage Improvements; and improvements to senior and youth facilities)	CDBG	Public Facilities and Capital Improvements	\$3,633,859	7,072 people served; 3 facilities improved.
Housing – 6.8% (includes housing code enforcement, graffiti abatement, and Tenant-based Rental Assistance)	CDBG	Housing	\$724,562	1,226 people served; 16 housing units assisted
Administrative – 20%	CDBG	Program Administration	\$2,122,235	
	TOTAL – CDBG:		\$10,611,175	
HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME):				
Tenant-based Rental Assistance (TBRA) – 46.5%	HOME	Housing	\$1,630,596	288 households served
Multi-Family Housing Construction and/or Rehabilitation – 28.5%	HOME	Housing	\$1,000,000	20 rental units constructed or rehabilitated
Homeowner Rehabilitation (seniors/disabled) – 15%	HOME	Housing	\$526,120	10 owner-occupied units rehabilitated
Administration – 10%	HOME	Program Administration	\$350,746	
	TOTAL – HOME:		\$3,507,462	
EMERGENCY SOLUTIONS GRANT PROGRAM (ESG):				
Rapid Re-housing – 44%	ESG	Homeless/AIDS Housing	\$621,431	488 households served
Emergency Shelter – 56%	ESG	Homeless/AIDS Housing	\$788,826	350 individuals served
	TOTAL – ESG:		\$1,410,257	

Table 2: Areas Eligible for Designation as a Neighborhood Revitalization Strategy Area

Target Area	Advantages	Disadvantages	Recommendation
Biscayne North	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a new NRSA designation.
Cutler Ridge	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a new NRSA designation.
Goulds	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.
Leisure City/Naranja	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.
Melrose	Existing NRSA; CAC community engagement infrastructure in place.	Very limited geographic area will not result in measurable economic impact to County; extremely low community participation. No existing community development capacity and infrastructure in place to implement projects, activities, or services.	Not recommended for a continued NRSA designation.
Model City	Existing NRSA; CAC community engagement infrastructure in place; large geographic area; large low-mid population; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services. Leadership development required.	Recommended for a continued NRSA designation.
North Miami	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
Opa-Locka	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation.	None	Recommended for a continued NRSA designation.

Table 2: Areas Eligible for Designation as a Neighborhood Revitalization Strategy Area

Target Area	Advantages	Disadvantages	Recommendation
Perrine	Existing NRSA; CAC community engagement infrastructure in place; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	None	Recommended for a continued NRSA designation.
South Miami	Existing NRSA; CAC community engagement infrastructure in place; community plans/charrettes in place and ready for implementation; high level of community participation.	No existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Recommended for a continued NRSA designation.
Sweetwater	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
West Kendall	Area currently meets U.S. HUD NRSA criteria. Would target resources to previously under-served area of County.	No existing CAC structure in place; no existing community development capacity to implement projects, activities, or services; small geographic area limits potential economic impact to County. Would require costly investment to create required infrastructure and capacity, with no immediate return on investment.	Not recommended for a NRSA designation.
West Little River	Existing NRSA; CAC community engagement infrastructure in place; large geographic area; large low-mid population; some local capacity exists to implement projects, programs, and services; community plans/charrettes in place and ready for implementation; high level of community participation.	Only limited community development capacity and infrastructure in place to implement projects, activities, or services.	Recommended for a continued NRSA designation.

Table 3: Neighborhood Revitalization Strategy Area - Tiered Classification System

Tier 1 Neighborhood Focus NRSAs	Tier 2 Neighborhood Outreach Areas
1. Model City	1. Sweetwater
2. Opa-Locka	2. Melrose
3. Leisure City/Naranja	3. West Kendall
4. West Little River	4. North Miami
5. Perrine	
6. Cutler Ridge	
7. South Miami	
8. Goulds	
9. Biscayne North	

Table 4: NRSAs and OUTREACH AREAS: NEED ESTIMATES

Area	Total Population	Poverty Rate	Less Than High School Diploma (Percent of Population 25 Years and Over)	Median Household Income	Cost Burdened Households (Percent of Total Households)	Female: Households with one or more people under 18 years of age (Percent of Total Households)	Structures Built before 1960 (%)	Percent Low Mod	Percent Vacant HU	Unemployment Rate	Percent Households With No Vehicle	RANKING SCORE
Model City	23,014	40.8%	34.3%	\$22,710	59.3%	26.7%	17.0%	79.9%	20.4%	18.4%	28.8%	165
Opa-Locka	15,366	30.3%	37.6%	\$21,322	62.5%	17.9%	12.3%	71.3%	13.1%	14.3%	21.9%	143
Leisure City / Naranja	25,665	33.0%	38.9%	\$29,266	63.8%	20.0%	2.0%	69.2%	12.4%	10.7%	12.0%	139
West Little River	40,671	28.2%	34.1%	\$30,454	60.3%	19.1%	14.8%	69.3%	8.1%	12.1%	18.8%	137
Pertine	5,602	41.3%	17.6%	\$19,999	60.7%	31.5%	9.0%	74.1%	16.5%	18.4%	34.6%	129
Culler Ridge	7,377	29.0%	32.6%	\$22,266	61.9%	13.8%	4.6%	77.1%	9.7%	11.3%	34.6%	128
South Miami	1,711	52.1%	36.3%	\$14,819	72.2%	27.8%	17.9%	88.5%	19.4%	13.1%	37.2%	128
Goulds	5,743	27.9%	32.2%	\$30,166	53.4%	20.6%	2.2%	71.3%	13.8%	9.2%	18.7%	94
Biscayne North	4,875	20.8%	32.2%	\$29,773	64.0%	19.1%	7.9%	75.2%	8.5%	14.1%	19.3%	91
Sweetwater	5,608	32.9%	39.1%	\$23,308	65.3%	14.8%	1.0%	71.1%	2.5%	7.3%	15.5%	91
Melrose	2,492	30.7%	39.0%	\$27,370	62.9%	6.5%	28.4%	79.0%	7.3%	6.0%	17.2%	80
West Kendall	5,875	15.8%	24.7%	\$39,999	64.8%	13.5%	0.0%	67.9%	9.1%	6.4%	6.7%	76
North Miami	4,650	25.0%	29.0%	\$37,872	54.5%	13.5%	9.1%	71.5%	10.8%	10.0%	10.2%	69
Miami-Dade County	2,457,044	16.8%	23.5%	\$42,989	55.7%	10.8%	10.6%	49.5%	14.0%	7.6%	11.3%	

* Renters and owners with or without a mortgage, paying 30 percent or more of their household income for monthly housing costs (excluding housing units whose monthly housing costs could not be computed).

Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year estimates. Prepared by Planning Research Section, Department of Regulatory and Economic Resources, June 2012.

Note: The above Neighborhood Revitalization Strategy Areas (NRSAs) satisfy the HUD criteria regarding areas designated as NRSAs. The criteria include that the area must be comprised of at least 70 percent low/moderate persons or in the upper quartile of the jurisdiction, is predominantly residential, and that all block groups that comprise the NSRA are contiguous. In order to rank the relative needs of these areas a distress index was developed using factors that are associated with socio-economic distress. These factors are indicated above. In addition to these qualitative measures of the intensity of distress, population was included in order to capture the magnitude of need in the area.

Attachment # 7

CDBG Program Information

SUMMARY OF NATIONAL OBJECTIVES

This section summarizes the National Objectives of the Community Development Block Grant Program contained in the Code of Federal Regulations, Title 24, Part 570, Sections 570.200(a)(2) and (3), 570.208(a)-(d), and 570.506. For a more complete description, consult the regulations and the Community Development Block Grant Program Guide to National Objectives & Eligible Activities for Entitlement Communities (Desk Guide) on the HUD Web site at www.hud.gov/offices/cpd/communitydevelopment/library/index.cfm.

NATIONAL OBJECTIVES

Each activity, except planning and administrative activities, must meet one of the CDBG program's three broad National Objectives:

1. Benefit low- and moderate-income persons,
2. Aid in the prevention or elimination of slums or blight, or
3. Meet community development needs having a particular urgency.

At least 70 percent of the grantee's overall expenditures during a one-, two- or three-year period (specified by the grantee) must be used for activities that benefit low- and moderate-income persons.

1. Activities benefiting low- and moderate-income persons

a) Area benefit activities

An activity, the benefits of which are available to *all* the residents in a particular area, where at least 51 percent of the residents are low- and moderate-income persons. The service area must be primarily residential, and the activity must meet the identified needs of low- and moderate-income persons. Examples include: street improvements, water and sewer lines, neighborhood facilities, and facade improvements in neighborhood commercial districts. Such an activity must meet one of the following qualifying criteria:

- (1) Fifty-one percent of the persons residing in the service area are low and moderate income, supported by the most recently available decennial census information, together with the Section 8 income limits that would have applied at the time the income information was collected by the Census Bureau. (HUD provides grantees with information by census tract and block group that may be used to determine this percentage); or
- (2) Fifty-one percent of the persons residing in the service area are low- and moderate-income residents supported by a current survey of the residents of the service area *if* the recipient believes that the census data do not reflect current relative income levels in an area, *or* where census boundaries do not coincide sufficiently well with the service area of an activity. The survey results must meet statistical reliability standards and be approved by HUD; or
- (3) Under the Exception Criteria, a service area that contains less than 51 percent low- and moderate-income residents will be considered to meet this National Objective if the proportion of low- and moderate-income persons in the area is within the *highest quartile* of all areas in the recipient's jurisdiction in terms of the degree of concentration of such persons.

HUD will determine the lowest proportion a recipient may use to qualify an area for this purpose.

Records to be maintained:

- Boundaries of the service area;
- Data showing the percent of low- and moderate-income persons residing in the service area; and
- Data showing that the area qualifies under the exception rule if the percent of low- and moderate-income persons in the service area is less than 51 percent. Specific data requirements for the Consolidated Annual Performance and Evaluation Report (CAPER) can be found in the Appendix to Chapter 6, CAPER Information.

b) Limited clientele activities

- (1) An activity that benefits a limited clientele, at least 51 percent of whom are low- and moderate-income persons. Examples include: construction of a senior center; public services for the homeless; meals on wheels for the elderly; and construction of job training facilities for the handicapped. The activity must meet one of the following qualifying criteria:
 - (a) The activity must exclusively serve a group of persons in any one or a combination of categories generally presumed to be principally low and moderate income: abused children, battered spouses, elderly persons, adults meeting the definition of “severely disabled” in the Bureau of Census’s Current Population Reports, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
 - (b) Information must be required on family size and income to document that at least 51 percent of the clientele are persons whose family income does not exceed Section 8 low- and moderate-income limits; or
 - (c) The activity must have income eligibility requirements that limit the activity exclusively to low- and moderate-income persons; or
 - (d) The activities must be of such nature and in such location that it may be reasonably concluded that the activity's clientele will primarily be low- and moderate-income persons.
- (2) A special project that serves to remove material and architectural barriers that restrict the mobility and accessibility of elderly persons or of adults meeting the definition of “severely disabled” in the Bureau of Census’s Current Population Reports will qualify if it is restricted, to the extent practicable, to the removal of such barriers by assisting:
 - the reconstruction of a public improvement or facility, or portion thereof, that does not serve an area that is predominantly low and moderate income;
 - the rehabilitation of a privately owned non-residential building or improvement that does not serve an area that is predominantly low or moderate income or create or retain jobs primarily for low- and moderate-income persons; or,

- the rehabilitation of the common areas of a residential structure that is not principally occupied by low- and moderate-income households.

Records to be maintained:

One of the following types of documentation must be kept for each activity:

- Documentation showing that the activity is designed for and used by a segment of the population presumed by HUD to be principally low and moderate income; or
- Documentation describing how the nature and, if applicable, the location of the activity establishes that it will primarily benefit low- and moderate-income persons; or
- Date showing the size and annual income of the family of each person receiving the benefit; or
- Data showing that the activity is a special project removing accessibility barriers in the limited cases described above.

c) **Housing activities**

An activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be principally occupied by low- and moderate-income households. Examples include: property acquisition or rehabilitation of property for permanent housing; conversion of non-residential structures into permanent housing; and new housing construction. The activity must meet the following qualifying criteria:

- (1) One-unit structures must be occupied by low- and moderate-income households.
- (2) Two-unit structures must have at least one unit occupied by a low- and moderate-income household.
- (3) Structures containing more than two units must have at least 51 percent of the units occupied by low- and moderate-income households.
- (4) Rental buildings under common ownership and management that are located on the same or contiguous properties may be considered as a single structure.
- (5) For rental housing, occupancy by low- and moderate-income households must be at affordable rents, consistent with standards adopted and publicized by the CDBG grantee for determining “affordable rent” levels.
- (6) Assistance to reduce the development cost of the new construction of non-elderly, multi-unit rental structures may qualify if: (a) at least 20 percent of the units are occupied by low- and moderate-income households; (b) where low- and moderate-income occupancy is between 20 percent and 51 percent, the CDBG proportion of the total development costs (including the costs of all work from design and engineering through completion of the physical

improvements and, if integral to the project, the costs of acquisition) is no greater than the proportion of units occupied by low- and moderate-income households.

Records to be maintained:

- A copy of the written agreement with each landlord or developer receiving CDBG assistance indicating the total number of dwelling units in each multi-unit structure assisted and the number of those units that will be occupied by low- and moderate-income households after assistance.
- The total cost of the activity, including both CDBG and non-CDBG funds.
- For each unit occupied by a low- and moderate-income household, the size, ethnicity, and income of the household.
- For rental housing only:
 - Rent charged (or to be charged) after assistance, for each dwelling unit in each structure assisted; and
 - Information as necessary to show the affordability of units occupied (or to be occupied) by low- and moderate-income households pursuant to criteria established and made public by the grantee.
- For each property acquired on which there are no structures, evidence of commitments ensuring that the above criteria will be met when the structures are built.
- Where applicable, records documenting that the activity qualified under the exception allowed for new construction of non-elderly, multi-unit, rental housing.

d) Job creation or retention activities

An activity designed to create or retain permanent jobs where at least 51 percent of that, computed on a full-time equivalent (FTE) basis, involve the employment of low- and moderate-income persons. Potentially eligible activities include: construction by the grantee of a business incubator designed to offer space and assistance to new firms to help them become viable small businesses; loans to pay for the expansion of a plant or factory; and assistance to a business to prevent closure and a resultant loss of jobs for low- and moderate-income persons. As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies. However, in certain cases, such as where CDBG funds are used to acquire, develop or improve real property (e.g., a business incubator or an industrial park), the requirement may be met by measuring jobs in the aggregate for all the businesses that locate on the property, provided such businesses are not otherwise assisted by CDBG funds. Additionally, where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses from non-CDBG funds, this requirement may be met by aggregating the jobs created or retained by all of the businesses receiving loans during each program year. Finally, a job creation/retention activity undertaken pursuant to the strategy for a HUD-approved Neighborhood Revitalization Strategy Area may be considered to meet the low/moderate area benefit National Objective under 570.208(d)(5)(i).

Jobs may be taken by low- and moderate-income persons or made available to such persons. Jobs are only considered to be *available to* low- or moderate-income persons when:

- (1) Special skills that can only be acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
- (2) Local government and/or the assisted business take actions to ensure that low- and moderate-income persons receive *first consideration* for filling such jobs.

Records to be maintained for benefit based on job creation:

Where the grantee chooses to document that at least *51 percent of the jobs will be available to* low- and moderate-income persons, documentation for each assisted business shall include:

- A copy of a written agreement, containing:
 - A commitment by the business that it will make at least 51 percent of the FTE jobs available to low- and moderate-income persons and will provide training for any of those jobs requiring special skills or education;
 - A listing by job title of the permanent jobs to be created, indicating which jobs will be available to low- and moderate-income persons, which jobs require special skills or education, and which jobs are part-time; and,
 - A description of the actions to be taken by the grantee and business to ensure that low- and moderate-income persons receive *first consideration* for these jobs; and
- A listing by job title of the permanent jobs filled, and which jobs were available to low- and moderate-income persons, as well as a description of how first consideration was given to any such persons for these jobs. The description shall include what type of hiring process was used; the names of the low- and moderate-income persons interviewed for each such job; and those hired.

or

Where the grantee chooses to document that at least *51 percent of the jobs will be held by* low- and moderate-income persons, documentation for each assisted business shall include:

- A copy of a written agreement, containing:
 - A commitment by the business that at least 51 percent of the jobs created, on a full-time equivalent basis, will be held by low- and moderate-income persons; and,
 - A listing by job title of the permanent jobs to be created (identifying which are part-time, if any).
- A listing by job title of the permanent jobs filled and which jobs were *initially taken by* low- and moderate-income persons; and

- For each low- and moderate-income person hired, information on the size and annual income of the person's family prior to the time the person was hired for the job, or evidence that the person may be presumed to be low or moderate income based on the location of the business or the person's residence [see §570.208(a)(4)(iv)].

For benefit based on job retention, the following documentation must be kept:

- Evidence that in the absence of CDBG assistance, the jobs would be lost; and,
- For each business assisted, a listing by job title of permanent jobs retained, indicating which of those jobs are part-time and (where it is known) which are held by low- and moderate-income persons at the time the assistance is provided; and,
- Where applicable, identification of any of the retained jobs (other than those known to be held by low- and moderate-income persons) that are projected to become available to low- and moderate-income persons through job turnover within two years of the time CDBG assistance is provided, and information on how the turnover projections were calculated; and,
- For each retained job claimed to be held by a low- and moderate-income person, information on the size and annual income of the person's family, or evidence that the person may be presumed to be low or moderate income based on the location of the business or the person's residence [see §570.208(a)(4)(iv)]; and,
- For jobs claimed to be available to low- and moderate-income persons based on job turnover: a description covering the items required for "available to" jobs identified above; a listing of each job that has turned over to date, indicating which of those jobs were either taken by, or made available to low- and moderate-income persons; and a description of how "first consideration" was given to low- and moderate-income persons for those jobs.

2. Activities that aid in the prevention or elimination of slums or blight

a) Activities to address *slums or blight* on an area basis

An activity that aids in the prevention or elimination of slums or blight in a designated area. Examples include: assistance to commercial or industrial businesses, public facilities or improvements, and code enforcement **in a blighted neighborhood**. The activity must meet *all* of the following qualifying criteria:

- (1) The area, delineated by the grantee, must meet a definition of a slum, blighted, deteriorated or deteriorating area under state or local law;
- (2) There must be a substantial number of deteriorated or deteriorating buildings throughout the area, or the public improvements are in a general state of deterioration;
- (3) The activity must address one or more of the conditions that contributed to the deterioration of the area; and

- (4) If rehabilitation of residential buildings not occupied by low- and moderate-income households is undertaken, each such building rehabilitated must be considered substandard under local definition before rehabilitation, and *all deficiencies making a building substandard must be corrected before less critical work on the building may be undertaken.*

Records to be maintained:

- Boundaries of the area.
- A description of the conditions that qualified the area at the time of its designation in sufficient detail to demonstrate how the area met the qualifying criteria.
- For each residential rehabilitation activity:
 - A local definition of 'substandard' that must be at least as stringent as the housing quality standards used in the Section 8 Housing Assistance Payment Program - Existing Housing; and
 - A pre-rehabilitation inspection report describing the deficiencies in each structure to be rehabilitated; and
 - Details and scope of CDBG-assisted rehabilitation, by structure

b) **Activities to address slums or blight on a spot basis**

An activity that aids in the prevention or elimination of slums or blight *outside of a slum or blighted area*. Examples include: elimination of faulty wiring, falling plaster, or other similar conditions that are detrimental to all potential occupants; historic preservation of a deteriorated public facility; and demolition of a vacant, deteriorated, abandoned building. The activity must meet the following qualifying criteria:

- (1) The activity must be designed to eliminate *specific conditions of blight or physical decay* on a spot basis; and
- (2) The activity must be limited to *acquisition, clearance, relocation, historic preservation, and/or rehabilitation of buildings*. Rehabilitation is limited to the extent necessary to eliminate specific conditions *detrimental to public health and safety*.

Records to be maintained:

- A description of the specific condition of blight or physical decay treated;
- For rehabilitation carried out under this category, a description of the structure, including:
 - The specific conditions detrimental to public health and safety that were identified; and

- Details and scope of the CDBG-assisted rehabilitation.

c) **Activities to address slums or blight in an urban renewal area**

An activity that aids in the elimination or prevention of slums or blight in an urban renewal area. The activity must meet the following qualifying criteria:

- (1) The activity must be located within a Federally designated *urban renewal project area or Neighborhood Development Program (NDP) action area*; and,
- (2) The activity must be *necessary to complete the urban renewal plan*, then in effect, including *initial* land redevelopment permitted by the plan.

Records to be maintained:

- A copy of the Urban Renewal Plan, in effect at the time the CDBG activity is carried out, including maps and supporting documentation.

3. Activities designed to meet urgent community development needs

An activity designed to alleviate existing conditions that have a particular urgency. Examples include reconstruction of water and sewer lines destroyed by major catastrophes or emergencies such as floods or tornadoes. The activity must meet the following qualifying criteria:

- a) The existing conditions must pose a *serious and immediate threat to the health or welfare* of the community;
- b) The existing conditions are of *recent origin* or recently became urgent (generally within the past 18 months);
- c) The grantee is *unable to finance* the activity on its own; and
- d) *Other sources of funding are not available.*

Records to be maintained:

- Documentation concerning the nature and degree of seriousness of the condition requiring assistance;

Evidence that the grantee certified that the CDBG activity was designed to address the urgent need;

- Information on the timing of the development of the serious condition; and
- Evidence confirming that other financial resources to alleviate the need were not available.

4. Additional Criteria

- a) According to 24 CFR 570.208(d), where the assisted activity is *acquisition of real property*, a preliminary determination of whether the activity addresses a National Objective may be based on

the planned use of the property after acquisition. The documentation required depends on planned use.

- b) *Where acquisition is for the purpose of clearance* that will eliminate specific conditions of blight or physical decay, *the clearance activity will be considered the actual use of the property.* However, any subsequent use or disposition of the cleared property is treated as “change of use” under §570.505.

STATEMENT OF ELIGIBLE AND INELIGIBLE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM ACTIVITIES

This is a summary of certain activities that are eligible and ineligible for assistance under the Community Development Block Grant (CDBG) program pursuant to the governing regulations in the Code of Federal Regulations, Title 24, Part 570, Sections 570.200-570.207. For a more complete description, the regulations should be consulted. The Community Development Block Grant Program Entitlement Communities (Desk Guide) at www.hud.gov/offices/cpd/communitydevelopment/library/index.cfm.

General Policies - §570.200

The primary objective of the CDBG Program 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. Funds must be used to carry out activities that will meet one of the three broad National Objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums or blight; or meet other community development needs having a particular urgency. At least 70 percent of the total CDBG funds expended must be used for activities that benefit low- and moderate-income persons, over a one-, two-, or three-year period (selected by the grantee).

Basic Eligible Activities - §570.201

- (a) Acquisition in whole or in part by purchase, long-term lease, donation, or otherwise, of real property for any public purpose, subject to the limitations of §570.207.
- (b) Disposition of real property acquired with CDBG funds through sale, lease or donation, or otherwise; or its retention for public purposes.
- (c) Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, *except buildings for the general conduct of government*. Activities may include:
- Design features and improvements that promote energy efficiency; and
 - Architectural design features and treatments intended to enhance the aesthetic quality of facilities and improvements.

Eligible facilities include those serving persons having special needs such as homeless shelters; convalescent homes; hospitals; nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for the developmentally disabled; and temporary housing for disaster victims.

In certain cases, non-profit entities and subrecipients (including CBDOs qualifying under §570.204) may acquire title to public facilities; when owned by non-profit entities or other such subrecipients, such facilities must be operated so as to be open for use by the general public during all normal hours of operation.

- (d) Clearance, demolition, removal of buildings and improvements, and movement of structures to other sites. Demolition of HUD-assisted or HUD-owned housing units may be undertaken only with the prior approval of HUD. CDBG funds may also be used for physical removal of environmental contaminants or treatment of such contaminants to render them harmless.
- (e) Provision of public services (including labor, supplies and materials) such as those concerned with employment, crime prevention, child care, health care, education, homebuyer down payment assistance, public safety, fair housing counseling, recreation, senior citizens, homeless persons, drug abuse counseling and treatment, and energy conservation counseling and testing. The services must meet each of the following criteria:
 - The service must either be new or a quantifiable increase in the level of a service above that which has been provided with state or local funds in the previous twelve calendar months; and
 - The amount obligated for public services shall not exceed 15 percent of the annual grant, plus 15 percent of the program income received by the grantee and its subrecipients during the previous program year.
- (f) Interim assistance to correct objectively determinable signs of physical deterioration in areas where immediate action is necessary and where permanent improvements will be carried out as soon as practicable; or to alleviate emergency conditions threatening the public health and safety and requiring immediate resolution.
- (g) Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities.
- (h) Completion of urban renewal projects funded under Title I of the Housing Act of 1949, as amended.
- (i) Relocation payments and assistance to displaced individuals, families, businesses, non-profit organizations, and farm operations.
- (j) Payment to housing owners for losses of rental income incurred in holding units for persons displaced by relocation activities.
- (k) Payment of costs in support of activities eligible for funding under the HOME program.
- (l) Acquisition, construction, reconstruction, rehabilitation or installation of the distribution lines and facilities of privately owned utilities.
- (m) CDBG may be used for the construction of housing assisted under Section 17 of the U.S. Housing Act of 1937.
- (n) Direct assistance to facilitate and expand low- and moderate-income homeownership by subsidizing mortgage rates and principal amounts, financing the acquisition of housing occupied by low- and

moderate-income persons, acquiring guarantees of financing obtained from private lenders, providing up to 50 percent of down payment, or paying reasonable closing costs.

(o) Microenterprise Assistance

1. The provision of assistance to facilitate economic development by:
 - Providing credit and financial support, for the establishment, stabilization, and expansion of microenterprises;
 - Providing technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises; and
 - Providing general support, including peer support programs, counseling, child care, transportation and other similar services to owners of microenterprises and persons developing microenterprises.
2. Services provided under this eligibility category are not subject to the restrictions on public services contained in 570.201(e).
3. “Persons developing microenterprises” are persons who have expressed interest and who are, or after an initial screening process, are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed. A “microenterprise” is a business having five or fewer employees, at least one of whom is the owner.

(p) Provision of technical assistance to public or non-profit entities to increase their capacity to carry out eligible neighborhood revitalization or economic development activities, provided:

- The recipient determines, prior to the provision of the assistance, that the activity for which it is attempting to build capacity would be eligible for CDBG assistance; and
- The National Objective claimed by the grantee can reasonably be expected to be met once the entity has received the technical assistance and undertakes the activity.

Capacity building for private or public entities (including grantees) for other purposes may be eligible under §570.205.

Eligible Rehabilitation and Preservation Activities - §570.202

(a) Assistance to rehabilitate:

- Privately owned residential buildings and improvements;
- Low-income public housing and other publicly owned residential buildings and improvements;

- Publicly and privately owned commercial or industrial buildings, except that assistance is limited to improvements to the exterior of the building and the correction of code violations;
 - Non-profit owned, non-residential buildings and improvements not eligible under 570.201(c); and
 - Manufactured housing, when such housing is considered part of the community's permanent housing stock.
- (b) Financial assistance through grants, loans, loan guarantees, interest supplements, or other means may be provided for rehabilitation activities for the buildings described above, including:
- Assistance to private individuals and entities, including profit-making and non-profit organizations, to acquire for the purposes of rehabilitation, and to rehabilitate properties for use or resale for residential purposes;
 - Labor, materials, and other rehabilitation costs, including repair, replacement of principal fixtures and components, installation of security devices, and renovation of existing structures;
 - Loans for refinancing existing indebtedness secured by a property being rehabilitated, if the grantee determines that the financing is appropriate to achieve its community development objectives;
 - Improvements to increase the efficient use of energy;
 - Improvements to increase the efficient use of water;
 - Connection of residential structures to water distribution or local sewer collection lines;
 - Initial homeowner warranty premiums, hazard insurance premiums, flood insurance premiums and lead-based paint testing and abatement, for rehabilitation carried out with CDBG funds;
 - Acquisition of tools to be lent to carry out rehabilitation;
 - Rehabilitation services related to assisting participants in CDBG-funded rehabilitation activities (such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing, and inspection);
 - Rehabilitation of housing under Section 17 of the U.S. Housing Act of 1937; and
 - Lead-based paint hazard evaluation and reduction.
- (c) Code enforcement in deteriorating or deteriorated areas where such enforcement, together with public or private improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of such areas.

- (d) Rehabilitation, preservation or restoration of publicly or privately owned historic properties, except for buildings used for the general conduct of government.
- (e) Renovation of closed schools or other buildings for use as an eligible public facility or housing.

Special Economic Development Activities - §570.203

Special economic development activities include:

- (a) The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient or public or private non-profit subrecipients.
- (b) The provision of assistance to a private for-profit business, for any activity where the assistance is appropriate to carry out an economic development project, excluding those described as ineligible in §570.207(a).
- (c) Economic development services in connection with activities eligible under this section, including, but not limited to, outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of all necessary agreements; management of assisted activities; and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities, including the costs of providing necessary training for persons filling those positions.

Note: Guidelines for selecting activities to assist under this paragraph are provided at §570.209. The recipient must ensure that the appropriate level of public benefit will be derived pursuant to those guidelines before obligating funds under this authority. Special activities authorized under this section do not include assistance for the construction of new housing.

Special Activities by Community-Based Development Organizations (CBDOs) - §570.204

- (a) ***Eligible activities.*** The recipient may provide CDBG funds as grants or loans to any CBDO qualified under this section to carry out a neighborhood revitalization, community economic development, or energy conservation project. The funded project activities may include those listed as eligible under 24 CFR 570 Subpart C, and, except as described below in paragraph (b), activities not otherwise listed as eligible under that subpart. For purposes of qualifying as a project under paragraphs (a)(1), (a)(2), and (a)(3) of this section, the funded activity or activities may be considered either alone or in concert with other project activities either being carried out or for which funding has been committed. For purposes of this section:
 - 1. *A neighborhood revitalization project* includes activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a unit of general local government that is under 25,000 population;
 - 2. *A community economic development project* includes activities that increase economic opportunity, principally for persons of low and moderate income, or that stimulate or retain

businesses or permanent jobs, including projects that include one or more such activities that are clearly needed to address a lack of affordable housing accessible to existing or planned jobs and those activities specified at 24 CFR 91.1(a)(1)(iii);

3. *An energy conservation project* includes activities that address energy conservation, principally for the benefit of the residents of the recipient's jurisdiction; and
 4. To *carry out a project* means that the CBDO undertakes the funded activities directly or through contract with an entity other than the grantee, or through the provision of financial assistance for activities in which it retains a direct and controlling involvement and responsibilities.
- (b) ***Ineligible activities.*** Notwithstanding that CBDOs may carry out activities that are not otherwise eligible, they are not authorized to:
1. Carry out an activity described as ineligible in §570.207(a);
 2. Carry out public services that do not meet the requirements of §570.201(e), except that:
 - i. services carried out under this section that are specifically designed to increase economic opportunities through job training and placement and other employment support services; and
 - ii. services of any type carried out under this section pursuant to a Neighborhood Revitalization Strategy approved by HUD, shall not be subject to the limitations in §570.201(e)(1) or (2), as applicable;
 3. Provide assistance to special economic development activities that would otherwise be eligible under §570.203 that do not meet the guideline requirements of §570.209; or
 4. Carry out an activity that would otherwise be eligible under §570.205 or §570.206, but that would result in the recipient's exceeding the planning and admin cap.

(c) ***Eligible CBDOs***

1. A CBDO qualifying under this section is an organization that has the following characteristics:
 - i. Is an association or corporation organized under State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation within the jurisdiction of the recipient, or in the case of an urban county, the jurisdiction of the county; and
 - ii. Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low and moderate income; and

- iii. May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and
 - iv. Maintains at least 51 percent of its governing body's membership for low- and moderate-income residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation; and
 - v. Is not an agency or instrumentality of the recipient and does not permit more than one-third of the membership of its governing body to be appointed by, or to consist of, elected or other public officials or employees or officials of an ineligible entity (even though such persons may be otherwise qualified under paragraph (c)(1)(iv)); and
 - vi. Except as otherwise authorized in paragraph (c)(1)(v), requires the members of its governing body to be nominated and approved by the general membership of the organization, or by its permanent governing body; and
 - vii. Is not subject to requirements under which its assets revert to the recipient upon dissolution; and
 - viii. Is free to contract for goods and services from vendors of its own choosing.
2. A CBDO that does not meet the above eligibility criteria may also qualify as an eligible entity under this section if it meets one of the following requirements:
- i. Is an entity organized pursuant to section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)), including those that are profit making; or
 - ii. Is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended; or
 - iii. Is a Community Housing Development Organization (CHDO) under 24 CFR 92.2, designated as a CHDO by the HOME Investment Partnerships program participating jurisdiction, with a geographic area of operation of no more than one neighborhood, and has received HOME funds under 24 CFR 92.300 or is expected to receive HOME funds as described in and documented in accordance with 24 CFR 92.300(e).
3. A CBDO that does not qualify under paragraphs (c)(1) or (2) of this section may also be determined to qualify as an eligible entity if the recipient demonstrates to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying paragraph (c)(1) or (c)(2) of this section.

Eligible Planning, Urban Environmental Design and Policy-Planning-Management-Capacity Building Activities - §570.205

- (a) Planning activities such as data gathering, studies, analyses, preparation of plans, and identification of actions that will implement such plans.
- (b) Activities designed to improve the grantee's capacity to plan and manage programs and activities.

Eligible Administrative Costs - §570.206

- (a) Reasonable costs of overall program management, coordination, monitoring, and evaluation, including:
 - Staff salaries, wages, and related costs;
 - Travel costs;
 - Administrative services such as general legal, accounting and audit services performed under third party contracts; and
 - Other goods and services required for administration of the program.
- (b) Provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of activities being assisted with CDBG funds.
- (c) Provision of fair housing counseling services and activities.
- (d) Indirect costs.
- (e) Preparation of applications for Federal programs where the grantee determines such activities are necessary or appropriate to achieve its community development needs.

Ineligible Activities - §570.207

- (a) The following activities may not be assisted with CDBG funds:
 - Buildings used for the general conduct of government;
 - General government expenses; and
 - Political activities.
- (b) The following activities may not be assisted unless certain criteria are met or they are carried out under the authority of §570.203 or §570.204:
 - Purchase of construction equipment; purchase of furnishings and personal property, unless part of a public service activity or necessary for use by a grantee in the administration of the CDBG program;

- Repair, operation and maintenance of public facilities, improvements and services, except expenses associated with eligible public service activities, interim assistance, and office space for CDBG program staff;
- New housing construction, except under the special provisions provided §570.207(b)(3)(i)-(ii); and
- Income payments of a subsistence nature.

Guidelines for Evaluating and Selecting Economic Development Projects - §570.209

The following guidelines are provided to assist the recipient to evaluate and select activities to be carried out for economic development purposes. Specifically, these guidelines are applicable to activities that are eligible for CDBG assistance under 570.203. These guidelines also apply to activities carried out under the authority of 570.204 that would otherwise be eligible under 570.203, were it not for the involvement of a Community-Based Development Organization (CBDO). (This would include activities where a CBDO makes loans to for-profit businesses.) These guidelines are composed of two components: guidelines for evaluating project costs and financial requirements; and standards for evaluating public benefit. **The standards for evaluating public benefit are mandatory, but the guidelines for evaluating projects costs and financial requirements are not.**

- a. **Guidelines and Objectives for Evaluating Project Costs and Financial Requirements.** HUD has developed guidelines that are designed to provide the recipient with a framework for financially underwriting and selecting CDBG-assisted economic development projects that are financially viable and will make the most effective use of the CDBG funds. These guidelines, also referred to as the underwriting guidelines, are published as Appendix A to 24 CFR Part 570. The use of the underwriting guidelines published by HUD is not mandatory. However, grantees electing not to use these guidelines would be expected to conduct basic financial underwriting prior to the provision of CDBG financial assistance to a for-profit business. Where appropriate, HUD's underwriting guidelines recognize that different levels of review are appropriate to take into account differences in the size and scope of a proposed project, and in the case of a microenterprise or other small business to take into account the differences in the capacity and level of sophistication among businesses of differing sizes. Recipients are encouraged, when they develop their own programs and underwriting criteria, to also take these factors into account. The objectives of the underwriting guidelines are to ensure:

1. That project costs are reasonable;
2. That all sources of project financing are committed;
3. That to the extent practicable, CDBG funds are not substituted for non-Federal financial support;
4. That the project is financially feasible;
5. That to the extent practicable, the return on the owner's equity investment will not be unreasonably high; and

6. That to the extent practicable, CDBG funds are disbursed on a *pro rata* basis with other finances provided to the project.
- b. **Standards for Evaluating Public Benefit.** The grantee is responsible for making sure that at least a minimum level of public benefit is obtained from the expenditure of CDBG funds under the categories of eligibility governed by these guidelines. The standards set forth below identify the types of public benefit that will be recognized for this purpose and the minimum level of each that must be obtained for the amount of CDBG funds used. Unlike the guidelines for project costs and financial requirements covered under paragraph (a) of this section, the use of the standards for public benefit is mandatory. Certain public facilities and improvements eligible under 570.201(c) of the regulations, which are undertaken for economic development purposes, are also subject to these standards, as specified in 570.208(a)(4)(vi)(F)(2).
1. Standards for activities in the aggregate. Activities covered by these guidelines must, in the aggregate, either:
 - i. Create or retain at least one full-time equivalent, permanent job per \$35,000 of CDBG funds used; or
 - ii. Provide goods or services to residents of an area, such that the number of low- and moderate-income persons residing in the areas served by the assisted businesses amounts to at least one low- and moderate- income person per \$350 of CDBG funds used.
 2. Applying the aggregate standards.
 - i. A metropolitan city or an urban county shall apply the aggregate standards under paragraph (b)(1) of this section to all applicable activities for which CDBG funds are first obligated within each single CDBG program year, without regard to the source year of the funds used for the activities. A grantee under the HUD-Administered Small Cities or Insular Areas CDBG programs shall apply the aggregate standards under paragraph (b)(1) of this section to all funds obligated for applicable activities from a given grant; program income obligated for applicable activities will, for these purposes, be aggregated with the most recent open grant. For any time period in which a community has no open HUD-Administered or Insular Areas grants, the aggregate standards shall be applied to all applicable activities for which program income is obligated during that period.
 - ii. The grantee shall apply the aggregate standards to the number of jobs to be created/retained, or to the number of persons residing in the area served (as applicable), as determined at the time funds are obligated to activities.
 - iii. Where an activity is expected both to create or retain jobs and to provide goods or services to residents of an area, the grantee may elect to count the activity under either the jobs standard or the area residents standard, but not both.
 - iv. Where CDBG assistance for an activity is limited to job training and placement and/or other employment support services, the jobs assisted with CDBG funds shall be

considered to be created or retained jobs for the purposes of applying the aggregate standards.

- v. Any activity subject to these guidelines that meets one or more of the following criteria may, at the grantee's option, be excluded from the aggregate standards described in paragraph (b)(1) of this section:
 - A. Provides jobs exclusively for unemployed persons or participants in one or more of the following programs:
 - 1. Jobs Training Partnership Act (JTPA);
 - 2. Jobs Opportunities for Basic Skills (JOBS); or
 - 3. Aid to Families with Dependent Children (AFDC);
 - B. Provides jobs predominantly for residents of Public and Indian Housing units;
 - C. Provides jobs predominantly for homeless persons;
 - D. Provides jobs predominantly for low-skilled, low- and moderate- income persons, where the business agrees to provide clear opportunities for promotion and economic advancement, such as through the provision of training;
 - E. Provides jobs predominantly for persons residing within a census tract (or block numbering area) that has at least 20 percent of its residents who are in poverty;
 - F. Provides assistance to business(es) that operate(s) within a census tract (or block numbering area) that has at least 20 percent of its residents who are in poverty;
 - G. Stabilizes or revitalizes a neighborhood that has at least 70 percent of its residents who are low and moderate income;
 - H. Provides assistance to a Community Development Financial Institution that serves an area that is predominantly low- and moderate-income;
 - I. Provides assistance to a Community-Based Development Organization serving a neighborhood that has at least 70 percent of its residents who are low and moderate income;
 - J. Provides employment opportunities that are an integral component of a project designed to promote spatial deconcentration of low- and moderate-income and minority persons;

- K. With prior HUD approval, provides substantial benefit to low-income persons through other innovative approaches;
 - L. Provides services to the residents of an area pursuant to a strategy approved by HUD under the provisions of 24 CFR 91.215(e);
 - M. Creates or retains jobs through businesses assisted in an area pursuant to a strategy approved by HUD under the provisions of 24 CFR 91.215(e).
3. Standards for individual activities. Any activity subject to these guidelines that falls into one or more of the following categories will be considered by HUD to provide insufficient public benefit, and **therefore may, under no circumstances, be assisted with CDBG funds**:
- i. The amount of CDBG assistance exceeds either of the following, as applicable:
 - A. \$50,000 per full-time equivalent, permanent job created or retained; or
 - B. \$1,000 per low- and moderate-income person to which goods or services are provided by the activity.
 - ii. The activity consists of or includes any of the following:
 - A. General promotion of the community as a whole (as opposed to the promotion of specific areas and programs);
 - B. Assistance to professional sports teams;
 - C. Assistance to privately owned recreational facilities that serve a predominantly higher-income clientele, where the recreational benefit to users or members clearly outweighs employment or other benefits to low- and moderate-income persons;
 - D. Acquisition of land for which the specific proposed use has not yet been identified; and
 - E. Assistance to a for-profit business while that business or any other business owned by the same person(s) or entity(ies) is the subject of unresolved findings of noncompliance relating to previous CDBG assistance provided by the recipient.
4. Applying the individual activity standards.
- i. Where an activity is expected both to create or retain jobs and to provide goods or services to residents of an area, it will be disqualified only if the amount of CDBG assistance exceeds both of the amounts in paragraph (b)(3)(i) of this section.
 - ii. The individual activity standards in paragraph (b)(3)(i) of this section shall be applied to the number of jobs to be created or retained, or to the number of persons residing in

the area served (as applicable), as determined at the time funds are obligated to activities.

- iii. Where CDBG assistance for an activity is limited to job training and placement and/or other employment support services, the jobs assisted with CDBG funds shall be considered to be created or retained jobs for the purposes of applying the individual activity standards in paragraph (b)(3)(i) of this section.
- c. **Amendments to economic development projects after review determinations.** If, after the grantee enters into a contract to provide assistance to a project, the scope or financial elements of the project change to the extent that a significant contract amendment is appropriate, the project should be reevaluated under these and the recipient's guidelines. (This would include, for example, situations where the business requests a change in the amount or terms of assistance being provided, or an extension to the loan payment period required in the contract.) If a reevaluation of the project indicates that the financial elements and public benefit to be derived have also substantially changed, the recipient should make appropriate adjustments in the amount, type, terms or conditions of CDBG assistance that has been offered, to reflect the impact of the substantial change. (For example, if a change in the project elements results in a substantial reduction of the total project costs, it may be appropriate for the recipient to reduce the amount of total CDBG assistance.) If the amount of CDBG assistance provided to the project is increased, the amended project must still comply with the public benefit standards under paragraph (b) of this section.
- d. **Documentation.** The grantee must maintain sufficient records to demonstrate the level of public benefit, based on the above standards, that is actually achieved upon completion of the CDBG-assisted economic development activity(ies) and how that compares to the level of such benefit anticipated when the CDBG assistance was obligated. If the grantee's actual results show a pattern of substantial variation from anticipated results, the grantee is expected to take all actions reasonably within its control to improve the accuracy of its projections. If the actual results demonstrate that the recipient has failed the public benefit standards, HUD may require the recipient to meet more stringent standards in future years as appropriate.

Attachment # 8

Performance Measurement Outcome System

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

[Docket No. FR-4970-N-02]

**Notice of Outcome Performance
Measurement System for Community
Planning and Development Formula
Grant Programs**

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

ACTION: Notice.

SUMMARY: On June 10, 2005, HUD's Office of Community Planning and Development (CPD) published a notice in the *Federal Register* titled, "Notice of Proposed Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs; Request for Comments." The notice described an outcome performance measurement system that was developed for grantees that receive funding from the Community Development Block Grant program (CDBG), HOME Investment Partnerships program (HOME), Emergency Shelter Grants program (ESG), and the Housing Opportunities for Persons with AIDS program (HOPWA).

The system was developed by a joint working group made up of members of the Council of State Community Development Agencies (COSCEA), the National Community Development Association (NCEA), the National Association for County Community Economic Development (NACCEDE), the National Association of Housing and Redevelopment Officials (NAHRO), the National Council of State Housing Agencies (NCSHA), CPD, HUD's Office of Policy Development and Research (PD&R), and the Office of Management and Budget (OMB). The June 10, 2005, notice described the proposed system and solicited comments from the public, particularly from formula program grantees, on the proposed performance measurement system. This final notice discusses and addresses the comments received and incorporates appropriate changes.

FOR FURTHER INFORMATION CONTACT:
Margy Coccodrilli, CPD Specialist,
Office of Block Grant Assistance, Room
7282, Department of Housing and Urban
Development, 451 Seventh Street, SW.,
Washington, DC 20410-7000, telephone
(202) 708-1577, extension 4507 (this is
not a toll-free number). Hearing- or
speech-impaired individuals may access
this number through TTY by calling the
toll-free Federal Information Relay
Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION:

I. Background

The Government Performance and Results Act of 1993 (GPRA) mandates that federal programs improve their effectiveness and public accountability by focusing on results. The OMB developed the Program Assessment Rating Tool (PART) to monitor compliance with the GPRA and to rate federal programs for their effectiveness and ability to show results.

Many CPD grantees have been frustrated by the inability to "tell their story" to their citizens and other stakeholders about the outcomes of the investments they have made in their communities using federal, state, and local resources. The inability to clearly demonstrate program results at the national level, which is the standard required by OMB's program assessment process, can have serious consequences for program budgets. On June 10, 2005, HUD published (70 FR 34044), a notice describing a proposed outcome performance measurement system and solicited comments. The system would enable HUD to collect information on the outcomes of activities funded with CPD formula grant assistance, and to aggregate that information at the national and local level. Reports would be made available to allow grantees to compare their performance to that of their peers. Based on the proposed system and taking into consideration the comments received, this notice establishes the outcome performance measurement system. This system is not intended to replace existing local performance measurement systems that are used to inform local planning and management decisions and increase public accountability.

This performance measurement system will be incorporated into HUD's Integrated Disbursement and Information System (IDIS), thus allowing for simplified data collection. The objectives and outcomes will appear on IDIS screens and grantees will select the objective and outcome that applies to each activity that the grantee undertakes. The indicators will be generated according to the matrix code, and for CDBG grantees, by the national objective. The possible indicators for each activity will also appear on an IDIS screen and the grantee will indicate which indicator(s) apply to that activity, as carried out by the grantee.

The indicators in this framework represent most of the activities that are undertaken by grantees of the CPD formula grant programs, but HUD acknowledges that there may be some activities that may not fit well into any

of the indicator categories. While such activities may be very important to local interests, their numbers would not make a significant impact on a national level and could create a burden for other grantees. Therefore, the joint working group that developed the system decided to include indicators that can encompass most of the activities undertaken by grantees.

Separate from what the new performance measurement system can provide, the Department would like to be able to demonstrate potential outcomes such as higher homeownership rates and property valuations, lower unemployment rates and improved education levels, increased commercial and private investments, and additional assisted businesses that remain operational for at least three years. HUD will consult with the working group, grantees, and other interested parties to determine whether and how a set of particular community-level outcome measures can be established and uniformly applied. In the future, HUD may use the same or similar universal measures and standards to assess performance in other federal economic and community development programs. For example, HUD intends to obtain information on the development of brownfields and will consult with grantees on how best to collect such information. HUD will also undertake research to address such issues, and determine how frequently to assess progress, evaluate programs, perform analyses, and disseminate results based upon data that is comparable and generally available.

The structure of the new performance measurement system is consistent with the goals and objectives contained in HUD's Strategic Plan for the years 2006 to 2011, including expanding access to affordable housing, fostering a suitable living environment, and expanding economic opportunities.

The objectives, outcomes, and indicators described in this notice will appear this spring in the existing version of IDIS. Grantees will be requested to enter available data at that time. This fall, Phase I of the re-engineered IDIS will be released and grantees will be required to enter the performance data.

When Phase II of the re-engineered IDIS is released, HUD expects the overall administrative burden for grantees to be reduced; HUD's intent is to have the Consolidated Plan, Annual Action Plan, and Consolidated Annual Performance and Evaluation Report (CAPER) integrated into one single performance measurement system. In the interim, elements of the system may

be incorporated into the Consolidated Plan Management Process (CPMP) Tool so that local objectives and outcomes can be entered at the beginning of the Consolidated Plan or Annual Action Plan development process, and accomplishments under those objectives and outcomes can be reported on in the CAPER.

II. Discussion of Public Comments

General Comments

The public comment period closed on September 8, 2005. In addition to the 56 comments submitted in writing to HUD headquarters, additional comments were received during an interactive satellite broadcast from HUD headquarters in Washington, DC, and five regional feedback sessions that were held in San Francisco, Philadelphia, Detroit, Atlanta, and Austin. Each of those events provided opportunities for public comment.

There were multiple requests for HUD to develop a performance measurement Web site that would contain all the information that has been made available. That request has been acknowledged and there is now a CPD Web site that hosts this information. The URL is: <http://www.hud.gov/offices/cpd/about/performance/index.cfm>.

A number of comments praised the outcome measurement system and thanked HUD and the working group for the simplicity of the system; also, many comments posed questions. These questions are addressed in a question and answer format that has been distributed to grantees and is available on the Performance Measurement Web site. Several comments requested clarification of terms and definitions. These have been provided to grantees and are available on CPD's Performance Measurement website.

There were also many comments made about IDIS that were important to that system, but not necessarily relevant to the inclusion of the performance measurement indicators. Those comments have been forwarded to CPD's System Development and Evaluation Division. There were also comments on the Consolidated Plan Management Process and those comments have been forwarded to CPD's Office of Policy Development and Coordination.

Many comments suggested that issues and terminology of local interest be added to the framework. Unfortunately, because the framework was developed to capture national indicators in a standardized format, unique local information cannot be included. However in CPD Notice 03-09, issued in

September 2003, HUD encouraged grantees to develop local performance measurement systems that complement this new national system by capturing the results of activities of local importance.

Specific Comments

Comment—There were several comments indicating that these performance measures should replace Consolidated Plans, Annual Action Plans, Consolidated Annual Performance and Evaluation Reports (CAPER), and Performance Evaluation Reports (PER).

Response—HUD anticipates that when Phase II of the IDIS re-engineering is complete in 2007, Consolidated Plans, Annual Action Plans, CAPERs, and PERs will become one continuous document.

Comment—There were several comments indicating the need for training on the performance measurement system and generally on IDIS, and specific training for entitlements, states, and urban counties, sub-recipients; training grantees to train their sub-recipients; and guidance/training on how the indicators apply to each program.

Response—HUD expects to provide training on IDIS in 2006. This training will incorporate the performance measurement framework; also, HUD has prepared guidance, questions and answers, and definitions. This, along with other related information, are available on CPD's Performance Measurement website.

Comment—Several commenters indicated that changes to administrative procedures, and possibly to grantee staffing, would have to be made at the local level and some asked that HUD provide assistance to tell grantees how this should be done.

Response—HUD will provide training on what data will need to be collected, but grantees will determine within their own administrative procedures how to coordinate the front-end planning, implementation, and reporting of activities. Because grantee procedures vary significantly based on agency size and expertise, HUD is not the appropriate entity to develop local administrative procedures for grantees.

Comment—Some comments referred to the difficulty that grantees would have in developing outcome statements.

Response—HUD will use the data that are reported and aggregated in IDIS to develop the outcome statements. If a jurisdiction has an activity that does not fit into the framework, that grantee may create an outcome statement in the narrative of the CAPER or PER to

provide information to their citizens about the results of the activity.

Comment—Comments asked that HUD clarify the timing of when grantees will begin using the performance measurement system.

Response—The elements of the outcome performance measurement system will appear in the existing version of IDIS in Spring 2006. Because of the need for HUD to show results, grantees will be requested to enter data as soon as the system is available. Later in 2006, Phase I of the re-engineered IDIS will be released. At that time, grantees will be required to enter the performance data into the system.

Comment—There were comments suggesting that 40 percent be included in the breakout of numbers for area median income because this number would help show the percentage of "working poor;" that many projects exceed the HOME program minimum levels and assist persons between 30 percent and 50 percent; and that breaking down those income levels would cause additional work for CDBG grantees.

Response—Individual program requirements dictate the income percentages that are to be reported. Therefore, grantees need only provide the information that is currently required for each specific program. The area median income percentages published in this notice reflect the range of information required by all four CPD formula grants. When grantees enter data for activities into IDIS, only the income percentages applicable to those program activities will be populated for selection.

Comment—Several commenters urged HUD to provide sufficient time for grantees to revise forms and other business practices, that data collection should not begin until the re-engineered IDIS is available, and that information pertinent to these changes should be made available to grantees as soon as possible.

Response—On October 28, 2005, CPD issued a memo that provided the basic information needed to revise forms, such as applications from sub-recipients for funding, sub-recipient agreements, and client applications. Grantees could also use that memo to begin to plan for any administrative changes that might be required.

Comment—Some commenters requested that an indicator for section 504 compliance be included for owner-occupied housing units.

Response—HUD agrees. Although section 504 does not apply to homeowners, the accessibility indicator has been added for owner-occupied

units that are made accessible for persons with disabilities.

Comment—One comment received stated that there was no way in the system to report female heads of household.

Response—In IDIS, grantees are currently required to report the number of female heads of household for housing activities that meet the national objective of low-mod housing; therefore, no additional data is required.

Comment—Several comments reflected the need for additional resources to cover the added costs of administrative workload, training, and technology development.

Response—HUD is making every effort to minimize workload burden. HUD expects the increased administrative workload to be reduced as HUD streamlines the planning and reporting requirements. While plans for training are not yet complete, HUD will attempt to reduce grantee costs by conducting training using technology such as the Performance Measurements Web site, broadcasts, and Web casts, and possibly local training provided through field offices. Also, HUD expects to provide training at conferences of the national associations that were involved in the development of the system.

Comment—Several commenters asked HUD to develop sample forms that can be used to collect the additional data.

Response—Since grantees differ greatly in administrative procedures, based on agency size and expertise, HUD is not the appropriate entity to develop specific sample forms. However, HUD will provide guidance on data collection that will assist grantees in adding appropriate language to existing forms.

Comment—There were several comments that suggested changes to the flow chart that was included in the proposed outcome performance measurement system.

Response—The flow chart could not be designed to accommodate the various requests and the full scope of all activities. Because many commenters considered the flow chart to provide little value, it has been removed from the final notice of the outcome performance measurement system.

Comment—Several comments stated that ESG and HOPWA indicators should include case management.

Response—HOPWA case management activities will be reported in the

HOPWA Annual Performance Reports and later in IDIS. ESG does not currently collect information on case management activities in IDIS.

Comment—Several comments indicated that the system should provide the ability to capture more than one objective and more than one outcome for each activity.

Response—The objectives closely mirror the statutory objectives of each program. Grantees will select the one objective that the activity is intended to meet. To prevent the dilution of data and capture the largest numbers possible for each outcome, grantees are encouraged to select the outcome that best describes the result of the activity. However, if a grantee feels strongly that an activity is best represented by two outcomes, it would indicate the primary outcome and the additional outcome.

Comment—There were comments suggesting that only indicators required by each specific program should be required for reporting.

Response—Both the proposed and final notices state that grantees will report these data only if the indicator is appropriate to the program.

Comment—One comment stated that Community Housing Development Organization (CHDO) operating costs should not be included in the system.

Response—Up to 5 percent of a participating jurisdiction's HOME allocation may be used to pay eligible CHDO operating costs. However, the use of HOME funds for this purpose, or for administrative costs generally, does not directly result in a measurable output in terms of affordable housing units produced or households assisted. In fact, the use of HOME funds to cover CHDO operating costs actually reduces that amount of funds that would otherwise be available for projects. Consequently, while CHDO operating support funds are necessary in many instances, HUD agrees with the commenter that it would not be appropriate to include the use of CHDO operating costs as an indicator in a system focused on measuring performance.

Comment—One comment indicated that the list of indicators should not be increased without careful evaluation and input from the working group.

Response—The working group has continued to provide evaluation and input on the development and implementation of the outcome performance measurement system.

Comment—Many comments suggested possible changes to the indicators or additional indicators to be included to the proposed outcome performance measurement system.

Response—HUD carefully considered each suggestion. Some of the suggestions were incorporated into the framework, while others reflected changes that were already planned for inclusion in the re-engineering of IDIS. HUD believes that the indicators included in the outcome performance measurement system published herein reflect most of the activities undertaken by grantees. However, if it becomes apparent that additional data elements are necessary, other indicators can be added to the system at a later date.

Comment—Several comments questioned the difference between International Building Code Energy (IBCE) Standards, and the International Energy Conservation Code (IECC), and the inclusion of Energy Star Standards as a subset of a larger code.

Response—Most states and local governments have adopted one or more International Code Council (ICC) building codes. The ICC codes have replaced other prior model codes, resulting in many different building codes. HUD has determined that identifying only IBCE or IECC and not identifying other possible codes would create incomplete data, as well as confusion over which codes to use. Therefore, the data elements for building energy codes have been deleted. In 2002, HUD entered into a memorandum of understanding with the Environmental Protection Agency (EPA) and the Department of Energy (DOE) to promote the use of Energy Star in HUD's affordable housing programs. Therefore, Energy Star will remain as a data element for energy conservation activities for the housing indicator categories in the performance measurement system.

Comment—There were comments about the use of the NAICS industry classification codes and whether the codes would be available in a drop-down format in IDIS.

Response—HUD has concluded that the large number of NAICS classification codes will create a reporting burden for grantees and businesses and therefore has deleted that data element.

III. Environmental Impact

This notice does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing, rehabilitation, alteration, demolition, or new

construction, or establish, revise or provide for standards for construction or construction materials, manufactured housing, or occupancy. Accordingly, under 24 CFR 50.19(c)(1), this notice is categorically excluded from environmental review under the

National Environmental Policy Act of 1969 (42 U.S.C. 4321).

Dated: March 1, 2006.

Pamela H. Patenaude,

Assistant Secretary for Community Planning and Development.

BILLING CODE 4210-67-P

CPD Outcome Performance Measurement System

BACKGROUND

A working group, established by and composed of representatives from national housing and community development associations as well as HUD and the Office of Management and Budget (OMB), began holding monthly meetings in June 2004 for the purpose of developing an outcome performance measurement system for key HUD housing and community development programs. The working group was made up of grantee representatives from the Council of State Community Development Agencies (COSCEA), the National Community Development Association (NCDA), the National Association for County Community Economic Development (NACCED), the National Association of Housing and Redevelopment Officials (NAHRO), the National Council of State Housing Agencies (NCSHA), HUD's Offices of Community Planning and Development (CPD) and Policy Development and Research (PD&R), and the Office of Management and Budget (OMB).

The members of this working group finalized their work and reached agreement on an outcome performance measurement system to propose for grantees that receive funding from the Community Development Block Grant program (CDBG), the HOME Investment Partnerships Program (HOME), the Emergency Shelter Grant program (ESG), and the Housing Opportunities for Persons with AIDS program (HOPWA) formula grants. The proposed Outcome Performance Measurement System was published in the Federal Register on June 10, 2005 (70 FR 34044). The final outcome performance measurement system includes objectives, outcome measures, and indicators that describe outputs. The objectives are: Creating Suitable Living Environments, Providing Decent Affordable Housing, and Creating Economic Opportunities. The outcome categories are: Accessibility/Availability, Affordability, and Sustainability. There is a standardized list of output indicators that grantees will report on as appropriate for their chosen objectives and outcomes. Although the system is not designed to capture every activity, HUD is confident that the list is broad enough that the results of a significant amount of activities of each of the programs will be reported. Most of the output indicators required by the system do not require additional data collection or reporting.

Grantees shall incorporate performance measurements into consolidated plans or annual action plans prepared for Fiscal Year (FY) 2007 CDBG, HOME, ESG, and HOPWA funding. This will include the determination of an objective and selection of an outcome for each activity, based on the type of activity and its purpose. HUD realizes that some grantees have already completed preparation of their FY2006 plans, while others are well into the planning and development process. However, where possible, grantees should **immediately** incorporate the new performance measurements approach into consolidated plans or annual action plans that are being prepared for FY2006 funds. This will allow grantees to have a better capability to enter the expected data into IDIS, as discussed below. If a grantee has already submitted its FY2006 consolidated plan or action plan to HUD and the plan has been approved, adding new performance measurement features to the plan does not constitute an amendment under §1.505(a); however, the grantee should determine whether this addition is an amendment under its citizen participation plan.

IDIS will begin accepting data in Spring 2006 and HUD is strongly encouraging every grantee to begin to enter data at that time for all completed activities, based on information that is available. The objectives and indicators reported in IDIS will reflect the rationale for funding that activity. The outcome will be based on the result the grantee hoped to achieve by funding the activity. The indicators will describe, in numerical terms, any particular benefit that the activity produced. In Fall 2006, it will become mandatory for all formula grantees to enter the required performance measurement data (objectives, outcomes, and indicators) into IDIS for all existing activities with a status of budgeted or underway as of the beginning of FY2007, as well as for all new activities.

Grantees are only required to report the indicators that appear for each activity; however, if a jurisdiction has activities that are not covered by these indicators, grantees can manually report any objectives, outcomes, and indicators in the narrative section of the Consolidated Annual Performance and Evaluation Report (CAPER) or State Performance Evaluation Report (PER), or HOPWA Annual Performance Report (APR).

The system has been designed to enable grantees and HUD to inform Congress, OMB, and the public of many of the outcomes of the covered programs. The goal is to begin focusing on more outcome-oriented information and be able to aggregate results across the broad spectrum of programs funded by these block grants at the city, county, and state level.

HOW WILL IT WORK?

Based on the intent when funding an activity, grantees will determine which of the three objectives best describes the purpose of the activity. The objectives will appear on an IDIS screen and the grantee will choose from the options presented. The three objectives are:

Suitable Living Environment - In general, this objective relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment.

Decent Housing - The activities that typically would be found under this objective are designed to cover the wide range of housing possible under HOME, CDBG, HOPWA or ESG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort, since such programs would be more appropriately reported under Suitable Living Environment.

Creating Economic Opportunities - This objective applies to the types of activities related to economic development, commercial revitalization, or job creation.

Similarly, once the objective for the activity is selected, the grantee will then choose which of the three outcome categories best reflects what they are seeking to achieve by funding that activity, and then enter the outcome on the appropriate IDIS screen. It is important that the data are not diluted by too much information. Therefore, grantees are encouraged to report which one of the three outcomes is most appropriate for their activity. However, if the grantee believes that two outcomes of equal importance will be realized, then a second outcome may also be selected. The three outcome categories are:

Availability/Accessibility. This outcome category applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people where they live.

Affordability. This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Each outcome category can be connected to each of the overarching objectives, resulting in a total of nine groups of outcome/objective statements under which grantees would report the activity or project data to document the results of their activities or projects. Each activity will provide one of the following statements, although sometimes an adjective such as new, improved, or corrective may be appropriate to refine the outcome statement.

- Accessibility for the purpose of creating suitable living environments
- Accessibility for the purpose of providing decent affordable housing
- Accessibility for the purpose of creating economic opportunities
- Affordability for purpose of creating suitable living environments
- Affordability for the purpose of providing decent affordable housing
- Affordability for the purpose of creating economic opportunities
- Sustainability for the purpose of creating suitable living environments
- Sustainability for the purpose of providing decent affordable housing
- Sustainability for the purpose of creating economic opportunity

Based on the objectives and outcomes selected, and, in the case of CDBG activities the national objective selected, IDIS will identify the specific indicators for each activity. Only the specific indicators appropriate for that activity will be available for grantees to report. Thus, the process of identifying and selecting indicators will be minimized. The objective and outcomes will combine with the activity indicator data to produce statements of national significance regarding the results of the activity.

The specific indicators are described in this notice. Grantees are reminded that these indicators will be incorporated into IDIS and, therefore, will appear on screens and not in the written format shown here. Grantees will only report this data if the indicator is a requirement of the program from which the activity is funded.

There are certain data elements commonly reported by all programs, although each of the four programs may require different specificity or may not require each element listed below. Grantees will only report the information required for each program, as currently required. No new reporting requirements are being imposed for program activities that do not currently collect these data elements. The elements include:

- Amount of money leveraged (from other federal, state, local, and private sources) per activity;
- Number of persons, households, units, or beds assisted, as appropriate;
- Income levels of persons or households by: 30 percent, 50 percent, 60 percent, or 80 percent of area median income, per applicable program requirements. However, if a CDBG activity benefits a target area, that activity will show the total number of persons served and the percentage of low/mod persons served. Note that this requirement is not applicable for economic development activities awarding funding on a “made available basis;”
- Race, ethnicity, and disability (for activities in programs that currently report these data elements)

HUD will combine the objectives, outcomes, and data reported for the indicators to produce outcome narratives that will be comprehensive and will demonstrate the benefits that result from the expenditure of these federal funds.

This system maintains the flexibility of the block grant programs, as the objectives, outcomes, and indicators will be determined by the grantees, based on the intent of the activities they choose to fund. The standardized format provides that reporting will be uniform, and therefore the achievements of these programs can be aggregated for each grantee locally and for all grantees at the national level.

Specific Outcome Indicators

1) Public facility or infrastructure activities

Number of persons assisted:

- with new access to a facility or infrastructure benefit
- with improved access to a facility or infrastructure benefit
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to a substandard facility or infrastructure

2) Public service activities

Number of persons assisted:

- with new access to a service
- with improved access to a service
- where activity was used to meet a quality standard or measurably improved quality, report the number that no longer only have access to substandard service

3) Activities are part of a geographically targeted revitalization effort (Y/N)?

If Yes (check one)

- a) Comprehensive
- b) Commercial
- c) Housing
- d) Other

Choose all the indicators that apply, or at least 3 indicators if the effort is (a) Comprehensive.

- Number of new businesses assisted
- Number of businesses retained
- Number of jobs created or retained in target area
- Amount of money leveraged (from other public or private sources)
- Number of low- or moderate-income (LMI) persons served
- Slum/blight demolition
- Number of LMI households assisted
- Number of acres of remediated brownfields
- Number of households with new or improved access to public facilities/services
- Number of commercial façade treatment/business building rehab
- Optional indicators a grantee may elect to use include crime rates, property value change, housing code violations, business occupancy rates, employment rates, homeownership rates (optional)

4) Number of commercial façade treatment/business building rehab (site, not target area based)**5) Number of acres of brownfields remediated (site, not target area based)****6) New rental units constructed per project or activity**

Total number of units:

Of total:

- Number affordable
- Number section 504 accessible
- Number qualified as Energy Star

Of the affordable units:

- Number occupied by elderly
- Number subsidized with project-based rental assistance (federal, state, or local program)
- Number of years of affordability
- Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations
 - Of those, number of units for the chronically homeless

Number of units of permanent housing designated for homeless persons and families, including those units receiving assistance for operations
Of those, number of units for the chronically homeless

7) Rental units rehabilitated

Total number of units:

Of total:

Number affordable
Number section 504 accessible
Number of units created through conversion of nonresidential buildings to residential buildings
Number brought from substandard to standard condition (HQS or local code)
Number qualified as Energy Star
Number brought into compliance with lead safe housing rule (24 CFR part 35)

Of those affordable:

Number occupied by elderly
Number subsidized with project-based rental assistance (federal, state or local program)
Number of years of affordability
Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations
Of those, the number of units for the chronically homeless
Number of units of permanent housing for homeless persons and families, including those units receiving assistance for operations
Of those, number of units for the chronically homeless

8) Homeownership Units Constructed, Acquired, and/or Acquired with Rehabilitation (per project or activity)

Total number of units

Of those:

Number of affordable units
Number of years of affordability
Number qualified as Energy Star
Number section 504 accessible
Number of households previously living in subsidized housing

Of those affordable:

Number occupied by elderly
Number specifically designated for persons with HIV/AIDS
Of those, the number specifically for chronically homeless
Number specifically designated for homeless
Of those, number specifically for chronically homeless

9) Owner occupied units rehabilitated or improvedTotal number of units:

Number occupied by elderly

Number of units brought from substandard to standard condition (HQS or local code)

Number qualified as Energy Star

Number of units brought into compliance with lead safe housing rule (24 CFR part 35)

Number of units made accessible for persons with disabilities

10) Direct Financial Assistance to homebuyers

Number of first-time homebuyers

Of those, number receiving housing counseling

Number receiving down-payment assistance/closing costs

11) Tenant-Based Rental AssistanceTotal Number of Households

Of those:

Number with short-term rental assistance (less than 12 months)

Number of homeless households

Of those, number of chronically homeless households

12) Number of homeless persons given overnight shelter**13) Number of beds created in overnight shelter or other emergency housing****14) Homelessness Prevention**

- Number of households that received emergency financial assistance to prevent homelessness
- Number of households that received emergency legal assistance to prevent homelessness

15) Jobs createdTotal number of jobs

Employer-sponsored health care (Y/N)

Type of jobs created (use existing Economic Development Administration (EDA) classification)

Employment status before taking job created:

Number of unemployed _____

16) Jobs retained

Total number of jobs

Employer-sponsored health care benefits

17) Businesses assisted

Total businesses assisted

New businesses assisted

Existing businesses assisted

Of those:

Business expansions

Business relocations

DUNS number(s) of businesses assisted

(HUD will use the DUNS numbers to track number of new businesses that remain operational for 3 years after assistance)

18) Does assisted business provide a good or service to meet needs of service area/neighborhood/community (to be determined by community)?

Attachment # 9

Lead Hazard Requirements Information

HUD > Program Offices > Community Planning and Development > Affordable Housing > HOME Training > HOME Front - Interactive Technical Support for the HOME Program > Lead Safe Housing Rule > Key Requirements of the Lead Safe Housing Rule

Key Requirements of the Lead Safe Housing Rule

The Lead Safe Housing Rule requires different approaches to addressing lead hazards in different types of housing. These approaches are summarized in the **Lead Safe Housing Requirements Summary Table** that you can download as a quick reference to the requirements.

The requirements for each type of housing are best understood if you first consider these five "Key Requirements" that make up the Lead Safe Housing Rule. Therefore,
after completing this topic, you will be able to:

- Determine when and how to meet notification requirements.
- Explain the different methods and qualifications for conducting a lead hazard evaluation.
- Describe the methods, qualifications and options for performing Lead Hazard Reduction activities.
- Explain what on-going maintenance activities are required when these activities are required by regulation.
- Describe the steps a grantee and owner must follow when an EIBLL child is identified and the grantee and owner have a responsibility to respond.

Thus, the five "key requirements" (and subject areas for this topic) are:

1. **Communication with Residents.** Grantees must meet the lead disclosure requirements that apply to all housing (assisted or unassisted) at lease or sale and provide certain notices to residents.
2. **Lead Hazard Evaluation/Assessment.** Any housing that receives HOME funds must undergo some form of evaluation or assessment (unless lead is **presumed** to be present).
3. **Lead Hazard Reduction Methods.** After the appropriate evaluation or assessment, the grantee must conduct Lead Hazard Reduction. Such work must be done using **lead safe work practices** and is not

In This Section

Key Requirements of the Lead Safe Housing Rule

Communication with
Residents
Lead Hazard
Evaluation/Assessment
Lead Hazard Reduction
Methods
Ongoing Maintenance
Environmental Intervention
Blood Lead Levels

considered complete until **clearance** is performed.

4. **Ongoing Maintenance.** Some types of housing programs are subject to ongoing maintenance requirements.

5. **Environmental Intervention Blood Lead Levels.**
For some types of housing programs, specific actions are required for children with Environmental Intervention Blood Lead Levels.

SUMMARY OF LEAD-BASED PAINT REQUIREMENTS BY ACTIVITY

	Rehabilitation (Subpart J)			TBRA (Subpart M)	A, L, SS, O (Subpart K)
	≤\$5,000	\$5,000 - \$25,000	>\$25,000		Homebuyer and Special Needs*
Approach to Lead Hazard Evaluation and Reduction	1. Do no harm. 2. Do not disturb lead-based paint.	3. Identify and control lead hazards.	4. Identify and abate lead hazards.	5. Identify and stabilize deteriorated paint.	6. Identify and stabilize deteriorated paint.
Notification	Yes	Yes	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing (of surfaces to be disturbed)	Paint Testing and Risk Assessment	Paint Testing and Risk Assessment	Visual Assessment	Visual Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls	Abatement (Interim Controls on exterior surfaces not disturbed by rehabilitation)	Paint Stabilization	Paint Stabilization
	Safe work practices Clearance	Safe work practices Clearance	Safe work practices Clearance	Safe work practices Clearance	Safe work practices Clearance
Ongoing Maintenance	For HOME rental only	For HOME rental only	For HOME rental only	Yes	Yes (if ongoing relationship)
EIBLL Requirements	No	No	No	Yes	No
Options	Presume lead-based paint. Use safe work practices on all surfaces.	Presume lead-based paint and/or hazards. Use standard treatments.	Presume lead-based paint and/or hazards. Abate all applicable surfaces.	Presume deteriorated paint. Use safe work practices only on lead-based paint surfaces.	Presume deteriorated paint. Use safe work practices only on lead-based paint surfaces.

* Special Needs Housing may be subject to the requirements of Subpart J, M, or K depending on the nature of the assistance provided. However, since most special needs housing involves acquisition, leasing, support services, and operations, for the purposes of this table, it has been placed in this column.

Attachment # 10

US HUD Calculations of Annual and Adjusted Income

HUD > Program Offices > Community Planning and Development > Affordable Housing > HOME Training > HOME Front - Interactive Technical Support for the HOME Program > Calculating Income Eligibility > Calculating Adjusted Income

Calculating Adjusted Income

Under the HOME Program, "**annual (gross) income**" is calculated in order to determine whether a household's income makes them eligible to participate in a HOME program.

In contrast, "adjusted income" as defined in 24 CFR 5.611 is used to determine total tenant payment (TTP), which is a measure of a household's ability to pay housing costs. Under the HOME Program, "adjusted income" is used only to calculate the following:

1. The PJ's subsidy and tenant's share of rent under a HOME-funded TBRA program;
2. The rent for a tenant in a HOME-assisted rental unit whose income increases above 80 percent of the area median; and
3. The rent for a tenant if the PJ has a rental housing program in which rents are based on the household's ability to pay.
 - Under HOME rental housing programs, the rent each family pays is not usually determined based specifically on that family's ability to pay. Rather, "high" and "low" HOME rents are generally established for each unit in the project and the family pays the rent established for the unit they will occupy.
 - Nonetheless, HOME Program rules do permit PJs to design a program in which rents are determined based on the household's ability to pay. If a PJ elects this option, it must use "adjusted income" when calculating tenant rents.
4. The household's eligibility for, and the amount of, assistance to be provided under the Uniform Relocation Act (URA) or Section 104(d) relocation and tenant assistance requirements.

Click here to go to the topic on **calculating assistance amounts**, which are based on the calculation of adjusted income described in this topic.

Note that the "adjusted income" calculation is not needed for HOME-funded homebuyer or owner-occupied rehabilitation programs.

Calculating Adjusted Income

Deductions by Household Type

Elderly/Disabled

Household Deductions

Dependent Deductions

Child Care Deductions

Medical Deductions

Disability Deductions

Both Medical and

Disability Deductions

Calculating Income Eligibility Contents

General Requirements

Three Definitions of Income

Calculating Adjusted Income

Calculating Assistance Amounts

Calculator

Adjustments to Income

Adjusted income is derived by subtracting any of five deductions, also known as allowances, that apply to the household from the household's **"annual (gross) income."** The deductions must be applied whenever "adjusted income" is calculated for eligible households.

A household's eligibility for adjustments to "annual (gross) income" depends in part on whether the household qualifies as a(n):

- **"elderly"** household,
- **"disabled"** household, or
- **"family"** (non-elderly, non-disabled) household.

Click on the key words above for a definition of each household type.

While defined at 24 CFR 5.611, the following deductions are applied to eligible households regardless of the definition of "annual (gross) income" that was initially used to determine their eligibility for the HOME Program. They are:

- **Elderly or disabled** household deductions,
- **Dependent deductions,**
- **Child care expenses deductions,**
- **Medical expenses deductions,** and
- **Disability assistance expenses deductions.**

Click on the key words above to learn how each deduction is applied when calculating adjusted income.

NOTE: Not all households are eligible for all deductions!

Click here to see a **chart** summarizing the allowable deductions for each household type.

Attachment # 11

US HUD Eligibility Matrix Codes

IDIS Matrix - CDBG Eligibility Activity Codes and National Objectives

Matrix Codes Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMASA	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMJP	SBA	SBS	SBR	URG
1	Acquisition of Property - 570.201(a)					N	N				N					
2	Disposition - 570.201(b)					N	N				N			N		
3	Public Fac. & Impvm'ts - 570.201(c)					N	N									
03A	Senior Centers	N				N	N	N	N							
03B	Handicapped Centers	N				N	N	N	N							
03C	Homeless Facilities (not operating costs)	N				N	N	N	N							
03D	Youth Centers	N				N	N	N	N							
03E	Neighborhood Facilities					N	N	N	N							
03F	Parks, Recreational Facilities		N	N		N	N	N	N	N		N				
03G	Parking Facilities					N	N	N	N							
03H	Solid Waste Disposal Improvements					N	N									
03I	Flood Drainage Improvements					N	N									
03J	Water/Sewer Improvements					N	N									
03K	Street Improvements					N	N									
03L	Sidewalks					N	N									
03M	Child Care Centers	N				N	N	N	N							
03N	Tree Planting					N	N		N							
03O	Fire Station/Equipment		N	N	N	N	N	N	N	N		N				
03P	Health Facilities					N	N	N	N							
03Q	Abused and Neglected Children Facilities	N				N	N	N	N							
03R	Asbestos Removal					N	N	N	N							
03S	Facilities for AIDS Patients (no op'ting costs)	N				N	N	N	N							
4	Clearance, Demo, Remediate - 570.201(d)					N	N				N					
04A	Cleanup of Contaminated Sites					N	N				N					
5	Public Services - 570.201(e)		N	N		N		N	N	N	N	N		N	N	
03T	Operating Costs Homeless/AIDS Patients	N	N	N		N	N	N	N	N	N	N		N	N	
05A	Senior Services	N	N	N		N		N	N	N	N	N		N	N	
05B	Handicapped Services	N	N	N		N		N	N	N	N	N		N	N	
05C	Legal Services		N	N		N		N	N	N	N	N		N	N	
05D	Youth Services	N	N	N		N		N	N	N	N	N		N	N	
05E	Transportation Services		N	N		N		N	N	N	N	N		N	N	
05F	Substance Abuse Services		N	N		N		N	N	N	N	N		N	N	
05G	Battered and Abused Spouses	N	N	N		N		N	N	N	N	N		N	N	
05H	Employment Training		N	N		N		N	N	N	N	N		N	N	
05I	Crime Awareness		N	N		N		N	N	N	N	N		N	N	
05J	Fair Housing Activities-Subj.to Pub.Serv.Cap		N	N		N		N	N	N	N	N		N	N	
05K	Tenant/Landlord Counseling	N	N	N		N		N	N	N	N	N		N	N	
05L	Child Care Services	N	N	N		N		N	N	N	N	N		N	N	
05M	Health Services		N	N		N		N	N	N	N	N		N	N	
05N	Abused and Neglected Children	N	N	N		N		N	N	N	N	N		N	N	
05O	Mental Health Services		N	N		N		N	N	N	N	N		N	N	
05P	Screening for Lead Based Paint/Lead Hazards	N	N	N		N		N	N	N	N	N		N	N	
05Q	Subsistence Payments	N	N	N		N		N	N	N	N	N		N	N	
05R	Homeownership Assistance (not direct)	N	N	N	N	N				N	N	N		N	N	
05S	Rental Housing Subsidies	N	N	N	N	N				N	N	N		N	N	
05T	Security Deposits	N	N	N	N	N				N	N	N		N	N	
05U	Housing Counseling	N	N	N	N	N	N			N	N	N	N	N	N	N
05V	Neighborhood Cleanups		N	N	N	N		N	N	N	N	N		N	N	
05W	Food Banks		N	N		N		N	N	N	N	N		N	N	
6	Interim Assistance - 570.201(f)		N	N	N	N	N	N	N	N	N	N			N	
7	Urban Renewal Completion - 570.201(h)					N	N				N		N	N		N
8	Relocation - 570.201(i)					N	N				N					
9	Rental Income Loss - 570.201(j)					N	N				N					
11	Privately Owned Utilities - 570.201(l)					N	N				N					
12	Construction of Housing - 570.201(m)	N	N	N	N	N	N			N	N	N		N		
13	Homeownership Direct - 570.201(n)	N	N	N	N	N	N			N	N	N	N	N	N	N

IDIS Matrix - CDBG Eligibility Activity Codes and National Objectives

Matrix Codes Key		National Objective Codes (N = Not Allowed)														
Code	Eligible Activity	LMA	LMAFI	LMASA	LMC	LMCMC	LMCSV	LMH	LMHSP	LMJ	LMJFI	LMJP	SBA	SBS	SBR	URG
14A	Rehab; Single-Unit Res. - 570.202	N	N	N	N	N	N			N	N	N				
14B	Rehab; Multi-Unit Residential	N	N	N	N	N	N			N	N	N				
14C	Public Housing Modernization	N	N	N	N	N	N			N	N	N				
14D	Rehab; Other than Public-Owned Residential Blds	N	N	N	N	N	N			N	N	N				
14E	Rehab; Pub./Private-Owned Commercial/Industrial					N	N	N	N		N					
14F	Energy Efficiency Improvements	N	N	N	N	N	N			N	N	N				
14G	Acquisition for Rehabilitation	N	N	N	N	N	N			N	N	N				
14H	Rehabilitation Administration					N	N				N					
14I	Lead Based Paint/Hazards Test/Abatement	N	N	N	N	N	N			N	N	N				
14J	Housing Services - HOME Program	N	N	N	N	N	N			N	N	N	N	N	N	N
15	Code Enforcement - 570.202(c)		N	N	N	N	N	N	N	N	N	N		N		
16A	Residential Historic Preservation	N	N	N	N	N	N			N	N	N				N
16B	Non-Residential Historic Preservation					N	N	N	N		N					N
17A	ED Acquisition by Recipient - 570.203(a)					N	N	N	N							
17B	CI Infrastructure Development					N	N	N	N					N		
17C	CI Building Acq., Construction, Rehabilitation					N	N	N	N		N					
17D	Other Commercial/Industrial Improvements					N	N	N	N		N					
18A	ED Assistance to For-Profits - 570.203(b)				N	N	N	N	N		N			N		
18B	ED Technical Assistance				N	N		N	N		N			N		
18C	Micro-Enterprise Assist. - 570.201(o)						N	N	N		N			N		
19C	Nonprofit Capacity Building - 570.201(p)															
19D	Assist. Higher Educ. Inst. - 570.201(q)															
19E	Operation and Repair of Foreclosed Property		N	N	N	N	N			N	N	N	N	N	N	N
19F	Planned Repayments of Sec. 108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19G	Unplanned Repayments of Sec. 108 Loans	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
19H	State CDBG Technical Assistance to Grantees	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20	Planning-Ent. Com'ties - 570.205	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
20A	State Planning	N	N	N	N	N	N	N	N	N	N	N	N	N	N	
21A	Gen. Program Admin. - 570.206	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21B	Indirect Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21C	Public Information	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21D	Fair Housing Activity (subject to Admin. cap)	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21E	Submissions or Applications for Federal Programs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21H	CDBG Funding of HOME Admin.	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21I	CDBG Funding of HOME CHDO Operating Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
21J	State Administration Costs	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
22	Unprogrammed Funds	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
23	Tornado Shelters - Private Mobile H Parks		N	N	N	N	N	N	N	N	N	N	N	N	N	N
National Objective Key		Entitlements										States				
LMA	Low- and moderate-income (Low/Mod) Area Benefit	570.208(a)(1)										570.483(b)(1)				
LMAFI	Low/Mod Area Benefit Community Development Financial Institution	570.208(d)(6)(i)										570.483(e)(4)				
LMASA	Low/Mod Area Benefit Neighborhood Revitalization Strategy Area	570.208(d)(5)(i)										570.483(e)(5)				
LMC	Low/Mod Limited Clientele	570.208(a)(2)										570.483(b)(2)				
LMCMC	Low/Mod Limited Clientele Microenterprise Development	570.208(a)(2)(iii)										570.483(b)(2)(iv)				
LMCSV	Low/Mod Limited Clientele, Job Service Benefit	570.208(a)(2)(iv)										570.483(b)(2)(v)				
LMH	Low/Mod Housing	570.208(a)(3)										570.483(b)(3)				
LMHSP	Low/Mod Housing, CDFI or Neighborhood Revitalization Strategy Area	570.208(d)(5)(ii) & (d)(6)(ii)										570.483(e)(5)				
LMJ	Low/Mod Job Creation or Retention	570.208(a)(4)										570.483(b)(4)				
LMJFI	Low/Mod Job Creation or Retention, Public Facility/ Improvement Benefit	570.208(a)(4)(vi)(F)										570.483(b)(4)(vi)(F)				
LMJP	Low/Mod Job Creation or Retention, Location Based	570.208(a)(4)(iv)(B)										570.483(b)(4)(iv)(B)				
SBA	Slum and Blight Area	570.208(b)(1)										570.483(c)(1)				
SBS	Slum and Blight Spot	570.208(b)(2)										570.483(c)(2)				
SBR	Slum and Blight Urban Renewal/Planning Only Activities (States)	570.208(b)(3)										570.483(c)(3)				
URG	Urgent Needs	570.208(c)														

US HUD ELIGIBILITY MATRIX CODE

CODE	ACTIVITY DESCRIPTION	SECTION	NATIONAL OBJECTIVES	ACCOUNTS/SAVING TYPES	OBJECTIVE	OUTCOME	NOTES
1	Acquisition of Real Property	570.201(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	People Businesses Public Facilities Housing Units Jobs	Sustainable Living Environment	Sustainability	
2	Disposition of Real Property	570.201(b)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	People Businesses Public Facilities Housing Units Jobs	Sustainable Living Environment Decent Housing	Sustainability Affordability	When the property will be used for the purpose for which it was acquired, use the same Accomplishment Code that was or should have been used for acquisition of the property. When a property is disposed of for a use other than for which it was acquired, use the Accomplishment Code that corresponds to the new use.
3	Public Facilities & Improvements (Gen)	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	People Businesses Public Facilities Housing Units Jobs	Sustainable Living Environment	Sustainability	
03A	Senior Centers	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03B	Handicapped Centers	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03C	Homeless Facilities (not operating costs)	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03D	Youth Centers	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03E	Neighborhood Facilities	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	

03F	Parks, Recreational Facilities	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMJ, 570.208(a)(4)	Jobs			
03G	Parking Facilities	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMJ, 570.208(a)(4)	Jobs			
03H	Solid Waste Disposal Improvements	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMH, 570.208(a)(3)	Housing Units			
			LMJ, 570.208(a)(4)	Jobs			
03I	Flood Drainage Improvements	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMH, 570.208(a)(3)	Housing Units			
			LMJ, 570.208(a)(4)	Jobs			
03J	Water/Sewer Improvements	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMH, 570.208(a)(3)	Housing Units			
			LMJ, 570.208(a)(4)	Jobs			
03K	Street Improvements	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMH, 570.208(a)(3)	Housing Units			
			LMJ, 570.208(a)(4)	Jobs			
03L	Sidewalks	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People Public Facilities	Sustainable Living Environment	Availability/Accessibility	When the sole purpose of an activity is to create curb cuts, report the number of curb cuts using the Public Facilities code. When creating curb cuts is carried out in conjunction with other sidewalk improvements, report the number of people.
			LMH, 570.208(a)(3)	Housing Units			
			LMJ, 570.208(a)(4)	Jobs			
03M	Child Care Centers	570.201(c)	LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Availability/Accessibility	
			LMJ, 570.208(a)(4)	Jobs			
03N	Tree Planting	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	Public Facilities	Sustainable Living Environment	Sustainability	

03O	Fire Station/Equipment	570.201(c)	LMA, 570.208(a)(1) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03P	Health Facilities	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Sustainability	
03Q	Abused and Neglected Children Facilities	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Availability/Accessibility	
03R	Asbestos Removal	570.201(c)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Sustainable Living Environment	Sustainability	
03S	Facilities for AIDS Patients (no operating costs)	570.201(c)	LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Public Facilities Jobs	Decent Housing	Availability/Accessibility	
03T	Operating Costs: Homes/AIDS Patients	570.201(e)	LMC, 570.208(a)(2)	People	Decent Housing	Availability/Accessibility	
4	Clearance, Demo, Remediate	570.201(d)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	Businesses Housing Units Public Facilities Housing Units Jobs	Sustainable Living Environment	Sustainability	
04A	Cleanup of Contaminated Sites	570.201(d)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3)	Housing Units People	Sustainable Living Environment	Sustainability	Report the number of sites cleaned based on the primary use of the site (e.g., not the number of businesses)
5	Public Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05A	Senior Services	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05B	Handicapped Services	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05C	Legal Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05D	Youth Services	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05E	Transportation Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05F	Substance Abuse Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
05G	Battered and Abused Spouses	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	

05H	Employment Training	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Economic Opportunities	Sustainability
05I	Crime Awareness	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Sustainability
05J	Fair Housing Activities-Subj to 15% Pub.Serv.Cap	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Sustainability
05K	Tenant/Landlord Counseling	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Sustainability
05L	Child Care Services	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility
05M	Health Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility
05N	Abused and Neglected Children	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility
05O	Mental Health Services	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility
05P	Screening for Lead Based Paint/Lead Hazards Poisoning	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Sustainability
05Q	Substance Payments	570.201(e)	LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility
05R	Homeownership Assistance (not direct)	570.201(e)	LMH, 570.208(a)(3)	Households	Decent Housing	Affordability
05S	Rental Housing Subsidies	570.201(e)	LMH, 570.208(a)(3)	Households	Decent Housing	Affordability
05T	Security Deposits	570.201(e)	LMH, 570.208(a)(3)	Households	Decent Housing	Affordability
05U	Housing Counseling	570.201(e)	LMH, 570.208(a)(3)	Households	Decent Housing	Affordability
05V	Neighborhood Cleanups	570.201(e)	LMA, 570.208(a)(1)	People	Sustainable Living Environment	Sustainability

05W	Food Banks	570.201(e)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People	Sustainable Living Environment	Availability/Accessibility	
6	Interim Assistance	570.201(f)	LMA, 570.208(a)(1)	People Businesses Housing Units Public Facilities	Sustainable Living Environment	Sustainability	
7	Urban Renewal Completion	570.201(h)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3)	Businesses Public Facilities Housing Jobs	Sustainable Living Environment	Sustainability	
8	Relocation	570.201(i)	LMJ, 570.208(a)(4) LMA, 570.208(a)(1) LMC, 570.208(a)(2)	People Households Businesses Organizations (non-profit) Households Jobs	Decent Housing	Availability/Accessibility	
9	Rental Income Loss	570.201(j)	LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	People	Decent Housing	Affordability	Report the number of owners to whom payments are made.
11	Privately Owned Utilities	570.201(l)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	Businesses	Sustainable Living Environment	Sustainability	Report the number of private utilities assisted.
12	Construction of Housing	570.201(m)	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Affordability	New construction of housing with CDSC funds must be carried out by CBOOs, in accordance with the regulations at 570.204(a)
13	Homeownership Direct	570.201(n)	LMH, 570.208(a)(3)	Households	Decent Housing	Affordability	
14A	Rehab: Single-Unit Residential	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Affordability	
14B	Rehab: Multi-Unit Residential	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Affordability	
14C	Public Housing Modernization	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Affordability	
14D	Rehab: Other than Publicly-Owned Residential Buildings	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Affordability	
14E	Rehab: Publicly / Privately-Owned Commercial/Industrial	570.202	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Jobs	Decent Housing	Affordability	
14F	Energy Efficiency Improvements	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Sustainability	
14G	Acquisition For Rehabilitation	570.202	LMH, 570.208(a)(3)	Businesses Organizations Housing Units	Decent Housing	Affordability	

14H	Renovation Administration	570.202	<div> <div>LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)</div> <div> <div>Businesses Organizations</div> <div>Housing Units</div> </div> </div>	Decent Housing	Sustainability	
14I	Lead Based Paint/Hazards Test/Abatement	570.202	<div> <div>LMH, 570.208(a)(3)</div> <div>LMH, 570.208(a)(3)</div> </div>	Decent Housing	Sustainability	For proposed and actual units, report the number of Housing Units abated. In the Accomplishments Narrative, when appropriate, identify the number of housing units tested and number of children screened.

14J	Housing Services - HOME Program	570.202	LMH, 570.208(a)(3)	Housing Units	Decent Housing	Sustainability	Report people when a Code Enforcement activity consists of inspecting privately-owned vacant lots and / or tagging abandoned vehicles. When a Code Enforcement activity includes inspection of multiple types of property including Housing Units, report Housing Unit inspected in the proposed and actual units fields and report the number of People, Businesses and / or organizations inspected, as appropriate, in the Accomplishments Narrative.
15	Code Enforcement	570.202(c)	LMA, 570.208(a)(1)	People Businesses Organizations Housing Units	Sustainable Living Environment	Sustainability	
16A	Residential Historic Preservation	570.202(d)	LMH, 570.208(a)(3)	Housing Units	Sustainable Living Environment	Sustainability	
16B	Non-Residential Historic Preservation	570.202(d)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Organizations	Sustainable Living Environment	Sustainability	
17A	ED Acquisition by Recipient	570.203(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Jobs	Economic Opportunities	Sustainability	
17B	CI Infrastructure Development	570.203(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Jobs	Economic Opportunities	Sustainability	
17C	CI Building Acquisition, Construction, Rehabilitation	570.203(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Jobs	Economic Opportunities	Sustainability	
17D	Other Commercial/Industrial Improvements	570.203(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMJ, 570.208(a)(4)	Businesses Jobs	Economic Opportunities	Sustainability	

18A	ED Assistance to For-Profits	570.203(b)	<div>LMA, 570.208(a)(1)</div> <div>LMJ, 570.208(a)(4)</div> <div>SBA, 570.208(b)(1)</div>	<div>Businesses</div> <div>Jobs</div> <div>Businesses</div>	Economic Opportunities	Sustainability	Report the number of businesses assisted. Do not report the number of persons in the service area. That information can be derived from data entered on the MX03 screen.
18B	ED Technical Assistance	570.203(b)	<div>LMA, 570.208(a)(1)</div> <div>LMJ, 570.208(a)(4)</div>	<div>Businesses</div> <div>Jobs</div>	Economic Opportunities	Sustainability	Report Businesses in the proposed and actual units fields, and, where appropriate, report the number of people trained and / or provided support services in the Accomplishments Narrative.
18C	Micro-Enterprise Assistance	570.201(c)	<div>LMA, 570.208(a)(1)</div> <div>LMC, 570.208(a)(2)</div> <div>LMJ, 570.208(a)(4)</div>	<div>People</div> <div>Businesses</div> <div>Jobs</div>	Economic Opportunities	Sustainability	Report the number of businesses served when an activity assists a micro-enterprise, including assistance in creating a micro-enterprise. Report the number of people served when an activity provides training to assist people in developing and operating a micro-enterprise. If an activity undertakes both of these functions, report only the number of businesses assisted in the units fields. The number of persons trained should be reported in the accomplishment narrative.
19C	Nonprofit Capacity Building	570.201(p)	<div>LMA, 570.208(a)(1)</div> <div>LMC, 570.208(a)(2)</div> <div>LMH, 570.208(a)(3)</div> <div>LMJ, 570.208(a)(4)</div>	<div>People</div> <div>Households</div> <div>Businesses</div> <div>Organizations</div> <div>Housing Units</div> <div>Public Facilities</div> <div>Jobs</div>	Economic Opportunities	Sustainability	

18D	Assistance to Institutes of Higher Education	570.201(a)	LMA, 570.208(a)(1) LMC, 570.208(a)(2)	ALL	Economic Opportunities	Sustainability	Determine the eligible activity to be carried out by the Institute and identify the correct matrix code and national objective for the activity. Then, use the table to assign the appropriate Accomplishment Code.
			LMH, 570.208(a)(3)				
			LMJ, 570.208(a)(4)				
19E	Operation and Repair of Foreclosed Property		LMA, 570.208(a)(1) LMH, 570.208(a)(3)	Housing Units	NA	NA	
19F	Planned Repayments of Sec. 108 Loans		None	None	NA	NA	
19G	Unplanned Repayments of Sec. 108 Loans		None	None	NA	NA	
19H	State CDBG Technical Assistance to Grantees		None	None	NA	NA	
20	Planning (Entitlement Communities)	570.205	None	None	NA	NA	
20A	State Planning		LMA, 570.208(a)(1) LMC, 570.208(a)(2) LMH, 570.208(a)(3) LMJ, 570.208(a)(4)	People Households Businesses Organizations Housing Units Public Facilities	NA	NA	
21A	General Program Administration	570.208	None	None	NA	NA	
21B	Indirect Costs	570.206	None	None	NA	NA	
21C	Public Information	570.208	None	None	NA	NA	
21D	Fair Housing Activities (subject to Admin. cap)	570.208	None	None	Sustainable Living Environment	Sustainability	
21E	Submissions or Applications for Federal Programs	570.208	None	None	NA	NA	
21H	CDBG Funding of HOME Admin.		None	None	NA	NA	
21I	CDBG Funding of HOME CHDO Operating Costs		None	None	NA	NA	
21J	State Administration Costs		None	None	NA	NA	
22	Unprogrammed Funds		None	None	NA	NA	
23	Tornado Shelters - Private Mobile H Parks		LMA, 570.208(a)(1)	People	Sustainable Living Environment	Sustainability	

Attachment# 12

Miami Dade County Income Limits



FY 2017 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2017 Income Limits Summary

FY 2017 Income Limit Area	Median Income Explanation	FY 2017 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Miami-Dade County	\$51,800	Very Low (50%) Income Limits (\$) Explanation	26,450	30,200	34,000	37,750	40,800	43,800	46,850	49,850
		Extremely Low Income Limits (\$) * Explanation	15,900	18,150	20,420	24,600	28,780	32,960	37,140	41,320
		Low (80%) Income Limits (\$) Explanation	42,300	48,350	54,400	60,400	65,250	70,100	74,900	79,750

Selecting any of the buttons labeled "Explanation" will display detailed calculation steps for each of the various parameters.

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

Income Limit areas are based on FY 2017 Fair Market Rent (FMR) areas. For information on FMRs, please see our associated FY 2017 [Fair Market Rent documentation system](#).

For last year's Median Family Income and Income Limits, please see here:

[FY2016 Median Family Income and Income Limits for Miami-Dade County](#)

Select a different county or county equivalent in
Florida:

Liberty County ▲
Madison County
Manatee County
Marion County
Martin County
Miami-Dade County ▼

Select county or county equivalent

Select any FY2017 HUD Metropolitan FMR Area's
Income Limits:

Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼

Select HMFA Income Limits Area

Or press below to start over and select a different
state:

Select a new state

Update URL For bookmarking or E-Mailing

Prepared by the Economic and Market Analysis Division, HUD.



FY 2017 MEDIAN FAMILY INCOME DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

Median Family Income Calculation Methodology

Estimates of median family income for metropolitan and non-metropolitan areas are developed as follows:

1. The U.S. Census Bureau's 2010-2014 ACS median family income estimates are used as a basis for calculating HUD's FY2017 MFIs. In areas where the margin of error is more than half of the 2014 5-year ACS itself, the state non-metro estimate of median family income is used.
2. If there is a valid 2017 1-year ACS estimate of median family income available, HUD replaces the 5-year data with the 1-year data. A valid 1-year 2014 5-year ACS estimate is one where the margin of error of the estimate is less than one-half of the estimate.
3. Once the appropriate 2014 ACS data has been selected, an inflation factor based on the CBO forecast of the national CPI is calculated to inflate the estimate from mid-2014 to April, 2017 (or mid FY2017).

The **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**, has published local area 1-year 2014 ACS Survey results.

MFI Step by Step Calculation

1. The following are the 2014 American Community Survey 5-year median income estimate and margin of error for **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**:

Area	ACS ₂₀₁₄ 5-Year Median Income	ACS ₂₀₁₄ 5-Year Margin of Error	Ratio	Result
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$49,391	\$504	\$504 / \$49,391 = 0.01	0.01 < .5 Use ACS₂₀₁₄ Miami-Miami Beach-Kendall, FL

**HUD Metro FMR Area
Median Income**

2. Since there is a 1-year 2014 ACS estimate available, the margin of error of the estimate is checked to determine if it is less than one-half of the 1-year 2014 ACS:

Area	ACS ₂₀₁₄ 1-Year Median Income	ACS ₂₀₁₄ 1-Year Margin of Error	Ratio	Result
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$50,187	\$1,062	$\frac{\$1,062}{\$50,187} = 0.021$	0.021 < .5 Update to ACS ₂₀₁₄ 1- Year Median Income

3. The calculation of the CPI Inflation Factor is as follows:

Area	FY2017 CPI	2014 Annual CPI	CPI Inflation Factor
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	244.2	236.736	$\frac{244.2}{236.736} = 1.03153$

4. The FY 2017 median family income is estimated as follows:

Area	ACS ₂₀₁₄ 5-Year Estimate	CPI Inflation Factor	FY 2017 Area MFI Estimate
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$50,187	1.03153	$(\$50,187 * 1.03153) = \$51,769$

5. In keeping with HUD policy, the median family income estimate is rounded to the nearest \$100:

Area	Unrounded FY 2017 MFI Estimate	Rounded FY 2017 MFI Estimate
Miami-Miami Beach-Kendall, FL HUD	\$51,769	\$51,800

Metro FMR Area
<p>Press below to select a different state:</p> <p>Select a new state</p> <p>Or select a FY 2017 HUD Metropolitan FMR Area's Median Family Income:</p> <p>Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼</p> <p>Select Area</p>
<p>Update URL for bookmarking or E-mailing</p>
<p>Technical Problems or questions? Contact Us.</p>

Attachment # 13

Construction Cost Breakdown/Scope of Work

SAMPLE BUDGET SUMMARY FOR CONSTRUCTION BUDGET/ HOME OR CDBG FUNDS

MAJOR CATEGORIES:	HOME or CDBG		NON-PHCD		TOTAL FUNDING
1. Personnel	\$ -		\$ 24,960.00		\$ 24,960.00
2. Contractual Services	\$ 70,000.00		\$ 3,600.00		\$ 73,600.00
3. Operating Expenses	\$ -		\$ 8,400.00		\$ 8,400.00
4. Commodities	\$ -		\$ 18,400.00		\$ 18,400.00
5. Capital Outlay	\$ 130,000.00		\$ 5,000.00		\$ 135,000.00
FY HOME OR CDBG	\$ 200,000.00		\$ 60,360.00		\$ 260,360.00

OTHER FUNDING SOURCES (Non-PHCD):

ABC Grant	\$30,000
First Bank Loan	\$30,360
Total	\$60,360

SAMPLE CONSTRUCTION BUDGET FOR HOME OR CDBG FUNDS

AGENCY NAME

SUB OBJECT	DESCRIPTION	HOME or CDBG AMOUNT	OTHER AMT	TOTAL AMT
Personnel expenses 01 Personnel				
are not allowable for construction related projects	Executive Director	\$0	\$23,077	\$23,077
	Housing Assistant	\$0	\$0	\$0
	FICA/MICA	\$0	\$1,883	\$1,883
	Total Personnel	\$0	\$24,960	\$24,960
20 Contractual Services				
	Audit External	\$10,000	\$0	\$10,000
	Accounting Services	\$0	\$3,600	\$3,600
	General Liability Insurance	\$1,000	\$0	\$1,000
	Auto Liability	\$1,000	\$0	\$1,000
	Other Insurance Expense:	\$1,000	\$0	\$1,000
	Builders Risk			
	Flood			
	Title Insurance	\$5,000	\$0	\$5,000
	Construction Manager (Consultant)	\$25,000	\$0	\$25,000
	Appraisal & Surveying Services	\$7,000	\$0	\$7,000
	Property Maintenance	\$5,000	\$0	\$5,000
	Attorney's Fees	\$5,000	\$0	\$5,000
	Marketing	\$10,000	\$0	\$10,000
	Total Contractual	\$70,000	\$3,600	\$73,600
Operating expenses 30 Operating Expenses				
are not allowable for construction related projects	Electric/Telephone	\$0	\$7,400	\$7,400
	Water & Sewer Services	\$0	\$1,000	\$1,000
	Total Operating Expenses	\$0	\$8,400	\$8,400
Commodity expenses 40 Commodities				
are not allowable for construction related projects	Office Supplies	\$0	\$1,400	\$1,400
	Office Equipment	\$0	\$5,000	\$5,000
	Rent	\$0	\$12,000	\$12,000
	Total Commodities	\$0	\$18,400	\$18,400
90 Capital Outlay				
	Purchase Price of Land	\$75,000	\$0	\$75,000
	Environmental	\$5,000	\$0	\$5,000
	Site Preparation	\$5,000	\$0	\$5,000
	Fence Installation	\$2,000	\$0	\$2,000
	Prime Contractor - Construction	\$0	\$0	\$0
	Property Taxes	\$0	\$5,000	\$5,000
	Building Permits	\$10,000	\$0	\$10,000
	Architect Fees	\$13,000	\$0	\$13,000
	Impact Fees	\$20,000	\$0	\$20,000
	Total Capital Outlay	\$130,000	\$5,000	\$135,000
TOTALS		\$200,000	\$60,360	\$260,360
OTHER FUNDING SOURCES (Non-PHCD):				
	ABC Grant	\$30,000		
	First Bank Loan	\$30,360		
	Total	\$60,360		

COST ALLOCATION REPORT: NEW CONSTRUCTION AFFORDABLE HOUSING

APPLICANT / AGENCY NAME: ABC Community Development Corporation PROJECT NAME: ABC Village DATE: _____

USES	COSTS	FUNDING SOURCES										Total Funding	Funding Gap
		City of Miami HOME	City of Miami ODBG	Sun Trust Bank	Miami-Dade	SURTAX	SHIP	HAYT	HOME	HOME	HOME		
Land Acquisition	\$387,507	\$0	\$0	\$0	\$0	\$0	\$0	\$312,160	\$5,347	\$0	\$0	\$387,507	\$0
HARD COSTS													
Construction Cost	\$4,682,539	\$1,165,000	\$0	\$2,417,886	\$0	\$75,000	\$0	\$384,853	\$150,000	\$200,000	\$0	\$4,432,539	\$230,000
Construction Contingency	\$182,886	\$0	\$0	\$182,886	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$182,886	\$0
Construction Project Manager	\$75,000	\$0	\$0	\$0	\$0	\$75,000	\$0	\$0	\$0	\$0	\$0	\$75,000	\$0
Construction Supervision	\$15,000	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0
TOTAL													
HARD COST	\$4,935,425	\$1,165,000	\$0	\$2,645,772	\$0	\$150,000	\$0	\$384,853	\$150,000	\$200,000	\$0	\$4,705,425	\$230,000
SOFT COSTS													
Architect Design / Civil Engineering	\$80,000	\$0	\$0	\$0	\$60,000	\$0	\$0	\$0	\$0	\$0	\$0	\$80,000	\$0
Impact Fees	\$55,000	\$55,000	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$56,000	\$0
Permit Fees	\$32,000	\$0	\$6,000	\$0	\$24,000	\$0	\$0	\$0	\$0	\$0	\$0	\$32,000	\$0
Legal Fees	\$50,000	\$0	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000	\$0
Environmental	\$1,600	\$0	\$0	\$0	\$1,600	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600	\$0
Appraisal	\$5,000	\$0	\$0	\$0	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000	\$0
Insurance Liability	\$2,500	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0
Legal Cost	\$40,150	\$0	\$0	\$0	\$39,650	\$0	\$500	\$0	\$0	\$0	\$0	\$40,150	\$0
Loan Closing Financing Fees	\$200,000	\$0	\$0	\$200,000	\$170	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000	\$0
Estate Research	\$1,000	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0
Title Insurance	\$19,000	\$0	\$0	\$0	\$19,000	\$0	\$0	\$0	\$0	\$0	\$0	\$19,000	\$0
Surveying	\$600	\$0	\$0	\$0	\$600	\$0	\$0	\$0	\$0	\$0	\$0	\$600	\$0
Construction Accounting	\$12,000	\$0	\$0	\$0	\$12,000	\$0	\$0	\$0	\$0	\$0	\$0	\$12,000	\$0
For Use by City / City Incurred Costs	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,000	\$0
Air Photo	\$1,500	\$0	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$0
Signs	\$500	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$500	\$0
Cleaning Debris	\$1,600	\$0	\$0	\$0	\$1,600	\$0	\$0	\$0	\$0	\$0	\$0	\$1,600	\$0
Developer's Fees	\$150,000	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$50,000	\$0	\$0	\$0	\$150,000	\$0
Soft Cost Contingency	\$24,398	\$0	\$0	\$24,398	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,398	\$0
TOTAL													
SOFT COST	\$797,748	\$115,000	\$8,000	\$324,228	\$300,000	\$0	\$520	\$50,000	\$0	\$0	\$0	\$797,748	\$0
TOTAL PROJECT COST	\$5,733,173	\$1,280,000	\$8,000	\$2,970,000	\$300,000	\$150,000	\$312,680	\$600,000	\$150,000	\$200,000	\$0	\$5,870,600	\$230,000

Attachment # 14

Budget Samples and Forms/Sources and Uses Statement

**SAMPLE BUDGET SUMMARY
FOR NON-CONSTRUCTION RELATED PROJECTS**

NAME OF AGENCY, INC.
ABC PROGRAMMING

CDBG

SUMMARY BUDGET

CATEGORIES	Non-PHCD	CDBG	TOTAL ALL SOURCES
I. PERSONNEL	119,236	23,169	\$ 142,405
II. CONTRACTUAL SERVICES	9,500	9,500	\$ 19,000
III. OPERATING SERVICES	6,750	6,750	\$ 13,500
IV. COMMODITIES	800	800	\$ 1,600
V. CAPITAL OUTLAY	0	0	\$ 0
TOTAL BUDGET	\$136,286	\$40,219	\$176,505

OTHER FUNDING SOURCES (Non-PHCD):

ABC Grant	\$50,000
BL Grant	\$86,286
Total	\$136,286

SAMPLE BUDGET FOR NON-CONSTRUCTION RELATED PROJECTS

AGENCY NAME, INC. [PROJECT NAME] CDBG

DETAIL BUDGET

	PP	Non PHCD	PHCD	TOTAL PHCD	TOTAL ALL SOURCES
04010 PERSONNEL - Employee					
Regular - Salaries			Bi-Weekly		
Executive Director	26	38,000	0	0	\$38,000
Deputy Director	26	47,000	0	0	\$47,000
Case Manager	26	12,500	480.77	12,500	\$25,000
Tutor	26	8,000	307.69	8,000	\$16,000
Subtotal Salaries		105,500	788.46	20,500	\$126,000

04010 Fringe Benefits					
Fica: $11,000 \times .0620 = 628 \times 100\%$		6,541	48.88	1,271	\$7,812
Mica: $11,000 \times .0145 = 160$		1,530	11.43	297	\$1,827
Worker's Compensation		5,665	42.34	1,101	\$6,766
Subtotal Fringe		13,736	102.66	2,669	\$16,405
Total Personnel		119,236	891.12	23,169	\$142,405

Contractual Services					
21011 External Audit		2,000	0.00	2,000	\$4,000
21020 Accounting Services		0	0.00	0	\$0.00
21030 Other Professional Svc.		0	0.00	0.00	\$0.00
22350 Bottled Water		0	0.00	0	\$0.00
25330 Rent Copier		1,500	0.00	1,500	\$3,000
25511 Building Rental		6,000	0.00	6,000	\$12,000
Total Contractual		9,500	0.00	9,500	\$19,000

Operating Expense					
22010 Electrical Services		2,000	0.00	2,000	\$4,000
23210 General Liability Insurance		1,500	0.00	1,500	\$3,000
23220 Automobile Liability Insurance		1,250	0.00	1,250	\$2,500
31011 Telephone Regular		1,250	0.00	1,250	\$2,500
31011 Telephone Long Distance		150	0.00	150	\$300
31610 Postage		600	0.00	600	\$1,200
31420 Advertising Radio		0.00	0.00	0.00	\$0.00
Total Operating Expense		6,750	0.00	6,750	\$13,500

Commodities					
31510 Outside Printing		400	0.00	400	\$800
95020 Computer Purchase		0	0.00	0	\$0.00
47010 Office Supplies/Outside Vendors		400	0.00	400	\$800
Total Commodities		800	0.00	800	\$1,600

Capital Outlay					
		0.00	0.00	0.00	0.00
Total Capital Outlay		0.00	0.00	0.00	0.00

TOTAL BUDGET		\$136,286	0.00	\$40,219	\$176,505
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List of all other funding sources and corresponding amounts as indicated below:

ABC Grant	\$50,000
BL Grant	\$86,286
Total	\$136,286

SAMPLE CONSTRUCTION BUDGET FOR HOME OR CDBG FUNDS

HOME or CDBG INDEX CODE: # _____

BUDGET SUMMARY

MAJOR CATEGORIES:	HOME or CDBG	NON-PHCD	TOTAL FUNDING
1. Personnel Services	\$0	\$24,960	\$24,960
2. Contractual Services	\$70,000	\$3,600	\$73,600
3. Operating Expenses	\$0	\$8,400	\$8,400
4. Commodities	\$0	\$18,400	\$18,400
5. Capital Outlay	\$130,000	\$5,000	\$135,000
TOTALS	\$200,000	\$60,360	\$260,360

OTHER FUNDING SOURCES (Non- PHCD)

ABC Grant	\$30,000
First Bank Loan	\$30,360
Total	\$60,360

HOME/CHDO

CHDO INDEX#

HOME INDEX#

BUDGET SUMMARY

MAJOR CATEGORIES:	CHDO	HOME	NON-OCED	TOTAL HOME/CHDO
1. Personnel Services	\$40,000	\$0	\$24,960	\$40,000
2. Contractual Services	\$0	\$70,000	\$3,600	\$70,000
3. Operating Expenses	\$0	\$0	\$8,400	\$0
4. Commodities	\$0	\$0	\$18,400	\$0
5. Capital Outlay	\$0	\$130,000	\$5,000	\$130,000
TOTALS	\$40,000	\$200,000	\$60,360	\$240,000

HOME SAMPLE BUDGET

Agency Name

<u>DESCRIPTION</u>	<u>HOME AMT</u>	<u>CHDO HOME AMT</u>	<u>OTHER AMT</u>	<u>TOTAL AMT</u>
01 Personnel				
Executive Director	\$0	\$32,308	\$23,077	\$55,385
Housing Assistant	\$0	\$3,846	\$0	\$3,846
FICA	\$0	\$3,846	\$1,883	\$5,729
20 Contractual Services				
Audit External (2003 & 2004)	\$10,000	\$0	\$0	\$10,000
Accounting Services	\$0	\$0	\$3,600	\$3,600
General Liability Insurance	\$3,000	\$0	\$0	\$3,000
Title Insurance	\$5,000	\$0	\$0	\$5,000
Construction Manager (Consultant)	\$25,000	\$0	\$0	\$25,000
Appraisal & Surveying Services	\$7,000	\$0	\$0	\$7,000
Property Maintenance	\$5,000	\$0	\$0	\$5,000
Attorney's Fees	\$5,000	\$0	\$0	\$5,000
Marketing	\$10,000	\$0	\$0	\$10,000
30 Operating Expenses				
Electric/Telephone	\$0	\$0	\$7,400	\$7,400
Water & Sewer Services	\$0	\$0	\$1,000	\$1,000
40 Commodities				
Office Supplies	\$0	\$0	\$1,400	\$1,400
Office Equipment	\$0	\$0	\$5,000	\$5,000
Rent	\$0	\$0	\$12,000	\$12,000
90 Capital Outlay				
Purchase Price of Land	\$75,000	\$0	\$0	\$75,000
Environmental	\$5,000	\$0	\$0	\$5,000
Property Taxes	\$0	\$0	\$5,000	\$5,000
Building Permits	\$10,000	\$0	\$0	\$10,000
Architect Fees	\$10,000	\$0	\$0	\$10,000
Impact Fees	\$20,000	\$0	\$0	\$20,000
TOTAL	\$200,000	\$40,000	\$60,360	\$300,360

Attachment # 15

Sample Scope of Services, Action Steps

Economic Development Tasks (This is sample work plan; therefore, you must revise to include additional tasks and delete tasks that are not applicable)					
ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task
1	Contract Development Phase		0.00		
1.1.1	submit requirement documents with environmental Review (ER) form (see attachment D in the Contract)	Agency	0.00		
1.1.2	environmental review process	Environmental Specialist	0.00		
1.1.3	submittal of scope and budget	Agency	0.00		
1.1.4	scope and budget review by Public Housing and Community Development (PHCD) Project Manager (PM)	Project Manager	0.00		
1.1.5	review eligibility of activity	Planner, IDIS Specialist, Project Manager	0.00		Information used from Consolidated Plan
1.1.6	meet with stake holders	All	0.00		
1.1.7	prepare and assemble CDBG contract with Attachments A to H	Project Manager	0.00		
1.1.8	submit CDBG contract for agency signature to execute	Project Manager	0.00		
1.1.9	return signed CDBG contract to PHCD for final processing	Agency	0.00		
1.1.10	submit CDBG contract to Miami-Dade County Manager Office	PM Supervisor and PM Manager	0.00		
1.1.11	receive and distribute executed CDBG Contract	Project Manager	0.00		
1.2	Milestone Review		0.00		
1.2.1	Marketing Phase		0.00		
1.2.1	publicize program	Agency	0.00		
1.2.2	submit copy of publications to PHCD	Agency	0.00		
1.2.3	number of business seminar - document the kind of services provided - business plan, business start-up information, marketing, etc	Agency	0.00		
1.2.4	submit sign in sheet of participants to PHCD - technical assistance workshops, include name, addresses & telephone number & Indicated participants in NRSA	Agency	0.00		
1.2.5	Identify potential recipients - name, addresses & telephone number	Agency	0.00		
1.2.6					

ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
Milestone Review						
1.3	Programmatic Phase		0.00			
1.3.1	Environmental clearance letter	Environmental Specialist	0.00			
1.3.2	submit insurance certificate to PHCD - Attachment B1 of contract	Agency	0.00			
1.3.3	submit Insurance to Miami-Dade Risk Management for approval	Project Manager	0.00			
1.3.4	submit payments request to PHCD- monthly basis	Agency	0.00			
1.3.5	submit quarterly progress report (Due no later than 10 days after the end of the quarter)	Agency	0.00			
1.3.6	submit procurement policies to PHCD	Agency	0.00			
1.3.7	review and approve procurement policies	Project Manager	0.00			
1.3.8	submit accounting policies to PHCD	Agency	0.00			
1.3.9	review and approve accounting policies	Project Manager	0.00			
1.3.10	provide a complete inventory of all capital equipment to PHCD - \$700 or more	Agency	0.00			
1.3.11	submit inventory list to Miami Dade GSA	Project Manager	0.00			
1.3.12	submit copy of prior year audit report	Agency	0.00			
1.3.13	provide copy of program income tracking - report income immediately	Agency	0.00			
1.3.14	review and approve program income	Project Manager	0.00			
Milestone Review						
1.4	Job Creation Phase		0.00			
1.4.1	Intake and assess businesses	Agency				
1.4.2	submit copy of policy guidance on using funds for small business incubators - U.S. HUD's CPD-89-33.	Project Manager	0			
1.4.3	submit copies the agreements between Enterprise Development Corp. and businesses in the incubator. Agreements must indicate CDBG requirements	Agency	0			
1.4.4	execute agreement(s) with businesses for the creation of # _____ Jobs -24 CFR 570.506(b)(5)(ii)(A)(1)	Agency	0			
1.4.5	execute agreement(s) with businesses for the creation of # _____ Jobs -24 CFR 570.506(b)(5)(ii)(A)(1)	Agency	0.00			

ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
1.4.6	submit list of all current jobs titles and employee names & which are held by LMI person -24 CFR 570.506(b)(5)(ii)(B)	Agency	0.00			
1.4.7	submit job creation agreement(s) for # _____ jobs to PHCD	Agency	0.00			
1.4.8	submit Duns Number of businesses to PHCD	Agency	0.00			
1.4.9	submit proof that business registered with the State of Florida-sunbiz	Agency	0.00			
1.4.10	review agreement(s) for the # _____ jobs created	Project Manager	0.00			
1.4.11	approval of agreement for # _____ jobs created	Project Manager	0.00			
1.4.12	submit description of the hiring process	Agency	0.00			
1.4.13	provide a description of steps to ensure LMI Individuals receive first consideration for the jobs created-24 CFR 570.506(b)(5)(ii)(A)(1)&(3)	Agency	0.00			
1.4.14	provide a list of the jobs titles of the permanent jobs expected to be created -24 CFR 570.506(b)(5)(ii)(A)(2)	Agency	0.00			
1.4.15	provide list of permanent jobs that is available to LMI Individuals -24 CFR 570.506(b)(5)(ii)(A)(1)	Agency	0.00			
1.4.16	provide list of jobs require special skills or education -24 CFR 570.506(b)(5)(ii)(A)(1)	Agency	0.00			
1.4.17	submit completed Job Creation form(s) to DHCD for 4 newly created jobs	Agency	0.00			
1.4.18	submit income verification of LMI employee (FY 11 Section 8 Income limits for Dade County)	Agency	0.00			
1.4.19	review and approve income verification of LMI employee (FY 11 Section 8 Income limits for Dade County)	Project Manager	0.00			
1.4.20	Submit sheet tracking of LMI created job(s) to PHCD every six months	Agency	0.00			Jobs created by businesses in the Incubator will be counted for 3 years or until the business moves out of the incubator, whichever comes first
1.5	Milestone Review		0.00			
1.5.1	Close Out Phase		0.00			
1.5.2	submit final progress report	Agency	0.00			
1.5.3	submit final payment	Agency	0.00			
1.5.3	submit job creation and LMI Information to PHCD's Compliance Unit	Project Manager	0.00			

ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
1.5.4	review job creation and LMI information	Compliance Unit	0.00			
1.5.5	print out copy of Financial balance	Project Manager	0.00			
1.5.6	report accomplishment in IDIS	IDIS Specialist	0.00			
	<i>Milestone Review</i>					
	Overall Project Percent Complete		0.00			

Payment request should include but not limited to the following items listed below - payment request form, cancelled checks, invoices, payroll registrar, insurance certificate as required in Attachment B, payment monthly progress report, list of all jobs before LMI job creation, list of jobs after job creation, agreement with business to create job(s), job creation form, employee pay stub, all back to verify payment, etc.

Housing Task (This is sample work plan; therefore, you must revise to include additional tasks and delete tasks that are not applicable)					
ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task
1	Contract Development Phase		0.00		
1.1.1	submit required Environmental Review (ER) form (see attachment D in the Contract)	Agency	0.00		
1.1.2	environmental review process	Environmental Specialist	0.00		
1.1.3	submittal of scope and budget	Agency	0.00		
1.1.4	scope and budget review by Public Housing and Community Development (PHCD) Project Manager (PM)	Project Manager	0.00		
1.1.5	prepare and assemble contract with Attachments A to H (24 cfr 92.504)	Project Manager	0.00		
1.1.6	submit contract for agency signature to execute	Project Manager	0.00		
1.1.7	return signed contract to PHCD for final processing	Agency	0.00		
1.1.8	submit contract to Miami-Dade Mayor's Office	PM Supervisor and PM Manager	0.00		
1.1.9	receive and distribute executed Contract	Project Manager	0.00		
	Milestone Review				
1.2	Pre- Development Phase		0.00		
1.2.1	request loan closing check list	Agency	0.00		
1.2.2	submit sources and uses statement	Agency	0.00		
1.2.3	submit required Insurance certificate	Agency	0.00		
1.2.4	submit insurance document to Miami-Dade GSA	Project Manager	0.00		
1.2.6	pro forma	Agency	0.00		
1.2.7	Environment clearance letter	Environmental Specialist	0.00		
	Request PHCD signage for project site	Project Manager	0.00		
1.2.8	complete loan closing binder	Agency	0.00		
1.2.9	review loan closing binder	PHCD's Loan Division	0.00		
1.2.10	underwriting review	PHCD's Loan Division	0.00		
1.2.11	close loan - sign Rental Regulatory Agreement	PHCD's Loan Division & Agency	0.00		if applicable
1.2.12	Acquisition of land (folio# 3022030780020 & 3022030780030)	Agency	0.00		
1.2.13	HOME SET UP FORM COMPLETION	IDIS Specialist	0.00		if applicable
1.2.14	Create IDIS number	IDIS Specialist	0.00		
1.2.15	progress report	agency			

Housing Tasks sample

ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
	Milestone Review					
1.3	Pre- Bid Phase		0.00			
1.3.1	RFP package for General Contractor (GC)	Agency	0.00			
1.3.2	review GC bid package by Project Manager	Project Manager	0.00			
1.3.3	review GC bid package by PHCD's Compliance Unit	Compliance Unit	0.00			
1.3.4	Bid/RFP opening	Agency	0.00			
1.3.5	Selection/Award	Agency	0.00			
	Milestone Review					
1.4	Submit GC contract for DHCD Review		0.00			
1.4.1	executed GC contract	Agency	0.00			
1.4.2	Specification for services being provided	Agency	0.00			Specs must include accessibility requirements. 5% of the dwelling units to be accessible for persons with mobility disabilities. In accordance with the Uniform Federal Accessibility Standards (UFAS). 2% of the dwelling units must be accessible for persons with hearing or visual disabilities. Section 504: Disability Rights in HUD Programs.
1.4.3	Review GC contract by Project Manager	Agency	0.00			
1.4.4	Review GC contract by Professional Services Section	Agency	0.00			
1.4.5	Give agency written approval for subcontract	Project Manager	0.00			
1.4.6	Check debarment list	Agency / Project Manager	0.00			
1.4.7	Notice to Bidders/Prospective Contractor	Agency	0.00			
1.4.8	Statement of Bidder's Construction experience	Agency	0.00			
1.4.9	Certification receipt	Agency	0.00			
1.4.10	Insurance Requirements	Agency	0.00			
1.4.11	affirmation action standard (24 CFR 92.351)	Agency	0.00			
1.4.12	Certification of Compliance with Part 60-2 Affirmative Action Program	Agency	0.00			
1.4.13	Certification Regarding Drug Free Workplace	Agency	0.00			
1.4.14	Assurance of Companies	Agency	0.00			
1.4.15	Section 3 Requirements (GC must meet Section 3 Requirements)	Agency	0.00			
1.4.16	Section 3 Clause	Agency	0.00			
1.4.17	Payment and Performance Bond	Agency	0.00			

Housing Tasks sample

ID	Task Name	Required Resource	Enter in the % Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
	Milestone Review					
1.5	Construction Phase		0.00			
1.5.1	pre-construction conference	Agency	0.00			
1.5.2	notice to proceed	Agency	0.00			
1.5.3	obtain permits	Agency	0.00			
1.5.4	mobilization	Agency	0.00			
1.5.5	start construction for -----units of which ---- will be HOME set aside units . ---- @ 50% AMI, ---- @ 80% AMI	Agency	0.00			
	property clean up, footers, excavation, fencing, trailer Installation					
	footers dug, foundation formed and slab poured, and footing inspection approved					
	structure is finish including entire shell of building with approved inspection, all beams and trusses in place					
	rough plumbing installed					
	block work finished					
	windows installed, framing finished, rough electrical performed roof is finished, drywall is completed, air conditioning duct installed, fire sprinkler system installed					
	all doors installed, stucco completed, drywall hung, taped and finished, interior doors hung					
	interior flooring installed, all kitchen cabinets installed, bathroom appliance and accessories installed, water heater installed, air handler units and compressor installed, emergency generator installed, main a/c units installed					
	electrical work completed, plumbing work completed, baseboard installed, interiors painted, building exterior painted, fire sprinkler system finished					
1.5.7	all interiors and common areas completed, all flooring installed, all parking lots and garage finished, driveways and sidewalks completed, landscape in progress					
1.5.8						
1.5.9	Participant Eligibility Phase		0.00			
	determine that each participant is income eligible by determining the family's annual income.	Agency	0.00			
1.6.2	Examine the source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family	Agency	0.00			
1.6.3	owner/developer must submit written tenant selection criteria	Agency	0.00			

Housing Tasks sample

ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
1.6.4	Written agreement with the homebuyer specify that buyers must use the HOME assisted as a principal resident throughout the affordability period	Agency	0.00			
1.6.5	Written agreement specify remedies or actions if principal resident is not met	Agency	0.00			
	Milestone Review					
1.7	Completion Phase		0.00			
1.7.1	submit final progress report	Agency	0.00			
1.7.2	submit payment with final release of liens	Agency	0.00			
1.7.3	final walk thru	All	0.00			
1.7.4	Certificate of completion	Agency	0.00			
1.7.5	project completion form	Agency	0.00			
1.7.6	construction close out	All	0.00			
1.7.7	report accomplishment in IDIS	PHCD's compliance unit	0.00			
1.7.8	submit project close letter to agency	PHCD's compliance unit	0.00			
	Milestone Review					
	Inspection of set aside units	PHCD Inspector	0.00			
	Inspection of set aside units	PHCD Inspector	0.00			
	Inspection of set aside units	PHCD Inspector	0.00			
	Inspection of set aside units	PHCD Inspector	0.00			
	Inspection of set aside units	PHCD Inspector	0.00			
Overall Project Percent Complete			0.00			

public service Sample

Public Service (This is sample work plan; therefore, you must revise to include additional tasks and delete tasks that are not applicable)					
D	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task
	Contract Development Phase		0.00		
1.1.1	submit requirement documents with Environmental Review (ER) form (see attachment D in the Contract)	Agency	0.00		
1.1.2	environmental review process	Environmental Specialist	0.00		
1.1.3	submittal of scope and budget	Agency	0.00		
1.1.4	scope and budget review by Public Housing and Community Development (PHCD) Project Manager (PM)	Project Manager	0.00		
1.1.5	review eligibility of activity	Planner, IDIS Specialist, Project Manager	0.00		Information used from Consolidated Plan
1.1.6	meet with stake holders	All	0.00		
1.1.7	prepare and assemble CDBG contract with Attachments A to H	Project Manager	0.00		
1.1.8	submit CDBG contract for agency signature to execute	Project Manager	0.00		
1.1.9	return signed CDBG contract to PHCD for final processing	Agency	0.00		
1.1.10	submit CDBG contract to Miami-Dade County Mayor's Office	PM Supervisor and PM Manager	0.00		
1.1.11	receive and distribute executed CDBG Contract	Project Manager	0.00		
	Milestone Review				
1.2	Marketing Phase		0.00		
1.2.1	publicize program	Agency	0.00		
1.2.2	submit copy of publications to PHCD	Agency	0.00		
1.2.5	Identify potential recipients - name, addresses, telephone number & income	Agency	0.00		
	Milestone Review				
1.3	Programmatic Phase		0.00		
1.3.1	Environmental clearance letter	Environmental Specialist	0.00		
1.3.2	submit Insurance certificate to PHCD - Attachment B1 of contract	Agency	0.00		
1.3.3	submit Insurance to Miami-Dade Risk Management for approval	Project Manager	0.00		
1.3.4	submit payments request to PHCD- monthly basis	Agency	0.00		

ID	Task Name	Required Resource	Enter in the % of Task Completed as of today	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
1.3.5	submit quarterly progress report (Due no later than 10 days after the end of the quarter)	Agency	0.00			
1.3.6	submit procurement policies to PHCD	Agency	0.00			
1.3.7	review and approve procurement policies	Project Manager	0.00			
1.3.8	submit accounting policies to PHCD	Agency	0.00			
1.3.9	review and approve accounting policies	Project Manager	0.00			
1.3.10	provide a complete inventory of all capital equipment to PHCD - \$700 or more	Agency	0.00			
1.3.11	submit inventory list to Miami Dade GSA	Project Manager	0.00			
1.3.12	submit copy of prior year audit report	Agency	0.00			
1.3.13	provide copy of program income tracking - report income immediately	Agency	0.00			
1.3.14	review and approve program income	Project Manager	0.00			
	submit copy of client in-take form to PHCD for approval					
1.3.15	<i>Milestone Review</i>					
1.3.16	Participant Eligibility Phase					
1.3.17	determine that each participant is income eligible by determining the family's annual income.					
	Examine the source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family					
1.3.18	<i>Milestone Review</i>					
1.3.19	<i>Close Out Phase</i>		9	0.00		
1.5.1	submit final progress report	Agency	0.00			
1.5.2	submit final payment	Agency	0.00			
1.5.3	submit LMI information to PHCD's Compliance Unit	Project Manager	0.00			
1.5.4	review LMI information	Compliance Unit	0.00			
1.5.5	print out copy of Finance balance	Project Manager	0.00			
1.5.6	report accomplishment in IDIS	IDIS Specialist	0.00			
	<i>Milestone Review</i>					

Public Facilities and Infrastructure Improvements - sample (this is sample work plan therefore you must revise to include additional tasks and delete tasks that are not applicable)						
ID	Task Name	Required Resource	Enter in the % of Task Completed (as of today)	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
1.1	Contract Development Phase		0.00			
1.1.1	submit required Environmental Review (ER) form (see attachment D in the Contract)	Agency	0.00			
1.1.2	environmental review process	Environmental Specialist	0.00			
1.1.3	submittal of scope and budget	Agency	0.00			
1.1.4	scope and budget review by Public Housing and Community Development (PHCD) Project Manager (PM)	Project Manager	0.00			
1.1.5	prepare and assemble contract with Attachments A to H (24 cfr 92.504)	Project Manager	0.00			
1.1.6	submit contract for agency signature to execute	Project Manager	0.00			
1.1.7	return signed contract to PHCD for final processing	Agency	0.00			
1.1.8	submit HOME contract to Miami-Dade Mayor's Office	PM Supervisor and PM Manager	0.00			
1.1.9	receive and distribute executed PHCD Contract	Project Manager	0.00			
	Milestone Review					
1.2	Plan Development Phase		0.00			
1.2.1	request loan closing check list	Agency	0.00			
1.2.2	submit sources and uses statement	Agency	0.00			
1.2.3	submit required insurance certificate	Agency	0.00			
1.2.4	submit insurance document to Miami-Dade GSA	Project Manager	0.00			
1.2.6	pro forma	Agency	0.00			
1.2.7	Environment clearance letter	Environmental Specialist	0.00			
1.2.8	complete loan closing binder	Agency	0.00			
1.2.9	review loan closing binder	DHCD's Loan Division	0.00			
1.2.10	underwriting review	DHCD's Loan Division	0.00			
1.2.11	close loan - sign Rental Regulatory Agreement	DHCD's Loan Division & Agency	0.00			
1.2.12	Acquisition of land (folio# 3022030780020 & 3022030780030)	Agency	0.00			If Applicable
1.2.13	HOME SET UP FORM COMPLETION	IDIS Specialist	0.00			If Applicable
1.2.14	Create IDIS number	IDIS Specialist	0.00			

ID	Task Name	Required Resource	Enter in the Task Completed (as of today)	Enter in the Task Start Date of Task	Calculated End Date of Task	Notes:
1.2.15	progress report	agency				
	Milestone Review					
1.3.1	RFP package for General Contractor (GC)	Agency	0.00			
1.3.2	review GC bid package by Project Manager	Project Manager	0.00			
1.3.3	review GC bid package by PHCD's Compliance Unit	Compliance Unit	0.00			
1.3.4	Bid/RFP opening	Agency	0.00			
1.3.5	Selection/Award	Agency	0.00			
	Milestone Review					
1.4.1	executed GC contract	Agency	0.00			
1.4.2	Specification for services being provided	Agency	0.00			Specs must include accessibility requirements. 5% of the dwelling units to be accessible for persons with mobility disabilities. In accordance with the Uniform Federal Accessibility Standards (UFAS). 2% of the dwelling units must be accessible for persons with hearing or visual disabilities. Section 504: Disability Rights in HUD Programs.
1.4.3	Review GC contract by Project Manager	Agency	0.00			
1.4.4	Review GC contract by Professional Services Section	Agency	0.00			
1.4.5	Give agency written approval for subcontract	Project Manager	0.00			
1.4.6	Check debarment list	Agency / Project Manager	0.00			
1.4.7	Notice to Bidders/Prospective Contractor	Agency	0.00			
1.4.8	Statement of Bidder's Construction experience	Agency	0.00			
1.4.9	Certification receipt	Agency	0.00			
1.4.10	Insurance Requirements	Agency	0.00			
1.4.11	affirmation action standard (24 CFR 92.351)	Agency	0.00			
1.4.12	Certification of Compliance with Part 60-2 Affirmative Action Program	Agency	0.00			
1.4.13	Certification Regarding Drug Free Workplace	Agency	0.00			
1.4.14	Assurance of Companies	Agency	0.00			

ID	Task Name	Required Resource	Enter in the of Task Completed (as of today)	Enter in the State Date of Task	Calculated End Date of Task	Notes:
1.4.15	Section 3 Requirements (GC must meet Section 3 Requirements)	Agency	0.00			
1.4.16	Section 3 Clause	Agency	0.00			
1.4.17	Payment and Performance Bond	Agency	0.00			
	Milestone Review					
1.5.1	Construction Phase		0.00			
1.5.1.1	pre-construction conference	Agency	0.00			
1.5.2	notice to proceed	Agency	0.00			
1.5.3	obtain permits	Agency	0.00			
1.5.4						
1.5.5	PUBLIC FACILITY IMPROVEMENT ONLY					
1.5.6	property clean up, footers, excavation, fencing, trailer installation					
1.5.7	footers dug, foundation formed and slab poured, and footing inspection approved					
1.5.8	structure is finish including entire shell of building with approved inspection, all beams and trusses in place					
1.5.9	rough plumbing installed					
1.5.10	block work finished					
1.5.11	windows installed, framing finished, rough electrical performed					
1.5.12	roof is finished, drywall is completed, air conditioning duct installed, fire sprinkler system installed					
1.5.13	all doors installed, stucco completed, drywall hung, taped and finished, interior doors hung					
	interior flooring installed, all kitchen cabinets installed, bathroom appliance and accessories installed, water heater installed, air handler units and compressor installed, emergency generator installed, main a/c units installed					
1.5.14						

ID	Task Name	Required Resource	Enter in the Completed as of today	Enter in the Start Date of Task	Calculated End Date of Task	Notes:
	electrical work completed, plumbing work completed, baseboard installed, interiors painted, building exterior painted, fire sprinkler system finished					
1.5.15	all interiors and common areas completed, all flooring installed, all parking lots and garage finished, driveways and sidewalks completed, landscape in progress					
1.5.16						
1.5.17						
1.5.18	INFRASTRUCTURE IMPROVEMENTS ONLY					
1.5.19	Mobilization					
1.5.20	maintenance of traffic					
1.5.21	submit payment request					
1.5.22	Demolition					
1.5.23	clearing & grade swale areas					
1.5.24	remove asphalt pavement					
1.5.25	remove concrete sidewalk					
1.5.26	remove existing curb and gutter					
1.5.27	relocate or adjust existing street sign					
1.5.28	removal of disposal of existing drainage structure					
1.5.29	removal & disposal of soaking pit & drainage pipe					
1.5.30	submit payment request					
1.5.31	Davis-Bacon Compliance					

ID	Task Name	Required Resource	Enter in the % of Task Completed as of Today	Enter in the Start Date of Task	Enter in the Calculated End Date of Task	Notes:
1.5.32	Installation of Pump					
1.5.33	Install pump					
1.5.34	Installation of Injectin Wells					
1.5.35	Install Injection wells					
1.5.36	Drainage					
1.5.37	curb Inlet					
1.5.38	valley gutter inlet					
1.5.39	pipes					
1.5.40	submit payment request					
1.5.41	Davis-Bacon Compliance					
1.5.42	Paving					
1.5.43	construct asphaltic concrete pavement					
1.5.44	Parking area					
1.5.45	construct concrete sidewalk					
1.5.46	Install valley gutter					
1.5.47	construct concrete curb					
1.5.48	construct concrete ramp w/ detectable warning					
1.5.49	roadway reconstruction-include base and subbase material					
1.5.50	submit payment request					

ID	Task Name	Required Resource	Enter in the % of Task Completed as of today	Enter in the Start Date of Task	Enter in the Calculated End Date of Task	Notes:
1.5.51	Davis-Bacon Compliance					
1.5.52	Striping and Signs					
1.5.53	pavement markers					
1.5.54	reflective pavement markers					
1.5.55	new ADA a& pedestrian signs					
1.5.56	submit payment request					
1.5.57	Davis-Bacon Compliance					
1.5.58	Landscape					
1.5.59	sod					
1.6	Participant Eligibility Phase		0.00			
1.6.1	determine that each participant is income eligible by determining the family's annual income.	Agency	0.00			If applicable
	Examine the source documents evidencing annual income (e.g., wage statement, interest statement, unemployment compensation statement) for the family	Agency	0.00			If applicable
1.6.2		Agency	0.00			If applicable
1.6.3	Census Tract and Block Group Information					
	Milestone Review					
1.7	Completion Phase		0.00			
1.7.1	submit final progress report	Agency	0.00			
1.7.2	submit payment with final release of liens	Agency	0.00			
1.7.3	final walk thru	All	0.00			
1.7.4	Certificate of completion	Agency	0.00			
1.7.5	project completion form	Agency	0.00			
1.7.6	construction close out	All	0.00			
1.7.7	report accomplishment in IDIS	PHCD's compliance unit	0.00			
1.7.8	submit project close letter to agency	PHCD's compliance unit	0.00			

Attachment # 16

Maps of Neighborhood Revitalization Areas (NRSAs) and Eligible Block Groups (EBGs)

- Elderly – 93 units annually
- Small Households – 14 unit annually
- Large Households – 39 units annually
- Other Households – 172 units annually
- Disabled persons fall into all of the categories above
- Rehabilitation of Public Housing and owner-occupied units at approximately \$1 million annually
- Housing for Homeless at a rate of 100 per year

Neighborhood Revitalization Strategy Areas (NRSA)

To meet the needs of the community, Miami-Dade County has previously established Neighborhood Revitalization Strategy Areas (NRSAs) designed to focus on the issues within specific neighborhoods. These areas must meet criteria established by HUD consisting of predominantly low to moderate income households with a majority of the land in residential use.

The existing (as of March 2012) NRSAs in Miami-Dade County include eight communities representing the poorest segments of the population. These eight areas include:

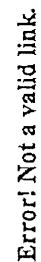
- Opa locka
- West Little River
- Model City
- Melrose
- South Miami
- West Perrine
- Goulds
- Leisure City/Naranja

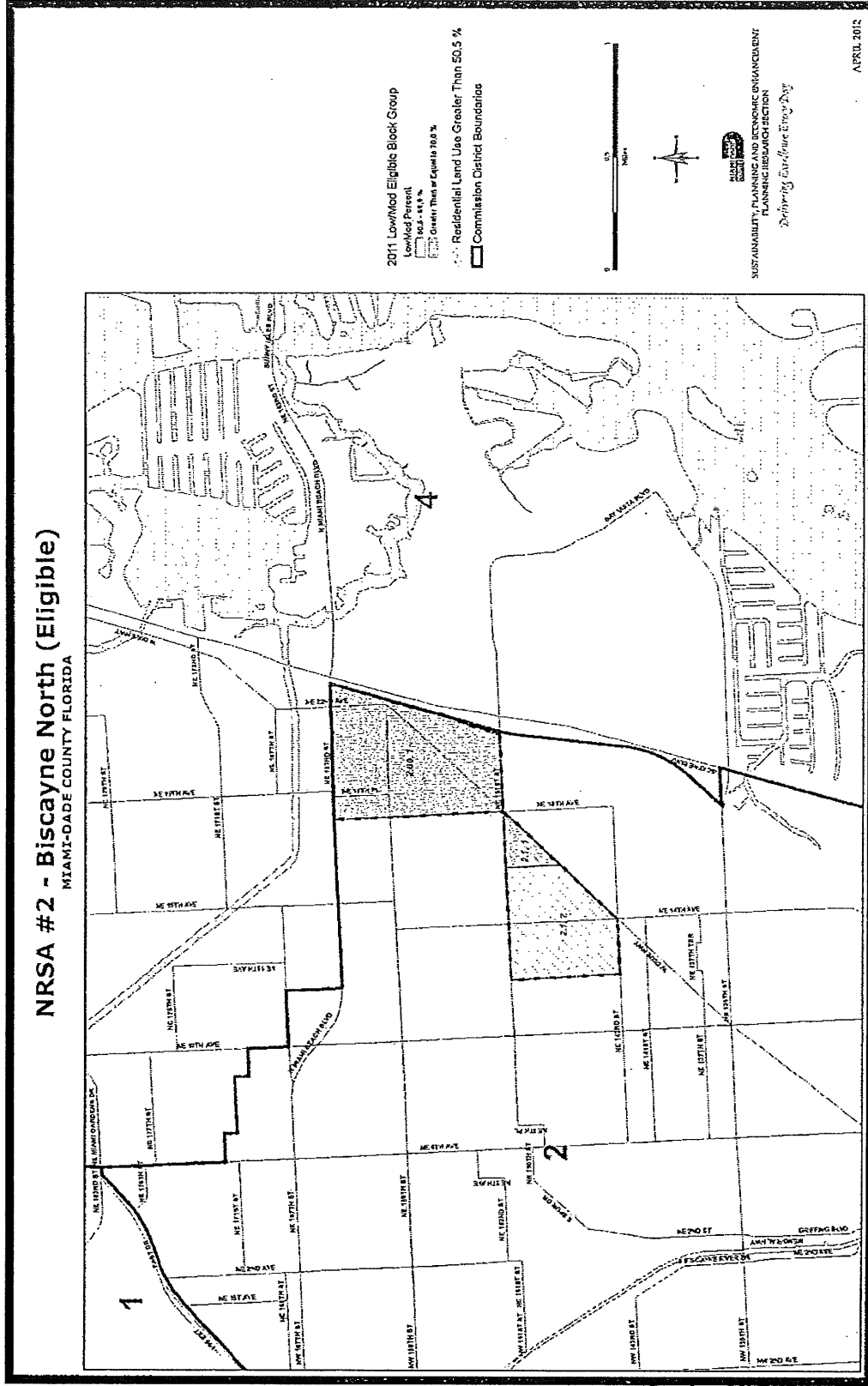
The decreasing funding levels have severely hindered the ability to provide service to the NRSAs and complete community projects.

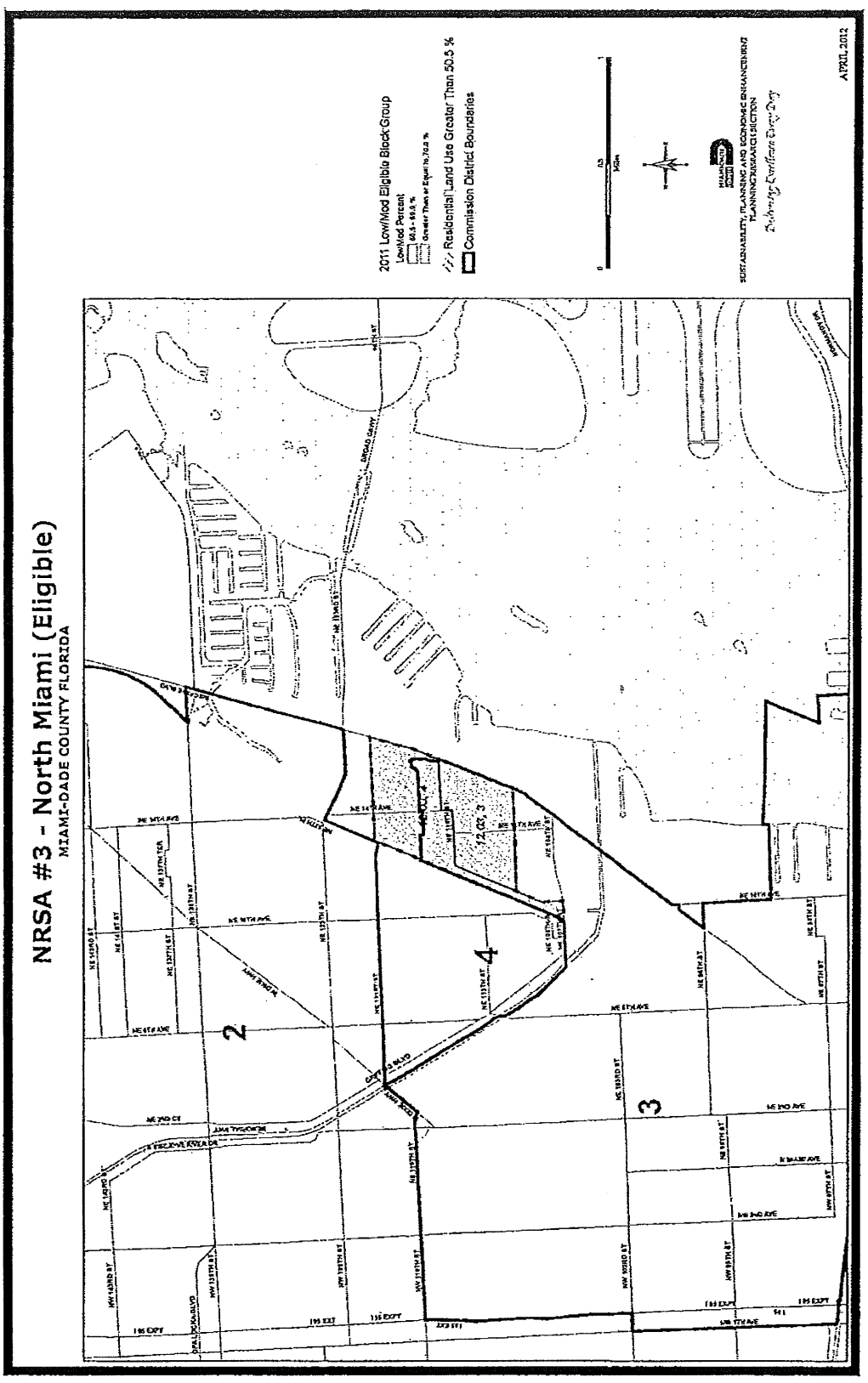
In April 2012, the Sustainability, Planning and Economic Enhancement Department (SPEE) of the County performed analysis of the recent Census data to review low to moderate income areas of the County based on the two HUD criteria mentioned earlier. This analysis resulted in the determination that there are 13 communities that qualify as NRSAs in Miami-Dade County. These areas include the eight existing communities plus the following:

- Biscayne North
- North Miami
- Sweetwater
- West Kendall
- Cutler Ridge

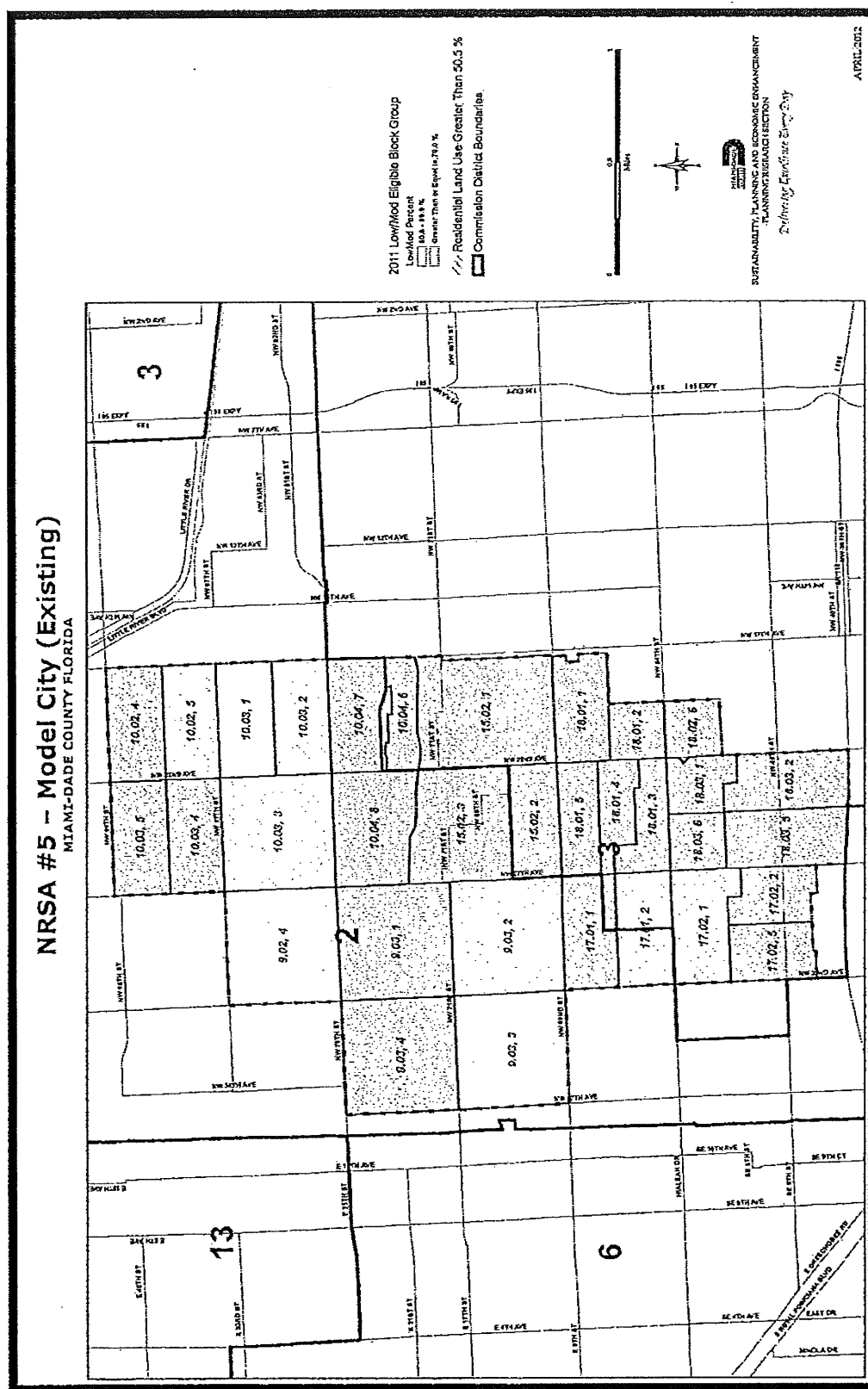
Maps of the identified areas follow.

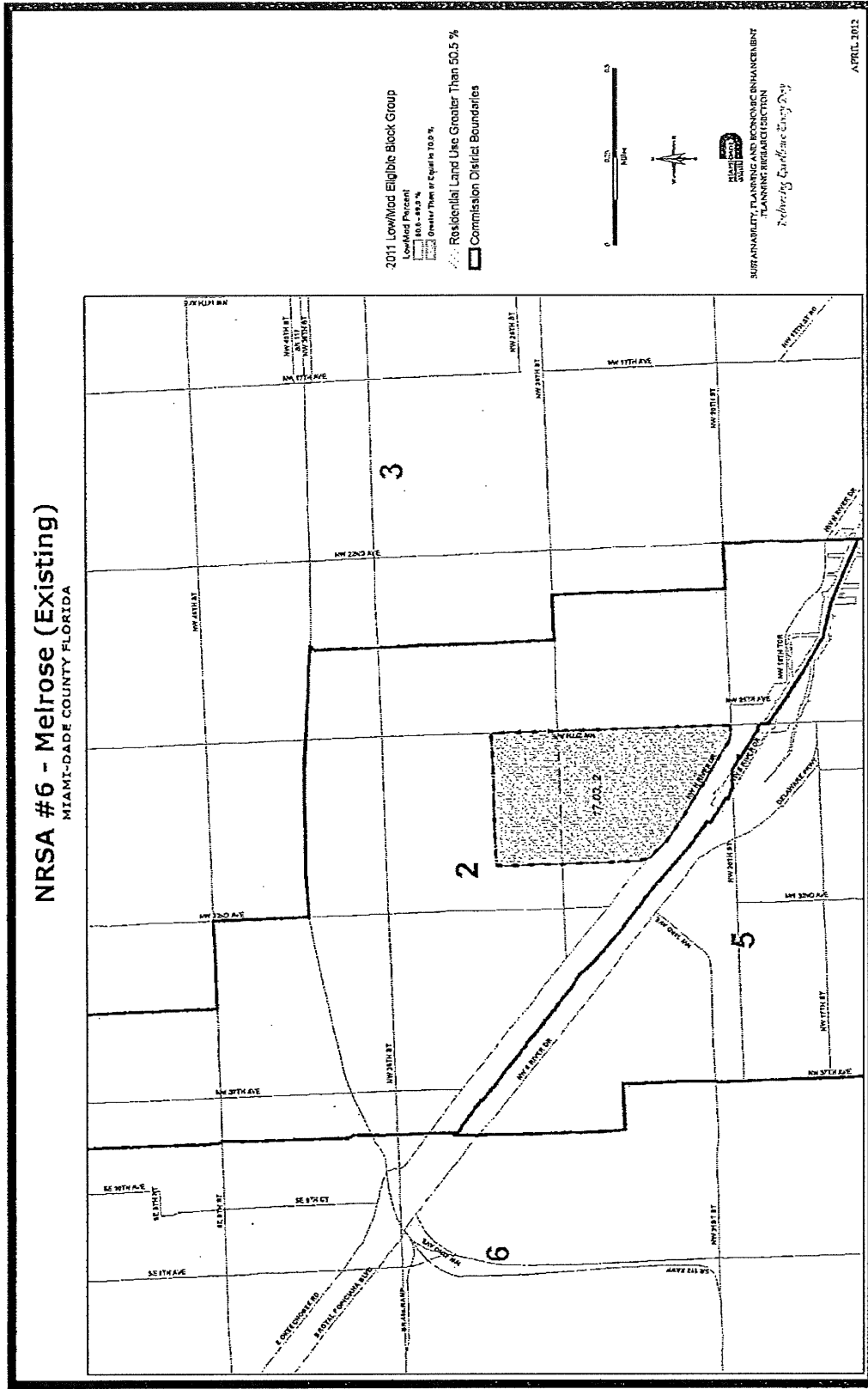


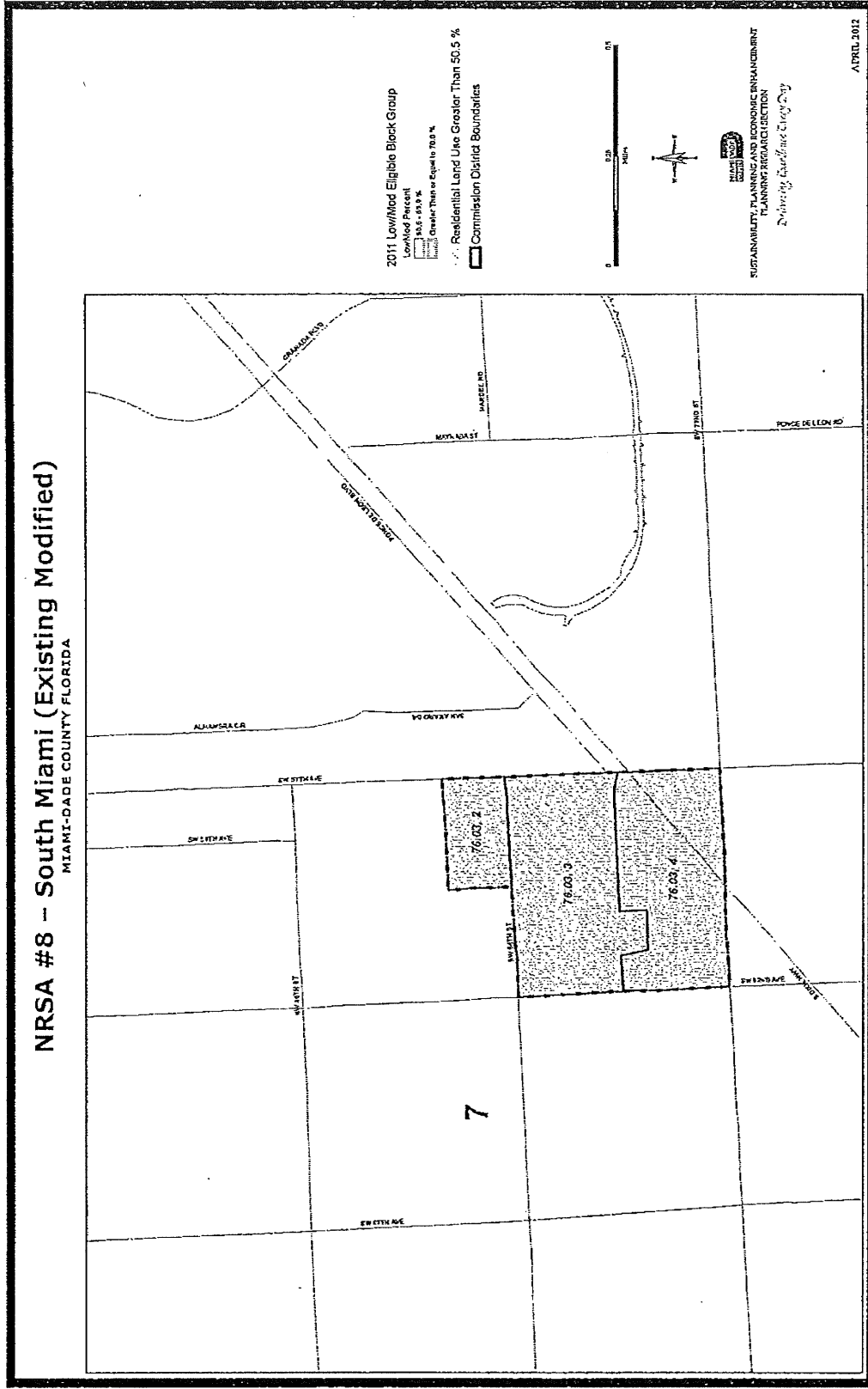


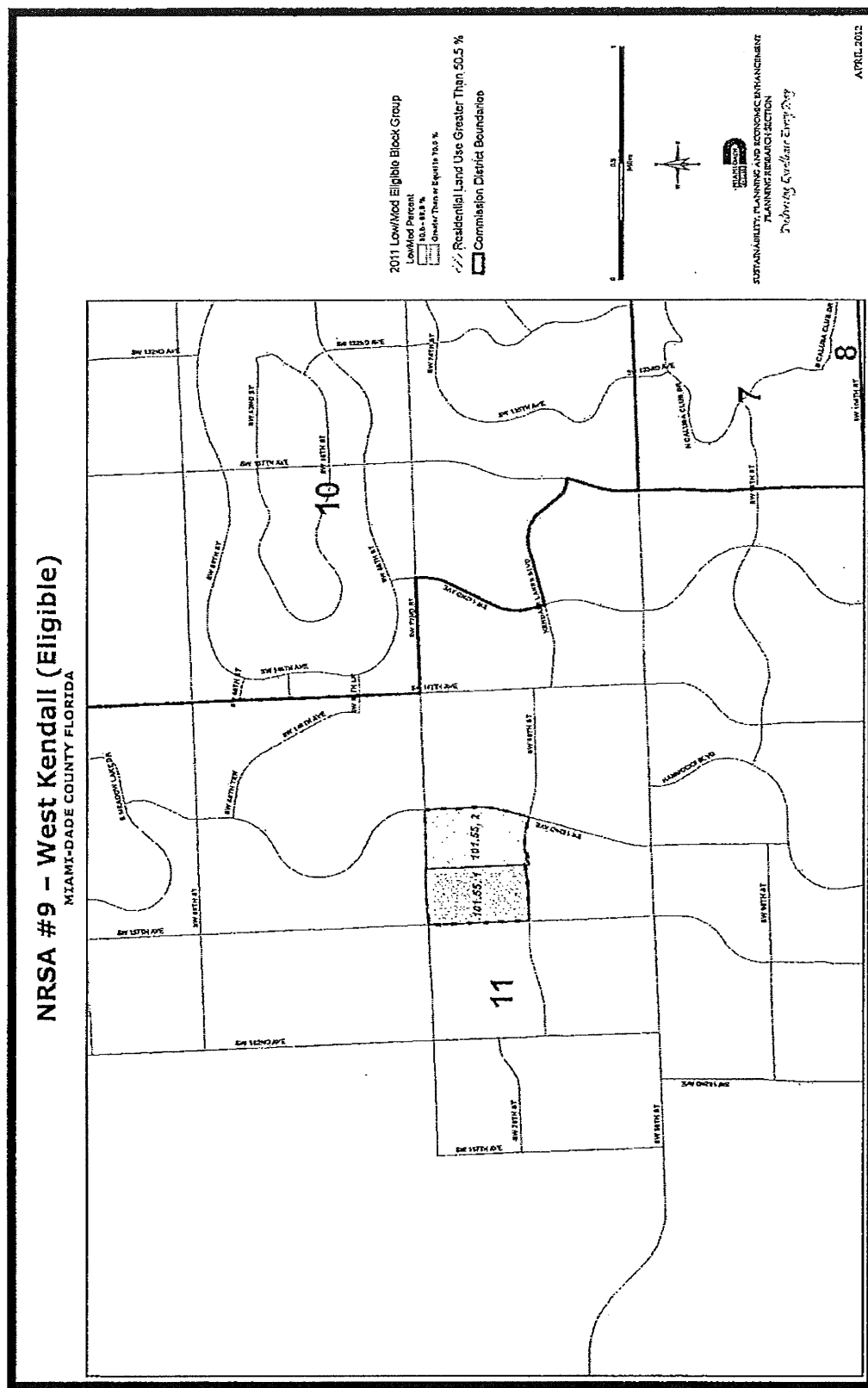


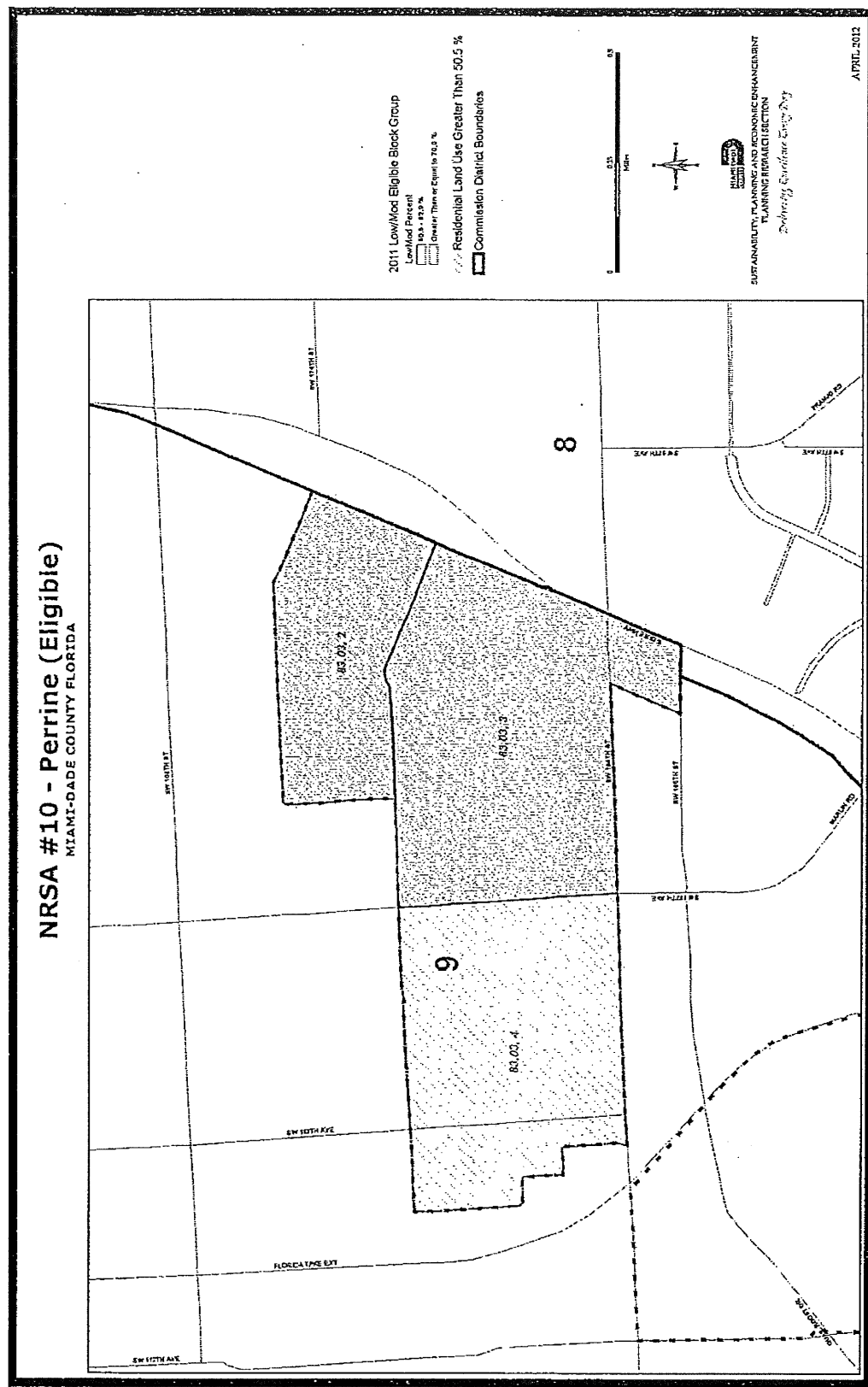


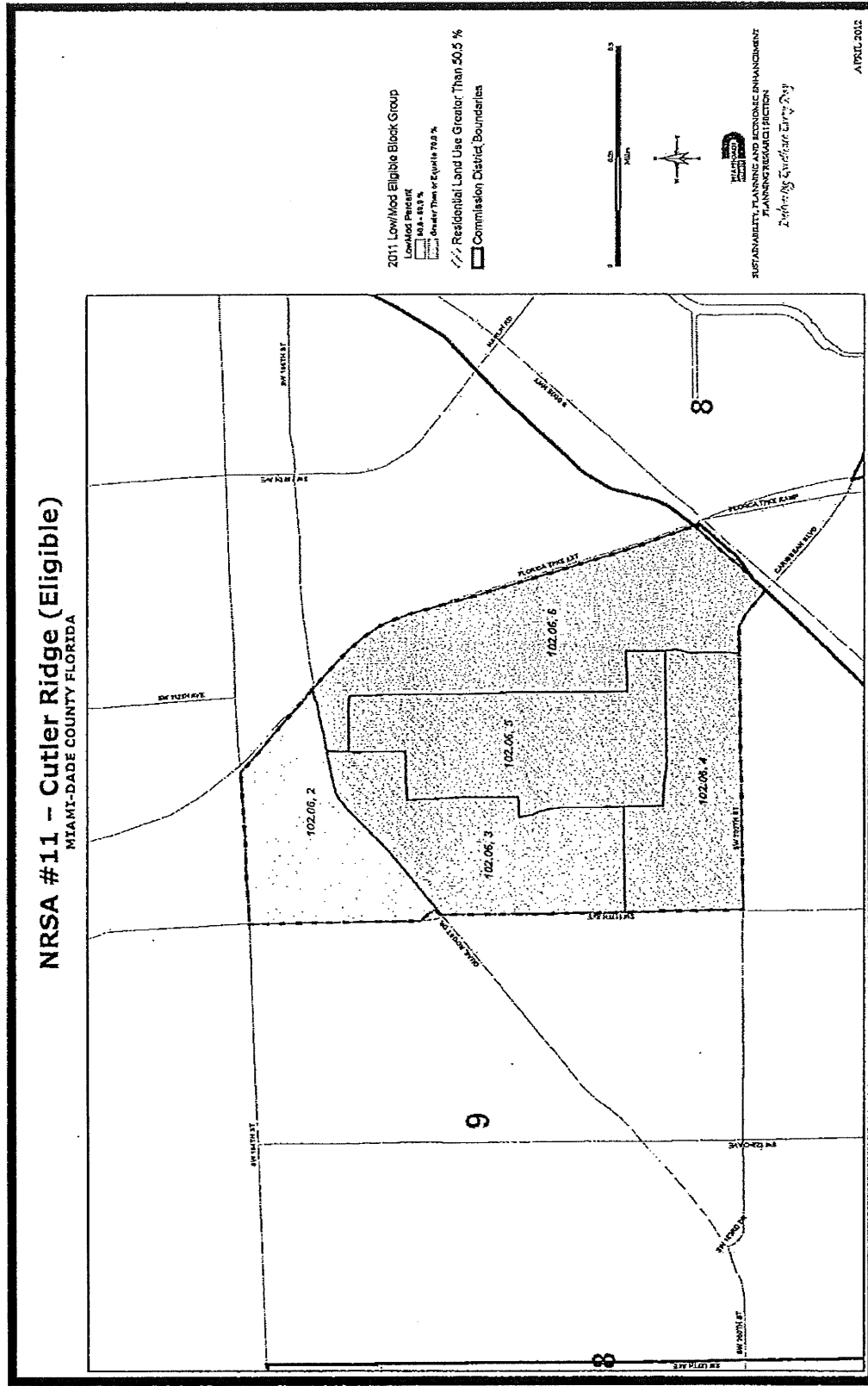


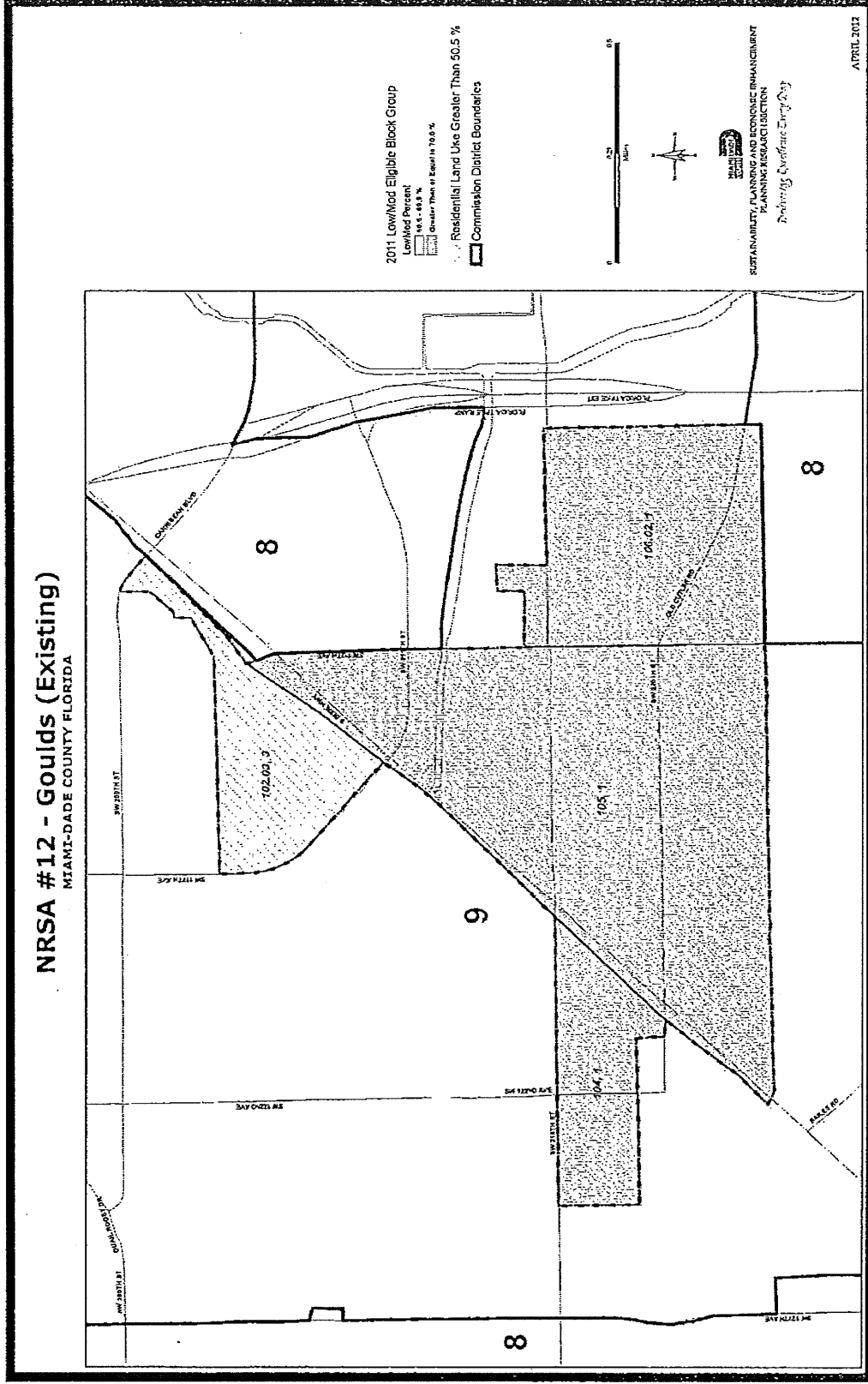




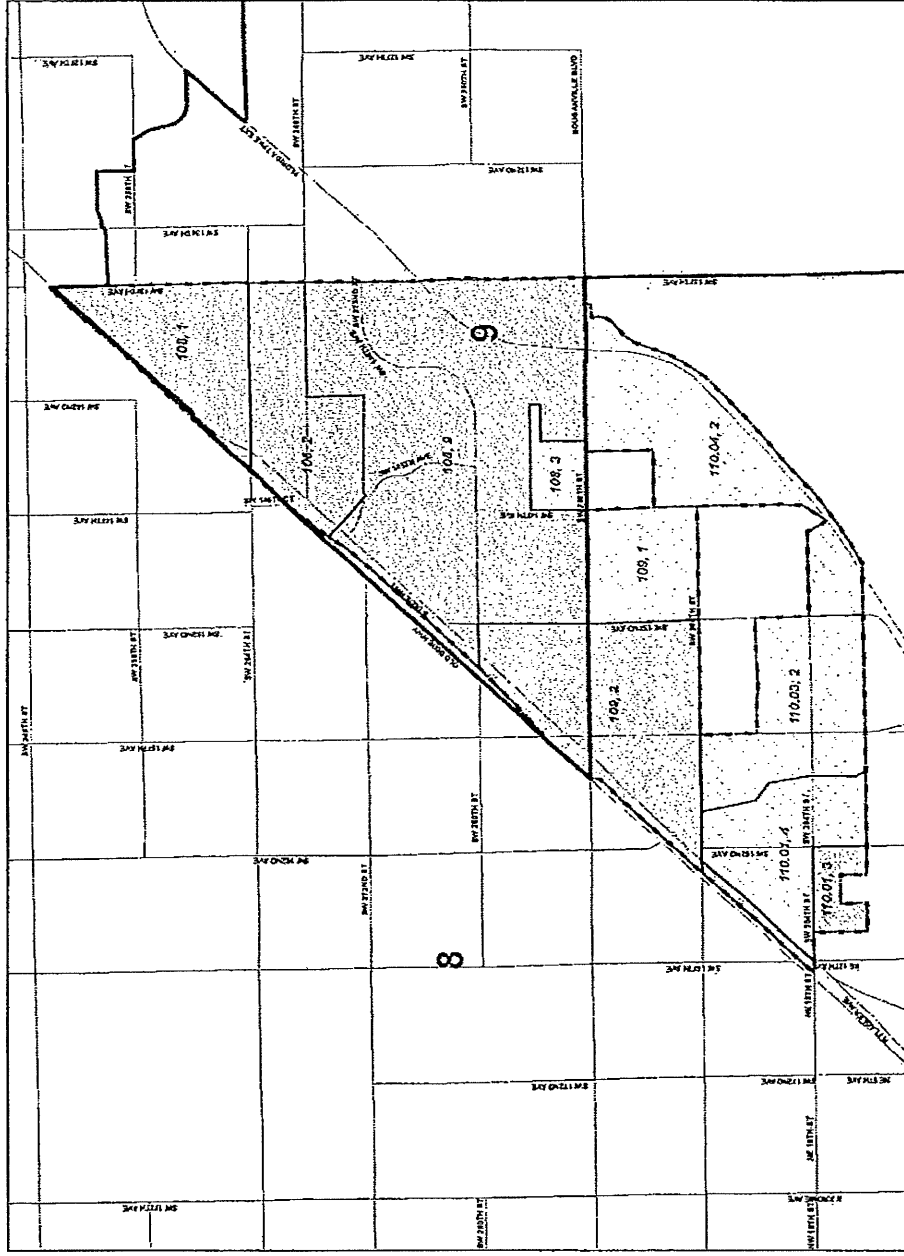








NRSA #13 - Leisure City/Naranja (Existing)
MIAMI-DADE COUNTY FLORIDA



2011 Low/Mod Eligible Block Group
Low/Mod Percent
Greater Than or Equal to 70.0 %
Residential Land Use Greater Than 50.5 %
Commission District Boundaries

0 0.2 0.4 Miles



SUSTAINABILITY, PLANNING AND ECONOMIC ENHANCEMENT
PLANNING RESEARCH SECTION
Delivering Excellence Every Day

APRIL 2012

Attachment # 17

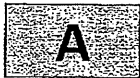
Glossary

GLOSSARY

202 (Section 202 FHA): A program to help expand the supply of affordable housing with supportive services for the elderly. It provides very low-income elderly with options that allow them to live independently but in an environment, that provides support activities such as cleaning, cooking, transportation, etc.

203(b): A FHA program which provides mortgage insurance to protect lenders from default; used to finance the purchase of new or existing one- to four family housing; characterized by low down payment, flexible qualifying guidelines, limited fees, and a limit on maximum loan amount.

203(k): A FHA mortgage insurance program enables homebuyers to finance both the purchase of a house and the cost of its rehabilitation through a single mortgage loan.



Action Plan: The Annual Action Plan describes the Federal and Non-Federal resources expected to be available to address priority needs and goals identified in the Consolidated Plan, which is a description of activities expected to be undertaken and description of geographical areas to be assisted.

ADA: See Americans with Disabilities Act

Adaptive Reuse: Adaptive reuse, or re-use, is a process that adapts buildings for new uses while retaining their historic features. An old factory may become an apartment building. A rundown church may find new life as a restaurant.

Adjustable Rate Mortgage: A mortgage loan subject to changes in interest rates; when rates change, ARM monthly payments increase or decrease at intervals determined by the lender; the change in monthly -payment amount, however, is usually subject to a cap.

Affordable Housing: Housing for which the occupant is paying no more than 30 percent of his or her income for gross housing costs, including utilities.

Area Median Income: Median family income established annually by the U.S. Department of Housing and Urban Development (HUD).

Affordable Housing Advisory Board: This board functions as Miami-Dade County's affordable housing advisory committee and consists of fifteen (15) members who act without compensation and serve as appointees of the Board of County Commissioners (13), the Mayor (1), and the Overall Tenant Advisory Council (1).

AHAB: See Affordable Housing Advisory Board

ALF: See Assisted Living Facility

Amenity: A feature of the home or property that serves as a benefit to the buyer but that is not necessary to its use; may be natural (like location, Woods, water) or man-made (like a swimming pool or garden).

Americans with Disabilities Act: A civil rights law enacted by the U.S. Congress in 1990, which prohibits discrimination against people on the basis of disability.

Amortization: Repayment of a mortgage loan through monthly installments of principal and interest; the monthly payment amount is based on a schedule that will allow you to own your home at the end of a specific time period (for example, 15 or 30 years)

Annual Percentage Rate: Calculated by using a standard formula, the APR shows the cost of a loan; expressed as a yearly interest rate, it includes the interest, points, mortgage insurance, and other fees associated with the loan.

A/O Contract: Architect/Owner Contract under the Program guidelines and procedures.

Applicant: "Applicant" means a person or legal entity who proposes to carry out a project.

Appraisal: A document that gives an estimate of a property's fair market value; an appraisal is generally required by a lender before loan approval to ensure that the mortgage loan amount is not more than the value of the property.

Appraiser: A qualified individual who uses his or her experience and knowledge to prepare the appraisal estimate.

APR: See Annual Percentage Rate

Architect: A professional person who is involved in the planning, and design. In the broadest sense, an architect is a person who translates a user's requirements into a built environment.

ARM: See Adjustable Rate Mortgage

Assessor: A government official who is responsible for determining the value of a property for the purpose of taxation.

Assisted Housing: A person or household that will benefit through three major programs: public housing, Section 8, and Section 202.

Assisted Living Facility: Any type of property that also provides supportive services such as health care, meals and a wide variety of other services. Generally cost significantly more than other properties of the same type due to the level of care and service provided.

B

Balloon Mortgage: A mortgage that typically offers low rates for an initial period of time (usually 5, 7, or 10) years; after that time period elapses, the remaining balance is due or is refinanced by the borrower.

Bankruptcy: A federal law whereby a person's assets are turned over to a trustee and used to pay off outstanding debts; this usually occurs when someone owes more than they have the ability to repay.

Basis Point: A measure of interest rate equal to 0.01% (or .0001). Basis Points are typically used to describe the difference between two interest rate indices or to express the changes in any one index from one point in time to another.

BCC: Miami-Dade County Board of County Commissioners.

Borrower: A person who has been approved to receive a loan and is then obligated to repay it.

BRI: See Brownfields Redevelopment Initiative

Brownfields: Vacant or underutilized industrial and commercial properties that are environmentally contaminated or perceived to be contaminated.

Brownfields Redevelopment Initiative: Interagency initiative addressing financial and legal risks of brownfield clean up and redevelopment.

Building Code: Based on agreed upon safety standards within a specific area, a building code is a regulation that determines the design, construction, and materials used in building.

Budget: A detailed record of all income earned and spent for a project during a specific period of time.

Business Incubators: Programs designed to accelerate the successful development of entrepreneurial companies through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts.

C

CAC: See Community Advisory Committee

Cap: A limit, such as that placed on an adjustable rate mortgage, on how much a monthly payment or interest rate can increase or decrease.

CAPER: See Consolidated Annual Performance and Evaluation Report

Cash Reserves: A cash amount sometimes required to be held in reserve in addition to the down payment and closing costs; the amount is determined by the lender.

CBO: See Collateralized Bond Obligation and/or Community Based Organization

CDBC: See Community Development Based Corporation

CDBG: See Community Development Block Grant

CDBG DRA: See Community Development Block Grant Disaster Recovery Assistance

CDBG DRI: See Disaster Recovery Initiative

CDFI: See Community Development Financial Institution

CEDD: Community and Economic Development Division

Census Block Group: A census block group (BG) is a cluster of census blocks having the same first digit of their four-digit identifying numbers within a census tract.

Census Tracts: Census tracts are small, relatively permanent statistical subdivisions of a county.

Certification: A written assertion, based on supporting evidence, that must be kept available for inspection by HUD, by the Inspector General of HUD and by the public. The assertion shall be deemed to be accurate unless HUD determines otherwise, after inspecting the evidence and providing due notice and opportunity for comment.

Certificate of Title: A document provided by a qualified source (such as a title company) that shows the property legally belongs to the current owner; before the title is transferred at closing, it should be clear and free of all liens or other claims.

Charrette: Collaborative session in which a group of designers drafts a solution to a design problem. While the structure of a charrette varies, depending on the design problem and the individuals in the group, charrettes often take place in multiple sessions in which the group divides into sub-groups. Each sub-group then presents its work to the full group as material for future dialogue. Such charrettes serve as a way of quickly generating a design solution while integrating the aptitudes and interests of a diverse group of people.

CHDO: See Community Housing Development Organization

Chronically Homeless Person: An unaccompanied homeless individual with a disabling condition who has been continuously homeless for a year or more, or has had at least four episodes of homelessness in the past three years. To be considered chronically homeless, a person must have been sleeping in a place not meant for human habitation (e.g., living on the streets) and/or in an emergency shelter during that time.

CIIC: See Community and Individual Investment Corporation

Citizen Participation Plan: A plan that must be developed by all PJs to describe and document efforts that will be undertaken to provide for and encourage citizens to participate in the development of the Consolidated Plan, any substantial amendments to the Consolidated Plan, and the performance report.

Closing: Also known as settlement, this is the time at which the property is formally sold and transferred from the seller to the buyer; it is at this time that the borrower takes on the loan obligation, pays all closing costs, and receives title from the seller.

Closing Costs: customary costs above and beyond the sale price of the property that must be paid to cover the transfer of ownership at closing; these costs generally vary by geographic location and are typically detailed to the borrower after submission of a loan application.

C/O Contract: Contract/Owner Contract under the Program guidelines and procedures.

CO: Contracts Officer, see Project Manager.

Code: Miami-Dade County and Municipality's current Building Code.

Collateralized Bond Obligation: An investment-grade bond backed by a large, diversified pool of junk bonds. Usually broken down into tiers with varying degrees of risk and varying interest rates.

Commercial/Industrial Center/District: Contain a concentration of business, civic and cultural activities, creating conditions that facilitate interaction and exchange.

Commission: An amount, usually a percentage of the property sales price that is collected by a real estate professional as a fee for negotiating the transaction.

Commercial Building: Means any building other than a residential building, including any building constructed for industrial or public for profit purposes.

Commercial Revitalization Program: Designed to improve the physical and economic condition of commercial for profit businesses in low and moderate-income neighborhoods. The program makes available grants up to a maximum of \$100,000 to qualified owners and merchants to rehabilitate the exterior of their commercial buildings.

Commitment: As used in the HOME Program, commitment means one of three things. #1) The participating jurisdiction has: executed a legally binding agreement with a State recipient, sub recipient, or contractor to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; #2) or executed a written agreement reserving a specific amount of funds for a CHDO; #3) met requirements to commit to a specific local project as defined below. For tenant-based rental assistance, commitment means that a rental assistance contract between the participating jurisdiction (or other entity) and the tenant or owner has been executed. HUD recognizes a commitment when the project is set up in the Integrated Disbursement and Information System (IDIS).

Commitment Letter: A formal offer by a lender to lend money to a borrower under specified terms.

Community Advisory Committee: A local committee made up of interested residents who represent the community interest and provide valuable input to the county concerning issues for the enhancement of the community. The purpose of the Community Advisory Committee is to inform and educate members of the community, so that a broad base of community supports participation in the CDBG process only in the NRSA areas.

Community and Individual Investment Corporation: For-profit corporation capitalized in part by Economic Development Initiative and Section 108 funds that invests in economic development activities in an identified service area where at least 51 percent of the residents are low- and moderate-income people and which offers residents the opportunity to purchase and own shares in the corporation.

Community Based Organization: A non-profit, non-governmental agency designed to work on a community-based project, need, or problem.

Community Development Based Corporation: Community based organizations that are committed to enhancing community well-being and facilitate or financially support revenue-generating business for the purpose of community and economic development.

Community Development Block Grant: A Federal program created under the Housing and Community Development Act of 1974. In this program, HUD provides grant funds to local and State governments to be used to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low- and moderate-income residents.

Community Development Block Grant (Entitlement): In this program, HUD directly provides annual CDBGs on a formula basis to entitled communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.

Community Development Block Grants (Small Cities): In this program, HUD directly provides annual CDBG funds on a formula basis to States, which then administer the funding and act as a partner with the Federal Government.

Community Development Block Grant (State Administered): States participating in the CDBG Program award grants only to units of general local government that carry out development activities. Annually each State develops funding priorities and criteria for selecting projects.

Community Development Block Grant - Disaster Recovery Assistance: In response to disasters, Congress may appropriate additional funding for the CDBG and HOME programs as Disaster Recovery grants to rebuild the affected areas and provide crucial seed money to start the recovery process.

Community Development Block Grant - Disaster Recovery Initiative: Disaster funding for States, Territories, metropolitan cities and urban counties, and Indian tribes. These grantees are in turn authorized to reallocate funds to either government or nonprofit agencies that may deliver services directly.

Community Development Financial Institution: Community Development Banking and Financial Institutions Act of 1994, organizations which lend and invest in deprived areas and markets who cannot access mainstream finances, including social enterprises.

Community Housing Development Organization: A federally defined type of nonprofit housing provider that must receive a minimum of 15 percent of all Federal HOME funds from a Participating Jurisdictions award. The primary difference between CHDO and other nonprofits is the level of low-income resident participation on the Board of Directors.

Community Reinvestment Act: A 1977 law that requires banks and savings and loan institutions to take affirmative steps to help meet the credit needs of the communities they are chartered to serve, especially low- and moderate-income communities. The Act directs the four banking regulatory agencies (Federal Reserve Board, Officer of the Comptroller of the Currency, Federal Deposit Insurance Corporation, and the Office of Thrift Supervision) to evaluate the extent to which these institutions are meeting local credit needs.

Community Renewal: Renewal Communities/Empowerment Zones/Enterprise Communities (RC/EZ/EC) federally designated localities that provide for tax incentives by combining efforts to create economic opportunity, sustainable community development, community-based partnerships, and a strategic vision for change.

Community Workforce Housing Innovation Pilot Program: Promotes the creation of public-private partnerships to finance, build and manage workforce housing and requires the coordinated efforts of all levels of government as well as private sector developers, financiers, business interests and service providers.

Condominium: A form of ownership in which individuals purchase and own a unit of housing in a multi-unit complex; the owner also shares financial responsibility for common areas.

Consolidated Annual Performance and Evaluation Report: Status report on the grantee's (Miami-Dade County) efforts toward implementing US HUD's outcome performance measurement system requirements.

Consolidated Plan: A document written by a State or local government describing the housing needs of the low- and moderate-income residents, outlining strategies to meet the needs and listing all resources available to implement the strategies. This document is required to receive HUD Community Planning and Development funds.

Consolidated Planning Process Policies (Policy Paper): Contains the proposed policies for implementing the FY 2008-2012 Consolidated Plan.

Consortium: An organization of geographically contiguous units of general local government that are acting as a single unit of general local government for purposes of the HOME program. Cost-burdened: the extent to which gross housing costs, including utility costs, exceed 30% of gross income, based on data available from the U.S. Census Bureau.

Consultant: Architect, engineer or surveyor performing contracted services for the Project, under Owner's responsibility.

Continuum of Care: Policies designed to address the critical problem of homelessness that includes a coordinated community-based process of identifying needs and building a system to address those needs. The approach is predicated on the understanding that homelessness is not caused merely by a lack of shelter, but involves a variety of underlying, unmet needs - physical, economic, and social.

Contractor: Contractors and/or subcontractors performing contracted construction work for the Project, under Owner's responsibility.

Conventional Loan: A private sector loan, one that is not guaranteed or insured by the U.S. government.

Co-op: See Cooperative

Cooperative: Residents purchase stock in a cooperative corporation that owns a structure; each stockholder is then entitled to live in a specific unit of the structure and is responsible for paying a portion of the loan.

County-Wide Citizen Advisory Committee: An advisory committee is established to provide input into the planning process for the economic development and housing efforts of DHCD. The County-Wide Citizen Advisory Committee (CWCAC) is comprised on 24 members (the 3 board members from each existing NRSA).

CPP: See Citizen Participation Plan

CRA: See Community Reinvestment Act

Credit Bureau Score: A number representing the possibility a borrower may default; it is based upon credit history and is used to determine ability to qualify for a mortgage loan.

Credit History: History of an individual's debt payment; lenders use this information to gauge a potential borrower's ability to repay a loan.

Credit Report: A record that lists all past and present debts and the timeliness of their repayment; it documents an individual's credit history.

CRP: See Commercial Revitalization Program

CWCAC: See County-Wide Citizen Advisory Committee

CWHIP: See Community Workforce Housing Innovation Pilot Program



Davis-Bacon Wage Determinations: Issued by the US Department of Labor under the Davis-Bacon and related Acts determines prevailing wage rates to be paid on federally funded or assisted construction projects.

DE: See Direct Endorsement

Debt Service Coverage: The margin of safety for payment of debt service; reflecting an estimate of an ability to cover debt obligations with free cash flow. This ratio is defined as Cash Flow Available to Service Debt/Debt Service. The higher the number; the greater the ability to make debt payments from cash flow.

Debt-to-income Ratio: A comparison of gross income to housing and non-housing expenses; With the FHA, the monthly mortgage payment should be no more than 29% of monthly gross income (before taxes) and the mortgage payment combined with non-housing debts should not exceed 41% of income.

Deed: The document that transfers ownership of a property.

Deed-in-lieu: To avoid foreclosure - "in lieu" of foreclosure - a deed is given to the lender to fulfill the obligation to repay the debt; this process does not allow the borrower to remain in the house but helps avoid the costs, time, and effort associated with foreclosure.

Default: The inability to pay monthly mortgage payments in a timely manner or to otherwise meet the mortgage terms.

Delinquency: Failure of a borrower to make timely mortgage payments under a loan agreement.

Department of Housing and Community Development: This agency – formally known as the Office of Community and Economic Development (OCED) – is responsible for the administration Federal and State funding, e.g., Community Development Block Grant (CDBG), HOME Investment Partnership, and Neighborhood Stabilization Program, that supports the development of viable urban neighborhoods in Miami-Dade County, characterized by decent housing, expansion of economic development opportunities, and the preservation of historic properties.

Department of Veterans Affairs: A federal agency, which guarantees loans, made to veterans; similar to mortgage insurance, a loan guarantee protects lenders against loss that may result from a borrower default.

Developer: A legal entity who develops real estate, especially by preparing a site for residential or commercial use.

Development Team: The developer and the professional, technical, and construction entities (i.e., lead architect, general contractor, engineer, legal counsel, non-profit operator, marketing agent, and managing agent) that will participate in the design, development construction, marketing, and/or management of the Project.

DHCD: See Miami-Dade County Department of Housing and Community Development

Direct Endorsement: Program permitting lender processed and endorsed FHA mortgages.

Disability: According to the US Department of Housing and Urban Development, a person shall be considered to have a disability if the person is determined to have a physical, mental, or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impeded his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability or he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006).

Disabling Condition: For the purposes of chronic homelessness, a disabling condition is a diagnosable substance use disorder, serious mental illness, development disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions. A disabling condition limits an individual's ability to work or perform one or more activities of daily living.

Discount Point: Normally paid at closing and generally calculated to be equivalent to 1% of the total loan amount, discount points are paid to reduce the interest rate on a loan.

Documentary Surtax Program: Discretionary surtax on documents; certain counties operating under a home rule charter to levy the discretionary surtax for purposes of establishing and funding a Housing Assistance Loan Trust Fund to assist in providing housing for low-income and moderate-income families.

Down Payment: The portion of a home's purchase price that is paid in cash and is not part of the mortgage loan.

Down Payment Assistance: Funds that are provided by the Issuer or another third party, which can be used to offset a portion of the borrower's down payment.

DSC: See Debt Service Coverage

Duns Number: The Data Universal Numbering System (DUNS) number required for every applicant to apply for a grant with the federal government. The DUNS number is a unique nine-character identification number provided (at no charge) by the commercial company, Dun & Bradstreet



Earnest Money: Money put down by a potential buyer to show that he or she is serious about purchasing the home; it becomes part of the down payment if the offer is accepted, is returned if the offer is rejected, or is forfeited if the buyer pulls out of the deal.

EEM: See Energy Efficient Mortgage

EGB: See Eligible Block Groups

ELI: See Extremely Low Income

Eligible Block Groups: A block group within a census tract where the population is more than 50% low to moderate income is considered an area that is eligible for use of HUD CDBG funds.

Emergency Shelter Grants: A program that provides homeless persons with basic shelter and essential supportive services. It can assist with the operational costs of the shelter facility, and for the administration of the grant. ESG also provides short-term homeless prevention assistance to persons at imminent risk of losing their own housing due to eviction, foreclosure, or utility shutoffs.

Empowerment Zone: The term empowerment zone means an area designated as an empowerment zone by the Secretary of the Department of Housing and Urban Development or the Secretary of the Department of Agriculture. The County's Empowerment Zone sunset December 31, 2009.

Energy Efficient Mortgage: An FHA program that helps homebuyers save money on utility bills by enabling them to finance the cost of adding energy efficiency features to a new or existing home as part of the home purchase.

Energy Star: A voluntary labeling program of the US Environmental Agency (EPA) and the US Department of Energy that identifies energy efficient products.

Engineer: Someone who is trained or professionally engaged in a branch of engineering. Engineers use technology, mathematics, and scientific knowledge to solve practical problems.

Enterprise Zone: An impoverished area in which businesses are exempt from certain taxes and are given other economic advantages such as tax credit as an inducement to locate there and employ residents.

Entitlement Public Entity: A metropolitan city or an urban county receiving federal CDBG funds. program in Miami-Dade County the entitlements are: City of Miami, Miami Beach, Hialeah, North Miami, Miami Gardens, Homestead, and Florida City.

Environmental Review: 24 CFR Part 58: Environmental Review Procedures for Entities receiving CDBG and HOME funds. HUD Environmental Responsibilities used by local governments to determine program compliance with the intent of the National Environmental Policy Act (NEPA) and other related statutes.

Environmental Site Assessment: The analysis, often called a Phase I ESA, typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

EPLS: See Excluded Parties List System

Equity: An owner's financial interest in a property/project; calculated by subtracting the amount still owed on the mortgage from the fair market value of the property.

Equity Gap: The Equity Gap is the difference between the Total Project Costs and the total funding sources available for a Project. The Equity Gap is used as part of the calculation to determine the maximum amount of Credit that a Project is eligible to receive.

ESA: See Environmental Site Assessment

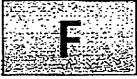
Escrow Account: A separate account into which the lender puts a portion of each monthly mortgage payment; an escrow account provides the funds needed for such expenses as property taxes, homeowners insurance, mortgage insurance, etc.

ESG: See Emergency Shelter Grants

Excluded Parties List System: Includes information regarding entities debarred, suspended, proposed for debarment, excluded or disqualified under the non-procurement common rule, or otherwise declared ineligible from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits. This information may include names, addresses, DUNS numbers, Social Security Numbers, Employer Identification Numbers, or other Taxpayer Identification Numbers.

Extremely Cost-burdened: A household that spends more than 50% of their income on housing costs.

Extremely Low Income: Family whose income is between 0 and 30% of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30% of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.



Fair Housing Act: A law that prohibits discrimination in all facets of the home buying process on the basis of race, color, national origin, religion, sex, familial status, or disability.

Fair Housing Initiatives Program: Program to assist state/local government, community groups, and housing resource boards to combat housing discrimination.

Fair Market Value: US HUD's estimate of the actual market rent for a modest apartment in the conventional market.

Faith-Based Organizations: A religious congregation (church, mosque, synagogue, or temple) a nonprofit organization founded by a religious congregation or religiously-motivated incorporators and board members that clearly states in its name, incorporation, or mission statement that it is a religiously motivated institution.

Family: A household comprised of one or more individuals. The National Affordable Housing Act (NAHA) definition required to be used in the CHAS rule - equivalent to Census definition of householder (head of household) and one or more other persons living in the same household who are related by birth, marriage, or adoption. The term "household" is used in combination with the term "related" in the CHAS instructions, when compatibility with the Census definition of family (for reports and data available from the Census based upon that definition) is dictated.

Family Self Sufficiency: This program was designed to assist MDPHA's Section 8 and public housing residents reach and maintain economic independence through job training, education, and employment. Staff will assist and help residents in identify their goals and help them to make short- and long-range plans to reach their goals.

Family Unification Voucher Program: Provides rental assistance on behalf of low-income families for whom lack of adequate housing is a primary factor in the threat of imminent separation from their children. MDHA coordinates this program with the State of Florida Department of Children and Family Services.

Fannie Mae: Federal National Mortgage Association, a federally-chartered enterprise owned by private stockholders that purchases residential mortgages and converts them into securities for sale to investors; by purchasing mortgages, Fannie Mae supplies funds that lenders may loan to potential homebuyers.

FBO: See Faith-Based Organizations

Federal Housing Administration: An administration established in 1934 to advance homeownership opportunities for all Americans; assists homebuyers by providing mortgage insurance to lenders to cover most losses that may occur when a borrower defaults; this encourages lenders to make loans to borrowers who might not qualify for conventional mortgages.

Feng Shui: To create harmony and balance around us, centuries-old art to design homes and commercial space. A growing number of architects and decorators are integrating feng shui ideas with contemporary building design.

FHA: See Federal Housing Administration

FHFC: See Florida Housing Finance Corporation

FHIP: See Fair Housing Initiatives Program

Finding of No Significant Impact: Environmental Assessment finding that a project will not significantly affect the quality of human life.

First-Time Home Buyer: A first-time homebuyer is an individual or family that has not owned or had ownership interest in any residence during the last three years preceding closing. An exception to this requirement exists only if the home to be purchased is located in targeted areas.

Fixed-rate Mortgage: A mortgage with payments that remain the same throughout the life of the loan because the interest rate and other terms are fixed and do not change.

Flood Insurance: Insurance that protects homeowners against losses from a flood; if a home is located in a flood plain; the lender will require flood insurance before approving a loan.

Florida Housing 2008 Universal Application: Applicants interested in applying for funding for the construction or rehabilitation of affordable rental housing through the following programs can do so through the Universal Application Cycle: HOME Investment Partnerships Program; Housing Credits; Multifamily Mortgage Revenue Bonds; State Apartment Incentive Loan Program

Florida Housing Finance Corporation: Created by the Florida Legislature more than 25 years ago, this organization's goal is to increase the supply of safe, affordable housing for individuals and families with very low to moderate incomes by stimulating investment of private capital and encouraging public and private sector housing partnerships. This organization also manages the state of Florida's Tax Credit Program.

FMNA: See Fannie Mae

FMV: See Fair Market Value

FONSI: See Finding of No Significant Impact

Foreclosure: A legal process in which mortgaged property is sold to pay the loan of the defaulting borrower.

FSS: See Family Self Sufficiency

Full-time Equivalent: Economic Development unit of performance base measurement full-time equivalent (employee) (2080 hours of paid employment).

Funding GAP: Financing that is required, but for which no provision has been made. The difference in total funding needed for a proposal and the amount of funding already made available.

FTE: See Full-time Equivalent

FY: Fiscal Year



General Assistance: Provide people with money and limited medical care to help take care of themselves when they do not qualify for other cash programs administered by the Department of Human Services (DHS).

General Contractor: The prime contractor who contracts for the construction of an entire building or project, rather than just a portion of the work.

GFE: See Good Faith Estimate

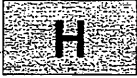
Ginnie Mae: Government National Mortgage Association, a government-owned corporation overseen by the U.S. Department of Housing and Urban Development, Ginnie Mae pools FHA-insured and VA-guaranteed loans to back securities for private investment; as With Fannie Mae and Freddie Mac, the investment income provides funding that may then be lent to eligible borrowers by lenders.

GNMA: See Ginnie Mae

Good Faith Estimate: An estimate of all closing fees including pre-paid and escrow items as well as lender charges; must be given to the borrower within three days after submission of a loan application.

Green Building: Environmentally friendly construction products in a sensible way and creates a healthy place to live or work. A residence or commercial structure built so that it promotes energy conservation, uses.

Green Jobs: Environmentally friendly manufacturing, sales, distribution, marketing, installation, and repair of solar energy systems; or high efficiency appliances; construction and/or design of energy efficient structure design, manufacture and servicing of electric hybrid or biodiesel vehicles, and recycling or discarded materials.



HAP: See Housing Assistance Payments Contract

HDLAD: See Housing Development and Loan Administration Division

HELP: See Homebuyer Education Learning Program

HFA: See Housing Finance Authority

Historic Preservation: The act of maintaining and repairing existing historic materials and the retention of a property's form as it has evolved over time.

HOME: HOME Investment Partnerships Program helps to expand the supply of decent, affordable housing for low and very low-income families by providing grants to States and local governments called participating jurisdictions (PJ). PJs use their HOME grants to fund housing programs, which meet local needs and priorities.

HOME-Assisted Units: Units within a HOME project for which rent, occupancy, and/or long-term affordability restrictions apply. The number of units designated as HOME-assisted affects the maximum HOME subsidies that may be provided to a project.

Home Inspection: Examination of the structure and mechanical systems to determine a home's safety; makes the potential homebuyer aware of any repairs that may be needed.

Home Warranty: Offers protection for mechanical systems and attached appliances against unexpected repairs not covered by homeowner's insurance; coverage extends over a specific time period and does not cover the home's structure.

Homebuyer Education Learning Program): An educational program from the FHA that counsels people about the home buying process; HELP covers topics like budgeting, finding a home, getting a loan, and home maintenance; in most cases, completion of the program may entitle the homebuyer to a reduced initial FHA mortgage insurance premium—from 2.25% to 1.75% of the home purchase price.

Homeless Family with Children: Family composed of the following types of homeless persons: at least one parent or guardian and one child under the age of 18; a pregnant woman; or a person in the process of securing legal custody of a person under the age 18.

Homeless Person: Youth (17 years or younger) not accompanied by an adult (18 years or older) or an adult without children, who is homeless (not imprisoned or otherwise detained pursuant to an Act of Congress or State law). An individual who lacks a fixed, regular, and adequate nighttime residence.

Homeless Prevention: Means activities or programs designed to prevent the incidence of homelessness, including (but not limited to): Short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices; Security deposits or first month's rent to permit a homeless family to move into its own apartment; Mediation programs for landlord-tenant disputes; Legal services programs for the representation of indigent tenants in eviction proceedings; Payments to prevent foreclosure on a home; and other innovative programs and activities designed to prevent the incidence of homelessness.

Homeless Subpopulation: Include but are not limited to the following categories of homeless persons: severely mentally ill only, alcohol/drug addicted only, severely mentally ill and alcohol/drug addicted, fleeing domestic violence, youth and persons with HIV/AIDS.

Homeowner's Insurance: An insurance policy that combines liability coverage for a homeowner with hazard insurance to protect the home from wind, fire, vandalism, and other hazards.

Homeownership Rehabilitation Program: Operated by the Redevelopment Authority (RDA), provides developers with a subsidy for the rehabilitation of vacant houses to be sold to eligible homebuyers.

HOPE VI - Hope for the Elderly Independence: Through the HOPE VI program, US HUD provides grants to eligible applicants for the demolition, construction, and rehabilitation of public housing; development of replacement housing; and community and supportive services that provide public housing residents with resources to support their progress toward sufficiency. The HOPE VI program encourages PHAs to seek new partnerships with private entities to create mixed-finance and mixed-income affordable housing that is a departure from traditional public housing.

HOPWA: See Housing Opportunities for Persons With AIDS

Housing Assistance Payments Contract: HAP contract is used to provide Section 8 tenant-based assistance under the housing choice voucher program (voucher program) of the U.S. Department of Housing and Urban Development (US HUD). The main regulation for this program is 24 Code of Federal Regulations Part 982. The local voucher program is administered by a public housing agency (PHA). The HAP contract is an agreement between the PHA and the owner of a unit occupied by an assisted family.

Housing Counseling Agency: Provides counseling and assistance to individuals on a variety of issues, including loan default, fair housing, and home buying.

Housing Development and Loan Administration Division: A division of DHCD that is responsible for Surtax home ownership assistance loans by providing first and second mortgages, which assist eligible families in purchasing a home. DLAD works with private developers and community development corporations who facilitate construction and development of affordable homes.

Housing Finance Authority: A County agency that originates second mortgage assistance programs funded by both SHIP and Surtax funds for new homebuyers and issues bonds.

Housing Inventory/Supply: The total number of housing units available at any given time.

Housing Opportunities for Persons With AIDS: The HOPWA program provides housing assistance and supportive services for low-income people with HIV/AIDS and their families. Grants are provided by selection through a national competition of projects proposed by State and local governments and nonprofit organizations. Grantees are encouraged to form community partnerships with area nonprofit organizations to provide housing assistance and supportive services for eligible persons. Administered by the City of Miami for Miami-Dade County.

Housing Rehabilitation Program: The Housing Rehabilitation Program provides a mechanism for property owners to bring their properties into compliance with local codes and provide safe, decent housing to lower income individuals.

Housing Trust Fund: Provides funding to eligible applicants to construct low-income housing, to rehabilitate vacant or under-utilized residential property (or portions of a property), or to convert vacant non-residential property to residential use for occupancy by low-income homesteaders, tenants, tenant-cooperators or condominium owners.

HRP: See Homeownership Rehabilitation Program

HTF: See Housing Trust Fund

HUD Environmental: Required when Federal CDBG/Home funds are planned to be spent on a project. The analysis, often called a Phase I ESA, typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

HUD Statement: Document known as the "settlement sheet," it itemizes all closing costs; must be given to the borrower at or before closing.

HVAC: Heating, Ventilation and Air Conditioning; a home's heating and cooling system.



IDIS: See Integrated Disbursement and Information System

Inclusionary Zoning: Commonly known as inclusionary housing, refers to city or county planning ordinances that require a given share of new construction be affordable to people with low to moderate incomes.

Income Based: Rent Income Based Rent is adjusted based on median income, age, disability, or other tenant factors.

Index: A measurement used by lenders to determine changes to the Interest rate charged on an adjustable rate mortgage.

Infill Housing: Is the insertion of additional housing units into an already approved subdivision or neighborhood. These can be in the form of additional units built on the same lot, by dividing existing homes into multiple units, or by creating new residential lots by further subdivision or lot line adjustments. Units may also be used by building on lots that were previously vacant.

Infill Housing Initiative: The Infill Housing Initiative is an innovative affordable housing program administered by the Department of General Services Administration through its Infill Housing Program (the "Program"). The purpose of the Infill Housing Initiative is to increase the availability of affordable homes for low and moderate income families; maintain a stock of affordable housing; redevelop urban neighborhoods by eliminating the blight of vacant, dilapidated, or abandoned properties; equitably distribute homeownership opportunities within the Infill Target Areas; and generate payment of ad valorem taxes. The Infill Housing Initiative provides incentives to encourage developers to build affordable housing

Infrastructure: The basic facilities, services, and installations needed for the functioning of a community or society, such as transportation and communications systems, water and power lines, and public institutions including schools, post offices, and prisons.

Insurance: Protection against a specific loss over a period of time that is secured by the payment of a regularly scheduled premium.

Integrated Disbursement and Information System: This system, commonly referred to as IDIS, is the draw down and reporting system for the four CPD formula grant programs – CDBG, HOME, ESG, and HOPWA.

Interest: A fee charged for the use of money.

Interest Rate: The amount of interest charged on a monthly loan payment; usually expressed as a percentage.

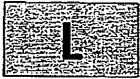


Job Creation: A program or project undertaken by a government of a nation in order to assist unemployed members of the population.

Job Pirating: A prohibited act that involves the use of federal funds to lure or attract a business and its jobs from one labor market to another location.

Judgment: A legal decision requiring debt repayment, a judgment may include a property lien that secures the creditor's claim by providing a collateral source.

Jurisdiction: A state or unit of general local government.



Large Family: A family of five or more persons.

Lead-Based Paint Hazards: Health and safety hazards caused by lead-based paint.

Lease Purchase: Assists low- to moderate-income homebuyers in purchasing a home by allowing them to lease a home with an option to buy; the rent payment is made up of the monthly rental payment plus an additional amount that is credited to an account for use as a down payment.

Leverage: The use of funds to complete a transaction. The use of various financial instruments or borrowed capital, such as margin, to increase the potential return of an investment. The amount of debt used to finance firm's assets.

Lien: A legal claim against property that must be satisfied when the property is sold.

LIHTC: See Low Income Housing Tax Credit

LISC: See Local Initiatives Support Corporation

LLC – Limited Liability Corporation: A type of company, authorized only in certain states, whose owners and managers receive the limited liability and (usually) tax benefits of an S Corporation without having to conform to the S corporation restrictions.

Loan: Money borrowed that is usually repaid with interest.

Loan Fraud: Purposely giving incorrect information on a loan application in order to better qualify for a loan, may result in civil liability or criminal penalties.

Loan-to-value Ratio: A percentage calculated by dividing the amount borrowed by the price or appraised value of the home to be purchased; the higher the LTV, the less cash a borrower is required to pay as down payment.

Local Initiatives Support Corporation: An organization that helps resident-led, community-based development organizations transform distressed communities and neighborhoods into healthy ones – good places to live, do business, work and raise families. By providing capital, technical expertise, training, and information, LISC supports the development of local leadership and the creation of affordable housing, commercial, industrial and community facilities, businesses and jobs.

Lock-in: Many lenders offer an interest rate lock-in that guarantees a specific interest rate if the loan closes within a specific time.

Long-term Lease: In the context of the HOME Program, a long-term lease is a written, binding agreement whose term is, at a minimum, equivalent to the affordability period required for a property based on the level of HOME subsidy (for example, five to 15 years).

Loss Mitigation: A process to avoid foreclosure; the lender tries to help a borrower who has been unable to make loan payments and is in danger of defaulting on his or her loan

Low Income: A household whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 80 percent of the median for the area median on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low Income Family: A household whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 80 percent of the median for the area median on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Low Income Housing Tax Credit: A program, also known as Tax Credit that was created by the Tax Reform Act of 1986 as an alternate method of funding housing for low- and moderate-income households. The credits are also commonly called Section 42 credits in reference to the applicable section of the Internal Revenue Code. The tax credits are more attractive than tax deductions as they provide a dollar-for-dollar reduction in a taxpayer's federal income tax, whereas a tax deduction only provides a reduction in taxable income.

There are two Credit rates, or Applicable Percentages, #1) "9% Credit" and #2) "4% Credit," depending on the type of Project. The Applicable Percentages were initially set at 9% and 4%, but after 1987, the Applicable Percentages were adjusted on a monthly basis by the U.S. Department of the Treasury. Depending on the type of project, the present value of the Credit over a 10 year period equals 70% (the "9% Credit") or 30% (the "4% Credit") of a Project's Qualified Basis. The 4% are non-competitive.

LTV: See Loan-to-value Ratio



Margin: An amount the lender adds to an index to determine the interest rate on an adjustable rate mortgage.

MDPH: Miami-Dade Public Housing Agency, formerly Miami-Dade Housing Agency (MDHA)

Metro Dade: Miami Dade County less the entitlement cities and those in the small cities program (City of Miami, Miami Beach, Hialeah, North Miami, Miami Gardens, Homestead, and Florida City)

MIP: See Mortgage Insurance Premium

Mobile Home: A large house trailer that can be connected to utilities and can be parked in one place and used as permanent housing.

Moderate Income Family: Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs, fair market rents, or unusually high or low family incomes.

Moderate Rehabilitation Program: Substandard rental housing that has been upgraded by private developers. Project-based rental subsidies are provided on behalf of eligible low-income families includes the amortization of the project's rehabilitation and operating costs.

Modular Home: A modular home is constructed of pre-made parts and unit modules. A complete kitchen and bath may be pre-set in the house. Wall panels, trusses, and other pre-fabricated house parts are transported on a flatbed truck from the factory to the building site.

Mortgage: A lien on the property that secures the Promise to repay a loan.

Mortgage Banker: A company that originates loans and resells them to secondary mortgage lenders like Fannie Mae or Freddie Mac.

Mortgage Broker: A firm that originates and processes loans for a number of lenders.

Mortgage Insurance: A policy that protects lenders against some or most of the losses that can occur when a borrower defaults on a mortgage loan; mortgage insurance is required primarily for borrowers with a down payment of less than 20% of the home's purchase price.

Mortgage Insurance Premium: A monthly payment – usually part of the mortgage payment – paid by a borrower for mortgage insurance.

Mortgage Modification: A loss mitigation option that allows a borrower to refinance and/or extend the term of the mortgage loan and thus reduce the monthly payments.

Multi-Modal Center: Serves as a centrally-located portal of services for those who bicycle, bus, or take the commuter rail to and from work or recreation.



NAC: See Neighborhood Advisory Committee

Neighborhood Advisory Committee: Responsible for implementing the recommendations formulated by the Neighborhood Task Force and to address new neighborhood issues as may be identified.

Neighborhood Revitalization Strategic Area: Targeted for assistance by the Miami-Dade County Department of Housing and Community Development under the U.S. HUD Community Development Block Grant program and include the following areas: 1) Opa-Locka; 2) Model City, 3) West Little River; 4) Melrose; 5) South Miami; 6) Perrine; 7) Leisure City/Naranja; 8) Goulds.

The areas covered must be contiguous. The selected area must be primarily residential with 70 percent of the population being low and moderate-income persons.

New Urbanism: An American urban design movement that arose in the early 1980s. Its goal is to reform many aspects of real estate development and urban planning, from urban retrofits to suburban infill. New urbanist neighborhoods are designed to contain a diverse range of housing and jobs, and to be walk able. New Urbanism can include (neo) traditional neighborhood design and transit-oriented development.

Not-for-profit Corporation: An incorporated organization created by statute, government, or judicial authority and is not intended to provide a profit to the owners or members. 501(c) is a provision of the United States Internal Revenue Code (26 U.S.C. § 501(c) some federal income taxes. 501(c)(3) status after they file an application and supporting documentation to the IRS and have a certification letter issued.

NRSA: See Neighborhood Revitalization Strategic Area



Occupational Safety and Health Administration: The main federal agency charged with the enforcement of safety and health legislation.

OCED: See Department of Housing and Community Development

Offer: Indication by a potential buyer of willingness to purchase a home at a specific price; generally put forth in writing.

Office of Supportive Housing: Designed to develop supportive housing and services that will allow homeless persons to live as independently as possible.

Open Space: The exterior open space in an urban lot occupied by a commercial structure.

Origination: The process of preparing, submitting, and evaluating a loan application, generally includes a credit check, verification of employment, and a property appraisal.

Origination Fee: The charge for originating a loan; is usually calculated in the form of points and paid at closing.

OSH: See Office of Supportive Housing

OSHA: See Occupational Safety and Health Administration

Overcrowded: Housing unit occupied by more than one person per bedroom.

Owner or Project Owner: The awarded applicant. Entity that initiates a project, finances it, contracts it out, and benefits from its output(s). Also called just owner. Except in CRP grant program that enables a lessee to apply for and receive a CRP grant.



Partial Claim: A loss mitigation option offered by the FHA that allows a borrower, with help from a lender, to get an interest-free loan from HUD to bring their mortgage payments up to date.

Participating Jurisdiction: Any jurisdiction that has been so designated by HUD in accordance with 92.105.

Performance Measurement System: A US HUD requirement for all CDBG Grantees, such as Miami-Dade County, to gather information in an organized process to order to determine how well programs and projects are meeting needs, and use that information to improve performance and better allocate resource in the community.

Permanent Supportive Housing: Affordable rental housing with support services for low-income or homeless people with severe mental illness, substance abuse, or HIV/AIDS.

Permitting: Approval: Process performed by Miami-Dade County or the Municipality's Building Departments.

Persons With AIDS: Population affected with the AIDS virus.

PHA: See Public Housing Agency

Phase I ESA: Typically addresses both the underlying land as well as physical improvements to the property; however, techniques applied in a Phase I ESA never include actual collection of physical samples or chemical analyses of any kind.

PITI: See Principal, Interest, Taxes, and Insurance

PLP: See Pre-development Loan Program

PMI: See Private Mortgage Insurance

Poverty Level Family: A family with an income below poverty line, as defined by the office of Management and Budget and revised annually.

Pre-approve: A lender commitment to lend to a potential borrower; the commitment remains as long as the borrower still meets the qualification requirements at the time of purchase.

Predatory Lending: The practice of a lender deceptively convincing borrowers to agree to unfair and abusive loan terms, or systematically violating those terms in ways that make it difficult for the borrower to defend against.

Pre-development Loan Program: Helps nonprofit and community based organizations, local governments, and public housing authorities plan, finance, and develop affordable housing through individualized technical assistance and flexible below market interest financing for predevelopment activities.

Pre-foreclosure Sale: Allows a defaulting borrower to sell the mortgaged property to satisfy the loan and avoid foreclosure.

Pre-qualify: A lender's informal determination of the maximum amount an individual is eligible to borrow.

Premium: An amount paid on a regular schedule by a policyholder that maintains insurance coverage.

Prepayment: Payment of the mortgage loan before the scheduled due date; may be subject to a prepayment penalty.

Principal: The amount borrowed from a lender; doesn't include interest or additional fees.

Principal, Interest, Taxes, and Insurance: The four elements of a monthly mortgage payment; payments of principal and interest go directly towards repaying the loan while the portion that covers taxes and insurance (homeowner's and mortgage, if applicable) goes into an escrow account to cover the fees when they are due.

Private Mortgage Insurance: Privately-owned companies that offer standard and special affordable mortgage insurance programs for qualified borrowers with down payments of less than 20% of a purchase price.

Project: A temporary activity with a starting date, specific goals and conditions, defined responsibilities, a budget, planning, a fixed end date and multiple parties involved.

Project Based Section 8 Housing: Provides HUD-subsidized rental assistance. Eligible low-income tenants pay 30% of their gross adjusted income for rent. The rental assistance is attached to the unit so tenants cannot "take" the assistance with them if they move. Section 8 Vouchers are not accepted for project-based units, however, vouchers may be used at other units in the development that are not part of the project-based program.

Project Management: The discipline of planning, organizing, and managing resources to bring about the successful completion of specific project goals and objectives. A project is a finite endeavor—having specific start and completion dates—undertaken to create a unique product or service which brings about beneficial change or added value.

Project Manager: The Project Manager – formally known as the Contracts Officer – plans, organizes staff, motivates, evaluates, directs, controls and leads the project from start to finish against a determined set of requirements given to him/her by the business.

Public Housing: A form of housing tenure in which the property is owned by a government authority, which may be central or local.

Public Housing Agency: Any state or local government entity or its agency, which is authorized to engage in or assist the development or operation of low-income housing.

PWA: See Persons With AIDS



Radon: A radioactive gas found in some homes that, if occurring in strong enough concentrations, can cause health problems.

Real Estate Agent: An individual who is licensed to negotiate and arrange real estate sales; works for a real estate broker.

Real Estate Settlement Procedures Act: A law protecting consumers from abuses during the residential real estate purchase and loan process by requiring lenders to disclose all settlement costs, practices, and relationships.

Realtor: A real estate agent or broker who is a member of the NATIONAL ASSOCIATION OF REALTORS, and its local and state associations.

Recapture: The process of reallocating funds from untimely CDBG sub-recipients to activities/projects that are ready to move, this process is necessary to ensure timeliness expenditure of CDBG.

Refinancing: Paying off one loan by obtaining another, refinancing is generally done to secure better loan terms (like a lower interest rate).

Rehabilitation Mortgage: A mortgage that covers the costs of rehabilitating (repairing or Improving) a property; some rehabilitation mortgages - like the FHA's 203(k) - allow a borrower to roll the costs of rehabilitation and home purchase into one mortgage loan.

Request for Applications: The Department of Housing and Community Development, annually conducts a consolidated RFA. Through this process, private nonprofit community based organizations (CBOs), community development corporations (CDCs), private-for-profit developers and public agencies can apply for funds to build low-income housing, capital improvements, economic development. The main funding sources are: CDBG, HOME, and SHIP.

RESPA: See Real Estate Settlement Procedures Act

Retainage: In a construction contract, money earned by a Contractor but not paid to the contractor until the completion of construction (usually 10%) or some other agreed-upon date.

RFA: See Request for Applications



SAIL: See State Apartment Incentive Program

Section 3: A provision of the Housing and Urban Development (HUD) Act of 1968 that promotes local economic development, neighborhood economic improvement, and individual self-sufficiency.

Section 108 Loan Guarantee: Section 108 is the loan guarantee provision of the CDBG Program. It offers communities a source of financing for housing rehabilitation, economic development, and large-scale physical development projects.

Senior Housing Assistance Repair Program: Provides senior and disabled homeowners with small household repairs funds are forgiven if the terms and conditions are met.

Set-asides: Housing and rental units for individuals and families with incomes at or below a percentage of the area median income, in which a percentage of the units are reserved.

Settlement: Another name for closing.

SFRRRC: South Florida Regional Resource Center

SHARP: See Senior Housing Assistance Repair Program

SHIP: See State Housing Initiatives Program

SHPO: See State Historic Preservation Officers

Single Room Occupancy: A multi-room and/or multi-floor facility that offers single rooms-for-lease. Typically, a larger apartment-style building with shared kitchen facilities.

SLR: See Subsidy Layering Review

South Florida Regional Resource Center: Assists neighborhood, city, county, and civic organizations with local needs and educates these organizations about the importance of collaboration to achieve regional objectives with local importance.

Special Forbearance: A loss mitigation option where the lender arranges a revised repayment plan for the borrower that may include a temporary reduction or suspension of monthly loan payments.

Special Needs Populations: Tenants who may have special circumstances under which they live a person with a mental, emotional, or physical disability or a high risk of developing one.

SRO: See Single Room Occupancy

State Apartment Incentive Program: Provides low-interest loans on a competitive basis to affordable housing developers each year.

State Historic Preservation Officers: Established under the National Historic Preservation Act of 1966, the national historic preservation program is a partnership between the Federal, State, Tribal and local governments; private organizations; and the public. SHPO play a critical role carrying out many responsibilities under the Act.

State Housing Initiatives Program: Designed to develop and maintain affordable housing and to implement the Local Housing Assistance Plan.

Statutory Program Goals: Include Decent Housing; Suitable Living Environment; expanded Economic Opportunities.

Subordinate: To place in a rank of lesser importance or to make one claim secondary to another.

Subsidy Layering Review: The PHA may provide PBV assistance only in accordance with HUD subsidy layering regulations (24 CFR 4.13) and other requirements. The subsidy layering review is intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits. Intended to prevent excessive public assistance for the housing by combining (layering) housing assistance payment subsidy under the PBV program with other governmental housing assistance from federal, state, or local agencies, including assistance such as tax concessions or tax credits.

Substandard Housing: Housing units that are overcrowded, do not have heat, or lack complete kitchen or plumbing facilities.

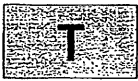
Suburban Infill: Describes the development of land in existing suburban areas that was left vacant during the development of the suburb. It is one of the tenets of the New Urbanism and smart growth trends of urging densification to reduce the need for automobiles, encourage walking, and ultimately save energy.

Supportive Housing: Housing, including housing units and group quarters that have a supportive environment and includes a planned service component.

SURTAX: See Documentary Surtax Program

Survey: A property diagram that indicates legal boundaries, easements, encroachments, rights of way, improvement locations, etc.

Sweat Equity: Using labor to build or improve a property as part of the down payment.



Targeted Urban Area: Areas within Miami Dade County with a high low to moderate income population.

Tax Credit Factor: The Tax Credit Factor means the factor selected that represents, on a percentage basis, the net value of the Credit dollar amount available for Total Project Costs. The Tax Credit Factor depends on the market value of the Project's 10-year Credit amount to investors, discounted for its present value, less Intermediary Costs.

Tax Credits: Rental Housing Tax Credits are a financial incentive for developers to construct or rehabilitate housing developments for rental to low-income persons. RHTCs are authorized under the Internal Revenue Code Section 42.

Tax Increment Financing (TIF): A tool to use future gains in taxes to finance the current improvements that will create those gains. When a public project such as a road, school, or hazardous waste cleanup is carried out, there is an increase in the value of surrounding real estate, and often new investment (new or rehabilitated buildings, for example). This increased site value and investment creates more taxable property, which increases tax revenues.

TBRA: See Tenant-Based Rental Assistance

TDC: See Total Development Cost

Tenant-Based Rental Assistance: HUD assists low- and very low-income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit.

The Contract: County/Owner Contract under this Program.

The County: Miami-Dade County

The Sadowski Act: Landmark Legislation to Create Housing and Employment and to Revitalize Communities — The Sadowski Act provides both the funding mechanism for a dedicated source of revenue for state and local housing programs and a flexible but accountable framework for local programs that stimulates local economies.

Tiebreaker: An additional contest/requirement designed to establish a winner among tied contestants.

Title I: An FHA-insured loan that allows a borrower to make non-luxury improvements (like renovations or repairs) to their home; Title I loans less than \$7,500 don't require a property lien.

Title Insurance: Insurance that protects the lender against any claims that arise from arguments about ownership of the property; also available for homebuyers.

Title Search: A check of public records to be sure that the seller is the recognized owner of the real estate and that there are no unsettled liens or other claims against the property.

TND: See Traditional Neighborhood Development

TOD: See Transit Oriented Development

Total Development Cost: The sum of all costs for site acquisition, relocation, demolition, construction and equipment, interest, and carrying charges.

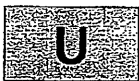
Traditional Neighborhood Development: or Neo-traditional Planning is a New Urbanist approach to designing cities, towns, and neighborhoods. Traditional, or Neo-traditional, planners, developers, architects, and designers try to reduce traffic and eliminate sprawl.

Transit Oriented Development: Mixed-use residential or commercial area designed to maximize access to public transport, and often incorporates features to encourage transit ridership.

Transitional Housing: Means a project that has as its purpose facilitating the movement of homeless individuals and families to permanent housing within a reasonable amount of time (usually 24 months). Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

Truth-in-Lending: A federal law obligating a lender to give full written disclosure of all fees, terms, and conditions associated with the loan initial period and then adjusts to another rate that lasts for the term of the loan.

TUA: See Targeted Urban Area



Underwriting: The process of analyzing a loan application to determine the amount of risk involved in making the loan; it includes a review of the potential borrower's credit history and a judgment of the property value.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 – (Uniform Act): The Uniform Act provides important protections and assistance for people affected by federally funded projects. This law was enacted by Congress to ensure that people whose real property is acquired, or who move as a result of projects receiving Federal funds, will be treated fairly and equitably, and will receive assistance in moving from the property they occupy.

Unincorporated Areas: A region of land that is not a part of any municipality.
Workforce: is the labor pool in employment.

United States Department of Housing and Urban Development: This Federal Agency, established in 1965, works to create a decent housing and suitable living environments for all Americans; it does this by addressing housing needs, improving and developing American communities, and enforcing fair housing laws.

Unit of General Local Government: A City, town, township, county, parish, village, or other general purpose political subdivision of a State; an urban county; and a consortium of such political subdivisions recognized by HUD in accordance with the HOME program or the CDBG program.

US HUD: See United States Department of Housing and Urban Development

Utility Allowance: The adjustment for utilities not included in the rent in the LIHTC program.



VA: See Department of Veterans Affairs

Very Low-Income: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by US HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.



Work Force Housing: Housing intended to appeal to key members of the workforce such as police officers, teachers, nurses and medical technicians, office workers, etc., Housing aims at satisfying the housing needs of family households earning 50% to 140% of median household income in a given SMSA (Standard Metropolitan Statistical Area).

Attachment # 18

Home Investment Partnership Program Information (HOME)

HUD > Program Offices > Community Planning and Development > Affordable Housing > Affordable Housing Programs > HOME Investment Partnerships Program

HOME Investment Partnerships Program

FY 2016 HOME Information

HOME Funded Activity by 114th Congressional Districts

Use the find tool (magnifying glass) to search for HOME accomplishments by 114th Congressional District by Representative last name or District code. When a member of Congress is searched, the map displays that member's district and a pop up window shows the number of HOME participating jurisdictions within the district, the total completed HOME units, rental units, homebuyer units, homeowner rehab units, and total amount of HOME funds disbursed for the completed units. The data reflects completed units from 1992-2015.

Fact Sheet: The State-by-State Impact of Proposed FY 2016 HOME Cuts

Infographic: The State-by-State Impact of Proposed FY 2016 HOME Cuts

HOME Program Summary

The HOME Investment Partnerships Program (HOME) provides formula grants to States and localities that communities use - often in partnership with local nonprofit groups - to fund a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. HOME is the largest Federal block grant to state and local governments designed exclusively to create affordable housing for low-income households.

HOME funds are awarded annually as formula grants to participating jurisdictions (PJs). The program's flexibility allows States and local governments to use HOME funds for grants, direct loans, loan guarantees or other forms of credit enhancements, or rental assistance or security deposits.

The program was designed to reinforce several important values and principles of community development:

HOME Resources

*For the latest news, FAQs, event calendar and online training, visit the **HOME Investment Partnerships Program** resource page. If you have a policy question related to HOME, contact your **local HUD Field Office** for assistance.*

Join a Mailing List
Find a HOME Contact
Ask a HOME Question

HOME Policy Guidance

Law and Regulations
CPD Notices
Policy Memos
HOMEFACTS
HOMEfires
HOME FAQs

HOME Reporting Systems

IDIS: Integrated Disbursement and Information System
eCon Planning Suite (Consolidated Plan)

HOME Topics

Community Housing Development Organizations (CHDO)
Consolidated Plan Consortia
Crosscutting Requirements

- HOME's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
- HOME's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in the development of affordable housing.
- HOME's technical assistance activities and set-aside for qualified community-based nonprofit housing groups builds the capacity of these partners.
- HOME's requirement that participating jurisdictions match 25 cents of every dollar in program funds mobilizes community resources in support of affordable housing.

Eligible Grantees

States are automatically eligible for HOME funds and receive either their formula allocation or \$3 million, whichever is greater. Local jurisdictions eligible for at least \$500,000 under the formula (\$335,000 in years when Congress appropriates less than \$1.5 billion for HOME) also can receive an allocation. The formula allocation considers the relative inadequacy of each jurisdiction's housing supply, its incidence of poverty, its fiscal distress, and other factors.

Communities that do not qualify for an individual allocation under the formula can join with one or more neighboring localities in a legally binding consortium whose members' combined allocation would meet the threshold for direct funding. Other localities may participate in HOME by applying for program funds made available by their State. Congress sets aside a pool of funding for distribution to insular areas, equivalent to the greater of \$750,000 or 0.2 percent of appropriated funds.

Shortly after HOME funds become available each year, HUD informs eligible jurisdictions of the amounts earmarked for them. Participating jurisdictions must have a current and approved **Consolidated Plan**, which will include an action plan that describes how the jurisdiction will use its HOME funds. A newly eligible jurisdiction also must formally notify HUD of its intent to participate in the program.

FY 2012 HOME
Appropriations Law
Requirements
Homeowner Rehabilitation
Homeownership
HOME and Other Federal
Programs
2013 HOME Final Rule
HOME IDIS
Income Determination
Match
Monitoring
Program Administration and
Management
Rental Housing
Tenant-based Rental
Assistance

Reports, Program Limits, and Allocations

HOME Reports
Rent Limits
Income Limits
Maximum Purchase
Price/After-Rehab Value
Per-unit Subsidy
Allocations and Awards

Other Affordable Housing Programs

National Housing Trust Fund
(HTF)
Real Estate Acquisition and
Relocation
Self-Help Home Ownership
Opportunity Program (SHOP)

Eligible Activities

Participating jurisdictions may choose among a broad range of eligible activities, using HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; build or rehabilitate housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. PJs may use HOME funds to provide tenant-based rental assistance contracts of up to 2 years if such activity is consistent with their Consolidated Plan and justified under local market conditions. This assistance may be renewed. Up to 10 percent of the PJ's annual allocation may be used for program planning and administration.

HOME-assisted rental housing must comply with certain rent limitations. HOME rent limits are published each year by HUD. The program also establishes **maximum per unit subsidy limits** and **maximum purchase-price limits**.

Some special conditions apply to the use of HOME funds. PJs must match every dollar of HOME funds used (except for administrative costs and CHDO predevelopment loans for projects that do not move forward) with 25 cents from nonfederal sources, which may include donated materials or labor, the value of donated property, proceeds from bond financing, and other resources. The match requirement may be reduced if the PJ is distressed or has suffered a Presidentially-declared disaster. In addition, PJs must reserve at least 15 percent of their allocations to fund housing to be owned, developed, or sponsored by experienced, community-driven nonprofit groups designated as Community Housing Development Organizations (CHDOs). PJs must ensure that HOME-funded housing units remain affordable in the long term (20 years for new construction of rental housing; 5-15 years for construction of homeownership housing and housing rehabilitation, depending on the amount of HOME subsidy). PJs have two years to commit funds (including

reserving funds for CHDOs) and five years to spend funds.

Eligible Beneficiaries

The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20% of the units must be occupied by families with incomes that do not exceed 50% of the HUD-adjusted median. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median. HOME income limits are published each year by HUD.

HUD does not provide HOME assistance directly to individuals or organizations. If you are interested in participating in this program, you need to contact your local or state government to find out how the program operates in your area. Participation requirements may differ from one grantee to another. **Find out who administers the HOME Program in your area .**

If your local government officials cannot answer your questions, or if you are a local official, **contact the HUD field office** that serves your area. Note that the local government administers the program and determines which local projects receive funding.

Attachment # 19

Emergency Solutions Grant Information (ESG)



Emergency Solutions Grants (ESG) Program

U.S. Department of Housing and Urban Development, Office of Community Planning and Development
Office of Special Needs Assistance Programs, 451 7th Street SW, Room 7262 Washington, DC 20410

CFDA Number: 14.231

OBJECTIVES

The ESG program provides funding to: (1) engage homeless individuals and families living on the street; (2) improve the number and quality of emergency shelters for homeless individuals and families; (3) help operate these shelters; (4) provide essential services to shelter residents, (5) rapidly re-house homeless individuals and families, and (6) prevent families/individuals from becoming homeless.

For more information and resources about ESG, go to HUD's OneCPD website at www.OneCPD.info.

GRANT AMOUNTS

- FY 2014 Allocation: \$250 million
- Minimum allocation: \$69,167
- Maximum allocation: \$12,649,583

Eligible Recipients (363)

- States: 51 (including Puerto Rico)
- Metropolitan Cities: 193
- Urban Counties: 115
- U.S. Territories: 4

RECIPIENTS & SUBRECIPIENTS

Eligible recipients generally consist of metropolitan cities, urban counties, territories, and states, as defined in 24 CFR 576.2.

Metropolitan cities, urban counties and territories may subgrant ESG funds to private nonprofit organizations.

State recipients must subgrant all of their ESG funds (except the amount for its administrative costs and HMIS costs, if applicable) to units of general purpose local government and/or private nonprofit organizations.

Each recipient must consult with the local Continuum(s) of Care operating within the jurisdiction in determining how to allocate ESG funds.

CITATIONS

Statute: Stewart B. McKinney Homeless Assistance Act of 1987, Title IV, Subtitle B, as amended (42 U.S.C. 11371 *et seq.*) **Regulations:** 24 CFR Part 576.

ELIGIBLE PROGRAM COMPONENTS

1. Street Outreach

Essential Services necessary to reach out to unsheltered homeless individuals and families, connect them with emergency shelter, housing, or critical services, and provide them with urgent, non-facility-based care. Component services generally consist of engagement, case management, emergency health and mental health services, and transportation. For specific requirements and eligible costs, see 24 CFR 576.101.

2. Emergency Shelter

Renovation of a building to serve as an emergency shelter. Site must serve homeless persons for at least 3 or 10 years, depending on the cost and type of renovation (major rehabilitation, conversion, or other renovation). Note: Property acquisition and new construction are ineligible.

Essential Services for individuals and families in emergency shelter. Component services generally consist of case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, and transportation.

Shelter Operations, including maintenance, rent, security, fuel, equipment, insurance, utilities, and furnishings.

Relocation assistance for persons displaced by a project assisted with ESG funds.

For specific requirements and eligible costs, see 24 CFR 576.102.

3. Homelessness Prevention

Housing relocation and stabilization services and/or short- and/or medium-term rental assistance necessary to prevent the individual or family from moving into an emergency shelter or another place described in paragraph (1) of the "homeless" definition in § 576.2.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.103, 576.105, and 576.106.

4. Rapid Re-Housing

Housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help individuals or families living in an emergency shelter or other place described in paragraph (1) of the “homeless” definition move as quickly as possible into permanent housing and achieve stability in that housing.

Component services and assistance generally consist of short-term and medium-term rental assistance, rental arrears, rental application fees, security deposits, advance payment of last month's rent, utility deposits and payments, moving costs, housing search and placement, housing stability case management, mediation, legal services, and credit repair. For specific requirements and eligible costs, see 24 CFR 576.104, 576.105, and 576.106.

5. HMIS

Grant funds may be used for certain Homeless Management Information System (HMIS) and comparable database costs, as specified at 24 CFR 576.107.

Administration

Up to 7.5% of a recipient's fiscal year grant can be used for administrative activities, such as general management, oversight, coordination, and reporting on the program. State recipients must share administrative funds with their subrecipients who are local governments and may share with their subrecipients who are nonprofit organizations. For specific requirements and eligible costs, see 24 CFR 576.108.

ALLOCATION FORMULA

HUD will set aside for allocation to the territories up to 0.2%, but not less than 0.1%, of the total amount of each appropriation in any fiscal year. The remainder will be allocated to States, metropolitan cities, and urban counties. The percentage allocated to each State, metropolitan city, and urban county will be equal to the percentage of the total amount available under section 106 of the Housing and Community Development Act of 1974 for the prior fiscal year that was allocated to the State, metropolitan city or urban county. If an allocation to a metropolitan city or urban county would be less than 0.05% of the total fiscal year appropriation for ESG, the amount is added to the allocation of the State in which the city or county is located. For more on the ESG formula, see 24 CFR 576.3.

MATCH

Metropolitan city and urban county recipients must match grant funds with an equal amount of cash and/or

noncash contributions, which may include donated buildings, materials and volunteer services.

States must match all but \$100,000 of their awards, but must pass on the benefits of that \$100,000 exception to their subrecipients that are least capable of providing matching amounts.

Territories are exempt from the match requirement

For the specific match requirements, see 24 CFR 576.201.

OBLIGATION & EXPENDITURE DEADLINES

Metropolitan cities, urban counties and territories must obligate all funds, except for the amount for administrative costs, within 180 days after HUD signs the grant agreement.

States must obligate all funds, except the amount for administrative costs, within 60 days after the date that HUD signs the grant agreement. Within 120 days after the date the State obligates its funds to a local government, the local government must obligate all of its grant funds.

All grant funds must be expended within 24 months after HUD signs the grant agreement with the recipient.

Further obligation and expenditure requirements are specified at 24 CFR 576.203.

CONSOLIDATED PLAN

Eligible recipients apply through the Consolidated Planning process. Among other things, this process helps communities assess their homeless assistance and housing needs, examine available resources, set 3-5 year strategies, and develop an annual action plan to meet priority needs. Plan preparation must include citizen participation and consultation with various organizations, including the local Continuum(s) of Care. Each jurisdiction should submit its Consolidated Plan to the local HUD field office no later than 45 days before the start of its consolidated program year in accordance with the regulations at 24 CFR Part 91. For the specific planning and submission requirements, see 24 CFR part 91 and 576.200.

REPORTS

Annual performance reports must be submitted in accordance with 24 CFR 91.520 and are due 90 days after the close of the recipient's consolidated program year. Recipients also have other reporting requirements, as specified in 24 CFR 576.500(aa).

Attachment # 20

Fair Housing Act

FAIR HOUSING ACT

Sec. 800. [42 U.S.C. 3601 note] Short Title

This title may be cited as the "Fair Housing Act".

Sec. 801. [42 U.S.C. 3601] Declaration of Policy

It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States.

Sec. 802. [42 U.S.C. 3602] Definitions

As used in this subchapter--

- (a) "Secretary" means the Secretary of Housing and Urban Development.
- (b) "Dwelling" means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.
- (c) "Family" includes a single individual.
- (d) "Person" includes one or more individuals, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under title 11 [of the United States Code], receivers, and fiduciaries.
- (e) "To rent" includes to lease, to sublease, to let and otherwise to grant for a consideration the right to occupy premises not owned by the occupant.
- (f) "Discriminatory housing practice" means an act that is unlawful under section 804, 805, 806, or 818 of this title.
- (g) "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States.
- (h) "Handicap" means, with respect to a person--
 - (1) a physical or mental impairment which substantially limits one or more of such person's major life activities,
 - (2) a record of having such an impairment, or
 - (3) being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)).
- (i) "Aggrieved person" includes any person who--
 - (1) claims to have been injured by a discriminatory housing practice; or
 - (2) believes that such person will be injured by a discriminatory housing practice that is about to occur.
- (j) "Complainant" means the person (including the Secretary) who files a complaint under section 810.
- (k) "Familial status" means one or more individuals (who have not attained the age of 18 years) being domiciled with--
 - (1) a parent or another person having legal custody of such individual or individuals; or
 - (2) the designee of such parent or other person having such custody, with the written permission of such parent or other person.

The protections afforded against discrimination on the basis of familial status shall apply to any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of 18 years.

(l) "Conciliation" means the attempted resolution of issues raised by a complaint, or by the investigation of such complaint, through informal negotiations involving the aggrieved person, the respondent, and the Secretary.

(m) "Conciliation agreement" means a written agreement setting forth the resolution of the issues

in conciliation.

(n) "Respondent" means--

- (1) the person or other entity accused in a complaint of an unfair housing practice; and
- (2) any other person or entity identified in the course of investigation and notified as required with respect to respondents so identified under section 810(a).

(o) "Prevailing party" has the same meaning as such term has in section 722 of the Revised Statutes of the United States (42 U.S.C. 1988).

[42 U.S.C. 3602 note] Neither the term "individual with handicaps" nor the term "handicap" shall apply to an individual solely because that individual is a transvestite.

Sec. 803. [42 U.S.C. 3603] Effective dates of certain prohibitions

(a) Subject to the provisions of subsection (b) of this section and section 807 of this title, the prohibitions against discrimination in the sale or rental of housing set forth in section 804 of this title shall apply:

(1) Upon enactment of this subchapter, to--

- (A) dwellings owned or operated by the Federal Government;
- (B) dwellings provided in whole or in part with the aid of loans, advances, grants, or contributions made by the Federal Government, under agreements entered into after November 20, 1962, unless payment due thereon has been made in full prior to April 11, 1968;
- (C) dwellings provided in whole or in part by loans insured, guaranteed, or otherwise secured by the credit of the Federal Government, under agreements entered into after November 20, 1962, unless payment thereon has been made in full prior to April 11, 1968: **Provided**, That nothing contained in subparagraphs (B) and (C) of this subsection shall be applicable to dwellings solely by virtue of the fact that they are subject to mortgages held by an FDIC or FSLIC institution; and
- (D) dwellings provided by the development or the redevelopment of real property purchased, rented, or otherwise obtained from a State or local public agency receiving Federal financial assistance for slum clearance or urban renewal with respect to such real property under loan or grant contracts entered into after November 20, 1962.

(2) After December 31, 1968, to all dwellings covered by paragraph (1) and to all other dwellings except as exempted by subsection (b) of this section.

(b) Nothing in section 804 of this title (other than subsection (c)) shall apply to--

(1) any single-family house sold or rented by an owner: **Provided**, That such private individual owner does not own more than three such single-family houses at any one time: **Provided further**, That in the case of the sale of any such single-family house by a private individual owner not residing in such house at the time of such sale or who was not the most recent resident of such house prior to such sale, the exemption granted by this subsection shall apply only with respect to one such sale within any twenty-four month period: **Provided further**, That such bona fide private individual owner does not own any interest in, nor is there owned or reserved on his behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of, more than three such single-family houses at any one time: **Provided further**, That after December 31, 1969, the sale or rental of any such single-family house shall be excepted from the application of this subchapter only if such house is sold or rented (A) without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, agent, or salesman, or of such facilities or services of any person in the business of selling or renting dwellings, or of any employee

or agent of any such broker, agent, salesman, or person and (B) without the publication, posting or mailing, after notice, of any advertisement or written notice in violation of section 804(c) of this title; but nothing in this proviso shall prohibit the use of attorneys, escrow agents, abstractors, title companies, and other such professional assistance as necessary to perfect or transfer the title, or

(2) rooms or units in dwellings containing living quarters occupied or intended to be occupied by no more than four families living independently of each other, if the owner actually maintains and occupies one of such living quarters as his residence.

(c) For the purposes of subsection (b) of this section, a person shall be deemed to be in the business of selling or renting dwellings if--

(1) he has, within the preceding twelve months, participated as principal in three or more transactions involving the sale or rental of any dwelling or any interest therein, or

(2) he has, within the preceding twelve months, participated as agent, other than in the sale of his own personal residence in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any dwelling or any interest therein, or

(3) he is the owner of any dwelling designed or intended for occupancy by, or occupied by, five or more families.

Sec. 804. [42 U.S.C. 3604] Discrimination in sale or rental of housing and other prohibited practices

As made applicable by section 803 of this title and except as exempted by sections 803(b) and 807 of this title, it shall be unlawful--

(a) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin.

(b) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, familial status, or national origin.

(c) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.

(d) To represent to any person because of race, color, religion, sex, handicap, familial status, or national origin that any dwelling is not available for inspection, sale, or rental when such dwelling is in fact so available.

(e) For profit, to induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, handicap, familial status, or national origin.

(f)

(1) To discriminate in the sale or rental, or to otherwise make unavailable or deny, a dwelling to any buyer or renter because of a handicap of--

(A) that buyer or renter,

(B) a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available; or

(C) any person associated with that buyer or renter.

(2) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of a handicap of--

- (A) that person; or
- (B) a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available; or
- (C) any person associated with that person.

(3) For purposes of this subsection, discrimination includes--

(A) a refusal to permit, at the expense of the handicapped person, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises, except that, in the case of a rental, the landlord may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.

(B) a refusal to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling; or

(C) in connection with the design and construction of covered multifamily dwellings for first occupancy after the date that is 30 months after the date of enactment of the Fair Housing Amendments Act of 1988, a failure to design and construct those dwelling in such a manner that--

(i) the public use and common use portions of such dwellings are readily accessible to and usable by handicapped persons;

(ii) all the doors designed to allow passage into and within all premises within such dwellings are sufficiently wide to allow passage by handicapped persons in wheelchairs; and

(iii) all premises within such dwellings contain the following features of adaptive design:

(I) an accessible route into and through the dwelling;

(II) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;

(III) reinforcements in bathroom walls to allow later installation of grab bars; and

(IV) usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.

(4) Compliance with the appropriate requirements of the American National Standard for buildings and facilities providing accessibility and usability for physically handicapped people (commonly cited as "ANSI A117.1") suffices to satisfy the requirements of paragraph (3)(C)(iii).

(5)

(A) If a State or unit of general local government has incorporated into its laws the requirements set forth in paragraph (3)(C), compliance with such laws shall be deemed to satisfy the requirements of that paragraph.

(B) A State or unit of general local government may review and approve newly constructed covered multifamily dwellings for the purpose of making determinations as to whether the design and construction requirements of paragraph (3)(C) are met.

(C) The Secretary shall encourage, but may not require, States and units of local government to include in their existing procedures for the review and approval of newly constructed covered multifamily dwellings, determinations as to whether the design and construction of such dwellings are consistent with paragraph (3)(C), and shall provide

technical assistance to States and units of local government and other persons to implement the requirements of paragraph (3)(C).

(D) Nothing in this title shall be construed to require the Secretary to review or approve the plans, designs or construction of all covered multifamily dwellings, to determine whether the design and construction of such dwellings are consistent with the requirements of paragraph 3(C).

(6)

(A) Nothing in paragraph (5) shall be construed to affect the authority and responsibility of the Secretary or a State or local public agency certified pursuant to section 810(f)(3) of this Act to receive and process complaints or otherwise engage in enforcement activities under this title.
(B) Determinations by a State or a unit of general local government under paragraphs (5)(A) and (B) shall not be conclusive in enforcement proceedings under this title.

(7) As used in this subsection, the term "covered multifamily dwellings" means--

(A) buildings consisting of 4 or more units if such buildings have one or more elevators; and

(B) ground floor units in other buildings consisting of 4 or more units.

(8) Nothing in this title shall be construed to invalidate or limit any law of a State or political subdivision of a State, or other jurisdiction in which this title shall be effective, that requires dwellings to be designed and constructed in a manner that affords handicapped persons greater access than is required by this title.

(9) Nothing in this subsection requires that a dwelling be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others.

Sec. 805. [42 U.S.C. 3605] Discrimination in Residential Real Estate-Related Transactions

(a) In General.--It shall be unlawful for any person or other entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, religion, sex, handicap, familial status, or national origin.

(b) Definition.--As used in this section, the term "residential real estate-related transaction" means any of the following:

(1) The making or purchasing of loans or providing other financial assistance--

(A) for purchasing, constructing, improving, repairing, or maintaining a dwelling; or

(B) secured by residential real estate.

(2) The selling, brokering, or appraising of residential real property.

(c) Appraisal Exemption.--Nothing in this title prohibits a person engaged in the business of furnishing appraisals of real property to take into consideration factors other than race, color, religion, national origin, sex, handicap, or familial status.

Sec. 806. [42 U.S.C. 3606] Discrimination in provision of brokerage services

After December 31, 1968, it shall be unlawful to deny any person access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate

against him in the terms or conditions of such access, membership, or participation, on account of race, color, religion, sex, handicap, familial status, or national origin.

Sec. 807. [42 U.S.C. 3607] Religious organization or private club exemption

(a) Nothing in this subchapter shall prohibit a religious organization, association, or society, or any nonprofit institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association, or society, from limiting the sale, rental or occupancy of dwellings which it owns or operates for other than a commercial purpose to persons of the same religion, or from giving preference to such persons, unless membership in such religion is restricted on account of race, color, or national origin. Nor shall anything in this subchapter prohibit a private club not in fact open to the public, which as an incident to its primary purpose or purposes provides lodgings which it owns or operates for other than a commercial purpose, from limiting the rental or occupancy of such lodgings to its members or from giving preference to its members.

(b)

(1) Nothing in this title limits the applicability of any reasonable local, State, or Federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling. Nor does any provision in this title regarding familial status apply with respect to housing for older persons.

(2) As used in this section "housing for older persons" means housing --

(A) provided under any State or Federal program that the Secretary determines is specifically designed and operated to assist elderly persons (as defined in the State or Federal program); or

(B) intended for, and solely occupied by, persons 62 years of age or older; or

(C) intended and operated for occupancy by persons 55 years of age or older, and--

(i) at least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older;

(ii) the housing facility or community publishes and adheres to policies and procedures that demonstrate the intent required under this subparagraph; and

(iii) the housing facility or community complies with rules issued by the Secretary for verification of occupancy, which shall--

(I) provide for verification by reliable surveys and affidavits; and

(II) include examples of the types of policies and procedures relevant to a determination of compliance with the requirement of clause (ii). Such surveys and affidavits shall be admissible in administrative and judicial proceedings for the purposes of such verification.

(3) Housing shall not fail to meet the requirements for housing for older persons by reason of:

(A) persons residing in such housing as of the date of enactment of this Act who do not meet the age requirements of subsections (2)(B) or (C): **Provided**, That new occupants of such housing meet the age requirements of sections (2)(B) or (C); or

(B) unoccupied units: **Provided**, That such units are reserved for occupancy by persons who meet the age requirements of subsections (2)(B) or (C).

(4) Nothing in this title prohibits conduct against a person because such person has been convicted by any court of competent jurisdiction of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802).

(5)

(A) A person shall not be held personally liable for monetary damages for a violation of this title if such person reasonably relied, in good faith, on the application of the exemption under this subsection relating to housing for older persons.

(B) For the purposes of this paragraph, a person may only show good faith reliance on the application of the exemption by showing that--

- (i) such person has no actual knowledge that the facility or community is not, or will not be, eligible for such exemption; and
- (ii) the facility or community has stated formally, in writing, that the facility or community complies with the requirements for such exemption.

Sec. 808. [42 U.S.C. 3608] Administration

(a) Authority and responsibility

The authority and responsibility for administering this Act shall be in the Secretary of Housing and Urban Development.

(b) Assistant Secretary

The Department of Housing and Urban Development shall be provided an additional Assistant Secretary.

(c) Delegation of authority; appointment of administrative law judges; location of conciliation meetings; administrative review

The Secretary may delegate any of his functions, duties and power to employees of the Department of Housing and Urban Development or to boards of such employees, including functions, duties, and powers with respect to investigating, conciliating, hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter under this subchapter. The person to whom such delegations are made with respect to hearing functions, duties, and powers shall be appointed and shall serve in the Department of Housing and Urban Development in compliance with sections 3105, 3344, 5372, and 7521 of title 5 [of the United States Code]. Insofar as possible, conciliation meetings shall be held in the cities or other localities where the discriminatory housing practices allegedly occurred. The Secretary shall by rule prescribe such rights of appeal from the decisions of his administrative law judges to other administrative law judges or to other officers in the Department, to boards of officers or to himself, as shall be appropriate and in accordance with law.

(d) Cooperation of Secretary and executive departments and agencies in administration of housing and urban development programs and activities to further fair housing purposes
All executive departments and agencies shall administer their programs and activities relating to housing and urban development (including any Federal agency having regulatory or supervisory authority over financial institutions) in a manner affirmatively to further the purposes of this subchapter and shall cooperate with the Secretary to further such purposes.

(e) Functions of Secretary

The Secretary of Housing and Urban Development shall--

(1) make studies with respect to the nature and extent of discriminatory housing practices in representative communities, urban, suburban, and rural, throughout the United States;

(2) publish and disseminate reports, recommendations, and information derived from such studies, including an annual report to the Congress--

(A) specifying the nature and extent of progress made nationally in eliminating discriminatory housing practices and furthering the purposes of this title,

obstacles remaining to achieving equal housing opportunity, and recommendations for further legislative or executive action; and
(B) containing tabulations of the number of instances (and the reasons therefor) in the preceding year in which--

- (i) investigations are not completed as required by section 810(a)(1)(B);
- (ii) determinations are not made within the time specified in section 810(g); and
- (iii) hearings are not commenced or findings and conclusions are not made as required by section 812(g);

(3) cooperate with and render technical assistance to Federal, State, local, and other public or private agencies, organizations, and institutions which are formulating or carrying on programs to prevent or eliminate discriminatory housing practices;

(4) cooperate with and render such technical and other assistance to the Community Relations Service as may be appropriate to further its activities in preventing or eliminating discriminatory housing practices;

(5) administer the programs and activities relating to housing and urban development in a manner affirmatively to further the policies of this subchapter; and

(6) annually report to the Congress, and make available to the public, data on the race, color, religion, sex, national origin, age, handicap, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of, programs administered by the Department to the extent such characteristics are within the coverage of the provisions of law and Executive orders referred to in subsection (f) which apply to such programs (and in order to develop the data to be included and made available to the public under this subsection, the Secretary shall, without regard to any other provision of law, collect such information relating to those characteristics as the Secretary determines to be necessary or appropriate).

(f) The provisions of law and Executive orders to which subsection (e)(6) applies are--

- (1) title VI of the Civil Rights Act of 1964;
- (2) title VIII of the Civil Rights Act of 1968;
- (3) section 504 of the Rehabilitation Act of 1973;
- (4) the Age Discrimination Act of 1975;
- (5) the Equal Credit Opportunity Act;
- (6) section 1978 of the Revised Statutes (42 U.S.C. 1982);
- (7) section 8(a) of the Small Business Act;
- (8) section 527 of the National Housing Act;
- (9) section 109 of the Housing and Community Development Act of 1974;
- (10) section 3 of the Housing and Urban Development Act of 1968;
- (11) Executive Orders 11063, 11246, 11625, 12250, 12259, and 12432; and
- (12) any other provision of law which the Secretary specifies by publication in the Federal Register for the purpose of this subsection.

Sec. 808a. [42 U.S.C. 3608a] Collection of certain data

(a) In general

To assess the extent of compliance with Federal fair housing requirements (including the requirements established under title VI of Public Law 88-352 [42 U.S.C.A. {2000d et seq.}] and title VIII of Public Law 90-284 [42 U.S.C.A. {3601 et seq.}], the Secretary of Housing and Urban Development and the Secretary of Agriculture shall each collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guarantee program administered by such Secretary. Such data shall be collected on a building by building basis if the Secretary involved determines such collection to be appropriate.

(b) Reports to Congress

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each include in the annual report of such Secretary to the Congress a summary and evaluation of the data collected by such Secretary under subsection (a) of this section during the preceding year.

Sec. 809. [42 U.S.C. 3609] Education and conciliation; conferences and consultations; reports

Immediately after April 11, 1968, the Secretary shall commence such educational and conciliatory activities as in his judgment will further the purposes of this subchapter. He shall call conferences of persons in the housing industry and other interested parties to acquaint them with the provisions of this subchapter and his suggested means of implementing it, and shall endeavor with their advice to work out programs of voluntary compliance and of enforcement. He may pay per diem, travel, and transportation expenses for persons attending such conferences as provided in section 5703 of Title 5. He shall consult with State and local officials and other interested parties to learn the extent, if any, to which housing discrimination exists in their State or locality, and whether and how State or local enforcement programs might be utilized to combat such discrimination in connection with or in place of, the Secretary's enforcement of this subchapter. The Secretary shall issue reports on such conferences and consultations as he deems appropriate.

Sec. 810. [42 U.S.C. 3610] Administrative Enforcement; Preliminary Matters

(a) Complaints and Answers. --

(1)

(A)

(i) An aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred or terminated, file a complaint with the Secretary alleging such discriminatory housing practice. The Secretary, on the Secretary's own initiative, may also file such a complaint.

(ii) Such complaints shall be in writing and shall contain such information and be in such form as the Secretary requires.

(iii) The Secretary may also investigate housing practices to determine whether a complaint should be brought under this section.

(B) Upon the filing of such a complaint--

(i) the Secretary shall serve notice upon the aggrieved person acknowledging such filing and advising the aggrieved person of the time limits and choice of forums provided under this title;

(ii) the Secretary shall, not later than 10 days after such filing or the identification of an additional respondent under paragraph (2), serve on the respondent a notice identifying the alleged discriminatory housing practice and advising such respondent of the procedural rights and obligations of respondents under this title, together with a copy of the original complaint;

(iii) each respondent may file, not later than 10 days after receipt of notice from the Secretary, an answer to such complaint; and

(iv) the Secretary shall make an investigation of the alleged discriminatory housing practice and complete such investigation within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), unless it is impracticable to do so.

(C) If the Secretary is unable to complete the investigation within 100 days after the filing of the complaint (or, when the Secretary takes further

action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

(D) Complaints and answers shall be under oath or affirmation, and may be reasonably and fairly amended at any time.

(2)

(A) A person who is not named as a respondent in a complaint, but who is identified as a respondent in the course of investigation, may be joined as an additional or substitute respondent upon written notice, under paragraph (1), to such person, from the Secretary.

(B) Such notice, in addition to meeting the requirements of paragraph (1), shall explain the basis for the Secretary's belief that the person to whom the notice is addressed is properly joined as a respondent.

(b) Investigative Report and Conciliation. --

(1) During the period beginning with the filing of such complaint and ending with the filing of a charge or a dismissal by the Secretary, the Secretary shall, to the extent feasible, engage in conciliation with respect to such complaint.

(2) A conciliation agreement arising out of such conciliation shall be an agreement between the respondent and the complainant, and shall be subject to approval by the Secretary.

(3) A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration that results from a conciliation agreement may award appropriate relief, including monetary relief.

(4) Each conciliation agreement shall be made public unless the complainant and respondent otherwise agree and the Secretary determines that disclosure is not required to further the purposes of this title.

(5)

(A) At the end of each investigation under this section, the Secretary shall prepare a final investigative report containing--

- (i) the names and dates of contacts with witnesses;
- (ii) a summary and the dates of correspondence and other contacts with the aggrieved person and the respondent;
- (iii) a summary description of other pertinent records;
- (iv) a summary of witness statements; and
- (v) answers to interrogatories.

(B) A final report under this paragraph may be amended if additional evidence is later discovered.

(c) Failure to Comply With Conciliation Agreement. -- Whenever the Secretary has reasonable cause to believe that a respondent has breached a conciliation agreement, the Secretary shall refer the matter to the Attorney General with a recommendation that a civil action be filed under section 814 for the enforcement of such agreement.

(d) Prohibitions and Requirements With Respect to Disclosure of Information. --

(1) Nothing said or done in the course of conciliation under this title may be made public or used as evidence in a subsequent proceeding under this title without the written consent of the persons concerned.

(2) Notwithstanding paragraph (1), the Secretary shall make available to the aggrieved person and the respondent, at any time, upon request following completion of the Secretary's investigation, information derived from an investigation and any final investigative report relating to that investigation.

(e) Prompt Judicial Action. --

(1) If the Secretary concludes at any time following the filing of a complaint that prompt judicial action is necessary to carry out the purposes of this title, the Secretary may authorize a civil action for appropriate temporary or preliminary relief pending final disposition of the complaint under this section. Upon receipt of such authorization, the Attorney General shall promptly commence and maintain such an action. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with the Federal Rules of Civil Procedure. The commencement of a civil action under this subsection does not affect the initiation or continuation of administrative proceedings under this section and section 812 of this title.

(2) Whenever the Secretary has reason to believe that a basis may exist for the commencement of proceedings against any respondent under section 814(a) and 814(c) or for proceedings by any governmental licensing or supervisory authorities, the Secretary shall transmit the information upon which such belief is based to the Attorney General, or to such authorities, as the case may be.

(f) Referral for State or Local Proceedings. --

(1) Whenever a complaint alleges a discriminatory housing practice--

(A) within the jurisdiction of a State or local public agency; and

(B) as to which such agency has been certified by the Secretary under this subsection; the Secretary shall refer such complaint to that certified agency before taking any action with respect to such complaint.

(2) Except with the consent of such certified agency, the Secretary, after that referral is made, shall take no further action with respect to such complaint unless--

(A) the certified agency has failed to commence proceedings with respect to the complaint before the end of the 30th day after the date of such referral;

(B) the certified agency, having so commenced such proceedings, fails to carry forward such proceedings with reasonable promptness; or

(C) the Secretary determines that the certified agency no longer qualifies for certification under this subsection with respect to the relevant jurisdiction.

(3)

(A) The Secretary may certify an agency under this subsection only if the Secretary determines that--

(i) the substantive rights protected by such agency in the jurisdiction with respect to which certification is to be made;

(ii) the procedures followed by such agency;

(iii) the remedies available to such agency; and

(iv) the availability of judicial review of such agency's action;

are substantially equivalent to those created by and under this title.

(B) Before making such certification, the Secretary shall take into account the current practices and past performance, if any, of such agency.

(4) During the period which begins on the date of the enactment of the Fair Housing Amendments Act of 1988 and ends 40 months after such date, each agency certified (including an agency certified for interim referrals pursuant to

24 CFR 115.11, unless such agency is subsequently denied recognition under 24 CFR 115.7) for the purposes of this title on the day before such date shall for the purposes of this subsection be considered certified under this subsection with respect to those matters for which such agency was certified on that date. If the Secretary determines in an individual case that an agency has not been able to meet the certification requirements within this 40-month period due to exceptional circumstances, such as the infrequency of legislative sessions in that jurisdiction, the Secretary may extend such period by not more than 8 months. (5) Not less frequently than every 5 years, the Secretary shall determine whether each agency certified under this subsection continues to qualify for certification. The Secretary shall take appropriate action with respect to any agency not so qualifying.

(g) Reasonable Cause Determination and Effect. --

(1) The Secretary shall, within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), determine based on the facts whether reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, unless it is impracticable to do so, or unless the Secretary has approved a conciliation agreement with respect to the complaint. If the Secretary is unable to make the determination within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

(2)

(A) If the Secretary determines that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall, except as provided in subparagraph (C), immediately issue a charge on behalf of the aggrieved person, for further proceedings under section 812.

(B) Such charge--

(i) shall consist of a short and plain statement of the facts upon which the Secretary has found reasonable cause to believe that a discriminatory housing practice has occurred or is about to occur;

(ii) shall be based on the final investigative report; and

(iii) need not be limited to the facts or grounds alleged in the complaint filed under section 810(a).

(C) If the Secretary determines that the matter involves the legality of any State or local zoning or other land use law or ordinance, the Secretary shall immediately refer the matter to the Attorney General for appropriate action under section 814, instead of issuing such charge.

(3) If the Secretary determines that no reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall promptly dismiss the complaint. The Secretary shall make public disclosure of each such dismissal.

(4) The Secretary may not issue a charge under this section regarding an alleged discriminatory housing practice after the beginning of the trial of a civil action commenced by the aggrieved party under an Act of Congress or a State law, seeking relief with respect to that discriminatory housing practice.

(h) Service of Copies of Charge. -- After the Secretary issues a charge under this section, the Secretary shall cause a copy thereof, together with information as to how to make an election under section 812(a) and the effect of such an election, to be served--

(1) on each respondent named in such charge, together with a notice of opportunity for a hearing at a time and place specified in the notice, unless that election is made; and

(2) on each aggrieved person on whose behalf the complaint was filed.

Sec. 811. [42 U.S.C. 3611] Subpoenas; Giving of Evidence

(a) In General. -- The Secretary may, in accordance with this subsection, issue subpoenas and order discovery in aid of investigations and hearings under this title. Such subpoenas and discovery may be ordered to the same extent and subject to the same limitations as would apply if the subpoenas or discovery were ordered or served in aid of a civil action in the United States district court for the district in which the investigation is taking place.

(b) Witness Fees. -- Witnesses summoned by a subpoena under this title shall be entitled to same witness and mileage fees as witnesses in proceedings in United States district courts. Fees payable to a witness summoned by a subpoena issued at the request of a party shall be paid by that party or, where a party is unable to pay the fees, by the Secretary.

(c) Criminal Penalties. --

(1) Any person who willfully fails or neglects to attend and testify or to answer any lawful inquiry or to produce records, documents, or other evidence, if it is in such person's power to do so, in obedience to the subpoena or other lawful order under subsection (a), shall be fined not more than \$100,000 or imprisoned not more than one year, or both.

(2) Any person who, with intent thereby to mislead another person in any proceeding under this title--

(A) makes or causes to be made any false entry or statement of fact in any report, account, record, or other document produced pursuant to subpoena or other lawful order under subsection (a);

(B) willfully neglects or fails to make or to cause to be made full, true, and correct entries in such reports, accounts, records, or other documents; or

(C) willfully mutilates, alters, or by any other means falsifies any documentary evidence;

shall be fined not more than \$100,000 or imprisoned not more than one year, or both.

Sec. 812. [42 U.S.C. 3612] Enforcement by Secretary

(a) Election of Judicial Determination. -- When a charge is filed under section 810, a complainant, a respondent, or an aggrieved person on whose behalf the complaint was filed, may elect to have the claims asserted in that charge decided in a civil action under subsection (o) in lieu of a hearing under subsection (b). The election must be made not later than 20 days after the receipt by the electing person of service under section 810(h) or, in the case of the Secretary, not later than 20 days after such service. The person making such election shall give notice of doing so to the Secretary and to all other complainants and respondents to whom the charge relates.

(b) Administrative Law Judge Hearing in Absence of Election. -- If an election is not made under subsection (a) with respect to a charge filed under section 810, the Secretary shall provide an opportunity for a hearing on the record with respect to a charge issued under section 810. The Secretary shall delegate the conduct of a hearing under this section to an administrative law judge appointed under section 3105 of title 5, United States Code. The administrative law judge shall conduct the hearing at a place in the vicinity in which the discriminatory housing practice is alleged to have occurred or to be about to occur.

(c) Rights of Parties. -- At a hearing under this section, each party may appear in person, be

represented by counsel, present evidence, cross-examine witnesses, and obtain the issuance of subpoenas under section 811. Any aggrieved person may intervene as a party in the proceeding. The Federal Rules of Evidence apply to the presentation of evidence in such hearing as they would in a civil action in a United States district court.

(d) Expedited Discovery and Hearing. --

- (1) Discovery in administrative proceedings under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the need of all parties to obtain relevant evidence.
- (2) A hearing under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the needs and rights of the parties to obtain a fair hearing and a complete record.
- (3) The Secretary shall, not later than 180 days after the date of enactment of this subsection, issue rules to implement this subsection.

(e) Resolution of Charge. -- Any resolution of a charge before a final order under this section shall require the consent of the aggrieved person on whose behalf the charge is issued.

(f) Effect of Trial of Civil Action on Administrative Proceedings. -- An administrative law judge may not continue administrative proceedings under this section regarding any alleged discriminatory housing practice after the beginning of the trial of a civil action commenced by the aggrieved party under an Act of Congress or a State law, seeking relief with respect to that discriminatory housing practice.

(g) Hearings, Findings and Conclusions, and Order. -- (

- (1) The administrative law judge shall commence the hearing under this section no later than 120 days following the issuance of the charge, unless it is impracticable to do so. If the administrative law judge is unable to commence the hearing within 120 days after the issuance of the charge, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.
- (2) The administrative law judge shall make findings of fact and conclusions of law within 60 days after the end of the hearing under this section, unless it is impracticable to do so. If the administrative law judge is unable to make findings of fact and conclusions of law within such period, or any succeeding 60-day period thereafter, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.
- (3) If the administrative law judge finds that a respondent has engaged or is about to engage in a discriminatory housing practice, such administrative law judge shall promptly issue an order for such relief as may be appropriate, which may include actual damages suffered by the aggrieved person and injunctive or other equitable relief. Such order may, to vindicate the public interest, assess a civil penalty against the respondent--

- (A) in an amount not exceeding \$11,000 if the respondent has not been adjudged to have committed any prior discriminatory housing practice;
- (B) in an amount not exceeding \$27,500 if the respondent has been adjudged to have committed one other discriminatory housing practice during the 5-year period ending on the date of the filing of this charge; and
- (C) in an amount not exceeding \$55,000 if the respondent has been adjudged to have committed 2 or more discriminatory housing practices during the 7-year period ending on the date of the filing of this charge;

except that if the acts constituting the discriminatory housing practice that is the object of the charge are committed by the same natural person who has been previously adjudged to have committed acts constituting a discriminatory housing practice, then the civil penalties set forth in subparagraphs (B) and (C) may be imposed without regard to the period of time within which any subsequent discriminatory housing practice occurred.

- (4) No such order shall affect any contract, sale, encumbrance, or lease consummated

before the issuance of such order and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the charge filed under this title.

(5) In the case of an order with respect to a discriminatory housing practice that occurred in the course of a business subject to a licensing or regulation by a governmental agency, the Secretary shall, not later than 30 days after the date of the issuance of such order (or, if such order is judicially reviewed, 30 days after such order is in substance affirmed upon such review)--

(A) send copies of the findings of fact, conclusions of law, and the order, to that governmental agency; and

(B) recommend to that governmental agency appropriate disciplinary action (including, where appropriate, the suspension or revocation of the license of the respondent).

(6) In the case of an order against a respondent against whom another order was issued within the preceding 5 years under this section, the Secretary shall send a copy of each such order to the Attorney General.

(7) If the administrative law judge finds that the respondent has not engaged or is not about to engage in a discriminatory housing practice, as the case may be, such administrative law judge shall enter an order dismissing the charge. The Secretary shall make public disclosure of each such dismissal.

(h) Review by Secretary; Service of Final Order. --

(1) The Secretary may review any finding, conclusion, or order issued under subsection (g). Such review shall be completed not later than 30 days after the finding, conclusion, or order is so issued; otherwise the finding, conclusion, or order becomes final.

(2) The Secretary shall cause the findings of fact and conclusions of law made with respect to any final order for relief under this section, together with a copy of such order, to be served on each aggrieved person and each respondent in the proceeding.

(i) Judicial Review. --

(1) Any party aggrieved by a final order for relief under this section granting or denying in whole or in part the relief sought may obtain a review of such order under chapter 158 of title 28, United States Code.

(2) Notwithstanding such chapter, venue of the proceeding shall be in the judicial circuit in which the discriminatory housing practice is alleged to have occurred, and filing of the petition for review shall be not later than 30 days after the order is entered.

(j) Court Enforcement of Administrative Order Upon Petition by Secretary. --

(1) The Secretary may petition any United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred or in which any respondent resides or transacts business for the enforcement of the order of the administrative law judge and for appropriate temporary relief or restraining order, by filing in such court a written petition praying that such order be enforced and for appropriate temporary relief or restraining order.

(2) The Secretary shall file in court with the petition the record in the proceeding. A copy of such petition shall be forthwith transmitted by the clerk of the court to the parties to the proceeding before the administrative law judge.

(k) Relief Which May Be Granted. --

(1) Upon the filing of a petition under subsection (i) or (j), the court may--

(A) grant to the petitioner, or any other party, such temporary relief, restraining order, or other order as the court deems just and proper;

(B) affirm, modify, or set aside, in whole or in part, the order, or remand the

order for further proceedings; and
(C) enforce such order to the extent that such order is affirmed or modified.

(2) Any party to the proceeding before the administrative law judge may intervene in the court of appeals.

(3) No objection not made before the administrative law judge shall be considered by the court, unless the failure or neglect to urge such objection is excused because of extraordinary circumstances.

(l) Enforcement Decree in Absence of Petition for Review. -- If no petition for review is filed under subsection (i) before the expiration of 45 days after the date the administrative law judge's order is entered, the administrative law judge's findings of fact and order shall be conclusive in connection with any petition for enforcement--

- (1) which is filed by the Secretary under subsection (j) after the end of such day; or
- (2) under subsection (m).

(m) Court Enforcement of Administrative Order Upon Petition of Any Person Entitled to Relief. -- If before the expiration of 60 days after the date the administrative law judge's order is entered, no petition for review has been filed under subsection (i), and the Secretary has not sought enforcement of the order under subsection (j), any person entitled to relief under the order may petition for a decree enforcing the order in the United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred.

(n) Entry of Decree. -- The clerk of the court of appeals in which a petition for enforcement is filed under subsection (l) or (m) shall forthwith enter a decree enforcing the order and shall transmit a copy of such decree to the Secretary, the respondent named in the petition, and to any other parties to the proceeding before the administrative law judge.

(o) Civil Action for Enforcement When Election Is Made for Such Civil Action. --

(1) If an election is made under subsection (a), the Secretary shall authorize, and not later than 30 days after the election is made the Attorney General shall commence and maintain, a civil action on behalf of the aggrieved person in a United States district court seeking relief under this subsection. Venue for such civil action shall be determined under chapter 87 of title 28, United States Code.

(2) Any aggrieved person with respect to the issues to be determined in a civil action under this subsection may intervene as of right in that civil action.

(3) In a civil action under this subsection, if the court finds that a discriminatory housing practice has occurred or is about to occur, the court may grant as relief any relief which a court could grant with respect to such discriminatory housing practice in a civil action under section 813. Any relief so granted that would accrue to an aggrieved person in a civil action commenced by that aggrieved person under section 813 shall also accrue to that aggrieved person in a civil action under this subsection. If monetary relief is sought for the benefit of an aggrieved person who does not intervene in the civil action, the court shall not award such relief if that aggrieved person has not complied with discovery orders entered by the court.

(p) Attorney's Fees. -- In any administrative proceeding brought under this section, or any court proceeding arising therefrom, or any civil action under section 812, the administrative law judge or the court, as the case may be, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the extent provided by section 504 of title 5, United States Code, or by section 2412 of title 28, United States Code.

Sec. 813. [42 U.S.C. 3613] Enforcement by Private Persons

(a) Civil Action. --

(1)

(A) An aggrieved person may commence a civil action in an appropriate United States district court or State court not later than 2 years after the occurrence or the termination of an alleged discriminatory housing practice, or the breach of a conciliation agreement entered into under this title, whichever occurs last, to obtain appropriate relief with respect to such discriminatory housing practice or breach.

(B) The computation of such 2-year period shall not include any time during which an administrative proceeding under this title was pending with respect to a complaint or charge under this title based upon such discriminatory housing practice. This subparagraph does not apply to actions arising from a breach of a conciliation agreement.

(2) An aggrieved person may commence a civil action under this subsection whether or not a complaint has been filed under section 810(a) and without regard to the status of any such complaint, but if the Secretary or a State or local agency has obtained a conciliation agreement with the consent of an aggrieved person, no action may be filed under this subsection by such aggrieved person with respect to the alleged discriminatory housing practice which forms the basis for such complaint except for the purpose of enforcing the terms of such an agreement.

(3) An aggrieved person may not commence a civil action under this subsection with respect to an alleged discriminatory housing practice which forms the basis of a charge issued by the Secretary if an administrative law judge has commenced a hearing on the record under this title with respect to such charge.

(b) Appointment of Attorney by Court. -- Upon application by a person alleging a discriminatory housing practice or a person against whom such a practice is alleged, the court may--

(1) appoint an attorney for such person; or

(2) authorize the commencement or continuation of a civil action under subsection (a) without the payment of fees, costs, or security, if in the opinion of the court such person is financially unable to bear the costs of such action.

(c) Relief Which May Be Granted. --

(1) In a civil action under subsection (a), if the court finds that a discriminatory housing practice has occurred or is about to occur, the court may award to the plaintiff actual and punitive damages, and subject to subsection (d), may grant as relief, as the court deems appropriate, any permanent or temporary injunction, temporary restraining order, or other order (including an order enjoining the defendant from engaging in such practice or ordering such affirmative action as may be appropriate).

(2) In a civil action under subsection (a), the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the same extent as a private person.

(d) Effect on Certain Sales, Encumbrances, and Rentals. -- Relief granted under this section shall not affect any contract, sale, encumbrance, or lease consummated before the granting of such relief and involving a bona fide purchaser, encumbrancer, or tenant, without actual notice of the filing of a complaint with the Secretary or civil action under this title.

(e) Intervention by Attorney General. -- Upon timely application, the Attorney General may intervene in such civil action, if the Attorney General certifies that the case is of general public importance. Upon such intervention the Attorney General may obtain such relief as would be available to the Attorney General under section 814(e) in a civil action to which such section applies.

Sec. 814. [42 U.S.C. 3614] Enforcement by the Attorney General

(a) Pattern or Practice Cases. -- Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this title, or that any group of persons has been denied any of the rights granted by this title and such denial raises an issue of general public importance, the Attorney General may commence a civil action in any appropriate United States district court.

(b) On Referral of Discriminatory Housing Practice or Conciliation Agreement for Enforcement. -

(1)

(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to a discriminatory housing practice referred to the Attorney General by the Secretary under section 810(g).

(B) A civil action under this paragraph may be commenced not later than the expiration of 18 months after the date of the occurrence or the termination of the alleged discriminatory housing practice.

(2)

(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to breach of a conciliation agreement referred to the Attorney General by the Secretary under section 810(c).

(B) A civil action may be commenced under this paragraph not later than the expiration of 90 days after the referral of the alleged breach under section 810(c).

(c) Enforcement of Subpoenas. -- The Attorney General, on behalf of the Secretary, or other party at whose request a subpoena is issued, under this title, may enforce such subpoena in appropriate proceedings in the United States district court for the district in which the person to whom the subpoena was addressed resides, was served, or transacts business.

(d) Relief Which May Be Granted in Civil Actions Under Subsections (a) and (b). --

(1) In a civil action under subsection (a) or (b), the court--

(A) may award such preventive relief, including a permanent or temporary injunction, restraining order, or other order against the person responsible for a violation of this title as is necessary to assure the full enjoyment of the rights granted by this title;

(B) may award such other relief as the court deems appropriate, including monetary damages to persons aggrieved; and

(C) may, to vindicate the public interest, assess a civil penalty against the respondent--

(i) in an amount not exceeding \$55,000, for a first violation; and

(ii) in an amount not exceeding \$110,000, for any subsequent violation.

(2) In a civil action under this section, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the extent provided by section 2412 of title 28, United States Code.

(e) Intervention in Civil Actions. -- Upon timely application, any person may intervene in a civil action commenced by the Attorney General under subsection (a) or (b) which involves an alleged discriminatory housing practice with respect to which such person is an aggrieved person or a conciliation agreement to which such person is a party. The court may grant such appropriate relief to any such intervening party as is authorized to be granted to a plaintiff in a civil action under section 813.

Sec. 814a. Incentives for Self-Testing and Self-Correction

(a) Privileged Information. --

(1) Conditions For Privilege. -- A report or result of a self-test (as that term is defined by regulation of the Secretary) shall be considered to be privileged under paragraph (2) if any person--

(A) conducts, or authorizes an independent third party to conduct, a self- test of any aspect of a residential real estate related lending transaction of that person, or any part of that transaction, in order to determine the level or effectiveness of compliance with this title by that person; and

(B) has identified any possible violation of this title by that person and has taken, or is taking, appropriate corrective action to address any such possible violation.

(2) Privileged Self-Test. -- If a person meets the conditions specified in subparagraphs (A) and (B) of paragraph (1) with respect to a self-test described in that paragraph, any report or results of that self-test--

(A) shall be privileged; and

(B) may not be obtained or used by any applicant, department, or agency in any -

(i) proceeding or civil action in which one or more violations of this title are alleged; or

(ii) examination or investigation relating to compliance with this title.

(b) Results of Self-Testing. --

(1) In General. -- No provision of this section may be construed to prevent an aggrieved person, complainant, department, or agency from obtaining or using a report or results of any self-test in any proceeding or civil action in which a violation of this title is alleged, or in any examination or investigation of compliance with this title if --

(A) the person to whom the self-test relates or any person with lawful access to the report or the results --

(i) voluntarily releases or discloses all, or any part of, the report or results to the aggrieved person, complainant, department, or agency, or to the general public; or

(ii) refers to or describes the report or results as a defense to charges of violations of this title against the person to whom the self-test relates; or

(B) the report or results are sought in conjunction with an adjudication or admission of a violation of this title for the sole purpose of determining an appropriate penalty or remedy.

(2) Disclosure for Determination of Penalty or Remedy. -- Any report or results of a self-test that are disclosed for the purpose specified in paragraph (1)(B) --

(A) shall be used only for the particular proceeding in which the adjudication or admission referred to in paragraph (1)(B) is made; and

(B) may not be used in any other action or proceeding.

(c) Adjudication. -- An aggrieved person, complainant, department, or agency that challenges a privilege asserted under this section may seek a determination of the existence and application of that privilege in --

(1) a court of competent jurisdiction; or

(2) an administrative law proceeding with appropriate jurisdiction.

(2) Regulations. --

(A) In General. -- Not later than 6 months after the date of enactment of this Act, in consultation with the Board and after providing notice and an opportunity for

public comment, the Secretary of Housing and Urban Development shall prescribe final regulations to implement section 814A of the Fair Housing Act, as added by this section.

(B) Self-Test. --

(i) Definition. -- The regulations prescribed by the Secretary under subparagraph (A) shall include a definition of the term "self-test" for purposes of section 814A of the Fair Housing Act, as added by this section.

(ii) Requirement for Self-Test. -- The regulations prescribed by the Secretary under subparagraph (A) shall specify that a self-test shall be sufficiently extensive to constitute a determination of the level and effectiveness of the compliance by a person engaged in residential real estate related lending activities with the Fair Housing Act.

(iii) Substantial Similarity to Certain Equal Credit Opportunity Act Regulations. -- The regulations prescribed under subparagraph (A) shall be substantially similar to the regulations prescribed by the Board to carry out section 704A of the Equal Credit Opportunity Act, as added by this section.

(C) Applicability. --

(1) In General. -- Except as provided in paragraph (2), the privilege provided for in section 704a of the Equal Credit Opportunity Act or section 814a of the Fair Housing Act (as those sections are added by this section) shall apply to a self-test (as that term is defined pursuant to the regulations prescribed under subsection (a)(2) or (b)(2) of this section, as appropriate) conducted before, on, or after the effective date of the regulations prescribed under subsection (a)(2) or (b)(2), as appropriate.

(2) Exception. -- The privilege referred to in paragraph (1) does not apply to such a self-test conducted before the effective date of the regulations prescribed under subsection (a) or (b), as appropriate, if --

(A) before that effective date, a complaint against the creditor or person engaged in residential real estate related lending activities (as the case may be) was --

- (i) formally filed in any court of competent jurisdiction;
- or
- (ii) the subject of an ongoing administrative law proceeding;

(B) in the case of section 704a of the Equal Credit Opportunity Act, the creditor has waived the privilege pursuant to subsection (b)(1)(A)(i) of that section; or

(C) in the case of section 814a of the Fair Housing Act, the person engaged in residential real estate related lending activities has waived the privilege pursuant to subsection (b)(1)(A)(i) of that section.

Sec. 815. [42 U.S.C. 3614a] Rules to Implement Title

The Secretary may make rules (including rules for the collection, maintenance, and analysis of appropriate data) to carry out this title. The Secretary shall give public notice and opportunity for comment with respect to all rules made under this section.

Sec. 816. [42 U.S.C. 3615] Effect on State laws

Nothing in this subchapter shall be constructed to invalidate or limit any law of a State or political subdivision of a State, or of any other jurisdiction in which this subchapter shall be effective, that grants, guarantees, or protects the same rights as are granted by this subchapter; but any law of a

State, a political subdivision, or other such jurisdiction that purports to require or permit any action that would be a discriminatory housing practice under this subchapter shall to that extent be invalid.

Sec. 817. [42 U.S.C. 3616] Cooperation with State and local agencies administering fair housing laws; utilization of services and personnel; reimbursement; written agreements; publication in Federal Register

The Secretary may cooperate with State and local agencies charged with the administration of State and local fair housing laws and, with the consent of such agencies, utilize the services of such agencies and their employees and, notwithstanding any other provision of law, may reimburse such agencies and their employees for services rendered to assist him in carrying out this subchapter. In furtherance of such cooperative efforts, the Secretary may enter into written agreements with such State or local agencies. All agreements and terminations thereof shall be published in the Federal Register.

Sec. 818. [42 U.S.C. 3617] Interference, coercion, or intimidation; enforcement by civil action

It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the exercise or enjoyment of, or on account of his having exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by section 803, 804, 805, or 806 of this title.

Sec. 819. [42 U.S.C. 3618] Authorization of appropriations

There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this subchapter.

Sec. 820. [42 U.S.C. 3619] Separability of provisions

If any provision of this subchapter or the application thereof to any person or circumstances is held invalid, the remainder of the subchapter and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

(Sec. 12 of 1988 Act). [42 U.S.C. 3601 note] Disclaimer of Preemptive Effect on Other Acts

Nothing in the Fair Housing Act as amended by this Act limits any right, procedure, or remedy available under the Constitution or any other Act of the Congress not so amended.

(Sec. 13 of 1988 Act). [42 U.S.C. 3601 note] Effective Date and Initial Rulemaking

(a) Effective Date. -- This Act and the amendments made by this Act shall take effect on the 180th day beginning after the date of the enactment of this Act.

(b) Initial Rulemaking. -- In consultation with other appropriate Federal agencies, the Secretary shall, not later than the 180th day after the date of the enactment of this Act, issue rules to implement title VIII as amended by this Act. The Secretary shall give public notice and opportunity for comment with respect to such rules.

(Sec. 14 of 1988 Act). [42 U.S.C. 3601 note] Separability of Provisions

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.

Section 901. (Title IX As Amended) [42 U.S.C. 3631] Violations; bodily injury; death; penalties

Whoever, whether or not acting under color of law, by force or threat of force willfully injures, intimidates or interferes with, or attempts to injure, intimidate or interfere with--

(a) any person because of his race, color, religion, sex, handicap (as such term is defined in section 802 of this Act), familial status (as such term is defined in section 802 of this Act), or national origin and because he is or has been selling, purchasing, renting, financing occupying, or contracting or negotiating for the sale, purchase, rental, financing or occupation of any dwelling, or applying for or participating in any service, organization, or facility relating to the business of selling or renting dwellings; or

(b) any person because he is or has been, or in order to intimidate such person or any other person or any class of persons from--

(1) participating, without discrimination on account of race, color, religion, sex, handicap (as such term is defined in section 802 of this Act), familial status (as such term is defined in section 802 of this Act), or national origin, in any of the activities, services, organizations or facilities described in subsection(a) of this section; or

(2) affording another person or class of persons opportunity or protection so to participate; or

(c) any citizen because he is or has been, or in order to discourage such citizen or any other citizen from lawfully aiding or encouraging other persons to participate, without discrimination on account of race, color, religion, sex, handicap (as such term is defined in section 802 of this Act), familial status (as such term is defined in section 802 of this Act), or national origin, in any of the activities, services, organizations or facilities described in subsection (a) of this section, or participating lawfully in speech or peaceful assembly opposing any denial of the opportunity to so participate--
shall be fined not more than \$1,000, or imprisoned not more than one year, or both; and if bodily injury results shall be fined not more than \$10,000, or imprisoned not more than ten years, or both; and if death results shall be subject to imprisonment for any term of years or for life.

**GENERAL INFORMATION
CIVIL RIGHTS DIVISION
HOUSING & CIVIL ENFORCEMENT**

LEADERSHIP
Steven H. Rosenbaum
Chief

CONTACT
Housing & Civil
Enforcement Section
(202) 514-4713
TTY - 202-305-1882
FAX - (202) 514-1116
To Report an Incident of Housing Discrimination:
1-800-896-7743

MAILING ADDRESS
U.S. Department of Justice
Civil Rights Division
950 Pennsylvania Avenue, N.W.
Housing and Civil Enforcement Section, NWB
Washington, D.C. 20530

Email: fairhousing@usdoj.gov

U.S. DEPARTMENT of JUSTICE 950 Pennsylvania Avenue, NW, Washington, DC 20530-0001

<http://www.justice.gov/crt/about/hce/title8.php>

9/11/2014

Attachment # 21

Community Housing Development Organizations (CHDO)

MIAMI-DADE
PUBLIC HOUSING AND COMMUNITY DEVELOPMENT

FY 2015
COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS (CHDO)

Carrfour Supportive Housing, Inc.

CODEC, Inc.

Little Haiti Housing Association

Opa-Locka Community Development Corporation

St. John Community Development Corporation *

* Pending verification

** CHDO entities must comply with the federal guidelines established by U.S. HUD Notice CPD 12-007 and the 2013 HOME Final Rule. Agencies non-compliant with these guidelines will not be re-certified until compliance guidelines are met.



U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

Notice: CPD 12-007

All State/Area Coordinators
Regional Directors for CPD
CPD Division Directors
All HOME Coordinators
All HOME Participating Jurisdictions

Issued: 5/8/2012
Expires: 5/8/2013

Cross References:

Subject: Operating Guidance for Implementing FY 2012 HOME Appropriation Requirements

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I. BACKGROUND

The *Consolidated and Further Continuing Appropriations Act of 2012* (P.L. 112-55) imposed new requirements on projects that receive FY 2012 funds from the HOME Investment Partnerships Program (HOME). The purpose of these requirements is to improve project and developer selection by participating jurisdictions (PJs) and ensure that there is adequate market demand for FY 2012 HOME projects.

The law requires that:

- 1) PJs must repay any HOME funds invested in projects that are not completed within four years of the commitment date, as determined by a signature of each party to the written agreement. HUD may grant a one year extension upon determination that the failure to complete the project is beyond the control of the PJ.
- 2) PJs may only commit FY 2012 HOME funds to a project after it has underwritten the project, assessed the developer capacity and fiscal soundness of the developer being funded, and examined the neighborhood market conditions to ensure that there is an adequate need for the HOME project. The PJ must certify, at the time HOME funds are committed, that these actions have been taken for each project.
- 3) PJs must convert any FY 2012 HOME homeownership unit that has not been sold to an eligible homebuyer within six months of construction completion to a HOME-assisted rental unit.
- 4) PJs may only provide FY 2012 HOME funds for development activities to Community Housing Development Organizations (CHDOs) that have demonstrated that they have staff with demonstrated development experience.

HUD has incorporated these requirements as special conditions attached to the FY 2012 Funding Agreement (HUD Form 40093). A copy of the conditions is included in Attachment A.

These requirements are applicable to all projects that receive FY 2012 HOME funds, including all 2012 CHDO set-aside funds. For the purposes of this Notice, a ***FY 2012 HOME-funded project*** is defined as any HOME activity set up in Integrated Disbursement and Information System (IDIS) under a 2012 Consolidated Plan/Annual Action Plan Project. A Consolidated Plan/Annual Action Plan Project may consist of one or more HOME projects set up as HOME activities in IDIS. HOME projects are set up in IDIS as HOME activities.

This Notice explains how these new requirements apply to PJs' FY 2012 HOME projects, how PJs must comply with the requirements, and how HUD will determine PJ compliance with these requirements using data entered into IDIS. Please note that these requirements are separate from changes published in the December 16, 2011 HOME proposed rule. Although there are similarities between the law and proposed regulatory changes, the *Consolidated and Further Continuing Appropriations Act of 2012* requires HUD to immediately implement these

requirements on all FY-2012 HOME-funded activities.

II. IMPLEMENTATION OF FY2012 HOME APPROPRIATION LAW

1) Four-Year Project Completion

Requirement: FY 2012 HOME funds used for projects not completed within four years of the commitment date, as determined by a signature of each party to the written agreement, must be repaid to the HOME Investment Trust Fund. HUD may grant a one-year extension if it determines that the circumstances that led to the failure to complete the project by the deadline were beyond the PJ's control.

For the purpose of complying with this requirement, *completion* shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. For owner-occupied rehabilitation projects, completion means that all rehabilitation work has been completed, the PJ or its designee has performed a final inspection, and the homeowner has accepted the work, as indicated by a final sign-off.

Applicability to HOME Projects: This requirement is applicable to all HOME activities set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan, regardless of the grant year from which the funds are disbursed.

HUD Implementation: Using IDIS data, HUD will generate monthly, PJ-specific reports that will assist PJs in identifying any HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects that may fail to reach the four-year completion deadline. The reports will use an activity's initial IDIS funding date to identify HOME projects that may be approaching the four-year deadline and are not yet complete. For the purpose of tracking compliance with this requirement, the IDIS initial funding date is an adequate approximation of the commitment date of each HOME project. Since the *Consolidated and Furthering Appropriations Act of 2012* ties this requirement to the date a written agreement is executed, PJs should establish their own tracking process and use this report to assist in identifying possible incomplete projects.

Should a PJ request a one-year extension to the four-year deadline, HUD will require the PJ to submit the written agreement for the project to establish the date that the written agreement was executed by the parties. If granted, the one-year extension will be based on the date the agreement was executed. For example, if an activity's initial funding date in IDIS is two months after the execution date of the written agreement, HUD will use the date of the written agreement as the official project start date, and will only grant the PJ an additional 10 months to complete the project.

HUD will post the reports on the HOME Reports website:
(<http://www.hud.gov/offices/cpd/affordablehousing/reports/>).

PJ Compliance: PJs should evaluate the readiness of each project before setting it up in IDIS as a HOME activity under a 2012 Consolidated Plan/Annual Action Plan Project to ensure compliance with the four-year completion requirement. PJs should establish a process to track a project's four-year completion deadline based on the date of the executed written agreement. Reviewing the reports HUD posts each month on the HOME Reports website will also assist in determining when PJs may need to take action. HUD may grant a one-year extension of the completion deadline to HOME projects that have not progressed due to circumstances beyond the PJ's control. The PJ must submit the extension request to its local HUD Field Office at least 90 days before the project's four-year deadline. All extension requests must include the following:

- Documentation supporting the PJ's claim that the project will not be completed by the four-year deadline due to circumstances beyond the PJ's control.
- A signed and dated copy of the written agreement committing funds to the project.
- A detailed project completion schedule, with milestones, that will ensure the project is completed within one year or less.
- Proof that adequate financing has been secured to ensure project completion.

2) **Assessment of Project Underwriting, Developer Capacity, and Market Need**

Requirement: Before entering into a legally binding written agreement to provide HOME funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, a PJ must:

- Underwrite the project or evaluate the underwriting of another funder;
- Assess the development capacity and fiscal soundness of the developer; and
- Examine neighborhood market conditions to ensure adequate need for each project.

Applicability to PJ Activities: This requirement applies to all HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects, and must be completed before entering into a legally binding written agreement to provide HOME funds.

HUD Implementation: When committing funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, the PJ must certify in IDIS that it has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for the project. This certification (see bullet (iv) below) is included as part of a broader certification required for all HOME activities in IDIS.

Since the Project Underwriting, Developer Capacity, and Market Need certification (bullet (iv)) is included with other certifications required for all HOME activities, it will appear in IDIS regardless of whether the project involves development activities that

necessitate project underwriting, assessing developer capacity and financial soundness, and an examination of neighborhood market conditions. This certification will also appear for IDIS activities not identified as HOME FY 2012 Action Plan projects.

Certification (iv) below is not applicable to an activity that does not involve development activities that necessitate project underwriting, assessing developer capacity and financial soundness, and an examination of neighborhood market conditions (e.g., this certification is not applicable to tenant based rental assistance, homeowner rehabilitation, CHDO operating expenses), or if the PJ is committing HOME funds to an activity not set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project. However, the remaining sections of the certification (i.e., (i), (ii), (iii), and (v)) are applicable to all HOME IDIS activities.

HOME Activity Funding Certification

By requesting the disbursement of Federal funds, the representative of the Participating Jurisdiction using this system certifies that he/she is authorized to execute the certifications set forth herein, and, on behalf of the Participating Jurisdiction, further certifies that, in accordance with the requirements in 24 CFR Part 92:

- (i) the Participating Jurisdiction has fully executed a written agreement that meets the requirements of the regulations applicable to the IDIS activity for which the funds are to be used;
- (ii) the IDIS activity for which the funds are to be used meets the definition of a commitment and the requirements of the definition of a commitment pursuant to the regulations applicable to the IDIS activity;
- (iii) the Participating Jurisdiction has not drawn and will not draw funds for the IDIS activity unless it has fully executed a written agreement committing the funds;
- (iv) ***for HOME projects identified as 2012 Action Plan activities in IDIS, if the activity involves acquisition, construction, or rehabilitation of rental or homebuyer projects, including downpayment assistance, the Participating Jurisdiction has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for the project for which these funds are to be used; and***
- (v) All of the statements and claims made herein are true and correct. Pursuant to 18 USC § 1001, 31 USC § 3729, et seq., and 24 CFR Part 28, false or fraudulent statements or claims are subject to up to 5 years imprisonment and civil penalties up to \$10,000 plus up to 3 times the amount of damages sustained by the Government for each fraudulent act committed.

While bullet (iv) of the certification, which HUD will implement in April 2012, will only be required for HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects, HUD has proposed a similar requirement in the recently published HOME proposed rule. If that provision is made effective in a HOME final rule,

certification (iv) will apply to all HOME activities funded from all allocations in the future, not just HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects.

PJ Compliance: PJs must develop and implement written policies and procedures for underwriting projects, evaluating the development and fiscal capacity of developers, and ensuring that there is adequate need for projects based on neighborhood market conditions. PJs may procure the services of a third party to undertake these evaluations. However, the PJ is ultimately responsible for the day-to-day management and oversight of its HOME program in accordance with §92.504(a). Consequently, the PJ must ensure that individuals responsible for entering data in IDIS have the appropriate documentation or written approval from the appropriate staff responsible for compliance to confirm that these reviews have been conducted. The IDIS certification will require the PJ to enter the name of the person responsible for ensuring compliance with these requirements. PJs should be aware that false or fraudulent statements or claims made in IDIS in regard to the PJ's certification that these assessments have been conducted are subject to criminal or civil penalties.

3) **Conversion of Homebuyer Units to Rental Units**

Requirement: Any FY 2012 HOME homebuyer units that have not been sold to an eligible homebuyer within six months of completion must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units.

Applicability to PJ Activities: This requirement is applicable to all HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects.

HUD Implementation: HUD will consider a homebuyer unit "sold" if the PJ has a ratified sales contract for the unit within six months of completing project construction. For the purpose of complying with this requirement, ***completing project construction*** shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. (Using IDIS data, HUD will identify HOME homebuyer activities set up under 2012 Consolidated Plan/Annual Action Plan Projects in IDIS that are in final draw and those HOME homebuyer activities with more than 90 percent of the HOME funds drawn yet no draws in the past six months. Reports identifying these activities will be posted monthly on the HOME Reports website (<http://www.hud.gov/offices/cpd/affordablehousing/reports/>). The FY 2012 HOME appropriation language does not provide HUD with the authority to waive or otherwise make exceptions to this requirement.

PJ Compliance: PJs must monitor all HOME homebuyer activities set up under 2012 Consolidated Plan/Annual Action Plan Projects in IDIS to ensure that there is a ratified contract for sale within six months of completing construction. Units in HOME homebuyer projects that do not have a ratified contract for sale within six months of

construction completion must be converted to HOME rental units and operated in compliance with all applicable rules. Accordingly, HUD recommends that PJs develop or modify existing policies and procedures that take this possibility into account, and identify potential partners in the community with the capacity to manage rental units if this conversion becomes necessary.

4) **CHDO Development Capacity**

Requirement: PJs may not reserve FY 2012 HOME funds to a CHDO for development activities unless the PJ has determined that the CHDO has staff with demonstrated development experience. The PJ must ensure that the current CHDO staff has experience developing projects of the same size, scope and level of complexity as the activities for which HOME funds are being reserved or committed.

Applicability to PJ Activities: This requirement applies to all reservations and commitments of CHDO set-aside funds made from a PJ's FY 2012 HOME allocation in which the CHDO is acting as the developer.

HUD Implementation: Any time a PJ subgrants HOME funds from its 2012 CHDO set-aside (CR) subfund to a CHDO for a project, the PJ must certify in IDIS that it has carefully evaluated the development capacity of the CHDO staff, and has determined that the CHDO staff has the knowledge, skills, and experience necessary to undertake eligible CHDO set-aside projects. .

HOME CHDO Reservation Certification

By reserving these Federal funds, the representative of the Participating Jurisdiction using this system certifies that he/she is authorized to execute the certification, and, on behalf of the Participating Jurisdiction, further certifies that, in accordance with the requirements in Public Law 112-55:

For 2012 CHDO set-aside funds that will be committed to a CHDO project, these funds are being reserved for development activities that are to be carried out by the designated community housing development organization and the organization has demonstrated that it has staff with demonstrated development experience.

PJ Compliance: PJs must develop and implement written policies and procedures for assessing CHDO staff capacity, and ensure that adequate documentation of the assessment is included in the appropriate files. HUD defines CHDO staff as paid employees who are responsible for the day-to-day operations of the CHDO. Staff does not include volunteers, board members, or consultants.

The PJ must ensure that individuals responsible for entering data in IDIS have the appropriate documentation or written approval from the staff responsible for compliance

to confirm that a CHDO has demonstrated development experience. The IDIS certification will require the PJ to enter the name of the person responsible for ensuring compliance with this requirement. PJs should be aware that false or fraudulent statements or claims made in IDIS in regard to the PJ's certification that this assessment has been conducted are subject to criminal or civil penalties.

HUD will issue supplemental guidance with respect to these requirements as necessary, as well as specific instructions for implementing these requirements in IDIS. Any questions on this guidance should be addressed to the local HUD Field Office.

Attachment A

Funding Approval and HOME Investment Partnerships Agreement

Title II of the National Affordable Housing Act

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(Exp. 12/31/2012)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

1. Participant Name and Address		2. Participant Number	
		3. Tax Identification Number	4. DUNS Number
		4. Appropriation Number	5. FY (yyyy)
6. Previous Obligation (Enter "0" for initial FY allocation)		\$0.00	
a. Formula Funds		\$	
b. Community Housing Development Org. (CHDO) Competitive		\$	
7. Current Transaction (+ or -)		\$	
a. Formula Funds		\$	
1. CHDO (For deobligations only)		\$	
2. Non- CHDO (For deobligations only)		\$	
b. CHDO Competitive Reallocation or Deobligation (see #18 below)		\$	
8. Revised Obligation		\$	
a. Formula Funds		\$	
b. CHDO Competitive Reallocation		\$	
9. Special Conditions (check applicable box)		10. Date of Obligation (Congressional Release Date)	
<input type="checkbox"/> Not applicable <input type="checkbox"/> Attached		(mm/dd/yyyy) / /	

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions*, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

The Grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to Part 25 of the Financial Assistance Use of Universal Identifier and Central Contractor Registration, 75 Fed. Reg. 55671 (Sept. 14, 2010) (to be codified at 2 CFR part 25) and Appendix A to Part 170 of the Requirements for Federal Funding Accountability and Transparency Act Implementation, 75 Fed. Reg. 55663 (Sept. 14, 2010) (to be codified at 2 CFR part 170).

11. For the U.S. Department of HUD (Name and Title of Authorized Official)	12. Signature	13. Date / /
14. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official)	15. Signature	16. Date / /

17. Check one:

☐ Initial Agreement ☐ Amendment #

18. Funding Information: HOME
Source of Funds Appropriation Code PAS Code Amount
\$

\$
\$

***Special Conditions**

HOME funds used for projects not completed within 4 years of the commitment date, as determined by a signature of each party to the agreement shall be repaid, except that the Secretary may extend the deadline for 1 year if the Secretary determines that the failure to complete the project is beyond the control of the participating jurisdiction.

No HOME funds may be committed to any project unless each participating jurisdiction certifies that it has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for each project.

Any homeownership units funded with HOME funds which cannot be sold to an eligible homeowner within 6 months of project completion shall be rented to an eligible tenant.

No HOME funds may be awarded for development activities to a community housing development organization that cannot demonstrate that it has staff with demonstrated development experience.

The 2013 HOME Final Rule and the 2012/2013 Appropriations Acts

Introduction

Activities funded with HOME FY2012 and 2013 Program Year funds are subject to the requirements of the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013. The Acts impose four requirements that are similar to the new requirements of the 2013 HOME Rule. The Appropriations Acts require these provisions to go into effect “immediately,” and HUD has defined this to mean that they apply to any projects that receive FY2012/2013 HOME funds, including all FY2012/2013 CHDO set-aside funds. This includes any HOME activity set up in IDIS under a FY2012/2013 Consolidated Plan/Annual Action Plan project. Any FY2012/2013 project to which the PJ commits funds after the effective date of the 2013 Rule is subject to the requirements of both the Acts and the Rule. Where these requirements differ, the more restrictive rule applies.

The following Appropriations Acts requirements apply:

1. **Four-year completion deadline.** For the purposes of compliance with the 2012/2013 Appropriations Acts, “completed” means that all necessary construction work is completed and a certificate of occupancy is issued (or, in the case of a homeowner rehabilitation project, the project is completed and signed off on by the PJ and homeowner). This definition of “project completion” differs from that in the 2013 Rule. Under the 2013 Rule, a project is not completed until beneficiary data is input into IDIS (in addition to construction completion and final draw of funds).
2. **Assessment of project underwriting, developer capacity, and market need.** This requirement for FY2012/2013 projects and the requirement of the 2013 Rule are substantially equivalent.
3. **Conversion of homebuyer units to rental units.** The 2013 Rule and the 2012/2013 Appropriations Acts apply different deadlines to this requirement. The Appropriations Acts require that the homebuyer unit be sold (interpreted by HUD to mean that it is under a ratified sales contract) within *six* months of construction completion, or it must be converted to a rental unit, or the entire HOME investment must be repaid by the PJ. The 2013 Rule requires that the unit be under a ratified sales contract within *nine* months of completion.
4. **CHDO development capacity.** The Appropriations Acts and the 2013 Rule impose the same requirement that PJs determine a nonprofit has demonstrated capacity to undertake CHDO set-aside activities. Under the pre-2013 Rule (to which FY2012/2013 projects are subject), the CHDO must have *development* capacity, since CHDO set-aside funds always involve some aspect of development. However, the 2013 Rule allows a CHDO to serve as an owner without developing the property. If this is the role the CHDO will serve, under the 2013 Rule, this is the experience that needs to be documented.

More Information About the HOME Final Rule

[Highlights of the Changes in the 2013 HOME Final Rule](#)
[The 2013 HOME Final Rule Effective Dates](#)

Important Resources

[2013 HOME Final Rule, 24 CFR Part 92 \(Changes Only\)](#)
[Section by Section Summary of the 2013 HOME Final Rule](#)

<https://www.onecpd.info/home/home-final-rule/the-home-final-rule-and-the-2012-2013-home-appropriation-act>

Comparison of the 2013 HOME Final Rule and the FY2012 and FY2013 Appropriation Act Requirements

Deadlines

Requirement	FY2012 & FY2013 Requirements	2013 HOME Final Rule
4-Year Completion Deadline	<ul style="list-style-type: none"> • 1 year extension • HUD has no authority to grant further extensions • "Completion" occurs at construction completion 	<ul style="list-style-type: none"> • 1 year extension • HUD has exception authority • "Completion" occurs when definition of completion* is met
Homebuyer Sales Deadline	<ul style="list-style-type: none"> • 6 months • HUD has no exception authority 	<ul style="list-style-type: none"> • 9 months • HUD has exception authority

CHDO Capacity Requirement

Requirement	FY2012 & FY2013 Requirements	2013 HOME Final Rule
CHDOs must have paid staff with capacity	<p>Must demonstrate development capacity</p> <p>This can be done through:</p> <ul style="list-style-type: none"> • Full-time or part-time staff • Independent contractors • Shared staff • Donated staff 	<p>Must demonstrate capacity in the proposed role of the CHDO (own, develop, or sponsor housing), as defined in the 2013 Rule</p> <p>This can be done through:</p> <ul style="list-style-type: none"> • Full-time or part-time staff • Independent contractors • Consultants, but ONLY during 1st year as CHDO

Project Assessment Requirement

Requirement	FY2012 & FY2013 Requirements	2013 HOME Final Rule
<p>Before committing HOME funds to a project, a PJ must:</p> <ul style="list-style-type: none"> • Underwrite the project • Assess the developer's capacity and fiscal soundness • Assess the market demand 	Requirement applies	Requirement applies

*Definition of completion at (§ 92.2): A project is completed when all title transfer requirements are met, all construction work is complete, property standards are met, final drawdown of HOME funds are disbursed for the project, and project completion information is entered into IDIS. For rental projects: completion occurs upon completion of construction but before occupancy.

Attachment # 22

Section 8 Housing Quality Standards Guideleines

Asst. Secy., for Public and Indian Housing, HUD

§ 982.401

(6) a PHA must manage the PHA tenant-based program in a manner that ensures that the PHA has the financial ability to provide assistance for families that move out of the PHA program under the portability procedures that have not been absorbed by the receiving PHA, as well as for families that remain in the PHA program.

(7) When a portable family moves out of the tenant-based program of a receiving PHA that has not absorbed the family, the PHA in the new jurisdiction to which the family moves becomes the receiving PHA, and the first receiving PHA is no longer required to provide assistance for the family.

(1) *Portability funding.* (1) HUD may transfer funds for assistance to portable families to the receiving PHA from funds available under the initial PHA ACC.

(2) HUD may provide additional funding (e.g., funds for incremental units) to the initial PHA for funds transferred to a receiving PHA for portability purposes.

(3) HUD may provide additional funding (e.g., funds for incremental units) to the receiving PHA for absorption of portable families.

(4) HUD may require the receiving PHA to absorb portable families.

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 64 FR 26646, May 14, 1999; 64 FR 56914, Oct. 21, 1999]

Subpart I—Dwelling Unit: Housing Quality Standards, Subsidy Standards, Inspection and Maintenance

SOURCE: 60 FR 34695, July 3, 1995, unless otherwise noted.

§ 982.401 Housing quality standards (HQS).

(a) *Performance and acceptability requirements.* (1) This section states the housing quality standards (HQS) for housing assisted in the programs.

(2)(i) The HQS consist of:

(A) Performance requirements; and

(B) Acceptability criteria or HUD approved variations in the acceptability criteria.

(ii) This section states performance and acceptability criteria for these key aspects of housing quality:

(A) Sanitary facilities;

(B) Food preparation and refuse disposal;

(C) Space and security;

(D) Thermal environment;

(E) Illumination and electricity;

(F) Structure and materials;

(G) Interior air quality;

(H) Water supply;

(I) Lead-based paint;

(J) Access;

(K) Site and neighborhood;

(L) Sanitary condition; and

(M) Smoke detectors.

(3) All program housing must meet the HQS performance requirements both at commencement of assisted occupancy, and throughout the assisted tenancy.

(4)(i) In addition to meeting HQS performance requirements, the housing must meet the acceptability criteria stated in this section, unless variations are approved by HUD.

(ii) HUD may approve acceptability criteria variations for the following purposes:

(A) Variations which apply standards in local housing codes or other codes adopted by the PHA; or

(B) Variations because of local climatic or geographic conditions.

(iii) Acceptability criteria variations may only be approved by HUD pursuant to paragraph (a)(4)(ii) of this section if such variations either:

(A) Meet or exceed the performance requirements; or

(B) Significantly expand affordable housing opportunities for families assisted under the program.

(iv) HUD will not approve any acceptability criteria variation if HUD believes that such variation is likely to adversely affect the health or safety of participant families, or severely restrict housing choice.

(b) *Sanitary facilities.*—(1) *Performance requirements.* The dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste. The sanitary facilities must be usable in privacy.

(2) *Acceptability criteria.* (i) The bathroom must be located in a separate private room and have a flush toilet in proper operating condition.

(ii) The dwelling unit must have a fixed basin in proper operating condition, with a sink trap and hot and cold running water.

(iii) The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water.

(iv) The facilities must utilize an approvable public or private disposal system (including a locally approvable septic system).

(c) *Food preparation and refuse disposal*—(1) *Performance requirement.* (i) The dwelling unit must have suitable space and equipment to store, prepare, and serve foods in a sanitary manner.

(ii) There must be adequate facilities and services for the sanitary disposal of food wastes and refuse, including facilities for temporary storage where necessary (e.g., garbage cans).

(2) *Acceptability criteria.* (i) The dwelling unit must have an oven, and a stove or range, and a refrigerator of appropriate size for the family. All of the equipment must be in proper operating condition. The equipment may be supplied by either the owner or the family. A microwave oven may be substituted for a tenant-supplied oven and stove or range. A microwave oven may be substituted for an owner-supplied oven and stove or range if the tenant agrees and microwave ovens are furnished instead of an oven and stove or range to both subsidized and unsubsidized tenants in the building or premises.

(ii) The dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. The sink must drain into an approvable public or private system.

(iii) The dwelling unit must have space for the storage, preparation, and serving of food.

(iv) There must be facilities and services for the sanitary disposal of food waste and refuse, including temporary storage facilities where necessary (e.g., garbage cans).

(d) *Space and security*—(1) *Performance requirement.* The dwelling unit must

provide adequate space and security for the family.

(2) *Acceptability criteria.* (i) At a minimum, the dwelling unit must have a living room, a kitchen area, and a bathroom.

(ii) The dwelling unit must have at least one bedroom or living/sleeping room for each two persons. Children of opposite sex, other than very young children, may not be required to occupy the same bedroom or living/sleeping room.

(iii) Dwelling unit windows that are accessible from the outside, such as basement, first floor, and fire escape windows, must be lockable (such as window units with sash pins or sash locks, and combination windows with latches). Windows that are nailed shut are acceptable only if these windows are not needed for ventilation or as an alternate exit in case of fire.

(iv) The exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit.

(e) *Thermal environment*—(1) *Performance requirement.* The dwelling unit must have and be capable of maintaining a thermal environment healthy for the human body.

(2) *Acceptability criteria.* (i) There must be a safe system for heating the dwelling unit (and a safe cooling system, where present). The system must be in proper operating condition. The system must be able to provide adequate heat (and cooling, if applicable), either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.

(ii) The dwelling unit must not contain unvented room heaters that burn gas, oil, or kerosene. Electric heaters are acceptable.

(f) *Illumination and electricity*—(1) *Performance requirement.* Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants. The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances. The electrical fixtures and wiring must ensure safety from fire.

(2) *Acceptability criteria.* (i) There must be at least one window in the living room and in each sleeping room.

(ii) The kitchen area and the bathroom must have a permanent ceiling or wall light fixture in proper operating condition. The kitchen area must also have at least one electrical outlet in proper operating condition.

(iii) The living room and each bedroom must have at least two electrical outlets in proper operating condition. Permanent overhead or wall-mounted light fixtures may count as one of the required electrical outlets.

(g) *Structure and materials*—(1) *Performance requirement.* The dwelling unit must be structurally sound. The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.

(2) *Acceptability criteria.* (i) Ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage.

(ii) The roof must be structurally sound and weathertight.

(iii) The exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, large holes, or defects that may result in air infiltration or vermin infestation.

(iv) The condition and equipment of interior and exterior stairs, halls, porches, walkways, etc., must not present a danger of tripping and falling. For example, broken or missing steps or loose boards are unacceptable.

(v) Elevators must be working and safe.

(h) *Interior air quality*—(1) *Performance requirement.* The dwelling unit must be free of pollutants in the air at levels that threaten the health of the occupants.

(2) *Acceptability criteria.* (i) The dwelling unit must be free from dangerous levels of air pollution from carbon monoxide, sewer gas, fuel gas, dust, and other harmful pollutants.

(ii) There must be adequate air circulation in the dwelling unit.

(iii) Bathroom areas must have one openable window or other adequate exhaust ventilation.

(iv) Any room used for sleeping must have at least one window. If the window is designed to be openable, the window must work.

(i) *Water supply*—(1) *Performance requirement.* The water supply must be free from contamination.

(2) *Acceptability criteria.* The dwelling unit must be served by an approvable public or private water supply that is sanitary and free from contamination.

(j) *Lead-based paint performance requirement.* The Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, M, and R of this title apply to units assisted under this part.

(k) *Access performance requirement.* The dwelling unit must be able to be used and maintained without unauthorized use of other private properties. The building must provide an alternate means of exit in case of fire (such as fire stairs or egress through windows).

(l) *Site and Neighborhood*—(1) *Performance requirement.* The site and neighborhood must be reasonably free from disturbing noises and reverberations and other dangers to the health, safety, and general welfare of the occupants.

(2) *Acceptability criteria.* The site and neighborhood may not be subject to serious adverse environmental conditions, natural or manmade, such as dangerous walks or steps; instability; flooding, poor drainage, septic tank back-ups or sewage hazards; mudslides; abnormal air pollution, smoke or dust; excessive noise, vibration or vehicular traffic; excessive accumulations of trash; vermin or rodent infestation; or fire hazards.

(m) *Sanitary condition*—(1) *Performance requirement.* The dwelling unit and its equipment must be in sanitary condition.

(2) *Acceptability criteria.* The dwelling unit and its equipment must be free of vermin and rodent infestation.

(n) *Smoke detectors performance requirement*—(1) Except as provided in paragraph (n)(2) of this section, each dwelling unit must have at least one battery-operated or hard-wired smoke detector, in proper operating condition,

on each level of the dwelling unit, including basements but excepting crawl spaces and unfinished attics. Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standard (NFPA) 74 (or its successor standards). If the dwelling unit is occupied by any hearing-impaired person, - smoke detectors must have an alarm system, designed for hearing-impaired persons as specified in NFPA 74 (or successor standards).

(2) For units assisted prior to April 24, 1993, owners who installed battery-operated or hard-wired smoke detectors prior to April 24, 1993 in compliance with HUD's smoke detector requirements, including the regulations published on July 30, 1992, (57 FR 33846), will not be required subsequently to comply with any additional requirements mandated by NFPA 74 (i.e., the owner would not be required to install a smoke detector in a basement not used for living purposes, nor would the owner be required to change the location of the smoke detectors that have already been installed on the other floors of the unit).

[60 FR 34695, July 3, 1995, as amended at 61 FR 27163, May 30, 1996; 63 FR 23861, Apr. 30, 1998; 64 FR 26646, May 14, 1999; 64 FR 49658, Sept. 14, 1999; 64 FR 50230, Sept. 15, 1999]

§ 982.402 Subsidy standards.

(a) *Purpose.* (1) The PHA must establish subsidy standards that determine the number of bedrooms needed for families of different sizes and compositions.

(2) For each family, the PHA determines the appropriate number of bedrooms under the PHA subsidy standards (family unit size).

(3) The family unit size number is entered on the voucher issued to the family. The PHA issues the family a voucher for the family unit size when a family is selected for participation in the program.

(b) *Determining family unit size.* The following requirements apply when the PHA determines family unit size under the PHA subsidy standards:

(1) The subsidy standards must provide for the smallest number of bedrooms needed to house a family without overcrowding.

(2) The subsidy standards must be consistent with space requirements under the housing quality standards (See § 982.401(d)).

(3) The subsidy standards must be applied consistently for all families of like size and composition.

(4) A child who is temporarily away from the home because of placement in foster care is considered a member of the family in determining the family unit size.

(5) A family that consists of a pregnant woman (with no other persons) must be treated as a two-person family.

(6) Any live-in aide (approved by the PHA to reside in the unit to care for a family member who is disabled or is at least 50 years of age) must be counted in determining the family unit size;

(7) Unless a live-in-aide resides with the family, the family unit size for any family consisting of a single person must be either a zero or one-bedroom unit, as determined under the PHA subsidy standards.

(8) In determining family unit size for a particular family, the PHA may grant an exception to its established subsidy standards if the PHA determines that the exception is justified by the age, sex, health, handicap, or relationship of family members or other personal circumstances. (For a single person other than a disabled or elderly person or remaining family member, such PHA exception may not override the limitation in paragraph (b)(7) of this section.)

(c) *Effect of family unit size-maximum subsidy in voucher program.* The family unit size as determined for a family under the PHA subsidy standard is used to determine the maximum rent subsidy for a family assisted in the voucher program. For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The payment standard for a family shall be the lower of:

(1) The payment standard amount for the family unit size; or

(2) The payment standard amount for the unit size of the unit rented by the family.

(3) *Voucher program.* For a voucher tenancy, the PHA establishes payment standards by number of bedrooms. The

Attachment # 23

Section 8 Utility Allowance Chart

**Housing Choice Voucher Program
Allowances for Tenant-Furnished Utilities and
Other Services**

Miami-Dade County

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Locality: Miami-Dade County, FL (Exc. Homestead)		Single Family Detached; Manufactured Home (4 exposed walls)								Date: 1/1/2018
Utility or Service		Monthly Dollar Allowances; Number of Bedrooms								
		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$1	\$1	\$2	\$2	\$3	\$3	\$3	\$4
	b. Electric Resistance	\$1	\$1	\$1	\$2	\$3	\$3	\$3	\$4	\$4
	c. Heat Pump	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1	\$1
	d. Propane/LPG	\$2	\$3	\$3	\$4	\$5	\$6	\$7	\$8	\$8
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$29	\$38	\$47	\$56	\$65	\$74	\$83	\$93	\$104
Air Conditioning		\$10	\$23	\$39	\$59	\$79	\$96	\$108	\$120	\$135
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	a. Miami	\$4	\$5	\$14	\$30	\$47	\$74	\$83	\$93	\$104
	b. Hialeah	\$12	\$15	\$22	\$32	\$42	\$53	\$59	\$66	\$74
	c. Opa Locka	\$13	\$17	\$26	\$42	\$88	\$151	\$169	\$189	\$212
Sewer	a. Miami	\$8	\$10	\$28	\$56	\$85	\$112	\$126	\$140	\$157
	b. Hialeah	\$20	\$27	\$42	\$64	\$88	\$112	\$125	\$140	\$156
	c. Opa Locka	\$27	\$34	\$48	\$75	\$132	\$192	\$215	\$240	\$269
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge Note 2/		\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	a1. Miami City	\$32	\$32	\$32	\$32	\$32	\$32	\$35	\$40	\$44
	a2. Unincorporated Dade County	\$37	\$37	\$37	\$37	\$37	\$37	\$41	\$46	\$51
	b. Hialeah	\$30	\$30	\$30	\$30	\$30	\$30	\$33	\$37	\$41
	c. Opa Locka	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
Address of Unit		Cooking	
		Other Electric	
		Air Conditioning	
		Water Heating	
		Water & Sewer	
		Trash Collection	
		Range/Microwave	
		Refrigerator	
		Gas fixed charge	
Number of Bedrooms		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6. *WaterSewer*
Note 2/ If using gas for any purpose, add Gas Fixed Charge

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing**

Locality: Miami-Dade County, FL (Exc. Homestead)		Duplex; Town House; Attached; Garden; Apartment With 2-4 Units (2-3 exposed walls)							Date: 1/1/2018	
		Monthly Dollar Allowances; Number of Bedrooms								
Utility or Service		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$1	\$1	\$2	\$2	\$2	\$3	\$3	\$3
	b. Electric Resistance	\$1	\$1	\$1	\$2	\$3	\$3	\$3	\$4	\$4
	c. Heat Pump	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1	\$1
	d. Propane/LPG	\$2	\$2	\$3	\$4	\$5	\$6	\$6	\$7	\$8
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$22	\$31	\$40	\$49	\$57	\$66	\$74	\$83	\$93
Air Conditioning		\$9	\$20	\$34	\$51	\$70	\$86	\$97	\$108	\$121
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	a. Miami	\$4	\$5	\$8	\$19	\$31	\$44	\$49	\$55	\$61
	b. Hialeah	\$10	\$13	\$17	\$25	\$33	\$41	\$45	\$51	\$57
	c. Opa Locka	\$11	\$14	\$20	\$32	\$43	\$80	\$89	\$100	\$112
Sewer	a. Miami	\$7	\$8	\$16	\$37	\$59	\$80	\$90	\$100	\$112
	b. Hialeah	\$16	\$22	\$32	\$49	\$66	\$84	\$94	\$105	\$118
	c. Opa Locka	\$24	\$29	\$38	\$57	\$77	\$122	\$136	\$152	\$170
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge	Note 2/	\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	a1. Miami City	\$32	\$32	\$32	\$32	\$32	\$32	\$35	\$40	\$44
	a2. Unincorporated Dade County	\$37	\$37	\$37	\$37	\$37	\$37	\$41	\$46	\$51
	b. Hialeah	\$30	\$30	\$30	\$30	\$30	\$30	\$33	\$37	\$41
	c. Opa Locka	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Unit		Air Conditioning	
		Water Heating	
		Water & Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms		Refrigerator	
		Gas fixed charge	
		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6. *WaterSewer*
Note 2/ If using gas for any purpose, add Gas Fixed Charge

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Locality: Miami-Dade County, FL (Exc. Homestead)		Apartment With 5 or More Units; High Rise (1 or 2 exposed walls)							Date: 1/1/2018	
		Monthly Dollar Allowances; Number of Bedrooms								
Utility or Service		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$1	\$1	\$1	\$2	\$2	\$2	\$3	\$3
	b. Electric Resistance	\$1	\$1	\$1	\$1	\$2	\$2	\$3	\$3	\$3
	c. Heat Pump	\$0	\$0	\$0	\$0	\$1	\$1	\$1	\$1	\$1
	d. Propane/LPG	\$2	\$2	\$3	\$3	\$4	\$5	\$5	\$6	\$7
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$23	\$29	\$36	\$42	\$49	\$55	\$62	\$69	\$77
Air Conditioning		\$7	\$16	\$25	\$37	\$52	\$67	\$75	\$83	\$93
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	a. Miami	\$4	\$5	\$8	\$19	\$31	\$44	\$49	\$55	\$61
	b. Hialeah	\$10	\$13	\$17	\$25	\$33	\$41	\$45	\$51	\$57
	c. Opa Locka	\$11	\$14	\$20	\$32	\$43	\$80	\$89	\$100	\$112
Sewer	a. Miami	\$7	\$8	\$16	\$37	\$59	\$80	\$90	\$100	\$112
	b. Hialeah	\$16	\$22	\$32	\$49	\$66	\$84	\$94	\$105	\$118
	c. Opa Locka	\$24	\$29	\$38	\$57	\$77	\$122	\$136	\$152	\$170
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge Note 2/		\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	a1. Miami City	\$32	\$32	\$32	\$32	\$32	\$32	\$35	\$40	\$44
	a2. Unincorporated Dade County	\$37	\$37	\$37	\$37	\$37	\$37	\$41	\$46	\$51
	b. Hialeah	\$30	\$30	\$30	\$30	\$30	\$30	\$33	\$37	\$41
	c. Opa Locka	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Unit		Air Conditioning	
		Water Heating	
		Water & Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms		Refrigerator	
		Gas fixed charge	
		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6. *WaterSewer*
 Note 2/ If using gas for any purpose, add Gas Fixed Charge

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Locality: Homestead, FL		Single Family Detached; Manufactured Home (4 Exposed Walls)							Date: 1/1/2018	
		Monthly Dollar Allowances; Number of Bedrooms								
Utility or Service		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$2	\$2	\$3	\$3	\$4	\$4	\$5	\$5
	b. Electric Resistance	\$2	\$2	\$3	\$3	\$4	\$5	\$6	\$6	\$7
	c. Heat Pump	\$0	\$1	\$1	\$1	\$1	\$2	\$2	\$2	\$2
	d. Propane/LPG	\$3	\$4	\$5	\$6	\$8	\$9	\$10	\$11	\$12
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$34	\$46	\$58	\$70	\$82	\$94	\$106	\$118	\$132
Air Conditioning		\$11	\$27	\$42	\$58	\$74	\$89	\$100	\$112	\$125
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	Homestead only	\$9	\$10	\$13	\$17	\$22	\$27	\$31	\$34	\$38
Sewer	Homestead only	\$21	\$25	\$32	\$43	\$54	\$65	\$73	\$81	\$91
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge	Note 2/	\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	Homestead only	\$35	\$35	\$35	\$35	\$35	\$35	\$39	\$44	\$49

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
Address of Unit		Cooking	
		Other Electric	
		Air Conditioning	
		Water Heating	
		Water & Sewer	
Number of Bedrooms		Trash Collection	
		Range/Microwave	
		Refrigerator	
		Gas fixed charge	
		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6. *WaterSewerTrash*
Note 2/ If using gas for any purpose, add Gas Fixed Charge

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing**

Locality: Homestead, FL		Duplex; Town House; Attached; Garden; Apartment With 2-4 Units (2-3 exposed walls)							Date: 1/1/2018	
		Monthly Dollar Allowances; Number of Bedrooms								
Utility or Service		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$2	\$2	\$3	\$3	\$4	\$4	\$5	\$5
	b. Electric Resistance	\$1	\$2	\$3	\$3	\$4	\$5	\$5	\$6	\$6
	c. Heat Pump	\$0	\$1	\$1	\$1	\$1	\$1	\$2	\$2	\$2
	d. Propane/LPG	\$3	\$4	\$5	\$6	\$7	\$8	\$9	\$10	\$12
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$24	\$36	\$48	\$60	\$72	\$84	\$94	\$105	\$117
Air Conditioning		\$10	\$24	\$38	\$52	\$66	\$80	\$90	\$100	\$112
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	Homestead only	\$8	\$9	\$11	\$14	\$17	\$21	\$23	\$26	\$29
Sewer	Homestead only	\$20	\$22	\$28	\$36	\$44	\$52	\$58	\$65	\$73
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge	Note 2/	\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	Homestead only	\$35	\$35	\$35	\$35	\$35	\$35	\$39	\$44	\$49

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
		Cooking	
		Other Electric	
Address of Unit		Air Conditioning	
		Water Heating	
		Water & Sewer	
		Trash Collection	
		Range/Microwave	
Number of Bedrooms		Refrigerator	
		Gas fixed charge	
		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6.WaterSewerTrash
Note 2/ If using gas for any purpose, add Gas Fixed Charge

**Allowances for Tenant-Furnished Utilities
And Other Services**

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

Locality: Homestead, FL		Apartment With 5 or More Units; High Rise (1 or 2 exposed walls)							Date: 1/1/2018	
		Monthly Dollar Allowances; Number of Bedrooms								
Utility or Service		0 BR	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR	7 BR	8 BR
Heating	a. Natural Gas	\$1	\$2	\$2	\$3	\$3	\$4	\$4	\$5	\$5
	b. Electric Resistance	\$1	\$2	\$3	\$3	\$4	\$5	\$5	\$6	\$6
	c. Heat Pump	\$0	\$1	\$1	\$1	\$1	\$1	\$2	\$2	\$2
	d. Propane/LPG	\$3	\$4	\$5	\$6	\$7	\$8	\$9	\$10	\$12
Cooking	a. Natural Gas	\$5	\$6	\$8	\$9	\$11	\$12	\$14	\$15	\$17
	b. Electric	\$5	\$6	\$7	\$9	\$10	\$12	\$13	\$15	\$17
	c. Propane/LPG	\$11	\$14	\$18	\$21	\$25	\$28	\$32	\$35	\$40
Other Electric/Lighting		\$24	\$36	\$48	\$60	\$72	\$84	\$94	\$105	\$117
Air Conditioning		\$10	\$24	\$38	\$52	\$66	\$80	\$90	\$100	\$112
Water Heating	a. Natural Gas	\$7	\$15	\$22	\$29	\$37	\$44	\$49	\$55	\$62
	b. Electric	\$6	\$12	\$18	\$25	\$31	\$38	\$42	\$47	\$53
	c. Propane/LPG	\$17	\$34	\$50	\$67	\$84	\$101	\$113	\$126	\$141
Water	Homestead only	\$8	\$9	\$11	\$14	\$17	\$21	\$23	\$26	\$29
Sewer	Homestead only	\$20	\$22	\$28	\$36	\$44	\$52	\$58	\$65	\$73
Range/Microwave		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Refrigerator		\$7	\$7	\$7	\$7	\$7	\$7	\$8	\$9	\$10
Gas Fixed Charge	Note 2/	\$14	\$14	\$14	\$14	\$14	\$14	\$15	\$17	\$19
Trash	Homestead only	\$35	\$35	\$35	\$35	\$35	\$35	\$39	\$44	\$49

Actual Family Allowances To be used by the family to compute allowance. Complete below for the actual unit rented.		Utility or Service	Monthly Cost
Name of Family		Heating	
Address of Unit		Cooking	
		Other Electric	
		Air Conditioning	
		Water Heating	
		Water & Sewer	
Number of Bedrooms		Trash Collection	
		Range/Microwave	
		Refrigerator	
		Gas fixed charge	
		Total	\$

Note 1/ If using septic sewer system, subtract sewer charge found in sheet_6. *WaterSewerTrash*
Note 2/ If using gas for any purpose, add Gas Fixed Charge

Attachment # 24

Additional Information on Housing Activities

ADDITIONAL HOUSING INFORMATION

The Developer shall report to the Department the name, purpose, and any other relevant information in connection with any related party transaction. A Related Party means any person, corporation, partnership, or other business entity (a) which has overlapping boards of directors, (b) which has a direct or indirect ownership interest in Developer, (b) which has a parent or principal thereof which has a direct or indirect ownership interest in Developer, (c) whose members were appointed by Developer, or (d) which the County deems in its sole discretion to be a Related or Affiliated Party of the Developer. The Developer shall report this information to the Department upon forming the relationship or if already formed, shall report it immediately. Any supplemental information shall be reported quarterly in the required Progress Report. This provision shall be construed broadly to the benefit of the County.

The Developer shall submit to the Department, within five (5) business days of execution of contract, all updated Conflict of Interest affidavits, Related Party Disclosure statements, list of current Board members, and list of all business associations with the following documents:

- Original contract or its subsequent amendments.
- Requests for budget revisions.
- Requests for approval of subcontracts.

The Developer agrees to abide by Chapter II-A, Code of Miami-Dade County ("County Code"), as amended, applicable to non-discrimination in employment, housing and public accommodation.

The Developer agrees that it is in compliance with the Domestic Violence Leave, codified as 11A-60 et. seq. Code of Miami-Dade County, which requires an employer, who in the regular course of business has fifty (50) or more employees working in Miami-Dade County for each working day during each of twenty (20) or more calendar work weeks to provide domestic violence leave to its employees. Failure to comply with this local law may be grounds for voiding or terminating this Contract or for commencement of debarment proceedings against Provider.

Domestic Violence Leave Affidavit: Prior to entering into any contract with the County, a firm desiring to do business with the County shall, as a condition of award, certify that it is in compliance with the Domestic Leave Ordinance, 99-5 and Section 11A-60 of the Miami-Dade County Code. This Ordinance applies to employers that have, in the regular course of business, fifty (50) or more employees working in Miami Dade County for each working day during each of twenty (20) or more calendar work weeks in the current or preceding calendar year. In accordance with Resolution R-185-00, the obligation to provide domestic violence leave to employees shall be a contractual obligation. The County shall not enter into a contract with any firm that has not certified its compliance with the Domestic Leave Ordinance. Failure to comply with the requirements of Resolution R-185-00, as well as the Domestic Leave Ordinance may result in the contract being declared void, the contract being terminated and/or the firm being debarred.

Code of Business Ethics: In accordance with Section 2-8.1(i) Code of Miami-Dade County, each person or entity that seeks to do business with Miami-Dade County shall adopt a Code of Business Ethics ("Code") and shall, prior to execution of any contract between the contractor and the County, submit an affidavit stating that the contractor has adopted a Code that complies with the requirement of Section 2-B.1(i) Code of Miami-Dade County (Form A-12). Any person or entity that fails to submit the required affidavit shall be ineligible for contract award.

Pursuant to Section 287.133(2)(a) Florida Statutes, a person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a contract to provide any goods or services to a public entity, may not submit a contract with a public entity for the construction or repair of a public building or public work, may not submit leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier,

subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017 Florida Statutes, for CATEGORY TWO for a period of 36 months from the date of being placed on the convicted vendor list.

Where applicable, the Developer agrees to abide and be governed by Titles VI and VII, Civil Rights Act of 1964 (42 USC 2000 D and E) and Title VIII of the Civil Rights Act of 1968, as amended, which provides in part that there will not be discrimination of race, color, sex, religious background, ancestry or national origin in performance of this Contract, in regard to persons served, or in regard to employees or applicants for employment. It is expressly understood that upon receipt of evidence of such discrimination, the County shall have the right to terminate said Contract.

The Developer agrees to abide and be governed by the Age Discrimination Act of 1975, 42 USC, as amended, which provides in part that there shall be no discrimination against persons in any area of employment because of age.

The Developer agrees to abide and be governed by Section 504, of the Rehabilitation Act of 1973, as amended, 29 USC 794, which prohibits discrimination on the basis of handicap.

The Developer agrees to abide and be governed by the requirements of the Americans with Disabilities Act (ADA).

Americans with Disabilities Act (ADA) of 1990 - The Developer shall attest to and submit the required Disability Non-Discrimination Affidavit assuring compliance with all applicable requirements of the laws listed below, including but not limited to, those provisions pertaining to employment, provision and program services, transportation, communications, access to facilities, renovations, and new construction.

If any attesting firm, or any owner, subsidiary, or other firm affiliated with or related to the attesting firm, is found by the responsible enforcement agency, the Courts or the County to be in violation of the Acts, the County will conduct no further business with such attesting firm. Any contract entered into based upon a false affidavit, as listed below, and submitted pursuant to this resolution shall be voidable by the County:

- Code of Business Ethics Affidavit
- Miami-Dade County Affidavits
- State Public Entity Crimes Affidavit

If any attesting firm violates any of the Acts below during the term of any Contract such firm has with the County, such Contract shall be voidable by the County, even if the attesting firm was not in violation at the time it submitted its affidavit.

The applicable Acts are as follows:

1. The Americans with Disabilities Act of 1990 (ADA), Pub. L. 101-336, 104 Stat 327, 42 U.S.C. 12101-12213 and 47 U.S.C. Sections 225 and 611 including Title I, Employment; Title II, Public Services; Title III, Public Accommodations and Services Operated by Private Entities; Title IV, Telecommunications; and Title V, Miscellaneous Provisions.
2. The Rehabilitation Act of 1973, 29 U.S.C. Section 794;
3. The Federal Transit Act, as amended 49 U.S.C. Section 1612;
4. The Fair Housing Act as amended, 42 U.S.C. Section 3601-3631.

Reporting on Financial Status, Bankruptcy, Real Property, or Personal Property

Developer shall notify the County in writing within ten (10) days of the occurrence of any of the following as to Developer or any Related or Affiliated Parties:

a. Any anticipated or pending lis pendens, foreclosure action, arrearage, default, late payment regarding any property of Developer or Related or Affiliated Parties, including properties not related to this Agreement. Developer shall also provide the County with a copy of all court filings, notices of default, arrearage or late payment, or any other documents relevant to the disclosures required herein.

b. Any legal encumbrance on the Property not permitted in writing by the County.

c. Any default or arrearage on any loan, Note or other debt or obligation for which the Property is security.

d. Any anticipated or pending bankruptcy, restructuring, dissolution, reorganization, appointment of a trustee or receiver.

e. Any action, activity, facts, or circumstances that would materially impair performance by Developer of all the terms and conditions of the Agreement.

Method of Payment:

The Developer shall be paid as described below:

1. Reimbursements shall be made upon successful submission of a Request for Draw, in the manner stipulated by the County. All draws will be paid based on a percentage of work completed. In no event shall the County provide advance funding to the Developer. Advanced funding is defined as paying for work that has not occurred. Payment will only be made when evidence exists that the work has performed or for cost incurred for services rendered. Evidence shall be in the form of a certified AIA document and the County's Construction Manager sign-off and approval.
 2. A Request for Draw must be submitted to the County not more than monthly, no later than ninety (90) days following the month in which the expenses were incurred.
 3. Project "Soft Costs" are eligible for reimbursement as stipulated in Article XIII of this Agreement.
 4. If a Developer is unable to submit a Request for Draw by the quarterly deadline, a written request for an extension, which may be granted or denied in the sole and absolute discretion of the County, and which shall include a justification indicating the reason for the delay and expected submission date is required to be submitted by the deadline. Failure to comply with this requirement shall render the Developer in non-compliance with this Agreement and may result in reduction or forfeiture of payment, at the discretion of the County.
1. Developers shall complete, sign, and submit to the County a Request for Draw form as necessary. All Draw Requests must be accompanied by the following supporting documentation:
 - copies of invoices and receipts
 - copies of front and back of cancelled checks or wire transfer confirmations for work performed and certified by an architect in AIA G(702) & G(703) in a prior

- draw request must be submitted in the subsequent draw request package to demonstrate payment to the General Contractor (GC) of the prior payment(s)
- payment of one (1%) percent Commitment Fee and executed RFA Agreement or proof of non-applicability status (not-for-profit corporation with fifty one (51%) percent ownership)
 - payment of \$650.00 Signage Fee
 - payment of \$20.00 Loan Servicing Set-up Fee
 - Disbursement Request Letter on corporation official stationery for Request for Draw amount
 - Developer and General Contractor's corporate seal or notary seal on Progress Payment Authorization form
 - AIA G(702) & G(703) Application Request for Work-In-Place
 - Current Project Consultant Report (provided to First Lender)
 - General Contractor's Lien Affidavit Release
6. With the initial Request for Draw, the Developer must submit relevant certificate(s) of insurance as supporting documentation of effective coverage and is not required for subsequent requests unless the certificate is due to expire within sixty (60) days of the Request. Documentation must be submitted for each type of insurance stipulated in Article II and Attachment A of this agreement.
 7. The initial Request for Draw shall include supporting documentation of the required signage as stipulated in Article XXII of this agreement.
 8. A Developer has one hundred and twenty (120) calendar days after the expiration or termination of the Contract, or completion of the project, to submit its final Request for Draw. Failure to comply with this requirement shall render the Developer in non-compliance with the Agreement and may result in reduction or forfeiture of payment, at the discretion of the County.
 9. Ten percent (10%) Retainage: Ten (10%) percent of the value of the loan for a given Project shall be retained by the County from each draw until the Project is completed and all close-out documents have been received by the County. When construction reaches seventy-five percent (75%) completion, the retainage will be reduced to five percent (5%). The following documents must be presented for release of the retainage amount:
 - Certificate of Completion (CC) or Temporary Certificate of Completion (TCC) for rehabilitation projects, or when the rehabilitation work receives final permits and the work is determined by the County to be at 100% completion.
 - Certificate of Occupancy (CO) or Temporary Certificate of Occupancy (TCO) for new construction projects
 - Certified Cost Control Report
 - General Contractor's Final Release of Lien
 - Title Endorsement
 - As-Built Survey certified Miami-Dade County
 - Project Consultant Final Report (provided to First Lender)
 10. No funds shall be paid to Developer until such time as the Developer executes and records, at the Developer's expense, all of the loan documents required by the County. Required loan documents shall include but not be limited to a mortgage, loan agreement, promissory note, UCC financing statement, a rental regulatory agreement if the Project is a rental, and a restrictive covenant if the Project is homeownership.
 11. In the event the County determines that the Developer has breached the terms of this Contract and that the County is entitled to the return of any or all of the funds awarded

under this Contract, the Developer agrees to and shall assign any proceeds to the County from any contract between the County, its agencies or instrumentalities and the Developer or any firm, corporation, partnership or joint venture in which the Developer has a controlling financial interest in order to secure repayment of this award. "Controlling financial interest" shall mean ownership, directly or indirectly to ten percent or more of the outstanding capital stock in any corporation or a direct or indirect interest of ten percent (10%) or more in a firm, partnership or other business entity.

Restriction on the Use of Funds

The funds received under this Contract will not be used to supplant other funds; however, a maximum of five percent (5%) of the funding award may be expended for the Development's predevelopment expenses, including but not limited to, architectural costs, legal fees, and survey and zoning charges.

- A. Adverse Actions or Proceedings. The Developer shall not utilize County funds to retain legal counsel for any action or proceeding against the County or any of its agents, instrumentalities, employees or officials. The Developer shall not utilize County funds to provide legal representation, advice or counsel to any client in any action or proceeding against the County or any of its agents, instrumentalities, employees or officials.
- B. Religious Purposes. County funds shall not be used for religious purposes.
- C. Commingling Funds. The Developer shall not commingle funds provided under this Contract with funds received from any other funding sources, but may be included in a Development Bank Account permitted by the first mortgage lender at the discretion of the County.

The Developer shall receive from the Department written prior approval for any subcontract engaging any party who agrees to carry out any substantive programmatic activities as may be determined by the Department as described in this Contract. The Department's approval shall be obtained prior to the release of any funds for the subcontractor.

- 1. The Developer shall receive written approval from the Department prior to either assigning or transferring any obligations or responsibility set forth in this Contract or the right to receive benefits or payments resulting from this Contract.
- 2. Approval by the Department of any subcontract or assignment shall not under any circumstance be deemed to provide for the incurrence of any obligation by the Department in excess of the total dollar amount agreed upon in this Contract.
- 3. Fair Subcontracting Policies (Ordinance 97-35). All Developers on County contracts in which subcontractors may be used shall be subject to and comply with Ordinance 97-35 as amended, requiring Developers to provide a detailed statement of their policies and procedures for awarding subcontracts which:
 - a) notifies the broadest number of local subcontractors of the opportunity to be awarded a subcontract;
 - b) invites local subcontractors to submit bids/proposals in a practical, expedient way;
 - c) provides local subcontractors access to information necessary to prepare and formulate a subcontracting bid/proposal;

- d) allows local subcontractors to meet with appropriate personnel of the Developer to discuss the Developer's requirements; and

awards subcontractors The Developer shall provide the County with a complete set of permitted plans and permits on each unit model upon approval by the appropriate controlling municipality prior to commencing construction.

DEVELOPER OBLIGATIONS AND DUTIES

The Developer shall submit all proposals in the legal name of the limited partnership, corporation or agency at the time of the submission of the application. Additional parties or entities will not be added to the RFA contract, the Construction Loan Agreement or any other documents or agreements unless and until the inclusion of these parties is approved by the Miami-Dade County Board of County Commissioners (BCC).

The Developer shall provide to the County for approval prior to awarding the construction contract for the Development, the name of the General Contractor.

The Developer shall provide to the County the General Contractor Payment Performance Bond (PP&B). At the County's discretion, based on the Developer's organizational capacity and track records and experience, an irrevocable Stand by Letter of Credit issued by a Florida chartered bank or national bank operating in Florida in an amount of ten percent (10%) of the construction contract total cost in US funds with Miami-Dade County listed as the beneficiary, may be accepted in lieu of the PP&B, prior to the commencement of construction.

The Developer shall schedule a Pre-Construction Conference with the County at least sixty (60) days prior to the commencement of construction.

The Developer shall provide the County with a written commitment for construction financing from a financial institution(s) at the time of construction loan closing.

The Developer agrees to notify the County in writing within fourteen (14) days of any personnel or location changes in the management company.

During the Design Stage the Developer shall obtain Professional Liability Insurance in the name of the Developer or the licensed design professional employed by the Developer in an amount of not less than \$250,000 and shall furnish to the Department's Housing Development and Loan Administration Division (HDLAD), 701 N.W. 1 Court, 14th Floor, Miami, Florida 33136, relevant certificate(s) of insurance evidencing insurance coverage.

During the Construction Phase, and/or at the time of Construction Loan closing, which is defined as the date on which the loan agreement is executed by both the Miami-Dade County Mayor and the Developer, the Developer shall furnish to the Department's Housing Development and Loan Administration Division (HDLAD), 701 N.W. 1 Court, 14th Floor, Miami, Florida 33136, relevant certificate(s) of Insurance indicating the following types of insurance coverage upon the commencement of construction:

1. Worker's Compensation Insurance for all employees of the Developer pursuant to Chapter 440, Florida Statutes.
2. Public Liability Insurance on a comprehensive basis in an amount not less than \$500,000 combined single limit per occurrence for Bodily Injury and Property Damage. Miami-Dade County must be shown as an additional insured with respect to this coverage.

3. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with the agreement, in an amount not less than \$500,000 combined single limit per occurrence for bodily injury and property damage.
4. Completed Value Builder's Risk Insurance on an "All Risk" basis policy shall be in the name of Miami-Dade County and the Developer A.T.I.M.A.
5. Flood Insurance for properties found in flood zone A or V, in an amount not less than the full replacement value(s) of the completed structure(s) or the maximum amount of coverage available through the National Flood Insurance Program (NFIP), whichever is greater. The policy will show Miami-Dade County as a Loss Payee A.T.I.M.A. and the policy must be provided at such time that the buildings' walls and roofs exist.

Upon the completion of the Construction Phase and the operation/management phase for occupancy commences, the following insurance must be kept in full force throughout the duration of the loan and/or contract:

1. Public Liability Insurance on a comprehensive basis in an amount not less than \$500,000 combined single limit per occurrence for Bodily Injury and Property Damage with Miami-Dade County shown as an additional insured.
2. Property Insurance Coverage on an "All Risk" basis. Miami-Dade County must be shown as a Loss Payee A.T.I.M.A.
3. Flood Insurance coverage shall be provided for properties located within a flood hazard zone, in an amount not less than the full replacement value(s) of the completed structure(s) or the maximum amount of coverage available through the National Flood Insurance Program (NFIP) whichever is greater. Miami-Dade County must be shown as a Loss Payee with respect to this coverage A.T.I.M.A.

The Developer shall ensure that all applicable insurance certificates required in conjunction with the construction of this project remain in force and effect for the duration of the construction loan term, including any and all option years, if applicable. If the insurance certificate(s) is scheduled to expire during the construction loan term, the Developer shall submit a new and/or renewed insurance certificate to the County at a minimum of thirty (30) calendar days prior to the expiration of the insurance certificates. If a new and/or renewed certificate of insurance is not timely submitted to the County in the manner herein prescribed, the County shall call the loan due and payable.

All required insurance policies shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

1. Insurance Rating. The Insurance Company must be rated no less than "B" as to management, and no less than "Class V" as to financial strength, according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the County Risk Management Division.

or

The Company must hold a valid Florida Certificate of Authority as shown in the latest "List of All Insurance Companies Authorized or Approved to Do Business in Florida" issued by the State of Florida Department of Insurance and are members of the Florida Guaranty Fund.

Certificates will show that no modification or change in insurance shall be made without thirty (30) days written advance notice to the certificate holder.

If the Developer fails to furnish to the County the Certificate of Insurance or written verification required under this section or as determined by the County's Risk Management Division after review of the Scope of Services, the County shall not disburse any funds until the necessary Certificates of Insurance or written verification is submitted.

The Developer agrees that this Contract is contingent upon receipt of the required insurance certificates at the construction loan closing. If an Insurance Certificate is received within the specified period, but not in the manner described herein, the Developer shall be verbally notified of the deficiency and shall submit the certificate(s) to the County within five (5) calendar days of the deficiency notification.

Compliance with a portion of the foregoing requirements shall not relieve the Developer any liability or obligation under any section of Scope of Services.

- e) based on full and complete consideration of all submitted proposals and in accordance with the Developer's stated objectives.

Attachment# 25

Miami-Dade County
Rent Limits

U.S. DEPARTMENT OF HUD 04/2017
STATE: FLORIDA

2017 HOME PROGRAM RENTS

PROGRAM	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Homosassa Springs, FL MSA							
LOW HOME RENT LIMIT	445	476	572	660	737	813	889
HIGH HOME RENT LIMIT	569	580	734	840	918	994	1070
For Information Only:							
FAIR MARKET RENT	576	580	766	1035	1290	1484	1677
50% RENT LIMIT	445	476	572	660	737	813	889
65% RENT LIMIT	569	611	734	840	918	994	1070
Jacksonville, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	590	631	757	875	976	1077	1177
HIGH HOME RENT LIMIT	617	791	969	1154	1268	1380	1492
For Information Only:							
FAIR MARKET RENT	617	791	969	1283	1625	1869	2113
50% RENT LIMIT	590	631	757	875	976	1077	1177
65% RENT LIMIT	780	837	1006	1154	1268	1380	1492
Baker County, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	477	566	680	785	876	966	1057
HIGH HOME RENT LIMIT	477	645	752	951	1159	1260	1361
For Information Only:							
FAIR MARKET RENT	477	645	752	951	1266	1456	1646
50% RENT LIMIT	528	566	680	785	876	966	1057
65% RENT LIMIT	714	766	922	1056	1159	1260	1361
Lakeland-Winter Haven, FL MSA							
LOW HOME RENT LIMIT	477	511	613	708	791	872	953
HIGH HOME RENT LIMIT	616	640	797	912	998	1082	1166
For Information Only:							
FAIR MARKET RENT	636	640	838	1111	1407	1618	1829
50% RENT LIMIT	477	511	613	708	791	872	953
65% RENT LIMIT	616	662	797	912	998	1082	1166
Fort Lauderdale, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	667	715	857	990	1105	1219	1333
HIGH HOME RENT LIMIT	829	980	1178	1352	1489	1624	1760
For Information Only:							
FAIR MARKET RENT	829	1023	1307	1883	2303	2648	2984
50% RENT LIMIT	667	715	857	990	1105	1219	1333
65% RENT LIMIT	914	980	1178	1352	1489	1624	1760
Miami-Miami Beach-Kendall, FL HUD Metro FMR							
LOW HOME RENT LIMIT	661	708	850	981	1095	1208	1321
HIGH HOME RENT LIMIT	831	964	1159	1331	1465	1598	1732
For Information Only:							
FAIR MARKET RENT	831	1020	1295	1728	2073	2384	2695
50% RENT LIMIT	661	708	850	981	1095	1208	1321
65% RENT LIMIT	899	964	1159	1331	1465	1598	1732

For all HOME projects, the maximum allowable rent is the HUD calculated High HOME Rent Limit and/or Low HOME Rent Limit.

Attachment # 26

Construction Loan Closing Checklist

Public Housing and Community Development
Development and Loan Administration Division
701 N.W. 1st Ct 14 floor
Miami, Florida 33136
(786) 469-2188 Fax: (786) 469-2230

DEVELOPER: _____

DEVELOPER ADDRESS: _____

PROJECT NAME: _____

PROJECT ADDRESS: _____

CONTACT PERSON: _____

TELEPHONE: _____ **FAX:** _____

E-mail address: _____

PROJECT TYPE: New Const. ____ Rehab. ____ Acquisition. ____

COUNTY COMMISSION RESOLUTION(S): _____

The following items must be submitted to the Development and Loan Administration Division (DLAD) to the Construction Lending Unit on or before expiration date of your awarded Fiscal Year allocation(s) by the Board of County Commissioner. DLAD close US HUD Federal and State as well as Local County funding sources on behalf of OCED. The following items are typical requirements. Additional documentation may be required depending upon the specifics of the transaction. Please submit (3) three ring binders for HOME, HDG, CDBG, RRP and (2) two three ring binders for SURTAX and SHIP funding sources clearly tabbed or labeled. Please do not submit closing binders unless you are ready to proceed with closing.

Section 1: Principal Loan Closing Documents

Item	Item Description	Rec'd	Apprvd.
1	Current survey, showing all easements and rights of ways certified to Miami-Dade County.		
2	Site plan showing existing and/or proposed structures, with proposed finished floor elevations.		
3	Fully executed Owner/Architect contract.		
4	Copy of BCC Resolution(s).		
5	Fully executed Owner/Contractor contract.		
6	Executed Affordable Housing or HOME Contract & Budget.		

Item	Item Description	Rec'd	Apprvd.
7	Original executed set of Dade County Affidavits.		
8	Current Phase I Environmental Assessment, certified to Miami-Dade County.		
9	Other Environmental Reports: Soils____;Asbestos____; Lead Based Paint____; Termite____; Physical Needs Assessment____; HUD Environmental Clearance letter (HOME AND CHDO)_____.		
10	Copies of Commitment for Title Insurance, with Miami Dade County as proposed insured.		
11	Letter assignments of contracts agreements and plans from Architect, Engineer and General Contractor.		
12	Certificate of General Liability Insurance with Miami Dade County as additional insured.		
12(a)	Certificate of your Agency Worker's Compensation Insurance.		
12(b)	Binder/Certificate for Builders Risk Insurance with Miami-Dade County as named insured and/or loss payee, with 30-day cancellation clause.		
12(c)	Certificate for Flood Insurance (or letter of availability from insurance broker for new projects).		
12(d)	Certificate of insurance for all owned, hired or non-owned auto.		
12(e)	Professional Liability from G.C. or Architect.		
13	MAI appraisal of land and improvements utilizing identical working plans and specifications, and appropriate financial projections. (certified to Miami-Dade County)		
14	Fully executed commitment letters from all project lenders.		
15	Syndication Agreement (if applicable).		
16	Final Commitment (Check compliance for special condition)		
17	Rental Regulatory Agreement (# of set aside units must be identified)		
18	List of subordinations and other junior liens		
19	Promissory Note and Mortgage Agreement		
20	Settlement Statement		

21	Fully executed original or certified copy of multiple oblige Payment & Performance Bond, including power of attorney for agent		
22	Final Budget Approved by Borrower and PHCD		
23	Sources and Uses Statement.		
24	Income & Expense Proforma with debt service coverage for the first year.		
25	30 years Proforma.		
26	Property Deed or long-term lease agreement		
27	Authorized Condominium Documents (if applicable).		
28	Release Price Schedule (Homeownership only)		
29	Copy of cancelled check for loan commitment fee. (for profit developers only.)		
30	Other lender's loan documents. Notes		
31	Document Correction Agreement		
32	One set of Draft proposed loan closing documents (blacklined)		
33	A diskette containing all loan documents (blacklined) in Word		

SECTION 2: ORGANIZATIONAL DOCUMENTS

Item	Item Description	Rec'd	Apprvd.
34	Developer Joint Venture Agreement (if applicable)		
35	Copy of General Contractor's current State General license.		
36	Copy of General Contractor's current City and /or County Occupational license.		
37	General Contractor's Qualification Statement (such a AIA Form 305)		
38	Copies of Borrower's corporate documentation, including certificate of good standing, by-laws and borrowing resolution.		

SECTION 3: CONSTRUCTION DOCUMENTATION

Item	Item Description	Rec'd	Apprvd.
39	Floor plans for all typical units <u>with measurements</u> (8 1/2" X 11") and project specifications, and One Full Set (Copy) of Final Plans		
40	Copies of current building permits. /utility letters		
	Copy of recorded Notice of Commencement		
41	Construction Progress Schedule (Bar Chart, C.P.M. or		

	similar)		
42	Construction Schedule of Values, with subcontractors identified (such as AIA forms G702 and G703)		
43	Signage compliance, Memo from County's Construction Manager confirming compliance.		
44	Construction Loan Agreement		
45	Scope of Work for Rehab Project		
46	Disbursement Plans		
47	Evidence of prevailing wage rates paid during construction		
48	Architects Certificates of ADA Compliance for Rehab Projects		

SECTION 4: PROPERTY MANAGEMENT APPROVALS

Item	Item Description	Rec'd	Apprvd.
49	Property Management Contract		
50	Current Affirmative Fair Housing Marketing Plan		
51	Relocation Plan with evidence of compliance (if applicable)		

SECTION 5: FINANCIAL REPORTING REQUIREMENTS

Item	Item Description	Rec'd	Apprvd.
52	W-9's forms for all applicable payees.(must be original)		

SECTION 6: CONTACT INFORMATION

Please provide us with the contacts of all parties involved in closing this project.

Borrower information:

Company/Agency Name: _____
Sponsor/Contact: _____ Phone #: _____
Email: _____ Fax #: _____
Address: _____

Attorney: _____ Fax #: _____
Email: _____ Phone #: _____
Address: _____

Title Information

Title Officer: _____ Phone #: _____
Title company: _____ Fax #: _____
Address: _____ Policy #: _____
Email: _____

Escrow Officer: _____ Phone #: _____
Escrow Company: _____ Fax #: _____
Address: _____ Escrow #: _____
Email: _____

Construction Lender

Company/Agency Name: _____
Sponsor/Contact: _____ Phone #: _____
Email: _____ Fax #: _____
Address: _____

Attorney: _____ Fax #: _____
Email: _____ Phone #: _____
Address: _____

**All Locality Contacts/Subordinate Financing (i.e. City/State/Federal) Attach
separate sheet if needed)**

Agency Name: _____
Contact: _____ Phone #: _____
Email: _____ Fax #: _____
Address: _____

Attorney: _____ Fax #: _____
Email: _____ Phone #: _____
Address: _____

Agency Name: _____
Contact: _____ Phone #: _____
Email: _____ Fax #: _____
Address: _____

Attorney: _____ Fax #: _____
Email: _____ Phone #: _____
Address: _____

Attachment # 27

HOME Underwriting Analysis Template

Development Costs

	Amount	Cost Per Unit	Cost Per Square Foot	Other Information
Acquisition Costs				
Land	\$ -	need data	need data	per unit
Existing Structures	\$ -	need data	need data	per unit
Other Acquisition Costs	\$ -	need data	need data	per unit
Site Work Costs (not included in construction contract)				
Demolition/Clearance	\$ -	need data	need data	
Site Remediation	\$ -	need data	need data	
Improvements	\$ -	need data	need data	
Other Site Work Costs	\$ -	need data	need data	
Construction / Rehabilitation Costs (construction contract costs)				
Other Site Work	\$ -	need data	need data	
New Construction	\$ -	need data	need data	
Rehabilitation	\$ -	need data	need data	
General Requirements	\$ -	need data	need data	
Builder's Overhead	\$ -	need data	need data	
Builder Profit	\$ -	need data	need data	
Performance Bond Premium	\$ -	need data	need data	of construction costs
Construction Contingency	\$ -	need data	need data	
Other Construction / Rehabilitation Costs	\$ -	need data	need data	of construction costs
Architectural and Engineering Fees				
Architect Fee - Design	\$ -	need data	need data	of construction costs
Architect Fee - Construction Supervision	\$ -	need data	need data	of construction costs
Engineering Fees	\$ -	need data	need data	of construction costs
Other Architectural and Engineering Fees	\$ -	need data	need data	of construction costs
Other Owner Costs	\$ -	need data	need data	of construction costs
Project Consultant Fees	\$ -	need data	need data	
Legal and Organizational Expenses	\$ -	need data	need data	
Syndication Fees	\$ -	need data	need data	- of tax credit equity
Market Study	\$ -	need data	need data	
Survey	\$ -	need data	need data	
Appraisal Fees	\$ -	need data	need data	
Soil Boring/Environmental Survey/Lead-Based Paint Evaluation	\$ -	need data	need data	
Tap Fees and Impact Fees	\$ -	need data	need data	
Permitting Fees	\$ -	need data	need data	
Real Estate Attorney Fees	\$ -	need data	need data	
Construction Loan Legal Fees	\$ -	need data	need data	
Other Owner Costs	\$ -	need data	need data	
Interim Financing Costs				
Construction Insurance	\$ -	need data	need data	
Construction Interest (see below)	\$ -	need data	need data	
Construction Loan Origination Fee	\$ -	need data	need data	
Title and Recording Costs (for the construction loan)	\$ -	need data	need data	
Other Interim Financing Costs	\$ -	need data	need data	
Permanent Financing Fees and Expenses				
Credit Report	\$ -	need data	need data	
Permanent Loan Origination Fees (Points) (calculated separately)	\$ -	need data	need data	
Mortgage Broker Fees	\$ -	need data	need data	
Title and Recording Costs (for permanent financing)	\$ -	need data	need data	
Counselor's Fee	\$ -	need data	need data	
Lender's Counsel Fee	\$ -	need data	need data	
Other Permanent Financing Fees and Expenses	\$ -	need data	need data	
Developer's Fee	\$ -	need data	need data	of total development costs
Initial Project Reserves				
Initial Rent-Up Reserve	\$ -	need data	need data	of gross potential rents
Initial Operating Reserve	\$ -	need data	need data	of gross potential rents
Initial Replacement Reserve	\$ -	need data	need data	of gross potential rents
Other Initial Project Reserves Costs	\$ -	need data	need data	of gross potential rents
Tenant Relocation Costs	\$ -	need data	need data	
Project Administration and Management Costs (during construction only)				
Marketing/Management	\$ -	need data	need data	
Operating Expenses	\$ -	need data	need data	
Taxes	\$ -	need data	need data	
Insurance	\$ -	need data	need data	
Other Project Administration & Management Costs	\$ -	need data	need data	
Other Development Costs				
Other Development Cost 1	\$ -	need data	need data	
Other Development Cost 2	\$ -	need data	need data	
Other Development Cost 3	\$ -	need data	need data	
Other Development Cost 4	\$ -	need data	need data	
Other Development Cost 5	\$ -	need data	need data	
Other Development Cost 6	\$ -	need data	need data	

Construction Interest Calculation	
Construction Loan Amount	\$ -
Interest Rate	0.0%
Months of Construction	-
Average Outstanding Balance	0.0%
Construction Interest	\$ -
Total Development Costs (excluding points)*	\$ -

* Permanent loan origination fees (points) are calculated on the Financing Sources tab.

Upon completing this tab, proceed to the Operating Expenses tab.

Operating Expenses

Expense	Annual Cost	Monthly Cost	Additional Information
Management Expenses			
Management Fee	\$ -	\$ -	of monthly GPR
Management Administrative Payroll Costs	\$ -	\$ -	per unit per year
Legal Fees	\$ -	\$ -	per unit per year
Accounting / Audit Fees	\$ -	\$ -	per unit per year
Advertising / Marketing	\$ -	\$ -	per unit per year
Telephone	\$ -	\$ -	per unit per year
Office Supplies	\$ -	\$ -	per unit per year
Other Administrative Expenses	\$ -	\$ -	per unit per year
Other Management Expenses	\$ -	\$ -	per unit per year
Operations and Maintenance Expenses			
Security	\$ -	\$ -	per unit per year
Operations and Maintenance Administrative Payroll Costs	\$ -	\$ -	per unit per year
Elevator (if any)	\$ -	\$ -	per unit per year
Other Mechanical Equipment	\$ -	\$ -	per unit per year
Interior Painting	\$ -	\$ -	per unit per year
Routine Repairs and Supplies	\$ -	\$ -	per unit per year
Exterminating	\$ -	\$ -	per unit per year
Lawn and Landscaping	\$ -	\$ -	per unit per year
Garbage Removal	\$ -	\$ -	per unit per year
Snow Removal	\$ -	\$ -	per unit per year
Resident Service Cost	\$ -	\$ -	per unit per year
Other Maintenance Costs	\$ -	\$ -	per unit per year
Operations and Maintenance Expenses	\$ -	\$ -	per unit per year
Utilities Paid by the Property			
Electricity	\$ -	\$ -	per unit per year
Natural Gas, Oil, Other Fuel	\$ -	\$ -	per unit per year
Sewer and Water	\$ -	\$ -	per unit per year
Other Utilities Paid by the Property	\$ -	\$ -	per unit per year
Taxes / Insurance / Reserves / Other Expenses			
Real Estate Taxes	\$ -	\$ -	of EGI (Year 2)
Other Taxes and Licenses	\$ -	\$ -	of EGI (Year 2)
Property Insurance	\$ -	\$ -	per unit per year
Reserve for Replacement	\$ -	\$ -	per unit per year
Operating Reserve	\$ -	\$ -	per unit per year
Other Operating Expense 1	\$ -	\$ -	per unit per year
Other Operating Expense 2	\$ -	\$ -	per unit per year
Other Operating Expense 3	\$ -	\$ -	per unit per year
Other Operating Expense 4	\$ -	\$ -	per unit per year
Other Operating Expense 5	\$ -	\$ -	per unit per year
Other Operating Expense 6	\$ -	\$ -	per unit per year
TOTAL	\$ -	\$ -	of EGI (Year 2)
Operating Expense Increase per Year	0.0%		

Rent Increase per Year*

Rent Increase per Year	HOME Units	Market Rate Units	Affordable Units
	0%	0%	0%

* NOTE: Rent increase information is entered on the Rents and Income tab. The information is presented here to allow users to compare increases in rent to increases in operating expenses.

Tests of the Adequacy of Reserve for Replacement**

Average Capital Needs for Operations per Year	\$ -
Reserve for Replacement per Year	\$ -

Average Capital Needs Test: need data**\$720 per Unit, per Year Test: need data**

** NOTE: This information is presented for informational purposes only. If the reserve for replacement is insufficient to cover average annual capital needs or meet the \$720 per unit per year benchmark, increase contributions toward the reserve for replacement.

Additional Reserve for Replacement Funds (Years 1-5)***

Year 1	\$ -
Year 2	\$ -
Year 3	\$ -
Year 4	\$ -
Year 5	\$ -

*** Some properties may draw larger-than-average amounts from their reserve for replacement during the first few years of operations. If this will be the case for this project, enter the additional amounts you expect to withdraw from the reserve for replacement for Years 1-5.

Upon completing this tab, proceed to the *Financing Sources* tab.

Financing Sources

First Mortgage Characteristics

Minimum Debt Service Coverage	0.00
Maximum Loan to Value	0.0%
Points	0.0%
Interest Rate	0.0%
Loan Term (years)	0
First Mortgage Source (e.g., HOME, Private Lender)	Enter Source

For financing with complex or atypical payment schedules, enter information on the 'Custom Loans' tab.

Junior Loan Characteristics

Amortizing Second Mortgage	\$0
Amortizing Second Mortgage Source	Enter Source
Points	0.0%
Interest Rate	0.0%
Loan Term (years)	0

Deferred Payment Loan 1	\$0
Deferred Payment Loan 1 Source	Enter Source
Deferred Payment Loan 1 Interest Rate	0.0%
Deferred Payment Loan 1 Year of Pay-Out*	0

Deferred Payment Loan 2	\$0
Deferred Payment Loan 2 Source	Enter Source
Deferred Payment Loan 2 Interest Rate	0.0%
Deferred Payment Loan 2 Year of Pay-Out*	0

* Deferred loan years of payout should not occur after the project is sold.

Equity

Developer Investment	\$0
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Other Funding Sources

Tax Credit Equity	\$0
Grant or Donated Land 1	\$0
Grant or Donated Land 1 Source	Enter Source
Grant or Donated Land 2	\$0
Grant or Donated Land 2 Source	Enter Source
Other Financing (not amortized)	\$0
Other Financing Source	Enter Source

Project Characteristics

Years to Sale*	0
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* Years to Sale is used by the Template to determine the final year of the Pro-Forma.

Lender's Appraised Value for the Project	\$0
Capitalization Rate	0.0%
Value of Project at Sale**	\$0

** If Value of Project at Sale is left blank, the Template will use the Capitalization Rate to determine the project's value why

FIRST MORTGAGE CONSTRAINTS	Amount
Maximum Loan by Debt Service Coverage	\$0
Maximum Loan by Loan to Value	\$0
Amount of First Mortgage (lowest of above)	\$0

(Uses Year 2 NOI.)

(Based on Lender's Appraised Value for the Project.)

FUNDING SOURCES SUMMARY	Amount	Percent of Total Funding	Funding Source
First Mortgage	\$0	0%	Enter Source
Amortizing Second Mortgage	\$0	0%	Enter Source
Deferred Payment Loan 1	\$0	0%	Enter Source
Deferred Payment Loan 2	\$0	0%	Enter Source
Developer Investment	\$0	0%	Private
Tax Credit Equity	\$0	0%	Tax Credit
Grant or Donated Land 1	\$0	0%	Enter Source
Grant or Donated Land 2	\$0	0%	Enter Source
Other Financing (not amortized)	\$0	0%	Enter Source
Custom Loan 1***	\$0	0%	Enter Source
Custom Loan 2***	\$0	0%	Enter Source
Total	\$0		

*** For financing with complex or atypical payment schedules, enter information on the 'Custom Loans' tab.

Upon completing this tab, proceed to the Custom Loans tab.

Custom Loans

Custom Loan 1

Custom Loan 1 Name
Custom Loan 1 Source
Custom Loan 1 Amount

Custom Loan 1 Payment Schedule

Period	Year	Month	Day	Payment	Interest	Principal	Balance
1	2019	1	1	1000	100	900	9000
2	2019	2	1	1000	100	900	8100
3	2019	3	1	1000	100	900	7200
4	2019	4	1	1000	100	900	6300
5	2019	5	1	1000	100	900	5400
6	2019	6	1	1000	100	900	4500
7	2019	7	1	1000	100	900	3600
8	2019	8	1	1000	100	900	2700
9	2019	9	1	1000	100	900	1800
10	2019	10	1	1000	100	900	900
11	2019	11	1	1000	100	900	0
12	2019	12	1	1000	100	900	0

Custom Loan 2

Custom Loan 2 Name
Custom Loan 2 Source
Custom Loan 2 Amount

Custom Loan 2 Payment Schedule*

Period	Year	Month	Day	Payment	Interest	Principal	Balance
1	2020	1	1	1000	100	900	9000
2	2020	2	1	1000	100	900	8100
3	2020	3	1	1000	100	900	7200
4	2020	4	1	1000	100	900	6300
5	2020	5	1	1000	100	900	5400
6	2020	6	1	1000	100	900	4500
7	2020	7	1	1000	100	900	3600
8	2020	8	1	1000	100	900	2700
9	2020	9	1	1000	100	900	1800
10	2020	10	1	1000	100	900	900
11	2020	11	1	1000	100	900	0
12	2020	12	1	1000	100	900	0

* Enter payments as positive numbers. Payor

Upon completing this tab, proceed to the Operating Pro-Forma tab.

Custom Loans

Custom Loan 1

Custom Loan 1 Name
Custom Loan 1 Source
Custom Loan 1 Amount

Custom Loan 1 Payment Schedule
Project Year
Payments on Custom Loan 1**
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Custom Loan 2

Custom Loan 2 Name
Custom Loan 2 Source
Custom Loan 2 Amount

Custom Loan 2 Payment Schedule*
Project Year
Payments on Custom Loan 2**
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** Enter payments as positive numbers. Paymer

Upon completing this tab, proceed to the
Operating Pro-forma tab.

Operating Pro-Forma

This tab contains calculations based on data entered on previous tabs and does not contain data entry cells.

PROJECT TIMELINE											
Project Year	0	1	2	3	4	5	6	7	8	9	10
Gross Potential Rent (GPR) Projections											
HOME Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Other" Affordable Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income (EGI) Projections											
Vacancy Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense and Net Operating Income (NOI) Projections											
Management Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations and Maintenance Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities Paid by Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Operating Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service											
First Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow (After Debt Service)											
Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Return on Equity											
Cash on Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NOTE: Value equals \$0 if Income is negative.											
IRR (Year 1 through sale of project)											
IRR (Year 1 through sale of project)											
Debt at Year End											
First Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Upon completing review of this tab, proceed to the Gap Analysis tab.

Operating Pro-Forma

PROJECT TIMELINE											
PROJECTIONS											
Gross Potential Rent (GPR) Projections											
HOME Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Other" Affordable Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income (EGI) Projection											
Vacancy Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense and Net Operating Income (NOI)											
Management Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations and Maintenance Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities Paid by Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Operating Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service											
First Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow (After Debt Service)											
Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Return on Equity											
Cash on Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NOTE: Value equals \$0 if income is negative.											
Debt at Year End											
First Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Upon completing review of this tab, proceed to the Gap Analysis tab.

Operating Pro-Forma

PROJECT TIMELINE											
PROJECTIONS	18	19	20	21	22	23	24	25	26	27	28
Gross Potential Rent (GPR) Projections											
HOME Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Market Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Other" Affordable Rents	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gross Potential Rent	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income (EGI) Projection											
Vacancy Loss	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Expense and Net Operating Income (NOI)											
Management Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operations and Maintenance Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Utilities Paid by Property	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Additional Reserve for Replacement	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Operating Income	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Debt Service											
First Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 1 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment 2 Loan Payoff	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 1 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Custom Loan 2 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow (After Debt Service)											
Cash Flow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Proceeds from Property Sale	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Return	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Return on Equity											
Cash on Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Project Value based on Capitalization Rate	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NOTE: Value equals \$0 if income is negative.											
Debt at Year End											
First Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Mortgage Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 1 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Deferred Payment Loan 2 Remaining	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Upon completing review of this tab, proceed to the Gap Analysis tab.

Operating Pro-Forma

PROJECT TIMELINE	
Project Year 1	2020

Gross Potential Rent (GPR) Projections	
HOME Rents	\$0
Market Rents	\$0
"Other" Affordable Rents	\$0
Gross Potential Rent	\$0

Effective Gross Income (EGI) Projection	
Vacancy Loss	\$0
Other Revenue	\$0
Effective Gross Income	\$0

Expense and Net Operating Income (NOI)	
Management Expenses	\$0
Operations and Maintenance Expenses	\$0
Utilities Paid by Property	\$0
Taxes/Insurance/Reserves/Other Expenses	\$0
Additional Reserve for Replacement	\$0
Total Expenses	\$0
Net Operating Income	\$0

Debt Service	
First Mortgage Debt Service	\$0
Second Mortgage Debt Service	\$0
Deferred Payment 1 Loan Payoff	\$0
Deferred Payment 2 Loan Payoff	\$0
Custom Loan 1 Debt Service	\$0
Custom Loan 2 Debt Service	\$0

Cash Flow (After Debt Service)	
Cash Flow	\$0
Proceeds from Property Sale	\$0
Net Cash Return	\$0

Developer Return on Equity	
Cash on Cash	0.00%
Project Value based on Capitalization Rate	\$0
NOTE: Value equals \$0 if income is negative.	

Debt at Year End	
First Mortgage Remaining	\$0
Second Mortgage Remaining	\$0
Deferred Payment Loan 1 Remaining	\$0
Deferred Payment Loan 2 Remaining	\$0

Upon completion review of this tab, proceed to the Gap Analysis tab.

Gap Analysis

This tab contains calculations based on data entered on previous tabs and does not contain data entry cells.

FUNDING SOURCES SUMMARY	Amount	Funding Source
First Mortgage	\$ -	Enter Source
Amortizing Second Mortgage	\$ -	Enter Source
Deferred Payment Loan 1	\$ -	Enter Source
Deferred Payment Loan 2	\$ -	Enter Source
Developer Investment	\$ -	Private
Tax Credit Equity	\$ -	Tax Credit
Grant or Donated Land 1	\$ -	Enter Source
Grant or Donated Land 2	\$ -	Enter Source
Other financing (not amortized)	\$ -	Enter Source
Custom Loan 1	\$ -	Enter Source
Custom Loan 2	\$ -	Enter Source
Total	\$ -	

DEVELOPMENT USES SUMMARY	Amount
Acquisition Costs	\$ -
Site Work Costs	\$ -
Construction / Rehabilitation Costs	\$ -
Architectural and Engineering Fees	\$ -
Other Owner Costs	\$ -
Interim Financing Costs	\$ -
Permanent Financing Fees and Expenses	\$ -
Developer's Fee	\$ -
Initial Project Reserves	\$ -
Tenant Relocation Costs	\$ -
Project Administration and Management Costs	\$ -
Other Development Costs	\$ -
Total	\$ -

GAP IN FINANCING	\$ -
-------------------------	------

* Positive values indicate inadequate financing. Negative Values for the Gap in Financing indicate that the project is oversubsidized using HOME funds and should reallocate financing, accordingly.

Upon completing this tab, proceed to the *Summary* tab.

PROJECT SUMMARY

Project Name:	Your Project
Address:	Your Project Address
Developer:	Your Developer
Date of Analysis:	01/01/04
City:	Your City
State:	Your State
Development Type:	Your Development Type

DEVELOPMENT SOURCES SUMMARY

Funding Sources	Amount	Funding Source	Percent of Total Funding
First Mortgage	\$ -	Enter Source	0%
Amortizing Second Mortgage	\$ -	Enter Source	0%
Deferred Payment Loan 1	\$ -	Enter Source	0%
Deferred Payment Loan 2	\$ -	Enter Source	0%
Developer Investment	\$ -	Private	0%
Tax Credit Equity	\$ -	Tax Credit	0%
Grant or Donated Land 1	\$ -	Enter Source	0%
Grant or Donated Land 2	\$ -	Enter Source	0%
Other Financing (not amortized)	\$ -	Enter Source	0%
Custom Loan 1	\$ -	Enter Source	0%
Custom Loan 2	\$ -	Enter Source	0%
Total	\$ -		

Total Development Costs \$ -

DEVELOPMENT USES SUMMARY

Development Uses	Amount	Percent of Total Funding
Acquisition Costs	\$ -	0%
Site Work Costs	\$ -	0%
Construction / Rehabilitation Costs	\$ -	0%
Architectural and Engineering Fees	\$ -	0%
Other Owner Costs	\$ -	0%
Interim Financing Costs	\$ -	0%
Permanent Financing Fees and Expenses	\$ -	0%
Developer's Fee	\$ -	0%
Initial Project Reserves	\$ -	0%
Tenant Relocation Costs	\$ -	0%
Project Administration and Management Costs	\$ -	0%
Other Development Costs	\$ -	0%
Total	\$ -	0%

UNIT SUMMARY

Unit Type	Number of Units	Unit Rent (Yearly without vacancy)
High HOME Units	-	\$ -
Low HOME Units	-	\$ -
Market Rate Units	-	\$ -
"Other" Affordable Units	-	\$ -
Total	-	\$ -

OPERATIONS SUMMARY

Project Income	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 15	Year 20	Year 25	Year 30
HOME Rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Market Rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
"Other" Affordable Rents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Gross Potential Rent	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vacancy Loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Effective Gross Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Operating Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Flow (After Debt Service)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

RETURNS SUMMARY

Developer Returns on Equity	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 15	Year 20	Year 25	Year 30
Cash on Cash	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
IRR (Year 1 through sale of project)	no investment														

Attachment # 28

Changes to the HOME Program



U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of:

Notice: CPD 12-007

All State/Area Coordinators
Regional Directors for CPD
CPD Division Directors
All HOME Coordinators
All HOME Participating Jurisdictions

Issued: 5/8/2012
Expires: 5/8/2013

Cross References:

Subject: Operating Guidance for Implementing FY 2012 HOME Appropriation Requirements

Contents

I. BACKGROUND.....	2
II. IMPLEMENTATION OF FY2012 HOME APPROPRIATION LAW	3
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2) Assessment of Project Underwriting, Developer Capacity, and Market Need.....	4
3) Conversion of Homebuyer Units to Rental Units.....	6
4) CHDO Development Capacity	7

I. BACKGROUND

The *Consolidated and Further Continuing Appropriations Act of 2012* (P.L. 112-55) imposed new requirements on projects that receive FY 2012 funds from the HOME Investment Partnerships Program (HOME). The purpose of these requirements is to improve project and developer selection by participating jurisdictions (PJs) and ensure that there is adequate market demand for FY 2012 HOME projects.

The law requires that:

- 1) PJs must repay any HOME funds invested in projects that are not completed within four years of the commitment date, as determined by a signature of each party to the written agreement. HUD may grant a one year extension upon determination that the failure to complete the project is beyond the control of the PJ.
- 2) PJs may only commit FY 2012 HOME funds to a project after it has underwritten the project, assessed the developer capacity and fiscal soundness of the developer being funded, and examined the neighborhood market conditions to ensure that there is an adequate need for the HOME project. The PJ must certify, at the time HOME funds are committed, that these actions have been taken for each project.
- 3) PJs must convert any FY 2012 HOME homeownership unit that has not been sold to an eligible homebuyer within six months of construction completion to a HOME-assisted rental unit.
- 4) PJs may only provide FY 2012 HOME funds for development activities to Community Housing Development Organizations (CHDOs) that have demonstrated that they have staff with demonstrated development experience.

HUD has incorporated these requirements as special conditions attached to the FY 2012 Funding Agreement (HUD Form 40093). A copy of the conditions is included in Attachment A.

These requirements are applicable to all projects that receive FY 2012 HOME funds, including all 2012 CHDO set-aside funds. For the purposes of this Notice, a ***FY 2012 HOME-funded project*** is defined as any HOME activity set up in Integrated Disbursement and Information System (IDIS) under a 2012 Consolidated Plan/Annual Action Plan Project. A Consolidated Plan/Annual Action Plan Project may consist of one or more HOME projects set up as HOME activities in IDIS. HOME projects are set up in IDIS as HOME activities.

This Notice explains how these new requirements apply to PJs' FY 2012 HOME projects, how PJs must comply with the requirements, and how HUD will determine PJ compliance with these requirements using data entered into IDIS. Please note that these requirements are separate from changes published in the December 16, 2011 HOME proposed rule. Although there are similarities between the law and proposed regulatory changes, the *Consolidated and Further Continuing Appropriations Act of 2012* requires HUD to immediately implement these

requirements on all FY-2012 HOME-funded activities.

II. IMPLEMENTATION OF FY2012 HOME APPROPRIATION LAW

1) Four-Year Project Completion

Requirement: FY 2012 HOME funds used for projects not completed within four years of the commitment date, as determined by a signature of each party to the written agreement, must be repaid to the HOME Investment Trust Fund. HUD may grant a one-year extension if it determines that the circumstances that led to the failure to complete the project by the deadline were beyond the PJ's control.

For the purpose of complying with this requirement, *completion* shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. For owner-occupied rehabilitation projects, completion means that all rehabilitation work has been completed, the PJ or its designee has performed a final inspection, and the homeowner has accepted the work, as indicated by a final sign-off.

Applicability to HOME Projects: This requirement is applicable to all HOME activities set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan, regardless of the grant year from which the funds are disbursed.

HUD Implementation: Using IDIS data, HUD will generate monthly, PJ-specific reports that will assist PJs in identifying any HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects that may fail to reach the four-year completion deadline. The reports will use an activity's initial IDIS funding date to identify HOME projects that may be approaching the four-year deadline and are not yet complete. For the purpose of tracking compliance with this requirement, the IDIS initial funding date is an adequate approximation of the commitment date of each HOME project. Since the *Consolidated and Furthering Appropriations Act of 2012* ties this requirement to the date a written agreement is executed, PJs should establish their own tracking process and use this report to assist in identifying possible incomplete projects.

Should a PJ request a one-year extension to the four-year deadline, HUD will require the PJ to submit the written agreement for the project to establish the date that the written agreement was executed by the parties. If granted, the one-year extension will be based on the date the agreement was executed. For example, if an activity's initial funding date in IDIS is two months after the execution date of the written agreement, HUD will use the date of the written agreement as the official project start date, and will only grant the PJ an additional 10 months to complete the project.

HUD will post the reports on the HOME Reports website:
(<http://www.hud.gov/offices/cpd/affordablehousing/reports/>).

PJ Compliance: PJs should evaluate the readiness of each project before setting it up in IDIS as a HOME activity under a 2012 Consolidated Plan/Annual Action Plan Project to ensure compliance with the four-year completion requirement. PJs should establish a process to track a project's four-year completion deadline based on the date of the executed written agreement. Reviewing the reports HUD posts each month on the HOME Reports website will also assist in determining when PJs may need to take action. HUD may grant a one-year extension of the completion deadline to HOME projects that have not progressed due to circumstances beyond the PJ's control. The PJ must submit the extension request to its local HUD Field Office at least 90 days before the project's four-year deadline. All extension requests must include the following:

- Documentation supporting the PJ's claim that the project will not be completed by the four-year deadline due to circumstances beyond the PJ's control.
- A signed and dated copy of the written agreement committing funds to the project.
- A detailed project completion schedule, with milestones, that will ensure the project is completed within one year or less.
- Proof that adequate financing has been secured to ensure project completion.

2) **Assessment of Project Underwriting, Developer Capacity, and Market Need**

Requirement: Before entering into a legally binding written agreement to provide HOME funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, a PJ must:

- Underwrite the project or evaluate the underwriting of another funder;
- Assess the development capacity and fiscal soundness of the developer; and
- Examine neighborhood market conditions to ensure adequate need for each project.

Applicability to PJ Activities: This requirement applies to all HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects, and must be completed before entering into a legally binding written agreement to provide HOME funds.

HUD Implementation: When committing funds to a HOME activity set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project, the PJ must certify in IDIS that it has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for the project. This certification (see bullet (iv) below) is included as part of a broader certification required for all HOME activities in IDIS.

Since the Project Underwriting, Developer Capacity, and Market Need certification (bullet (iv)) is included with other certifications required for all HOME activities, it will appear in IDIS regardless of whether the project involves development activities that

necessitate project underwriting, assessing developer capacity and financial soundness, and an examination of neighborhood market conditions. This certification will also appear for IDIS activities not identified as HOME FY 2012 Action Plan projects.

Certification (iv) below is not applicable to an activity that does not involve development activities that necessitate project underwriting, assessing developer capacity and financial soundness, and an examination of neighborhood market conditions (e.g., this certification is not applicable to tenant based rental assistance, homeowner rehabilitation, CHDO operating expenses), or if the PJ is committing HOME funds to an activity not set up in IDIS under a 2012 Consolidated Plan/Annual Action Plan Project. However, the remaining sections of the certification (i.e., (i), (ii), (iii), and (v)) are applicable to all HOME IDIS activities.

HOME Activity Funding Certification

By requesting the disbursement of Federal funds, the representative of the Participating Jurisdiction using this system certifies that he/she is authorized to execute the certifications set forth herein, and, on behalf of the Participating Jurisdiction, further certifies that, in accordance with the requirements in 24 CFR Part 92:

- (i) the Participating Jurisdiction has fully executed a written agreement that meets the requirements of the regulations applicable to the IDIS activity for which the funds are to be used;
- (ii) the IDIS activity for which the funds are to be used meets the definition of a commitment and the requirements of the definition of a commitment pursuant to the regulations applicable to the IDIS activity;
- (iii) the Participating Jurisdiction has not drawn and will not draw funds for the IDIS activity unless it has fully executed a written agreement committing the funds;
- (iv) *for HOME projects identified as 2012 Action Plan activities in IDIS, if the activity involves acquisition, construction, or rehabilitation of rental or homebuyer projects, including downpayment assistance, the Participating Jurisdiction has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for the project for which these funds are to be used; and*
- (v) All of the statements and claims made herein are true and correct. Pursuant to 18 USC § 1001, 31 USC § 3729, et seq., and 24 CFR Part 28, false or fraudulent statements or claims are subject to up to 5 years imprisonment and civil penalties up to \$10,000 plus up to 3 times the amount of damages sustained by the Government for each fraudulent act committed.

While bullet (iv) of the certification, which HUD will implement in April 2012, will only be required for HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects, HUD has proposed a similar requirement in the recently published HOME proposed rule. If that provision is made effective in a HOME final rule,

certification (iv) will apply to all HOME activities funded from all allocations in the future, not just HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects.

PJ Compliance: PJs must develop and implement written policies and procedures for underwriting projects, evaluating the development and fiscal capacity of developers, and ensuring that there is adequate need for projects based on neighborhood market conditions. PJs may procure the services of a third party to undertake these evaluations. However, the PJ is ultimately responsible for the day-to-day management and oversight of its HOME program in accordance with §92.504(a). Consequently, the PJ must ensure that individuals responsible for entering data in IDIS have the appropriate documentation or written approval from the appropriate staff responsible for compliance to confirm that these reviews have been conducted. The IDIS certification will require the PJ to enter the name of the person responsible for ensuring compliance with these requirements. PJs should be aware that false or fraudulent statements or claims made in IDIS in regard to the PJ's certification that these assessments have been conducted are subject to criminal or civil penalties.

3) **Conversion of Homebuyer Units to Rental Units**

Requirement: Any FY 2012 HOME homebuyer units that have not been sold to an eligible homebuyer within six months of completion must be converted to a HOME rental unit that complies with all HOME requirements for the period of affordability applicable to such rental units.

Applicability to PJ Activities: This requirement is applicable to all HOME activities set up in IDIS under 2012 Consolidated Plan/Annual Action Plan Projects.

HUD Implementation: HUD will consider a homebuyer unit "sold" if the PJ has a ratified sales contract for the unit within six months of completing project construction. For the purpose of complying with this requirement, ***completing project construction*** shall mean that all necessary construction work has been completed and the project has received a certificate of occupancy or other local certification indicating that construction or rehabilitation has been completed and the project is ready for occupancy. (Using IDIS data, HUD will identify HOME homebuyer activities set up under 2012 Consolidated Plan/Annual Action Plan Projects in IDIS that are in final draw and those HOME homebuyer activities with more than 90 percent of the HOME funds drawn yet no draws in the past six months. Reports identifying these activities will be posted monthly on the HOME Reports website (<http://www.hud.gov/offices/cpd/affordablehousing/reports/>). The FY 2012 HOME appropriation language does not provide HUD with the authority to waive or otherwise make exceptions to this requirement.

PJ Compliance: PJs must monitor all HOME homebuyer activities set up under 2012 Consolidated Plan/Annual Action Plan Projects in IDIS to ensure that there is a ratified contract for sale within six months of completing construction. Units in HOME homebuyer projects that do not have a ratified contract for sale within six months of

construction completion must be converted to HOME rental units and operated in compliance with all applicable rules. Accordingly, HUD recommends that PJs develop or modify existing policies and procedures that take this possibility into account, and identify potential partners in the community with the capacity to manage rental units if this conversion becomes necessary.

4) **CHDO Development Capacity**

Requirement: PJs may not reserve FY 2012 HOME funds to a CHDO for development activities unless the PJ has determined that the CHDO has staff with demonstrated development experience. The PJ must ensure that the current CHDO staff has experience developing projects of the same size, scope and level of complexity as the activities for which HOME funds are being reserved or committed.

Applicability to PJ Activities: This requirement applies to all reservations and commitments of CHDO set-aside funds made from a PJ's FY 2012 HOME allocation in which the CHDO is acting as the developer.

HUD Implementation: Any time a PJ subgrants HOME funds from its 2012 CHDO set-aside (CR) subfund to a CHDO for a project, the PJ must certify in IDIS that it has carefully evaluated the development capacity of the CHDO staff, and has determined that the CHDO staff has the knowledge, skills, and experience necessary to undertake eligible CHDO set-aside projects.

HOME CHDO Reservation Certification

By reserving these Federal funds, the representative of the Participating Jurisdiction using this system certifies that he/she is authorized to execute the certification, and, on behalf of the Participating Jurisdiction, further certifies that, in accordance with the requirements in Public Law 112-55:

For 2012 CHDO set-aside funds that will be committed to a CHDO project, these funds are being reserved for development activities that are to be carried out by the designated community housing development organization and the organization has demonstrated that it has staff with demonstrated development experience.

PJ Compliance: PJs must develop and implement written policies and procedures for assessing CHDO staff capacity, and ensure that adequate documentation of the assessment is included in the appropriate files. HUD defines CHDO staff as paid employees who are responsible for the day-to-day operations of the CHDO. Staff does not include volunteers, board members, or consultants.

The PJ must ensure that individuals responsible for entering data in IDIS have the appropriate documentation or written approval from the staff responsible for compliance

to confirm that a CHDO has demonstrated development experience. The IDIS certification will require the PJ to enter the name of the person responsible for ensuring compliance with this requirement. PJs should be aware that false or fraudulent statements or claims made in IDIS in regard to the PJ's certification that this assessment has been conducted are subject to criminal or civil penalties.

HUD will issue supplemental guidance with respect to these requirements as necessary, as well as specific instructions for implementing these requirements in IDIS. Any questions on this guidance should be addressed to the local HUD Field Office.

Attachment A

**Funding Approval and HOME
Investment Partnerships Agreement**
Title II of the National Affordable Housing Act

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(Exp. 12/31/2012)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

1. Participant Name and Address		2. Participant Number	
		3. Tax Identification Number	4. DUNS Number
		4. Appropriation Number	5. FY (yyyy)
6. Previous Obligation (Enter "0" for initial FY allocation)			\$
a. Formula Funds			\$
b. Community Housing Development Org. (CHDO) Competitive			\$
7. Current Transaction (+ or -)			\$
a. Formula Funds			\$
1. CHDO (For deobligations only)			\$
2. Non- CHDO (For deobligations only)			\$
b. CHDO Competitive Reallocation or Deobligation (see #18 below)			\$
8. Revised Obligation			\$
a. Formula Funds			\$
b. CHDO Competitive Reallocation			\$
9. Special Conditions (check applicable box)		10. Date of Obligation (Congressional Release Date)	
<input type="checkbox"/> Not applicable <input checked="" type="checkbox"/> Attached		(m/d/yyyy)	

This Agreement between the Department of Housing and Urban Development (HUD) and the Participating Jurisdiction/Entity is made pursuant to the authority of the HOME Investment Partnerships Act (42 U.S.C. 12701 et seq.). The Participating Jurisdiction's /Entity's approved Consolidated Plan submission/Application and the HUD regulations at 24 CFR Part 92 (as is now in effect and as may be amended from time to time) and this HOME Investment Partnership Agreement, form HUD-40093, including any special conditions, constitute part of this Agreement. Subject to the provisions of this Agreement, HUD will make the funds for the Fiscal Year specified, available to the Participating Jurisdiction/Entity upon execution of this Agreement by the parties. All funds for the specified Fiscal Year provided by HUD by formula reallocation are covered by this Agreement upon execution of an amendment by HUD, without the Participating Jurisdiction's execution of the amendment or other consent. HUD's payment of funds under this Agreement is subject to the Participating Jurisdiction's/Entity's compliance with HUD's electronic funds transfer and information reporting procedures issued pursuant to 24 CFR 92.502. To the extent authorized by HUD regulations at 24 CFR Part 92, HUD may, by its execution of an amendment, deobligate funds previously awarded to the Participating Jurisdiction/Entity without the Participating Jurisdiction's/Entity's execution of the amendment or other consent. The Participating Jurisdiction/Entity agrees that funds invested in affordable housing under 24 CFR Part 92 are repayable when the housing no longer qualifies as affordable housing. Repayment shall be made as specified in 24 CFR Part 92. The Participating Jurisdiction agrees to assume all of the responsibility for environmental review, decision making, and actions, as specified and required in regulation at 24 CFR 92.352 and 24 CFR Part 58.

The Grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning the Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to Part 25 of the Financial Assistance Use of Universal Identifier and Central Contractor Registration, 75 Fed. Reg. 55671 (Sept. 14, 2010) (to be codified at 2 CFR part 25) and Appendix A to Part 170 of the Requirements for Federal Funding Accountability and Transparency Act Implementation, 75 Fed. Reg. 55663 (Sept. 14, 2010) (to be codified at 2 CFR part 170).

11. For the U.S. Department of HUD (Name and Title of Authorized Official)	12. Signature	13. Date / /
14. For the Participating Jurisdiction/Entity (Name and Title of Authorized Official)	15. Signature	16. Date / /

17. Check one:

☐ Initial Agreement

☐ Amendment # _____

18. Funding Information: HOME

Source of Funds	Appropriation Code	PAS Code	Amount
			\$
			\$
			\$

***Special Conditions**

HOME funds used for projects not completed within 4 years of the commitment date, as determined by a signature of each party to the agreement shall be repaid, except that the Secretary may extend the deadline for 1 year if the Secretary determines that the failure to complete the project is beyond the control of the participating jurisdiction.

No HOME funds may be committed to any project unless each participating jurisdiction certifies that it has conducted an underwriting review, assessed developer capacity and fiscal soundness, and examined neighborhood market conditions to ensure adequate need for each project.

Any homeownership units funded with HOME funds which cannot be sold to an eligible homeowner within 6 months of project completion shall be rented to an eligible tenant.

No HOME funds may be awarded for development activities to a community housing development organization that cannot demonstrate that it has staff with demonstrated development experience.

Attachment # 29

Overview of the Lead Safe Housing Rule

HUD > Program Offices > Community Planning and Development > Affordable Housing > HOME Training > HOME Front - Interactive Technical Support for the HOME Program > Lead Safe Housing Rule > Overview of the Lead Safe Housing Rule

Overview of the Lead Safe Housing Rule

HUD issued the Lead Safe Housing Rule to protect young children from lead-based paint hazards. This regulation establishes requirements for the evaluation and reduction of lead hazards in all Federally-owned or assisted housing that was built prior to 1978. It specifies different requirements for different housing activities and exempts units that meet certain criteria.

The Lead Safe Housing Rule puts all of the Department's lead-based paint regulations within **Title 24 of the Code of Federal Regulations as Part 35**. The Lead Safe Housing Rule was issued in response to Title X of the Housing and Community development Act of 1992. Section 1012 and 1013 of Title X amended the Lead-Based Paint Poisoning Reduction Act of 1971.

After completing this topic, you will be able to:

- Describe the Lead Safe Housing Rule, its origins and its organization.
- Identify properties that are exempt from the Lead Safe Housing Rule.
- Explain the recordkeeping requirements associated with the Lead Safe Housing Rule and consequences of non-compliance.

This topic will cover the following subjects:

- **History of Lead-Based Paint Legislation**
- **Property Exemptions**
- **Record-keeping and Compliance**
- **The Organization of the Statute and Regulation**

In This Section

Overview of the Lead Safe Housing Rule

**History of Lead-Based
Paint Legislation**

Property Exemptions

**Record-Keeping and
Compliance**

**The Organization of the
Statute and Regulation**

Attachment # 30

24 CFR Part 35 – HUD

Lead Based Paint

Poison Prevention

Title 24: Housing and Urban Development

PART 35—LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES

Section Contents

Subpart A—Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property

- § 35.80 Purpose.
- § 35.82 Scope and applicability.
- § 35.84 Effective dates.
- § 35.86 Definitions.
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- § 35.200 Purpose and applicability.
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- § 35.500 Purpose and applicability.
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§ 35.600 Purpose and applicability.
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§ 35.615 Notices and pamphlet.
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§ 35.705 Definitions and other general requirements.
§ 35.710 Notices and pamphlet.
§ 35.715 Multifamily properties receiving more than \$5,000 per unit.
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§ 35.1000 Purpose and applicability.
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§ 35.1100 Purpose and applicability.
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Subpart M—Tenant-Based Rental Assistance

§ 35.1200 Purpose and applicability.
§ 35.1205 Definitions and other general requirements.
§ 35.1210 Notices and pamphlet.
§ 35.1215 Activities at initial and periodic inspection.
§ 35.1220 Ongoing lead-based paint maintenance activities.
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Subpart R—Methods and Standards for Lead-Paint Hazard Evaluation and Hazard Reduction Activities

§ 35.1300 Purpose and applicability.
§ 35.1305 Definitions and other general requirements.
§ 35.1310 References.
§ 35.1315 Collection and laboratory analysis of samples.
§ 35.1320 Lead-based paint inspections, paint testing, risk assessments, lead-hazard screens, and reevaluations.
§ 35.1325 Abatement.
§ 35.1330 Interim controls.
§ 35.1335 Standard treatments.
§ 35.1340 Clearance.
§ 35.1345 Occupant protection and worksite preparation.
§ 35.1350 Safe work practices.
§ 35.1355 Ongoing lead-based paint maintenance and reevaluation activities.

Authority: 42 U.S.C. 3535(d), 4821, and 4851.

Subpart A—Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property

Source: 61 FR 9082, Mar. 6, 1996, unless otherwise noted. Redesignated at 64 FR 50201, Sept. 15, 1999.

§ 35.80 Purpose.

This subpart implements the provisions of 42 U.S.C. 4852d, which impose certain requirements on the sale or lease of target housing. Under this subpart, a seller or lessor of target housing shall disclose to the purchaser or lessee the presence of any known lead-based paint and/or lead-based paint hazards; provide available records and reports; provide the purchaser or lessee with a lead hazard information pamphlet; give purchasers a 10-day opportunity to conduct a risk assessment or inspection; and attach specific disclosure and warning language to the sales or leasing contract before the purchaser or lessee is obligated under a contract to purchase or lease target housing.

§ 35.82 Scope and applicability.

This subpart applies to all transactions to sell or lease target housing, including subleases, with the exception of the following:

- (a) Sales of target housing at foreclosure.
- (b) Leases of target housing that have been found to be lead-based paint free by an inspector certified under the Federal certification program or under a federally accredited State or tribal certification program. Until a Federal certification program or federally accredited State certification program is in place within the State, inspectors shall be considered qualified to conduct an inspection for this purpose if they have received certification under any existing State or tribal inspector certification program. The lessor has the option of using the results of additional test(s) by a certified inspector to confirm or refute a prior finding.
- (c) Short-term leases of 100 days or less, where no lease renewal or extension can occur.
- (d) Renewals of existing leases in target housing in which the lessor has previously disclosed all information required under §35.88 and where no new information described in §35.88 has come into the possession of the lessor. For the purposes of this paragraph, renewal shall include both renegotiation of existing lease terms and/or ratification of a new lease.

§ 35.84 Effective dates.

The requirements in this subpart take effect in the following manner:

- (a) For owners of more than four residential dwellings, the requirements shall take effect on September 6, 1996.
- (b) For owners of one to four residential dwellings, the requirements shall take effect on December 6, 1996.

§ 35.86 Definitions.

The following definitions apply to this subpart.

The Act means the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4852d.

Agent means any party who enters into a contract with a seller or lessor, including any party who enters into a contract with a representative of the seller or lessor, for the purpose of selling or leasing target housing. This term does not apply to purchasers or any purchaser's representative who receives all compensation from the purchaser.

Available means in the possession of or reasonably obtainable by the seller or lessor at the time of the disclosure.

Common area means a portion of a building generally accessible to all residents/users including, but not limited to, hallways, stairways, laundry and recreational rooms, playgrounds, community centers, and boundary fences.

Contract for the purchase and sale of residential real property means any contract or agreement in which one party agrees to purchase an interest in real property on which there is situated one or more residential dwellings used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons.

EPA means the Environmental Protection Agency.

Evaluation means a risk assessment and/or inspection.

Foreclosure means any of the various methods, statutory or otherwise, known in different jurisdictions, of enforcing payment of a debt, by the taking and selling of real property.

Housing for the elderly means retirement communities or similar types of housing reserved for households composed of one or more persons 62 years of age or more at the time of initial occupancy.

Inspection means:

- (1) A surface-by-surface investigation to determine the presence of lead-based paint as provided in section 302(c) of the Lead-Based Paint Poisoning and Prevention Act [42 U.S.C. 4822], and
- (2) The provision of a report explaining the results of the investigation.

Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

Lead-based paint free housing means target housing that has been found to be free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces,

friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

Lessee means any entity that enters into an agreement to lease, rent, or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Lessor means any entity that offers target housing for lease, rent, or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Owner means any entity that has legal title to target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations, except where a mortgagee holds legal title to property serving as collateral for a mortgage loan, in which case the owner would be the mortgagor.

Purchaser means an entity that enters into an agreement to purchase an interest in target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls and abatement.

Residential dwelling means:

- (1) A single-family dwelling, including attached structures such as porches and stoops; or
- (2) A single-family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the residence of one or more persons.

Risk assessment means an on-site investigation to determine and report the existence, nature, severity, and location of lead-based paint hazards in residential dwellings, including:

- (1) Information gathering regarding the age and history of the housing and occupancy by children under age 6;
- (2) Visual inspection;
- (3) Limited wipe sampling or other environmental sampling techniques;
- (4) Other activity as may be appropriate; and
- (5) Provision of a report explaining the results of the investigation.

Seller means any entity that transfers legal title to target housing, in whole or in part, in return for consideration, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations. The term "seller" also includes:

- (1) An entity that transfers shares in a cooperatively owned project, in return for consideration; and
- (2) An entity that transfers its interest in a leasehold, in jurisdictions or circumstances where it is legally permissible to separate the fee title from the title to the improvement, in return for consideration.

Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

TSCA means the Toxic Substances Control Act, 15 U.S.C. 2601.

0-bedroom dwelling means any residential dwelling in which the living area is not separated from the sleeping area. The term includes efficiencies, studio apartments, dormitory housing, military barracks, and rentals of individual rooms in residential dwellings.

§ 35.88 Disclosure requirements for sellers and lessors.

(a) The following activities shall be completed before the purchaser or lessee is obligated under any contract to purchase or lease target housing that is not otherwise an exempt transaction pursuant to §35.82. Nothing in this section implies a positive obligation on the seller or lessor to conduct any evaluation or reduction activities.

(1) The seller or lessor shall provide the purchaser or lessee with an EPA-approved lead hazard information pamphlet. Such pamphlets include the EPA document entitled *Protect Your Family From Lead in Your Home* (EPA -747-K-94-001) or an equivalent pamphlet that has been approved for use in that State by EPA.

(2) The seller or lessor shall disclose to the purchaser or lessee the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being sold or leased. The seller or lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) The seller or lessor shall disclose to each agent the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being sold or leased and the existence of any available records or reports pertaining to lead-based paint and/or lead-based paint hazards. The seller or lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(4) The seller or lessor shall provide the purchaser or lessee with any records or reports available to the seller or lessor pertaining to lead-based paint and/or lead-based paint hazards in the target housing being sold or leased. This requirement includes records and reports regarding common areas. This requirement also includes records and reports regarding other residential dwellings in multifamily target housing, provided that such information is part of an evaluation or reduction of lead-based paint and/or lead-based paint hazards in the target housing as a whole.

(b) If any of the disclosure activities identified in paragraph (a) of this section occurs after the purchaser or lessee has provided an offer to purchase or lease the housing, the seller or lessor shall complete the required disclosure activities prior to accepting the purchaser's or lessee's offer and allow the purchaser or lessee an opportunity to review the information and possibly amend the offer.

(Approved by the Office of Management and Budget under control number 2070-0151)

[61 FR 9082, Mar. 6, 1996, as amended at 64 FR 14382, Mar. 25, 1999]

§ 35.90 Opportunity to conduct an evaluation.

(a) Before a purchaser is obligated under any contract to purchase target housing, the seller shall permit the purchaser a 10-day period (unless the parties mutually agree, in writing, upon a different period of time) to

conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

(b) Notwithstanding paragraph (a) of this section, a purchaser may waive the opportunity to conduct the risk assessment or inspection by so indicating in writing.

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[61 FR 9082, Mar. 6, 1996, as amended at 64 FR 14382, Mar. 25, 1999]

§ 35.92 Certification and acknowledgment of disclosure.

(a) *Seller requirements.* Each contract to sell target housing shall include an attachment containing the following elements, in the language of the contract (e.g., English, Spanish):

(1) A Lead Warning Statement consisting of the following language:

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

(2) A statement by the seller disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being sold or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. The seller shall also provide any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) A list of any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the purchaser. If no such records or reports are available, the seller shall so indicate.

(4) A statement by the purchaser affirming receipt of the information set out in paragraphs (a)(2) and (a)(3) of this section and the lead hazard information pamphlet required under section 15 U.S.C. 2696.

(5) A statement by the purchaser that he/she has either:

(i) Received the opportunity to conduct the risk assessment or inspection required by §35.90(a); or

(ii) Waived the opportunity.

(6) When any agent is involved in the transaction to sell target housing on behalf of the seller, a statement that:

(i) The agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d; and

(ii) The agent is aware of his/her duty to ensure compliance with the requirements of this subpart.

(7) The signatures of the sellers, agents, and purchasers, certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature.

(b) *Lessor requirements.* Each contract to lease target housing shall include, as an attachment or within the contract, the following elements, in the language of the contract (e.g., English, Spanish):

(1) A Lead Warning Statement with the following language:

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

(2) A statement by the lessor disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. The lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist in the housing, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) A list of any records or reports available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the lessee. If no such records or reports are available, the lessor shall so indicate.

(4) A statement by the lessee affirming receipt of the information set out in paragraphs (b)(2) and (b)(3) of this section and the lead hazard information pamphlet required under 15 U.S.C. 2696.

(5) When any agent is involved in the transaction to lease target housing on behalf of the lessor, a statement that:

(i) The agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852d; and

(ii) The agent is aware of his/her duty to ensure compliance with the requirements of this subpart.

(6) The signatures of the lessors, agents, and lessees certifying to the accuracy of their statements to the best of their knowledge, along with the dates of signature.

(c) *Retention of certification and acknowledgment information.* (1) The seller, and any agent, shall retain a copy of the completed attachment required under paragraph (a) of this section for no less than 3 years from the completion date of the sale. The lessor, and any agent, shall retain a copy of the completed attachment or lease contract containing the information required under paragraph (b) of this section for no less than 3 years from the commencement of the leasing period.

(2) This recordkeeping requirement is not intended to place any limitations on civil suits under the Act, or to otherwise affect a lessee's or purchaser's rights under the civil penalty provisions of 42 U.S.C. 4852d(b)(3).

(d) The seller, lessor, or agent shall not be responsible for the failure of a purchaser's or lessee's legal representative (where such representative receives all compensation from the purchaser or lessee) to transmit disclosure materials to the purchaser or lessee, provided that all required parties have completed and signed the necessary certification and acknowledgment language required under paragraphs (a) and (b) of this section.

(Approved by the Office of Management and Budget under control number 2070-0151)

[61 FR 9082, Mar. 6, 1996, as amended at 64 FR 14382, Mar. 25, 1999]

§ 35.94 Agent responsibilities.

(a) Each agent shall ensure compliance with all requirements of this subpart. To ensure compliance, the agent shall:

(1) Inform the seller or lessor of his/her obligations under §§35.88, 35.90, and 35.92.

(2) Ensure that the seller or lessor has performed all activities required under §§35.88, 35.90, and 35.92, or personally ensure compliance with the requirements of §§35.88, 35.90, and 35.92.

(b) If the agent has complied with paragraph (a)(1) of this section, the agent shall not be liable for the failure to disclose to a purchaser or lessee the presence of lead-based paint and/or lead-based paint hazards known by a seller or lessor but not disclosed to the agent.

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[61 FR 9082, Mar. 6, 1996, as amended at 64 FR 14382, Mar. 25, 1999]

§ 35.96 Enforcement.

(a) Any person who knowingly fails to comply with any provision of this subpart shall be subject to civil monetary penalties in accordance with the provisions of 42 U.S.C. 3545 and 24 CFR part 30.

(b) The Secretary is authorized to take such action as may be necessary to enjoin any violation of this subpart in the appropriate Federal district court.

(c) Any person who knowingly violates the provisions of this subpart shall be jointly and severally liable to the purchaser or lessee in an amount equal to 3 times the amount of damages incurred by such individual.

(d) In any civil action brought for damages pursuant to 42 U.S.C. 4852d(b)(3), the appropriate court may award court costs to the party commencing such action, together with reasonable attorney fees and any expert witness fees, if that party prevails.

(e) Failure or refusal to comply with §§35.88 (disclosure requirements for sellers and lessors), §35.90 (opportunity to conduct an evaluation), §35.92 (certification and acknowledgment of disclosure), or §35.94 (agent responsibilities) is a violation of 42 U.S.C. 4852d(b)(5) and of TSCA section 409 (15 U.S.C. 2689).

(f) Violators may be subject to civil and criminal sanctions pursuant to TSCA section 16 (15 U.S.C. 2615) for each violation. For purposes of enforcing this subpart, the penalty for each violation applicable under 15 U.S.C. 2615 shall be not more than \$10,000.

§ 35.98 Impact on State and local requirements.

Nothing in this subpart shall relieve a seller, lessor, or agent from any responsibility for compliance with State or local laws, ordinances, codes, or regulations governing notice or disclosure of known lead-based paint and/or lead-based paint hazards. Neither HUD nor EPA assumes any responsibility for ensuring compliance with such State or local requirements.

Subpart B—General Lead-Based Paint Requirements and Definitions for All Programs.

Source: 64 FR 50202, Sept. 15, 1999, unless otherwise noted.

§ 35.100 Purpose and applicability.

(a) *Purpose.* The requirements of subparts B through R of this part are promulgated to implement the Lead-Based Paint Poisoning Prevention Act, as amended (42 U.S.C. 4821 *et seq.*), and the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851 *et seq.*).

(b) *Applicability—(1) This subpart.* This subpart applies to all target housing that is federally owned and target housing receiving Federal assistance to which subparts C, D, F through M, and R of this part apply, except where indicated.

(2) *Other subparts*—(i) *General*. Subparts C, D, and F through M of this part each set forth requirements for a specific type of Federal housing activity or assistance, such as multifamily mortgage insurance, project-based rental assistance, rehabilitation, or tenant-based rental assistance. Subpart R of this part provides standards and methods for activities required in subparts B, C, D, and F through M of this part.

(ii) *Application to programs*. Most HUD housing programs are covered by only one subpart of this part, but some programs can be used for more than one type of assistance and therefore are covered by more than one subpart of this part. A current list of programs covered by each subpart of this part is available on the internet at www.hud.gov, or by mail from the National Lead Information Center at 1-800-424-LEAD. Examples of flexible programs that can provide more than one type of assistance are the HOME Investment Partnerships program, the Community Development Block Grant program, and the Indian Housing Block Grant Program. Grantees, participating jurisdictions, Indian tribes and other entities administering such flexible programs must decide which subpart applies to the type of assistance being provided to a particular dwelling unit or residential property.

(iii) *Application to dwelling units*. In some cases, more than one type of assistance may be provided to the same dwelling unit. In such cases, the subpart or section with the most protective initial hazard reduction requirements applies. Paragraph (c) of this section provides a table that lists the subparts and sections of this part in order from the most protective to the least protective. (This list is based only on the requirements for initial hazard reduction. The summary of requirements on this list is not a complete list of requirements. It is necessary to refer to the applicable subparts and sections to determine all applicable requirements.)

(iv) *Example*. A multifamily building has 100 dwelling units and was built in 1965. The property is financed with HUD multifamily mortgage insurance. This building is covered by subpart G of this part (see §35.625—Multifamily mortgage insurance for properties constructed after 1959), which is at protectiveness level 5 in the table set forth in paragraph (c) of this section. In the same building, however, 50 of the 100 dwelling units are receiving project-based assistance, and the average annual assistance per assisted unit is \$5,500. Those 50 units, and common areas servicing those units, are covered by the requirements of subpart H of this part (see §35.715—Project-based assistance for multifamily properties receiving more than \$5,000 per unit), which are at protectiveness level 3. Therefore, because level 3 is a higher level of protectiveness than level 5, the units receiving project-based assistance, and common areas servicing those units, must comply at level 3, while the rest of the building can be operated at level 5. The owner may choose to operate the entire building at level 3 for simplicity.

(c) *Table One*. The following table lists the subparts and sections of this part applying to HUD programs in order from most protective to least protective hazard reduction requirements. The summary of hazard reduction requirements in this table is not complete. Readers must refer to relevant subpart for complete requirements.

Hazard reduction	
Level of protection assistance	Subpart, section, and type of requirements
1.....	Subpart L, Public housing. Subpart G,
§ Full abatement of lead-	35.630, Multifamily mortgage
insurance for	based paint.
rehabilitations.	conversions and major
2.....	Subpart J, § 35.930(d), Properties
receiving Abatement of lead-based	more than \$25,000 per unit in
rehabilitation	paint hazards.

3.....	assistance.
mortgage	Subpart G, § 35.620, Multifamily
Interim controls.	insurance for properties constructed
before 1960,	other than conversions and major
rehabilitations.	Subpart H, § 35.715, Project-based
assistance	for multifamily properties receiving
more than	\$5,000 per unit. Subpart I, HUD-owned
multifamily	property. Subpart J, § 35.930(c),
Properties	receiving more than \$5,000 and up to
\$25,000 per	unit in rehabilitation assistance.
4.....	Subpart F, HUD-owned single family
properties.	Paint stabilization.
rental	Subpart H, § 35.720, Project-based
receiving up	assistance for multifamily properties
properties.	to \$5,000 per unit and single family
support services,	Subpart K, Acquisition, leasing,
rental	or operation. Subpart M, Tenant-based
5.....	assistance.
mortgage	Subpart G, § 35.625, Multifamily
Ongoing lead-based	paint
after 1959.	insurance for properties constructed
6.....	Subpart J, § 35.930(b), Properties
receiving	Safe work practices during
rehabilitation	up to and including \$5,000 in
rehabilitation.	assistance.

§ 35.105 Effective dates.

The effective date for subparts B through R of this part is September 15, 2000, except that the effective date for prohibited methods of paint removal, described in §35.140, is November 15, 1999. Subparts F through M of this part provide further information on the application of the effective date to specific programs. Before September 15, 2000, a designated party has the option of following the procedures in subparts B through R of this part, or complying with current HUD lead-based paint regulations.

§ 35.106 Information collection requirements.

The information collection requirements contained in this part have been approved by the Office of Management and Budget (OMB) in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 U.S.C. 2501–3520), and have been assigned OMB control number 2539–0009. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

§ 35.110 Definitions.

Abatement means any set of measures designed to permanently eliminate lead-based paint or lead-based paint hazards (see definition of “permanent”). Abatement includes:

- (1) The removal of lead-based paint and dust-lead hazards, the permanent enclosure or encapsulation of lead-based paint, the replacement of components or fixtures painted with lead-based paint, and the removal or permanent covering of soil-lead hazards; and
- (2) All preparation, cleanup, disposal, and post abatement clearance testing activities associated with such measures.

Act means the Lead-Based Paint Poisoning Prevention Act, as amended, 42 U.S.C. 4822 *et seq.*

Bare soil means soil or sand not covered by grass, sod, other live ground covers, wood chips, gravel, artificial turf, or similar covering.

Certified means licensed or certified to perform such activities as risk assessment, lead-based paint inspection, or abatement supervision, either by a State or Indian tribe with a lead-based paint certification program authorized by the Environmental Protection Agency (EPA), or by the EPA, in accordance with 40 CFR part 745, subparts L or Q.

Chewable surface means an interior or exterior surface painted with lead-based paint that a young child can mouth or chew. A chewable surface is the same as an “accessible surface” as defined in 42 U.S.C. 4851b(2)). Hard metal substrates and other materials that cannot be dented by the bite of a young child are not considered chewable.

Clearance examination means an activity conducted following lead-based paint hazard reduction activities to determine that the hazard reduction activities are complete and that no soil-lead hazards or settled dust-lead hazards, as defined in this part, exist in the dwelling unit or worksite. The clearance process includes a visual assessment and collection and analysis of environmental samples. Dust-lead standards for clearance are found at §35.1320.

Common area means a portion of a residential property that is available for use by occupants of more than one dwelling unit. Such an area may include, but is not limited to, hallways, stairways, laundry and recreational rooms, playgrounds, community centers, on-site day care facilities, garages and boundary fences.

Component means an architectural element of a dwelling unit or common area identified by type and location, such as a bedroom wall, an exterior window sill, a baseboard in a living room, a kitchen floor, an interior window sill in a bathroom, a porch floor, stair treads in a common stairwell, or an exterior wall.

Composite sample means a collection of more than one sample of the same medium (e.g., dust, soil or paint) from the same type of surface (e.g., floor, interior window sill, or window trough), such that multiple samples can be analyzed as a single sample.

Containment means the physical measures taken to ensure that dust and debris created or released during lead-based paint hazard reduction are not spread, blown or tracked from inside to outside of the worksite.

Designated party means a Federal agency, grantee, subrecipient, participating jurisdiction, housing agency, Indian Tribe, tribally designated housing entity (TDHE), sponsor, or property owner responsible for complying with applicable requirements.

Deteriorated paint means any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate.

Dry sanding means sanding without moisture and includes both hand and machine sanding.

Dust-lead hazard means surface dust that contains a dust-lead loading (area concentration of lead) equal to or exceeding the levels promulgated by the EPA at 40 CFR 745.65 or, if such levels are not in effect, the standards for dust-lead hazards in §35.1320.

Dwelling unit means a:

- (1) Single-family dwelling, including attached structures such as porches and stoops; or
- (2) Housing unit in a structure that contains more than 1 separate housing unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the home or separate living quarters of 1 or more persons.

Encapsulation means the application of a covering or coating that acts as a barrier between the lead-based paint and the environment and that relies for its durability on adhesion between the encapsulant and the painted surface, and on the integrity of the existing bonds between paint layers and between the paint and the substrate. Encapsulation may be used as a method of abatement if it is designed and performed so as to be permanent (see definition of "permanent").

Enclosure means the use of rigid, durable construction materials that are mechanically fastened to the substrate in order to act as a barrier between lead-based paint and the

environment. Enclosure may be used as a method of abatement if it is designed to be permanent (see definition of "permanent").

Environmental intervention blood lead level means a confirmed concentration of lead in whole blood equal to or greater than 20 µg/dL (micrograms of lead per deciliter) for a single test or 15–19 µg/dL in two tests taken at least 3 months apart.

Evaluation means a risk assessment, a lead hazard screen, a lead-based paint inspection, paint testing, or a combination of these to determine the presence of lead-based paint hazards or lead-based paint.

Expected to reside means there is actual knowledge that a child will reside in a dwelling unit reserved for the elderly or designated exclusively for persons with disabilities. If a resident woman is known to be pregnant, there is actual knowledge that a child will reside in the dwelling unit.

Federal agency means the United States or any executive department, independent establishment, administrative agency and instrumentality of the United States, including a corporation in which all or a substantial amount of the stock is beneficially owned by the United States or by any of these entities. The term "Federal agency" includes, but is not limited to, Rural Housing Service (formerly Rural Housing and Community Development Service that was formerly Farmer's Home Administration), Resolution Trust Corporation, General Services Administration, Department of Defense, Department of Veterans Affairs, Department of the Interior, and Department of Transportation.

Federally owned property means residential property owned or managed by a Federal agency, or for which a Federal agency is a trustee or conservator.

Firm commitment means a valid commitment issued by HUD or the Federal Housing Commissioner setting forth the terms and conditions upon which a mortgage will be insured or guaranteed.

Friction surface means an interior or exterior surface that is subject to abrasion or friction, including, but not limited to, certain window, floor, and stair surfaces.

g means gram, *mg means* milligram (thousandth of a gram), and *µg means* microgram (millionth of a gram).

Grantee means any state or local government, Indian Tribe, IHBG recipient, insular area or nonprofit organization that has been designated by HUD to administer Federal housing assistance under a program covered by subparts J and K of this part, except the HOME program.

Hard costs of rehabilitation means:

- (1) Costs to correct substandard conditions or to meet applicable local rehabilitation standards;
- (2) Costs to make essential improvements, including energy-related repairs, and those necessary to permit use by persons with disabilities; and costs to repair or replace major housing systems in danger of failure; and
- (3) Costs of non-essential improvements, including additions and alterations to an existing structure; but
- (4) Hard costs do not include administrative costs (e.g., overhead for administering a rehabilitation program, processing fees, etc.).

Hazard reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls or abatement or a combination of the two.

HEPA vacuum means a vacuum cleaner device with an included high-efficiency particulate air (HEPA) filter through which the contaminated air flows, operated in accordance with the instructions of its manufacturer. A HEPA filter is one that captures at least 99.97 percent of airborne particles of at least 0.3 micrometers in diameter.

Housing for the elderly means retirement communities or similar types of housing reserved for households composed of one or more persons 62 years of age or more, or other age if recognized as elderly by a specific Federal housing assistance program.

Housing receiving Federal assistance means housing which is covered by an application for HUD mortgage insurance, receives housing assistance payments under a program administered by HUD, or otherwise receives more than \$5,000 in project-based assistance under a Federal housing program administered by an agency other than HUD.

HUD means the United States Department of Housing and Urban Development.

HUD-owned property means residential property owned or managed by HUD, or for which HUD is a trustee or conservator.

Impact surface means an interior or exterior surface that is subject to damage by repeated sudden force, such as certain parts of door frames.

Indian Housing Block Grant (IHBG) recipient means a tribe or a tribally designated housing entity (TDHE) receiving IHBG funds.

Indian tribe means a tribe as defined in the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 *et seq.*)

Inspection (See Lead-based paint inspection).

Insular areas means Guam, the Northern Mariana Islands, the United States Virgin Islands and American Samoa.

Interim controls means a set of measures designed to reduce temporarily human exposure or likely exposure to lead-based paint hazards. Interim controls include, but are not limited to, repairs, painting, temporary containment, specialized cleaning, clearance, ongoing lead-based paint maintenance activities, and the establishment and operation of management and resident education programs.

Interior window sill means the portion of the horizontal window ledge that protrudes into the interior of the room, adjacent to the window sash when the window is closed. The interior window sill is sometimes referred to as the window stool.

Lead-based paint means paint or other surface coatings that contain lead equal to or exceeding 1.0 milligram per square centimeter or 0.5 percent by weight or 5,000 parts per million (ppm) by weight.

Lead-based paint hazard means any condition that causes exposure to lead from dust-lead hazards, soil-lead hazards, or lead-based paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health effects.

Lead-based paint inspection means a surface-by-surface investigation to determine the presence of lead-based paint and the provision of a report explaining the results of the investigation.

Lead hazard screen means a limited risk assessment activity that involves paint testing and dust sampling and analysis as described in 40 CFR 745.227(c) and soil sampling and analysis as described in 40 CFR 745.227(d).

Mortgagee means a lender of a mortgage loan.

Mortgagor means a borrower of a mortgage loan.

Multifamily property means a residential property containing five or more dwelling units.

Occupant means a person who inhabits a dwelling unit.

Owner means a person, firm, corporation, nonprofit organization, partnership, government, guardian, conservator, receiver, trustee, executor, or other judicial officer, or other entity which, alone or with others, owns, holds, or controls the freehold or leasehold title or part of the title to property, with or without actually possessing it. The definition includes a vendee who possesses the title, but does not include a mortgagee or an owner of a reversionary interest under a ground rent lease.

Paint stabilization means repairing any physical defect in the substrate of a painted surface that is causing paint deterioration, removing loose paint and other material from the surface to be treated, and applying a new protective coating or paint.

Paint testing means the process of determining, by a certified lead-based paint inspector or risk assessor, the presence or the absence of lead-based paint on deteriorated paint surfaces or painted surfaces to be disturbed or replaced.

Paint removal means a method of abatement that permanently eliminates lead-based paint from surfaces.

Painted surface to be disturbed means a paint surface that is to be scraped, sanded, cut, penetrated or otherwise affected by rehabilitation work in a manner that could potentially create a lead-based paint hazard by generating dust, fumes, or paint chips.

Participating jurisdiction means any State or local government that has been designated by HUD to administer a HOME program grant.

Permanent means an expected design life of at least 20 years.

Play area means an area of frequent soil contact by children of less than 6 years of age, as indicated by the presence of play equipment (e.g. sandboxes, swing sets, sliding boards, etc.) or toys or other children's possessions, observations of play patterns, or information provided by parents, residents or property owners.

Project-based rental assistance means Federal rental assistance that is tied to a residential property with a specific location and remains with that particular location throughout the term of the assistance.

Public health department means a State, tribal, county or municipal public health department or the Indian Health Service.

Public housing development means a residential property assisted under the United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*), but not including housing assisted under section 8 of the 1937 Act.

Reevaluation means a visual assessment of painted surfaces and limited dust and soil sampling conducted periodically following lead-based paint hazard reduction where lead-based paint is still present.

Rehabilitation means the improvement of an existing structure through alterations, incidental additions or enhancements. Rehabilitation includes repairs necessary to correct the results of deferred maintenance, the replacement of principal fixtures and components, improvements to increase the efficient use of energy, and installation of security devices.

Replacement means a strategy of abatement that entails the removal of building components that have surfaces coated with lead-based paint and the installation of new components free of lead-based paint.

Residential property means a dwelling unit, common areas, building exterior surfaces, and any surrounding land, including outbuildings, fences and play equipment affixed to the land, belonging to an owner and available for use by residents, but not including land used for agricultural, commercial, industrial or other non-residential purposes, and not including paint on the pavement of parking lots, garages, or roadways.

Risk assessment means:

- (1) An on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards; and
- (2) The provision of a report by the individual or firm conducting the risk assessment explaining the results of the investigation and options for reducing lead-based paint hazards.

Single family property means a residential property containing one through four dwelling units.

Single room occupancy (SRO) housing means housing consisting of zero-bedroom dwelling units that may contain food preparation or sanitary facilities or both (see Zero-bedroom dwelling).

Soil-lead hazard means bare soil on residential property that contains lead equal to or exceeding levels promulgated by the EPA at 40 CFR 745.65 or, if such levels are not in effect, the standards for soil-lead hazards in §35.1320.

Sponsor means mortgagor (borrower).

Subrecipient means any nonprofit organization selected by the grantee or participating jurisdiction to administer all or a portion of the Federal rehabilitation assistance or other non-rehabilitation assistance, or any such organization selected by a subrecipient of the grantee or participating jurisdiction. An owner or developer receiving Federal rehabilitation assistance or other assistance for a residential property is not considered a subrecipient for the purposes of carrying out that project.

Standard treatments means a series of hazard reduction measures designed to reduce all lead-based paint hazards in a dwelling unit without the benefit of a risk assessment or other evaluation.

Substrate means the material directly beneath the painted surface out of which the components are constructed, including wood, drywall, plaster, concrete, brick or metal.

Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless a child of less than 6 years of age resides or is expected to reside in such housing for the elderly or persons with disabilities) or any zero-bedroom dwelling. In the case of jurisdictions which banned the sale or use of lead-based paint prior to 1978, HUD may designate an earlier date.

Tenant means the individual named as the lessee in a lease, rental agreement or occupancy agreement for a dwelling unit.

A *visual assessment* alone is not considered an evaluation for the purposes of this part. Visual assessment means looking for, as applicable:

- (1) Deteriorated paint;
- (2) Visible surface dust, debris, and residue as part of a risk assessment or clearance examination; or
- (3) The completion or failure of a hazard reduction measure.

Wet sanding or *wet scraping* means a process of removing loose paint in which the painted surface to be sanded or scraped is kept wet to minimize the dispersal of paint chips and airborne dust.

Window trough means the area between the interior window sill (stool) and the storm window frame. If there is no storm window, the window trough is the area that receives both the upper and lower window sashes when they are both lowered.

Worksite means an interior or exterior area where lead-based paint hazard reduction activity takes place. There may be more than one worksite in a dwelling unit or at a residential property.

Zero-bedroom dwelling means any residential dwelling in which the living areas are not separated from the sleeping area. The term includes efficiencies, studio apartments, dormitory or single room occupancy housing, military barracks, and rentals of individual rooms in residential dwellings (see Single room occupancy (SRO)).

[64 FR 50202, Sept. 15, 1999, as amended at 69 FR 34271, June 21, 2004; 69 FR 40474, July 2, 2004]

§ 35.115 Exemptions.

(a) Subparts B through R of this part do not apply to the following:

- (1) A residential property for which construction was completed on or after January 1, 1978, or, in the case of jurisdictions which banned the sale or residential use of lead-containing paint prior to 1978, an earlier date as HUD may designate (see §35.160).

- (2) A zero-bedroom dwelling unit, including a single room occupancy (SRO) dwelling unit.
- (3) Housing for the elderly, or a residential property designated exclusively for persons with disabilities; except this exemption shall not apply if a child less than age 6 resides or is expected to reside in the dwelling unit (see definitions of "housing for the elderly" and "expected to reside" in §35.110).
- (4) Residential property found not to have lead-based paint by a lead-based paint inspection conducted in accordance with §35.1320(a) (for more information regarding inspection procedures consult the 1997 edition of Chapter 7 of the HUD Guidelines). Results of additional test(s) by a certified lead-based paint inspector may be used to confirm or refute a prior finding.
- (5) Residential property in which all lead-based paint has been identified, removed, and clearance has been achieved in accordance with 40 CFR 745.227(b)(e) before September 15, 2000, or in accordance with §§35.1320, 35.1325 and 35.1340 on or after September 15, 2000. This exemption does not apply to residential property where enclosure or encapsulation has been used as a method of abatement.
- (6) An unoccupied dwelling unit or residential property that is to be demolished, provided the dwelling unit or property will remain unoccupied until demolition.
- (7) A property or part of a property that is not used and will not be used for human residential habitation, except that spaces such as entryways, hallways, corridors, passageways or stairways serving both residential and nonresidential uses in a mixed-use property shall not be exempt.
- (8) Any rehabilitation that does not disturb a painted surface.
- (9) For emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety, or to protect property from further structural damage (such as when a property has been damaged by a natural disaster, fire, or structural collapse), occupants shall be protected from exposure to lead in dust and debris generated by such emergency actions to the extent practicable, and the requirements of subparts B through R of this part shall not apply. This exemption applies only to repairs necessary to respond to the emergency. The requirements of subparts B through R of this part shall apply to any work undertaken subsequent to, or above and beyond, such emergency actions.
- (10) If a Federal law enforcement agency has seized a residential property and owns the property for less than 270 days, §§35.210 and 35.215 shall not apply to the property.
- (11) The requirements of subpart K of this part do not apply if the assistance being provided is emergency rental assistance or foreclosure prevention assistance, provided that this exemption shall expire for a dwelling unit no later than 100 days after the initial payment or assistance.

(12) Performance of an evaluation or lead-based paint hazard reduction or lead-based paint abatement on an exterior painted surface as required under this part may be delayed for a reasonable time during a period when weather conditions are unsuitable for conventional construction activities.

(13) Where abatement of lead-based paint hazards or lead-based paint is required by this part and the property is listed or has been determined to be eligible for listing in the National Register of Historic Places or contributing to a National Register Historic District, the designated party may, if requested by the State Historic Preservation Office, conduct interim controls in accordance with §35.1330 instead of abatement. If interim controls are conducted, ongoing lead-based paint maintenance and reevaluation shall be conducted as required by the applicable subpart of this part in accordance with §35.1355.

(b) For the purposes of subpart C of this part, each Federal agency other than HUD will determine whether appropriations are sufficient to implement this rule. If appropriations are not sufficient, subpart C of this part shall not apply to that Federal agency. If appropriations are sufficient, subpart C of this part shall apply.

§ 35.120 Options.

(a) *Standard treatments.* Where interim controls are required by this part, the designated party has the option to presume that lead-based paint or lead-based paint hazards or both are present throughout the residential property. In such a case, evaluation is not required. Standard treatments shall then be conducted in accordance with §35.1335 on all applicable surfaces, including soil. Standard treatments are completed only when clearance is achieved in accordance with §35.1340.

(b) *Abatement.* Where abatement is required by this part, the designated party may presume that lead-based paint or lead-based paint hazards or both are present throughout the residential property. In such a case, evaluation is not required. Abatement shall then be conducted on all applicable surfaces, including soil, in accordance with §35.1325, and completed when clearance is achieved in accordance with §35.1340. This option is not available in public housing, where inspection is required.

(c) *Lead hazard screen.* Where a risk assessment is required, the designated party may choose first to conduct a lead hazard screen in accordance with §35.1320(b). If the results of the lead hazard screen indicate the need for a full risk assessment (e.g., if the environmental measurements exceed levels established for lead hazard screens in §35.1320(b)(2)), a complete risk assessment shall be conducted. Environmental samples collected for the lead hazard screen may be used in the risk assessment. If the results of the lead hazard screen do not indicate the need for a follow-up risk assessment, a risk assessment is not required.

(d) *Paint testing.* Where paint stabilization or interim controls of deteriorated paint surfaces are required by this rule, the designated party has the option to conduct paint testing of all surfaces with non-intact paint. If paint testing indicates the absence of lead-

based paint on a specific surface, paint stabilization or interim controls are not required on that surface.

§ 35.125 Notice of evaluation and hazard reduction activities.

The following activities shall be conducted if notice is required by subparts D and F through M of this part.

(a) *Notice of evaluation or presumption.* When evaluation is undertaken and lead-based paint or lead-based paint hazards are found to be present, or if a presumption is made that lead-based paint or lead-based paint hazards are present in accordance with the options described in §35.120, the designated party shall provide a notice to occupants within 15 calendar days of the date when the designated party receives the report or makes the presumption. A visual assessment alone is not considered an evaluation for the purposes of this part. If only a visual assessment alone is required by this part, and no evaluation is performed, a notice of evaluation or presumption is not required.

(1) The notice of the evaluation shall include:

- (i) A summary of the nature, dates, scope, and results of the evaluation;
- (ii) A contact name, address and telephone number for more information, and to obtain access to the actual evaluation report; and
- (iii) The date of the notice.

(2) The notice of presumption shall include:

- (i) The nature and scope of the presumption;
- (ii) A contact name, address and telephone number for more information; and
- (iii) The date of the notice.

(b) *Notice of hazard reduction activity.* When hazard reduction activities are undertaken, each designated party shall:

(1) Provide a notice to occupants not more than 15 calendar days after the hazard reduction activities (including paint stabilization) have been completed. Notice of hazard reduction shall include, but not be limited to:

- (i) A summary of the nature, dates, scope, and results (including clearance) of the hazard reduction activities;
- (ii) A contact name, address, and telephone number for more information;

(iii) Available information on the location of any remaining lead-based paint in the rooms, spaces, or areas where hazard reduction activities were conducted, on a surface-by-surface basis; and

(iv) The date of the notice.

(2) Update the notice, based on reevaluation of the residential property and as any additional hazard reduction work is conducted.

(3) Provision of a notice of hazard reduction is not required if a clearance examination is not required.

(c) *Availability of notices of evaluation, presumption, and hazard reduction activities.* (1) The notices of evaluation, presumption, and hazard reduction shall be of a size and type that is easily read by occupants.

(2) To the extent practicable, each notice shall be made available, upon request, in a format accessible to persons with disabilities (e.g., Braille, large type, computer disk, audio tape).

(3) Each notice shall be provided in the occupants' primary language or in the language of the occupants' contract or lease.

(4) The designated party shall provide each notice to the occupants by:

(i) Posting and maintaining it in centrally located common areas and distributing it to any dwelling unit if necessary because the head of household is a person with a known disability; or

(ii) Distributing it to each occupied dwelling unit affected by the evaluation, presumption, or hazard reduction activity or serviced by common areas in which an evaluation, presumption or hazard reduction has taken place.

[64 FR 50202, Sept. 15, 1999, as amended at 69 FR 34271, June 21, 2004]

§ 35.130 Lead hazard information pamphlet.

If provision of a lead hazard information pamphlet is required in subparts D and F through M of this part, the designated party shall provide to each occupied dwelling unit to which subparts D and F through M of this part apply, the lead hazard information pamphlet developed by EPA, HUD and the Consumer Product Safety Commission pursuant to section 406 of the Toxic Substances Control Act (15 U.S.C. 2686), or an EPA-approved alternative; except that the designated party need not provide a lead hazard information pamphlet if the designated party can demonstrate that the pamphlet has already been provided in accordance with the lead-based paint notification and

disclosure requirements at §35.88(a)(1), or 40 CFR 745.107(a)(1) or in accordance with the requirements for hazard education before renovation at 40 CFR part 745, subpart E.

§ 35.135 Use of paint containing lead.

(a) *New use prohibition.* The use of paint containing more than 0.06 percent dry weight of lead on any interior or exterior surface in federally owned housing or housing receiving Federal assistance is prohibited. As appropriate, each Federal agency shall include the prohibition in contracts, grants, cooperative agreements, insurance agreements, guaranty agreements, trust agreements, or other similar documents.

(b) *Pre-1978 prohibition.* In the case of a jurisdiction which banned the sale or residential use of lead-containing paint before 1978, HUD may designate an earlier date for certain provisions of subparts D and F through M of this part.

§ 35.140 Prohibited methods of paint removal.

The following methods shall not be used to remove paint that is, or may be, lead-based paint:

- (a) Open flame burning or torching.
- (b) Machine sanding or grinding without a high-efficiency particulate air (HEPA) local exhaust control.
- (c) Abrasive blasting or sandblasting without HEPA local exhaust control.
- (d) Heat guns operating above 1100 degrees Fahrenheit or charring the paint.
- (e) Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1.0 ft. (0.30 m.) of electrical outlets, or when treating defective paint spots totaling no more than 2 sq. ft. (0.2 sq. m.) in any one interior room or space, or totaling no more than 20 sq. ft. (2.0 sq. m.) on exterior surfaces.
- (f) Paint stripping in a poorly ventilated space using a volatile stripper that is a hazardous substance in accordance with regulations of the Consumer Product Safety Commission at 16 CFR 1500.3, and/or a hazardous chemical in accordance with the Occupational Safety and Health Administration regulations at 29 CFR 1910.1200 or 1926.59, as applicable to the work.

§ 35.145 Compliance with Federal laws and authorities.

All lead-based paint activities, including waste disposal, performed under this part shall be performed in accordance with applicable Federal laws and authorities. For example, such activities are subject to the applicable environmental review requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*), the Toxic

Substances Control Act, Title IV (15 U.S.C. 2860 *et seq.*), and other environmental laws and authorities (see, e.g., laws and authorities listed in §50.4 of this title).

§ 35.150 Compliance with other State, tribal, and local laws.

(a) *HUD responsibility.* If HUD determines that a State, tribal or local law, ordinance, code or regulation provides for evaluation or hazard reduction in a manner that provides a comparable level of protection from the hazards of lead-based paint poisoning to that provided by the requirements of subparts B, C, D, F through M and R of this part and that adherence to the requirements of subparts B, C, D, F through M, and R of this part, would be duplicative or otherwise cause inefficiencies, HUD may modify or waive some or all of the requirements of the subparts in a manner that will promote efficiency while ensuring a comparable level of protection.

(b) *Participant responsibility.* Nothing in this part is intended to relieve any participant in a program covered by this subpart of any responsibility for compliance with State, tribal or local laws, ordinances, codes or regulations governing evaluation and hazard reduction. If a State, tribal or local law, ordinance, code or regulation defines lead-based paint differently than the Federal definition, the more protective definition (i.e., the lower level) shall be followed in that State, tribal or local jurisdiction.

§ 35.155 Minimum requirements.

(a) Nothing in subparts B, C, D, F through M, and R of this part is intended to preclude a designated party or occupant from conducting additional evaluation or hazard reduction measures beyond the minimum requirements established for each program in this regulation. For example, if the applicable subpart requires visual assessment, the designated party may choose to perform a risk assessment in accordance with §35.1320. Similarly, if the applicable subpart requires interim controls, a designated party or occupant may choose to implement abatement in accordance with §35.1325.

(b) To the extent that assistance from any of the programs covered by subparts B, C, D, and F through M of this part is used in conjunction with other HUD program assistance, the most protective requirements prevail.

§ 35.160 Waivers.

In accordance with §5.110 of this title, on a case-by-case basis and upon determination of good cause, HUD may, subject to statutory limitations, waive any provision of subparts B, C, D, F through M, and R of this part.

§ 35.165 Prior evaluation or hazard reduction.

If an evaluation or hazard reduction was conducted at a residential property or dwelling unit before the property or dwelling unit became subject to the requirements of subparts B, C, D, F through M, and R of this part, such an evaluation, hazard reduction or

abatement meets the requirements of subparts B, C, D, F through M, and R of this part and need not be repeated under the following conditions:

(a) *Lead-based paint inspection.* (1) A lead-based paint inspection conducted before March 1, 2000, meets the requirements of this part if:

(i) At the time of the inspection the lead-based paint inspector was approved by a State or Indian tribe to perform lead-based paint inspections. It is not necessary that the State or tribal approval program had EPA authorization at the time of the inspection.

(ii) Notwithstanding paragraph (a)(1)(i) of this section, the inspection was conducted and accepted as valid by a housing agency in fulfillment of the lead-based paint inspection requirement of the public and Indian housing program.

(2) A lead-based paint inspection conducted on or after March 1, 2000, must have been conducted by a certified lead-based paint inspector.

(b) *Risk assessment.* (1) A risk assessment must be no more than 12 months old to be considered current.

(2) A risk assessment conducted before March 1, 2000, meets the requirements of this part if, at the time of the risk assessment, the risk assessor was approved by a state or Indian Tribe to perform risk assessments. It is not necessary that the state or tribal approval program had EPA authorization at the time of the risk assessment.

(3) A risk assessment conducted on or after March 1, 2000, must have been conducted by a certified risk assessor.

(4) Paragraph (b) of this section does not apply in a case where a risk assessment is required in response to the identification of a child with an environmental intervention blood lead level. In such a case, the requirements in the applicable subpart for responding to a child with an environmental intervention blood lead level shall apply.

(c) *Interim controls.* If a residential property is under a program of interim controls and ongoing lead-based paint maintenance and reevaluation activities established pursuant to a risk assessment conducted in accordance with paragraph (b) of this section, the interim controls that have been conducted meet the requirements of this part if clearance was achieved after such controls were implemented. In such a case, the program of interim controls and ongoing activities shall be continued in accordance with the requirements of this part.

(d) *Abatement.* (1) An abatement conducted before March 1, 2000, meets the requirements of this part if:

(i) At the time of the abatement the abatement supervisor was approved by a State or Indian tribe to perform lead-based paint abatement. It is not necessary that the State or tribal approval program had EPA authorization at the time of the abatement.

(ii) Notwithstanding paragraph (d)(1)(i) of this section, it was conducted and accepted by a housing agency in fulfillment of the lead-based paint abatement requirement of the public housing program or by an Indian housing authority (as formerly defined under the U.S. Housing Act of 1937) in fulfillment of the lead-based paint requirement of the Indian housing program formerly funded under the U.S. Housing Act of 1937.

(2) An abatement conducted on or after March 1, 2000, must have been conducted under the supervision of a certified lead-based paint abatement supervisor.

[64 FR 50202, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000, as amended at 69 FR 34272, June 21, 2004]

§ 35.170 Noncompliance with the requirements of subparts B through R of this part.

(a) *Monitoring and enforcement.* A designated party who fails to comply with any requirement of subparts B, C, D, F through M, and R of this part shall be subject to the sanctions available under the relevant Federal housing assistance or ownership program and may be subject to other penalties authorized by law.

(b) A property owner who informs a potential purchaser or occupant of lead-based paint or possible lead-based paint hazards in a residential property or dwelling unit, in accordance with subpart A of this part, is not relieved of the requirements to evaluate and reduce lead-based paint hazards in accordance with subparts B through R of this part as applicable.

§ 35.175 Records.

The designated party, as specified in subparts C, D, and F through M of this part, shall keep a copy of each notice, evaluation, and clearance or abatement report required by subparts C, D, and F through M of this part for at least three years. Those records applicable to a portion of a residential property for which ongoing lead-based paint maintenance and/or reevaluation activities are required shall be kept and made available for the Department's review, until at least three years after such activities are no longer required.

Subpart C—Disposition of Residential Property Owned by a Federal Agency Other Than HUD

Source: 64 FR 50208, Sept. 15, 1999, unless otherwise noted.

§ 35.200 Purpose and applicability.

The purpose of this subpart C is to establish procedures to eliminate as far as practicable lead-based paint hazards prior to the sale of a residential property that is owned by a

Federal agency other than HUD. The requirements of this subpart apply to any residential property offered for sale on or after September 15, 2000.

§ 35.205 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.210 Disposition of residential property constructed before 1960.

(a) *Evaluation.* The Federal agency shall conduct a risk assessment and a lead-based paint inspection in accordance with 40 CFR 745.227 before the closing of the sale.

(b) *Abatement of lead-based paint hazards.* The risk assessment used for the identification of hazards to be abated shall have been performed no more than 12 months before the beginning of the abatement. The Federal agency shall abate all identified lead-based paint hazards in accordance with 40 CFR 745.227. Abatement is completed when clearance is achieved in accordance with 40 CFR 745.227. Where abatement of lead-based paint hazards is not completed before the closing of the sale, the Federal agency shall be responsible for assuring that abatement is carried out by the purchaser before occupancy of the property as target housing and in accordance with 40 CFR 745.227.

§ 35.215 Disposition of residential property constructed after 1959 and before 1978.

The Federal agency shall conduct a risk assessment and a lead-based paint inspection in accordance with 40 CFR 745.227. Evaluation shall be completed before closing of the sale according to a schedule determined by the Federal agency. The results of the risk assessment and lead-based paint inspection shall be made available to prospective purchasers as required in subpart A of this part.

Subpart D—Project-Based Assistance Provided by a Federal Agency Other Than HUD

Source: 64 FR 50209, Sept. 15, 1999, unless otherwise noted.

§ 35.300 Purpose and applicability.

The purpose of this subpart D is to establish procedures to eliminate as far as practicable lead-based paint hazards in a residential property that receives more than \$5,000 annually per project in project-based assistance on or after September 15, 2000, under a program administered by a Federal agency other than HUD.

§ 35.305 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.310 Notices and pamphlet.

(a) *Notice.* A notice of evaluation or hazard reduction shall be provided to the occupants in accordance with §35.125.

(b) *Lead hazard information pamphlet.* The owner shall provide the lead hazard information pamphlet in accordance with §35.130.

§ 35.315 Risk assessment.

Each owner shall complete a risk assessment in accordance with 40 CFR 745.227(d). Each risk assessment shall be completed in accordance with the schedule established by the Federal agency.

§ 35.320 Hazard reduction.

Each owner shall conduct interim controls consistent with the findings of the risk assessment report. Hazard reduction shall be conducted in accordance with subpart R of this part.

§ 35.325 Child with an environmental intervention blood lead level.

If a child less than 6 years of age living in a federally assisted dwelling unit has an environmental intervention blood lead level, the owner shall immediately conduct a risk assessment in accordance with 40 CFR 745.227(d). Interim controls of identified lead-based paint hazards shall be conducted in accordance with §35.1330. Interim controls are complete when clearance is achieved in accordance with §35.1340. The Federal agency shall establish a timetable for completing risk assessments and hazard reduction when an environmental intervention blood lead level child is identified.

Subpart E [Reserved]

Subpart F—HUD-Owned Single Family Property

Source: 64 FR 50209, Sept. 15, 1999, unless otherwise noted.

§ 35.500 Purpose and applicability.

The purpose of this subpart F is to establish procedures to eliminate as far as practicable lead-based paint hazards in HUD-owned single family properties that have been built before 1978 and are sold with mortgages insured under a program administered by HUD. The requirements of this subpart apply to any such residential properties offered for sale on or after September 15, 2000.

§ 35.505 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.510 Required procedures.

(a) The following activities shall be conducted for all properties to which this subpart is applicable:

(1) A visual assessment of all painted surfaces in order to identify deteriorated paint;

(2) Paint stabilization of all deteriorated paint in accordance with §35.1330(a) and (b); and

(3) Clearance in accordance with §35.1340.

(b) Occupancy shall not be permitted until all required paint stabilization is complete and clearance is achieved.

(c) If paint stabilization and clearance are not completed before the closing of the sale, the Department shall assure that paint stabilization and clearance are carried out pursuant to subpart R of this part by the purchaser before occupancy.

Subpart G—Multifamily Mortgage Insurance

Source: 64 FR 50209, Sept. 15, 1999, unless otherwise noted.

§ 35.600 Purpose and applicability.

The purpose of this subpart G is to establish procedures to eliminate as far as practicable lead-based paint hazards in a multifamily residential property for which HUD is the owner of the mortgage or the owner receives mortgage insurance, under a program administered by HUD.

§ 35.605 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.610 Exemption.

An application for insurance in connection with a refinancing transaction where an appraisal is not required under the applicable procedures established by HUD is excluded from the coverage of this subpart.

§ 35.615 Notices and pamphlet.

(a) *Notice.* If evaluation or hazard reduction is undertaken, the sponsor shall provide a notice to occupants in accordance with §35.125. A visual assessment alone is not considered an evaluation for the purposes of this part.

(b) *Lead hazard information pamphlet.* The sponsor shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50209, Sept. 15, 1999, as amended at 69 FR 34272, June 21, 2004]

§ 35.620 Multifamily insured property constructed before 1960.

Except as provided in §35.630, the following requirements apply to multifamily insured property constructed before 1960:

(a) *Risk assessment.* Before the issuance of a firm commitment the sponsor shall conduct a risk assessment in accordance with §35.1320(b).

(b) *Interim controls.* (1) The sponsor shall conduct interim controls in accordance with §35.1330 to treat the lead-based paint hazards identified in the risk assessment. Interim controls are considered completed when clearance is achieved in accordance with §35.1340.

(2) The sponsor shall complete interim controls before the issuance of the firm commitment or interim controls may be made a condition of the Federal Housing Administration (FHA) firm commitment, with sufficient repair or rehabilitation funds escrowed at initial endorsement of the FHA insured loan.

(c) *Ongoing lead-based paint maintenance activities.* Before the issuance of the firm commitment, the sponsor shall agree to incorporate ongoing lead-based paint maintenance into regular building operations and maintenance activities in accordance with §35.1355(a).

§ 35.625 Multifamily insured property constructed after 1959 and before 1978.

Except as provided in §35.630, before the issuance of the firm commitment, the sponsor shall agree to incorporate ongoing lead-based paint maintenance practices into regular building operations, in accordance with §35.1355(a).

§ 35.630 Conversions and major rehabilitations.

The procedures and requirements of this section apply when a nonresidential property constructed before 1978 is to be converted to residential use, or a residential property constructed before 1978 is to undergo rehabilitation that is estimated to cost more than 50 percent of the estimated replacement cost after rehabilitation.

(a) *Lead-based paint inspection.* Before issuance of a firm FHA commitment, the sponsor shall conduct a lead-based paint inspection in accordance with §35.1320(a).

(b) *Abatement.* Prior to occupancy, the sponsor shall conduct abatement of all lead-based paint on the property in accordance with §35.1325. Whenever practicable, abatement shall be achieved through the methods of paint removal or component replacement. If paint removal or component replacement are not practicable, that is if such methods would damage substrate material considered architecturally significant, permanent encapsulation or enclosure may be used as methods of abatement. Abatement is

considered complete when clearance is achieved in accordance with §35.1340. If encapsulation or enclosure is used, the sponsor shall incorporate ongoing lead-based paint maintenance into regular building operations maintenance activities in accordance with §35.1355.

(c) *Historic properties.* Section 35.115(a)(13) applies to this section.

Subpart H—Project-Based Assistance

Source: 64 FR 50210, Sept. 15, 1999, unless otherwise noted.

§ 35.700 Purpose and applicability.

(a) This subpart H establishes procedures to eliminate as far as practicable lead-based paint hazards in residential properties receiving project-based assistance under a HUD program. The requirements of this subpart apply only to the assisted dwelling units in a covered property and any common areas servicing those dwelling units. This subpart does not apply to housing receiving rehabilitation assistance or to public housing, which are covered by subparts J and M of this part, respectively.

(b) For the purposes of competitively awarded grants under the Housing Opportunities for Persons with AIDS Program (HOPWA), the Supportive Housing Program (42 U.S.C. 11381–11389) and the Shelter Plus Care Program project-based rental assistance and sponsor-based rental assistance components (42 U.S.C. 11402–11407), the requirements of this subpart shall apply to grants awarded pursuant to Notices of Funding Availability published on or after October 1, 1999. For the purposes of formula grants awarded under the Housing Opportunities for Persons with AIDS Program (HOPWA) (42 U.S.C. 12901 *et seq.*), the requirements of this subpart shall apply to activities for which program funds are first obligated on or after September 15, 2000.

§ 35.705 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.710 Notices and pamphlet.

(a) *Notice.* If evaluation or hazard reduction is undertaken, each owner shall provide a notice to occupants in accordance with §35.125. A visual assessment alone is not considered an evaluation for the purposes of this part.

(b) *Lead hazard information pamphlet.* The owner shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50210, Sept. 15, 1999, as amended at 69 FR 34272, June 21, 2004]

§ 35.715 Multifamily properties receiving more than \$5,000 per unit.

The requirements of this section shall apply to a multifamily residential property that is receiving an average of more than \$5,000 per assisted dwelling unit annually in project-based assistance.

(a) *Risk assessment.* Each owner shall complete a risk assessment in accordance with §35.1320(b). A risk assessment is considered complete when the owner receives the risk assessment report. Until the owner conducts a risk assessment as required by this section, the requirements of paragraph (d) of this section shall apply. After the risk assessment has been conducted the requirements of paragraphs (b) and (c) of this section shall apply. Each risk assessment shall be completed no later than the following schedule or a schedule otherwise determined by HUD:

(1) Risk assessments shall be completed on or before September 17, 2001, in a multifamily residential property constructed before 1960.

(2) Risk assessments shall be completed on or before September 15, 2003, in a multifamily residential property constructed after 1959 and before 1978.

(b) *Interim controls.* Each owner shall conduct interim controls in accordance with §35.1330 to treat the lead-based paint hazards identified in the risk assessment. Interim controls are considered completed when clearance is achieved in accordance with §35.1340. Interim controls shall be completed no later than the following schedule:

(1) In units occupied by families with children of less than 6 years of age and in common areas servicing those units, interim controls shall be completed no later than 90 days after the completion of the risk assessment. In units in which a child of less than 6 years of age moves in after the completion of the risk assessment, interim controls shall be completed no later than 90 days after the move-in.

(2) In all other dwelling units, common areas, and the remaining portions of the residential property, interim controls shall be completed no later than 12 months after completion of the risk assessment for those units.

(c) *Ongoing lead-based paint maintenance and reevaluation activities.* Effective immediately after completion of the risk assessment required in §35.715(a), the owner shall incorporate ongoing lead-based paint maintenance and reevaluation into the regular building operations in accordance with §35.1355, unless all lead-based paint has been removed. If the reevaluation identifies new lead-based paint hazards, the owner shall conduct interim controls in accordance with §35.1330.

(d) *Transitional requirements—(1) Effective date.* The requirements of this paragraph shall apply effective September 15, 2000, and continuing until the applicable date specified in §35.715(a) (1) or (2) or until the owner conducts a risk assessment, whichever is first.

(2) Definitions and other general requirements that apply to this paragraph are found in subpart B of this part.

(3) *Ongoing lead-based paint maintenance.* The owner shall incorporate ongoing lead-based paint maintenance activities into regular building operations, in accordance with §35.1355(a), except that clearance is not required.

(4) *Child with an environmental intervention blood lead level.* If a child of less than 6 years of age living in a dwelling unit covered by this paragraph has an environmental intervention blood lead level, the owner shall comply with the requirements of §35.730.

§ 35.720 Multifamily properties receiving up to \$5,000 per unit, and single family properties.

Effective September 15, 2000, the requirements of this section shall apply to a multifamily residential property that is receiving an average of up to and including \$5,000 per assisted dwelling unit annually in project-based assistance and to a single family residential property that is receiving project-based assistance through the Section 8 Moderate Rehabilitation program, the Project-Based Certificate program, or any other HUD program providing project-based assistance.

(a) *Activities at initial and periodic inspection—(1) Visual assessment.* During the initial and periodic inspections, an inspector trained in visual assessment for deteriorated paint surfaces in accordance with procedures established by HUD shall conduct a visual assessment of all painted surfaces in order to identify any deteriorated paint.

(2) *Paint stabilization.* The owner shall stabilize each deteriorated paint surface in accordance with §35.1330(a) and §35.1330(b) before occupancy of a vacant dwelling unit or, where a unit is occupied, within 30 days of notification of the results of the visual assessment. Paint stabilization is considered complete when clearance is achieved in accordance with §35.1340.

(3) *Notice.* The owner shall provide a notice to occupants in accordance with §§35.125(b) (1) and (c) describing the results of the clearance examination.

(b) *Ongoing lead-based paint maintenance activities.* The owner shall incorporate ongoing lead-based paint maintenance activities into regular building operations in accordance with §35.1355(a), unless all lead-based paint has been removed.

(c) *Child with an environmental intervention blood lead level.* If a child of less than 6 years of age living in a dwelling unit covered by this section has an environmental intervention blood lead level, the owner shall comply with the requirements of §35.730.

§ 35.725 Section 8 Rent adjustments.

HUD may, subject to the availability of appropriations for Section 8 contract amendments, on a project by project basis for projects receiving Section 8 project-based assistance, provide adjustments to the maximum monthly rents to cover the costs of

evaluation for and reduction of lead-based paint hazards, as defined in section 1004 of the Residential Lead-Based Paint Hazard Reduction Act of 1992.

§ 35.730 Child with an environmental intervention blood lead level.

(a) *Risk assessment.* Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in a dwelling unit to which this subpart applies has been identified as having an environmental intervention blood lead level, the owner shall complete a risk assessment of the dwelling unit in which the child lived at the time the blood was last sampled and of common areas servicing the dwelling unit. The risk assessment shall be conducted in accordance with 35.1320(b) and is considered complete when the owner receives the risk assessment report. The requirements of this paragraph apply regardless of whether the child is or is not still living in the unit when the owner receives the notification of the environmental intervention blood lead level. The requirements of this paragraph (a) shall not apply if the owner conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the owner received the notification of the environmental intervention blood lead level. If a public health department has already conducted an evaluation of the dwelling unit, the requirements of this paragraph shall not apply.

(b) *Verification.* After receiving information from a person who is not a medical health care provider that a child of less than 6 years of age living in a dwelling unit covered by this subpart may have an environmental intervention blood lead level, the owner shall immediately verify the information with the public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, such verification shall constitute notification, and the owner shall take the action required in paragraphs (a) and (c) of this section.

(c) *Hazard reduction.* Within 30 days after receiving the report of the risk assessment conducted pursuant to paragraph (a) of this section or the evaluation from the public health department, the owner shall complete the reduction of identified lead-based paint hazards in accordance with §35.1325 or §35.1330. Hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement or the public health department certifies that the lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if the owner, between the date the child's blood was last sampled and the date the owner received the notification of the environmental intervention blood lead level, already conducted a risk assessment of the unit and common areas servicing the unit and completed reduction of identified lead-based paint hazards.

(d) *Notice.* If evaluation or hazard reduction is undertaken, each owner shall provide a notice to occupants in accordance with §35.125.

(e) *Reporting requirement.* The owner shall report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 working days of being so notified by any other medical health care professional.

Subpart I—HUD-Owned and Mortgagee-in-Possession Multifamily Property

Source: 64 FR 50211, Sept. 15, 1999, unless otherwise noted.

§ 35.800 Purpose and applicability.

The purpose of this subpart I is to establish procedures to eliminate as far as practicable lead-based paint hazards in a HUD-owned multifamily residential property or a multifamily residential property for which HUD is identified as mortgagee-in-possession. The requirements of this subpart apply to any such property that is offered for sale or held or managed on or after September 15, 2000.

§ 35.805 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.810 Notices and pamphlet.

(a) *Notices.* When evaluation or hazard reduction is undertaken, the Department shall provide a notice to occupants in accordance with §35.125. A visual assessment alone is not considered an evaluation for the purposes of this part.

(b) *Lead hazard information pamphlet.* HUD shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50211, Sept. 15, 1999, as amended at 69 FR 34272, June 21, 2004]

§ 35.815 Evaluation.

HUD shall conduct a risk assessment and a lead-based paint inspection in accordance with §35.1320(a) and (b). For properties to which this subpart applies on September 15, 2000, the lead-based paint inspection and risk assessment shall be conducted no later than December 15, 2000, or before publicly advertising the property for sale, whichever is sooner. For properties to which this subpart becomes applicable after September 15, 2000, the lead-based paint inspection and risk assessment shall be conducted no later than 90 days after this subpart becomes applicable or before publicly advertising the property for sale, whichever is sooner.

§ 35.820 Interim controls.

HUD shall conduct interim controls in accordance with §35.1330 to treat the lead-based paint hazards identified in the evaluation conducted in accordance with §35.815. Interim controls are considered completed when clearance is achieved in accordance with §35.1340. Interim controls of all lead-based paint hazards shall be completed no later than the following schedule:

(a) In units occupied by families with children of less than 6 years of age and in common areas servicing those units, interim controls shall be completed no later than 90 days after the completion of the risk assessment. In units in which a child of less than 6 years of age moves in after the completion of the risk assessment, interim controls shall be completed no later than 90 days after the move-in.

(b) In all other dwelling units, common areas, and the remaining portions of the residential property, interim controls shall be completed no later than 12 months after completion of the risk assessment for those units.

(c) If conveyance of the title by HUD at a sale of a HUD-owned property or a foreclosure sale caused by HUD when HUD is mortgagee-in-possession occurs before the schedule in paragraphs (a) and (b) of this section, HUD shall complete interim controls before conveyance or foreclosure, or HUD shall be responsible for assuring that interim controls are carried out by the purchaser. If interim controls are made a condition of sale, such controls shall be completed according to the following schedule:

(1) In units occupied by families with children of less than 6 years of age and in common areas servicing those units, interim controls shall be completed no later than 90 days after the date of the closing of the sale. In units in which a child of less than 6 years of age moves in after the closing of the sale, interim controls shall be completed no later than 90 days after the move-in.

(2) In all other dwelling units, in common areas servicing those units, and in the remaining portions of the residential property, interim controls shall be completed no later than 180 days after the closing of the sale.

§ 35.825 Ongoing lead-based paint maintenance and reevaluation.

HUD shall incorporate ongoing lead-based paint maintenance and reevaluation, in accordance with §35.1355, into regular building operations if HUD retains ownership of the residential property for more than 12 months.

§ 35.830 Child with an environmental intervention blood lead level.

(a) *Risk assessment.* Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in a multifamily dwelling unit owned by HUD (or where HUD is mortgagee-in-possession) has been identified as having an environmental intervention blood lead level, HUD shall complete a risk assessment of the dwelling unit in which the child lived at the time the blood was last sampled and of common areas servicing the dwelling unit. The risk

assessment shall be conducted in accordance with §35.1320(b) and is considered complete when HUD receives the risk assessment report. The requirements of this paragraph apply regardless of whether the child is or is not still living in the unit when HUD receives the notification of the environmental intervention blood lead level. The requirements of this paragraph do not apply if HUD conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when HUD received the notification of the environmental intervention blood lead level. If a public health department has already conducted an evaluation of the dwelling unit, the requirements of this paragraph shall not apply.

(b) *Verification.* After receiving information from a person who is not a medical health care provider that a child of less than 6 years of age living in a multifamily dwelling unit owned by HUD (or where HUD is mortgagee-in-possession) may have an environmental intervention blood lead level, HUD shall immediately verify the information with the public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, such verification shall constitute notification, and HUD shall take the action required in paragraphs (a) and (c) of this section.

(c) *Hazard reduction.* Within 30 days after receiving the report of the risk assessment conducted pursuant to paragraph (a) of this section or the evaluation from the public health department, HUD shall complete the reduction of lead-based paint hazards identified in the risk assessment in accordance with §35.1325 or §35.1330. Hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement or the public health department certifies that the lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if HUD, between the date the child's blood was last sampled and the date HUD received the notification of the environmental intervention blood lead level, conducted a risk assessment of the unit and common areas servicing the unit and completed reduction of identified lead-based paint hazards.

(d) *Reporting requirement.* HUD shall report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 working days of being so notified by any other health professional.

(e) *Closing.* If the closing of a sale is scheduled during the period when HUD is responding to a case of a child with an environmental intervention blood lead level, HUD may arrange for the completion of the procedures required by §35.830(a)–(d) by the purchaser within a reasonable period of time.

(f) *Extensions.* The Assistant Secretary for Housing-Federal Housing Commissioner or designee may consider and approve a request for an extension of deadlines established by this section for a lead-based paint inspection, risk assessment, hazard reduction, and reporting. Such a request may be considered, however, only during the first six months during which HUD is owner or mortgagee-in-possession of a multifamily property.

Subpart J—Rehabilitation

Source: 64 FR 50212, Sept. 15, 1999, unless otherwise noted.

§ 35.900 Purpose and applicability.

(a) *Purpose and applicability.* (1) The purpose of this subpart J is to establish procedures to eliminate as far as practicable lead-based paint hazards in a residential property that receives Federal rehabilitation assistance under a program administered by HUD. Rehabilitation assistance does not include project-based rental assistance, rehabilitation mortgage insurance or assistance to public housing.

(2) The requirements of this subpart shall not apply to HOME funds which are committed to a specific project in accordance with §92.2 of this title before September 15, 2000. Such projects shall be subject to the requirements of §92.355 of this title that were in effect at the time of project commitment or the requirements of this subpart.

(3) For the purposes of the Indian Housing Block Grant program and the CDBG Entitlement program, the requirements of this subpart shall apply to all residential rehabilitation activities (except those otherwise exempted) for which funds are first obligated on or after September 15, 2000. For the purposes of the State, HUD-Administered Small Cities, and Insular Areas CDBG programs, the requirements of this subpart shall apply to all covered activities (except those otherwise exempted) for which grant funding is awarded to the unit of local government by the State or HUD, as applicable, on or after September 15, 2000. For the purposes of the Emergency Shelter Grant Program (42 U.S.C. 11371–11378) and the formula grants awarded under the Housing Opportunities for Persons with AIDS Program (HOPWA) (42 U.S.C. 12901 et. seq.), the requirements of this subpart shall apply to activities for which program funds are first obligated on or after September 15, 2000.

(4) For the purposes of competitively awarded grants under the HOPWA Program and the Supportive Housing Program (42 U.S.C. 11481–11389), the requirements of this subpart shall apply to grants awarded under Notices of Funding Availability published on or after September 15, 2000.

(5) For the purposes of the Indian CDBG program (§1003.607 of this title), the requirements of this subpart shall not apply to funds whose notice of funding availability is announced or funding letter is sent before September 15, 2000. Such project grantees shall be subject to the regulations in effect at the time of announcement or funding letter.

(b) The grantee or participating jurisdiction may assign to a subrecipient or other entity the responsibilities set forth in this subpart.

§ 35.905 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.910 Notices and pamphlet.

(a) *Notices.* In cases where evaluation or hazard reduction or both are undertaken as part of federally funded rehabilitation, the grantee or participating jurisdiction shall provide a notice to occupants in accordance with §35.125. A visual assessment alone is not considered an evaluation for the purposes of this part.

(b) *Lead hazard information pamphlet.* The grantee or participating jurisdiction shall provide the lead hazard information pamphlet in accordance with §35.130.

[69 FR 34272, June 21, 2004]

§ 35.915 Calculating Federal rehabilitation assistance.

(a) *Applicability.* This section applies to recipients of Federal rehabilitation assistance.

(b) *Rehabilitation assistance.* (1) Lead-based paint requirements for rehabilitation fall into three categories that depend on the amount of Federal rehabilitation assistance provided. The three categories are:

- (i) Assistance of up to and including \$5,000 per unit;
- (ii) Assistance of more than \$5,000 per unit up to and including \$25,000 per unit; and
- (iii) Assistance of more than \$25,000 per unit.

(2) For purposes of implementing §§35.930 and 35.935, the amount of rehabilitation assistance is the lesser of two amounts: the average Federal assistance per assisted dwelling unit and the average per unit hard costs of rehabilitation. Federal assistance includes all Federal funds assisting the project, regardless of the use of the funds. Federal funds being used for acquisition of the property are to be included as well as funds for construction, permits, fees, and other project costs. The hard costs of rehabilitation include all hard costs, regardless of source, except that the costs of lead-based paint hazard evaluation and hazard reduction activities are not to be included. Costs of site preparation, occupant protection, relocation, interim controls, abatement, clearance, and waste handling attributable to compliance with the requirements of this part are not to be included in the hard costs of rehabilitation. All other hard costs are to be included, regardless of whether the source of funds is Federal or non-Federal, public or private.

(c) *Calculating rehabilitation assistance in properties with both assisted and unassisted dwelling units.* For a residential property that includes both federally assisted and non-assisted units, the rehabilitation costs and Federal assistance associated with non-assisted units are not included in the calculations of the average per unit hard costs of rehabilitation and the average Federal assistance per unit.

(1) The average per unit hard costs of rehabilitation for the assisted units is calculated using the following formula:

Per Unit Hard Costs of Rehabilitation \$ = (a/c) + (b/d)

Where:

a = Rehabilitation hard costs for all assisted units (not including common areas and exterior surfaces)

b = Rehabilitation hard costs for common areas and exterior painted surfaces

c = Number of federally assisted units

d = Total number of units

(2) The average Federal assistance per assisted dwelling unit is calculated using the following formula:

Per unit Federal assistance = e/c

Where:

e = Total Federal assistance for the project

c = Number of federally assisted units

[69 FR 34272, June 21, 2004]

§ 35.920 [Reserved]

§ 35.925 Examples of determining applicable requirements.

The following examples illustrate how to determine whether the requirements of §§35.930(b), (c), or (d) apply to a dwelling unit receiving Federal rehabilitation assistance (dollar amounts are on a per unit basis):

(a) If the total amount of Federal assistance for a dwelling is \$2,000, and the hard costs of rehabilitation are \$10,000, the lead-based paint requirements would be those described in §35.930(b), because Federal rehabilitation assistance is up to and including \$5,000.

(b) If the total amount of Federal assistance for a dwelling unit is \$6,000, and the hard costs of rehabilitation are \$2,000, the lead-based paint requirements would be those described in §35.930(b). Although the total amount of Federal dollars is more than \$5,000, only the \$2,000 of that total can be applied to rehabilitation. Therefore, the Federal rehabilitation assistance is \$2,000 which is not more than \$5,000.

(c) If the total amount of Federal assistance for a unit is \$6,000, and the hard costs of rehabilitation are \$6,000, the lead-based paint requirements are those described in §35.930(c), because the amount of Federal rehabilitation assistance is more than \$5,000 but not more than \$25,000.

(d) If eight dwelling units in a residential property receive Federal rehabilitation assistance [symbol c in §35.915(c)(2)] out of a total of 10 dwelling units [d], the total Federal assistance for the rehabilitation project is \$300,000 [e], the total hard costs of rehabilitation for the dwelling units are \$160,000 [a], and the total hard costs of rehabilitation for the common areas and exterior surfaces are \$20,000 [b], then the lead-based paint requirements would be those described in §35.930(c), because the level of Federal rehabilitation assistance is \$22,000, which is not greater than \$25,000. This is calculated as follows: The total Federal assistance per assisted unit is \$37,500 ($e/c = \$300,000/8$), the per unit hard costs of rehabilitation is \$22,000 ($a/c + b/d = \$160,000/8 + \$20,000/10$), and the level of Federal rehabilitation assistance is the lesser of \$37,500 and \$22,000.

[64 FR 50212, Sept. 15, 1999, as amended at 69 FR 34272, June 21, 2004]

§ 35.930 Evaluation and hazard reduction requirements.

(a) *Paint testing.* The grantee or participating jurisdiction shall either perform paint testing on the painted surfaces to be disturbed or replaced during rehabilitation activities, or presume that all these painted surfaces are coated with lead-based paint.

(b) *Residential property receiving an average of up to and including \$5,000 per unit in Federal rehabilitation assistance.* Each grantee or participating jurisdiction shall:

(1) Conduct paint testing or presume the presence of lead-based paint, in accordance with paragraph (a) of this section. If paint testing indicates that the painted surfaces are not coated with lead-based paint, safe work practices and clearance are not required.

(2) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed.

(3) After completion of any rehabilitation disturbing painted surfaces, perform a clearance examination of the worksite(s) in accordance with §35.1340. Clearance is not required if rehabilitation did not disturb painted surfaces of a total area more than that set forth in §35.1350(d).

(c) *Residential property receiving an average of more than \$5,000 and up to and including \$25,000 per unit in Federal rehabilitation assistance.* Each grantee or participating jurisdiction shall:

(1) Conduct paint testing or presume the presence of lead-based paint, in accordance with paragraph (a) of this section.

(2) Perform a risk assessment in the dwelling units receiving Federal assistance, in common areas servicing those units, and exterior painted surfaces, in accordance with §35.1320(b), before rehabilitation begins.

(3) Perform interim controls in accordance with §35.1330 of all lead-based paint hazards identified pursuant to paragraphs (c)(1) and (c)(2) of this section.

(4) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed and is known or presumed to be lead-based paint.

(d) Residential property receiving an average of more than \$25,000 per unit in Federal rehabilitation assistance. Each grantee or participating jurisdiction shall:

(1) Conduct paint testing or presume the presence of lead-based paint in accordance with paragraph (a) of this section.

(2) Perform a risk assessment in the dwelling units receiving Federal assistance and in associated common areas and exterior painted surfaces in accordance with §35.1320(b) before rehabilitation begins.

(3) Abate all lead-based paint hazards identified by the paint testing or risk assessment conducted pursuant to paragraphs (d)(1) and (d)(2) of this section, in accordance with §35.1325, except that interim controls are acceptable on exterior surfaces that are not disturbed by rehabilitation and on paint-lead hazards that have an area smaller than the *de minimis* limits of §35.1350(d). If abatement of a paint-lead hazard is required, it is necessary to abate only the surface area with hazardous conditions.

(4) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed and is known or presumed to be lead-based paint.

[64 FR 50214, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000, as amended at 69 FR 34273, June 21, 2004]

§ 35.935 Ongoing lead-based paint maintenance activities.

In the case of a rental property receiving Federal rehabilitation assistance under the HOME program, the grantee or participating jurisdiction shall require the property owner to incorporate ongoing lead-based paint maintenance activities in regular building operations, in accordance with §35.1355(a).

[69 FR 34273, June 21, 2004]

§ 35.940 Special requirements for insular areas.

If a dwelling unit receiving Federal assistance under a program covered by this subpart is located in an insular area, the requirements of this section shall apply and the requirements of §35.930 shall not apply. All other sections of this subpart J shall apply. The insular area shall conduct the following activities for the dwelling unit, common

areas servicing the dwelling unit, and the exterior surfaces of the building in which the dwelling unit is located:

(a) Residential property receiving an average of up to and including \$5,000 per unit in Federal rehabilitation assistance. (1) Implement safe work practices during rehabilitation work in accordance with §35.1350 and repair any paint that is disturbed by rehabilitation.

(2) After completion of any rehabilitation disturbing painted surfaces, perform a clearance examination of the worksite(s) in accordance with §35.1340. Clearance shall be achieved before residents are allowed to occupy the worksite(s). Clearance is not required if rehabilitation did not disturb painted surfaces of a total area more than that set forth in §35.1350(b).

(b) Residential property receiving an average of more than \$5,000 per unit in Federal rehabilitation assistance. (1) Before beginning rehabilitation, perform a visual assessment of all painted surfaces in order to identify deteriorated paint.

(2) Perform paint stabilization of each deteriorated paint surface and each painted surface being disturbed by rehabilitation, in accordance with §§35.1330(a) and (b).

(3) After completion of all paint stabilization, perform a clearance examination of the affected dwelling units and common areas in accordance with §35.1340. Clearance shall be achieved before residents are allowed to occupy rooms or spaces in which paint stabilization has been performed.

Subpart K—Acquisition, Leasing, Support Services, or Operation

Source: 64 FR 50214, Sept. 15, 1999, unless otherwise noted.

§ 35.1000 Purpose and applicability.

(a) The purpose of this subpart K is to establish procedures to eliminate as far as practicable lead-based paint hazards in a residential property that receives Federal assistance under certain HUD programs for acquisition, leasing, support services, or operation. Acquisition, leasing, support services, and operation do not include mortgage insurance, sale of federally-owned housing, project-based or tenant-based rental assistance, rehabilitation assistance, or assistance to public housing. For requirements pertaining to those activities or types of assistance, see the applicable subpart of this part.

(b) The grantee or participating jurisdiction may assign to a subrecipient or other entity the responsibilities set forth in this subpart.

(c)(1) The requirements of this subpart shall not apply to HOME funds which are committed to a specific project in accordance with §92.2 of this title before September 15, 2000. Such projects shall be subject to the requirements of §92.355 of this title that were in effect at the time of project commitment, or the requirements of this subpart.

(2) For purposes of the CDBG Entitlement program and the Indian Housing Block Grant program, the requirements of this subpart shall apply to activities (except those otherwise exempted) for which funds are first obligated on or after September 15, 2000. For the purposes of the State, HUD-Administered Small Cities, and Insular Areas CDBG programs, the requirements of this subpart shall apply to all covered activities (except those otherwise exempted) for which grant funding is awarded to the unit of local government by the State or HUD, as applicable, on or after September 15, 2000. For the purposes of the Emergency Shelter Grant Program (42 U.S.C. 11371–11378) and the formula grants awarded under the Housing Opportunities for Persons with AIDS Program (HOPWA) (42 U.S.C. 12901 et. seq.), the requirements of this subpart shall apply to activities for which program funds are first obligated on or after September 15, 2000.

(3) For the purposes of competitively awarded grants under the HOPWA Program and the Supportive Housing Program (42 U.S.C. 11481–11389), the requirements of this subpart shall apply to grants awarded under Notices of Funding Availability published on or after September 15, 2000.

(4) For the purposes of the Indian CDBG program (§1003.607 of this title), the requirements of this subpart shall not apply to funds whose notice of funding availability is announced or funding letter is sent before September 15, 2000. Such project grantees shall be subject to the regulations in effect at the time of announcement or funding letter.

[64 FR 50213, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000]

§ 35.1005 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.1010 Notices and pamphlet.

(a) *Notice.* In cases where evaluation or hazard reduction, including paint stabilization, is undertaken, each grantee or participating jurisdiction shall provide a notice to residents in accordance with §35.125. A visual assessment is not considered an evaluation for purposes of this part.

(b) *Lead hazard information pamphlet.* The grantee or participating jurisdiction shall provide the lead hazard information pamphlet in accordance with §35.130.

§ 35.1015 Visual assessment, paint stabilization, and maintenance.

If a dwelling unit receives Federal assistance under a program covered by this subpart, each grantee or participating jurisdiction shall conduct the following activities for the dwelling unit, common areas servicing the dwelling unit, and the exterior surfaces of the building in which the dwelling unit is located:

(a) A visual assessment of all painted surfaces in order to identify deteriorated paint;

(b) Paint stabilization of each deteriorated paint surface, and clearance, in accordance with §§35.1330(a) and (b), before occupancy of a vacant dwelling unit or, where a unit is occupied, immediately after receipt of Federal assistance; and

(c) The grantee or participating jurisdiction shall require the incorporation of ongoing lead-based paint maintenance activities into regular building operations, in accordance with §35.1355(a), if the dwelling unit has a continuing, active financial relationship with a Federal housing assistance program, except that mortgage insurance or loan guarantees are not considered to constitute an active programmatic relationship for the purposes of this part.

(d) The grantee or participating jurisdiction shall provide a notice to occupants in accordance with §§35.125(b)(1) and (c), describing the results of the clearance examination.

[64 FR 50214, Sept. 15, 1999, as amended at 69 FR 34273, June 21, 2004]

§ 35.1020 Funding for evaluation and hazard reduction.

The grantee or participating jurisdiction shall determine whether the cost of evaluation and hazard reduction is to be borne by the owner/developer, the grantee or a combination of the owner/developer and the grantee, based on program requirements and local program design.

Subpart L—Public Housing Programs

Source: 64 FR 50215, Sept. 15, 1999, unless otherwise noted.

§ 35.1100 Purpose and applicability.

The purpose of this subpart L is to establish procedures to eliminate as far as practicable lead-based paint hazards in residential property assisted under the U.S. Housing Act of 1937 (42 U.S.C. 1437 *et seq.*) but not including housing assisted under section 8 of the 1937 Act.

§ 35.1105 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.1110 Notices and pamphlet.

(a) *Notice.* In cases where evaluation or hazard reduction is undertaken, each public housing agency (PHA) shall provide a notice to residents in accordance with §35.125. A visual assessment alone is not considered an evaluation for purposes of this part.

(b) *Lead hazard information pamphlet.* The PHA shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50215, Sept. 15, 1999, as amended at 69 FR 34273, June 21, 2004]

§ 35.1115 Evaluation.

(a) A lead-based paint inspection shall be conducted in all public housing unless a lead-based paint inspection that meets the conditions of §35.165(a) has already been completed. If a lead-based paint inspection was conducted by a lead-based paint inspector who was not certified, the PHA shall review the quality of the inspection, in accordance with quality control procedures established by HUD, to determine whether the lead-based paint inspection has been properly performed and the results are reliable. Lead-based paint inspections of all housing to which this subpart applies shall be completed no later than September 15, 2000. Revisions or augmentations of prior inspections found to be of insufficient quality shall be completed no later than September 17, 2001.

(b) If a lead-based paint inspection has found the presence of lead-based paint, or if no lead-based paint inspection has been conducted, the PHA shall conduct a risk assessment according to the following schedule, unless a risk assessment that meets the conditions of §35.165(b) has already been completed:

(1) Risk assessments shall be completed on or before March 15, 2001, in a multifamily residential property constructed before 1960.

(2) Risk assessments shall be completed on or before March 15, 2002, in a multifamily residential property constructed after 1959 and before 1978.

(c) A PHA that advertises a construction contract (including architecture/engineering contracts) for bid or award or plans to start force account work shall not execute such contract until a lead-based paint inspection and, if required, a risk assessment, has taken place and any necessary abatement is included in the modernization budget, except for contracts solely for emergency work in accordance with §35.115(a)(9).

(d) The five-year funding request plan for CIAP and CGP shall be amended to include the schedule and funding for lead-based paint activities.

§ 35.1120 Hazard reduction.

(a) Each PHA shall, in accordance with §35.1325, abate all lead-based paint and lead-based paint hazards identified in the evaluations conducted pursuant to §35.1115. The PHA shall abate lead-based paint and lead-based paint hazards in accordance with §35.1325 during the course of physical improvements conducted under the modernization.

(b) In all housing where abatement of all lead-based paint and lead-based paint hazards required in paragraph (a) of this section has not yet occurred, each PHA shall conduct

interim controls, in accordance with §35.1330, of the lead-based paint hazards identified in the most recent risk assessment.

(1) Interim controls of dwelling units in which any child who is less than 6 years of age resides and common areas servicing those dwelling units shall be completed within 90 days of the evaluation under §35.1330. If a unit becomes newly occupied by a family with a child of less than 6 years of age or such child moves into a unit, interim controls shall be completed within 90 days after the new occupancy or move-in if they have not already been completed.

(2) Interim controls in dwelling units not occupied by families with one or more children of less than 6 years of age, common areas servicing those units, and the remaining portions of the residential property shall be completed no later than 12 months after completion of the evaluation conducted under §35.1115.

(c) The PHA shall incorporate ongoing lead-based paint maintenance and reevaluation activities into regular building operations in accordance with §35.1355. In accordance with §35.115(a) (6) and (7), this requirement does not apply to a development or part thereof if it is to be demolished or disposed of in accordance with disposition requirements in part 970 of this title, provided the dwelling unit will remain unoccupied until demolition, or if it is not used and will not be used for human habitation.

§ 35.1125 Evaluation and hazard reduction before acquisition and development.

(a) For each residential property constructed before 1978 and proposed to be acquired for a family project (whether or not it will need rehabilitation) a lead-based paint inspection and risk assessment for lead-based paint hazards shall be conducted in accordance with §35.1320.

(b) If lead-based paint is found in a residential property to be acquired, the cost of evaluation and abatement shall be considered when making the cost comparison to justify new construction, as well as when meeting maximum total development cost limitations.

(c) If lead-based paint is found, compliance with this subpart is required, and abatement of lead-based paint and lead-based paint hazards shall be completed in accordance with §35.1325 before occupancy.

§ 35.1130 Child with an environmental intervention blood lead level.

(a) *Risk assessment.* Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in a public housing development has been identified as having an environmental intervention blood lead level, the PHA shall complete a risk assessment of the dwelling unit in which the child lived at the time the blood was last sampled and of common areas servicing the dwelling unit, the provisions of §35.1115(b) notwithstanding. The risk assessment shall be conducted in accordance with §35.1320(b) and is considered complete when the PHA receives the risk assessment report. The requirements of this paragraph apply regardless

of whether the child is or is not still living in the unit when the PHA receives the notification of the environmental intervention blood lead level. The requirements of this paragraph shall not apply if the PHA conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the PHA received the notification of the environmental intervention blood lead level. If the public health department has already conducted an evaluation of the dwelling unit, the requirements of this paragraph shall not apply.

(b) *Verification.* After receiving information from a person who is not a medical health care provider that a child of less than 6 years of age living in a public housing development may have an environmental intervention blood lead level, the PHA shall immediately verify the information with the public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, such verification shall constitute notification, and the housing agency shall take the action required in paragraphs (a) and (c) of this section.

(c) *Hazard reduction.* Within 30 days after receiving the report of the risk assessment conducted pursuant to paragraph (a) of this section or the evaluation from the public health department, the PHA shall complete the reduction of lead-based paint hazards identified in the risk assessment in accordance with §35.1325 or §35.1330. Hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement or the local or State health department certifies that lead-based paint hazard reduction is complete. The requirements of this paragraph do not apply if the PHA, between the date the child's blood was last sampled and the date the owner received the notification of the environmental intervention blood lead level, already conducted a risk assessment of the unit and common areas servicing the unit and completed reduction of identified lead-based paint hazards.

(d) *Notice of evaluation and hazard reduction.* The PHA shall notify building residents of any evaluation or hazard reduction activities in accordance with §35.125.

(e) *Reporting requirement.* The PHA shall report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 working days of being so notified by any other medical health care professional. The PHA shall also report each known case of a child with an environmental intervention blood lead level to the HUD field office.

(f) *Other units in building.* If the risk assessment conducted pursuant to paragraph (a) of this section identifies lead-based paint hazards and previous evaluations of the building conducted pursuant to §35.1320 did not identify lead-based paint or lead-based paint hazards, the PHA shall conduct a risk assessment of other units of the building in accordance with §35.1320(b) and shall conduct interim controls of identified hazards in accordance with the schedule provided in §35.1120(c).

§ 35.1135 Eligible costs.

A PHA may use financial assistance received under the modernization program (CIAP or CGP) for the notice, evaluation and reduction of lead-based paint hazards in accordance with §968.112 of this title. Eligible costs include:

(a) *Evaluation and insurance costs.* Evaluation and hazard reduction activities, and costs for insurance coverage associated with these activities.

(b) *Planning costs.* Planning costs are costs that are incurred before HUD approval of the CGP or CIAP application and that are related to developing the CIAP application or carrying out eligible modernization planning, such as planning for abatement, detailed design work, preparation of solicitations, and evaluation. Planning costs may be funded as a single work item. Planning costs shall not exceed 5 percent of the CIAP funds available to a HUD Field Office in a particular fiscal year.

(c) *Architectural/engineering and consultant fees.* Eligible costs include fees for planning, identification of needs, detailed design work, preparation of construction and bid documents and other required documents, evaluation, planning and design for abatement, and inspection of work in progress.

(d) *Environmental intervention blood lead level response costs.* The PHA may use its operating reserves and, when necessary, may request reimbursement from the current fiscal year CIAP funds, or request the reprogramming of previously approved CIAP funds to cover the costs of evaluation and hazard reduction.

§ 35.1140 Insurance coverage.

For the requirements concerning the obligation of a PHA to obtain reasonable insurance coverage with respect to the hazards associated with evaluation and hazard reduction activities, see §965.215 of this title.

Subpart M—Tenant-Based Rental Assistance

Source: 64 FR 50216, Sept. 15, 1999, unless otherwise noted.

§ 35.1200 Purpose and applicability.

(a) *Purpose.* The purpose of this subpart M is to establish procedures to eliminate as far as practicable lead-based paint hazards in housing occupied by families receiving tenant-based rental assistance. Such assistance includes tenant-based rental assistance under the Section 8 certificate program, the Section 8 voucher program, the HOME program, the Shelter Plus Care program, the Housing Opportunities for Persons With AIDS (HOPWA) program, and the Indian Housing Block Grant program. *Tenant-based rental assistance* means rental assistance that is not attached to the structure.

(b) *Applicability.* (1) This subpart applies only to dwelling units occupied or to be occupied by families or households that have one or more children of less than 6 years of age, common areas servicing such dwelling units, and exterior painted surfaces associated with such dwelling units or common areas. Common areas servicing a dwelling unit include those areas through which residents pass to gain access to the unit and other areas frequented by resident children of less than 6 years of age, including on-site play areas and child care facilities.

(2) For the purposes of the Section 8 tenant-based certificate program and the Section 8 voucher program:

(i) The requirements of this subpart are applicable where an initial or periodic inspection occurs on or after September 15, 2000; and

(ii) The PHA shall be the designated party.

(3) For the purposes of formula grants awarded under the Housing Opportunities for Persons with AIDS Program (HOPWA) (42 U.S.C. 12901 *et seq.*):

(i) The requirements of this subpart shall apply to activities for which program funds are first obligated on or after September 15, 2000; and

(ii) The grantee shall be the designated party.

(4) For the purposes of competitively awarded grants under the HOPWA Program and the Shelter Plus Care program (42 U.S.C. 11402–11407) tenant-based rental assistance component:

(i) The requirements of this subpart shall apply to grants awarded pursuant to Notices of Funding Availability published on or after September 15, 2000; and

(ii) The grantee shall be the designated party.

(5) For the purposes of the HOME program:

(i) The requirements of this subpart shall not apply to funds which are committed in accordance with §92.2 of this title before September 15, 2000; and

(ii) The participating jurisdiction shall be the designated party.

(6) For the purposes of the Indian Housing Block Grant program:

(i) The requirements of this subpart shall apply to activities for which funds are first obligated on or after September 15, 2000; and

(ii) The IHBG recipient shall be the designated party.

(7) The housing agency, grantee, participating jurisdiction, or IHBG recipient may assign to a subrecipient or other entity the responsibilities of the designated party in this subpart.

[64 FR 50216, Sept. 15, 1999; 65 FR 3387, Jan. 21, 2000]

§ 35.1205 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.1210 Notices and pamphlet.

(a) *Notice.* In cases where evaluation or paint stabilization is undertaken, the owner shall provide a notice to residents in accordance with §35.125. A visual assessment alone is not considered an evaluation for purposes of this part.

(b) *Lead hazard information pamphlet.* The owner shall provide the lead hazard information pamphlet in accordance with §35.130.

[64 FR 50216, Sept. 15, 1999, as amended at 69 FR 34273, June 21, 2004]

§ 35.1215 Activities at initial and periodic inspection.

(a) (1) During the initial and periodic inspections, an inspector acting on behalf of the designated party and trained in visual assessment for deteriorated paint surfaces in accordance with procedures established by HUD shall conduct a visual assessment of all painted surfaces in order to identify any deteriorated paint.

(2) For tenant-based rental assistance provided under the HOME program, visual assessment shall be conducted as part of the initial and periodic inspections required under §92.209(i) of this title.

(b) The owner shall stabilize each deteriorated paint surface in accordance with §§35.1330(a) and (b) before commencement of assisted occupancy. If assisted occupancy has commenced prior to a periodic inspection, such paint stabilization must be completed within 30 days of notification of the owner of the results of the visual assessment. Paint stabilization is considered complete when clearance is achieved in accordance with §35.1340. If the owner does not complete the hazard reduction required by this section, the dwelling unit is in violation of Housing Quality Standards (HQS) until the hazard reduction is completed or the unit is no longer covered by this subpart because the unit is no longer under a housing assistance payment (HAP) contract with the housing agency.

(c) The owner shall provide a notice to occupants in accordance with §35.125(b)(1) and (c) describing the results of the clearance examination.

(d) The designated party may grant the owner an extension of time to complete paint stabilization and clearance for reasonable cause, but such an extension shall not extend

beyond 90 days after the date of notification to the owner of the results of the visual assessment.

[64 FR 50216, Sept. 15, 1999, as amended at 69 FR 34273, June 21, 2004]

§ 35.1220 Ongoing lead-based paint maintenance activities.

Notwithstanding the designation of the PHA, grantee, participating jurisdiction, or Indian Housing Block Grant (IHBG) recipient as the designated party for this subpart, the owner shall incorporate ongoing lead-based paint maintenance activities into regular building operations in accordance with §35.1355(a).

[69 FR 34273, June 21, 2004]

§ 35.1225 Child with an environmental intervention blood lead level.

(a) Within 15 days after being notified by a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted dwelling unit has been identified as having an environmental intervention blood lead level, the designated party shall complete a risk assessment of the dwelling unit in which the child lived at the time the blood was last sampled and of the common areas servicing the dwelling unit. The risk assessment shall be conducted in accordance with §35.1320(b). When the risk assessment is complete, the designated party shall immediately provide the report of the risk assessment to the owner of the dwelling unit. If the child identified as having an environmental intervention blood lead level is no longer living in the unit when the designated party receives notification from the public health department or other medical health care provider, but another household receiving tenant-based rental assistance is living in the unit or is planning to live there, the requirements of this section apply just as they do if the child still lives in the unit. If a public health department has already conducted an evaluation of the dwelling unit, or the designated party conducted a risk assessment of the unit and common areas servicing the unit between the date the child's blood was last sampled and the date when the designated party received the notification of the environmental intervention blood lead level, the requirements of this paragraph shall not apply.

(b) *Verification.* After receiving information from a source other than a public health department or other medical health care provider that a child of less than 6 years of age living in an assisted dwelling unit may have an environmental intervention blood lead level, the designated party shall immediately verify the information with a public health department or other medical health care provider. If that department or provider verifies that the child has an environmental intervention blood lead level, such verification shall constitute notification to the designated party as provided in paragraph (a) of this section, and the designated party shall take the action required in paragraphs (a) and (c) of this section.

(c) *Hazard reduction.* Within 30 days after receiving the risk assessment report from the designated party or the evaluation from the public health department, the owner shall

complete the reduction of identified lead-based paint hazards in accordance with §35.1325 or §35.1330. Hazard reduction is considered complete when clearance is achieved in accordance with §35.1340 and the clearance report states that all lead-based paint hazards identified in the risk assessment have been treated with interim controls or abatement or when the public health department certifies that the lead-based paint hazard reduction is complete. If the owner does not complete the hazard reduction required by this section, the dwelling unit is in violation of Housing Quality Standards (HQS).

(d) *Notice of evaluation and hazard reduction.* The owner shall notify building residents of any evaluation or hazard reduction activities in accordance with §35.125.

(e) *Reporting requirement.* The designated party shall report the name and address of a child identified as having an environmental intervention blood lead level to the public health department within 5 working days of being so notified by any other medical health care professional.

(f) *Data collection and record keeping responsibilities.* At least quarterly, the designated party shall attempt to obtain from the public health department(s) with area(s) of jurisdiction similar to that of the designated party the names and/or addresses of children of less than 6 years of age with an identified environmental intervention blood lead level. At least quarterly, the designated party shall also report an updated list of the addresses of units receiving assistance under a tenant-based rental assistance program to the same public health department(s), except that the report(s) to the public health department(s) is not required if the health department states that it does not wish to receive such report. If it obtains names and addresses of environmental intervention blood lead level children from the public health department(s), the designated party shall match information on cases of environmental intervention blood lead levels with the names and addresses of families receiving tenant-based rental assistance, unless the public health department performs such a matching procedure. If a match occurs, the designated party shall carry out the requirements of this section.

Subparts N–Q [Reserved]

Subpart R—Methods and Standards for Lead-Paint Hazard Evaluation and Hazard Reduction Activities

Source: 64 FR 50218, Sept. 15, 1999, unless otherwise noted.

§ 35.1300 Purpose and applicability.

The purpose of this subpart R is to provide standards and methods for evaluation and hazard reduction activities required in subparts B, C, D, and F through M of this part.

§ 35.1305 Definitions and other general requirements.

Definitions and other general requirements that apply to this subpart are found in subpart B of this part.

§ 35.1310 References.

Further guidance information regarding evaluation and hazard reduction activities described in this subpart is found in the following:

- (a) The HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing (Guidelines);
- (b) The EPA Guidance on Residential Lead-Based Paint, Lead-Contaminated Dust, and Lead Contaminated Soil;
- (c) Guidance, methods or protocols issued by States and Indian tribes that have been authorized by EPA under 40 CFR 745.324 to administer and enforce lead-based paint programs.

§ 35.1315 Collection and laboratory analysis of samples.

All paint chip, dust, or soil samples shall be collected and analyzed in accordance with standards established either by a State or Indian tribe under a program authorized by EPA in accordance with 40 CFR part 745, subpart Q, or by the EPA in accordance with 40 CFR 745.227, and as further provided in this subpart.

§ 35.1320 Lead-based paint inspections, paint testing, risk assessments, lead-hazard screens, and reevaluations.

(a) *Lead-based paint inspections and paint testing.* Lead-based paint inspections shall be performed in accordance with methods and standards established either by a State or Tribal program authorized by the EPA under 40 CFR 745.324, or by the EPA at 40 CFR 745.227(b) and (h). Paint testing to determine the presence or absence of lead-based paint on deteriorated paint surfaces or surfaces to be disturbed or replaced shall be performed by a certified lead-based paint inspector or risk assessor.

(b) Risk assessments, lead-hazard screens and reevaluations. (1) Risk assessments and lead-hazard screens shall be performed in accordance with methods and standards established either by a state or tribal program authorized by the EPA, or by the EPA at 40 CFR 745.227(c), (d), and (h) and paragraph (b)(2) of this section. Reevaluations shall be performed by a certified risk assessor in accordance with §35.1355(b) and paragraph (b)(2) of this section.

(2) Risk assessors shall use standards for determining dust-lead hazards and soil-lead hazards that are at least as protective as those promulgated by the EPA at 40 CFR 745.227(h) or, if such standards are not in effect, the following levels for dust or soil:

(i) *Dust.* A dust-lead hazard is surface dust that contains a mass-per-area concentration (loading) of lead, based on wipe samples, equal to or exceeding the applicable level in the following table:

Dust Lead Standards

Evaluation method	Surface			
	Interior		Window troughs,	
	Floors,	sills,	Window troughs,	
	µg/	µg/	µg/ft	
	ft \2\	ft \2\	ft \2\	(mg/m \2\)
	(mg/m \2\)	(mg/m \2\)	(mg/m \2\)	(mg/m \2\)
Risk Assessment.....	40 (0.43)	250 (2.7)	Not Applicable.	
Lead Hazard Screen.....	25 (0.27)	125 (1.4)	Not Applicable.	
Reevaluation.....	40 (0.43)	250 (2.7)	Not Applicable.	
Clearance.....	40 (0.43)	250 (2.7)	400 (4.3).	

Note 1: ``Floors'' includes carpeted and uncarpeted interior floors.

Note 2: A dust-lead hazard is present or clearance fails when the weighted arithmetic mean lead loading for all single-surface or composite samples is equal to or greater than the applicable standard.

For composite samples of two to four subsamples, the standard is determined by dividing the standard in the table by one half the number of subsamples. See EPA regulations at 40 CFR 745.63 and 745.227(h) (3) (i).

(ii) *Soil.* (A) A soil-lead hazard for play areas frequented by children under six years of age is bare soil with lead equal to or exceeding 400 parts per million (micrograms per gram).

(B) For the rest of the yard, a soil-lead hazard is bare soil that totals more than 9 square feet (0.8 square meters) per property with lead equal to or exceeding an average of 1,200 parts per million (micrograms per gram).

(3) Lead-hazard screens shall be performed in accordance with the methods and standards established either by a state or Tribal program authorized by the EPA, or by the EPA at 40 CFR 745.227(c), and paragraphs (b)(1) and (b)(2) of this section. If the lead-hazard screen indicates the need for a follow-up risk assessment (e.g., if dust-lead measurements exceed the levels established for lead-hazard screens in paragraph (b)(2)(i) of this section), a risk assessment shall be conducted in accordance with paragraphs (b)(1) and (b)(2) of this section. Dust, soil, and paint samples collected for the lead-hazard screen may be used in the risk assessment. If the lead hazard screen does not indicate the need for a follow-up risk assessment, no further risk assessment is required.

(c) It is strongly recommended, but not required, that lead-based paint inspectors, risk assessors, and sampling technicians provide a plain-language summary of the results suitable for posting or distribution to occupants in compliance with §35.125.

[69 FR 34273, June 21, 2004]

§ 35.1325 Abatement.

Abatement shall be performed in accordance with methods and standards established either by a State or Indian tribe under a program authorized by EPA, or by EPA at 40 CFR 745.227(e), and shall be completed by achieving clearance in accordance with §35.1340. If encapsulation or enclosure is used as a method of abatement, ongoing lead-based paint maintenance activities shall be performed as required by the applicable subpart of this part in accordance with §35.1355. Abatement of an intact, factory-applied prime coating on metal surfaces is not required unless the surface is a friction surface.

§ 35.1330 Interim controls.

Interim controls of lead-based paint hazards identified in a risk assessment shall be conducted in accordance with the provisions of this section. Interim control measures include paint stabilization of deteriorated paint, treatments for friction and impact surfaces where levels of lead dust are above the levels specified in §35.1320, dust control, and lead-contaminated soil control. As provided by §35.155, interim controls may be performed in combination with, or be replaced by, abatement methods.

(a) *General requirements.* (1) Only those interim control methods identified as acceptable methods in a current risk assessment report shall be used to control identified hazards, except that, if only paint stabilization is required in accordance with subparts F, H, K or M of this part, it shall not be necessary to have conducted a risk assessment.

(2) Occupants of dwelling units where interim controls are being performed shall be protected during the course of the work in accordance with §35.1345.

(3) Clearance testing shall be performed at the conclusion of interim control activities in accordance with §35.1340.

(4) A person performing interim controls must be trained in accordance with the hazard communication standard for the construction industry issued by the Occupational Safety and Health Administration of the U.S. Department of Labor at 29 CFR 1926.59, and either be supervised by an individual certified as a lead-based paint abatement supervisor or have completed successfully one of the following lead-safe work practices courses, except that this supervision or lead-safe work practices training requirement does not apply to work that disturbs painted surfaces less than the *de minimis* limits of §35.1350(d):

(i) A lead-based paint abatement supervisor course accredited in accordance with 40 CFR 745.225;

(ii) A lead-based paint abatement worker course accredited in accordance with 40 CFR 745.225; or

(iii) Another course approved by HUD for this purpose after consultation with the EPA. A current list of approved courses is available on the Internet at <http://www.hud.gov/offices/lead>, or by mail or fax from the HUD Office of Healthy Homes and Lead Hazard Control at (202) 755-1785, extension 104 (this is not a toll-free number). Persons with hearing or speech impediments may access the above telephone number via phone or TTY by calling the toll-free Federal Information Relay Service at (800) 877-8339.

(iv) "The Remodeler's and Renovator's Lead-Based Paint Training Program," prepared by HUD and the National Association of the Remodeling Industry; or

(v) Another course approved by HUD for this purpose after consultation with EPA.

(b) *Paint stabilization.* (1) Interim control treatments used to stabilize deteriorated lead-based paint shall be performed in accordance with the requirements of this section. Interim control treatments of intact, factory applied prime coatings on metal surfaces are not required. Finish coatings on such surfaces shall be treated by interim controls if those coatings contain lead-based paint.

(2) Any physical defect in the substrate of a painted surface or component that is causing deterioration of the surface or component shall be repaired before treating the surface or component. Examples of defective substrate conditions include dry-rot, rust, moisture-related defects, crumbling plaster, and missing siding or other components that are not securely fastened.

(3) Before applying new paint, all loose paint and other loose material shall be removed from the surface to be treated. Acceptable methods for preparing the surface to be treated include wet scraping, wet sanding, and power sanding performed in conjunction with a HEPA filtered local exhaust attachment operated according to the manufacturer's instructions.

(4) Dry sanding or dry scraping is permitted only in accordance with §35.140(e) (i.e., for electrical safety reasons or for specified minor amounts of work).

(5) Paint stabilization shall include the application of a new protective coating or paint. The surface substrate shall be dry and protected from future moisture damage before applying a new protective coating or paint. All protective coatings and paints shall be applied in accordance with the manufacturer's recommendations.

(6) Paint stabilization shall incorporate the use of safe work practices in accordance with §35.1350.

(c) *Friction and impact surfaces.* (1) Friction surfaces are required to be treated only if:

(i) Lead dust levels on the nearest horizontal surface underneath the friction surface (e.g., the window sill, window trough, or floor) are equal to or greater than the standards specified in 35.1320(b);

(ii) There is evidence that the paint surface is subject to abrasion; and

(iii) Lead-based paint is known or presumed to be present on the friction surface.

(2) Impact surfaces are required to be treated only if:

(i) Paint on an impact surface is damaged or otherwise deteriorated;

(ii) The damaged paint is caused by impact from a related building component (such as a door knob that knocks into a wall, or a door that knocks against its door frame); and

(iii) Lead-based paint is known or presumed to be present on the impact surface.

(3) Examples of building components that may contain friction or impact surfaces include the following:

(i) Window systems;

(ii) Doors;

(iii) Stair treads and risers;

(iv) Baseboards;

(v) Drawers and cabinets; and

(vi) Porches, decks, interior floors, and any other painted surfaces that are abraded, rubbed, or impacted.

(4) Interim control treatments for friction surfaces shall eliminate friction points or treat the friction surface so that paint is not subject to abrasion. Examples of acceptable treatments include rehanging and/or planing doors so that the door does not rub against the door frame, and installing window channel guides that reduce or eliminate abrasion of painted surfaces. Paint on stair treads and floors shall be protected with a durable cover or coating that will prevent abrasion of the painted surfaces. Examples of acceptable materials include carpeting, tile, and sheet flooring.

(5) Interim control treatments for impact surfaces shall protect the paint from impact. Examples of acceptable treatments include treatments that eliminate impact with the paint surface, such as a door stop to prevent a door from striking a wall or baseboard.

(6) Interim control for impact or friction surfaces does not include covering such a surface with a coating or other treatment, such as painting over the surface, that does not protect lead-based paint from impact or abrasion.

(d) *Chewable surfaces.* (1) Chewable surfaces are required to be treated only if there is evidence of teeth marks, indicating that a child of less than six years of age has chewed on the painted surface, and lead-based paint is known or presumed to be present on the surface.

(2) Interim control treatments for chewable surfaces shall make the lead-based paint inaccessible for chewing by children of less than 6 years of age. Examples include enclosures or coatings that cannot be penetrated by the teeth of such children.

(e) *Dust-lead hazard control.* (1) Interim control treatments used to control dust-lead hazards shall be performed in accordance with the requirements of this section. Additional information on dust removal is found in the HUD Guidelines, particularly Chapter 11 (see §35.1310).

(2) Dust control shall involve a thorough cleaning of all horizontal surfaces, such as interior window sills, window troughs, floors, and stairs, but excluding ceilings. All horizontal surfaces, such as floors, stairs, window sills and window troughs, that are rough, pitted, or porous shall be covered with a smooth, cleanable covering or coating, such as metal coil stock, plastic, polyurethane, or linoleum.

(3) Surfaces covered by a rug or carpeting shall be cleaned as follows:

(i) The floor surface under a rug or carpeting shall be cleaned where feasible, including upon removal of the rug or carpeting, with a HEPA vacuum or other method of equivalent efficacy.

(ii) An unattached rug or an attached carpet that is to be removed, and padding associated with such rug or carpet, located in an area of the dwelling unit with dust-lead hazards on the floor, shall be thoroughly vacuumed with a HEPA vacuum or other method of equivalent efficacy. Protective measures shall be used to prevent the spread of dust during removal of a rug, carpet or padding from the dwelling. For example, it shall be misted to reduce dust generation during removal. The item(s) being removed shall be wrapped or otherwise sealed before removal from the worksite.

(iii) An attached carpet located in an area of the dwelling unit with dust-lead hazards on the floor shall be thoroughly vacuumed with a HEPA vacuum or other method of equivalent efficacy if it is not to be removed.

(f) *Soil-lead hazards.* (1) Interim control treatments used to control soil-lead hazards shall be performed in accordance with this section.

(2) Soil with a lead concentration equal to or greater than 5,000 µg/g of lead shall be abated in accordance with 40 CFR 745.227(e).

(3) Acceptable interim control methods for soil lead are impermanent surface coverings and land use controls.

(i) Impermanent surface coverings may be used to treat lead-contaminated soil if applied in accordance with the following requirements. Examples of acceptable impermanent coverings include gravel, bark, sod, and artificial turf.

(A) Impermanent surface coverings selected shall be designed to withstand the reasonably-expected traffic. For example, if the area to be treated is heavily traveled, neither grass or sod shall be used.

(B) When loose impermanent surface coverings such as bark or gravel are used, they shall be applied in a thickness not less than six inches deep.

(C) The impermanent surface covering material shall not contain more than 400 µg/g of lead.

(D) Adequate controls to prevent erosion shall be used in conjunction with impermanent surface coverings.

(ii) Land use controls may be used to reduce exposure to soil-lead hazards only if they effectively control access to areas with soil-lead hazards. Examples of land use controls include: fencing, warning signs, and landscaping.

(A) Land use controls shall be implemented only if residents have reasonable alternatives to using the area to be controlled.

(B) If land use controls are used for a soil area that is subject to erosion, measures shall be taken to contain the soil and control dispersion of lead.

[64 FR 50218, Sept. 15, 1999, as amended at 69 FR 34274, June 21, 2004]

§ 35.1335 Standard treatments.

Standard treatments shall be conducted in accordance with this section.

(a) *Paint stabilization.* All deteriorated paint on exterior and interior surfaces located on the residential property shall be stabilized in accordance with §35.1330(a)(b), or abated in accordance with §35.1325.

(b) *Smooth and cleanable horizontal surfaces.* All horizontal surfaces, such as uncarpeted floors, stairs, interior window sills and window troughs, that are rough, pitted, or porous,

shall be covered with a smooth, cleanable covering or coating, such as metal coil stock, plastic, polyurethane, or linoleum.

(c) *Correcting dust-generating conditions.* Conditions causing friction or impact of painted surfaces shall be corrected in accordance with §35.1330(c)(4)–(6).

(d) *Bare residential soil.* Bare soil shall be treated in accordance with the requirements of §35.1330, unless it is found not to be a soil-lead hazard in accordance with §35.1320(b).

(e) *Safe work practices.* All standard treatments described in paragraphs (a) through (d) of this section shall incorporate the use of safe work practices in accordance with §35.1350.

(f) *Clearance.* A clearance examination shall be performed in accordance with §35.1340 at the conclusion of any lead hazard reduction activities.

(g) *Qualifications.* An individual performing standard treatments must meet the training and/or supervision requirements of §35.1330(a)(4).

§ 35.1340 Clearance.

Clearance examinations required under subparts B, C, D, F through M, and R, of this part shall be performed in accordance with the provisions of this section.

(a) *Clearance following abatement.* Clearance examinations performed following abatement of lead-based paint or lead-based paint hazards shall be performed in accordance with 40 CFR 745.227(e) and paragraphs (c)–(f) of this section. Such clearances shall be performed by a person certified to perform risk assessments or lead-based paint inspections.

(b) *Clearance following activities other than abatement.* Clearance examinations performed following interim controls, paint stabilization, standard treatments, ongoing lead-based paint maintenance, or rehabilitation shall be performed in accordance with the requirements of this paragraph (b) and paragraphs (c) through (g) of this section. Clearance is not required if the work being cleared does not disturb painted surfaces of a total area more than that set forth in §35.1350(d).

(1) *Qualified personnel.* Clearance examinations shall be performed by:

(i) A certified risk assessor;

(ii) A certified lead-based paint inspector;

(iii) A person who has successfully completed a training course for sampling technicians (or a discipline of similar purpose and title) that is developed or accepted by EPA or a State or tribal program authorized by EPA pursuant to 40 CFR part 745, subpart Q, and

that is given by a training provider accredited by EPA or a State or Indian Tribe for training in lead-based paint inspection or risk assessment, provided a certified risk assessor or a certified lead-based paint inspector approves the work of the sampling technician and signs the report of the clearance examination; or

(iv) A technician licensed or certified by EPA or a State or Indian Tribe to perform clearance examinations without the approval of a certified risk assessor or certified lead-based paint inspector, provided that a clearance examination by such a licensed or certified technician shall be performed only for a single-family property or individual dwelling units and associated common areas in a multi-unit property, and provided further that a clearance examination by such a licensed or certified sampling technician shall not be performed using random sampling of dwelling units or common areas in multifamily properties, except that a clearance examination performed by such a licensed or certified sampling technician is acceptable for any residential property if the clearance examination is approved and the report signed by a certified risk assessor or a certified lead-based paint inspector.

(2) *Required activities.* (i) Clearance examinations shall include a visual assessment, dust sampling, submission of samples for analysis for lead in dust, interpretation of sampling results, and preparation of a report. Soil sampling is not required. Clearance examinations shall be performed in dwelling units, common areas, and exterior areas in accordance with this section and the steps set forth at 40 CFR 745.227(e)(8). If clearance is being performed after lead-based paint hazard reduction, paint stabilization, maintenance, or rehabilitation that affected exterior surfaces but did not disturb interior painted surfaces or involve elimination of an interior dust-lead hazard, interior clearance is not required if window, door, ventilation, and other openings are sealed during the exterior work. If clearance is being performed for more than 10 dwelling units of similar construction and maintenance, as in a multifamily property, random sampling for the purpose of clearance may be conducted in accordance with 40 CFR 745.227(e)(9).

(ii) The visual assessment shall be performed to determine if deteriorated paint surfaces and/or visible amounts of dust, debris, paint chips or other residue are still present. Both exterior and interior painted surfaces shall be examined for the presence of deteriorated paint. If deteriorated paint or visible dust, debris or residue are present in areas subject to dust sampling, they must be eliminated prior to the continuation of the clearance examination, except elimination of deteriorated paint is not required if it has been determined, through paint testing or a lead-based paint inspection, that the deteriorated paint is not lead-based paint. If exterior painted surfaces have been disturbed by the hazard reduction, maintenance or rehabilitation activity, the visual assessment shall include an assessment of the ground and any outdoor living areas close to the affected exterior painted surfaces. Visible dust or debris in living areas shall be cleaned up and visible paint chips on the ground shall be removed.

(iii) Dust samples shall be wipe samples and shall be taken on floors and, where practicable, interior window sills and window troughs. Dust samples shall be collected and analyzed in accordance with §35.1315 of this part.

(iv) Clearance reports shall be prepared in accordance with paragraph (c) of this section.

(c) *Clearance report.* When clearance is required, the designated party shall ensure that a clearance report is prepared that provides documentation of the hazard reduction or maintenance activity as well as the clearance examination. When abatement is performed, the report shall be an abatement report in accordance with 40 CFR 745.227(e)(10). When another hazard reduction or maintenance activity requiring a clearance report is performed, the report shall include the following information:

(1) The address of the residential property and, if only part of a multifamily property is affected, the specific dwelling units and common areas affected.

(2) The following information on the clearance examination:

(i) The date(s) of the clearance examination;

(ii) The name, address, and signature of each person performing the clearance examination, including certification number;

(iii) The results of the visual assessment for the presence of deteriorated paint and visible dust, debris, residue or paint chips;

(iv) The results of the analysis of dust samples, in $\mu\text{g}/\text{sq. ft.}$, by location of sample; and

(v) The name and address of each laboratory that conducted the analysis of the dust samples, including the identification number for each such laboratory recognized by EPA under section 405(b) of the Toxic Substances Control Act (15 U.S.C. 2685(b)).

(3) The following information on the hazard reduction or maintenance activity for which clearance was performed:

(i) The start and completion dates of the hazard reduction or maintenance activity;

(ii) The name and address of each firm or organization conducting the hazard reduction or maintenance activity and the name of each supervisor assigned;

(iii) A detailed written description of the hazard reduction or maintenance activity, including the methods used, locations of exterior surfaces, interior rooms, common areas, and/or components where the hazard reduction activity occurred, and any suggested monitoring of encapsulants or enclosures; and

(iv) If soil hazards were reduced, a detailed description of the location(s) of the hazard reduction activity and the method(s) used.

(d) *Standards.* The clearance standards in §35.1320(b)(2) shall apply. If test results equal or exceed the standards, the dwelling unit, worksite, or common area represented by the sample fails the clearance examination.

(e) *Clearance failure.* All surfaces represented by a failed clearance sample shall be recleaned or treated by hazard reduction, and retested, until the applicable clearance level in §35.1320(b)(2) is met.

(f) *Independence.* Clearance examinations shall be performed by persons or entities independent of those performing hazard reduction or maintenance activities, unless the designated party uses qualified in-house employees to conduct clearance. An in-house employee shall not conduct both a hazard reduction or maintenance activity and its clearance examination.

(g) *Worksite clearance.* Clearance of only the worksite is permitted after work covered by §§35.930, 35.1330, 35.1335, or 35.1355, when containment is used to ensure that dust and debris generated by the work is kept within the worksite. Otherwise, clearance must be of the entire dwelling unit, common area, or outbuilding, as applicable. When clearance is of an interior worksite that is not an entire dwelling unit, common area, or outbuilding, dust samples shall be taken for paragraph (b) of this section as follows:

(1) Sample, from each of at least four rooms, hallways, stairwells, or common areas within the dust containment area:

(i) The floor (one sample); and

(ii) Windows (one interior sill sample and one trough sample, if present); and

(2) Sample the floor in a room, hallway, stairwell, or common area connected to the dust containment area, within five feet outside the area (one sample).

[64 FR 50218, Sept. 15, 1999, as amended at 69 FR 34274, June 21, 2004]

§ 35.1345 Occupant protection and worksite preparation.

This section establishes procedures for protecting dwelling unit occupants and the environment from contamination from lead-contaminated or lead-containing materials during hazard reduction activities.

(a) *Occupant protection.* (1) Occupants shall not be permitted to enter the worksite during hazard reduction activities (unless they are employed in the conduct of these activities at the worksite), until after hazard reduction work has been completed and clearance, if required, has been achieved.

(2) Occupants shall be temporarily relocated before and during hazard reduction activities to a suitable, decent, safe, and similarly accessible dwelling unit that does not have lead-based paint hazards, except if:

(i) Treatment will not disturb lead-based paint, dust-lead hazards or soil-lead hazards;

(ii) Only the exterior of the dwelling unit is treated, and windows, doors, ventilation intakes and other openings in or near the worksite are sealed during hazard control work and cleaned afterward, and entry free of dust-lead hazards, soil-lead hazards, and debris is provided;

(iii) Treatment of the interior will be completed within one period of 8-daytime hours, the worksite is contained so as to prevent the release of leaded dust and debris into other areas, and treatment does not create other safety, health or environmental hazards (e.g., exposed live electrical wiring, release of toxic fumes, or on-site disposal of hazardous waste); or

(iv) Treatment of the interior will be completed within 5 calendar days, the worksite is contained so as to prevent the release of leaded dust and debris into other areas, treatment does not create other safety, health or environmental hazards; and, at the end of work on each day, the worksite and the area within at least 10 feet (3 meters) of the containment area is cleaned to remove any visible dust or debris, and occupants have safe access to sleeping areas, and bathroom and kitchen facilities.

(3) The dwelling unit and the worksite shall be secured against unauthorized entry, and occupants' belongings protected from contamination by dust-lead hazards and debris during hazard reduction activities. Occupants' belongings in the containment area shall be relocated to a safe and secure area outside the containment area, or covered with an impermeable covering with all seams and edges taped or otherwise sealed.

(b) *Worksite preparation.* (1) The worksite shall be prepared to prevent the release of leaded dust, and contain lead-based paint chips and other debris from hazard reduction activities within the worksite until they can be safely removed. Practices that minimize the spread of leaded dust, paint chips, soil and debris shall be used during worksite preparation.

(2) A warning sign shall be posted at each entry to a room where hazard reduction activities are conducted when occupants are present; or at each main and secondary entryway to a building from which occupants have been relocated; or, for an exterior hazard reduction activity, where it is easily read 20 feet (6 meters) from the edge of the hazard reduction activity worksite. Each warning sign shall be as described in 29 CFR 1926.62(m), except that it shall be posted irrespective of employees' lead exposure and, to the extent practicable, provided in the occupants' primary language.

§ 35.1350 Safe work practices.

(a) *Prohibited methods.* Methods of paint removal listed in §35.140 shall not be used.

(b) *Occupant protection and worksite preparation.* Occupants and their belongings shall be protected, and the worksite prepared, in accordance with §35.1345. A person performing this work shall be trained on hazards and either be supervised or have completed successfully one of the specified courses, in accordance with §35.1330(a)(4).

(c) *Specialized cleaning.* After hazard reduction activities have been completed, the worksite shall be cleaned using cleaning methods, products, and devices that are successful in cleaning up dust-lead hazards, such as a HEPA vacuum or other method of equivalent efficacy, and lead-specific detergents or equivalent.

(d) *De minimis levels.* Safe work practices are not required when maintenance or hazard reduction activities do not disturb painted surfaces that total more than:

- (1) 20 square feet (2 square meters) on exterior surfaces;
- (2) 2 square feet (0.2 square meters) in any one interior room or space; or
- (3) 10 percent of the total surface area on an interior or exterior type of component with a small surface area. Examples include window sills, baseboards, and trim.

[64 FR 50218, Sept. 15, 1999, as amended at 69 FR 34275, June 21, 2004]

§ 35.1355 Ongoing lead-based paint maintenance and reevaluation activities.

(a) *Maintenance.* Maintenance activities shall be conducted in accordance with paragraphs (a)(2)–(6) of this section, except as provided in paragraph (a)(1) of this section.

(1) Maintenance activities need not be conducted in accordance with this section if a lead-based paint inspection indicates that no lead-based paint is present in the dwelling units, common areas, and on exterior surfaces, or a clearance report prepared in accordance with §35.1340(a) indicates that all lead-based paint has been removed.

(2) A visual assessment for deteriorated paint, bare soil, and the failure of any hazard reduction measures shall be performed at unit turnover and every twelve months.

(3) (i) *Deteriorated paint.* All deteriorated paint on interior and exterior surfaces located on the residential property shall be stabilized in accordance with §35.1330(a)(b), except for any paint that an evaluation has found is not lead-based paint.

(ii) *Bare soil.* All bare soil shall be treated with standard treatments in accordance with §35.1335(d) through (g), or interim controls in accordance with §35.1330(a) and (f); except for any bare soil that a current evaluation has found is not a soil-lead hazard.

(4) Safe work practices, in accordance with sec. 35.1350, shall be used when performing any maintenance or renovation work that disturbs paint that may be lead-based paint.

(5) Any encapsulation or enclosure of lead-based paint or lead-based paint hazards which has failed to maintain its effectiveness shall be repaired, or abatement or interim controls shall be performed in accordance with §§35.1325 or 35.1330, respectively.

(6) Clearance testing of the worksite shall be performed at the conclusion of repair, abatement or interim controls in accordance with §35.1340.

(7) Each dwelling unit shall be provided with written notice asking occupants to report deteriorated paint and, if applicable, failure of encapsulation or enclosure, along with the name, address and telephone number of the person whom occupants should contact. The language of the notice shall be in accordance with §35.125(c)(3). The designated party shall respond to such report and stabilize the deteriorated paint or repair the encapsulation or enclosure within 30 days.

(b) *Reevaluation.* Reevaluation shall be conducted in accordance with this paragraph (b), and the designated party shall conduct interim controls of lead-based paint hazards found in the reevaluation.

(1) Reevaluation shall be conducted if hazard reduction has been conducted to reduce lead-based paint hazards found in a risk assessment or if standard treatments have been conducted, except that reevaluation is not required if any of the following cases are met:

(i) An initial risk assessment found no lead-based paint hazards;

(ii) A lead-based paint inspection found no lead-based paint; or

(iii) All lead-based paint was abated in accordance with §35.1325, provided that no failures of encapsulations or enclosures have been found during visual assessments conducted in accordance with §35.1355(a)(2) or during other observations by maintenance and repair workers in accordance with §35.1355(a)(5) since the encapsulations or enclosures were performed.

(2) Reevaluation shall be conducted to identify:

(i) Deteriorated paint surfaces with known or suspected lead-based paint;

(ii) Deteriorated or failed interim controls of lead-based paint hazards or encapsulation or enclosure treatments;

(iii) Dust-lead hazards; and

(iv) Soil that is newly bare with lead levels equal to or above the standards in §35.1320(b)(2).

(3) Each reevaluation shall be performed by a certified risk assessor.

(4) Each reevaluation shall be conducted in accordance with the following schedule if a risk assessment or other evaluation has found deteriorated lead-based paint in the residential property, a soil-lead hazard, or a dust-lead hazard on a floor or interior window sill. (Window troughs are not sampled during reevaluation). The first reevaluation shall be conducted no later than two years from completion of hazard reduction. Subsequent reevaluation shall be conducted at intervals of two years, plus or minus 60 days. To be exempt from additional reevaluation, at least two consecutive reevaluations conducted at such two-year intervals must be conducted without finding lead-based paint hazards or a failure of an encapsulation or enclosure. If, however, a reevaluation finds lead-based paint hazards or a failure, at least two more consecutive reevaluations conducted at such two year intervals must be conducted without finding lead-based paint hazards or a failure.

(5) Each reevaluation shall be performed as follows:

(i) Dwelling units and common areas shall be selected and reevaluated in accordance with §35.1320(b).

(ii) The worksites of previous hazard reduction activities that are similar on the basis of their original lead-based paint hazard and type of treatment shall be grouped. Worksites within such groups shall be selected and reevaluated in accordance with §35.1320(b).

(6) Each reevaluation shall include reviewing available information, conducting selected visual assessment, recommending responses to hazard reduction omissions or failures, performing selected evaluation of paint, soil and dust, and recommending response to newly-found lead-based paint hazards.

(i) *Review of available information.* The risk assessor shall review any available past evaluation, hazard reduction and clearance reports, and any other available information describing hazard reduction measures, ongoing maintenance activities, and relevant building operations.

(ii) *Visual assessment.* The risk assessor shall:

(A) Visually evaluate all lead-based paint hazard reduction treatments, any known or suspected lead-based paint, any deteriorated paint, and each exterior site, and shall identify any new areas of bare soil;

(B) Determine acceptable options for controlling the hazard; and

(C) Await the correction of any hazard reduction omission or failure and the reduction of any lead-based paint hazard before sampling any dust or soil the risk assessor determines may reasonably be associated with such hazard.

(iii) *Reaction to hazard reduction omission or failure.* If any hazard reduction control has not been implemented or is failing (e.g., an encapsulant is peeling away from the wall, a paint-stabilized surface is no longer intact, or gravel covering an area of bare soil has worn away), or deteriorated lead-based paint is present, the risk assessor shall:

(A) Determine acceptable options for controlling the hazard; and

(B) Await the correction of any hazard reduction omission or failure and the reduction of any lead-based paint hazard before sampling any dust or soil the risk assessor determines may reasonably be associated with such hazard.

(iv) *Selected paint, soil and dust evaluation.* (A) The risk assessor shall sample deteriorated paint surfaces identified during the visual assessment and have the samples analyzed, in accordance with 40 CFR 745.227(b)(3)(4), but only if reliable information about lead content is unavailable.

(B) The risk assessor shall evaluate new areas of bare soil identified during the visual assessment. Soil samples shall be collected and analyzed in accordance with 40 CFR 745.227(d)(8)–(11), but only if the soil lead levels have not been previously measured.

(C) The risk assessor shall take selected dust samples and have them analyzed. Dust samples shall be collected and analyzed in accordance with §35.1320(b). At least two composite samples, one from floors and the other from interior window sills, shall be taken in each dwelling unit and common area selected. Each composite sample shall consist of four individual samples, each collected from a different room or area. If the dwelling unit contains both carpeted and uncarpeted living areas, separate floor samples are required from the carpeted and uncarpeted areas. Equivalent single-surface sampling may be used instead of composite sampling.

(7) The risk assessor shall provide the designated party with a written report documenting the presence or absence of lead-based paint hazards, the current status of any hazard reduction and standard treatment measures used previously and any newly-conducted evaluation and hazard reduction activities. The report shall include the information in 40 CFR 745.227(d)(11), and shall:

(i) Identify any lead-based paint hazards previously detected and discuss the effectiveness of any hazard reduction or standard treatment measures used, and list those for which no measures have been used.

(ii) Describe any new hazards found and present the owner with acceptable control options and their accompanying reevaluation schedules.

(iii) Identify when the next reevaluation, if any, must occur, in accordance with the requirements of paragraph (b)(4) of this section.

(c) *Response to the reevaluation*—(1) *Hazard reduction omission or failure found by a reevaluation.* The designated party shall respond in accordance with paragraph (b)(6)(iii)(A) of this section to a report by the risk assessor of a hazard reduction control that has not been implemented or is failing, or that deteriorated lead-based paint is present.

(2) *Newly-identified lead-based paint hazard found by a reevaluation.* The designated party shall treat each:

(i) Dust-lead hazard or paint lead hazard by cleaning or hazard reduction measures, which are considered completed when clearance is achieved in accordance with §35.1340.

(ii) Soil-lead hazard by hazard reduction measures, which are considered completed when clearance is achieved in accordance with §35.1340.

[64 FR 50218, Sept. 15, 1999, as amended at 69 FR 34275, June 21, 2004]

Attachment # 31

The Renovation Repair and Painting Rule

Code of Federal Regulations, Title 40: Protection of Environment

PART 745—LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES

(Reprinted from the Electronic Code of Federal Regulations, <http://ecfr.gpoaccess.gov>)

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Authority: 15 U.S.C. 2605, 2607, 2681–2692 and 42 U.S.C. 4852d.

Source: 61 FR 9085, Mar. 6, 1996, unless otherwise noted.

Subparts A–C [Reserved]

Subpart D—Lead-Based Paint Hazards

Source: 66 FR 1237, Jan. 5, 2001, unless otherwise noted.

§ 745.61 Scope and applicability.

(a) This subpart identifies lead-based paint hazards.

(b) The standards for lead-based paint hazards apply to target housing and child-occupied facilities.

(c) Nothing in this subpart requires the owner of property(ies) subject to these standards to evaluate the property(ies) for the presence of lead-based paint hazards or take any action to control these conditions if one or more of them is identified.

§ 745.63 Definitions.

The following definitions apply to part 745.

Arithmetic mean means the algebraic sum of data values divided by the number of data values (e.g., the sum of the concentration of lead in several soil samples divided by the number of samples).

Chewable surface means an interior or exterior surface painted with lead-based paint that a young child can mouth or chew. A chewable surface is the same as an "accessible surface" as defined in 42 U.S.C. 4851b(2)). Hard metal substrates and other materials that cannot be dented by the bite of a young child are not considered chewable.

Common area group means a group of common areas that are similar in design, construction, and function. Common area groups include, but are not limited to hallways, stairwells, and laundry rooms.

Concentration means the relative content of a specific substance contained within a larger mass, such as the amount of lead (in micrograms per gram or parts per million by weight) in a sample of dust or soil.

Deteriorated paint means any interior or exterior paint or other coating that is peeling, chipping, chalking or cracking, or any paint or coating located on an interior or exterior surface or fixture that is otherwise damaged or separated from the substrate.

Dripline means the area within 3 feet surrounding the perimeter of a building.

Friction surface means an interior or exterior surface that is subject to abrasion or friction, including, but not limited to, certain window, floor, and stair surfaces.

Impact surface means an interior or exterior surface that is subject to damage by repeated sudden force such as certain parts of door frames.

Interior window sill means the portion of the horizontal window ledge that protrudes into the interior of the room.

Lead-based paint hazard means hazardous lead-based paint, dust-lead hazard or soil-lead hazard as identified in §745.65.

Loading means the quantity of a specific substance present per unit of surface area, such as the amount of lead in micrograms contained in the dust collected from a certain surface area divided by the surface area in square feet or square meters.

Mid-yard means an area of a residential yard approximately midway between the dripline of a residential building and the nearest property boundary or between the driplines of a residential building and another building on the same property.

Play area means an area of frequent soil contact by children of less than 6 years of age as indicated by, but not limited to, such factors including the following: the presence of play equipment (e.g., sandboxes, swing sets, and sliding boards), toys, or other children's possessions, observations of play patterns, or information provided by parents, residents, care givers, or property owners.

Residential building means a building containing one or more residential dwellings.

Room means a separate part of the inside of a building, such as a bedroom, living room, dining room, kitchen, bathroom, laundry room, or utility room. To be considered a separate room, the room must be separated from adjoining rooms by built-in walls or archways that extend at least 6 inches from an intersecting wall. Half walls or bookcases count as room separators if built-in. Movable or collapsible partitions or partitions consisting solely of shelves or cabinets are not considered built-in walls. A screened in porch that is used as a living area is a room.

Soil sample means a sample collected in a representative location using ASTM E1727, "Standard Practice for Field Collection of Soil Samples for Lead Determination by Atomic Spectrometry Techniques," or equivalent method.

Weighted arithmetic mean means the arithmetic mean of sample results weighted by the number of subsamples in each sample. Its purpose is to give influence to a sample relative to the surface area it represents. A single surface sample is comprised of a single subsample. A composite sample may contain from two to four subsamples of the same area as each other and of each single surface sample in the composite. The weighted arithmetic mean is obtained by summing, for all samples, the product of the sample's result multiplied by the number of subsamples in the sample, and dividing the sum by the total number of subsamples contained in all samples. For example, the weighted arithmetic mean of a single surface sample containing $60 \mu\text{g}/\text{ft}^2$, a composite sample (three subsamples) containing $100 \mu\text{g}/\text{ft}^2$, and a composite sample (4 subsamples) containing $110 \mu\text{g}/\text{ft}^2$ is $100 \mu\text{g}/\text{ft}^2$. This result is based on the equation $[60+(3*100)+(4*110)]/(1+3+4)$.

Window trough means, for a typical double-hung window, the portion of the exterior window sill between the interior window sill (or stool) and the frame of the storm window. If there is no storm window, the window trough is the area that receives both the upper and lower window sashes when they are both lowered. The window trough is sometimes referred to as the window "well."

Wipe sample means a sample collected by wiping a representative surface of known area, as determined by ASTM E1728, "Standard Practice for Field Collection of Settled Dust Samples Using Wipe Sampling Methods for Lead Determination by Atomic Spectrometry Techniques, or equivalent method, with an acceptable wipe material as defined in ASTM E 1792, "Standard Specification for Wipe Sampling Materials for Lead in Surface Dust."

§ 745.65 Lead-based paint hazards.

(a) *Paint-lead hazard.* A paint-lead hazard is any of the following:

(1) Any lead-based paint on a friction surface that is subject to abrasion and where the lead dust levels on the nearest horizontal surface underneath the friction surface (e.g., the window sill, or floor) are equal to or greater than the dust-lead hazard levels identified in paragraph (b) of this section.

(2) Any damaged or otherwise deteriorated lead-based paint on an impact surface that is caused by impact from a related building component (such as a door knob that knocks into a wall or a door that knocks against its door frame).

(3) Any chewable lead-based painted surface on which there is evidence of teeth marks.

(4) Any other deteriorated lead-based paint in any residential building or child-occupied facility or on the exterior of any residential building or child-occupied facility.

(b) *Dust-lead hazard.* A dust-lead hazard is surface dust in a residential dwelling or child-occupied facility that contains a mass-per-area concentration of lead equal to or exceeding 40 $\mu\text{g}/\text{ft}^2$ on floors or 250 $\mu\text{g}/\text{ft}^2$ on interior window sills based on wipe samples.

(c) *Soil-lead hazard.* A soil-lead hazard is bare soil on residential real property or on the property of a child-occupied facility that contains total lead equal to or exceeding 400 parts per million ($\mu\text{g}/\text{g}$) in a play area or average of 1,200 parts per million of bare soil in the rest of the yard based on soil samples.

(d) *Work practice requirements.* Applicable certification, occupant protection, and clearance requirements and work practice standards are found in regulations issued by EPA at 40 CFR part 745, subpart L and in regulations issued by the Department of Housing and Urban Development (HUD) at 24 CFR part 35, subpart R. The work practice standards in those regulations do not apply when treating paint-lead hazards of less than:

(1) Two square feet of deteriorated lead-based paint per room or equivalent,

(2) Twenty square feet of deteriorated paint on the exterior building, or

(3) Ten percent of the total surface area of deteriorated paint on an interior or exterior type of component with a small surface area.

Subpart E—Residential Property Renovation

Source: 63 FR 29919, June 1, 1998, unless otherwise noted.

§ 745.80 Purpose.

This subpart contains regulations developed under sections 402 and 406 of the Toxic Substances Control Act (15 U.S.C. 2682 and 2686) and applies to all renovations performed for compensation in target housing and child-occupied facilities. The purpose of this subpart is to ensure the following:

(a) Owners and occupants of target housing and child-occupied facilities receive information on lead-based paint hazards before these renovations begin; and

(b) Individuals performing renovations regulated in accordance with §745.82 are properly trained; renovators and firms performing these renovations are certified; and the work practices in §745.85 are followed during these renovations.

[73 FR 21758, Apr. 22, 2008]

§ 745.81 Effective dates.

(a) *Training, certification and accreditation requirements and work practice standards*. The training, certification and accreditation requirements and work practice standards in this subpart are applicable in any State or Indian Tribal area that does not have a renovation program that is authorized under subpart Q of this part. The training, certification and accreditation requirements and work practice standards in this subpart will become effective as follows:

(1) *Training programs*. Effective June 23, 2008, no training program may provide, offer, or claim to provide training or refresher training for EPA certification as a renovator or a dust sampling technician without accreditation from EPA under §745.225. Training programs may apply for accreditation under §745.225 beginning April 22, 2009.

(2) *Firms*. (i) Firms may apply for certification under §745.89 beginning October 22, 2009.

(ii) On or after April 22, 2010, no firm may perform, offer, or claim to perform renovations without certification from EPA under §745.89 in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in §745.82(a) or (c).

(3) *Individuals*. On or after April 22, 2010, all renovations must be directed by renovators certified in accordance with §745.90(a) and performed by certified renovators or individuals trained in accordance with §745.90(b)(2) in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in §745.82(a) or (c).

(4) *Work practices*. On or after April 22, 2010, all renovations must be performed in accordance with the work practice standards in §745.85 and the associated recordkeeping requirements in §745.86(b)(6) and (b)(7) in target housing or child-occupied facilities, unless the renovation qualifies for one of the exceptions identified in §745.82(a) or (c).

(5) The suspension and revocation provisions in § 745.91 are effective April 22, 2010.

(b) *Renovation-specific pamphlet* . Before December 22, 2008, renovators or firms performing renovations in States and Indian Tribal areas without an authorized program may provide owners and occupants with either of the following EPA pamphlets: *Protect Your Family From Lead in Your Home* or *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools* . After that date, *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools* must be used exclusively.

(c) *Pre-Renovation Education Rule* . With the exception of the requirement to use the pamphlet entitled *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools* , the provisions of the Pre-Renovation Education Rule in this subpart have been in effect since June 1999.

[73 FR 21758, Apr. 22, 2008]

§ 745.82 Applicability.

(a) This subpart applies to all renovations performed for compensation in target housing and child-occupied facilities, except for the following:

(1) Renovations in target housing or child-occupied facilities in which a written determination has been made by an inspector or risk assessor (certified pursuant to either Federal regulations at §745.226 or a State or Tribal certification program authorized pursuant to §745.324) that the components affected by the renovation are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams/per square centimeter (mg/cm^2) or 0.5% by weight, where the firm performing the renovation has obtained a copy of the determination.

(2) Renovations in target housing or child-occupied facilities in which a certified renovator, using an EPA recognized test kit as defined in §745.83 and following the kit manufacturer's instructions, has tested each component affected by the renovation and determined that the components are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 mg/cm^2 or 0.5% by weight. If the components make up an integrated whole, such as the individual stair treads and risers of a single staircase, the renovator is required to test only one of the individual components, unless the individual components appear to have been repainted or refinished separately.

(b) The information distribution requirements in §745.84 do not apply to emergency renovations, which are renovation activities that were not planned but result from a sudden, unexpected event (such as non-routine failures of equipment) that, if not immediately attended to, presents a safety or public health hazard, or threatens equipment and/or property with significant damage. Interim controls performed in response to an elevated blood lead level in a resident child are also emergency renovations. Emergency renovations other than interim controls are also exempt from the warning sign, containment, waste handling, training, and certification requirements in §§745.85, 745.89, and 745.90 to the extent necessary to respond to the emergency. Emergency renovations are not exempt from the cleaning requirements of §745.85(a)(5), which must be performed by certified renovators or individuals trained in accordance with §745.90(b)(2), the cleaning verification requirements of §745.85(b), which must be performed by certified renovators, and the recordkeeping requirements of §745.86(b)(6) and (b)(7).

(c) The training requirements in §745.90 and the work practice standards for renovation activities in §745.85 apply to all renovations covered by this subpart, except for renovations in target housing for which the firm performing the renovation has obtained a statement signed by the owner that the renovation will occur in the owner's residence, no child under age 6 resides there, no pregnant woman resides there, the housing is not a child-occupied facility, and the owner acknowledges that the renovation firm will not be required to use the work practices contained in EPA's renovation, repair, and painting rule. For the purposes of this section, a child resides in the primary residence of his or her custodial parents, legal guardians, and foster parents. A child also resides in the primary residence of an informal caretaker if the child lives and sleeps most of the time at the caretaker's residence.

[73 FR 21758, Apr. 22, 2008]

§ 745.83 Definitions.

For purposes of this part, the definitions in §745.103 as well as the following definitions apply:

Administrator means the Administrator of the Environmental Protection Agency.

Child-occupied facility means a building, or portion of a building, constructed prior to 1978, visited regularly by the same child, under 6 years of age, on at least two different days within any week (Sunday through Saturday period), provided that each day's visit lasts at least 3 hours and the combined weekly visits last at least 6 hours, and the combined annual visits last at least 60 hours. Child-occupied facilities may include, but are not limited to, day care centers, preschools and kindergarten classrooms. Child-occupied facilities may be located in target housing or in public or commercial buildings. With respect to common areas in public or commercial buildings that contain child-occupied facilities, the child-occupied facility encompasses only those common areas that are routinely used by children under age 6, such as restrooms and cafeterias. Common areas that children under age 6 only pass through, such as hallways, stairways, and garages are not included. In addition, with respect to exteriors of public or commercial buildings that contain child-occupied facilities, the child-occupied facility encompasses only the exterior sides of the building that are immediately adjacent to the child-occupied facility or the common areas routinely used by children under age 6.

Cleaning verification card means a card developed and distributed, or otherwise approved, by EPA for the purpose of determining, through comparison of wet and dry disposable cleaning cloths with the card, whether post-renovation cleaning has been properly completed.

Component or building component means specific design or structural elements or fixtures of a building or residential dwelling that are distinguished from each other by form, function, and location. These include, but are not limited to, interior components such as: Ceilings, crown molding, walls, chair rails, doors, door trim, floors, fireplaces, radiators and other heating units, shelves, shelf supports, stair treads, stair risers, stair stringers, newel posts, railing caps, balustrades, windows and trim (including sashes, window heads, jambs, sills or stools and troughs), built in cabinets, columns, beams, bathroom vanities, counter tops, and air conditioners; and exterior components such as: Painted roofing, chimneys, flashing, gutters and downspouts, ceilings, soffits, fascias, rake boards, cornerboards, bulkheads, doors and door trim, fences,

floors, joists, lattice work, railings and railing caps, siding, handrails, stair risers and treads, stair stringers, columns, balustrades, windowsills or stools and troughs, casings, sashes and wells, and air conditioners.

Dry disposable cleaning cloth means a commercially available dry, electrostatically charged, white disposable cloth designed to be used for cleaning hard surfaces such as uncarpeted floors or counter tops.

Firm means a company, partnership, corporation, sole proprietorship or individual doing business, association, or other business entity; a Federal, State, Tribal, or local government agency; or a nonprofit organization.

HEPA vacuum means a vacuum cleaner which has been designed with a high-efficiency particulate air (HEPA) filter as the last filtration stage. A HEPA filter is a filter that is capable of capturing particles of 0.3 microns with 99.97% efficiency. The vacuum cleaner must be designed so that all the air drawn into the machine is expelled through the HEPA filter with none of the air leaking past it.

Interim controls means a set of measures designed to temporarily reduce human exposure or likely exposure to lead-based paint hazards, including specialized cleaning, repairs, maintenance, painting, temporary containment, ongoing monitoring of lead-based paint hazards or potential hazards, and the establishment and operation of management and resident education programs.

Minor repair and maintenance activities are activities, including minor heating, ventilation or air conditioning work, electrical work, and plumbing, that disrupt 6 square feet or less of painted surface per room for interior activities or 20 square feet or less of painted surface for exterior activities where none of the work practices prohibited or restricted by §745.85(a)(3) are used and where the work does not involve window replacement or demolition of painted surface areas. When removing painted components, or portions of painted components, the entire surface area removed is the amount of painted surface disturbed. Jobs, other than emergency renovations, performed in the same room within the same 30 days must be considered the same job for the purpose of determining whether the job is a minor repair and maintenance activity.

Pamphlet means the EPA pamphlet titled *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools* developed under section 406(a) of TSCA for use in complying with section 406(b) of TSCA, or any State or Tribal pamphlet approved by EPA pursuant to 40 CFR 745.326 that is developed for the same purpose. This includes reproductions of the pamphlet when copied in full and without revision or deletion of material from the pamphlet (except for the addition or revision of State or local sources of information). Before December 22, 2008, the term "pamphlet" also means any pamphlet developed by EPA under section 406(a) of TSCA or any State or Tribal pamphlet approved by EPA pursuant to § 745.326.

Person means any natural or judicial person including any individual, corporation, partnership, or association; any Indian Tribe, State, or political subdivision thereof; any interstate body; and any department, agency, or instrumentality of the Federal Government.

Recognized test kit means a commercially available kit recognized by EPA under §745.88 as being capable of allowing a user to determine the presence of lead at levels equal to or in excess of 1.0 milligrams per square centimeter, or more than 0.5% lead by weight, in a paint chip, paint powder, or painted surface.

Renovation means the modification of any existing structure, or portion thereof, that results in the disturbance of painted surfaces, unless that activity is performed as part of an abatement as defined by this part (40 CFR 745.223). The term renovation includes (but is not limited to): The removal, modification or repair of painted surfaces or painted components (e.g., modification of painted doors, surface restoration, window repair, surface preparation activity (such as sanding, scraping, or other such activities that may generate paint dust)); the removal of building components (e.g., walls, ceilings, plumbing, windows); weatherization projects (e.g., cutting holes in painted surfaces to install blown-in insulation or to gain access to attics, planing thresholds to install weather-stripping), and interim controls that disturb painted surfaces. A renovation performed for the purpose of converting a building, or part of a building, into target housing or a child-occupied facility is a renovation under this subpart. The term renovation does not include minor repair and maintenance activities.

Renovator means an individual who either performs or directs workers who perform renovations. A certified renovator is a renovator who has successfully completed a renovator course accredited by EPA or an EPA-authorized State or Tribal program.

Training hour means at least 50 minutes of actual learning, including, but not limited to, time devoted to lecture, learning activities, small group activities, demonstrations, evaluations, and hands-on experience.

Wet disposable cleaning cloth means a commercially available, pre-moistened white disposable cloth designed to be used for cleaning hard surfaces such as uncarpeted floors or counter tops.

Wet mopping system means a device with the following characteristics: A long handle, a mop head designed to be used with disposable absorbent cleaning pads, a reservoir for cleaning solution, and a built-in mechanism for distributing or spraying the cleaning solution onto a floor, or a method of equivalent efficacy.

Work area means the area that the certified renovator establishes to contain the dust and debris generated by a renovation.

[63 FR 29919, June 1, 1998, as amended at 73 FR 21758, Apr. 22, 2008]

§ 745.84 Information distribution requirements.

(a) *Renovations in dwelling units*. No more than 60 days before beginning renovation activities in any residential dwelling unit of target housing, the firm performing the renovation must:

(1) Provide the owner of the unit with the pamphlet, and comply with one of the following:

(i) Obtain, from the owner, a written acknowledgment that the owner has received the pamphlet.

(ii) Obtain a certificate of mailing at least 7 days prior to the renovation.

(2) In addition to the requirements in paragraph (a)(1) of this section, if the owner does not occupy the dwelling unit, provide an adult occupant of the unit with the pamphlet, and comply with one of the following:

(i) Obtain, from the adult occupant, a written acknowledgment that the occupant has received the pamphlet; or certify in writing that a pamphlet has been delivered to the dwelling and that the firm performing the renovation has been unsuccessful in obtaining a written acknowledgment from an adult occupant. Such certification must include the address of the unit undergoing renovation, the date and method of delivery of the pamphlet, names of the persons delivering the pamphlet, reason for lack of acknowledgment (e.g., occupant refuses to sign, no adult occupant available), the signature of a representative of the firm performing the renovation, and the date of signature.

(ii) Obtain a certificate of mailing at least 7 days prior to the renovation.

(b) *Renovations in common areas* . No more than 60 days before beginning renovation activities in common areas of multi-unit target housing, the firm performing the renovation must:

(1) Provide the owner with the pamphlet, and comply with one of the following:

(i) Obtain, from the owner, a written acknowledgment that the owner has received the pamphlet.

(ii) Obtain a certificate of mailing at least 7 days prior to the renovation.

(2) *Comply with one of the following* . (i) Notify in writing, or ensure written notification of, each affected unit and make the pamphlet available upon request prior to the start of renovation. Such notification shall be accomplished by distributing written notice to each affected unit. The notice shall describe the general nature and locations of the planned renovation activities; the expected starting and ending dates; and a statement of how the occupant can obtain the pamphlet, at no charge, from the firm performing the renovation, or

(ii) While the renovation is ongoing, post informational signs describing the general nature and locations of the renovation and the anticipated completion date. These signs must be posted in areas where they are likely to be seen by the occupants of all of the affected units. The signs must be accompanied by a posted copy of the pamphlet or information on how interested occupants can review a copy of the pamphlet or obtain a copy from the renovation firm at no cost to occupants.

(3) Prepare, sign, and date a statement describing the steps performed to notify all occupants of the intended renovation activities and to provide the pamphlet.

(4) If the scope, locations, or expected starting and ending dates of the planned renovation activities change after the initial notification, and the firm provided written initial notification to each affected unit, the firm performing the renovation must provide further written notification to the owners and occupants providing revised information on the ongoing or planned activities. This subsequent notification must be provided before the firm performing the renovation initiates work beyond that which was described in the original notice.

(c) *Renovations in child-occupied facilities* . No more than 60 days before beginning renovation activities in any child-occupied facility, the firm performing the renovation must:

(1)(i) Provide the owner of the building with the pamphlet, and comply with one of the following:

(A) Obtain, from the owner, a written acknowledgment that the owner has received the pamphlet.

(B) Obtain a certificate of mailing at least 7 days prior to the renovation.

(ii) If the child-occupied facility is not the owner of the building, provide an adult representative of the child-occupied facility with the pamphlet, and comply with one of the following:

(A) Obtain, from the adult representative, a written acknowledgment that the adult representative has received the pamphlet; or certify in writing that a pamphlet has been delivered to the facility and that the firm performing the renovation has been unsuccessful in obtaining a written acknowledgment from an adult representative. Such certification must include the address of the child-occupied facility undergoing renovation, the date and method of delivery of the pamphlet, names of the persons delivering the pamphlet, reason for lack of acknowledgment (e.g., representative refuses to sign), the signature of a representative of the firm performing the renovation, and the date of signature.

(B) Obtain a certificate of mailing at least 7 days prior to the renovation.

(2) Provide the parents and guardians of children using the child-occupied facility with the pamphlet and information describing the general nature and locations of the renovation and the anticipated completion date by complying with one of the following:

(i) Mail or hand-deliver the pamphlet and the renovation information to each parent or guardian of a child using the child-occupied facility.

(ii) While the renovation is ongoing, post informational signs describing the general nature and locations of the renovation and the anticipated completion date. These signs must be posted in areas where they can be seen by the parents or guardians of the children frequenting the child-occupied facility. The signs must be accompanied by a posted copy of the pamphlet or information on how interested parents or guardians can review a copy of the pamphlet or obtain a copy from the renovation firm at no cost to the parents or guardians.

(3) The renovation firm must prepare, sign, and date a statement describing the steps performed to notify all parents and guardians of the intended renovation activities and to provide the pamphlet.

(d) *Written acknowledgment*. The written acknowledgments required by paragraphs (a)(1)(i), (a)(2)(i), (b)(1)(i), (c)(1)(i)(A), and (c)(1)(ii)(A) of this section must:

(1) Include a statement recording the owner or occupant's name and acknowledging receipt of the pamphlet prior to the start of renovation, the address of the unit undergoing renovation, the signature of the owner or occupant as applicable, and the date of signature.

(2) Be either a separate sheet or part of any written contract or service agreement for the renovation.

(3) Be written in the same language as the text of the contract or agreement for the renovation or, in the case of non-owner occupied target housing, in the same language as the lease or rental agreement or the pamphlet.

[63 FR 29919, June 1, 1998. Redesignated and amended at 73 FR 21760, Apr. 22, 2008]

§ 745.85 Work practice standards.

(a) *Standards for renovation activities*. Renovations must be performed by certified firms using certified renovators as directed in § 745.89. The responsibilities of certified firms are set forth in § 745.89(d) and the responsibilities of certified renovators are set forth in § 745.90(b).

(1) *Occupant protection*. Firms must post signs clearly defining the work area and warning occupants and other persons not involved in renovation activities to remain outside of the work area. To the extent practicable, these signs must be in the primary language of the occupants. These signs must be posted before beginning the renovation and must remain in place and readable until the renovation and the post-renovation cleaning verification have been completed. If warning signs have been posted in accordance with 24 CFR 35.1345(b)(2) or 29 CFR 1926.62(m), additional signs are not required by this section.

(2) *Containing the work area*. Before beginning the renovation, the firm must isolate the work area so that no dust or debris leaves the work area while the renovation is being performed. In addition, the firm must maintain the integrity of the containment by ensuring that any plastic or other impermeable materials are not torn or displaced, and taking any other steps necessary to ensure that no dust or debris leaves the work area while the renovation is being performed. The firm must also ensure that containment is installed in such a manner that it does not interfere with occupant and worker egress in an emergency.

(i) *Interior renovations*. The firm must:

(A) Remove all objects from the work area, including furniture, rugs, and window coverings, or cover them with plastic sheeting or other impermeable material with all seams and edges taped or otherwise sealed.

(B) Close and cover all ducts opening in the work area with taped-down plastic sheeting or other impermeable material.

(C) Close windows and doors in the work area. Doors must be covered with plastic sheeting or other impermeable material. Doors used as an entrance to the work area must be covered with plastic sheeting or other impermeable material in a manner that allows workers to pass through while confining dust and debris to the work area.

(D) Cover the floor surface, including installed carpet, with taped-down plastic sheeting or other impermeable material in the work area 6 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to contain the dust, whichever is greater.

(E) Use precautions to ensure that all personnel, tools, and other items, including the exteriors of containers of waste, are free of dust and debris before leaving the work area.

(ii) *Exterior renovations*. The firm must:

(A) Close all doors and windows within 20 feet of the renovation. On multi-story buildings, close all doors and windows within 20 feet of the renovation on the same floor as the renovation, and close all doors and windows on all floors below that are the same horizontal distance from the renovation.

(B) Ensure that doors within the work area that will be used while the job is being performed are covered with plastic sheeting or other impermeable material in a manner that allows workers to pass through while confining dust and debris to the work area.

(C) Cover the ground with plastic sheeting or other disposable impermeable material extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, whichever is greater, unless the property line prevents 10 feet of such ground covering.

(D) In certain situations, the renovation firm must take extra precautions in containing the work area to ensure that dust and debris from the renovation does not contaminate other buildings or other areas of the property or migrate to adjacent properties.

(3) *Prohibited and restricted practices*. The work practices listed below shall be prohibited or restricted during a renovation as follows:

(i) Open-flame burning or torching of lead-based paint is prohibited.

(ii) The use of machines that remove lead-based paint through high speed operation such as sanding, grinding, power planing, needle gun, abrasive blasting, or sandblasting, is prohibited unless such machines are used with HEPA exhaust control.

(iii) Operating a heat gun on lead-based paint is permitted only at temperatures below 1100 degrees Fahrenheit.

(4) *Waste from renovations* —(i) Waste from renovation activities must be contained to prevent releases of dust and debris before the waste is removed from the work area for storage or disposal. If a chute is used to remove waste from the work area, it must be covered.

(ii) At the conclusion of each work day and at the conclusion of the renovation, waste that has been collected from renovation activities must be stored under containment, in an enclosure, or behind a barrier that prevents release of dust and debris out of the work area and prevents access to dust and debris.

(iii) When the firm transports waste from renovation activities, the firm must contain the waste to prevent release of dust and debris.

(5) *Cleaning the work area* . After the renovation has been completed, the firm must clean the work area until no dust, debris or residue remains.

(i) *Interior and exterior renovations* . The firm must:

(A) Collect all paint chips and debris and, without dispersing any of it, seal this material in a heavy-duty bag.

(B) Remove the protective sheeting. Mist the sheeting before folding it, fold the dirty side inward, and either tape shut to seal or seal in heavy-duty bags. Sheeting used to isolate contaminated rooms from non-contaminated rooms must remain in place until after the cleaning and removal of other sheeting. Dispose of the sheeting as waste.

(ii) *Additional cleaning for interior renovations* . The firm must clean all objects and surfaces in the work area and within 2 feet of the work area in the following manner, cleaning from higher to lower:

(A) *Walls* . Clean walls starting at the ceiling and working down to the floor by either vacuuming with a HEPA vacuum or wiping with a damp cloth.

(B) *Remaining surfaces* . Thoroughly vacuum all remaining surfaces and objects in the work area, including furniture and fixtures, with a HEPA vacuum. The HEPA vacuum must be equipped with a beater bar when vacuuming carpets and rugs.

(C) Wipe all remaining surfaces and objects in the work area, except for carpeted or upholstered surfaces, with a damp cloth. Mop uncarpeted floors thoroughly, using a mopping method that

keeps the wash water separate from the rinse water, such as the 2-bucket mopping method, or using a wet mopping system.

(b) *Standards for post-renovation cleaning verification* — (1) *Interiors*. (i) A certified renovator must perform a visual inspection to determine whether dust, debris or residue is still present. If dust, debris or residue is present, these conditions must be removed by re-cleaning and another visual inspection must be performed.

(ii) After a successful visual inspection, a certified renovator must:

(A) Verify that each windowsill in the work area has been adequately cleaned, using the following procedure.

(1) Wipe the windowsill with a wet disposable cleaning cloth that is damp to the touch. If the cloth matches or is lighter than the cleaning verification card, the windowsill has been adequately cleaned.

(2) If the cloth does not match and is darker than the cleaning verification card, re-clean the windowsill as directed in paragraphs (a)(5)(ii)(B) and (a)(5)(ii)(C) of this section, then either use a new cloth or fold the used cloth in such a way that an unused surface is exposed, and wipe the surface again. If the cloth matches or is lighter than the cleaning verification card, that windowsill has been adequately cleaned.

(3) If the cloth does not match and is darker than the cleaning verification card, wait for 1 hour or until the surface has dried completely, whichever is longer.

(4) After waiting for the windowsill to dry, wipe the windowsill with a dry disposable cleaning cloth. After this wipe, the windowsill has been adequately cleaned.

(B) Wipe uncarpeted floors and countertops within the work area with a wet disposable cleaning cloth. Floors must be wiped using an application device with a long handle and a head to which the cloth is attached. The cloth must remain damp at all times while it is being used to wipe the surface for post-renovation cleaning verification. If the surface within the work area is greater than 40 square feet, the surface within the work area must be divided into roughly equal sections that are each less than 40 square feet. Wipe each such section separately with a new wet disposable cleaning cloth. If the cloth used to wipe each section of the surface within the work area matches the cleaning verification card, the surface has been adequately cleaned.

(1) If the cloth used to wipe a particular surface section does not match the cleaning verification card, re-clean that section of the surface as directed in paragraphs (a)(5)(ii)(B) and (a)(5)(ii)(C) of this section, then use a new wet disposable cleaning cloth to wipe that section again. If the cloth matches the cleaning verification card, that section of the surface has been adequately cleaned.

(2) If the cloth used to wipe a particular surface section does not match the cleaning verification card after the surface has been re-cleaned, wait for 1 hour or until the entire surface within the work area has dried completely, whichever is longer.

(3) After waiting for the entire surface within the work area to dry, wipe each section of the surface that has not yet achieved post-renovation cleaning verification with a dry disposable cleaning cloth. After this wipe, that section of the surface has been adequately cleaned.

(iii) When the work area passes the post-renovation cleaning verification, remove the warning signs.

(2) *Exteriors* . A certified renovator must perform a visual inspection to determine whether dust, debris or residue is still present on surfaces in and below the work area, including windowsills and the ground. If dust, debris or residue is present, these conditions must be eliminated and another visual inspection must be performed. When the area passes the visual inspection, remove the warning signs.

(c) *Optional dust clearance testing* . Cleaning verification need not be performed if the contract between the renovation firm and the person contracting for the renovation or another Federal, State, Territorial, Tribal, or local law or regulation requires:

(1) The renovation firm to perform dust clearance sampling at the conclusion of a renovation covered by this subpart.

(2) The dust clearance samples are required to be collected by a certified inspector, risk assessor or dust sampling technician.

(3) The renovation firm is required to re-clean the work area until the dust clearance sample results are below the clearance standards in §745.227(e)(8) or any applicable State, Territorial, Tribal, or local standard.

(d) *Activities conducted after post-renovation cleaning verification* . Activities that do not disturb paint, such as applying paint to walls that have already been prepared, are not regulated by this subpart if they are conducted after post-renovation cleaning verification has been performed.

[73 FR 21761, Apr. 22, 2008]

§ 745.86 Recordkeeping and reporting requirements.

(a) Firms performing renovations must retain and, if requested, make available to EPA all records necessary to demonstrate compliance with this subpart for a period of 3 years following completion of the renovation. This 3-year retention requirement does not supersede longer obligations required by other provisions for retaining the same documentation, including any applicable State or Tribal laws or regulations.

(b) Records that must be retained pursuant to paragraph (a) of this section shall include (where applicable):

(1) Reports certifying that a determination had been made by an inspector (certified pursuant to either Federal regulations at §745.226 or an EPA-authorized State or Tribal certification program) that lead-based paint is not present on the components affected by the renovation, as described in §745.82(b)(1).

(2) Signed and dated acknowledgments of receipt as described in §745.84(a)(1)(i), (a)(2)(i), (b)(1)(i), (c)(1)(i)(A), and (c)(1)(ii)(A).

(3) Certifications of attempted delivery as described in §745.84(a)(2)(i) and (c)(1)(ii)(A).

(4) Certificates of mailing as described in §745.84(a)(1)(ii), (a)(2)(ii), (b)(1)(ii), (c)(1)(i)(B), and (c)(1)(ii)(B).

(5) Records of notification activities performed regarding common area renovations, as described in §745.84(b)(3) and (b)(4), and renovations in child-occupied facilities, as described in §745.84(c)(2).

(6) Any signed and dated statements received from owner-occupants documenting that the requirements of §745.85 do not apply. These statements must include a declaration that the renovation will occur in the owner's residence, a declaration that no children under age 6 reside there, a declaration that no pregnant woman resides there, a declaration that the housing is not a child-occupied facility, the address of the unit undergoing renovation, the owner's name, an acknowledgment by the owner that the work practices to be used during the renovation will not necessarily include all of the lead-safe work practices contained in EPA's renovation, repair, and painting rule, the signature of the owner, and the date of signature. These statements must be written in the same language as the text of the renovation contract, if any.

(7) Documentation of compliance with the requirements of §745.85, including documentation that a certified renovator was assigned to the project, that the certified renovator provided on-the-job training for workers used on the project, that the certified renovator performed or directed workers who performed all of the tasks described in §745.85(a), and that the certified renovator performed the post-renovation cleaning verification described in §745.85(b). If the renovation firm was unable to comply with all of the requirements of this rule due to an emergency as defined in §745.82, the firm must document the nature of the emergency and the provisions of the rule that were not followed. This documentation must include a copy of the certified renovator's training certificate, and a certification by the certified renovator assigned to the project that:

(i) Training was provided to workers (topics must be identified for each worker).

(ii) Warning signs were posted at the entrances to the work area.

(iii) If test kits were used, that the specified brand of kits was used at the specified locations and that the results were as specified.

(iv) The work area was contained by:

(A) Removing or covering all objects in the work area (interiors).

(B) Closing and covering all HVAC ducts in the work area (interiors).

(C) Closing all windows in the work area (interiors) or closing all windows in and within 20 feet of the work area (exteriors).

(D) Closing and sealing all doors in the work area (interiors) or closing and sealing all doors in and within 20 feet of the work area (exteriors).

(E) Covering doors in the work area that were being used to allow passage but prevent spread of dust.

(F) Covering the floor surface, including installed carpet, with taped-down plastic sheeting or other impermeable material in the work area 6 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to contain the dust, whichever is greater (interiors) or covering the ground with plastic sheeting or other disposable impermeable material anchored to the building extending 10 feet beyond the perimeter of surfaces undergoing renovation or a sufficient distance to collect falling paint debris, whichever is greater, unless the property line prevents 10 feet of such ground covering, weighted down by heavy objects (exteriors).

(G) Installing (if necessary) vertical containment to prevent migration of dust and debris to adjacent property (exteriors).

(v) Waste was contained on-site and while being transported off-site.

(vi) The work area was properly cleaned after the renovation by:

(A) Picking up all chips and debris, misting protective sheeting, folding it dirty side inward, and taping it for removal.

(B) Cleaning the work area surfaces and objects using a HEPA vacuum and/or wet cloths or mops (interiors).

(vii) The certified renovator performed the post-renovation cleaning verification (the results of which must be briefly described, including the number of wet and dry cloths used).

(c) When test kits are used, the renovation firm must, within 30 days of the completion of the renovation, provide identifying information as to the manufacturer and model of the test kits used, a description of the components that were tested including their locations, and the test kit results to the person who contracted for the renovation.

(d) If dust clearance sampling is performed in lieu of cleaning verification as permitted by §745.85(c), the renovation firm must provide, within 30 days of the completion of the renovation, a copy of the dust sampling report to the person who contracted for the renovation.

[73 FR 21761, Apr. 22, 2008]

§ 745.87 Enforcement and inspections.

(a) Failure or refusal to comply with any provision of this subpart is a violation of TSCA section 409 (15 U.S.C. 2689).

(b) Failure or refusal to establish and maintain records or to make available or permit access to or copying of records, as required by this subpart, is a violation of TSCA sections 15 and 409 (15 U.S.C. 2614 and 2689).

(c) Failure or refusal to permit entry or inspection as required by 40 CFR 745.87 and TSCA section 11 (15 U.S.C. 2610) is a violation of sections 15 and 409 (15 U.S.C. 2614 and 2689).

(d) Violators may be subject to civil and criminal sanctions pursuant to TSCA section 16 (15 U.S.C. 2615) for each violation.

(e) Lead-based paint is assumed to be present at renovations covered by this subpart. EPA may conduct inspections and issue subpoenas pursuant to the provisions of TSCA section 11 (15 U.S.C. 2610) to ensure compliance with this subpart.

[63 FR 29919, June 1, 1998, as amended at 73 FR 21763, Apr. 22, 2008]

§ 745.88 Recognized test kits.

(a) Effective June 23, 2008, EPA recognizes the test kits that have been determined by National Institute of Standards and Technology research to meet the negative response criteria described in paragraph (c)(1) of this section. This recognition will last until EPA publicizes its recognition of the first test kit that meets both the negative response and positive response criteria in paragraph (c) of this section.

(b) No other test kits will be recognized until they are tested through EPA's Environmental Technology Verification Program or other equivalent EPA approved testing program.

(1) Effective September 1, 2008, to initiate the testing process, a test kit manufacturer must submit a sufficient number of kits, along with the instructions for using the kits, to EPA. The test kit manufacturer should first visit the following website for information on where to apply:
<http://www.epa.gov/etv/howtoapply.html>.

(2) After the kit has been tested through the Environmental Technology Verification Program or other equivalent approved EPA testing program, EPA will review the report to determine whether the required criteria have been met.

(3) Before September 1, 2010, test kits must meet only the negative response criteria in paragraph (c)(1) of this section. The recognition of kits that meet only this criteria will last until EPA publicizes its recognition of the first test kits that meets both of the criteria in paragraph (c) of this section.

(4) After September 1, 2010, test kits must meet both of the criteria in paragraph (c) of this section.

(5) If the report demonstrates that the kit meets the required criteria, EPA will issue a notice of recognition to the kit manufacturer, provide them with the report, and post the information on EPA's website.

(6) If the report demonstrates that the kit does not meet the required criteria, EPA will notify the kit manufacturer and provide them with the report.

(c) *Response criteria* — (1) *Negative response criteria*. For paint containing lead at or above the regulated level, 1.0 mg/cm² or 0.5% by weight, a demonstrated probability (with 95% confidence) of a negative response less than or equal to 5% of the time.

(2) *Positive response criteria*. For paint containing lead below the regulated level, 1.0 mg/cm² or 0.5% by weight, a demonstrated probability (with 95% confidence) of a positive response less than or equal to 10% of the time.

[73 FR 21763, Apr. 22, 2008]

§ 745.89 Firm certification.

(a) *Initial certification*. (1) Firms that perform renovations for compensation must apply to EPA for certification to perform renovations or dust sampling. To apply, a firm must submit to EPA a completed "Application for Firms," signed by an authorized agent of the firm, and pay at least the correct amount of fees. If a firm pays more than the correct amount of fees, EPA will reimburse the firm for the excess amount.

(2) After EPA receives a firm's application, EPA will take one of the following actions within 90 days of the date the application is received:

(i) EPA will approve a firm's application if EPA determines that it is complete and that the environmental compliance history of the firm, its principals, or its key employees does not show an unwillingness or inability to maintain compliance with environmental statutes or regulations. An application is complete if it contains all of the information requested on the form and includes at least the correct amount of fees. When EPA approves a firm's application, EPA will issue the firm a certificate with an expiration date not more than 5 years from the date the application is approved. EPA certification allows the firm to perform renovations covered by this section in any State or Indian Tribal area that does not have a renovation program that is authorized under subpart Q of this part.

(ii) EPA will request a firm to supplement its application if EPA determines that the application is incomplete. If EPA requests a firm to supplement its application, the firm must submit the requested information or pay the additional fees within 30 days of the date of the request.

(iii) EPA will not approve a firm's application if the firm does not supplement its application in accordance with paragraph (a)(2)(ii) of this section or if EPA determines that the environmental compliance history of the firm, its principals, or its key employees demonstrates an unwillingness or inability to maintain compliance with environmental statutes or regulations. EPA will send the firm a letter giving the reason for not approving the application. EPA will not refund the application fees. A firm may reapply for certification at any time by filing a new, complete application that includes the correct amount of fees.

(b) *Re-certification* . To maintain its certification, a firm must be re-certified by EPA every 5 years.

(1) *Timely and complete application* . To be re-certified, a firm must submit a complete application for re-certification. A complete application for re-certification includes a completed "Application for Firms" which contains all of the information requested by the form and is signed by an authorized agent of the firm, noting on the form that it is submitted as a re-certification. A complete application must also include at least the correct amount of fees. If a firm pays more than the correct amount of fees, EPA will reimburse the firm for the excess amount.

(i) An application for re-certification is timely if it is postmarked 90 days or more before the date the firm's current certification expires. If the firm's application is complete and timely, the firm's current certification will remain in effect until its expiration date or until EPA has made a final decision to approve or disapprove the re-certification application, whichever is later.

(ii) If the firm submits a complete re-certification application less than 90 days before its current certification expires, and EPA does not approve the application before the expiration date, the firm's current certification will expire and the firm will not be able to conduct renovations until EPA approves its re-certification application.

(iii) If the firm fails to obtain recertification before the firm's current certification expires, the firm must not perform renovations or dust sampling until it is certified anew pursuant to paragraph (a) of this section.

(2) *EPA action on an application* . After EPA receives a firm's application for re-certification, EPA will review the application and take one of the following actions within 90 days of receipt:

(i) EPA will approve a firm's application if EPA determines that it is timely and complete and that the environmental compliance history of the firm, its principals, or its key employees does not show an unwillingness or inability to maintain compliance with environmental statutes or regulations. When EPA approves a firm's application for re-certification, EPA will issue the firm a new certificate with an expiration date 5 years from the date that the firm's current certification expires. EPA certification allows the firm to perform renovations or dust sampling covered by

this section in any State or Indian Tribal area that does not have a renovation program that is authorized under subpart Q of this part.

(ii) EPA will request a firm to supplement its application if EPA determines that the application is incomplete.

(iii) EPA will not approve a firm's application if it is not received or is not complete as of the date that the firm's current certification expires, or if EPA determines that the environmental compliance history of the firm, its principals, or its key employees demonstrates an unwillingness or inability to maintain compliance with environmental statutes or regulations. EPA will send the firm a letter giving the reason for not approving the application. EPA will not refund the application fees. A firm may reapply for certification at any time by filing a new application and paying the correct amount of fees.

(c) *Amendment of certification*. A firm must amend its certification within 90 days of the date a change occurs to information included in the firm's most recent application. If the firm fails to amend its certification within 90 days of the date the change occurs, the firm may not perform renovations or dust sampling until its certification is amended.

(1) To amend a certification, a firm must submit a completed "Application for Firms," signed by an authorized agent of the firm, noting on the form that it is submitted as an amendment and indicating the information that has changed. The firm must also pay at least the correct amount of fees.

(2) If additional information is needed to process the amendment, or the firm did not pay the correct amount of fees, EPA will request the firm to submit the necessary information or fees. The firm's certification is not amended until the firm complies with the request.

(3) Amending a certification does not affect the certification expiration date.

(d) *Firm responsibilities*. Firms performing renovations must ensure that:

(1) All individuals performing renovation activities on behalf of the firm are either certified renovators or have been trained by a certified renovator in accordance with § 745.90.

(2) A certified renovator is assigned to each renovation performed by the firm and discharges all of the certified renovator responsibilities identified in § 745.90.

(3) All renovations performed by the firm are performed in accordance with the work practice standards in § 745.85.

(4) The pre-renovation education requirements of § 745.84 have been performed.

(5) The recordkeeping requirements of § 745.86 are met.

[73 FR 21764, Apr. 22, 2008]

§ 745.90 Renovator certification and dust sampling technician certification.

(a) *Renovator certification and dust sampling technician certification* . (1) To become a certified renovator or certified dust sampling technician, an individual must successfully complete the appropriate course accredited by EPA under § 745.225 or by a State or Tribal program that is authorized under subpart Q of this part. The course completion certificate serves as proof of certification. EPA renovator certification allows the certified individual to perform renovations covered by this section in any State or Indian Tribal area that does not have a renovation program that is authorized under subpart Q of this part. EPA dust sampling technician certification allows the certified individual to perform dust clearance sampling under § 745.85(c) in any State or Indian Tribal area that does not have a renovation program that is authorized under subpart Q of this part.

(2) Individuals who have successfully completed an accredited abatement worker or supervisor course, or individuals who have successfully completed an EPA, HUD, or EPA/HUD model renovation training course may take an accredited refresher renovator training course in lieu of the initial renovator training course to become a certified renovator.

(3) Individuals who have successfully completed an accredited lead-based paint inspector or risk assessor course may take an accredited refresher dust sampling technician course in lieu of the initial training to become a certified dust sampling technician.

(4) To maintain renovator certification or dust sampling technician certification, an individual must complete a renovator or dust sampling technician refresher course accredited by EPA under §745.225 or by a State or Tribal program that is authorized under subpart Q of this part within 5 years of the date the individual completed the initial course described in paragraph (a)(1) of this section. If the individual does not complete a refresher course within this time, the individual must re-take the initial course to become certified again.

(b) *Renovator responsibilities* . Certified renovators are responsible for ensuring compliance with §745.85 at all renovations to which they are assigned. A certified renovator:

(1) Must perform all of the tasks described in §745.85(b) and must either perform or direct workers who perform all of the tasks described in §745.85(a).

(2) Must provide training to workers on the work practices they will be using in performing their assigned tasks.

(3) Must be physically present at the work site when the signs required by §745.85(a)(1) are posted, while the work area containment required by §745.85(a)(2) is being established, and while the work area cleaning required by §745.85(a)(5) is performed.

(4) Must regularly direct work being performed by other individuals to ensure that the work practices are being followed, including maintaining the integrity of the containment barriers and ensuring that dust or debris does not spread beyond the work area.

(5) Must be available, either on-site or by telephone, at all times that renovations are being conducted.

(6) When requested by the party contracting for renovation services, must use an acceptable test kit to determine whether components to be affected by the renovation contain lead-based paint.

(7) Must have with them at the work site copies of their initial course completion certificate and their most recent refresher course completion certificate.

(8) Must prepare the records required by §745.86(b)(7).

(c) *Dust sampling technician responsibilities* . When performing optional dust clearance sampling under §745.85(c), a certified dust sampling technician:

(1) Must collect dust samples in accordance with §745.227(e)(8), must send the collected samples to a laboratory recognized by EPA under TSCA section 405(b), and must compare the results to the clearance levels in accordance with §745.227(e)(8).

(2) Must have with them at the work site copies of their initial course completion certificate and their most recent refresher course completion certificate.

[73 FR 21765, Apr. 22, 2008]

§ 745.91 Suspending, revoking, or modifying an individual's or firm's certification.

(a)(1) *Grounds for suspending, revoking, or modifying an individual's certification* . EPA may suspend, revoke, or modify an individual's certification if the individual fails to comply with Federal lead-based paint statutes or regulations. EPA may also suspend, revoke, or modify a certified renovator's certification if the renovator fails to ensure that all assigned renovations comply with § 745.85. In addition to an administrative or judicial finding of violation, execution of a consent agreement in settlement of an enforcement action constitutes, for purposes of this section, evidence of a failure to comply with relevant statutes or regulations.

(2) *Grounds for suspending, revoking, or modifying a firm's certification* . EPA may suspend, revoke, or modify a firm's certification if the firm:

(i) Submits false or misleading information to EPA in its application for certification or recertification.

(ii) Fails to maintain or falsifies records required in §745.86.

(iii) Fails to comply, or an individual performing a renovation on behalf of the firm fails to comply, with Federal lead-based paint statutes or regulations. In addition to an administrative or judicial finding of violation, execution of a consent agreement in settlement of an enforcement action constitutes, for purposes of this section, evidence of a failure to comply with relevant statutes or regulations.

(b) *Process for suspending, revoking, or modifying certification* . (1) Prior to taking action to suspend, revoke, or modify an individual's or firm's certification, EPA will notify the affected entity in writing of the following:

- (i) The legal and factual basis for the proposed suspension, revocation, or modification.
- (ii) The anticipated commencement date and duration of the suspension, revocation, or modification.
- (iii) Actions, if any, which the affected entity may take to avoid suspension, revocation, or modification, or to receive certification in the future.
- (iv) The opportunity and method for requesting a hearing prior to final suspension, revocation, or modification.

(2) If an individual or firm requests a hearing, EPA will:

(i) Provide the affected entity an opportunity to offer written statements in response to EPA's assertions of the legal and factual basis for its proposed action.

(ii) Appoint an impartial official of EPA as Presiding Officer to conduct the hearing.

(3) The Presiding Officer will:

(i) Conduct a fair, orderly, and impartial hearing within 90 days of the request for a hearing.

(ii) Consider all relevant evidence, explanation, comment, and argument submitted.

(iii) Notify the affected entity in writing within 90 days of completion of the hearing of his or her decision and order. Such an order is a final agency action which may be subject to judicial review. The order must contain the commencement date and duration of the suspension, revocation, or modification.

(4) If EPA determines that the public health, interest, or welfare warrants immediate action to suspend the certification of any individual or firm prior to the opportunity for a hearing, it will:

(i) Notify the affected entity in accordance with paragraph (b)(1)(i) through (b)(1)(iii) of this section, explaining why it is necessary to suspend the entity's certification before an opportunity for a hearing.

(ii) Notify the affected entity of its right to request a hearing on the immediate suspension within 15 days of the suspension taking place and the procedures for the conduct of such a hearing.

(5) Any notice, decision, or order issued by EPA under this section, any transcript or other verbatim record of oral testimony, and any documents filed by a certified individual or firm in a hearing under this section will be available to the public, except as otherwise provided by section

14 of TSCA or by part 2 of this title. Any such hearing at which oral testimony is presented will be open to the public, except that the Presiding Officer may exclude the public to the extent necessary to allow presentation of information which may be entitled to confidential treatment under section 14 of TSCA or part 2 of this title.

(6) EPA will maintain a publicly available list of entities whose certification has been suspended, revoked, modified, or reinstated.

(7) Unless the decision and order issued under paragraph (b)(3)(iii) of this section specify otherwise:

(i) An individual whose certification has been suspended must take a refresher training course (renovator or dust sampling technician) in order to make his or her certification current.

(ii) An individual whose certification has been revoked must take an initial renovator or dust sampling technician course in order to become certified again.

(iii) A firm whose certification has been revoked must reapply for certification after the revocation ends in order to become certified again. If the firm's certification has been suspended and the suspension ends less than 5 years after the firm was initially certified or re-certified, the firm does not need to do anything to re-activate its certification.

[73 FR 21765, Apr. 22, 2008]

§ 745.92 Fees for the accreditation of renovation and dust sampling technician training and the certification of renovation firms.

(a) *Persons who must pay fees* . Fees in accordance with paragraph (b) of this section must be paid by:

(1) *Training programs* —(i) *Non-exempt training programs* . All non-exempt training programs applying to EPA for the accreditation and re-accreditation of training programs in one or more of the following disciplines: Renovator, dust sampling technician.

(ii) *Exemption* . No fee shall be imposed on any training program operated by a State, federally recognized Indian Tribe, local government, or non-profit organization. This exemption does not apply to the certification of firms or individuals.

(2) *Firms* . All firms applying to EPA for certification and re-certification to conduct renovations.

(b) *Fee amounts* —(1) *Certification and accreditation fees* . Initial and renewal certification and accreditation fees are specified in the following table:

Training Program	Accreditation	Re-accreditation (every 4 years, see 40 CFR 745.225(f)(1) for details)
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Initial Renovator or Dust Sampling Technician Course	\$560	\$340
Refresher Renovator or Dust Sampling Technician Course	\$400	\$310
Renovation Firm	Certification	Re-certification (every 5 years see 40 CFR 745.89(b))
Firm	\$300	\$300
Combined Renovation and Lead-based Paint Activities Firm Application	\$550	\$550
Combined Renovation and Lead-based Paint Activities Tribal Firm Application	\$20	\$20
Tribal Firm	\$20	\$20

(2) *Lost certificate* . A \$15 fee will be charged for the replacement of a firm certificate.

(c) *Certificate replacement* . Firms seeking certificate replacement must:

(1) Complete the applicable portions of the "Application for Firms" in accordance with the instructions provided.

(2) Submit the application and a payment of \$15 in accordance with the instructions provided with the application package.

(d) *Failure to remit fees* . (1) EPA will not provide certification, re-certification, accreditation, or re-accreditation for any firm or training program that does not remit fees described in paragraph (b) of this section in accordance with the procedures specified in 40 CFR 745.89.

(2) EPA will not replace a certificate for any firm that does not remit the \$15 fee in accordance with the procedures specified in paragraph (c) of this section.

[74 FR 11869, Mar. 20, 2009]

Subpart F—Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property

§ 745.100 Purpose.

This subpart implements the provisions of 42 U.S.C. 4852d, which impose certain requirements on the sale or lease of target housing. Under this subpart, a seller or lessor of target housing shall disclose to the purchaser or lessee the presence of any known lead-based paint and/or lead-based paint hazards; provide available records and reports; provide the purchaser or lessee with a lead hazard information pamphlet; give purchasers a 10-day opportunity to conduct a risk assessment

or inspection; and attach specific disclosure and warning language to the sales or leasing contract before the purchaser or lessee is obligated under a contract to purchase or lease target housing.

§ 745.101 Scope and applicability.

This subpart applies to all transactions to sell or lease target housing, including subleases, with the exception of the following:

(a) Sales of target housing at foreclosure.

(b) Leases of target housing that have been found to be lead-based paint free by an inspector certified under the Federal certification program or under a federally accredited State or tribal certification program. Until a Federal certification program or federally accredited State certification program is in place within the State, inspectors shall be considered qualified to conduct an inspection for this purpose if they have received certification under any existing State or tribal inspector certification program. The lessor has the option of using the results of additional test(s) by a certified inspector to confirm or refute a prior finding.

(c) Short-term leases of 100 days or less, where no lease renewal or extension can occur.

(d) Renewals of existing leases in target housing in which the lessor has previously disclosed all information required under §745.107 and where no new information described in §745.107 has come into the possession of the lessor. For the purposes of this paragraph, renewal shall include both renegotiation of existing lease terms and/or ratification of a new lease.

§ 745.102 Effective dates.

The requirements in this subpart take effect in the following manner:

(a) For owners of more than four residential dwellings, the requirements shall take effect on September 6, 1996.

(b) For owners of one to four residential dwellings, the requirements shall take effect on December 6, 1996.

§ 745.103 Definitions.

The following definitions apply to this subpart.

The Act means the Residential Lead-Based Paint Hazard Reduction Act of 1992, 42 U.S.C. 4852d.

Agent means any party who enters into a contract with a seller or lessor, including any party who enters into a contract with a representative of the seller or lessor, for the purpose of selling or leasing target housing. This term does not apply to purchasers or any purchaser's representative who receives all compensation from the purchaser.

Available means in the possession of or reasonably obtainable by the seller or lessor at the time of the disclosure.

Common area means a portion of a building generally accessible to all residents/users including, but not limited to, hallways, stairways, laundry and recreational rooms, playgrounds, community centers, and boundary fences.

Contract for the purchase and sale of residential real property means any contract or agreement in which one party agrees to purchase an interest in real property on which there is situated one or more residential dwellings used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons.

EPA means the Environmental Protection Agency.

Evaluation means a risk assessment and/or inspection.

Foreclosure means any of the various methods, statutory or otherwise, known in different jurisdictions, of enforcing payment of a debt, by the taking and selling of real property.

Housing for the elderly means retirement communities or similar types of housing reserved for households composed of one or more persons 62 years of age or more at the time of initial occupancy.

HUD means the U.S. Department of Housing and Urban Development.

Inspection means:

(1) A surface-by-surface investigation to determine the presence of lead-based paint as provided in section 302(c) of the Lead-Based Paint Poisoning and Prevention Act [42 U.S.C. 4822], and

(2) The provision of a report explaining the results of the investigation.

Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

Lead-based paint free housing means target housing that has been found to be free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligram per square centimeter or 0.5 percent by weight.

Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

Lessee means any entity that enters into an agreement to lease, rent, or sublease target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Lessor means any entity that offers target housing for lease, rent, or sublease, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Owner means any entity that has legal title to target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations, except where a mortgagee holds legal title to property serving as collateral for a mortgage loan, in which case the owner would be the mortgagor.

Purchaser means an entity that enters into an agreement to purchase an interest in target housing, including but not limited to individuals, partnerships, corporations, trusts, government agencies, housing agencies, Indian tribes, and nonprofit organizations.

Reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls and abatement.

Residential dwelling means:

- (1) A single-family dwelling, including attached structures such as porches and stoops; or
- (2) A single-family dwelling unit in a structure that contains more than one separate residential dwelling unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the residence of one or more persons.

Risk assessment means an on-site investigation to determine and report the existence, nature, severity, and location of lead-based paint hazards in residential dwellings, including:

- (1) Information gathering regarding the age and history of the housing and occupancy by children under age 6;
- (2) Visual inspection;
- (3) Limited wipe sampling or other environmental sampling techniques;
- (4) Other activity as may be appropriate; and
- (5) Provision of a report explaining the results of the investigation.

Secretary means the Secretary of Housing and Urban Development.

Seller means any entity that transfers legal title to target housing, in whole or in part, in return for consideration, including but not limited to individuals, partnerships, corporations, trusts,

government agencies, housing agencies, Indian tribes, and nonprofit organizations. The term "seller" also includes:

- (1) An entity that transfers shares in a cooperatively owned project, in return for consideration; and
- (2) An entity that transfers its interest in a leasehold, in jurisdictions or circumstances where it is legally permissible to separate the fee title from the title to the improvement, in return for consideration.

Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.

TSCA means the Toxic Substances Control Act, 15 U.S.C. 2601.

0-bedroom dwelling means any residential dwelling in which the living area is not separated from the sleeping area. The term includes efficiencies, studio apartments, dormitory housing, military barracks, and rentals of individual rooms in residential dwellings.

§ 745.107 Disclosure requirements for sellers and lessors.

(a) The following activities shall be completed before the purchaser or lessee is obligated under any contract to purchase or lease target housing that is not otherwise an exempt transaction pursuant to §745.101. Nothing in this section implies a positive obligation on the seller or lessor to conduct any evaluation or reduction activities.

(1) The seller or lessor shall provide the purchaser or lessee with an EPA-approved lead hazard information pamphlet. Such pamphlets include the EPA document entitled *Protect Your Family From Lead in Your Home* (EPA #747-K-94-001) or an equivalent pamphlet that has been approved for use in that State by EPA.

(2) The seller or lessor shall disclose to the purchaser or lessee the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being sold or leased. The seller or lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) The seller or lessor shall disclose to each agent the presence of any known lead-based paint and/or lead-based paint hazards in the target housing being sold or leased and the existence of any available records or reports pertaining to lead-based paint and/or lead-based paint hazards. The seller or lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(4) The seller or lessor shall provide the purchaser or lessee with any records or reports available to the seller or lessor pertaining to lead-based paint and/or lead-based paint hazards in the target housing being sold or leased. This requirement includes records or reports regarding common areas. This requirement also includes records or reports regarding other residential dwellings in multifamily target housing, provided that such information is part of an evaluation or reduction of lead-based paint and/or lead-based paint hazards in the target housing as a whole.

(b) If any of the disclosure activities identified in paragraph (a) of this section occurs after the purchaser or lessee has provided an offer to purchase or lease the housing, the seller or lessor shall complete the required disclosure activities prior to accepting the purchaser's or lessee's offer and allow the purchaser or lessee an opportunity to review the information and possibly amend the offer.

§ 745.110 Opportunity to conduct an evaluation.

(a) Before a purchaser is obligated under any contract to purchase target housing, the seller shall permit the purchaser a 10-day period (unless the parties mutually agree, in writing, upon a different period of time) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

(b) Notwithstanding paragraph (a) of this section, a purchaser may waive the opportunity to conduct the risk assessment or inspection by so indicating in writing.

§ 745.113 Certification and acknowledgment of disclosure.

(a) *Seller requirements.* Each contract to sell target housing shall include an attachment containing the following elements, in the language of the contract (e.g., English, Spanish):

(1) A Lead Warning Statement consisting of the following language:

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

(2) A statement by the seller disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being sold or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. The seller shall also provide any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) A list of any records or reports available to the seller pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the purchaser. If no such records or reports are available, the seller shall so indicate.

(4) A statement by the purchaser affirming receipt of the information set out in paragraphs (a)(2) and (a)(3) of this section and the lead hazard information pamphlet required under 15 U.S.C. 2696.

(5) A statement by the purchaser that he/she has either:

(i) Received the opportunity to conduct the risk assessment or inspection required by §745.110(a); or

(ii) Waived the opportunity.

(6) When one or more agents are involved in the transaction to sell target housing on behalf of the seller, a statement that:

(i) The agent has informed the seller of the seller's obligations under 42 U.S.C. 4852d; and

(ii) The agent is aware of his/her duty to ensure compliance with the requirements of this subpart.

(7) The signatures of the sellers, agents, and purchasers certifying to the accuracy of their statements to the best of their knowledge, along with the dates of signature.

(b) *Lessor requirements.* Each contract to lease target housing shall include, as an attachment or within the contract, the following elements, in the language of the contract (e.g., English, Spanish):

(1) A Lead Warning Statement with the following language:

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

(2) A statement by the lessor disclosing the presence of known lead-based paint and/or lead-based paint hazards in the target housing being leased or indicating no knowledge of the presence of lead-based paint and/or lead-based paint hazards. The lessor shall also disclose any additional information available concerning the known lead-based paint and/or lead-based paint hazards, such as the basis for the determination that lead-based paint and/or lead-based paint hazards exist, the location of the lead-based paint and/or lead-based paint hazards, and the condition of the painted surfaces.

(3) A list of any records or reports available to the lessor pertaining to lead-based paint and/or lead-based paint hazards in the housing that have been provided to the lessee. If no such records or reports are available, the lessor shall so indicate.

(4) A statement by the lessee affirming receipt of the information set out in paragraphs (b)(2) and (b)(3) of this section and the lead hazard information pamphlet required under 15 U.S.C. 2696.

(5) When one or more agents are involved in the transaction to lease target housing on behalf of the lessor, a statement that:

(i) The agent has informed the lessor of the lessor's obligations under 42 U.S.C. 4852d; and

(ii) The agent is aware of his/her duty to ensure compliance with the requirements of this subpart.

(6) The signatures of the lessors, agents, and lessees, certifying to the accuracy of their statements, to the best of their knowledge, along with the dates of signature.

(c) Retention of Certification and Acknowledgment Information .

(1) The seller, and any agent, shall retain a copy of the completed attachment required under paragraph (a) of this section for no less than 3 years from the completion date of the sale. The lessor, and any agent, shall retain a copy of the completed attachment or lease contract containing the information required under paragraph (b) of this section for no less than 3 years from the commencement of the leasing period.

(2) This recordkeeping requirement is not intended to place any limitations on civil suits under the Act, or to otherwise affect a lessee's or purchaser's rights under the civil penalty provisions of 42 U.S.C. 4852d(b)(3).

(d) The seller, lessor, or agent shall not be responsible for the failure of a purchaser's or lessee's legal representative (where such representative receives all compensation from the purchaser or lessee) to transmit disclosure materials to the purchaser or lessee, provided that all required parties have completed and signed the necessary certification and acknowledgment language required under paragraphs (a) and (b) of this section.

§ 745.115 Agent responsibilities.

(a) Each agent shall ensure compliance with all requirements of this subpart. To ensure compliance, the agent shall:

(1) Inform the seller or lessor of his/her obligations under §§745.107, 745.110, and 745.113.

(2) Ensure that the seller or lessor has performed all activities required under §§745.107, 745.110, and 745.113, or personally ensure compliance with the requirements of §§745.107, 745.110, and 745.113.

(b) If the agent has complied with paragraph (a)(1) of this section, the agent shall not be liable for the failure to disclose to a purchaser or lessee the presence of lead-based paint and/or lead-based paint hazards known by a seller or lessor but not disclosed to the agent.

§ 745.118 Enforcement.

(a) Any person who knowingly fails to comply with any provision of this subpart shall be subject to civil monetary penalties in accordance with the provisions of 42 U.S.C. 3545 and 24 CFR part 30.

(b) The Secretary is authorized to take such action as may be necessary to enjoin any violation of this subpart in the appropriate Federal district court.

(c) Any person who knowingly violates the provisions of this subpart shall be jointly and severally liable to the purchaser or lessee in an amount equal to 3 times the amount of damages incurred by such individual.

(d) In any civil action brought for damages pursuant to 42 U.S.C. 4852d(b)(3), the appropriate court may award court costs to the party commencing such action, together with reasonable attorney fees and any expert witness fees, if that party prevails.

(e) Failure or refusal to comply with §745.107 (disclosure requirements for sellers and lessors), §745.110 (opportunity to conduct an evaluation), §745.113 (certification and acknowledgment of disclosure), or §745.115 (agent responsibilities) is a violation of 42 U.S.C. 4852d(b)(5) and of TSCA section 409 (15 U.S.C. 2689).

(f) Violators may be subject to civil and criminal sanctions pursuant to TSCA section 16 (15 U.S.C. 2615) for each violation. For purposes of enforcing this subpart, the penalty for each violation applicable under 15 U.S.C. 2615 shall not be more than \$11,000 for all violations occurring after July 28, 1997; all violations occurring on or prior to that date are subject to a penalty not more than \$10,000.

[61 FR 9085, Mar. 6, 1996, as amended at 62 FR 35041, June 27, 1997]

§ 745.119 Impact on State and local requirements.

Nothing in this subpart shall relieve a seller, lessor, or agent from any responsibility for compliance with State or local laws, ordinances, codes, or regulations governing notice or disclosure of known lead-based paint or lead-based paint hazards. Neither HUD nor EPA assumes any responsibility for ensuring compliance with such State or local requirements.

Subparts G–K [Reserved]

Subpart L—Lead-Based Paint Activities

Source: 61 FR 45813, Aug. 29, 1996, unless otherwise noted.

§ 745.220 Scope and applicability.

(a) This subpart contains procedures and requirements for the accreditation of training programs for lead-based paint activities and renovations, procedures and requirements for the certification of individuals and firms engaged in lead-based paint activities, and work practice standards for performing such activities. This subpart also requires that, except as discussed below, all lead-based paint activities, as defined in this subpart, be performed by certified individuals and firms.

(b) This subpart applies to all individuals and firms who are engaged in lead-based paint activities as defined in §745.223, except persons who perform these activities within residential dwellings that they own, unless the residential dwelling is occupied by a person or persons other than the owner or the owner's immediate family while these activities are being performed, or a child residing in the building has been identified as having an elevated blood lead level. This subpart applies only in those States or Indian Country that do not have an authorized State or Tribal program pursuant to §745.324 of subpart Q.

(c) Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any property or facility, or engaged in any activity resulting, or which may result, in a lead-based paint hazard, and each officer, agent, or employee thereof shall be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural, including the requirements of this subpart regarding lead-based paint, lead-based paint activities, and lead-based paint hazards.

(d) While this subpart establishes specific requirements for performing lead-based paint activities should they be undertaken, nothing in this subpart requires that the owner or occupant undertake any particular lead-based paint activity.

[61 FR 45813, Aug. 29, 1996, as amended at 73 FR 21766, Apr. 22, 2008]

§ 745.223 Definitions.

The definitions in subpart A apply to this subpart. In addition, the following definitions apply.

Abatement means any measure or set of measures designed to permanently eliminate lead-based paint hazards. Abatement includes, but is not limited to:

(1) The removal of paint and dust, the permanent enclosure or encapsulation of lead-based paint, the replacement of painted surfaces or fixtures, or the removal or permanent covering of soil, when lead-based paint hazards are present in such paint, dust or soil; and

(2) All preparation, cleanup, disposal, and post-abatement clearance testing activities associated with such measures.

(3) Specifically, abatement includes, but is not limited to:

(i) Projects for which there is a written contract or other documentation, which provides that an individual or firm will be conducting activities in or to a residential dwelling or child-occupied facility that:

(A) Shall result in the permanent elimination of lead-based paint hazards; or

(B) Are designed to permanently eliminate lead-based paint hazards and are described in paragraphs (1) and (2) of this definition.

(ii) Projects resulting in the permanent elimination of lead-based paint hazards, conducted by firms or individuals certified in accordance with §745.226, unless such projects are covered by paragraph (4) of this definition;

(iii) Projects resulting in the permanent elimination of lead-based paint hazards, conducted by firms or individuals who, through their company name or promotional literature, represent, advertise, or hold themselves out to be in the business of performing lead-based paint activities as identified and defined by this section, unless such projects are covered by paragraph (4) of this definition; or

(iv) Projects resulting in the permanent elimination of lead-based paint hazards, that are conducted in response to State or local abatement orders.

(4) Abatement does not include renovation, remodeling, landscaping or other activities, when such activities are not designed to permanently eliminate lead-based paint hazards, but, instead, are designed to repair, restore, or remodel a given structure or dwelling, even though these activities may incidentally result in a reduction or elimination of lead-based paint hazards. Furthermore, abatement does not include interim controls, operations and maintenance activities, or other measures and activities designed to temporarily, but not permanently, reduce lead-based paint hazards.

Accredited training program means a training program that has been accredited by EPA pursuant to §745.225 to provide training for individuals engaged in lead-based paint activities.

Adequate quality control means a plan or design which ensures the authenticity, integrity, and accuracy of samples, including dust, soil, and paint chip or paint film samples. Adequate quality control also includes provisions for representative sampling.

Business day means Monday through Friday with the exception of Federal holidays.

Certified firm means a company, partnership, corporation, sole proprietorship, association, or other business entity that performs lead-based paint activities to which EPA has issued a certificate of approval pursuant to §745.226(f).

Certified inspector means an individual who has been trained by an accredited training program, as defined by this section, and certified by EPA pursuant to §745.226 to conduct inspections. A

certified inspector also samples for the presence of lead in dust and soil for the purposes of abatement clearance testing.

Certified abatement worker means an individual who has been trained by an accredited training program, as defined by this section, and certified by EPA pursuant to §745.226 to perform abatements.

Certified project designer means an individual who has been trained by an accredited training program, as defined by this section, and certified by EPA pursuant to §745.226 to prepare abatement project designs, occupant protection plans, and abatement reports.

Certified risk assessor means an individual who has been trained by an accredited training program, as defined by this section, and certified by EPA pursuant to §745.226 to conduct risk assessments. A risk assessor also samples for the presence of lead in dust and soil for the purposes of abatement clearance testing.

Certified supervisor means an individual who has been trained by an accredited training program, as defined by this section, and certified by EPA pursuant to §745.226 to supervise and conduct abatements, and to prepare occupant protection plans and abatement reports.

Child-occupied facility means a building, or portion of a building, constructed prior to 1978, visited regularly by the same child, 6 years of age or under, on at least two different days within any week (Sunday through Saturday period), provided that each day's visit lasts at least 3 hours and the combined weekly visit lasts at least 6 hours, and the combined annual visits last at least 60 hours. Child-occupied facilities may include, but are not limited to, day-care centers, preschools and kindergarten classrooms.

Clearance levels are values that indicate the maximum amount of lead permitted in dust on a surface following completion of an abatement activity.

Common area means a portion of a building that is generally accessible to all occupants. Such an area may include, but is not limited to, hallways, stairways, laundry and recreational rooms, playgrounds, community centers, garages, and boundary fences.

Component or building component means specific design or structural elements or fixtures of a building, residential dwelling, or child-occupied facility that are distinguished from each other by form, function, and location. These include, but are not limited to, interior components such as: ceilings, crown molding, walls, chair rails, doors, door trim, floors, fireplaces, radiators and other heating units, shelves, shelf supports, stair treads, stair risers, stair stringers, newel posts, railing caps, balustrades, windows and trim (including sashes, window heads, jambs, sills or stools and troughs), built in cabinets, columns, beams, bathroom vanities, counter tops, and air conditioners; and exterior components such as: painted roofing, chimneys, flashing, gutters and downspouts, ceilings, soffits, fascias, rake boards, cornerboards, bulkheads, doors and door trim, fences, floors, joists, lattice work, railings and railing caps, siding, handrails, stair risers and treads, stair stringers, columns, balustrades, window sills or stools and troughs, casings, sashes and wells, and air conditioners.

Containment means a process to protect workers and the environment by controlling exposures to the lead-contaminated dust and debris created during an abatement.

Course agenda means an outline of the key topics to be covered during a training course, including the time allotted to teach each topic.

Course test means an evaluation of the overall effectiveness of the training which shall test the trainees' knowledge and retention of the topics covered during the course.

Course test blue print means written documentation identifying the proportion of course test questions devoted to each major topic in the course curriculum.

Deteriorated paint means paint that is cracking, flaking, chipping, peeling, or otherwise separating from the substrate of a building component.

Discipline means one of the specific types or categories of lead-based paint activities identified in this subpart for which individuals may receive training from accredited programs and become certified by EPA. For example, "abatement worker" is a discipline.

Distinct painting history means the application history, as indicated by its visual appearance or a record of application, over time, of paint or other surface coatings to a component or room.

Documented methodologies are methods or protocols used to sample for the presence of lead in paint, dust, and soil.

Elevated blood lead level (EBL) means an excessive absorption of lead that is a confirmed concentration of lead in whole blood of 20 µg/dl (micrograms of lead per deciliter of whole blood) for a single venous test or of 15–19 µg/dl in two consecutive tests taken 3 to 4 months apart.

Encapsulant means a substance that forms a barrier between lead-based paint and the environment using a liquid-applied coating (with or without reinforcement materials) or an adhesively bonded covering material.

Encapsulation means the application of an encapsulant.

Enclosure means the use of rigid, durable construction materials that are mechanically fastened to the substrate in order to act as a barrier between lead-based paint and the environment.

Guest instructor means an individual designated by the training program manager or principal instructor to provide instruction specific to the lecture, hands-on activities, or work practice components of a course.

Hands-on skills assessment means an evaluation which tests the trainees' ability to satisfactorily perform the work practices and procedures identified in §745.225(d), as well as any other skill taught in a training course.

Hazardous waste means any waste as defined in 40 CFR 261.3.

Inspection means a surface-by-surface investigation to determine the presence of lead-based paint and the provision of a report explaining the results of the investigation.

Interim certification means the status of an individual who has successfully completed the appropriate training course in a discipline from an accredited training program, as defined by this section, but has not yet received formal certification in that discipline from EPA pursuant to §745.226. Interim certifications expire 6 months after the completion of the training course, and is equivalent to a certificate for the 6-month period.

Interim controls means a set of measures designed to temporarily reduce human exposure or likely exposure to lead-based paint hazards, including specialized cleaning, repairs, maintenance, painting, temporary containment, ongoing monitoring of lead-based paint hazards or potential hazards, and the establishment and operation of management and resident education programs.

Lead-based paint means paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams per square centimeter or more than 0.5 percent by weight.

Lead-based paint activities means, in the case of target housing and child-occupied facilities, inspection, risk assessment, and abatement, as defined in this subpart.

Lead-based paint activities courses means initial and refresher training courses (worker, supervisor, inspector, risk assessor, project designer) provided by accredited training programs.

Lead-based paint hazard means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, or lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as identified by the Administrator pursuant to TSCA section 403.

Lead-hazard screen is a limited risk assessment activity that involves limited paint and dust sampling as described in §745.227(c).

Living area means any area of a residential dwelling used by one or more children age 6 and under, including, but not limited to, living rooms, kitchen areas, dens, play rooms, and children's bedrooms.

Local government means a county, city, town, borough, parish, district, association, or other public body (including an agency comprised of two or more of the foregoing entities) created under State law.

Multi-family dwelling means a structure that contains more than one separate residential dwelling unit, which is used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons.

Nonprofit means an entity which has demonstrated to any branch of the Federal Government or to a State, municipal, tribal or territorial government, that no part of its net earnings inure to the benefit of any private shareholder or individual.

Paint in poor condition means more than 10 square feet of deteriorated paint on exterior components with large surface areas; or more than 2 square feet of deteriorated paint on interior components with large surface areas (e.g., walls, ceilings, floors, doors); or more than 10 percent of the total surface area of the component is deteriorated on interior or exterior components with small surface areas (window sills, baseboards, soffits, trim).

Permanently covered soil means soil which has been separated from human contact by the placement of a barrier consisting of solid, relatively impermeable materials, such as pavement or concrete. Grass, mulch, and other landscaping materials are not considered permanent covering.

Person means any natural or judicial person including any individual, corporation, partnership, or association; any Indian Tribe, State, or political subdivision thereof; any interstate body; and any department, agency, or instrumentality of the Federal government.

Principal instructor means the individual who has the primary responsibility for organizing and teaching a particular course.

Recognized laboratory means an environmental laboratory recognized by EPA pursuant to TSCA section 405(b) as being capable of performing an analysis for lead compounds in paint, soil, and dust.

Reduction means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls and abatement.

Residential dwelling means (1) a detached single family dwelling unit, including attached structures such as porches and stoops; or (2) a single family dwelling unit in a structure that contains more than one separate residential dwelling unit, which is used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of one or more persons.

Risk assessment means (1) an on-site investigation to determine the existence, nature, severity, and location of lead-based paint hazards, and (2) the provision of a report by the individual or the firm conducting the risk assessment, explaining the results of the investigation and options for reducing lead-based paint hazards.

Start date means the first day of any lead-based paint activities training course or lead-based paint abatement activity.

Start date provided to EPA means the start date included in the original notification or the most recent start date provided to EPA in an updated notification.

State means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Canal Zone, American Samoa, the Northern Mariana Islands, or any other territory or possession of the United States.

Target housing means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any one or more children age 6 years or under resides or is expected to reside in such housing for the elderly or persons with disabilities) or any 0-bedroom dwelling.

Training curriculum means an established set of course topics for instruction in an accredited training program for a particular discipline designed to provide specialized knowledge and skills.

Training hour means at least 50 minutes of actual learning, including, but not limited to, time devoted to lecture, learning activities, small group activities, demonstrations, evaluations, and/or hands-on experience.

Training manager means the individual responsible for administering a training program and monitoring the performance of principal instructors and guest instructors.

Training provider means any organization or entity accredited under §745.225 to offer lead-based paint activities courses.

Visual inspection for clearance testing means the visual examination of a residential dwelling or a child-occupied facility following an abatement to determine whether or not the abatement has been successfully completed.

Visual inspection for risk assessment means the visual examination of a residential dwelling or a child-occupied facility to determine the existence of deteriorated lead-based paint or other potential sources of lead-based paint hazards.

[61 FR 45813, Aug. 29, 1996, as amended at 64 FR 31097, June 9, 1999; 66 FR 1239, Jan. 5, 2001; 69 FR 18495, Apr. 8, 2004]

§ 745.225 Accreditation of training programs: target housing and child-occupied facilities.

(a) *Scope*. (1) A training program may seek accreditation to offer courses in any of the following disciplines: Inspector, risk assessor, supervisor, project designer, abatement worker, renovator, and dust sampling technician. A training program may also seek accreditation to offer refresher courses for each of the above listed disciplines.

(2) Training programs may first apply to EPA for accreditation of their lead-based paint activities courses or refresher courses pursuant to this section on or after August 31, 1998. Training programs may first apply to EPA for accreditation of their renovator or dust sampling technician courses or refresher courses pursuant to this section on or after April 22, 2009.

(3) A training program must not provide, offer, or claim to provide EPA-accredited lead-based paint activities courses without applying for and receiving accreditation from EPA as required under paragraph (b) of this section on or after March 1, 1999. A training program must not provide, offer, or claim to provide EPA-accredited renovator or dust sampling technician courses without applying for and receiving accreditation from EPA as required under paragraph (b) of this section on or after June 23, 2008.

(b) *Application process*. The following are procedures a training program must follow to receive EPA accreditation to offer lead-based paint activities courses, renovator courses, or dust sampling technician courses:

(1) A training program seeking accreditation shall submit a written application to EPA containing the following information:

(i) The training program's name, address, and telephone number.

(ii) A list of courses for which it is applying for accreditation. For the purposes of this section, courses taught in different languages are considered different courses, and each must independently meet the accreditation requirements.

(iii) A statement signed by the training program manager certifying that the training program meets the requirements established in paragraph (c) of this section. If a training program uses EPA-recommended model training materials, or training materials approved by a State or Indian Tribe that has been authorized by EPA under subpart Q of this part, the training program manager shall include a statement certifying that, as well.

(iv) If a training program does not use EPA-recommended model training materials or training materials approved by an authorized State or Indian Tribe, its application for accreditation shall also include:

(A) A copy of the student and instructor manuals, or other materials to be used for each course.

(B) A copy of the course agenda for each course.

(C) When applying for accreditation of a course in a language other than English, a signed statement from a qualified, independent translator that they had compared the course to the English language version and found the translation to be accurate.

(v) All training programs shall include in their application for accreditation the following:

(A) A description of the facilities and equipment to be used for lecture and hands-on training.

(B) A copy of the course test blueprint for each course.

(C) A description of the activities and procedures that will be used for conducting the assessment of hands-on skills for each course.

(D) A copy of the quality control plan as described in paragraph (c)(9) of this section.

(2) If a training program meets the requirements in paragraph (c) of this section, then EPA shall approve the application for accreditation no more than 180 days after receiving a complete application from the training program. In the case of approval, a certificate of accreditation shall be sent to the applicant. In the case of disapproval, a letter describing the reasons for disapproval shall be sent to the applicant. Prior to disapproval, EPA may, at its discretion, work with the applicant to address inadequacies in the application for accreditation. EPA may also request additional materials retained by the training program under paragraph (i) of this section. If a training program's application is disapproved, the program may reapply for accreditation at any time.

(3) A training program may apply for accreditation to offer courses or refresher courses in as many disciplines as it chooses. A training program may seek accreditation for additional courses at any time as long as the program can demonstrate that it meets the requirements of this section.

(4) A training program applying for accreditation must submit the appropriate fees in accordance with §745.238.

(c) *Requirements for the accreditation of training programs* . For a training program to obtain accreditation from EPA to offer lead-based paint activities courses, renovator courses, or dust sampling technician courses, the program must meet the following requirements:

(1) The training program shall employ a training manager who has:

(i) At least 2 years of experience, education, or training in teaching workers or adults; or

(ii) A bachelor's or graduate degree in building construction technology, engineering, industrial hygiene, safety, public health, education, business administration or program management or a related field; or

(iii) Two years of experience in managing a training program specializing in environmental hazards; and

(iv) Demonstrated experience, education, or training in the construction industry including: lead or asbestos abatement, painting, carpentry, renovation, remodeling, occupational safety and health, or industrial hygiene.

(2) The training manager shall designate a qualified principal instructor for each course who has:

(i) Demonstrated experience, education, or training in teaching workers or adults; and

(ii) Successfully completed at least 16 hours of any EPA-accredited or EPA-authorized State or Tribal-accredited lead-specific training; and

(iii) Demonstrated experience, education, or training in lead or asbestos abatement, painting, carpentry, renovation, remodeling, occupational safety and health, or industrial hygiene.

(3) The principal instructor shall be responsible for the organization of the course and oversight of the teaching of all course material. The training manager may designate guest instructors as needed to provide instruction specific to the lecture, hands-on activities, or work practice components of a course.

(4) The following documents shall be recognized by EPA as evidence that training managers and principal instructors have the education, work experience, training requirements or demonstrated experience, specifically listed in paragraphs (c)(1) and (c)(2) of this section. This documentation need not be submitted with the accreditation application, but, if not submitted, shall be retained by the training program as required by the recordkeeping requirements contained in paragraph (i) of this section. Those documents include the following:

(i) Official academic transcripts or diploma as evidence of meeting the education requirements.

(ii) Resumes, letters of reference, or documentation of work experience, as evidence of meeting the work experience requirements.

(iii) Certificates from train-the-trainer courses and lead-specific training courses, as evidence of meeting the training requirements.

(5) The training program shall ensure the availability of, and provide adequate facilities for, the delivery of the lecture, course test, hands-on training, and assessment activities. This includes providing training equipment that reflects current work practices and maintaining or updating the equipment and facilities as needed.

(6) To become accredited in the following disciplines, the training program shall provide training courses that meet the following training hour requirements:

(i) The inspector course shall last a minimum of 24 training hours, with a minimum of 8 hours devoted to hands-on training activities. The minimum curriculum requirements for the inspector course are contained in paragraph (d)(1) of this section.

(ii) The risk assessor course shall last a minimum of 16 training hours, with a minimum of 4 hours devoted to hands-on training activities. The minimum curriculum requirements for the risk assessor course are contained in paragraph (d)(2) of this section.

(iii) The supervisor course shall last a minimum of 32 training hours, with a minimum of 8 hours devoted to hands-on activities. The minimum curriculum requirements for the supervisor course are contained in paragraph (d)(3) of this section.

(iv) The project designer course shall last a minimum of 8 training hours. The minimum curriculum requirements for the project designer course are contained in paragraph (d)(4) of this section.

(v) The abatement worker course shall last a minimum of 16 training hours, with a minimum of 8 hours devoted to hands-on training activities. The minimum curriculum requirements for the abatement worker course are contained in paragraph (d)(5) of this section.

(vi) The renovator course must last a minimum of 8 training hours, with a minimum of 2 hours devoted to hands-on training activities. The minimum curriculum requirements for the renovator course are contained in paragraph (d)(6) of this section. Hands-on training activities must cover renovation methods that minimize the creation of dust and lead-based paint hazards, interior and exterior containment and cleanup methods, and post-renovation cleaning verification.

(vii) The dust sampling technician course must last a minimum of 8 training hours, with a minimum of 2 hours devoted to hands-on training activities. The minimum curriculum requirements for the dust sampling technician course are contained in paragraph (d)(7) of this section. Hands-on training activities must cover dust sampling methodologies.

(7) For each course offered, the training program shall conduct either a course test at the completion of the course, and if applicable, a hands-on skills assessment, or in the alternative, a proficiency test for that discipline. Each individual must successfully complete the hands-on skills assessment and receive a passing score on the course test to pass any course, or successfully complete a proficiency test.

(i) The training manager is responsible for maintaining the validity and integrity of the hands-on skills assessment or proficiency test to ensure that it accurately evaluates the trainees' performance of the work practices and procedures associated with the course topics contained in paragraph (d) of this section.

(ii) The training manager is responsible for maintaining the validity and integrity of the course test to ensure that it accurately evaluates the trainees' knowledge and retention of the course topics.

(iii) The course test shall be developed in accordance with the test blueprint submitted with the training accreditation application.

(8) The training program shall issue unique course completion certificates to each individual who passes the training course. The course completion certificate shall include:

(i) The name, a unique identification number, and address of the individual.

(ii) The name of the particular course that the individual completed.

(iii) Dates of course completion/test passage.

(iv) For initial inspector, risk assessor, project designer, supervisor, or abatement worker course completion certificates, the expiration date of interim certification, which is 6 months from the date of course completion.

(v) The name, address, and telephone number of the training program.

(vi) The language in which the course was taught.

(vii) For renovator and dust sampling technician course completion certificates, a photograph of the individual.

(9) The training manager shall develop and implement a quality control plan. The plan shall be used to maintain and improve the quality of the training program over time. This plan shall contain at least the following elements:

(i) Procedures for periodic revision of training materials and the course test to reflect innovations in the field.

(ii) Procedures for the training manager's annual review of principal instructor competency.

(10) Courses offered by the training program must teach the work practice standards contained in §745.85 or §745.227, as applicable, in such a manner that trainees are provided with the knowledge needed to perform the renovations or lead-based paint activities they will be responsible for conducting.

(11) The training manager shall be responsible for ensuring that the training program complies at all times with all of the requirements in this section.

(12) The training manager shall allow EPA to audit the training program to verify the contents of the application for accreditation as described in paragraph (b) of this section.

(13) The training manager must provide notification of renovator, dust sampling technician, or renovator, dust sampling technician, or lead-based paint activities offered.

(i) The training manager must provide EPA with notification of all renovator, dust sampling technician, or lead-based paint activities courses offered. The original notification must be received by EPA at least 7 business days prior to the start date of any renovator, dust sampling technician, or lead-based paint activities course.

(ii) The training manager must provide EPA updated notification when renovator, dust sampling technician, or lead-based paint activities courses will begin on a date other than the start date specified in the original notification, as follows:

(A) For renovator, dust sampling technician, or lead-based paint activities courses beginning prior to the start date provided to EPA, an updated notification must be received by EPA at least 7 business days before the new start date.

(B) For renovator, dust sampling technician, or lead-based paint activities courses beginning after the start date provided to EPA, an updated notification must be received by EPA at least 2 business days before the start date provided to EPA.

(iii) The training manager must update EPA of any change in location of renovator, dust sampling technician, or lead-based paint activities courses at least 7 business days prior to the start date provided to EPA.

(iv) The training manager must update EPA regarding any course cancellations, or any other change to the original notification. Updated notifications must be received by EPA at least 2 business days prior to the start date provided to EPA.

(v) Each notification, including updates, must include the following:

(A) Notification type (original, update, cancellation).

(B) Training program name, EPA accreditation number, address, and telephone number.

(C) Course discipline, type (initial/ refresher), and the language in which instruction will be given.

(D) Date(s) and time(s) of training.

(E) Training location(s) telephone number, and address.

(F) Principal instructor's name.

(G) Training manager's name and signature.

(vi) Notification must be accomplished using any of the following methods: Written notification, or electronically using the Agency's Central Data Exchange (CDX). Written notification of renovator, dust sampling technician, or lead-based paint activities course schedules can be accomplished by using either the sample form titled "Lead-Based Paint Activities Training Course Schedule" or a similar form containing the information required in paragraph (c)(13)(v) of this section. All written notifications must be delivered by U.S. Postal Service, fax, commercial delivery service, or hand delivery (persons submitting notification by U.S. Postal Service are reminded that they should allow 3 additional business days for delivery in order to ensure that EPA receives the notification by the required date). Instructions and sample forms can be obtained from the NLIC at 1-800-424-LEAD(5323), or on the Internet at <http://www.epa.gov/lead>.

(vii) Lead-based paint activities courses must not begin on a date, or at a location other than that specified in the original notification unless an updated notification identifying a new start date or location is submitted, in which case the course must begin on the new start date and/or location specified in the updated notification.

(viii) No training program shall provide renovator, dust sampling technician, or lead-based paint activities courses without first notifying EPA of such activities in accordance with the requirements of this paragraph.

(14) The training manager must provide notification following completion of renovator, dust sampling technician, or lead-based paint activities courses.

(i) The training manager must provide EPA notification after the completion of any renovator, dust sampling technician, or lead-based paint activities course. This notice must be received by EPA no later than 10 business days following course completion.

(ii) The notification must include the following:

(A) Training program name, EPA accreditation number, address, and telephone number.

(B) Course discipline and type (initial/refreshers).

(C) Date(s) of training.

(D) The following information for each student who took the course:

(1) Name.

(2) Address.

(3) Date of birth.

(4) Course completion certificate number.

(5) Course test score.

(6) For renovator or dust sampling technician courses only, a digital photograph of the student.

(E) Training manager's name and signature.

(iii) Notification must be accomplished using any of the following methods: Written notification, or electronically using the Agency's Central Data Exchange (CDX). Written notification following training courses can be accomplished by using either the sample form, entitled *Post-Training Notification* or a similar form containing the information required in paragraph (c)(14)(ii) of this section. All written notifications must be delivered by U.S. Postal Service, fax, commercial delivery service, or hand delivery (persons submitting notification by U.S. Postal Service are reminded that they should allow 3 additional business days for delivery in order to ensure that EPA receives the notification by the required date). Instructions and sample forms can be obtained from the NLIC at 1-800-424-LEAD (5323), or on the Internet at <http://www.epa.gov/lead>.

(d) *Minimum training curriculum requirements.* To become accredited to offer lead-based paint courses instruction in the specific disciplines listed below, training programs must ensure that their courses of study include, at a minimum, the following course topics. Requirements ending

in an asterisk (*) indicate areas that require hands-on activities as an integral component of the course.

(1) *Inspector*. (i) Role and responsibilities of an inspector.

(ii) Background information on lead and its adverse health effects.

(iii) Background information on Federal, State, and local regulations and guidance that pertains to lead-based paint and lead-based paint activities.

(iv) Lead-based paint inspection methods, including selection of rooms and components for sampling or testing.*

(v) Paint, dust, and soil sampling methodologies.*

(vi) Clearance standards and testing, including random sampling.*

(vii) Preparation of the final inspection report.*

(viii) Recordkeeping.

(2) *Risk assessor*. (i) Role and responsibilities of a risk assessor.

(ii) Collection of background information to perform a risk assessment.

(iii) Sources of environmental lead contamination such as paint, surface dust and soil, water, air, packaging, and food.

(iv) Visual inspection for the purposes of identifying potential sources of lead-based paint hazards.*

(v) Lead hazard screen protocol.

(vi) Sampling for other sources of lead exposure.*

(vii) Interpretation of lead-based paint and other lead sampling results, including all applicable State or Federal guidance or regulations pertaining to lead-based paint hazards.*

(viii) Development of hazard control options, the role of interim controls, and operations and maintenance activities to reduce lead-based paint hazards.

(ix) Preparation of a final risk assessment report.

(3) *Supervisor*. (i) Role and responsibilities of a supervisor.

(ii) Background information on lead and its adverse health effects.

(iii) Background information on Federal, State, and local regulations and guidance that pertain to lead-based paint abatement.

(iv) Liability and insurance issues relating to lead-based paint abatement.

(v) Risk assessment and inspection report interpretation.*

(vi) Development and implementation of an occupant protection plan and abatement report.

(vii) Lead-based paint hazard recognition and control.*

(viii) Lead-based paint abatement and lead-based paint hazard reduction methods, including restricted practices.*

(ix) Interior dust abatement/cleanup or lead-based paint hazard control and reduction methods.*

(x) Soil and exterior dust abatement or lead-based paint hazard control and reduction methods.*

(xi) Clearance standards and testing.

(xii) Cleanup and waste disposal.

(xiii) Recordkeeping.

(4) *Project designer.* (i) Role and responsibilities of a project designer.

(ii) Development and implementation of an occupant protection plan for large scale abatement projects.

(iii) Lead-based paint abatement and lead-based paint hazard reduction methods, including restricted practices for large-scale abatement projects.

(iv) Interior dust abatement/cleanup or lead hazard control and reduction methods for large-scale abatement projects.

(v) Clearance standards and testing for large scale abatement projects.

(vi) Integration of lead-based paint abatement methods with modernization and rehabilitation projects for large scale abatement projects.

(5) *Abatement worker.* (i) Role and responsibilities of an abatement worker.

(ii) Background information on lead and its adverse health effects.

(iii) Background information on Federal, State and local regulations and guidance that pertain to lead-based paint abatement.

- (iv) Lead-based paint hazard recognition and control.*
- (v) Lead-based paint abatement and lead-based paint hazard reduction methods, including restricted practices.*
- (vi) Interior dust abatement methods/cleanup or lead-based paint hazard reduction.*
- (vii) Soil and exterior dust abatement methods or lead-based paint hazard reduction.*
- (6) *Renovator* . (i) Role and responsibility of a renovator.
- (ii) Background information on lead and its adverse health effects.
- (iii) Background information on EPA, HUD, OSHA, and other Federal, State, and local regulations and guidance that pertains to lead-based paint and renovation activities.
- (iv) Procedures for using acceptable test kits to determine whether paint is lead-based paint.
- (v) Renovation methods to minimize the creation of dust and lead-based paint hazards.
- (vi) Interior and exterior containment and cleanup methods.
- (vii) Methods to ensure that the renovation has been properly completed, including cleaning verification, and clearance testing.
- (viii) Waste handling and disposal.
- (ix) Providing on-the-job training to other workers.
- (x) Record preparation.
- (7) *Dust sampling technician* . (i) Role and responsibility of a dust sampling technician.
- (ii) Background information on lead and its adverse health effects.
- (iii) Background information on Federal, State, and local regulations and guidance that pertains to lead-based paint and renovation activities.
- (iv) Dust sampling methodologies.
- (v) Clearance standards and testing.
- (vi) Report preparation.
- (e) *Requirements for the accreditation of refresher training programs* . A training program may seek accreditation to offer refresher training courses in any of the following disciplines:

Inspector, risk assessor, supervisor, project designer, abatement worker, renovator, and dust sampling technician. To obtain EPA accreditation to offer refresher training, a training program must meet the following minimum requirements:

(1) Each refresher course shall review the curriculum topics of the full-length courses listed under paragraph (d) of this section, as appropriate. In addition, to become accredited to offer refresher training courses, training programs shall ensure that their courses of study include, at a minimum, the following:

(i) An overview of current safety practices relating to lead-based paint in general, as well as specific information pertaining to the appropriate discipline.

(ii) Current laws and regulations relating to lead-based paint in general, as well as specific information pertaining to the appropriate discipline.

(iii) Current technologies relating to lead-based paint in general, as well as specific information pertaining to the appropriate discipline.

(2) Refresher courses for inspector, risk assessor, supervisor, and abatement worker must last a minimum of 8 training hours. Refresher courses for project designer, renovator, and dust sampling technician must last a minimum of 4 training hours.

(3) For each course offered, the training program shall conduct a hands-on assessment (if applicable), and at the completion of the course, a course test.

(4) A training program may apply for accreditation of a refresher course concurrently with its application for accreditation of the corresponding training course as described in paragraph (b) of this section. If so, EPA shall use the approval procedure described in paragraph (b) of this section. In addition, the minimum requirements contained in paragraphs (c) (except for the requirements in paragraph (c)(6)), and (e)(1), (e)(2) and (e)(3) of this section shall also apply.

(5) A training program seeking accreditation to offer refresher training courses only shall submit a written application to EPA containing the following information:

(i) The refresher training program's name, address, and telephone number.

(ii) A list of courses for which it is applying for accreditation.

(iii) A statement signed by the training program manager certifying that the refresher training program meets the minimum requirements established in paragraph (c) of this section, except for the requirements in paragraph (c)(6) of this section. If a training program uses EPA-developed model training materials, or training materials approved by a State or Indian Tribe that has been authorized by EPA under §745.324 to develop its refresher training course materials, the training manager shall include a statement certifying that, as well.

(iv) If the refresher training course materials are not based on EPA-developed model training materials or training materials approved by an authorized State or Indian Tribe, the training program's application for accreditation shall include:

(A) A copy of the student and instructor manuals to be used for each course.

(B) A copy of the course agenda for each course.

(v) All refresher training programs shall include in their application for accreditation the following:

(A) A description of the facilities and equipment to be used for lecture and hands-on training.

(B) A copy of the course test blueprint for each course.

(C) A description of the activities and procedures that will be used for conducting the assessment of hands-on skills for each course (if applicable).

(D) A copy of the quality control plan as described in paragraph (c)(9) of this section.

(vi) The requirements in paragraphs (c)(1) through (c)(5), and (c)(7) through (c)(14) of this section apply to refresher training providers.

(vii) If a refresher training program meets the requirements listed in this paragraph, then EPA shall approve the application for accreditation no more than 180 days after receiving a complete application from the refresher training program. In the case of approval, a certificate of accreditation shall be sent to the applicant. In the case of disapproval, a letter describing the reasons for disapproval shall be sent to the applicant. Prior to disapproval, EPA may, at its discretion, work with the applicant to address inadequacies in the application for accreditation. EPA may also request additional materials retained by the refresher training program under paragraph (i) of this section. If a refresher training program's application is disapproved, the program may reapply for accreditation at any time.

(f) *Re-accreditation of training programs.* (1) Unless re-accredited, a training program's accreditation (including refresher training accreditation) shall expire 4 years after the date of issuance. If a training program meets the requirements of this section, the training program shall be re-accredited.

(2) A training program seeking re-accreditation shall submit an application to EPA no later than 180 days before its accreditation expires. If a training program does not submit its application for re-accreditation by that date, EPA cannot guarantee that the program will be re-accredited before the end of the accreditation period.

(3) The training program's application for re-accreditation shall contain:

(i) The training program's name, address, and telephone number.

(ii) A list of courses for which it is applying for re-accreditation.

(iii) A description of any changes to the training facility, equipment or course materials since its last application was approved that adversely affects the students ability to learn.

(iv) A statement signed by the program manager stating:

(A) That the training program complies at all times with all requirements in paragraphs (c) and (e) of this section, as applicable; and

(B) The recordkeeping and reporting requirements of paragraph (i) of this section shall be followed.

(v) A payment of appropriate fees in accordance with §745.238.

(4) Upon request, the training program shall allow EPA to audit the training program to verify the contents of the application for re-accreditation as described in paragraph (f)(3) of this section.

(g) *Suspension, revocation, and modification of accredited training programs.* (1) EPA may, after notice and an opportunity for hearing, suspend, revoke, or modify training program accreditation (including refresher training accreditation) if a training program, training manager, or other person with supervisory authority over the training program has:

(i) Misrepresented the contents of a training course to EPA and/or the student population.

(ii) Failed to submit required information or notifications in a timely manner.

(iii) Failed to maintain required records.

(iv) Falsified accreditation records, instructor qualifications, or other accreditation-related information or documentation.

(v) Failed to comply with the training standards and requirements in this section.

(vi) Failed to comply with Federal, State, or local lead-based paint statutes or regulations.

(vii) Made false or misleading statements to EPA in its application for accreditation or re-accreditation which EPA relied upon in approving the application.

(2) In addition to an administrative or judicial finding of violation, execution of a consent agreement in settlement of an enforcement action constitutes, for purposes of this section, evidence of a failure to comply with relevant statutes or regulations.

(h) *Procedures for suspension, revocation or modification of training program accreditation.* (1) Prior to taking action to suspend, revoke, or modify the accreditation of a training program, EPA shall notify the affected entity in writing of the following:

- (i) The legal and factual basis for the suspension, revocation, or modification.
 - (ii) The anticipated commencement date and duration of the suspension, revocation, or modification.
 - (iii) Actions, if any, which the affected entity may take to avoid suspension, revocation, or modification, or to receive accreditation in the future.
 - (iv) The opportunity and method for requesting a hearing prior to final EPA action to suspend, revoke or modify accreditation.
 - (v) Any additional information, as appropriate, which EPA may provide.
- (2) If a hearing is requested by the accredited training program, EPA shall:
- (i) Provide the affected entity an opportunity to offer written statements in response to EPA's assertions of the legal and factual basis for its proposed action, and any other explanations, comments, and arguments it deems relevant to the proposed action.
 - (ii) Provide the affected entity such other procedural opportunities as EPA may deem appropriate to ensure a fair and impartial hearing.
 - (iii) Appoint an official of EPA as Presiding Officer to conduct the hearing. No person shall serve as Presiding Officer if he or she has had any prior connection with the specific matter.
- (3) The Presiding Officer appointed pursuant to paragraph (h)(2) of this section shall:
- (i) Conduct a fair, orderly, and impartial hearing within 90 days of the request for a hearing.
 - (ii) Consider all relevant evidence, explanation, comment, and argument submitted.
 - (iii) Notify the affected entity in writing within 90 days of completion of the hearing of his or her decision and order. Such an order is a final agency action which may be subject to judicial review.
- (4) If EPA determines that the public health, interest, or welfare warrants immediate action to suspend the accreditation of any training program prior to the opportunity for a hearing, it shall:
- (i) Notify the affected entity of its intent to immediately suspend training program accreditation for the reasons listed in paragraph (g)(1) of this section. If a suspension, revocation, or modification notice has not previously been issued pursuant to paragraph (g)(1) of this section, it shall be issued at the same time the emergency suspension notice is issued.
 - (ii) Notify the affected entity in writing of the grounds for the immediate suspension and why it is necessary to suspend the entity's accreditation before an opportunity for a suspension, revocation or modification hearing.

(iii) Notify the affected entity of the anticipated commencement date and duration of the immediate suspension.

(iv) Notify the affected entity of its right to request a hearing on the immediate suspension within 15 days of the suspension taking place and the procedures for the conduct of such a hearing.

(5) Any notice, decision, or order issued by EPA under this section, any transcripts or other verbatim record of oral testimony, and any documents filed by an accredited training program in a hearing under this section shall be available to the public, except as otherwise provided by section 14 of TSCA or by part 2 of this title. Any such hearing at which oral testimony is presented shall be open to the public, except that the Presiding Officer may exclude the public to the extent necessary to allow presentation of information which may be entitled to confidential treatment under section 14 of TSCA or part 2 of this title.

(6) The public shall be notified of the suspension, revocation, modification or reinstatement of a training program's accreditation through appropriate mechanisms.

(7) EPA shall maintain a list of parties whose accreditation has been suspended, revoked, modified or reinstated.

(i) *Training program recordkeeping requirements.* (1) Accredited training programs shall maintain, and make available to EPA, upon request, the following records:

(i) All documents specified in paragraph (c)(4) of this section that demonstrate the qualifications listed in paragraphs (c)(1) and (c)(2) of this section of the training manager and principal instructors.

(ii) Current curriculum/course materials and documents reflecting any changes made to these materials.

(iii) The course test blueprint.

(iv) Information regarding how the hands-on assessment is conducted including, but not limited to:

(A) Who conducts the assessment.

(B) How the skills are graded.

(C) What facilities are used.

(D) The pass/fail rate.

(v) The quality control plan as described in paragraph (c)(9) of this section.

(vi) Results of the students' hands-on skills assessments and course tests, and a record of each student's course completion certificate.

(vii) Any other material not listed above in paragraphs (i)(1)(i) through (i)(1)(vi) of this section that was submitted to EPA as part of the program's application for accreditation.

(2) The training program shall retain these records at the address specified on the training program accreditation application (or as modified in accordance with paragraph (i)(3) of this section for a minimum of 3 years and 6 months.

(3) The training program shall notify EPA in writing within 30 days of changing the address specified on its training program accreditation application or transferring the records from that address.

[61 FR 45813, Aug. 29, 1996, as amended at 64 FR 31098, June 9, 1999; 69 FR 18495, Apr. 8, 2004; 73 FR 21766, Apr. 22, 2008; 74 FR 34262, July 15, 2009]

§ 745.226 Certification of individuals and firms engaged in lead-based paint activities: target housing and child-occupied facilities.

(a) *Certification of individuals.* (1) Individuals seeking certification by EPA to engage in lead-based paint activities must either:

(i) Submit to EPA an application demonstrating that they meet the requirements established in paragraphs (b) or (c) of this section for the particular discipline for which certification is sought; or

(ii) Submit to EPA an application with a copy of a valid lead-based paint activities certification (or equivalent) from a State or Tribal program that has been authorized by EPA pursuant to subpart Q of this part.

(2) Individuals may first apply to EPA for certification to engage in lead-based paint activities pursuant to this section on or after March 1, 1999.

(3) Following the submission of an application demonstrating that all the requirements of this section have been met, EPA shall certify an applicant as an inspector, risk assessor, supervisor, project designer, or abatement worker, as appropriate.

(4) Upon receiving EPA certification, individuals conducting lead-based paint activities shall comply with the work practice standards for performing the appropriate lead-based paint activities as established in §745.227.

(5) It shall be a violation of TSCA for an individual to conduct any of the lead-based paint activities described in §745.227 after March 1, 2000, if that individual has not been certified by EPA pursuant to this section to do so.

(6) Individuals applying for certification must submit the appropriate fees in accordance with §745.238.

(b) *Inspector, risk assessor or supervisor.* (1) To become certified by EPA as an inspector, risk assessor, or supervisor, pursuant to paragraph (a)(1)(i) of this section, an individual must:

(i) Successfully complete an accredited course in the appropriate discipline and receive a course completion certificate from an accredited training program.

(ii) Pass the certification exam in the appropriate discipline offered by EPA; and,

(iii) Meet or exceed the following experience and/or education requirements:

(A) Inspectors. (1) No additional experience and/or education requirements.

(2) [Reserved]

(B) Risk assessors. (1) Successful completion of an accredited training course for inspectors; and

(2) Bachelor's degree and 1 year of experience in a related field (e.g., lead, asbestos, environmental remediation work, or construction), or an Associates degree and 2 years experience in a related field (e.g., lead, asbestos, environmental remediation work, or construction); or

(3) Certification as an industrial hygienist, professional engineer, registered architect and/or certification in a related engineering/health/environmental field (e.g., safety professional, environmental scientist); or

(4) A high school diploma (or equivalent), and at least 3 years of experience in a related field (e.g., lead, asbestos, environmental remediation work or construction).

(C) Supervisor: (1) One year of experience as a certified lead-based paint abatement worker; or

(2) At least 2 years of experience in a related field (e.g., lead, asbestos, or environmental remediation work) or in the building trades.

(2) The following documents shall be recognized by EPA as evidence of meeting the requirements listed in (b)(2)(iii) of this paragraph:

(i) Official academic transcripts or diploma, as evidence of meeting the education requirements.

(ii) Resumes, letters of reference, or documentation of work experience, as evidence of meeting the work experience requirements.

(iii) Course completion certificates from lead-specific or other related training courses, issued by accredited training programs, as evidence of meeting the training requirements.

(3) In order to take the certification examination for a particular discipline an individual must:

(i) Successfully complete an accredited course in the appropriate discipline and receive a course completion certificate from an accredited training program.

(ii) Meet or exceed the education and/or experience requirements in paragraph (b)(1)(iii) of this section.

(4) The course completion certificate shall serve as interim certification for an individual until the next available opportunity to take the certification exam. Such interim certification shall expire 6 months after issuance.

(5) After passing the appropriate certification exam and submitting an application demonstrating that he/she meets the appropriate training, education, and/or experience prerequisites described in paragraph (b)(1) of this section, an individual shall be issued a certificate by EPA. To maintain certification, an individual must be re-certified as described in paragraph (e) of this section.

(6) An individual may take the certification exam no more than three times within 6 months of receiving a course completion certificate.

(7) If an individual does not pass the certification exam and receive a certificate within 6 months of receiving his/her course completion certificate, the individual must retake the appropriate course from an accredited training program before reapplying for certification from EPA.

(c) *Abatement worker and project designer.* (1) To become certified by EPA as an abatement worker or project designer, pursuant to paragraph (a)(1)(i) of this section, an individual must:

(i) Successfully complete an accredited course in the appropriate discipline and receive a course completion certificate from an accredited training program.

(ii) Meet or exceed the following additional experience and/or education requirements:

(A) Abatement workers. (1) No additional experience and/or education requirements.

(2) [Reserved]

(B) Project designers. (1) Successful completion of an accredited training course for supervisors.

(2) Bachelor's degree in engineering, architecture, or a related profession, and 1 year of experience in building construction and design or a related field; or

(3) Four years of experience in building construction and design or a related field.

(2) The following documents shall be recognized by EPA as evidence of meeting the requirements listed in this paragraph:

(i) Official academic transcripts or diploma, as evidence of meeting the education requirements.

(ii) Resumes, letters of reference, or documentation of work experience, as evidence of meeting the work experience requirements.

(iii) Course completion certificates from lead-specific or other related training courses, issued by accredited training programs, as evidence of meeting the training requirements.

(3) The course completion certificate shall serve as an interim certification until certification from EPA is received, but shall be valid for no more than 6 months from the date of completion.

(4) After successfully completing the appropriate training courses and meeting any other qualifications described in paragraph (c)(1) of this section, an individual shall be issued a certificate from EPA. To maintain certification, an individual must be re-certified as described in paragraph (e) of this section.

(d) *Certification based on prior training.* (1) Any individual who received training in a lead-based paint activity between October 1, 1990, and March 1, 1999 shall be eligible for certification by EPA under the alternative procedures contained in this paragraph. Individuals who have received lead-based paint activities training at an EPA-authorized State or Tribal accredited training program shall also be eligible for certification by EPA under the following alternative procedures:

(i) Applicants for certification as an inspector, risk assessor, or supervisor shall:

(A) Demonstrate that the applicant has successfully completed training or on-the-job training in the conduct of a lead-based paint activity.

(B) Demonstrate that the applicant meets or exceeds the education and/or experience requirements in paragraph (b)(1)(iii) of this section.

(C) Successfully complete an accredited refresher training course for the appropriate discipline.

(D) Pass a certification exam administered by EPA for the appropriate discipline.

(ii) Applicants for certification as an abatement worker or project designer shall:

(A) Demonstrate that the applicant has successfully completed training or on-the-job training in the conduct of a lead-based paint activity.

(B) Demonstrate that the applicant meets the education and/or experience requirements in paragraphs (c)(1) of this section; and

(C) Successfully complete an accredited refresher training course for the appropriate discipline.

(2) Individuals shall have until March 1, 2000, to apply to EPA for certification under the above procedures. After that date, all individuals wishing to obtain certification must do so through the procedures described in paragraph (a), and paragraph (b) or (c) of this section, according to the discipline for which certification is being sought.

(e) *Re-certification.* (1) To maintain certification in a particular discipline, a certified individual shall apply to and be re-certified by EPA in that discipline by EPA either:

(i) Every 3 years if the individual completed a training course with a course test and hands-on assessment; or

(ii) Every 5 years if the individual completed a training course with a proficiency test.

(2) An individual shall be re-certified if the individual successfully completes the appropriate accredited refresher training course and submits a valid copy of the appropriate refresher course completion certificate.

(3) Individuals applying for re-certification must submit the appropriate fees in accordance with §745.238.

(f) *Certification of firms.* (1) All firms which perform or offer to perform any of the lead-based paint activities described in §745.227 after March 1, 2000, shall be certified by EPA.

(2) A firm seeking certification shall submit to EPA a letter attesting that the firm shall only employ appropriately certified employees to conduct lead-based paint activities, and that the firm and its employees shall follow the work practice standards in §745.227 for conducting lead-based paint activities.

(3) From the date of receiving the firm's letter requesting certification, EPA shall have 90 days to approve or disapprove the firm's request for certification. Within that time, EPA shall respond with either a certificate of approval or a letter describing the reasons for a disapproval.

(4) The firm shall maintain all records pursuant to the requirements in §745.227.

(5) Firms may first apply to EPA for certification to engage in lead-based paint activities pursuant to this section on or after March 1, 1999.

(6) Firms applying for certification must submit the appropriate fees in accordance with §745.238.

(7) To maintain certification a firm shall submit appropriate fees in accordance with §745.238 every 3 years.

(g) Suspension, revocation, and modification of certifications of individuals engaged in lead-based paint activities. (1) EPA may, after notice and opportunity for hearing, suspend, revoke, or modify an individual's certification if an individual has:

- (i) Obtained training documentation through fraudulent means.
- (ii) Gained admission to and completed an accredited training program through misrepresentation of admission requirements.
- (iii) Obtained certification through misrepresentation of certification requirements or related documents dealing with education, training, professional registration, or experience.
- (iv) Performed work requiring certification at a job site without having proof of certification.
- (v) Permitted the duplication or use of the individual's own certificate by another.
- (vi) Performed work for which certification is required, but for which appropriate certification has not been received.
- (vii) Failed to comply with the appropriate work practice standards for lead-based paint activities at §745.227.
- (viii) Failed to comply with Federal, State, or local lead-based paint statutes or regulations.

(2) In addition to an administrative or judicial finding of violation, for purposes of this section only, execution of a consent agreement in settlement of an enforcement action constitutes evidence of a failure to comply with relevant statutes or regulations.

(h) Suspension, revocation, and modification of certifications of firms engaged in lead-based paint activities. (1) EPA may, after notice and opportunity for hearing, suspend, revoke, or modify a firm's certification if a firm has:

- (i) Performed work requiring certification at a job site with individuals who are not certified.
- (ii) Failed to comply with the work practice standards established in §745.227.
- (iii) Misrepresented facts in its letter of application for certification to EPA.
- (iv) Failed to maintain required records.
- (v) Failed to comply with Federal, State, or local lead-based paint statutes or regulations.

(2) In addition to an administrative or judicial finding of violation, for purposes of this section only, execution of a consent agreement in settlement of an enforcement action constitutes evidence of a failure to comply with relevant statutes or regulations.

(i) Procedures for suspension, revocation, or modification of the certification of individuals or firms .

(1) If EPA decides to suspend, revoke, or modify the certification of any individual or firm, it shall notify the affected entity in writing of the following:

- (i) The legal and factual basis for the suspension, revocation, or modification.
- (ii) The commencement date and duration of the suspension, revocation, or modification.
- (iii) Actions, if any, which the affected entity may take to avoid suspension, revocation, or modification or to receive certification in the future.
- (iv) The opportunity and method for requesting a hearing prior to final EPA action to suspend, revoke, or modify certification.
- (v) Any additional information, as appropriate, which EPA may provide.

(2) If a hearing is requested by the certified individual or firm, EPA shall:

- (i) Provide the affected entity an opportunity to offer written statements in response to EPA's assertion of the legal and factual basis and any other explanations, comments, and arguments it deems relevant to the proposed action.
- (ii) Provide the affected entity such other procedural opportunities as EPA may deem appropriate to ensure a fair and impartial hearing.
- (iii) Appoint an official of EPA as Presiding Officer to conduct the hearing. No person shall serve as Presiding Officer if he or she has had any prior connection with the specific matter.

(3) The Presiding Officer shall:

- (i) Conduct a fair, orderly, and impartial hearing within 90 days of the request for a hearing;
- (ii) Consider all relevant evidence, explanation, comment, and argument submitted; and
- (iii) Notify the affected entity in writing within 90 days of completion of the hearing of his or her decision and order. Such an order is a final EPA action subject to judicial review.

(4) If EPA determines that the public health, interest, or welfare warrants immediate action to suspend the certification of any individual or firm prior to the opportunity for a hearing, it shall:

- (i) Notify the affected entity of its intent to immediately suspend certification for the reasons listed in paragraph (h)(1) of this section. If a suspension, revocation, or modification notice has not previously been issued, it shall be issued at the same time the immediate suspension notice is issued.

(ii) Notify the affected entity in writing of the grounds upon which the immediate suspension is based and why it is necessary to suspend the entity's accreditation before an opportunity for a hearing to suspend, revoke, or modify the individual's or firm's certification.

(iii) Notify the affected entity of the commencement date and duration of the immediate suspension.

(iv) Notify the affected entity of its right to request a hearing on the immediate suspension within 15 days of the suspension taking place and the procedures for the conduct of such a hearing.

(5) Any notice, decision, or order issued by EPA under this section, transcript or other verbatim record of oral testimony, and any documents filed by a certified individual or firm in a hearing under this section shall be available to the public, except as otherwise provided by section 14 of TSCA or by part 2 of this title. Any such hearing at which oral testimony is presented shall be open to the public, except that the Presiding Officer may exclude the public to the extent necessary to allow presentation of information which may be entitled to confidential treatment under section 14 of TSCA or part 2 of this title.

[61 FR 45813, Aug. 29, 1996, as amended at 64 FR 31098, June 9, 1999; 64 FR 42851, Aug. 6, 1999]

§ 745.227 Work practice standards for conducting lead-based paint activities: target housing and child-occupied facilities.

(a) *Effective date, applicability, and terms.* (1) Beginning on March 1, 2000, all lead-based paint activities shall be performed pursuant to the work practice standards contained in this section.

(2) When performing any lead-based paint activity described by the certified individual as an inspection, lead-hazard screen, risk assessment or abatement, a certified individual must perform that activity in compliance with the appropriate requirements below.

(3) Documented methodologies that are appropriate for this section are found in the following: The U.S. Department of Housing and Urban Development (HUD) Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing; the EPA Guidance on Residential Lead-Based Paint, Lead-Contaminated Dust, and Lead-Contaminated Soil; the EPA Residential Sampling for Lead: Protocols for Dust and Soil Sampling (EPA report number 7474-R-95-001); Regulations, guidance, methods or protocols issued by States and Indian Tribes that have been authorized by EPA; and other equivalent methods and guidelines.

(4) Clearance levels are appropriate for the purposes of this section may be found in the EPA Guidance on Residential Lead-Based Paint, Lead-Contaminated Dust, and Lead Contaminated Soil or other equivalent guidelines.

(b) *Inspection.* (1) An inspection shall be conducted only by a person certified by EPA as an inspector or risk assessor and, if conducted, must be conducted according to the procedures in this paragraph.

(2) When conducting an inspection, the following locations shall be selected according to documented methodologies and tested for the presence of lead-based paint:

(i) In a residential dwelling and child-occupied facility, each component with a distinct painting history and each exterior component with a distinct painting history shall be tested for lead-based paint, except those components that the inspector or risk assessor determines to have been replaced after 1978, or to not contain lead-based paint; and

(ii) In a multi-family dwelling or child-occupied facility, each component with a distinct painting history in every common area, except those components that the inspector or risk assessor determines to have been replaced after 1978, or to not contain lead-based paint.

(3) Paint shall be sampled in the following manner: (i) The analysis of paint to determine the presence of lead shall be conducted using documented methodologies which incorporate adequate quality control procedures; and/or

(ii) All collected paint chip samples shall be analyzed according to paragraph (f) of this section to determine if they contain detectable levels of lead that can be quantified numerically.

(4) The certified inspector or risk assessor shall prepare an inspection report which shall include the following information:

(i) Date of each inspection.

(ii) Address of building.

(iii) Date of construction.

(iv) Apartment numbers (if applicable).

(v) Name, address, and telephone number of the owner or owners of each residential dwelling or child-occupied facility.

(vi) Name, signature, and certification number of each certified inspector and/or risk assessor conducting testing.

(vii) Name, address, and telephone number of the certified firm employing each inspector and/or risk assessor, if applicable.

(viii) Each testing method and device and/or sampling procedure employed for paint analysis, including quality control data and, if used, the serial number of any x-ray fluorescence (XRF) device.

(ix) Specific locations of each painted component tested for the presence of lead-based paint.

(x) The results of the inspection expressed in terms appropriate to the sampling method used.

(c) *Lead hazard screen.* (1) A lead hazard screen shall be conducted only by a person certified by EPA as a risk assessor.

(2) If conducted, a lead hazard screen shall be conducted as follows:

(i) Background information regarding the physical characteristics of the residential dwelling or child-occupied facility and occupant use patterns that may cause lead-based paint exposure to one or more children age 6 years and under shall be collected.

(ii) A visual inspection of the residential dwelling or child-occupied facility shall be conducted to:

(A) Determine if any deteriorated paint is present, and

(B) Locate at least two dust sampling locations.

(iii) If deteriorated paint is present, each surface with deteriorated paint, which is determined, using documented methodologies, to be in poor condition and to have a distinct painting history, shall be tested for the presence of lead.

(iv) In residential dwellings, two composite dust samples shall be collected, one from the floors and the other from the windows, in rooms, hallways or stairwells where one or more children, age 6 and under, are most likely to come in contact with dust.

(v) In multi-family dwellings and child-occupied facilities, in addition to the floor and window samples required in paragraph (c)(1)(iii) of this section, the risk assessor shall also collect composite dust samples from common areas where one or more children, age 6 and under, are most likely to come into contact with dust.

(3) Dust samples shall be collected and analyzed in the following manner:

(i) All dust samples shall be taken using documented methodologies that incorporate adequate quality control procedures.

(ii) All collected dust samples shall be analyzed according to paragraph (f) of this section to determine if they contain detectable levels of lead that can be quantified numerically.

(4) Paint shall be sampled in the following manner: (i) The analysis of paint to determine the presence of lead shall be conducted using documented methodologies which incorporate adequate quality control procedures; and/or

(ii) All collected paint chip samples shall be analyzed according to paragraph (f) of this section to determine if they contain detectable levels of lead that can be quantified numerically.

(5) The risk assessor shall prepare a lead hazard screen report, which shall include the following information:

(i) The information required in a risk assessment report as specified in paragraph (d) of this section, including paragraphs (d)(1)(i) through (d)(1)(xiv), and excluding paragraphs (d)(1)(xv) through (d)(1)(xviii) of this section. Additionally, any background information collected pursuant to paragraph (c)(2)(i) of this section shall be included in the risk assessment report; and

(ii) Recommendations, if warranted, for a follow-up risk assessment, and as appropriate, any further actions.

(d) *Risk assessment.* (1) A risk assessment shall be conducted only by a person certified by EPA as a risk assessor and, if conducted, must be conducted according to the procedures in this paragraph.

(2) A visual inspection for risk assessment of the residential dwelling or child-occupied facility shall be undertaken to locate the existence of deteriorated paint, assess the extent and causes of the deterioration, and other potential lead-based paint hazards.

(3) Background information regarding the physical characteristics of the residential dwelling or child-occupied facility and occupant use patterns that may cause lead-based paint exposure to one or more children age 6 years and under shall be collected.

(4) The following surfaces which are determined, using documented methodologies, to have a distinct painting history, shall be tested for the presence of lead:

(i) Each friction surface or impact surface with visibly deteriorated paint; and

(ii) All other surfaces with visibly deteriorated paint.

(5) In residential dwellings, dust samples (either composite or single-surface samples) from the interior window sill(s) and floor shall be collected and analyzed for lead concentration in all living areas where one or more children, age 6 and under, are most likely to come into contact with dust.

(6) For multi-family dwellings and child-occupied facilities, the samples required in paragraph (d)(4) of this section shall be taken. In addition, interior window sill and floor dust samples (either composite or single-surface samples) shall be collected and analyzed for lead concentration in the following locations:

(i) Common areas adjacent to the sampled residential dwelling or child-occupied facility; and

(ii) Other common areas in the building where the risk assessor determines that one or more children, age 6 and under, are likely to come into contact with dust.

(7) For child-occupied facilities, interior window sill and floor dust samples (either composite or single-surface samples) shall be collected and analyzed for lead concentration in each room, hallway or stairwell utilized by one or more children, age 6 and under, and in other common

areas in the child-occupied facility where one or more children, age 6 and under, are likely to come into contact with dust.

(8) Soil samples shall be collected and analyzed for lead concentrations in the following locations:

- (i) Exterior play areas where bare soil is present; and
- (ii) The rest of the yard (i.e., non-play areas) where bare soil is present.
- (iii) Dripline/foundation areas where bare soil is present.

(9) Any paint, dust, or soil sampling or testing shall be conducted using documented methodologies that incorporate adequate quality control procedures.

(10) Any collected paint chip, dust, or soil samples shall be analyzed according to paragraph (f) of this section to determine if they contain detectable levels of lead that can be quantified numerically.

(11) The certified risk assessor shall prepare a risk assessment report which shall include the following information:

- (i) Date of assessment.
- (ii) Address of each building.
- (iii) Date of construction of buildings.
- (iv) Apartment number (if applicable).
- (v) Name, address, and telephone number of each owner of each building.
- (vi) Name, signature, and certification of the certified risk assessor conducting the assessment.
- (vii) Name, address, and telephone number of the certified firm employing each certified risk assessor if applicable.
- (viii) Name, address, and telephone number of each recognized laboratory conducting analysis of collected samples.
- (ix) Results of the visual inspection.
- (x) Testing method and sampling procedure for paint analysis employed.
- (xi) Specific locations of each painted component tested for the presence of lead.

(xii) All data collected from on-site testing, including quality control data and, if used, the serial number of any XRF device.

(xiii) All results of laboratory analysis on collected paint, soil, and dust samples.

(xiv) Any other sampling results.

(xv) Any background information collected pursuant to paragraph (d)(3) of this section.

(xvi) To the extent that they are used as part of the lead-based paint hazard determination, the results of any previous inspections or analyses for the presence of lead-based paint, or other assessments of lead-based paint-related hazards.

(xvii) A description of the location, type, and severity of identified lead-based paint hazards and any other potential lead hazards.

(xviii) A description of interim controls and/or abatement options for each identified lead-based paint hazard and a suggested prioritization for addressing each hazard. If the use of an encapsulant or enclosure is recommended, the report shall recommend a maintenance and monitoring schedule for the encapsulant or enclosure.

(c) *Abatement.* (1) An abatement shall be conducted only by an individual certified by EPA, and if conducted, shall be conducted according to the procedures in this paragraph.

(2) A certified supervisor is required for each abatement project and shall be onsite during all work site preparation and during the post-abatement cleanup of work areas. At all other times when abatement activities are being conducted, the certified supervisor shall be onsite or available by telephone, pager or answering service, and able to be present at the work site in no more than 2 hours.

(3) The certified supervisor and the certified firm employing that supervisor shall ensure that all abatement activities are conducted according to the requirements of this section and all other Federal, State and local requirements.

(4) A certified firm must notify EPA of lead-based paint abatement activities as follows:

(i) Except as provided in paragraph (e)(4)(ii) of this section, EPA must be notified prior to conducting lead-based paint abatement activities. The original notification must be received by EPA at least 5 business days before the start date of any lead-based paint abatement activities.

(ii) Notification for lead-based paint abatement activities required in response to an elevated blood lead level (EBL) determination, or Federal, State, Tribal, or local emergency abatement order should be received by EPA as early as possible before, but must be received no later than the start date of the lead-based paint abatement activities. Should the start date and/or location provided to EPA change, an updated notification must be received by EPA on or before the start date provided to EPA. Documentation showing evidence of an EBL determination or a copy of

the Federal/State/Tribal/local emergency abatement order must be included in the written notification to take advantage of this abbreviated notification period.

(iii) Except as provided in paragraph (e)(4)(ii) of this section, updated notification must be provided to EPA for lead-based paint abatement activities that will begin on a date other than the start date specified in the original notification, as follows:

(A) For lead-based paint abatement activities beginning prior to the start date provided to EPA an updated notification must be received by EPA at least 5 business days before the new start date included in the notification.

(B) For lead-based paint abatement activities beginning after the start date provided to EPA an updated notification must be received by EPA on or before the start date provided to EPA.

(iv) Except as provided in paragraph (e)(4)(ii) of this section, updated notification must be provided to EPA for any change in location of lead-based paint abatement activities at least 5 business days prior to the start date provided to EPA.

(v) Updated notification must be provided to EPA when lead-based paint abatement activities are canceled, or when there are other significant changes including, but not limited to, when the square footage or acreage to be abated changes by more than 20%. This updated notification must be received by EPA on or before the start date provided to EPA, or if work has already begun, within 24 hours of the change.

(vi) The following must be included in each notification:

(A) Notification type (original, updated, cancellation).

(B) Date when lead-based paint abatement activities will start.

(C) Date when lead-based paint abatement activities will end (approximation using best professional judgement).

(D) Firm's name, EPA certification number, address, telephone number.

(E) Type of building (e.g., single family dwelling, multi-family dwelling, child-occupied facilities) on/in which abatement work will be performed.

(F) Property name (if applicable).

(G) Property address including apartment or unit number(s) (if applicable) for abatement work.

(H) Documentation showing evidence of an EBL determination or a copy of the Federal/State/Tribal/local emergency abatement order, if using the abbreviated time period as described in paragraph (e)(4)(ii) of this section.

(I) Name and EPA certification number of the project supervisor.

(J) Approximate square footage/acreage to be abated.

(K) Brief description of abatement activities to be performed.

(L) Name, title, and signature of the representative of the certified firm who prepared the notification.

(vii) Notification must be accomplished using any of the following methods: Written notification, or electronically using the Agency's Central Data Exchange (CDX). Written notification can be accomplished using either the sample form titled "Notification of Lead-Based Paint Abatement Activities" or similar form containing the information required in paragraph (c)(4)(vi) of this section. All written notifications must be delivered by U.S. Postal Service, fax, commercial delivery service, or hand delivery (persons submitting notification by U.S. Postal Service are reminded that they should allow 3 additional business days for delivery in order to ensure that EPA receives the notification by the required date). Instructions and sample forms can be obtained from the NLIC at 1-800-424-LEAD(5323), or on the Internet at <http://www.epa.gov/lead>.

(viii) Lead-based paint abatement activities shall not begin on a date, or at a location other than that specified in either an original or updated notification, in the event of changes to the original notification.

(ix) No firm or individual shall engage in lead-based paint abatement activities, as defined in §745.223, prior to notifying EPA of such activities according to the requirements of this paragraph.

(5) A written occupant protection plan shall be developed for all abatement projects and shall be prepared according to the following procedures:

(i) The occupant protection plan shall be unique to each residential dwelling or child-occupied facility and be developed prior to the abatement. The occupant protection plan shall describe the measures and management procedures that will be taken during the abatement to protect the building occupants from exposure to any lead-based paint hazards.

(ii) A certified supervisor or project designer shall prepare the occupant protection plan.

(6) The work practices listed below shall be restricted during an abatement as follows:

(i) Open-flame burning or torching of lead-based paint is prohibited;

(ii) Machine sanding or grinding or abrasive blasting or sandblasting of lead-based paint is prohibited unless used with High Efficiency Particulate Air (HEPA) exhaust control which removes particles of 0.3 microns or larger from the air at 99.97 percent or greater efficiency;

(iii) Dry scraping of lead-based paint is permitted only in conjunction with heat guns or around electrical outlets or when treating defective paint spots totaling no more than 2 square feet in any one room, hallway or stairwell or totaling no more than 20 square feet on exterior surfaces; and

(iv) Operating a heat gun on lead-based paint is permitted only at temperatures below 1100 degrees Fahrenheit.

(7) If conducted, soil abatement shall be conducted in one of the following ways:

(i) If the soil is removed:

(A) The soil shall be replaced by soil with a lead concentration as close to local background as practicable, but no greater than 400 ppm.

(B) The soil that is removed shall not be used as top soil at another residential property or child-occupied facility.

(ii) If soil is not removed, the soil shall be permanently covered, as defined in §745.223.

(8) The following post-abatement clearance procedures shall be performed only by a certified inspector or risk assessor:

(i) Following an abatement, a visual inspection shall be performed to determine if deteriorated painted surfaces and/or visible amounts of dust, debris or residue are still present. If deteriorated painted surfaces or visible amounts of dust, debris or residue are present, these conditions must be eliminated prior to the continuation of the clearance procedures.

(ii) Following the visual inspection and any post-abatement cleanup required by paragraph (e)(8)(i) of this section, clearance sampling for lead in dust shall be conducted. Clearance sampling may be conducted by employing single-surface sampling or composite sampling techniques.

(iii) Dust samples for clearance purposes shall be taken using documented methodologies that incorporate adequate quality control procedures.

(iv) Dust samples for clearance purposes shall be taken a minimum of 1 hour after completion of final post-abatement cleanup activities.

(v) The following post-abatement clearance activities shall be conducted as appropriate based upon the extent or manner of abatement activities conducted in or to the residential dwelling or child-occupied facility:

(A) After conducting an abatement with containment between abated and unabated areas, one dust sample shall be taken from one interior window sill and from one window trough (if present) and one dust sample shall be taken from the floors of each of no less than four rooms, hallways or stairwells within the containment area. In addition, one dust sample shall be taken

from the floor outside the containment area. If there are less than four rooms, hallways or stairwells within the containment area, then all rooms, hallways or stairwells shall be sampled.

(B) After conducting an abatement with no containment, two dust samples shall be taken from each of no less than four rooms, hallways or stairwells in the residential dwelling or child-occupied facility. One dust sample shall be taken from one interior window sill and window trough (if present) and one dust sample shall be taken from the floor of each room, hallway or stairwell selected. If there are less than four rooms, hallways or stairwells within the residential dwelling or child-occupied facility then all rooms, hallways or stairwells shall be sampled.

(C) Following an exterior paint abatement, a visible inspection shall be conducted. All horizontal surfaces in the outdoor living area closest to the abated surface shall be found to be cleaned of visible dust and debris. In addition, a visual inspection shall be conducted to determine the presence of paint chips on the dripline or next to the foundation below any exterior surface abated. If paint chips are present, they must be removed from the site and properly disposed of, according to all applicable Federal, State and local requirements.

(vi) The rooms, hallways or stairwells selected for sampling shall be selected according to documented methodologies.

(vii) The certified inspector or risk assessor shall compare the residual lead level (as determined by the laboratory analysis) from each single surface dust sample with clearance levels in paragraph (e)(8)(viii) of this section for lead in dust on floors, interior window sills, and window troughs or from each composite dust sample with the applicable clearance levels for lead in dust on floors, interior window sills, and window troughs divided by half the number of subsamples in the composite sample. If the residual lead level in a single surface dust sample equals or exceeds the applicable clearance level or if the residual lead level in a composite dust sample equals or exceeds the applicable clearance level divided by half the number of subsamples in the composite sample, the components represented by the failed sample shall be recleaned and retested.

(viii) The clearance levels for lead in dust are $40 \mu\text{g}/\text{ft}^2$ for floors, $250 \mu\text{g}/\text{ft}^2$ for interior window sills, and $400 \mu\text{g}/\text{ft}^2$ for window troughs.

(9) In a multi-family dwelling with similarly constructed and maintained residential dwellings, random sampling for the purposes of clearance may be conducted provided:

(i) The certified individuals who abate or clean the residential dwellings do not know which residential dwelling will be selected for the random sample.

(ii) A sufficient number of residential dwellings are selected for dust sampling to provide a 95 percent level of confidence that no more than 5 percent or 50 of the residential dwellings (whichever is smaller) in the randomly sampled population exceed the appropriate clearance levels.

(iii) The randomly selected residential dwellings shall be sampled and evaluated for clearance according to the procedures found in paragraph (e)(8) of this section.

(10) An abatement report shall be prepared by a certified supervisor or project designer. The abatement report shall include the following information:

(i) Start and completion dates of abatement.

(ii) The name and address of each certified firm conducting the abatement and the name of each supervisor assigned to the abatement project.

(iii) The occupant protection plan prepared pursuant to paragraph (e)(5) of this section.

(iv) The name, address, and signature of each certified risk assessor or inspector conducting clearance sampling and the date of clearance testing.

(v) The results of clearance testing and all soil analyses (if applicable) and the name of each recognized laboratory that conducted the analyses.

(vi) A detailed written description of the abatement, including abatement methods used, locations of rooms and/or components where abatement occurred, reason for selecting particular abatement methods for each component, and any suggested monitoring of encapsulants or enclosures.

(f) *Collection and laboratory analysis of samples.* Any paint chip, dust, or soil samples collected pursuant to the work practice standards contained in this section shall be:

(1) Collected by persons certified by EPA as an inspector or risk assessor; and

(2) Analyzed by a laboratory recognized by EPA pursuant to section 405(b) of TSCA as being capable of performing analyses for lead compounds in paint chip, dust, and soil samples.

(g) *Composite dust sampling.* Composite dust sampling may only be conducted in the situations specified in paragraphs (c) through (e) of this section. If such sampling is conducted, the following conditions shall apply:

(1) Composite dust samples shall consist of at least two subsamples;

(2) Every component that is being tested shall be included in the sampling; and

(3) Composite dust samples shall not consist of subsamples from more than one type of component.

(h) *Determinations.* (1) Lead-based paint is present:

(i) On any surface that is tested and found to contain lead equal to or in excess of 1.0 milligrams per square centimeter or equal to or in excess of 0.5% by weight; and

(ii) On any surface like a surface tested in the same room equivalent that has a similar painting history and that is found to be lead-based paint.

(2) A paint-lead hazard is present:

(i) On any friction surface that is subject to abrasion and where the lead dust levels on the nearest horizontal surface underneath the friction surface (e.g., the window sill or floor) are equal to or greater than the dust hazard levels identified in §745.227(b);

(ii) On any chewable lead-based paint surface on which there is evidence of teeth marks;

(iii) Where there is any damaged or otherwise deteriorated lead-based paint on an impact surface that is caused by impact from a related building component (such as a door knob that knocks into a wall or a door that knocks against its door frame); and

(iv) If there is any other deteriorated lead-based paint in any residential building or child-occupied facility or on the exterior of any residential building or child-occupied facility.

(3) A dust-lead hazard is present in a residential dwelling or child occupied facility:

(i) In a residential dwelling on floors and interior window sills when the weighted arithmetic mean lead loading for all single surface or composite samples of floors and interior window sills are equal to or greater than $40 \mu\text{g}/\text{ft}^2$ for floors and $250 \mu\text{g}/\text{ft}^2$ for interior window sills, respectively;

(ii) On floors or interior window sills in an unsampled residential dwelling in a multi-family dwelling, if a dust-lead hazard is present on floors or interior window sills, respectively, in at least one sampled residential unit on the property; and

(iii) On floors or interior window sills in an unsampled common area in a multi-family dwelling, if a dust-lead hazard is present on floors or interior window sills, respectively, in at least one sampled common area in the same common area group on the property.

(4) A soil-lead hazard is present:

(i) In a play area when the soil-lead concentration from a composite play area sample of bare soil is equal to or greater than 400 parts per million; or

(ii) In the rest of the yard when the arithmetic mean lead concentration from a composite sample (or arithmetic mean of composite samples) of bare soil from the rest of the yard (i.e., non-play areas) for each residential building on a property is equal to or greater than 1,200 parts per million.

(i) *Recordkeeping.* All reports or plans required in this section shall be maintained by the certified firm or individual who prepared the report for no fewer than 3 years. The certified firm or individual also shall provide copies of these reports to the building owner who contracted for its services.

[61 FR 45813, Aug. 29, 1996, as amended at 64 FR 42852, Aug. 6, 1999; 66 FR 1239, Jan. 5, 2001; 69 FR 18496, Apr. 8, 2004]

§ 745.228 Accreditation of training programs: public and commercial buildings, bridges and superstructures. [Reserved]

§ 745.229 Certification of individuals and firms engaged in lead-based paint activities: public and commercial buildings, bridges and superstructures. [Reserved]

§ 745.230 Work practice standards for conducting lead-based paint activities: public and commercial buildings, bridges and superstructures. [Reserved]

§ 745.233 Lead-based paint activities requirements.

Lead-based paint activities, as defined in this part, shall only be conducted according to the procedures and work practice standards contained in §745.227 of this subpart. No individual or firm may offer to perform or perform any lead-based paint activity as defined in this part, unless certified to perform that activity according to the procedures in §745.226.

§ 745.235 Enforcement.

(a) Failure or refusal to comply with any requirement of §§745.225, 745.226, 745.227, or 745.233 is a prohibited act under sections 15 and 409 of TSCA (15 U.S.C. 2614, 2689).

(b) Failure or refusal to establish, maintain, provide, copy, or permit access to records or reports as required by §§745.225, 745.226, or 745.227 is a prohibited act under sections 15 and 409 of TSCA (15 U.S.C. 2614, 2689).

(c) Failure or refusal to permit entry or inspection as required by §745.237 and section 11 of TSCA (15 U.S.C. 2610) is a prohibited act under sections 15 and 409 of TSCA (15 U.S.C. 2614, 2689).

(d) In addition to the above, any individual or firm that performs any of the following acts shall be deemed to have committed a prohibited act under sections 15 and 409 of TSCA (15 U.S.C. 2614, 2689). These include the following:

(i) Obtaining certification through fraudulent representation;

(ii) Failing to obtain certification from EPA and performing work requiring certification at a job site; or

(iii) Fraudulently obtaining certification and engaging in any lead-based paint activities requiring certification.

(e) Violators are subject to civil and criminal sanctions pursuant to section 16 of TSCA (15 U.S.C. 2615) for each violation.

§ 745.237 Inspections.

EPA may conduct reasonable inspections pursuant to the provisions of section 11 of TSCA (15 U.S.C. 2610) to ensure compliance with this subpart.

§ 745.238 Fees for accreditation and certification of lead-based paint activities.

(a) *Purpose.* To establish and impose fees for certified individuals and firms engaged in lead-based paint activities and persons operating accredited training programs under section 402(a) of the Toxic Substances Control Act (TSCA).

(b) *Persons who must pay fees.* Fees in accordance with paragraph (c) of this section must be paid by:

(1) *Training programs.* (i) All non-exempt training programs applying to EPA for the accreditation and re-accreditation of training programs in one or more of the following disciplines: inspector, risk assessor, supervisor, project designer, abatement worker.

(ii) *Exemptions.* No fee shall be imposed on any training program operated by a State, federally recognized Indian Tribe, local government, or nonprofit organization. This exemption does not apply to the certification of firms or individuals.

(2) *Firms and individuals.* All firms and individuals seeking certification and re-certification from EPA to engage in lead-based paint activities in one or more of the following disciplines: inspector, risk assessor, supervisor, project designer, abatement worker.

(c) *Fee amounts* —(1) *Certification and accreditation fees.* Initial and renewal certification and accreditation fees are specified in the following table:

Training Program	Accreditation	Re-accreditation (every 4 years, see 40 CFR 745.225(f)(1) for details)
Initial Course		
Inspector	\$870	\$620
Risk assessor	\$870	\$620
Supervisor	\$870	\$620
Worker	\$870	\$620
Project Designer	\$870	\$620
Refresher Course		
Inspector	\$690	\$580
Risk assessor	\$690	\$580
Supervisor	\$690	\$580
Worker	\$690	\$580

Project Designer	\$690	\$580
Lead-based Paint Activities—Individual	Certification	Re-certification (every 3 years, see 40 CFR 745.226(e)(1) for details)
Inspector	\$410	\$410
Risk assessor	\$410	\$410
Supervisor	\$410	\$410
Worker	\$310	\$310
Project designer	\$410	\$410
Tribal certification (each discipline)	\$10	\$10
Lead-based Paint Activities—Firm	Certification	Re-certification (every 3 years, see 40 CFR 745.226(f)(7) for details)
Firm	\$550	\$550
Combined Renovation and Lead-based Paint Activities Firm Application	\$550	\$550
Combined Renovation and Lead-based Paint Activities Tribal Firm Application	\$20	\$20
Tribal Firm	\$20	\$20

(2) *Certification examination fee.* Individuals required to take a certification exam in accordance with §745.226 will be assessed a fee of \$70 for each exam attempt.

(3) *Multi-jurisdiction registration fee.* An individual, firm, or training program certified or accredited by EPA may wish to provide training or perform lead-based paint activities in additional EPA-administered jurisdictions. A fee of \$35 per discipline will be assessed for each additional EPA-administered jurisdiction in which an individual, firm, or training program applies for certification/re-certification or accreditation/re-accreditation. For purposes of this multi-jurisdiction registration fee, an EPA-administered jurisdiction is either an individual state without an authorized program or all Indian Tribes without authorized programs that are within a given EPA Region.

(4) *Lost identification card or certificate.* A \$15 fee shall be charged for replacement of an identification card or certificate. (See replacement procedure in paragraph (e) of this section.)

(d) *Application/payment procedure*—(1) *Certification and re-certification in one or more EPA-administered jurisdiction*—(i) *Individuals.* Submit a completed application (titled “Application for Individuals to Conduct Lead-based Paint Activities”), the materials described at §745.226, and the application fee(s) described in paragraph (c) of this section.

(ii) *Firms.* Submit a completed application (titled “Application for Firms”), the materials described at §745.226, and the application fee(s) described in paragraph (c) of this section.

(2) *Accreditation and re-accreditation in one or more EPA-administered jurisdiction.* Submit a completed application (titled "Accreditation Application for Training Programs"), the materials described at §745.225, and the application fee described in paragraph (c) of this section.

(3) *Application forms.* Application forms and instructions can be obtained from the National Lead Information Center at: 1-800-424-LEAD.

(e) *Identification card replacement and certificate replacement.* (1) Parties seeking identification card or certificate replacement shall complete the applicable portions of the appropriate application in accordance with the instructions provided. The appropriate applications are:

(i) *Individuals.* "Application for Individuals to Conduct Lead-based Paint Activities."

(ii) *Firms.* "Application for Firms."

(iii) *Training programs.* "Accreditation Application for Training Programs."

(2) Submit application and payment in the amount specified in paragraph (c)(4) of this section in accordance with the instructions provided with the application package.

(f) *Adjustment of fees.* (1) EPA will collect fees reflecting the costs associated with the administration and enforcement of subpart L of this part with the exception of costs associated with the accreditation of training programs operated by a State, federally recognized Indian Tribe, local government, and nonprofit organization. In order to do this, EPA will periodically adjust the fees to reflect changed economic conditions.

(2) The fees will be evaluated based on the cost to administer and enforce the program, and the number of applicants. New fee schedules will be published in the Federal Register.

(g) *Failure to remit a fee.* (1) EPA will not provide certification, re-certification, accreditation, or re-accreditation for any individual, firm, or training program which does not remit fees described in paragraph (c) of this section in accordance with the procedures specified in paragraph (d) of this section.

(2) EPA will not replace identification cards or certificates for any individual, firm, or training program which does not remit fees described in paragraph (c) of this section in accordance with the procedures specified in paragraph (e) of this section.

[64 FR 31098, June 9, 1999, as amended at 74 FR 11870, Mar. 20, 2009]

§ 745.239 Effective dates.

This subpart L shall apply in any State or Indian Country that does not have an authorized program under subpart Q, effective August 31, 1998. In such States or Indian Country:

(a) Training programs shall not provide, offer or claim to provide training or refresher training for certification without accreditation from EPA pursuant to §745.225 on or after March 1, 1999.

(b) No individual or firm shall perform, offer, or claim to perform lead-based paint activities, as defined in this subpart, without certification from EPA to conduct such activities pursuant to §745.226 on or after March 1, 2000.

(c) All lead-based paint activities shall be performed pursuant to the work practice standards contained in §745.227 on or after March 1, 2000.

[61 FR 45813, Aug. 29, 1996, as amended at 64 FR 42852, Aug. 6, 1999]

Subparts M–P [Reserved]

Subpart Q—State and Indian Tribal Programs

Source: 61 FR 45825, Aug. 29, 1996, unless otherwise noted.

§ 745.320 Scope and purpose.

(a) This subpart establishes the requirements that State or Tribal programs must meet for authorization by the Administrator to administer and enforce the standards, regulations, or other requirements established under TSCA section 402 and/or section 406 and establishes the procedures EPA will follow in approving, revising, and withdrawing approval of State or Tribal programs.

(b) For State or Tribal lead-based paint training and certification programs, a State or Indian Tribe may seek authorization to administer and enforce §§745.225, 745.226, and 745.227. The provisions of §§745.220, 745.223, 745.233, 745.235, 745.237, and 745.239 shall be applicable for the purposes of such program authorization.

(c) A State or Indian Tribe may seek authorization to administer and enforce all of the provisions of subpart E of this part, just the pre-renovation education provisions of subpart E of this part, or just the training, certification, accreditation, and work practice provisions of subpart E of this part. The provisions of §§745.324 and 745.326 apply for the purposes of such program authorizations.

(d) A State or Indian Tribe applying for program authorization may seek either interim approval or final approval of the compliance and enforcement portion of the State or Tribal lead-based paint program pursuant to the procedures at §745.327(a).

(e) State or Tribal submissions for program authorization shall comply with the procedures set out in this subpart.

(f) Any State or Tribal program approved by the Administrator under this subpart shall at all times comply with the requirements of this subpart.

(g) In many cases States will lack authority to regulate activities in Indian Country. This lack of authority does not impair a State's ability to obtain full program authorization in accordance with this subpart. EPA will administer the program in Indian Country if neither the State nor Indian Tribe has been granted program authorization by EPA.

[61 FR 45825, Aug. 29, 1996, as amended at 73 FR 21767, Apr. 22, 2008]

§ 745.323 Definitions.

The definitions in subpart A apply to this subpart. In addition, the definitions in §745.223 and the following definitions apply:

Indian Country means (1) all land within the limits of any American Indian reservation under the jurisdiction of the U.S. government, notwithstanding the issuance of any patent, and including rights-of-way running throughout the reservation; (2) all dependent Indian communities within the borders of the United States whether within the original or subsequently acquired territory thereof, and whether within or outside the limits of a State; and (3) all Indian allotments, the Indian titles which have not been extinguished, including rights-of-way running through the same.

Indian Tribe means any Indian Tribe, band, nation, or community recognized by the Secretary of the Interior and exercising substantial governmental duties and powers.

§ 745.324 Authorization of State or Tribal programs.

(a) *Application content and procedures*. (1) Any State or Indian Tribe that seeks authorization from EPA to administer and enforce the provisions of subpart E or subpart L of this part must submit an application to the Administrator in accordance with this paragraph.

(2) Before developing an application for authorization, a State or Indian Tribe shall disseminate a public notice of intent to seek such authorization and provide an opportunity for a public hearing.

(3) A State or Tribal application shall include:

(i) A transmittal letter from the State Governor or Tribal Chairperson (or equivalent official) requesting program approval.

(ii) A summary of the State or Tribal program. This summary will be used to provide notice to residents of the State or Tribe.

(iii) A description of the State or Tribal program in accordance with paragraph (b) of this section.

(iv) An Attorney General's or Tribal Counsel's (or equivalent) statement in accordance with paragraph (c) of this section.

(v) Copies of all applicable State or Tribal statutes, regulations, standards, and other materials that provide the State or Indian Tribe with the authority to administer and enforce a lead-based paint program.

(4) After submitting an application, the Agency will publish a Federal Register notice that contains an announcement of the receipt of the State or Tribal application, the summary of the program as provided by the State or Tribe, and a request for public comments to be mailed to the appropriate EPA Regional Office. This comment period shall last for no less than 45 days. EPA will consider these comments during its review of the State or Tribal application.

(5) Within 60 days of submission of a State or Tribal application, EPA will, if requested, conduct a public hearing in each State or Indian Country seeking program authorization and will consider all comments submitted at that hearing during the review of the State or Tribal application.

(b) *Program description.* A State or Indian Tribe seeking to administer and enforce a program under this subpart must submit a description of the program. The description of the State or Tribal program must include:

(1)(i) The name of the State or Tribal agency that is or will be responsible for administering and enforcing the program, the name of the official in that agency designated as the point of contact with EPA, and addresses and phone numbers where this official can be contacted.

(ii) Where more than one agency is or will be responsible for administering and enforcing the program, the State or Indian Tribe must designate a primary agency to oversee and coordinate administration and enforcement of the program and serve as the primary contact with EPA.

(iii) In the event that more than one agency is or will be responsible for administering and enforcing the program, the application must also include a description of the functions to be performed by each agency. The description shall explain and how the program will be coordinated by the primary agency to ensure consistency and effective administration of the within the State or Indian Tribe.

(2) To demonstrate that the State or Tribal program is at least as protective as the Federal program, fulfilling the criteria in paragraph (e)(2)(i) of this section, the State or Tribal application must include:

(i) A description of the program that demonstrates that the program contains all of the elements specified in §745.325, §745.326, or both; and

(ii) An analysis of the State or Tribal program that compares the program to the Federal program in subpart E or subpart L of this part, or both. This analysis must demonstrate how the program is, in the State's or Indian Tribe's assessment, at least as protective as the elements in the Federal program at subpart E or subpart L of this part, or both. EPA will use this analysis to evaluate the protectiveness of the State or Tribal program in making its determination pursuant to paragraph (e)(2)(i) of this section.

(3) To demonstrate that the State or Tribal program provides adequate enforcement, fulfilling the criteria in paragraph (e)(2)(ii) of this section, the State or Tribal application must include a description of the State or Tribal lead-based paint compliance and enforcement program that demonstrates that the program contains all of the elements specified at §745.327. This description shall include copies of all policies, certifications, plans, reports, and other materials that demonstrate that the State or Tribal program contains all of the elements specified at §745.327.

(4)(i) The program description for an Indian Tribe shall also include a map, legal description, or other information sufficient to identify the geographical extent of the territory over which the Indian Tribe exercises jurisdiction.

(ii) The program description for an Indian Tribe shall also include a demonstration that the Indian Tribe:

(A) Is recognized by the Secretary of the Interior.

(B) has an existing government exercising substantial governmental duties and powers.

(C) has adequate civil regulatory jurisdiction (as shown in the Tribal legal certification in paragraph (c)(2) of this section) over the subject matter and entities regulated.

(D) is reasonably expected to be capable of administering the Federal program for which it is seeking authorization.

(iii) If the Administrator has previously determined that an Indian Tribe has met the prerequisites in paragraphs (b)(4)(ii)(A) and (B) of this section for another EPA program, the Indian Tribe need provide only that information unique to the lead-based paint program required by paragraphs (b)(4)(ii)(C) and (D) of this section.

(c) *Attorney General's statement.* (1) A State or Indian Tribe must submit a written statement signed by the Attorney General or Tribal Counsel (or equivalent) certifying that the laws and regulations of the State or Indian Tribe provide adequate legal authority to administer and enforce the State or Tribal program. This statement shall include citations to the specific statutes and regulations providing that legal authority.

(2) The Tribal legal certification (the equivalent to the Attorney General's statement) may also be submitted and signed by an independent attorney retained by the Indian Tribe for representation in matters before EPA or the courts pertaining to the Indian Tribe's program. The certification shall include an assertion that the attorney has the authority to represent the Indian Tribe with respect to the Indian Tribe's authorization application.

(3) If a State application seeks approval of its program to operate in Indian Country, the required legal certification shall include an analysis of the applicant's authority to implement its provisions in Indian Country. The applicant shall include a map delineating the area over which it seeks to operate the program.

(d) *Program certification.* (1) At the time of submitting an application, a State may also certify to the Administrator that the State program meets the requirements contained in paragraphs (e)(2)(i) and (e)(2)(ii) of this section.

(2) If this certification is contained in a State's application, the program shall be deemed to be authorized by EPA until such time as the Administrator disapproves the program application or withdraws the program authorization. A program shall not be deemed authorized pursuant to this subpart to the extent that jurisdiction is asserted over Indian Country, including non-member fee lands within an Indian reservation.

(3) If the application does not contain such certification, the State program will be authorized only after the Administrator authorizes the program in accordance with paragraph (e) of this section.

(4) This certification shall take the form of a letter from the Governor or the Attorney General to the Administrator. The certification shall reference the program analysis in paragraph (b)(3) of this section as the basis for concluding that the State program is at least as protective as the Federal program, and provides adequate enforcement.

(e) *EPA approval.* (1) EPA will fully review and consider all portions of a State or Tribal application.

(2) Within 180 days of receipt of a complete State or Tribal application, the Administrator shall either authorize the program or disapprove the application. The Administrator shall authorize the program, after notice and the opportunity for public comment and a public hearing, only if the Administrator finds that:

(i) The State or Tribal program is at least as protective of human health and the environment as the corresponding Federal program under subpart E or subpart L of this part, or both; and

(ii) The State or Tribal program provides adequate enforcement.

(3) EPA shall notify in writing the State or Indian Tribe of the Administrator's decision to authorize the State or Tribal program or disapprove the State's or Indian Tribe's application.

(4) If the State or Indian Tribe applies for authorization of State or Tribal programs under both subpart E and subpart L, EPA may, as appropriate, authorize one program and disapprove the other.

(f) *EPA administration and enforcement.* (1) If a State or Indian Tribe does not have an authorized program to administer and enforce subpart L of this part in effect by August 31, 1998, the Administrator shall, by such date, establish and enforce the provisions of subpart L of this part as the Federal program for that State or Indian Country.

(2) If a State or Indian Tribe does not have an authorized program to administer and enforce the pre-renovation education requirements of subpart E of this part by August 31, 1998, the

Administrator will, by such date, enforce those provisions of subpart E of this part as the Federal program for that State or Indian Country. If a State or Indian Tribe does not have an authorized program to administer and enforce the training, certification and accreditation requirements and work practice standards of subpart E of this part by April 22, 2009, the Administrator will, by such date, enforce those provisions of subpart E of this part as the Federal program for that State or Indian Country.

(3) Upon authorization of a State or Tribal program, pursuant to paragraph (d) or (e) of this section, it shall be an unlawful act under sections 15 and 409 of TSCA for any person to fail or refuse to comply with any requirements of such program.

(g) *Oversight.* EPA shall periodically evaluate the adequacy of a State's or Indian Tribe's implementation and enforcement of its authorized programs.

(h) *Reports.* Beginning 12 months after the date of program authorization, the primary agency for each State or Indian Tribe that has an authorized program shall submit a written report to the EPA Regional Administrator for the Region in which the State or Indian Tribe is located. This report shall be submitted at least once every 12 months for the first 3 years after program authorization. If these reports demonstrate successful program implementation, the Agency will automatically extend the reporting interval to every 2 years. If the subsequent reports demonstrate problems with implementation, EPA will require a return to annual reporting until the reports demonstrate successful program implementation, at which time the Agency will extend the reporting interval to every 2 years.

The report shall include the following information:

(1) Any significant changes in the content or administration of the State or Tribal program implemented since the previous reporting period; and

(2) All information regarding the lead-based paint enforcement and compliance activities listed at §745.327(d) "Summary on Progress and Performance."

(i) *Withdrawal of authorization.* (1) If EPA concludes that a State or Indian Tribe is not administering and enforcing an authorized program in compliance with the standards, regulations, and other requirements of sections 401 through 412 of TSCA and this subpart, the Administrator shall notify the primary agency for the State or Indian Tribe in writing and indicate EPA's intent to withdraw authorization of the program.

(2) The Notice of Intent to Withdraw shall:

(i) Identify the program aspects that EPA believes are inadequate and provide a factual basis for such findings.

(ii) Include copies of relevant documents.

(iii) Provide an opportunity for the State or Indian Tribe to respond either in writing or at a meeting with appropriate EPA officials.

(3) EPA may request that an informal conference be held between representatives of the State or Indian Tribe and EPA officials.

(4) Prior to issuance of a withdrawal, a State or Indian Tribe may request that EPA hold a public hearing. At this hearing, EPA, the State or Indian Tribe, and the public may present facts bearing on whether the State's or Indian Tribe's authorization should be withdrawn.

(5) If EPA finds that deficiencies warranting withdrawal did not exist or were corrected by the State or Indian Tribe, EPA may rescind its Notice of Intent to Withdraw authorization.

(6) Where EPA finds that deficiencies in the State or Tribal program exist that warrant withdrawal, an agreement to correct the deficiencies shall be jointly prepared by the State or Indian Tribe and EPA. The agreement shall describe the deficiencies found in the program, specify the steps the State or Indian Tribe has taken or will take to remedy the deficiencies, and establish a schedule, no longer than 180 days, for each remedial action to be initiated.

(7) If the State or Indian Tribe does not respond within 60 days of issuance of the Notice of Intent to Withdraw or an agreement is not reached within 180 days after EPA determines that a State or Indian Tribe is not in compliance with the Federal program, the Agency shall issue an order withdrawing the State's or Indian Tribe's authorization.

(8) By the date of such order, the Administrator will establish and enforce the provisions of subpart E or subpart L of this part, or both, as the Federal program for that State or Indian Country.

[61 FR 45825, Aug. 29, 1996, as amended at 73 FR 21767, Apr. 22, 2008]

§ 745.325 Lead-based paint activities: State and Tribal program requirements.

(a) *Program elements.* To receive authorization from EPA, a State or Tribal program must contain at least the following program elements for lead-based paint activities:

(1) Procedures and requirements for the accreditation of lead-based paint activities training programs.

(2) Procedures and requirements for the certification of individuals engaged in lead-based paint activities.

(3) Work practice standards for the conduct of lead-based paint activities.

(4) Requirements that all lead-based paint activities be conducted by appropriately certified contractors.

(5) Development of the appropriate infrastructure or government capacity to effectively carry out a State or Tribal program.

(b) *Accreditation of training programs.* The State or Indian Tribe must have either:

(1) Procedures and requirements for the accreditation of training programs that establish:

(i) Requirements for the accreditation of training programs, including but not limited to:

(A) Training curriculum requirements.

(B) Training hour requirements.

(C) Hands-on training requirements.

(D) Trainee competency and proficiency requirements.

(E) Requirements for training program quality control.

(ii) Procedures for the re-accreditation of training programs.

(iii) Procedures for the oversight of training programs.

(iv) Procedures for the suspension, revocation, or modification of training program accreditations; or

(2) Procedures or regulations, for the purposes of certification, for the acceptance of training offered by an accredited training provider in a State or Tribe authorized by EPA.

(c) *Certification of individuals.* The State or Indian Tribe must have requirements for the certification of individuals that:

(1) Ensure that certified individuals:

(i) Are trained by an accredited training program; and

(ii) Possess appropriate education or experience qualifications for certification.

(2) Establish procedures for re-certification.

(3) Require the conduct of lead-based paint activities in accordance with work practice standards established by the State or Indian Tribe.

(4) Establish procedures for the suspension, revocation, or modification of certifications.

(5) Establish requirements and procedures for the administration of a third-party certification exam.

(d) *Work practice standards for the conduct of lead-based paint activities.* The State or Indian Tribe must have requirements or standards that ensure that lead-based paint activities are conducted reliably, effectively, and safely. At a minimum the State's or Indian Tribe's work practice standards for conducting inspections, risk assessments, and abatements must contain the requirements specified in paragraphs (d)(1), (d)(2), and (d)(3) of this section.

(1) The work practice standards for the inspection for the presence of lead-based paint must require that:

(i) Inspections are conducted only by individuals certified by the appropriate State or Tribal authority to conduct inspections.

(ii) Inspections are conducted in a way that identifies the presence of lead-based paint on painted surfaces within the interior or on the exterior of a residential dwelling or child-occupied facility.

(iii) Inspections are conducted in a way that uses documented methodologies that incorporate adequate quality control procedures.

(iv) A report is developed that clearly documents the results of the inspection.

(v) Records are retained by the certified inspector or the firm.

(2) The work practice standards for risk assessment must require that:

(i) Risk assessments are conducted only by individuals certified by the appropriate State or Tribal authority to conduct risk assessments.

(ii) Risk assessments are conducted in a way that identifies and reports the presence of lead-based paint hazards.

(iii) Risk assessments consist of, at least:

(A) An assessment, including a visual inspection, of the physical characteristics of the residential dwelling or child-occupied facility;

(B) Environmental sampling for lead in paint, dust, and soil;

(C) Environmental sampling requirements for lead in paint, dust, and soil that allow for comparison to the standards for lead-based paint hazards established or revised by the State or Indian Tribe pursuant to paragraph (e) of this section; and

(D) A determination of the presence of lead-based paint hazards made by comparing the results of visual inspection and environmental sampling to the standards for lead-based paint hazards established or revised by the State or Indian Tribe pursuant to paragraph (e) of this section.

(iv) The program elements required in paragraph (d)(2)(iii)(C) and (d)(2)(iii)(D) of this section shall be adopted in accordance with the schedule for the demonstration required in paragraph (e) of this section.

(v) The risk assessor develops a report that clearly presents the results of the assessment and recommendations for the control or elimination of all identified hazards.

(vi) The certified risk assessor or the firm retains the appropriate records.

(3) The work practice standards for abatement must require that:

(i) Abatements are conducted only by individuals certified by the appropriate State or Tribal authority to conduct or supervise abatements.

(ii) Abatements permanently eliminate lead-based paint hazards and are conducted in a way that does not increase the hazards of lead-based paint to the occupants of the dwelling or child-occupied facility.

(iii) Abatements include post-abatement lead in dust clearance sampling and conformance with clearance levels established or adopted by the State or Indian Tribe.

(iv) The abatement contractor develops a report that describes areas of the residential dwelling or child-occupied facility abated and the techniques employed.

(v) The certified abatement contractor or the firm retains appropriate records.

(e) The State or Indian Tribe must demonstrate that it has standards for identifying lead-based paint hazards and clearance standards for dust, that are at least as protective as the standards in §745.227 as amended on February 5, 2001. A State or Indian Tribe with such a section 402 program approved before February 5, 2003 shall make this demonstration no later than the first report submitted pursuant to §745.324(h) on or after February 5, 2003. A State or Indian Tribe with such a program submitted but not approved before February 5, 2003 may make this demonstration by amending its application or in its first report submitted pursuant to §745.324(h). A State or Indian Tribe submitting its program on or after February 5, 2003 shall make this demonstration in its application.

[61 FR 45825, Aug. 29, 1996, as amended at 66 FR 1240, Jan. 5, 2001]

§ 745.326 Renovation: State and Tribal program requirements.

(a) *Program elements*. To receive authorization from EPA, a State or Tribal program must contain the following program elements:

(1) For pre-renovation education programs, procedures and requirements for the distribution of lead hazard information to owners and occupants of target housing and child-occupied facilities before renovations for compensation.

(2) For renovation training, certification, accreditation, and work practice standards programs:

(i) Procedures and requirements for the accreditation of renovation and dust sampling technician training programs.

(ii) Procedures and requirements for the certification of renovators and dust sampling technicians.

(iii) Procedures and requirements for the certification of individuals and/or firms.

(iv) Requirements that all renovations be conducted by appropriately certified individuals and/or firms.

(v) Work practice standards for the conduct of renovations.

(3) For all renovation programs, development of the appropriate infrastructure or government capacity to effectively carry out a State or Tribal program.

(b) *Pre-renovation education*. To be considered at least as protective as the Federal program, the State or Tribal program must:

(1) Establish clear standards for identifying renovation activities that trigger the information distribution requirements.

(2) Establish procedures for distributing the lead hazard information to owners and occupants of housing and child-occupied facilities prior to renovation activities.

(3) Require that the information to be distributed include either the pamphlet titled *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools*, developed by EPA under section 406(a) of TSCA, or an alternate pamphlet or package of lead hazard information that has been submitted by the State or Tribe, reviewed by EPA, and approved by EPA for that State or Tribe. Such information must contain renovation-specific information similar to that in *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools*, must meet the content requirements prescribed by section 406(a) of TSCA, and must be in a format that is readable to the diverse audience of housing and child-occupied facility owners and occupants in that State or Tribe.

(i) A State or Tribe with a pre-renovation education program approved before June 23, 2008, must demonstrate that it meets the requirements of this section no later than the first report that it submits pursuant to §745.324(h) on or after April 22, 2009.

(ii) A State or Tribe with an application for approval of a pre-renovation education program submitted but not approved before June 23, 2008, must demonstrate that it meets the requirements of this section either by amending its application or in the first report that it submits pursuant to §745.324(h) of this part on or after April 22, 2009.

(iii) A State or Indian Tribe submitting its application for approval of a pre-renovation education program on or after June 23, 2008, must demonstrate in its application that it meets the requirements of this section.

(c) *Accreditation of training programs*. To be considered at least as protective as the Federal program, the State or Tribal program must meet the requirements of either paragraph (c)(1) or (c)(2) of this section:

(1) The State or Tribal program must establish accreditation procedures and requirements, including:

(i) Procedures and requirements for the accreditation of training programs, including, but not limited to:

(A) Training curriculum requirements.

(B) Training hour requirements.

(C) Hands-on training requirements.

(D) Trainee competency and proficiency requirements.

(E) Requirements for training program quality control.

(ii) Procedures and requirements for the re-accreditation of training programs.

(iii) Procedures for the oversight of training programs.

(iv) Procedures and standards for the suspension, revocation, or modification of training program accreditations; or

(2) The State or Tribal program must establish procedures and requirements for the acceptance of renovation training offered by training providers accredited by EPA or a State or Tribal program authorized by EPA under this subpart.

(d) *Certification of renovators*. To be considered at least as protective as the Federal program, the State or Tribal program must:

(1) Establish procedures and requirements for individual certification that ensure that certified renovators are trained by an accredited training program.

(2) Establish procedures and requirements for re-certification.

(3) Establish procedures for the suspension, revocation, or modification of certifications.

(e) *Work practice standards for renovations*. To be considered at least as protective as the Federal program, the State or Tribal program must establish standards that ensure that renovations are conducted reliably, effectively, and safely. At a minimum, the State or Tribal program must contain the following requirements:

(1) Renovations must be conducted only by certified contractors.

(2) Renovations are conducted using lead-safe work practices that are at least as protective to occupants as the requirements in § 745.85.

(3) Certified contractors must retain appropriate records.

[73 FR 21768, Apr. 22, 2008]

§ 745.327 State or Indian Tribal lead-based paint compliance and enforcement programs.

(a) *Approval of compliance and enforcement programs*. A State or Indian Tribe seeking authorization of a lead-based paint program can apply for and receive either interim or final approval of the compliance and enforcement program portion of its lead-based paint program. Indian Tribes are not required to exercise criminal enforcement jurisdiction as a condition for program authorization.

(1) *Interim approval*. Interim approval of the compliance and enforcement program portion of the State or Tribal lead-based paint program may be granted by EPA only once, and subject to a specific expiration date.

(i) To be considered adequate for purposes of obtaining interim approval for the compliance and enforcement program portion of a State or Tribal lead-based paint program, a State or Indian Tribe must, in its application described at §745.324(a):

(A) Demonstrate it has the legal authority and ability to immediately implement the elements in paragraph (b) of this section. This demonstration shall include a statement that the State or Indian Tribe, during the interim approval period, shall carry out a level of compliance monitoring and enforcement necessary to ensure that the State or Indian Tribe addresses any significant risks posed by noncompliance with lead-based paint activity requirements.

(B) Present a plan with time frames identified for implementing in the field each element in paragraph (c) of this section. All elements of paragraph (c) of this section must be fully implemented no later than 3 years from the date of EPA's interim approval of the compliance and enforcement program portion of a State or Tribal lead-based paint program. A statement of resources must be included in the State or Tribal plan which identifies what resources the State

or Indian Tribe intends to devote to the administration of its lead-based paint compliance and enforcement program.

(C) Agree to submit to EPA the Summary on Progress and Performance of lead-based paint compliance and enforcement activities as described at paragraph (d) of this section.

(ii) Any interim approval granted by EPA for the compliance and enforcement program portion of a State or Tribal lead-based paint program will expire no later than 3 years from the date of EPA's interim approval. One hundred and eighty days prior to this expiration date, a State or Indian Tribe shall apply to EPA for final approval of the compliance and enforcement program portion of a State or Tribal lead-based paint program. Final approval shall be given to any State or Indian Tribe which has in place all of the elements of paragraphs (b), (c), and (d) of this section. If a State or Indian Tribe does not receive final approval for the compliance and enforcement program portion of a State or Tribal lead-based paint program by the date 3 years after the date of EPA's interim approval, the Administrator shall, by such date, initiate the process to withdraw the State or Indian Tribe's authorization pursuant to §745.324(i).

(2) *Final approval.* Final approval of the compliance and enforcement program portion of a State or Tribal lead-based paint program can be granted by EPA either through the application process described at §745.324(a), or, for States or Indian Tribes which previously received interim approval as described in paragraph (a)(1) of this section, through a separate application addressing only the compliance and enforcement program portion of a State or Tribal lead-based paint program.

(i) For the compliance and enforcement program to be considered adequate for final approval through the application described at §745.324(a), a State or Indian Tribe must, in its application:

(A) Demonstrate it has the legal authority and ability to immediately implement the elements in paragraphs (b) and (c) of this section.

(B) Submit a statement of resources which identifies what resources the State or Indian Tribe intends to devote to the administration of its lead-based paint compliance and enforcement program.

(C) Agree to submit to EPA the Summary on Progress and Performance of lead-based paint compliance and enforcement activities as described at paragraph (d) of this section.

(ii) For States or Indian Tribes which previously received interim approval as described in paragraph (a)(1) of this section, in order for the State or Tribal compliance and enforcement program to be considered adequate for final approval through a separate application addressing only the compliance and enforcement program portion of a State or Tribal lead-based paint program, a State or Indian Tribe must, in its application:

(A) Demonstrate that it has the legal authority and ability to immediately implement the elements in paragraphs (b) and (c) of this section.

(B) Submit a statement which identifies the resources the State or Indian Tribe intends to devote to the administration of its lead-based paint compliance and enforcement program.

(C) Agree to submit to EPA the Summary on Progress and Performance of lead-based paint compliance and enforcement activities as described at paragraph (d) of this section.

(D) To the extent not previously submitted through the application described at §745.324(a), submit copies of all applicable State or Tribal statutes, regulations, standards, and other material that provide the State or Indian Tribe with authority to administer and enforce the lead-based paint compliance and enforcement program, and copies of the policies, certifications, plans, reports, and any other documents that demonstrate that the program meets the requirements established in paragraphs (b) and (c) of this section.

(b) *Standards, regulations, and authority.* The standards, regulations, and authority described in paragraphs (b)(1) through (b)(4) of this section are part of the required elements for the compliance and enforcement portion of a State or Tribal lead-based paint program.

(1) *Lead-based paint activities and requirements.* State or Tribal lead-based paint compliance and enforcement programs will be considered adequate if the State or Indian Tribe demonstrates, in its application at §745.324(a), that it has established a lead-based paint program containing the following requirements:

(i) Accreditation of training programs as described at §745.325(b).

(ii) Certification of individuals engaged in lead-based paint activities as described at §745.325(c).

(iii) Standards for the conduct of lead-based paint activities as described at §745.325(d); and, as appropriate,

(iv) Requirements that regulate the conduct of renovation activities as described at §745.326.

(2) *Authority to enter.* State or Tribal officials must be able to enter, through consent, warrant, or other authority, premises or facilities where lead-based paint activities violations may occur for purposes of conducting inspections.

(i) State or Tribal officials must be able to enter premises or facilities where those engaged in training for lead-based paint activities conduct business.

(ii) For the purposes of enforcing a renovation program, State or Tribal officials must be able to enter a firm's place of business or work site.

(iii) State or Tribal officials must have authority to take samples and review records as part of the lead-based paint activities inspection process.

(3) *Flexible remedies.* A State or Tribal lead-based paint compliance and enforcement program must provide for a diverse and flexible array of enforcement remedies. At a minimum, the remedies that must be reflected in an enforcement response policy must include the following:

- (i) Warning letters, Notices of Noncompliance, Notices of Violation, or the equivalent;
- (ii) Administrative or civil actions, including penalty authority (e.g., accreditation or certification suspension, revocation, or modification); and
- (iii) Authority to apply criminal sanctions or other criminal authority using existing State or Tribal laws, as applicable.

(4) *Adequate resources.* An application must include a statement that identifies the resources that will be devoted by the State or Indian Tribe to the administration of the State or Tribal lead-based paint compliance and enforcement program. This statement must address fiscal and personnel resources that will be devoted to the program.

(c) *Performance elements.* The performance elements described in paragraphs (c)(1) through (c)(7) of this section are part of the required elements for the compliance and enforcement program portion of a State or Tribal lead-based paint program.

(1) *Training.* A State or Tribal lead-based paint compliance and enforcement program must implement a process for training enforcement and inspection personnel and ensure that enforcement personnel and inspectors are well trained. Enforcement personnel must understand case development procedures and the maintenance of proper case files. Inspectors must successfully demonstrate knowledge of the requirements of the particular discipline (e.g., abatement supervisor, and/or abatement worker, and/or lead-based paint inspector, and/or risk assessor, and/or project designer) for which they have compliance monitoring and enforcement responsibilities. Inspectors must also be trained in violation discovery, methods of obtaining consent, evidence gathering, preservation of evidence and chain-of-custody, and sampling procedures. A State or Tribal lead-based paint compliance and enforcement program must also implement a process for the continuing education of enforcement and inspection personnel.

(2) *Compliance assistance.* A State or Tribal lead-based paint compliance and enforcement program must provide compliance assistance to the public and the regulated community to facilitate awareness and understanding of and compliance with State or Tribal requirements governing the conduct of lead-based paint activities. The type and nature of this assistance can be defined by the State or Indian Tribe to achieve this goal.

(3) *Sampling techniques.* A State or Tribal lead-based paint compliance and enforcement program must have the technological capability to ensure compliance with the lead-based paint program requirements. A State or Tribal application for approval of a lead-based paint program must show that the State or Indian Tribe is technologically capable of conducting a lead-based paint compliance and enforcement program. The State or Tribal program must have access to the facilities and equipment necessary to perform sampling and laboratory analysis as needed. This laboratory facility must be a recognized laboratory as defined at §745.223, or the State or Tribal

program must implement a quality assurance program that ensures appropriate quality of laboratory personnel and protects the integrity of analytical data.

(4) *Tracking tips and complaints.* A State or Tribal lead-based paint compliance and enforcement program must demonstrate the ability to process and react to tips and complaints or other information indicating a violation.

(5) *Targeting inspections.* A State or Tribal lead-based paint compliance and enforcement program must demonstrate the ability to target inspections to ensure compliance with the lead-based paint program requirements. Such targeting must include a method for obtaining and using notifications of commencement of abatement activities.

(6) *Follow up to inspection reports.* A State or Tribal lead-based paint compliance and enforcement program must demonstrate the ability to reasonably, and in a timely manner, process and follow-up on inspection reports and other information generated through enforcement-related activities associated with a lead-based paint program. The State or Tribal program must be in a position to ensure correction of violations and, as appropriate, effectively develop and issue enforcement remedies/responses to follow up on the identification of violations.

(7) *Compliance monitoring and enforcement.* A State or Tribal lead-based paint compliance and enforcement program must demonstrate, in its application for approval, that it is in a position to implement a compliance monitoring and enforcement program. Such a compliance monitoring and enforcement program must ensure correction of violations, and encompass either planned and/or responsive lead-based paint compliance inspections and development/issuance of State or Tribal enforcement responses which are appropriate to the violations.

(d) *Summary on Progress and Performance.* The Summary on Progress and Performance described below is part of the required elements for the compliance and enforcement program portion of a State or Tribal lead-based paint program. A State or Tribal lead-based paint compliance and enforcement program must submit to the appropriate EPA Regional Administrator a report which summarizes the results of implementing the State or Tribal lead-based paint compliance and enforcement program, including a summary of the scope of the regulated community within the State or Indian Tribe (which would include the number of individuals and firms certified in lead-based paint activities and the number of training programs accredited), the inspections conducted, enforcement actions taken, compliance assistance provided, and the level of resources committed by the State or Indian Tribe to these activities. The report shall be submitted according to the requirements at §745.324(h).

(e) *Memorandum of Agreement.* An Indian Tribe that obtains program approval must establish a Memorandum of Agreement with the Regional Administrator. The Memorandum of Agreement shall be executed by the Indian Tribe's counterpart to the State Director (e.g., the Director of Tribal Environmental Office, Program or Agency). The Memorandum of Agreement must include provisions for the timely and appropriate referral to the Regional Administrator for those criminal enforcement matters where that Indian Tribe does not have the authority (e.g., those addressing criminal violations by non-Indians or violations meriting penalties over \$5,000). The

Agreement must also identify any enforcement agreements that may exist between the Indian Tribe and any State.

(f) *Electronic reporting under State or Indian Tribe programs.* States and tribes that choose to receive electronic documents under the authorized state or Indian tribe lead-based paint program, must ensure that the requirements of 40 CFR part 3—(Electronic reporting) are satisfied in their lead-based paint program.

[61 FR 45825, Aug. 29, 1996, as amended at 70 FR 59889, Oct. 13, 2005; 73 FR 21769, Apr. 22, 2008]

§ 745.339 Effective date.

States and Indian Tribes may seek authorization to administer and enforce subpart L of this part pursuant to this subpart at any time. States and Indian Tribes may seek authorization to administer and enforce the pre-renovation education provisions of subpart E of this part pursuant to this subpart at any time. States and Indian Tribes may seek authorization to administer and enforce all of subpart E of this part pursuant to this subpart effective June 23, 2008.

[73 FR 21769, Apr. 22, 2008]

Attachment # 32

Difference Between US HUD Lead Safe Housing and EPA

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

These approaches also include all the basic HUD requirements describe in the slide presentations in Module 2. They clearly demonstrate the importance to the renovator of asking the client whether federal housing assistance is provided for the project.

The differences between HUD's LSHR and the Environmental Protection Agency's (EPA's) Renovation, Repair and Painting (RRP) regulation, part of EPA's regulations at 40 CFR Part 745, and the changes for HUD LSHR projects, are summarized in the following table and explained in the narrative after the table:

Differences between HUD LSHR and EPA RRP regulations

Stage of Job	Requirement	HUD LSHR	EPA RRP	Changes to LSHR Projects to Comply with RRP.
Planning and Set-Up	Determination that lead-based paint (LBP) is present.	EPA-recognized test kits cannot be used to say paint is not LBP. Only a certified LBP inspector or risk assessor may determine whether LBP is present.	Certified renovators use an EPA-recognized test kit to determine if RRP rule applies or not.	None.
	Training	HUD does not certify renovators or firms. All workers and supervisors must complete a HUD-approved curriculum in lead safe work practices, except that non-certified renovation workers need only on-the-job training if they are supervised by a certified LBP abatement supervisor who is also a certified renovator.	EPA or EPA-authorized States certify renovation firms and accredit training providers that certify renovators. Only the certified renovator is required to have classroom training. Workers must receive on-the-job training from the certified renovator.	Renovation firms must be certified. At least one certified renovator must be at the job or available when work is being done. (The certified renovator may be a certified LBP abatement supervisor who has completed the 4-hour RRP refresher course.)

**EPA Certified Renovation Firms and Certified Renovators
Additional Requirements of HUD's Lead Safe Housing Rule**

Stage of Job	Requirement	HUD LSHR	EPA RRP	Changes to LSHR Projects to Comply with RRP.
	Pre-Renovation Education	HUD requires conformance with EPA regulations, including EPA's Pre-Renovation Education Rule. EPA had required renovators to hand out the EPA / HUD / CPSC <i>Protect Your Family from Lead in Your Home</i> (Lead Disclosure Rule) pamphlet.	Renovators must hand out the EPA / HUD <i>Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools</i> pamphlet. (This requirement went into effect on December 22, 2008.)	None.
During the Job	Treating LBP hazards	Depending on type and amount of HUD assistance, HUD requires that lead hazards be treated using "interim controls" or "ongoing lead-based paint maintenance."	EPA generally requires that renovations in target housing be performed using lead-safe work practices.	None.
	Prohibited Work Practices	HUD prohibits 6 work practices. These include EPA's 3 prohibited work practices plus: heat guns that char paint, dry scraping or sanding farther than 1 ft. of electrical outlets, and use of a volatile stripper in poorly ventilated space.	EPA prohibits 3 work practices (open flame burning or torching, heat guns above 1100 degrees F, machine removal without HEPA vacuum attachment).	None.

**EPA Certified Renovation Firms and Certified Renovators
Additional Requirements of HUD's Lead Safe Housing Rule**

Stage of Job	Requirement	HUD LSHR	EPA RRP	Changes to LSHR Projects to Comply with RRP.
	Threshold minimum amounts of interior paint disturbance which trigger lead activities.	HUD has a lower interior " <i>de minimis</i> " threshold (2 sq. ft. per room, or 10% of a small component type) than EPA for lead-safe work practices. HUD also uses this lower threshold for clearance and occupant notification.	EPA's interior threshold (6 sq. ft. per room) for minor repair and maintenance activities is higher than HUD's <i>de minimis</i> threshold.	None.
End of Job	Confirmatory Testing	HUD requires a clearance examination done by an independent party instead of the certified renovator's cleaning verification procedure.	EPA allows cleaning verification by the renovator or clearance examination. The cleaning verification does not involve sampling and laboratory analysis of the dust.	None.
	Notification to Occupants	HUD requires the designated party to distribute notices to occupants within 15 days after lead hazard evaluation and control activities in their unit (and common areas, if applicable).	EPA has no requirement to notify residents who are not the owners after the renovation.	None.

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

A. Responsibilities Shifted from the Renovator to the Designated Party under HUD's LSHR:

1. Under the LSHR, the designated party is generally responsible to either have the paint tested by a certified lead inspector or risk assessor or presume the presence of lead-based paint. Therefore, when HUD's rule applies, the Certified Renovator may not use a paint test kit to determine that the paint is not lead-based paint. Note: Some states may have conflict-of-interest regulations prohibiting renovators from testing paint on which they will be working.
2. When the HUD LSHR applies, the designated party must have a qualified person, independent of the renovation firm, conduct a lead clearance examination. The Certified Renovator does not conduct a cleaning verification. See below for more information on clearance testing.

B. Additional HUD Requirements for the Renovator:

1. **Training requirements for workers and supervisors performing interim controls.**
To meet the requirements of both rules:
 - a. If the supervisor (in HUD terms) or Certified Renovator (in EPA terms) is certified as a lead-based paint abatement supervisor or has successfully completed an accredited abatement supervision or abatement worker course, that person must complete a 4-hour RRP refresher course.
 - b. For workers who are not themselves supervisors / Certified Renovators:
 - If their supervisor on this project is a certified lead-based paint abatement supervisor who has completed a 4-hour RRP refresher course, the workers must obtain on-the-job training in lead-safe work practices from the supervisor.
 - Otherwise, the workers must successfully complete either a one-day RRP course, or another lead-safe work practices course approved by HUD for this purpose after consultation with the EPA. HUD has approved the one-day RRP course, the previously-published HUD/EPA one-day Renovation, Remodeling and Repair course, and other one-day courses listed on HUD's website, at www.hud.gov/offices/lead.
 - c. Where the work is being done in a State or Tribal jurisdiction that has been authorized by the EPA to operate an RRP training and certification program, the one-day RRP course and half-day RRP refresher course must be accredited by the State or Tribe. HUD will approve all one-day RRP courses accredited by EPA-authorized States or Tribes.
 - d. The 4-hour RRP refresher course is not sufficient on its own to meet either the EPA or HUD training requirements.
2. **The certified renovation firm and the certified renovator must take additional precautions to protect residents from lead poisoning beyond those in EPA's RRP Rule.**
 - a. **Renovators must use lead-safe work practices in work exempt from the RRP Rule that:**
 - Disturbs between 2 and 6 ft² of paint per room; the LSHR's *de minimis* threshold and the RRP's minor repair and maintenance activities threshold, respectively.
Note: Window replacement, window sash replacement, and demolition of painted surface areas disturb more paint than the LSHR's *de minimis* threshold.

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

- Disturbs more than 10% of a component type with a small surface area (such as window sills, baseboards, and trim).
Note: The square foot and percent thresholds above apply to all work performed within a thirty day period.
- Is in target housing where the owner-occupant signs a statement under the RRP Rule that lead safe work practices are not required.
Note: HUD does not allow any owner, whether an owner-occupant or landlord, to opt out of the use of lead safe work practices at any time, even though the EPA allows an owner-occupant to sign a statement that lead safe work practices are not required.
- b. **Not using HUD's 3 additional prohibited work practices:**
 - Heat guns that char the paint even if operating at below 1100 degrees F.
 - Dry sanding or dry scraping, except dry scraping in conjunction with heat guns or within 1 ft of electrical outlets.
 - Paint stripping using a volatile stripper in a poorly ventilated space.
- c. **Taking additional measures to protect occupants during longer interior hazard reduction activities:** Temporarily relocating the occupant before and during longer interior hazard reduction activities to a suitable, decent, safe, and similarly accessible dwelling unit that does not have lead-based paint hazards. Temporary relocation is not required for shorter projects, where:
 - The work is contained, completed in one period of 8-daytime hours, and does not create other safety, health or environmental hazards; or
 - The work is completed within 5 calendar days, after each work day, the worksite and the area within 10 feet of the containment area are cleaned of visible dust and debris, and occupants have safe access to sleeping areas, and bathroom and kitchen facilities.

C. Additional Designated Party Responsibilities that may Affect the Renovator

On jobs covered by the HUD LSHR, the certified renovation firm and the certified renovator should know other requirements for the designated party that may affect their role on the project.

1. **Designated party must provide occupants with two notices, if the amount of work is above HUD's *de minimis* threshold:**
 - a. **NOTICE OF EVALUATION OR PRESUMPTION:** This notice informs the occupants that paint has been evaluated to determine if it is LBP or that paint has been presumed to be LBP. The designated party must notify the occupants within 15 calendar days of receiving the evaluation report or making the presumption. The renovator should ask the client if he/she has made this notice. The owner may provide a copy of this notice to the renovator so the renovator knows where LBP is located.
 - b. **NOTICE OF HAZARD REDUCTION ACTIVITY:** This notice describes the hazard reduction work that was completed and gives the contact for occupants to get more information. The designated party must notify the occupants within 15 calendar days of completion the hazard reduction work. The renovator may be given a copy of this notice, or may be asked to prepare or distribute the notice for the owner at part of the renovator's work for the owner.

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

2. Depending on the type and amount of housing assistance provided, HUD generally requires that identified LBP hazards be treated. Treatments may include LBP hazard abatement, interim controls or ongoing LBP maintenance. Renovators should inquire if their contract with the owner requires them to perform lead hazard treatment tasks listed below. If so, all workers and supervisors must have the proper training and qualifications. Generally, interim controls include the following activities, which are required if the amount of work is above HUD's *de minimis* threshold; for work below the *de minimis* threshold, any deteriorated paint must be repaired, but the work need not be done using lead-safe work practices, although HUD strongly encourages their use:
 - a. Deteriorated LBP must be stabilized. This means that physical defects in the substrate of a paint surface or component that is causing the deterioration of the surface or component must also be repaired.
 - b. Friction surfaces that are abraded must be treated if there are lead dust hazards nearby.
 - c. Friction points must be either eliminated or treated so the LBP is not subject to abrasion.
 - d. Impact surfaces must be treated if the paint on an impact surface is damaged or otherwise deteriorated and the damage is caused by impact from a related building component (such as a door knob that knocks the wall or a door that rubs against its door frame).
 - e. LBP must be protected from impact.
 - f. Chewable LBP surfaces must be made inaccessible for chewing by children of less than six years of age if there is evidence that such a child has chewed on the painted surface.
 - g. Horizontal surfaces that are rough, pitted, or porous must be covered with a smooth, cleanable covering or coating.
3. For certain types of HUD assistance, when a child known to have an environmental intervention blood lead level is present, the designated party must take additional steps to assess the situation and respond to potential lead hazards. An environmental intervention blood lead level is a reading in a child under 6 years old of 20 micrograms per deciliter of blood (20 µg/dL), or two readings of 15 to 19 µg/dL at least 3 months apart. For certain types of HUD assistance (tenant-based rental assistance, project-based rental assistance, public housing, and HUD-owned multifamily housing), the owner or designated party may ask the renovator to perform work in the unit to address specific lead hazards identified by an environmental investigation risk assessment. All persons participating in such work should have appropriate training and qualifications.
4. The designated party must arrange for a party independent of the renovator to conduct a clearance examination, if the amount of work is above HUD's *de minimis* threshold:
 - a. A clearance examination includes a visual assessment at the end of the renovation work for deteriorated paint, dust, debris, paint chips or other residue; sampling of dust on interior floors, window sills and window troughs; submitting the dust samples to a laboratory for analysis for lead; interpreting the lab results, and preparing a clearance report. EPA also allows a clearance examination to be used instead of the post-cleaning verification, if the clearance examination is required by federal, state or

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

local regulations or by the contract. The unit – or, where work is contained, just the work area and an area just outside the containment – must pass clearance, and must not have any remaining lead hazards. If clearance fails at either the visual assessment step or the dust testing step, cleaning has to be redone in the failed part of the work area. The failed part of the work area is the specific area that was tested, as well as any areas that were not tested, and any other areas that are being represented by the sampled area. For example:

- Just one bedroom was tested, because it was to represent all bedrooms in the housing unit; it failed. Therefore, all of the bedrooms in the unit have to be re-cleaned and re-cleared.
- In a large multifamily apartment building, if a percentage of units are tested in accordance with the HUD Guidelines, if any fail, all of the units except those that passed clearance have to be re-cleaned and re-cleared. (If there are patterns of just certain component types failing, just those component types need to be re-cleaned and re-cleared in the failed and untested units.)
- b. The person conducting the clearance examination must be both:
 - A certified lead-based paint inspector, risk assessor, clearance examiner, or dust sampling technician, depending on the type of activity being performed. (Either the State or the EPA certifies this person, depending on whether or not the State the housing is in is authorized by EPA to certify people in the lead discipline.)
 - Independent of the organization performing hazard reduction or maintenance activities. There is one exception, which is that designated party may use a qualified in-house employee to conduct clearance even if other in-house employees did the renovation work, but an in-house employee may not do both renovation and clearance.

D. How to Find Out About Lead-Based Paint Requirements that Apply to Planned Work in Properties Receiving HUD Housing Assistance, such as Rehabilitation or Acquisition Assistance:

Finding out whether the work is receiving federal housing assistance is important because failing to meet lead-based paint requirements could affect the continuation of the assistance. For each job, the renovation firm should find out whether:

- The housing receives financial assistance; and
- Any lead-based paint requirements apply to the work because of the assistance provided.

The renovation firm should take the following steps:

1. Ask the property owner if the property or the family receives any type of housing assistance, including low-interest loans, from a local, State, or Federal agency. If so:
 - a. Find out the name of the agency, contact person, address and phone number. (See the list of types of agencies below.)
 - b. Get a basic description of the type of assistance the property receives.

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

Note: You should be able to explain to the owner that there will be information about the work that you will need, and that you also need to check if there are any special requirements.

2. If you have any questions about the Federal or State lead-based paint requirements that apply to the work, contact the public agency administering the assistance and discuss the project with the program specialist or rehabilitation specialist working with the property. For example:
 - a. Is the project considered lead abatement? If so, what are the agency's abatement requirements?
 - b. If the project is not abatement, what are the agency's lead-based paint requirements for the project, and how should they be incorporated into the work write-up?

Some types of public agencies administering housing assistance, such as rehabilitation or acquisition assistance, include:

- State Housing Agency, Corporation or Authority
- State Community Development Agency, Corporation or Authority
- State Housing Finance Agency

- City or County Housing Authority, Corporation or Authority
- City or County Community Development Agency, Corporation or Authority

- USDA Service Center - Rural Housing Programs

EPA Certified Renovation Firms and Certified Renovators Additional Requirements of HUD's Lead Safe Housing Rule

The U.S. Department of Housing and Urban Development's Lead Safe Housing Rule (HUD's LSHR, which is found in HUD's regulations at 24 CFR Part 35, Subparts B through M), generally applies to work performed in target housing units receiving HUD housing assistance, such as rehabilitation or acquisition assistance.

Under the LSHR, the program participant (governmental jurisdiction, non-profit, community organization or the property owner who accepts HUD funds) becomes responsible for compliance with the LSHR and is referred to as the designated party (or DP). Renovation firms may include, for example, for-profit contractors, non-profit organizations, or a designated party using its own employees for renovation. In the spirit of maintaining good customer relations, certified renovation firms should ask their client if:

- 1) The work involves lead hazard control (including abatement, interim control of lead hazards or ongoing lead-based paint maintenance); and
- 2) The housing receives financial assistance. If so, the renovator should ask the client to find out if the assistance is federal assistance.

Most clients would appreciate these questions so they may avoid violating HUD or EPA rules. See www.hud.gov/offices/lead/enforcement/lshr.cfm for more information.

The information below and in the table explain the basic requirements of HUD's regulation for renovators who have not yet had experience with HUD-funded work. The term "rehabilitation" is used by HUD to describe residential renovation work. When HUD funds pay for this work, funding often flows from HUD through cities, states or other program participants, and addressing lead-based painted surfaces becomes a routine part of the job. HUD's specific requirements depend on the amount of Federal rehabilitation assistance the project is receiving:

- 1) Up to \$5,000 per unit: "Do no harm" approach. Lead safety requirements cover only the surfaces being disturbed. Program participants can either test these surfaces to determine if they contain lead-based paint or presume they contain lead-based paint. Work which disturbs painted surfaces known or presumed to contain lead-based paint is done using lead safe work practices, and clearance of the worksite is performed at the end of the job (unless it is a very small "de minimis" scale project) to ensure that no lead dust hazards remain in the work area. Training that meets the EPA's RRP Rule requirements is sufficient for this work.
- 2) Greater than \$5,000 and up to \$25,000 per unit: Identify and control lead hazards. Identify all lead hazards at the affected units and common areas servicing those units by performing a lead-based paint risk assessment. Control the hazards using interim controls. Participants may skip the risk assessment and presume that all potential lead hazards are present, and then must use standard treatments to address them. In addition to training that meets the EPA's RRP Rule requirements, HUD-approved interim control training (such as the HUD-EPA RRP curriculum) is required for renovators and workers.
- 3) Greater than \$25,000 per unit: Identify and abate lead hazards. Identify all lead hazards at the property by performing a risk assessment and then abate all the hazards. Participants may skip the risk assessment and presume that all potential lead hazards are present and abate them. This approach requires certified abatement contractors perform the abatement part of the job.

Attachment# 33

HUD Income Limits



FY 2017 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2017 Income Limits Summary

FY 2017 Income Limit Area	Median Income Explanation	FY 2017 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Miami-Dade County	\$51,800	Very Low (50%) Income Limits (\$) Explanation	26,450	30,200	34,000	37,750	40,800	43,800	46,850	49,850
		Extremely Low Income Limits (\$) * Explanation	15,900	18,150	20,420	24,600	28,780	32,960	37,140	41,320
		Low (80%) Income Limits (\$) Explanation	42,300	48,350	54,400	60,400	65,250	70,100	74,900	79,750

Selecting any of the buttons labeled "Explanation" will display detailed calculation steps for each of the various parameters.

* The FY 2014 Consolidated Appropriations Act changed the definition of extremely low-income to be the greater of 30/50ths (60 percent) of the Section 8 very low-income limit or the poverty guideline as established by the Department of Health and Human Services (HHS), provided that this amount is not greater than the Section 8 50% very low-income limit. Consequently, the extremely low income limits may equal the very low (50%) income limits.

Income Limit areas are based on FY 2017 Fair Market Rent (FMR) areas. For information on FMRs, please see our associated FY 2017 [Fair Market Rent documentation system](#).

For last year's Median Family Income and Income Limits, please see here:

[FY2016 Median Family Income and Income Limits for Miami-Dade County](#)

Select a different county or county equivalent in
Florida:

Liberty County ▲
Madison County
Manatee County
Marion County
Martin County
Miami-Dade County ▼

Select county or county equivalent

Select any FY2017 HUD Metropolitan FMR Area's
Income Limits:

Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼

Select HMFA Income Limits Area

Or press below to start over and select a different
state:

Select a new state

Update URL For bookmarking or E-Mailing

Prepared by the Economic and Market Analysis Division, HUD.



FY 2017 MEDIAN FAMILY INCOME DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

Median Family Income Calculation Methodology

Estimates of median family income for metropolitan and non-metropolitan areas are developed as follows:

1. The U.S. Census Bureau's 2010-2014 ACS median family income estimates are used as a basis for calculating HUD's FY2017 MFIs. In areas where the margin of error is more than half of the 2014 5-year ACS itself, the state non-metro estimate of median family income is used.
2. If there is a valid 2017 1-year ACS estimate of median family income available, HUD replaces the 5-year data with the 1-year data. A valid 1-year 2014 5-year ACS estimate is one where the margin of error of the estimate is less than one-half of the estimate.
3. Once the appropriate 2014 ACS data has been selected, an inflation factor based on the CBO forecast of the national CPI is calculated to inflate the estimate from mid-2014 to April, 2017 (or mid FY2017).

The **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**, has published local area 1-year 2014 ACS Survey results.

MFI Step by Step Calculation

1. The following are the 2014 American Community Survey 5-year median income estimate and margin of error for **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**:

Area	ACS ₂₀₁₄ 5-Year Median Income	ACS ₂₀₁₄ 5-Year Margin of Error	Ratio	Result
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$49,391	\$504	\$504 / \$49,391 = 0.01	0.01 < .5 Use ACS₂₀₁₄ Miami-Miami Beach-Kendall, FL

**HUD Metro FMR Area
Median Income**

2. Since there is a 1-year 2014 ACS estimate available, the margin of error of the estimate is checked to determine if it is less than one-half of the 1-year 2014 ACS:

Area	ACS ₂₀₁₄ 1-Year Median Income	ACS ₂₀₁₄ 1-Year Margin of Error	Ratio	Result
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$50,187	\$1,062	$\frac{\$1,062}{\$50,187} = 0.021$	0.021 < .5 Update to ACS ₂₀₁₄ 1- Year Median Income

3. The calculation of the CPI Inflation Factor is as follows:

Area	FY2017 CPI	2014 Annual CPI	CPI Inflation Factor
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	244.2	236.736	$\frac{244.2}{236.736} = 1.03153$

4. The FY 2017 median family income is estimated as follows:

Area	ACS ₂₀₁₄ 5-Year Estimate	CPI Inflation Factor	FY 2017 Area MFI Estimate
Miami-Miami Beach-Kendall, FL HUD Metro FMR Area	\$50,187	1.03153	$(\$50,187 * 1.03153) = \$51,769$

5. In keeping with HUD policy, the median family income estimate is rounded to the nearest \$100:

Area	Unrounded FY 2017 MFI Estimate	Rounded FY 2017 MFI Estimate
Miami-Miami Beach-Kendall, FL HUD	\$51,769	\$51,800

Metro FMR Area
<p>Press below to select a different state:</p> <p>Select a new state</p> <p>Or select a FY 2017 HUD Metropolitan FMR Area's Median Family Income:</p> <p>Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼</p> <p>Select Area</p>
<p>Update URL for bookmarking or E-mailing</p>
<p>Technical Problems or questions? Contact Us.</p>

Attachment # 34

FHFC Income Limits

Note: The hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD released 3/6/2015
FHFC Posted : 3/8/2015

2015 Income Limits and Rent Limits
Florida Housing Finance Corporation
Multifamily Rental Programs -- Except HOME and SHIP
CWHIP Homeownership Program

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Miami-Dade County (Miami-Miami Beach- Kendall HMFA; Miami-Fort Lauderdale- Pompano Beach MSA)	25%	11,850	13,550	15,250	16,925	18,300	19,650	21,000	22,350	23,695	25,049	296	317	381	440	491	541
	28%	13,272	15,176	17,080	18,956	20,496	22,008	23,520	25,032	26,538	28,055	331	355	427	493	550	606
	30%	14,220	16,260	18,300	20,310	21,960	23,580	25,200	26,820	28,434	30,059	355	381	457	528	589	650
	33%	15,642	17,886	20,130	22,341	24,156	25,938	27,720	29,502	31,277	33,065	391	419	503	581	648	715
	35%	16,590	18,970	21,350	23,695	25,620	27,510	29,400	31,290	33,173	35,059	414	444	533	616	687	758
	40%	18,960	21,680	24,400	27,080	29,280	31,440	33,600	35,760	37,912	40,078	474	508	610	704	786	867
Median: 49,900	45%	21,330	24,390	27,450	30,465	32,940	35,370	37,800	40,230	42,651	45,088	533	571	686	792	884	975
	50%	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700	47,390	50,098	592	635	762	880	982	1,083
	60%	28,440	32,520	36,600	40,620	43,920	47,160	50,400	53,640	56,868	60,118	711	762	915	1,056	1,179	1,300
	80%	37,920	43,360	48,800	54,160	58,560	62,880	67,200	71,520	75,824	80,157	948	1,016	1,220	1,409	1,572	1,734
	120%	56,880	65,040	73,200	81,240	87,840	94,320	100,800	107,280	113,736	120,235	1,422	1,524	1,830	2,113	2,358	2,601
	140%	66,360	75,880	85,400	94,780	102,480	110,040	117,600	125,160	132,692	140,274	1,659	1,778	2,135	2,465	2,751	3,034

Attachment# 35

HOME Income Limits



FY 2017 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](#) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2017 Income Limits Summary

FY 2017 Income Limit Area	Median Income Explanation	FY 2017 Income Limit Category	Persons in Family							
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Selecting any of the buttons labeled "Explanation" will display detailed calculation steps for each of the various parameters.

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For last year's Median Family Income and Income Limits, please see here:

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Select a different county or county equivalent in
Florida:

Liberty County ▲
Madison County
Manatee County
Marion County
Martin County
Miami-Dade County ▼

Select county or county equivalent

Select any FY2017 HUD Metropolitan FMR Area's
Income Limits:

Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼

Select HMFA Income Limits Area

Or press below to start over and select a different
state:

Select a new state

Update URL For bookmarking or E-Mailing

Prepared by the Economic and Market Analysis Division, HUD.



FY 2017 MEDIAN FAMILY INCOME DOCUMENTATION SYSTEM

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2. If there is a valid 2017 1-year ACS estimate of median family income available, HUD replaces the 5-year data with the 1-year data. A valid 1-year 2014 5-year ACS estimate is one where the margin of error of the estimate is less than one-half of the estimate.
3. Once the appropriate 2014 ACS data has been selected, an inflation factor based on the CBO forecast of the national CPI is calculated to inflate the estimate from mid-2014 to April, 2017 (or mid FY2017).

The **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**, has published local area 1-year 2014 ACS Survey results.

MFI Step by Step Calculation

1. The following are the 2014 American Community Survey 5-year median income estimate and margin of error for **Miami-Miami Beach-Kendall, FL HUD Metro FMR Area**:

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**HUD Metro FMR Area
Median Income**

2. Since there is a 1-year 2014 ACS estimate available, the margin of error of the estimate is checked to determine if it is less than one-half of the 1-year 2014 ACS:

Area	ACS ₂₀₁₄ 1-Year Median Income	ACS ₂₀₁₄ 1-Year Margin of Error	Ratio	Result
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3. The calculation of the CPI Inflation Factor is as follows:

Area	FY2017 CPI	2014 Annual CPI	CPI Inflation Factor
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5. In keeping with HUD policy, the median family income estimate is rounded to the nearest \$100:

Area	Unrounded FY 2017 MFI Estimate	Rounded FY 2017 MFI Estimate
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Metro FMR Area
<p>Press below to select a different state:</p> <p>Select a new state</p> <p>Or select a FY 2017 HUD Metropolitan FMR Area's Median Family Income:</p> <p>Miami-Miami Beach-Kendall, FL HUD Metro FMR Area ▼</p> <p>Select Area</p>
<p>Update URL for bookmarking or E-mailing</p>
<p>Technical Problems or questions? Contact Us.</p>

Attachment# 36

HOME Rent Limits

U.S. DEPARTMENT OF HUD 04/2017
STATE: FLORIDA

2017 HOME PROGRAM RENTS

PROGRAM	EFFICIENCY	1 BR	2 BR	3 BR	4 BR	5 BR	6 BR
Homosassa Springs, FL MSA							
LOW HOME RENT LIMIT	445	476	572	660	737	813	889
HIGH HOME RENT LIMIT	569	580	734	840	918	994	1070
For Information Only:							
FAIR MARKET RENT	576	580	766	1035	1290	1484	1677
50% RENT LIMIT	445	476	572	660	737	813	889
65% RENT LIMIT	569	611	734	840	918	994	1070
Jacksonville, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	590	631	757	875	976	1077	1177
HIGH HOME RENT LIMIT	617	791	969	1154	1268	1380	1492
For Information Only:							
FAIR MARKET RENT	617	791	969	1283	1625	1869	2113
50% RENT LIMIT	590	631	757	875	976	1077	1177
65% RENT LIMIT	780	837	1006	1154	1268	1380	1492
Baker County, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	477	566	680	785	876	966	1057
HIGH HOME RENT LIMIT	477	645	752	951	1159	1260	1361
For Information Only:							
FAIR MARKET RENT	477	645	752	951	1266	1456	1646
50% RENT LIMIT	528	566	680	785	876	966	1057
65% RENT LIMIT	714	766	922	1056	1159	1260	1361
Lakeland-Winter Haven, FL MSA							
LOW HOME RENT LIMIT	477	511	613	708	791	872	953
HIGH HOME RENT LIMIT	616	640	797	912	998	1082	1166
For Information Only:							
FAIR MARKET RENT	636	640	838	1111	1407	1618	1829
50% RENT LIMIT	477	511	613	708	791	872	953
65% RENT LIMIT	616	662	797	912	998	1082	1166
Fort Lauderdale, FL HUD Metro FMR Area							
LOW HOME RENT LIMIT	667	715	857	990	1105	1219	1333
HIGH HOME RENT LIMIT	829	980	1178	1352	1489	1624	1760
For Information Only:							
FAIR MARKET RENT	829	1023	1307	1883	2303	2648	2984
50% RENT LIMIT	667	715	857	990	1105	1219	1333
65% RENT LIMIT	914	980	1178	1352	1489	1624	1760
Miami-Miami Beach-Kendall, FL HUD Metro FMR							
LOW HOME RENT LIMIT	661	708	850	981	1095	1208	1321
HIGH HOME RENT LIMIT	831	964	1159	1331	1465	1598	1732
For Information Only:							
FAIR MARKET RENT	831	1020	1295	1728	2073	2384	2695
50% RENT LIMIT	661	708	850	981	1095	1208	1321
65% RENT LIMIT	899	964	1159	1331	1465	1598	1732

For all HOME projects, the maximum allowable rent is the HUD calculated High HOME Rent Limit and/or Low HOME Rent Limit.

Attachment # 37

FHFC Tax Credit Rent Limits

Note: The hold harmless provisions of IRC Section 142(d)(2)(E) mean that projects with at least one building placed in service on or before the end of the 45-day transition period for newly-released limits use whichever limits are greater, the current-year limits or the limits in use the preceding year.

HUD released 3/6/2015
FHFC Posted : 3/8/2015

2015 Income Limits and Rent Limits
Florida Housing Finance Corporation
Multifamily Rental Programs -- Except HOME and SHIP
CWHIP Homeownership Program

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Miami-Dade County (Miami-Miami Beach- Kendall HMFA; Miami-Fort Lauderdale- Pompano Beach MSA)	25%	11,850	13,550	15,250	16,925	18,300	19,650	21,000	22,350	23,695	25,049	296	317	381	440	491	541
	28%	13,272	15,176	17,080	18,956	20,496	22,008	23,520	25,032	26,538	28,055	331	355	427	493	550	606
	30%	14,220	16,260	18,300	20,310	21,960	23,580	25,200	26,820	28,434	30,059	355	381	457	528	589	650
	33%	15,642	17,886	20,130	22,341	24,156	25,938	27,720	29,502	31,277	33,065	391	419	503	581	648	715
	35%	16,590	18,970	21,350	23,695	25,620	27,510	29,400	31,290	33,173	35,059	414	444	533	616	687	758
	40%	18,960	21,680	24,400	27,080	29,280	31,440	33,600	35,760	37,912	40,078	474	508	610	704	786	867
Median: 49,900	45%	21,330	24,390	27,450	30,465	32,940	35,370	37,800	40,230	42,651	45,088	533	571	686	792	884	975
	50%	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700	47,390	50,098	592	635	762	880	982	1,083
	60%	28,440	32,520	36,600	40,620	43,920	47,160	50,400	53,640	56,868	60,118	711	762	915	1,056	1,179	1,300
	80%	37,920	43,360	48,800	54,160	58,560	62,880	67,200	71,520	75,824	80,157	948	1,016	1,220	1,409	1,572	1,734
	120%	56,880	65,040	73,200	81,240	87,840	94,320	100,800	107,280	113,736	120,235	1,422	1,524	1,830	2,113	2,358	2,601
	140%	66,360	75,880	85,400	94,780	102,480	110,040	117,600	125,160	132,692	140,274	1,659	1,778	2,135	2,465	2,751	3,034

Attachment # 38

Homeless Funding Application Certification Form

MIAMI-DADE COUNTY HOMELESS TRUST
HOMELESS FUNDING APPLICATION CERTIFICATION FORM

Name of Housing Project for which this certification is made: _____
(Project).

Support of a local Continuum of Care (CoC) Plan and its priorities for permanent supportive housing includes not only production of new housing with supportive services consistent with the established local priorities, but also participation in the CoC's system and processes in order to promote the goals and objectives of the CoC for effective assistance of homeless persons. Therefore, a proposed housing project must meet the following criteria and the Applicant, defined as the entity which will own and operate the Project, must make the following commitments to receive a Certification of Consistency with a local Continuum of Care's Homeless Plan and Priorities for Permanent Supportive Housing:

1. Project will serve the CoC's established priority(ies) for the development of permanent supportive housing.
2. Project has a plan in place to provide the supportive services for the targeted population(s) to be served, either directly or documented through a MOU, MOA or other agreement provided at the time of submission for the request for a certification.
3. Project rents must be ELI or lower for set-aside units identified to help the homeless.
4. Project's admission criteria is responsive to the placement needs targeted, with minimal barriers to placement. For projects servicing the homeless, the admission criteria cannot restrict admission based on a positive drug screen, non-violent criminal history, and poor credit history.
5. Project will participate in the CoC's coordinated intake and assessment process, including for acceptance of all referrals to the homeless units.
6. Project will participate in the Homeless Management Information System, as well as ensure meeting the minimum data quality standards.
7. Project will provide housing and services consistent with the CoC's established Standards of Care for Permanent Supportive Housing and Housing First, as may be amended from time to time.
8. Project will be required to meet minimum performance measures, including those USHUD-required performance measures for permanent supportive housing (e.g. housing retention, income growth, etc.).
9. In the event that Project fails to comply with the above requirements, the CoC will place Project on a corrective plan to cure non-compliance. Until such non-compliance is cured, the CoC will not approve requests for CoC Certifications for new projects proposed by any party within the ownership and/or management structure of Project's Applicant.

I certify that the Applicant and proposed Project will comply with the above requirements of the Continuum of Care if the project is funded, as requested.

Name: _____
Signature *Print*

Title: _____

Entity Represented by Signatory: _____

Date: _____

Attachment # 39

Homeless Unmet Needs

HIC - Unmet Need

All Year-Round Beds/Units						Seasonal	Overflow
Beds for Households with at Least One Adult and One Child	Units for Households with at Least One Adult and One Child	Beds for Households without Children	Beds for Households with Only Children	Units for Households with Only Children	Total Year-Round Beds	Total Seasonal Beds	Overflow Beds
Emergency Shelter							
0	0	0	0	0	0	0	0
Transitional Housing							
0	0	61	0	0	61		
Safe Haven							
		6			6		
Permanent Supportive Housing							
403	102	1,040	0	0	1,443		

Attachment # 40

HOME Subsidy Limits

**ACTION:** Notice.

SUMMARY: HUD is seeking approval from the Office of Management and Budget (OMB) for the information collection described below. In accordance with the Paperwork Reduction Act, HUD is requesting comment from all interested parties on the proposed collection of information. The purpose of this notice is to allow for 60 days of public comment.

DATES: Comments Due Date: January 19, 2016.

ADDRESSES: Interested persons are invited to submit comments regarding this proposal. Comments should refer to the proposal by name and/or OMB Control Number and should be sent to: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Room 4176, Washington, DC 20410-5000; telephone 202-402-3400 (this is not a toll-free number) or email at Colette.Pollard@hud.gov for a copy of the proposed forms or other available information. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877-8339.

FOR FURTHER INFORMATION CONTACT:

Thann Young, Office of Rural Housing and Economic Development, Department of Housing and Urban Development, 451 7th Street SW., Room 7240, Washington, DC 20410; email Thann.Young@hud.gov or telephone 202-708-2290. This is not a toll-free number. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877-8339. Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD is seeking approval from OMB for the information collection described in Section A.

A. Overview of Information Collection
Title of Information Collection: Indian Community Capital Initiative.

OMB Approval Number: 2506—New.
Type of Request: New Collection.
Form Numbers: SF 424; HUD 424CB; HUD 424-CBW; SF-LLL; HUD 2880; HUD 2990; HUD 2991; HUD 2993; HUD 2994A; HUD 27061; and HUD 27300.

Description of the need for the information and proposed use: The Indian Community Capital Initiative

(ICCI) is a collaborative effort among three federal agencies—the Department of Housing and Urban Development (HUD), the Department of the Treasury—Community Development Financial Institutions Fund (CDFI Fund), and the Department of Agriculture—Rural Development (USDA-RD). The ICCI's goal is to increase access to capital for business lending and economic development and entrepreneurship for Federally recognized Indian tribes.

Federally recognized Indian tribe means any tribal entity eligible to apply for funding and services from the Bureau of Indian Affairs by virtue of its status as an Indian tribe. The list of Federally recognized Indian tribes can be found in the notice published by the Department of the Interior on January 14, 2015 (Federal Register/Vol. 80, No. 9/Wednesday, January 14, 2015/Notices).

Respondents (i.e. affected public): Public.

Estimated Number of Respondents: 566.

Estimated Number of Responses: 566.

Frequency of Response: 1.

Average Hours per Response: 7211.

Total Estimated Burdens:

	Respondents	Annual responses	Total responses	Burden per response	Total annual hours	Burden cost per instrument
HUD-424CB	566	1	566	3.12	1,766	44,150
HUD-424CBW	566	1	566	3.12	1,766	44,150
HUD-2880	566	1	566	2.0	1,132	28,300
HUD-2990	566	1	566	0	0	0
HUD-2991	566	1	566	0	0	0
HUD-2993	566	1	566	0	0	0
HUD-2994A	566	1	566	.5	283	7,075
HUD-27061	566	1	566	1.0	566	14,150
HUD-27300	566	1	566	3.0	1,698	42,450
Total	5,094		5,094		7,211	180,275

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. Chapter 35.

Dated: November 4, 2015.

Harriet Tregoning,

Principal Deputy Assistant Secretary for Community Planning and Development.

[FR Doc. 2015-29461 Filed 11-17-15; 8:45 am]

BILLING CODE 4210-67-P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5886-N-01]

Annual Indexing of Basic Statutory Mortgage Limits for Multifamily Housing Programs

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: In accordance with Section 206A of the National Housing Act, HUD has adjusted the Basic Statutory Mortgage Limits for Multifamily Housing Programs for Calendar Year 2015.

DATES: Effective date: January 1, 2015.

FOR FURTHER INFORMATION CONTACT: Daniel J. Sullivan, Deputy Director, Office of Multifamily Development, Department of Housing and Urban Development, 451 Seventh Street SW., Washington, DC 20410-8000, telephone (202) 402-6130 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Information Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: The FHA Down Payment Simplification Act of 2002 (Pub. L. 107-326, approved December 4, 2002) amended the National Housing Act by adding a new Section 206A (12 U.S.C. 1712a). Under Section 206A, the following are affected:

I. Section 207(c)(3)(A) (12 U.S.C. 1713(c)(3)(A));

II. Section 213(b)(2)(A) (12 U.S.C. 1715e (b)(2)(A));

III. Section 220(d)(3)(B)(iii)(I) (12 U.S.C. 1715k (d)(3)(B)(iii)(I));

IV. Section 221(d)(4)(ii)(I) (12 U.S.C. 1715l(d)(4)(ii)(I));

V. Section 231(c)(2)(A) (12 U.S.C. 1715v(c)(2)(A)); and

VI. Section 234(e)(3)(A) (12 U.S.C. 1715y(e)(3)(A)).

The Dollar Amounts in these sections are the base per unit statutory limits for FHA's multifamily mortgage programs collectively referred to as the 'Dollar Amounts,' they are adjusted annually (commencing in 2004) on the effective date of the Consumer Financial Protection Bureau's adjustment of the \$400 figure in the Home Ownership and Equity Protection Act of 1994 (HOEPA) (Pub. L. 103-325, approved September 23, 1994). The adjustment of the Dollar Amounts shall be calculated using the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) as applied by the Bureau of Consumer Financial Protection for purposes of the above-described HOEPA adjustment.

HUD has been notified of the percentage change in the CPI-U used for the HOEPA adjustment and the effective date of the HOEPA adjustment. The percentage change in the CPI-U is 2.0% and the effective date of the HOEPA adjustment is January 1, 2014. The Dollar Amounts have been adjusted correspondingly and have an effective date of January 1, 2015.

The adjusted Dollar Amounts for Calendar Year 2015 are shown below:

BASIC STATUTORY MORTGAGE LIMITS FOR CALENDAR YEAR 2015

Multifamily Loan Program

- b Section 207—Multifamily Housing
b Section 207 pursuant to Section 223(f)—Purchase or Refinance Housing
b Section 220—Housing in Urban Renewal Areas

Bedrooms	Non-Elevator	Elevator
0	\$50,164	\$57,886
1	\$55,569	\$64,832
2	\$66,376	\$79,497
3	\$81,813	\$99,566
4+	\$92,622	\$112,581

b b Section 213—Cooperatives

Bedrooms	Non-Elevator	Elevator
0	\$54,364	\$57,886
1	\$62,683	\$65,583
2	\$75,598	\$79,749
3	\$96,766	\$103,170
4+	\$107,803	\$113,251

b b Section 234—Condominium Housing

Bedrooms	Non-Elevator	Elevator
0	\$55,474	\$58,378
1	\$63,962	\$66,923
2	\$77,140	\$81,377
3	\$98,742	\$105,276
4+	\$110,002	\$115,560

b b Section 221(d)(4)—Moderate Income Housing

Bedrooms	Non-Elevator	Elevator
0	\$49,924	\$53,928
1	\$56,671	\$61,822
2	\$68,501	\$75,176
3	\$85,980	\$97,251
4+	\$97,156	\$106,754

b b Section 231—Housing for the Elderly

Bedrooms	Non-Elevator	Elevator
0	\$47,465	\$53,928
1	\$53,062	\$61,822
2	\$63,364	\$75,176
3	\$76,255	\$97,251
4+	\$89,650	\$106,754

b b Section 207—Manufactured Home Parks per Space—\$23,030

Dated: November 9, 2015.
Edward L. Golding,
Principal Deputy Assistant Secretary for Housing
[FR Doc. 2015-29469 Filed 11-17-15; 8:45 am]
BILLING CODE 4210-67-P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS-R8-FHC-2015-N217;
FXFR1334088TWG0W4-123-FF08EACT00]

Trinity River Adaptive Management Working Group: Public Meeting

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice.

SUMMARY: We, the U.S. Fish and Wildlife Service, announce a public meeting of the Trinity River Adaptive Management Working Group (TAMWG). The TAMWG is a Federal advisory committee that affords stakeholders the opportunity to give policy, management, and technical input concerning Trinity River (California) restoration efforts to the Trinity Management Council (TMC). The TMC interprets and recommends policy, coordinates and reviews management actions, and provides organizational budget oversight.

DATES: Public meeting: TAMWG will meet from 9:30 a.m. to 4:30 p.m. Pacific Time on Thursday, December 10, 2015. **Deadlines:** For deadlines on submitting written material, please see "Public Input" under **SUPPLEMENTARY INFORMATION**.

ADDRESSES: The meeting will be held at the Trinity River Restoration Program Office, 1313 South Main Street, Weaverville, CA 96093.

FOR FURTHER INFORMATION CONTACT: Joseph C. Polos, by mail at U.S. Fish and Wildlife Service, 1655 Heindon Road, Arcata, CA 95521; by telephone at 707-822-7201 or by email at joe_polos@fws.gov or Elizabeth W. Hadley, Redding Electric Utility, by mail at 777 Cypress Avenue, Redding, CA 96001; by telephone at 530-339-7308 or by email at ehadley@reupower.com. Individuals with a disability may request an accommodation by sending an email to either point of contact.

SUPPLEMENTARY INFORMATION: In accordance with the requirements of the Federal Advisory Committee Act, 5 U.S.C. App., we announce that the Trinity River Adaptive Management Working Group will hold a meeting.

Background

The TAMWG affords stakeholders the opportunity to give policy, management, and technical input concerning Trinity River (California) restoration efforts to the TMC. The TMC interprets and recommends policy, coordinates and reviews management actions, and provides organizational budget oversight.

Attachment # 41

SHIP Income Limits

2015 Income Limits and Rent Limits
Florida Housing Finance Corporation
SHIP Program

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Miami-Dade County (Miami-Miami Bch-Kendall HMFA; Miami-Ft. Lauderdale-Pompano Bch)	30%	14,250	16,250	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		356	381	502	658	814	970
	50%	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700	47,390	50,098	592	635	762	880	982	1,083
	80%	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500	75,824	80,157	948	1,016	1,218	1,408	1,571	1,733
	120%	56,880	65,040	73,200	81,240	87,840	94,320	100,800	107,280	113,736	120,235	1,422	1,524	1,830	2,113	2,358	2,601
	140%	66,360	75,880	85,400	94,780	102,480	110,040	117,600	125,160	132,692	140,274	1,659	1,778	2,135	2,465	2,751	3,034
Monroe County Median: 70,400	30%	18,350	21,000	23,600	26,200	28,410	32,570	36,730	40,890	Refer to HUD		458	491	590	682	814	970
	50%	30,600	34,950	39,300	43,650	47,150	50,650	54,150	57,650	61,110	64,602	765	819	982	1,135	1,266	1,397
	80%	48,900	55,850	62,850	69,800	75,400	81,000	86,600	92,150	97,776	103,363	1,222	1,309	1,571	1,815	2,025	2,234
	120%	73,440	83,880	94,320	104,760	113,160	121,560	129,960	138,360	146,664	155,045	1,836	1,966	2,358	2,724	3,039	3,354
	140%	85,680	97,860	110,040	122,220	132,020	141,820	151,620	161,420	171,108	180,886	2,142	2,294	2,751	3,178	3,545	3,913
Nassau County (Jacksonville MSA)	30%	13,300	15,930	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		332	365	502	658	814	970
	50%	22,200	25,350	28,500	31,650	34,200	36,750	39,250	41,800	44,310	46,842	555	594	712	823	918	1,013
	80%	35,500	40,550	45,600	50,650	54,750	58,800	62,850	66,900	70,896	74,947	887	950	1,140	1,317	1,470	1,621
	120%	53,280	60,840	68,400	75,960	82,080	88,200	94,200	100,320	106,344	112,421	1,332	1,426	1,710	1,975	2,205	2,431
	140%	62,160	70,980	79,800	88,620	95,760	102,900	109,900	117,040	124,068	131,158	1,554	1,664	1,995	2,304	2,572	2,836
Okaloosa County (Crestview-Fort Walton Beach- Destin MSA)	30%	14,000	16,000	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		350	375	502	658	814	970
	50%	23,300	26,600	29,950	33,250	35,950	38,600	41,250	43,900	46,550	49,210	582	623	748	865	965	1,064
	80%	37,250	42,600	47,900	53,200	57,500	61,750	66,000	70,250	74,480	78,736	931	998	1,197	1,383	1,543	1,703
	120%	55,920	63,840	71,880	79,800	86,280	92,640	99,000	105,360	111,720	118,104	1,398	1,497	1,797	2,076	2,316	2,554
	140%	65,240	74,480	83,860	93,100	100,660	108,080	115,500	122,920	130,340	137,788	1,631	1,746	2,096	2,422	2,702	2,980
Okeechobee County Median: 44,200	30%	11,770	15,930	20,090	23,850	25,800	27,700	29,600	31,500	Refer to HUD		294	346	502	620	692	763
	50%	16,700	19,100	21,500	23,850	25,800	27,700	29,600	31,500	33,390	35,298	417	447	537	620	692	763
	80%	26,750	30,550	34,350	38,150	41,250	44,300	47,350	50,400	53,424	56,477	668	716	858	992	1,107	1,221
	120%	40,080	45,840	51,600	57,240	61,920	66,480	71,040	75,600	80,136	84,715	1,002	1,074	1,290	1,489	1,662	1,833
	140%	46,760	53,480	60,200	66,780	72,240	77,560	82,880	88,200	93,492	98,834	1,169	1,253	1,505	1,737	1,939	2,138
Orange County (Orlando-Kissimmee- Sanford MSA)	30%	12,250	15,930	20,090	24,250	28,410	32,570	36,150	38,500	Refer to HUD		306	352	502	658	814	933
	50%	20,450	23,350	26,250	29,150	31,500	33,850	36,150	38,500	40,810	43,142	511	547	656	758	846	933
	80%	32,700	37,350	42,000	46,650	50,400	54,150	57,850	61,600	65,296	69,027	817	875	1,050	1,213	1,353	1,493
	120%	49,080	56,040	63,000	69,960	75,600	81,240	86,760	92,400	97,944	103,541	1,227	1,314	1,575	1,819	2,031	2,239
	140%	57,260	65,380	73,500	81,620	88,200	94,780	101,220	107,800	114,268	120,798	1,431	1,533	1,837	2,122	2,369	2,612

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Updated schedules will be provided when changes occur.

Attachment # 42

SHIP Rent Limits

2015 Income Limits and Rent Limits
Florida Housing Finance Corporation
SHIP Program

County (Metro)	Percentage Category	Income Limit by Number of Persons in Household										Rent Limit by Number of Bedrooms in Unit					
		1	2	3	4	5	6	7	8	9	10	0	1	2	3	4	5
Miami-Dade County (Miami-Miami Bch-Kendall HMFA; Miami-Ft. Lauderdale-Pompano Bch)	30%	14,250	16,250	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		356	381	502	658	814	970
	50%	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700	47,390	50,098	592	635	762	880	982	1,083
	80%	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500	75,824	80,157	948	1,016	1,218	1,408	1,571	1,733
	120%	56,880	65,040	73,200	81,240	87,840	94,320	100,800	107,280	113,736	120,235	1,422	1,524	1,830	2,113	2,358	2,601
	140%	66,360	75,880	85,400	94,780	102,480	110,040	117,600	125,160	132,692	140,274	1,659	1,778	2,135	2,465	2,751	3,034
Monroe County Median: 70,400	30%	18,350	21,000	23,600	26,200	28,410	32,570	36,730	40,890	Refer to HUD		458	491	590	682	814	970
	50%	30,600	34,950	39,300	43,650	47,150	50,650	54,150	57,650	61,110	64,602	765	819	982	1,135	1,266	1,397
	80%	48,900	55,850	62,850	69,800	75,400	81,000	86,600	92,150	97,776	103,363	1,222	1,309	1,571	1,815	2,025	2,234
	120%	73,440	83,880	94,320	104,760	113,160	121,560	129,960	138,360	146,664	155,045	1,836	1,966	2,358	2,724	3,039	3,354
	140%	85,680	97,860	110,040	122,220	132,020	141,820	151,620	161,420	171,108	180,886	2,142	2,294	2,751	3,178	3,545	3,913
Nassau County (Jacksonville MSA)	30%	13,300	15,930	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		332	365	502	658	814	970
	50%	22,200	25,350	28,500	31,650	34,200	36,750	39,250	41,800	44,310	46,842	555	594	712	823	918	1,013
	80%	35,500	40,550	45,600	50,650	54,750	58,800	62,850	66,900	70,896	74,947	887	950	1,140	1,317	1,470	1,621
	120%	53,280	60,840	68,400	75,960	82,080	88,200	94,200	100,320	106,344	112,421	1,332	1,426	1,710	1,975	2,205	2,431
	140%	62,160	70,980	79,800	88,620	95,760	102,900	109,900	117,040	124,068	131,158	1,554	1,664	1,995	2,304	2,572	2,836
Okaloosa County (Crestview-Fort Walton Beach- Destin MSA)	30%	14,000	16,000	20,090	24,250	28,410	32,570	36,730	40,890	Refer to HUD		350	375	502	658	814	970
	50%	23,300	26,600	29,950	33,250	35,950	38,600	41,250	43,900	46,550	49,210	582	623	748	865	965	1,064
	80%	37,250	42,600	47,900	53,200	57,500	61,750	66,000	70,250	74,480	78,736	931	998	1,197	1,383	1,543	1,703
	120%	55,920	63,840	71,880	79,800	86,280	92,640	99,000	105,360	111,720	118,104	1,398	1,497	1,797	2,076	2,316	2,554
	140%	65,240	74,480	83,860	93,100	100,660	108,080	115,500	122,920	130,340	137,788	1,631	1,746	2,096	2,422	2,702	2,980
Okeechobee County Median: 44,200	30%	11,770	15,930	20,090	23,850	25,800	27,700	29,600	31,500	Refer to HUD		294	346	502	620	692	763
	50%	16,700	19,100	21,500	23,850	25,800	27,700	29,600	31,500	33,390	35,298	417	447	537	620	692	763
	80%	26,750	30,550	34,350	38,150	41,250	44,300	47,350	50,400	53,424	56,477	668	716	858	992	1,107	1,221
	120%	40,080	45,840	51,600	57,240	61,920	66,480	71,040	75,600	80,136	84,715	1,002	1,074	1,290	1,489	1,662	1,833
	140%	46,760	53,480	60,200	66,780	72,240	77,560	82,880	88,200	93,492	98,834	1,169	1,253	1,505	1,737	1,939	2,138
Orange County (Orlando-Kissimmee- Sanford MSA)	30%	12,250	15,930	20,090	24,250	28,410	32,570	36,150	38,500	Refer to HUD		306	352	502	658	814	933
	50%	20,450	23,350	26,250	29,150	31,500	33,850	36,150	38,500	40,810	43,142	511	547	656	758	846	933
	80%	32,700	37,350	42,000	46,650	50,400	54,150	57,850	61,600	65,296	69,027	817	875	1,050	1,213	1,353	1,493
	120%	49,080	56,040	63,000	69,960	75,600	81,240	86,760	92,400	97,944	103,541	1,227	1,314	1,575	1,819	2,031	2,239
	140%	57,260	65,380	73,500	81,620	88,200	94,780	101,220	107,800	114,268	120,798	1,431	1,533	1,837	2,122	2,369	2,612

Florida Housing Finance Corporation (FHFC) income and rent limits are based upon figures provided by the United States Department of Housing and Urban Development (HUD) and are subject to change. Updated schedules will be provided when changes occur.

Attachment # 43

List of Entitlement Jurisdictions and Participating Municipalities

List of Miami-Dade County Entitlement Jurisdictions and Participating Municipalities

Entitlement Jurisdictions

City of North Miami	City of Miami Beach
City of Homestead	Florida City
City of Miami	City of Miami Gardens
City of Hialeah	

Participating Municipalities

City of Sweetwater	City of Opa-Locka
City of Hialeah Gardens	Village of El Portal
City of North Miami Beach	City of South Miami

Attachment # 44

Resolution No. R-630-13 Due Diligence Checklist, and Affidavit

MEMORANDUM

Amended
Agenda Item No. 11(A)(1)

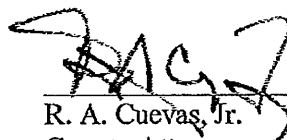
TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: July 16, 2013

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution requiring a detailed project budget, sources and uses statement, certifications as to past defaults on agreements with non-county funding sources, and due diligence check prior to the County Mayor recommending a commitment of County funds to social services, economic development, community development, and affordable housing agencies and providers
Resolution No. R-630-13

The accompanying resolution was prepared and placed on the agenda at the request of Prime Sponsor Vice Chair Lynda Bell and Co-Sponsors Commissioner Esteban L. Bovo, Jr., Commissioner Sally A. Heyman and Chairwoman Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

RAC/smm



MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: July 16, 2013

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Amended
Agenda Item No. 11(A)(1)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Amended
Agenda Item No. 11(A)(1)
7-16-13

RESOLUTION NO. R-630-13

RESOLUTION REQUIRING A DETAILED PROJECT BUDGET, SOURCES AND USES STATEMENT, CERTIFICATIONS AS TO PAST DEFAULTS ON AGREEMENTS WITH NON-COUNTY FUNDING SOURCES, AND DUE DILIGENCE CHECK PRIOR TO THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE RECOMMENDING A COMMITMENT OF COUNTY FUNDS TO SOCIAL SERVICES, ECONOMIC DEVELOPMENT, COMMUNITY DEVELOPMENT, AND AFFORDABLE HOUSING AGENCIES AND PROVIDERS; REQUIRING CERTAIN TERMS TO BE INCLUDED IN CONTRACTS

WHEREAS, Miami-Dade County provides funding from state, local and federal sources for the provision of economic development, community development, and affordable housing activities as well as social services throughout the County, which include but are not limited to general revenue funds, local Documentary Surtax funds, State Housing Initiative Partnership funds, Home Investment Partnerships funds, Emergency Services Grant funds, and Community Development Block Grant funds, and funds awarded through the County's Community-Based Organization ("CBO") funding process (hereinafter together referred to as "Housing and Community Development Funds"); and

WHEREAS, the County's need is great but its resources are limited, making the efficient and transparent use of these Housing and Community Development Funds imperative; and

WHEREAS, this Board desires to ensure that for-profit and non-profit agencies which receive Housing and Community Development Funds ("Agency" or "Agencies") are ready to proceed with the project, are limiting the amount spent on administrative costs, are properly leveraging the Housing and Community Development Funds with other available funds, and are using Housing and Community Development Funds to provide much-needed services to the County's residents; and

WHEREAS, past instances of poor performance and lack of accountability on the part of agencies receiving Housing and Community Development Funds have caused the Board to institute reform and tighten County procedures; and

WHEREAS, this Board desires to ensure that the County Mayor or County Mayor's designee includes certain protections for the County in contracts negotiated and executed between the County and the Agencies,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board directs the County Mayor or County Mayor's designee, prior to making a recommendation for funding, awarding, entering into a contract for, or otherwise issuing any form of commitment of Housing and Community Development Funds, require that Agencies submit to the County Mayor or County Mayor's designee: (A) an affidavit certifying that, within the past five (5) years, neither the Agency nor its directors, partners, principals, members or board members (i) have been sued by a funding source for breach of contract or failure to perform obligations under a contract; (ii) have been cited by a funding source for non-compliance or default under a contract; or (iii) have been a defendant in a lawsuit based upon a contract with a funding source; and (B) a detailed project budget and Sources and Uses Statement which shall be sufficiently detailed to show (i) the total project cost; (ii) the amount of funds to be used for administrative and overhead costs; (iii) whether the Housing and Community Development Funds will be "gap" funds, meaning that they would be the last remaining funds needed to ensure funding for the total project cost; (iv) any profit to be made by the person or agency; and (v) amount of funds devoted toward the provision of the desired services or activities. The County Mayor or County Mayor's designee is directed to create a form of the affidavit described above in subsection (A), which shall include a section for the Agency

to explain any matters which prohibit the Agency from making the certifications required and a section to explain if and how any of the matters disclosed are being resolved.

Section 2. Prior to the County Mayor or County Mayor's designee making a recommendation for funding, entering into a contract for, or otherwise issuing any form of commitment of Housing and Community Development Funds to any person or entity, the County Mayor or County Mayor's designee shall engage in a due diligence effort which includes checking all sources listed on Exhibit 1, attached hereto, and ensuring that the Agency is not in non-compliance on other contracts involving Housing and Community Development Funds, including but not limited to inquiring of other County departments, including inquiring of other County departments.

Section 3. The County Mayor or County Mayor's designee is directed to incorporate the policies espoused in Sections 1 and 2, above, into its competitive and non-competitive processes for selecting persons or agencies to receive Housing and Community Development Funds, including but not limited to the annual Request for Application (RFA) process administered by the Public Housing and Community Development Department, or its successor department, and the annual Community-Based Organization funding process. The Mayor or Mayor's designee is not required by this resolution to recommend against funding or contracting with any Agency based upon the matters disclosed in the affidavit described in Section 1(A), above. Rather, the County Mayor or County Mayor's designee is directed to include with any recommendation for funding or award of any contract for Housing and Community Development Funds a description of the due diligence investigation performed in a section of the justification memorandum called "Due Diligence" and to report to the Board any instance where the research conducted pursuant to Sections 1 and 2, herein, revealed information which affected, either positively or negatively, the County Mayor or County Mayor's designee's decision to

recommend a particular agency for funding or which may adversely affect the Board's decision to approve said recommendations.

Section 4. The County Mayor or County Mayor's designee is directed to include a provision in contracts negotiated and executed between the County and Agencies receiving Housing and Community Development Funds to permit the County Mayor or County Mayor's designee to make unannounced, on-site visits during normal working hours to the Agency's headquarters and/or any location or site where the services contracted for are performed.

Section 5. This resolution is intended to apply only to contracts or recommendations by the County Mayor or County Mayor's designee which are submitted to the Board after the adoption date of this resolution.

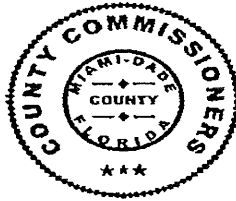
The Prime Sponsor of the foregoing resolution is Vice Chair Lynda Bell and the Co-Sponsors are Commissioner Esteban L. Bovo, Jr., Commissioner Sally A. Heyman and Chairwoman Rebeca Sosa. It was offered by Commissioner **Lynda Bell**, who moved its adoption. The motion was seconded by Commissioner **José "Pepe" Diaz** and upon being put to a vote, the vote was as follows:

	Rebeca Sosa, Chairwoman	aye	
	Lynda Bell, Vice Chair	aye	
Bruno A. Barreiro	aye	Esteban L. Bovo, Jr.	aye
Jose "Pepe" Diaz	aye	Audrey M. Edmonson	absent
Sally A. Heyman	aye	Barbara J. Jordan	aye
Jean Monestime	aye	Dennis C. Moss	aye
Sen. Javier D. Souto	absent	Xavier L. Suarez	aye
Juan C. Zapata	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 16th day of July, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK



By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in dark ink, appearing to read "BKN", written over a horizontal line.

Brenda Kuhns Neuman

Exhibit 1
Due Diligence Checklist

Miami-Dade County Office of Inspector General searchable website
Vendor Registration documents, affidavits, and applicable licenses (ADPICS, BTS, and the Florida Department of Business and Professional Regulation
(<http://www.myfloridalicense.com/dbpr/>)
Insurance, and/or bonds, as applicable
SBD Violations Report (<http://www.miamidade.gov/sba/reports-history-of-violations.asp>)
Florida Convicted Vendor List
(http://dms.myflorida.com/business_operations/state_purchasing/vendor_information/convicted_suspended_discriminatory_complaints_vendor_lists/convicted_vendor_list)
Contractor Debarment Report (<http://www.miamidade.gov/sba/reports-debarment.asp>)
Delinquent Contractors (http://wasiap.miamidade.gov/ARI/menu_1_0.do)
Goal Deficit Make-Up Report (<http://www.miamidade.gov/sba/reports-goal-deficit.asp>)
Suspended Contractors (<http://egvsys.metro-dade.com:1608/wwwserv/ggvt/bnzawbcc.dia>)
Florida Suspended Contractors
(http://dms.myflorida.com/business_operations/state_purchasing/vendor_information/convicted_suspended_discriminatory_complaints_vendor_lists/suspended_vendor_list)
Federal Excluded Parties List System (<https://www.epls.gov/>)
Sudan-Iran Affidavit (<http://www.sbafla.com/fsb/LinkClick.aspx?fileticket=iePW9X7I3-E%3D&tabid=751&mid=2409>)
State of Florida Corporations (Sun Biz) (<http://www.sunbiz.org/search.html>) (or State of Corporate Registration)
Capital Improvements Information System (CIIS) database, if applicable
(http://intra.miamidade.gov/CIIS/CIIS_Menu_Main.asp) (*Construction only*)
A&E Technical Certification Report (<http://www.miamidade.gov/procurement/technical-certification.asp>) (*Design and Professional Services only*)
Pre-Qualification Report (<http://www.miamidade.gov/procurement/pre-qualification-certification.asp>)
(*Design and Professional Services only*)
Web search for compliance and performance record (including Better Business Bureau and other jurisdictions)
Reference checks for contracts similar in scope (including County departments, other agencies, and companies/firms). *If a contractor has performance or compliance issues on another contract, the scope of that contract must be compared with the subject contract.*
Tax returns, Financial Statements (Audited), Pro Forma statements, and other financial documents/statements
Local public records search (including the Miami-Dade Clerk of Courts <http://www2.miamidadeclerk.com/public-records/>)
Dunn & Bradstreet financial reports*
Public Access to Court Electronic Records (PACER) litigation reports*

* These are subscription-based services. Please contact Procurement Management Services if a project warrants access to these services.



AFFIDAVIT

Applicant Name: _____

Address: _____

Telephone Number: _____

Pursuant to Miami-Dade County Resolution No. R-630-13, the undersigned certifies, to the best of his or her knowledge and belief, that:

1. Within the past five (5) years, neither the Agency nor its directors, partners, principals, members or board members:
 - (i) have been sued by a funding source for breach of contract or failure to perform obligations under a contract;
 - (ii) have been cited by a funding source for non-compliance or default under a contract;
 - (iii) have been a defendant in a lawsuit based upon a contract with a funding source.

Please list any matters which prohibit the Agency from making the certifications required and explain how the matters are being resolved (use separate sheet if necessary):

This is certified by my signature:

_____ Applicant's Signature	_____ Print Applicant's Name	_____ Date
--------------------------------	---------------------------------	---------------

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 20____
by _____. He/she is personally known to me or has presented _____
_____ as identification number: _____

(Print or Stamp of Notary):

Expiration Date: _____

Notary Seal:

Notary Public – State of _____

Attachment # 45

Resolution No. R-697-13 Requiring Secured Loan on Community Development Funds in Excess of \$25,000

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

MEMORANDUM

Agenda Item No. 11(A)(1)

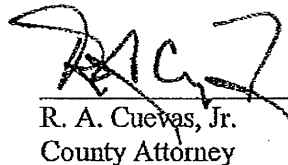
TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: September 4, 2013

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution establishing a policy
that any allocations of Housing
and Community Development
funds and Building Better
Communities General Obligation
Bond Program funds for the
purpose of acquiring or
improving real property or for
paying off secured debts on real
property in excess of \$25,000.00
shall be in the form of a secured
loan or grant with restriction on
future use of the property
Resolution No. R-697-13

The accompanying resolution was prepared and placed on the agenda at the request of Prime
Sponsor Vice Chair Lynda Bell.



R. A. Cuevas, Jr.
County Attorney

RAC/smm




MEMORANDUM

(Revised)

TO: Honorable Chairwoman Rebeca Sosa
and Members, Board of County Commissioners

DATE: September 4, 2013

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(1)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(1)
9-4-13

RESOLUTION NO. R-697-13

RESOLUTION ESTABLISHING A POLICY THAT ANY ALLOCATIONS OF HOUSING AND COMMUNITY DEVELOPMENT FUNDS AND BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM FUNDS FOR THE PURPOSE OF ACQUIRING OR IMPROVING REAL PROPERTY OR FOR PAYING OFF SECURED DEBTS ON REAL PROPERTY IN EXCESS OF \$25,000.00 SHALL BE IN THE FORM OF A SECURED LOAN OR GRANT WITH RESTRICTION ON FUTURE USE OF THE PROPERTY; AND DIRECTING THE MAYOR OR MAYOR'S DESIGNEE TO INCORPORATE THIS POLICY INTO SELECTION PROCESSES AND CONTRACTS FOR HOUSING AND COMMUNITY DEVELOPMENT FUNDS AND BUILDING BETTER COMMUNITIES GENERAL OBLIGATION BOND PROGRAM FUNDS

WHEREAS, Miami-Dade County provides funding from state, local and federal sources for the provision of economic development, community development, and affordable housing activities throughout the County, which include but are not limited to local Documentary Surtax funds, State Housing Initiative Partnership funds, Home Investment Partnerships funds, Emergency Services Grant funds, and Community Development Block Grant funds (hereinafter "Housing and Community Development Funds") and Building Better Communities General Obligation Program ("the Bond Program") funds; and

WHEREAS, Housing and Community Development Funds and Bond Program funds are often granted to private for-profit and not-for-profit entities and governmental entities for the purpose of acquiring or improving real property or for paying off secured debts on real property; and

WHEREAS, the County's need is great but its resources are limited; and

WHEREAS, the Board desires to protect the County's limited Housing and Community Development Funds and Bond Program funds from fraud, misuse, or waste,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that:

Section 1. The Board hereby establishes the policy that any allocations of Housing and Community Development Funds made to non-governmental entities for the purpose of acquiring or improving real property or for paying off debts secured by real property in excess of \$25,000 shall be in the form of a loan. These loans shall be secured by a mortgage or other security instrument which shall immediately be recorded in the public records of Miami-Dade County and may be forgivable and/or defer interest and payments so long as the obligations of the recipient are fully performed. Additionally, in the event that Housing and Community Development Funds will be allocated to a person or agency leasing real property for the purpose of improving the property, the owner of the property shall be requested to secure the loan by a mortgage or other security instrument on the subject property and upon agreement such mortgage or security interest shall immediately be recorded in the public records of Miami-Dade County. If the property owner does not agree to the securing of the loan by a mortgage or other security instrument on the subject property, the Mayor or Mayor's designee may secure the loan with a leasehold mortgage upon a determination that such a security is in the best interest of the County.

Section 2. Notwithstanding any provision of Section 1 above, in the event that a mortgage is deemed by the Mayor or Mayor's designee not to be in the best interest of the County due to prior encumbrances on the real property or other factors, the Mayor or Mayor's designee shall select an alternative form of security/collateral or restriction on the future use of the property in consultation with the County Attorney's Office. If the Mayor or Mayor's designee determines that it is not possible for the County to obtain a form of security/collateral or restriction on the future use of the property sufficient to protect the County's interest in the

Housing and Community Development Funds allocated toward a particular project, the Mayor or Mayor's designee shall submit a recommendation to the Board to either proceed with the allocation, which shall require a two-thirds (2/3) vote of the Board members present, or to rescind or otherwise modify the allocation.

Section 3. The Board hereby establishes the policy that any allocations of Bond Program Funds to a non-governmental entity for the purpose of acquiring real property, improving real property owned by the recipient, or paying off debts secured by real property in excess of \$25,000 shall be in the form of a grant, conditioned upon the execution and recordation of a restrictive covenant with a right of reverter or other restriction on the future use of the property in the public records of Miami-Dade County, and County approval of any further encumbrances of the real property.

Section 4. The Mayor or Mayor's designee is directed to incorporate the policy set forth in Sections 1 and 2, above, into the County's competitive and other processes for the selection of recipients of Housing and Community Development Funds and into contracts and agreements for Housing and Community Development Funds. The Mayor or Mayor's designee is directed to incorporate the policy set forth in Section 3 above into the County's competitive and other processes for the selection of recipients of Bond Program funds, if any, and into contracts and agreements for Bond Program funds.

Section 5. This resolution is intended to apply only to grant agreements for allocations of Bond Program Funds to a non-governmental entity for the purpose of acquiring real property, improving real property owned by the recipient, or paying off debts secured by real property in excess of \$25,000 that are entered into by the County after the effective date of this resolution, and recommendations by the Mayor or Mayor's designee for allocations of Housing and Community Development Funds for the purpose of acquiring or improving real property or

for paying off debts secured by real property in excess of \$25,000 which are submitted to the Board after the effective date of this resolution.

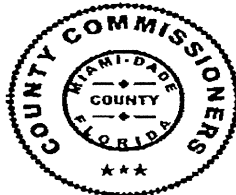
The Prime Sponsor of the foregoing resolution is Vice Chair Lynda Bell. It was offered by Commissioner **Lynda Bell**, who moved its adoption. The motion was seconded by Commissioner **Sally A. Heyman** and upon being put to a vote, the vote was as follows:

	Rebeca Sosa, Chairwoman	aye	
	Lynda Bell, Vice Chair	aye	
Bruno A. Barreiro	aye	Esteban L. Bovo, Jr.	aye
Jose "Pepe" Diaz	absent	Audrey M. Edmonson	absent
Sally A. Heyman	aye	Barbara J. Jordan	aye
Jean Monestime	aye	Dennis C. Moss	aye
Sen. Javier D. Souto	aye	Xavier L. Suarez	aye
Juan C. Zapata	aye		

The Chairperson thereupon declared the resolution duly passed and adopted this 4th day of September, 2013. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK



By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Brenda Kuhns Neuman

Attachment # 46

Resolution No. R-596-12 Targeting CDBG Funds to NRSAs

OFFICIAL FILE COPY
CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA



MEMORANDUM

Agenda Item No. 11(A)(16)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

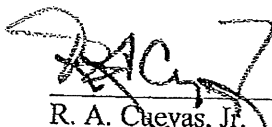
DATE: July 3, 2012

FROM: R. A. Cuevas, Jr.
County Attorney

SUBJECT: Resolution directing the Mayor
to target Community Development
Block Grant Funds to Neighborhood
Revitalization Strategy Areas and to
revise the County's Community
Development Block Grant
Consolidated Plan and policy papers
to require such targeting of funds

Resolution No. R-596-12

The accompanying resolution was prepared and placed on the agenda at the request of Co-Prime Sponsors Commissioner Jean Monestime and Commissioner Lynda Bell, and Co-Sponsor Commissioner Rebeca Sosa.



R. A. Cuevas, Jr.
County Attorney

RAC/cp

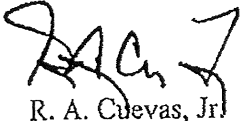


MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

DATE: July 3, 2012

FROM: 
R. A. Cuevas, Jr.
County Attorney

SUBJECT: Agenda Item No. 11(A)(16)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Ordinance creating a new board requires detailed County Manager's report for public hearing
- ☐ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous ____) to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 11(A)(16)
7-3-12

RESOLUTION NO. R-596-12

RESOLUTION DIRECTING THE MAYOR OR THE MAYOR'S
DESIGNEE TO TARGET COMMUNITY DEVELOPMENT
BLOCK GRANT FUNDS TO NEIGHBORHOOD
REVITALIZATION STRATEGY AREAS AND TO REVISE
THE COUNTY'S COMMUNITY DEVELOPMENT BLOCK
GRANT CONSOLIDATED PLAN AND POLICY PAPERS TO
REQUIRE SUCH TARGETING OF FUNDS

WHEREAS, the Community Development Block Grant program has as its primary objective 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; and

WHEREAS, the amount of Community Development Block Grant funds received by the County is based on its low and moderate income populations; and

WHEREAS, on January 5, 1995, the Federal Register, which is the official daily publication for rules, proposed rules and notices of Federal agencies and organizations, published the authorization for entitlement grantees to develop comprehensive approaches to address economic development needs in a designated neighborhood within their community. These areas are referred to as Neighborhood Revitalization Strategy Areas or NRSAs; and

WHEREAS, the focus of the strategy for NRSAs must be economic empowerment of the low- and moderate-income population of the NRSA; and

WHEREAS, Community Development Block Grant funds should be targeted to the NRSAs as areas determined by the County to have high need; and

WHEREAS, there are currently eight (8) areas designated as NRSAs within Miami-Dade County (the "County"); and

WHEREAS, NRSAs were established pursuant to the County's submission of its Consolidated Plan to HUD,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board:

Section 1. Directs the Mayor or the Mayor's designee to target Community Development Block Grant funds to Neighborhood Revitalization Strategy Areas by doing the following with respect to the forty percent (40%) of Community Development Block Grant funds not allocated to County departments or the administration of the program: requiring a minimum of fifty percent (50%) of those Community Development Block Grant funds to be used for economic development. Economic development shall mean an activity or project that creates jobs and includes, but is not limited to, technical assistance, microenterprise activities, commercial rehabilitation, commercial façade improvement, and job training; requiring that any allocation to Parks, Public Works or other infrastructure projects go to Neighborhood Revitalization Strategy Areas and that Community Development Block Grant funds compose no more than fifty percent (50%) of the total project cost, except that Community Development Block Grant funds awarded to any infrastructure project that has been previously approved by the Neighborhood Revitalization Strategy Area Community Advisory Committee as part of that NRSA's Strategic Plan shall not be subject to this fifty percent (50%) limitation; any allocation of Community Development Block Grant funds allocated to infrastructure projects outside of the Neighborhood Revitalization Strategy Areas must be approved by a two-thirds (2/3) vote of the Board of County Commissioners and the allocation may not exceed twenty-five percent (25%) of the total project cost.

Section 2. The Mayor or the Mayor's Designee is further directed to include in the County's consolidated plan, policy paper, and other necessary documents or legislation language to effectuate the targeting of Community Development Block Grant funds to Neighborhood Revitalization Areas as directed herein.

Section 3. The requirements of this resolution shall apply to recaptured and re-allocated Community Development Block Grant funds as well as new allocations of Community Development Block Grant funds. Recaptured and reallocated Community Development Block Grant funds shall be allocated in the manner provided herein and shall be awarded to projects and activities which have been designated a priority.

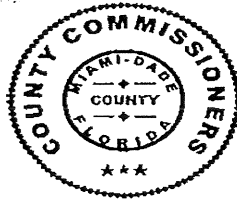
The Co-Prime Sponsors of the foregoing resolution are Commissioner Jean Monestime and Commissioner Lynda Bell, and Co-Sponsor Commissioner Rebeca Sosa. It was offered by Commissioner **Audrey Edmonson**, who moved its adoption. The motion was seconded by Commissioner **Lynda Bell** and upon being put to a vote, the vote was as follows:

	Joe A. Martinez, Chairman	aye
	Audrey M. Edmonson, Vice Chairwoman	aye
Bruno A. Barreiro	Lynda Bell	aye
Esteban L. Bovo, Jr.	Jose "Pepe" Diaz	absent
Sally A. Heyman	Barbara J. Jordan	absent
Jean Monestime	Dennis C. Moss	aye
Rebeca Sosa	Sen. Javier D. Souto	absent
Xavier L. Suarez		aye

The Chairperson thereupon declared the resolution duly passed and adopted this 3rd day of July, 2012. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK



By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

A handwritten signature in black ink, appearing to be "Shannon D. Summerset", written over a horizontal line.

Shannon D. Summerset

Attachment # 47

Environmental Review Form



PUBLIC HOUSING AND COMMUNITY DEVELOPMENT (PHCD)

INFORMATION FOR ENVIRONMENTAL REVIEW FORM

INSTRUCTIONS: Per 24 CFR Part 58, the purpose of the environmental review procedures is to foster the implementation of environmentally compatible activities. As a grant or loan recipient, Miami-Dade County will not fund projects that will negatively impact clients, communities, or the environment.

Part I. AGENCY AND PROJECT DETAIL

1. Indicate Funding Source:

- | | | |
|---|-------------------------------|----------------------------------|
| <input type="checkbox"/> CDBG | <input type="checkbox"/> HOME | <input type="checkbox"/> HOPE VI |
| <input type="checkbox"/> HOMELESS (SRO/SHP) | <input type="checkbox"/> EDI | <input type="checkbox"/> NSP |

2. Indicate Fiscal Year: FY 20____

3. Name of Subrecipient/Agency: _____

4. Name of Proposed Activity: _____

5. Location (Address with City, ST and Zip) of Activity or Project:

6. Site Folio Number(s):

7. Commission District(s): _____

8. Direct Contact information of loan/grant recipient:

Name:			
Address:			
City:	State:	Zip:	
Phone:	Fax:		

9. Detailed description of activity or project:

10. What is the purpose of the activity or project? For example, Public Service, Economic Development, Historic Preservation, Capital Improvement, Housing, etc.

11. What is the status of activity or project? For example, Pre-Development Phase, Rehab/Construction Underway, Rehab/Construction Completed, etc.

Part II. PROJECT OUTCOME

Will the activity or project result in the following?

YES	NO	
		1. Change in use
		2. Sub-surface alteration (i.e. excavations)
		3. New construction
		4. Renovation or demolition
		5. Site improvements (utilities, sidewalk, landscaping, storm drainage, parking areas, drives, etc.)
		6. Building improvements (windows, doors, etc.)
		7. Displacement of persons, households or business
		8. Increase in population working or living on site
		9. Land acquisition
		10. Activity in 100-year floodplain
		11. A new nonresidential use generating at least 1,375,000 gallons of water or 687,500 gallons of sewage per day.
		12. Use requiring operating permit (i.e. for hazardous waste, pretreatment of sewage, etc.)
		13. A sanitary landfill or hazardous waste disposal site
		14. Tree removal or relocation
		15. Street improvements
		16. The impounding of more than 10 acre feet of water (e.g. digging a lake or diverting or deepening of a body of water).

Part III. SITE SPECIFIC INFORMATION

1. Land Use:

Describe the existing and proposed land use:

- Existing?

- Proposed?

-
-
- Does the site have any known contaminants?

☐ YES

☐ NO

- If there are known contaminants, has a Phase I audit been completed? If yes, a copy of Phase I Environmental Audit certified to Miami-Dade County must be submitted to determine the likely presence of either a release or threatened release of hazardous substance.

☐ YES

☐ NO

2. Site Plan:

Does the proposed activity include a new structure(s) or site improvements on a site of one (1) acre or more?

☐ YES

☐ NO

If yes, a site plan must be provided. Project(s) will not be environmentally reviewed without a site plan.

3. Photographs:

Does the activity include new construction, renovation or rehabilitation?

☐ YES

☐ NO

If yes, photographs must be provided of each side (front, rear and sides) of the structure(s) proposed for assistance and the buildings on the adjacent lots. The photographs shall be identified by address. In addition, provide for each existing structure on the site, the following information:

- Existing structure(s) on site? ☐ YES ☐ NO
- Estimated age of structure(s)? _____

4. Value of Improvements:

Does the proposed activity include rehabilitation or renovation of structure(s)?

☐ YES

☐ NO

If yes, what is the estimated cost of rehabilitation or renovation? _____

What is the amount sought for funding? _____

In addition, indicate if the estimated value of the improvement represents:

- ☐ 0 to 39.9 percent of the market value of the structure(s)
- ☐ 40 to 49.9 percent of the market value of the structure(s)
- ☐ 50 to 74.9 percent of the market value of the structure(s)

☐ 75 percent or more of the market value of the structure(s)

5. Phase I Environmental Audits:

Does the proposed activity involve the transfer of any property, new construction, major renovations of 75% or more of the structures' market value, or a securing of a loan for nonresidential parcel?

☐ YES ☐ NO

If yes, a copy of Phase I Environmental Audit certified to Miami-Dade County must be submitted to determine the likely presence of either a release or threatened release of hazardous substance.

An audit is a review of a site and adjacent properties and involves preparing a history of ownership, land use and zoning for the last 50 years; researching environmental records for information on hazardous waste sites, hazardous facilities, solid waste/landfill facilities and underground storage tanks (available through the Department of Permitting Environment and Regulatory Affairs (DPERA), Florida Department of Environmental Protection (FDEP) and U.S. Environmental Protection Agency (EPA)); and site inspection for physical evidence of contamination such as damaged vegetation or stains in the soil.

Has a Phase I been performed? ☐ YES ☐ NO

6. Environmental Health Information:

- If a residential site and the activity includes or involves rehabilitation, has it been inspected for defective paint surfaces?

☐ YES ☐ NO

If yes, please submit the results.

- Have any child under the age of six at the site been tested for elevated levels of lead in the body?

☐ YES ☐ NO

If yes, please submit the results.

7. Other Site Information:

	YES	NO
1. Flood insurance required?		
2. Public water available on site?		
3. Public sewer available on site?		
4. Children under 6 years of age residing on site or relocating to site (including day care facility)?		
5. Hazardous waste disposal facility?		
6. Storage of hazardous materials on site?		
7. Abandoned structure(s) on site?		

Part IV. SUPPLEMENTAL REQUIRED DOCUMENTS

Required Submittal Documents:

1. For **all projects**: **Submit** street/plat maps that depict location of property in the County and/or City with the location or lot clearly pointed out.

2. For **new construction** projects: Submit a scope of service, an itemized budget, and a site plan.
3. For **housing/building rehabilitation projects only**: Submit a scope of service, an itemized budget describing the major components of the rehabilitation program planned, and a photograph of the property.
4. For **historic properties**, include: Submit photographs of the property, and a description of any adjacent historic properties that may be affected by your activity.

Part V. CERTIFICATION

I certify to the accuracy of the information provided. I understand that all funded activities must have an approved environmental review clearance prior to the commencement of projects. I clearly understand that any omitted and/or incorrect information will delay the initiation of the environmental review process by the PHCD staff. As such, I am aware that omitted information could delay the commencement of my organization's project. I understand all approved environmental reviews are valid for one (1) year maximum.

Print Name	Signature	Title
Name of Organization or Corporation		Date

Unless otherwise indicated, return completed form and attachments to:

Project Management Division
Public Housing and Community Development
701 NW 1st Court - 14th Floor
Miami, Florida 33136

TYPES OF ACTIVITIES AND ENVIRONMENTAL GUIDELINES TRIGGERED:

Type of Activity	EXEMPT*	CENST**	CEST***	EA****
Economic Development				
New Construction				X
Rehab			X ¹	X ²
Non-Construction/Expansion		X		
Housing				
Single Family Rehab			X	
Multi-Family Rehab			X ¹	X ²
New Construction				X
Homeownership Assistance		X		
Affordable Housing Pre-Dev.		X		
Capital Improvement				
Handicapped Access			X	
Public Facilities			X ¹	X ²
Infrastructure			X ¹	X ²
Public Services				
Employment	X			
Crime Prevention	X			
Child Care	X			
Youth or Senior Services	X			
Supportive Services		X		

Type of Publication	No Public Notice/No RROF	No Public Notice/No RROF	No Public Notice/No RROF (No Statutory Requirement Triggered) Or Publish NOI/RROF (Statutory Requirement Triggered)	Publish FONSI and NOI/RROF
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Estimated Time Frame (Excluding Triggered Statutes)	30-45 Days	30-45 Days	45-90 Days	90 Days Minimum
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X¹ If for continued use and change in density (or size) of less than 20%

X² Change in density (or size) of more than 20%

*	Exempt	Exempt Activities
**	CENST	Categorically Excluded and Not Subject to 58.5
***	CEST	Categorically Excluded Subject to 58.5
****	EA	Environmental Assessment (Format II)



Attachment # 48

Sample Commitment Letter

Miami-Dade County
Conditional Loan Commitment

To: Name of Agency/Developer
Address of Developer
City, State / Zip Code

Re: Name of Project
Address of the Project
Type of Project (Ex., Multi-Family New Construction)

Dear Developer:

We are pleased to advise you that on _____ the Board of County Commissioners (BCC) approved a Conditional Loan Commitment for development activity at the above-listed property (the "Property"). The loan is conditionally committed for the MAYOR or MAYOR'S DESIGNEE-CHOOSE AS APPLICABLE [[payment of hard construction costs]] [[acquisition of the property]] as a portion of the development costs to [[construct]] [[rehabilitate]] the affordable housing units on the Property. This Conditional Loan Commitment is made based upon the application submitted by Borrower in response to, for HOME funds, the Miami-Dade County Consolidated Request for Applications for FY 2014 Funding – Housing Application, Book Two or, for SURTAX funds, the Miami-Dade County Consolidated Request for Applications for FY 2014 Funding – Documentary Stamp Surtax Funding, Book Three (the "RFA") and is subject to the following terms and conditions:

Borrower: [["NAME OF AGENCY/DEVELOPER"]]

Project: [[NAME OF THE PROJECT, # OF UNITS AND TYPE OF PROJECT]]

Loan Amount: The loan amount of not-to-exceed \$_____ is the amount approved by the BCC in Resolution No. R-XXX and includes all terms and conditions of such BCC approval, including project scope, activity type and, for federal funds, national objective to be achieved (the "Loan"). The loan amount may be decreased as determined by the Mayor or the Mayor's designee, based on the information and documentation provided by Developer

Conditions: The Loan is conditioned upon the terms, conditions and requirements set forth below (the "Conditions"). The County shall not issue a final unconditional loan commitment, enter into a funding contract, close on the Loan or disburse the Loan funds until all the Conditions are met.

Collateral: Upon satisfaction of the Conditions, Miami-Dade County (County) and Borrower will enter into a funding contract and loan agreement. The Loan shall be evidenced by a promissory note and secured by a construction/permanent mortgage with assignment of leases and rents, a collateral assignment of leases and rents, a collateral assignment of construction documents, a rental regulatory agreement (where applicable), and any other security or collateral as deemed appropriate by the Mayor or Mayor's designee, in his or her sole discretion, with approval of the County

Attorney's Office. Borrower shall additionally be required to provide the County with an environmental indemnification agreement, a UCC-1, title affidavit, partnership affidavit (if applicable), corporate resolution approving the loan documents, opinion of counsel, certification of borrower to borrower's counsel, and title policy making the County an insured. The Collateral shall be determined based upon financial feasibility and subsidy layering underwriting to be performed by County staff in an internal process and by an independent underwriter and paid for by Borrower ("Underwriting") following review of a current title search. Additional forms of security may be required if liens, encumbrances, restrictions or covenants exist on the Property which the Mayor or Mayor's designee determines, in his or her sole discretion, threaten the County's Collateral. The Mayor or Mayor's designee shall determine, in his or her sole discretion and in consultation with the County Attorney's Office, whether the Collateral provided by Borrower is sufficient to close and disburse the Loan.

Interest Rate: Loan terms, including the interest rate, are those set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Repayable: There will be no penalty for prepayment of the Loan (payment of Loan balance before the end of the repayment term). Repayment terms are those set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting. The prepayment of any Loan shall not affect the term of affordability set forth in the Rental Regulatory Agreement or in any of the other Loan Documents.

Term: The Loan will be for the period of time set forth in the RFA, on page 24 for HOME funds or page 12 and Addendum 1, page 1, question 2 for Surtax funds, as it may be modified prior to closing by the Mayor or Mayor's designee in accordance with the results of Underwriting.

Conditions:

1. Underwriting, as explained above, shall include financial feasibility review, subsidy layering review, and credit review. Underwriting is performed to protect the County's scarce affordable housing funds and is performed to ensure that the Project has sufficient financing to be completed timely and that the Project is not over-subsidized, meaning the Loan is not needed or the Loan Amount is too high. The County reserves the right to reduce the Loan Amount subject to Underwriting. The County further reserves the right to refuse to issue a final, unconditional loan commitment to Borrower or to enter into a contract for the Loan or to close on the Loan in the event that Underwriting determines that the project is financially unfeasible or otherwise is unfeasible. The costs of Underwriting are to be paid by Borrower.
2. Borrower must prove control of the Property through purchase or lease, as evidenced by a deed or lease and recorded memorandum of lease in Borrower's name. Absence of any threat of foreclosure, taking by eminent domain, or pending bankruptcy are additionally required.
3. Borrower must provide the County with written financing commitments showing committed financing for the entire Development Cost of the Project, including any gaps between the Loan and the overall costs to develop the Project. The Development Cost of the Project means the total cost of completing the entire Project, from acquisition to the issuance of Certificate of Occupancy, including but not limited to the costs for acquisition, design and planning, zoning and variances, financing costs, legal costs, construction, and permitting. In the event of a dispute as to what

amount constitutes the actual Development Cost, Borrower and County will use the amount determined by Underwriting to be the Development Cost.

4. Conformance of the Project design with the application submitted in the RFA, unless changes are approved by the Mayor or Mayor's designee.
5. Complete plans and specifications of the Project.
6. Payment and performance bond in the amount of the entire construction budget or otherwise in conformance with applicable law. Where a payment and performance bond is not required by law, the Mayor or Mayor's designee may alternatively accept – at the Mayor or Mayor's designee's sole discretion – a letter of credit in an amount acceptable to the Mayor or Mayor's designee.
7. Appraisal of the Property showing that the value of the Project and Property, when completed, exceeds the total amount of debt from all sources to be secured by the Project, unless waived by the Mayor or Mayor's designee.
8. A Phase I environmental report requiring no further action.
9. Such other conditions which are customary and reasonable for a loan of this nature, such as adhering to all Federal, State and local regulations, ordinances, codes and standards.
10. Meeting all requirements of the Surtax or HOME program, respectively.

This Conditional Loan Commitment will expire in six (6) months if not extended by Miami-Dade County. An extension of this Conditional Loan Commitment may be granted at the sole and absolute discretion of Miami-Dade County. Any extension granted will be contingent upon compliance with and in accordance with Resolutions No. R-165-13 and/or R-232-14, as applicable and must be signed by the Mayor or Mayor's Designee to be valid. If the loan does not close prior to the expiration or extension of this Conditional Loan Commitment, the funds will be subject to recapture and allocated to other projects. This Conditional Loan Commitment is not assignable. This Conditional Loan Commitment is the sole and complete agreement between the parties as to the terms of the Loan described herein. The terms of this Conditional Loan Commitment may only be changed in writing in a document signed by the Mayor or the Mayor's designee. No representations, written or verbal, of Miami-Dade County employees, or others purporting to act on behalf of Miami-Dade County, may change the terms of this Commitment.

Miami-Dade County wishes to thank you for your proposal and the opportunity to provide financing for this development, and we look forward to closing this transaction.

Sincerely,
Miami-Dade County

Agreed and Accepted:

Carlos A. Gimenez, Mayor

By: _____

Name: _____

Title: _____

Date: _____

c: Russell Benford, Deputy Mayor
Michael Liu, Director

Approved as to Form and Legal Sufficiency

Assistant County Attorney

Date _____

Attachment # 49

Loan Security Instrument

PROMISSORY NOTE
[Insert Type of Loan] Loan

\$ _____

Miami, Florida

FOR VALUE RECEIVED the undersigned _____, a Florida _____ ("Maker"), promises to pay to the order of **MIAMI-DADE COUNTY**, Florida, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 111 N.W. 1st Street, Miami, Florida 33128, Attention: County Mayor, or such other place as Holder may from time to time designate in writing, the principal sum of and _____ NO/100 DOLLARS(\$ _____) (the "Principal"), plus interest on the outstanding principal balance at the rate of _____ percent (_____ %) per annum) ("Interest or Interest Rate"), to be paid in lawful money of the United States of America in accordance with the terms of this Promissory Note.

This Promissory Note is made to evidence the loan made to the undersigned by PHCD to provide Community Development Block Grant ("CDBG") funds to the Borrower as reflected in the _____ Contract between the parties dated _____, (hereinafter "Contract"). Stated monthly principal payments of \$ _____ are to begin on the 1st day of the month following the execution of this Note, for a period of three (3) years. If Borrower complies strictly with all terms of the Contract, interest shall accrue at zero (0%) for the term of this Note and the aforementioned monthly principal payments shall be waived and the principal sum shall be forgiven. Pursuant to the Contract, in the event the Property tied to the Activity is sold during the contract period or if the construction has not been completed within three (3) years of the date of execution of this Note, or if the requirements set forth in the Contract are not strictly complied with or Borrower fails to properly perform under said Contract, Miami-Dade County shall be entitled to the reimbursement of its \$ _____ contribution to the project, plus twelve percent (12%) compound interest until the County's principal is fully repaid.

Pursuant to 24 C.F.R. 570.503(b)(7)(i) or to 24 C.F.R. 570.505, as applicable, funds in excess of \$25,000 used by Maker to improve or acquire real property shall be used to meet a national objective (as defined in 24 C.F.R. § 570.208) until five (5) years after expiration of the Contract or Project Completion, whichever is later. IN NO EVENT SHALL THIS NOTE BE FORGIVEN BEFORE MAKER COMPLIES WITH THIS REQUIREMENT. In the event this provision conflicts with any provision of any other Contract or Loan Document, this provision shall prevail.

This Note is secured by a Mortgage and Security Agreement (the "Mortgage") encumbering certain real property located in Miami-Dade County, Florida (the "Premises"). The foregoing, the Contract, and all other agreements, instruments and documents delivered in connection with this Note are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida, as amended, except as modified by the laws and regulations of the United States of America.

Maker shall have no obligation to pay interest or payments in the nature of interest in excess of the maximum rate of interest allowed to be contracted for by law, as changed from time to time, applicable to this Note (the "Maximum Rate"). Any interest in excess of the Maximum Rate paid by Maker ("Excess Sum") shall be credited as a payment of principal, or, if Maker so requests in writing, returned to Maker, or, if the indebtedness and other obligations evidenced by this Note have been paid in full, returned to Maker together with interest at the same rate as was paid by Maker during such period. Any Excess Sum credited to Principal shall be credited as of the date paid to Holder. The Maximum Rate varies from time to time and from time to time there may be no specific maximum rate. Holder may, without such action constituting a breach of any obligations to Maker, seek judicial determination of the Maximum Rate of interest, and its obligation to pay or credit any proposed excess sum to Maker.

The "Default Interest Rate" and, in the event no specific maximum rate is applicable, the Maximum Rate shall be eighteen percent (18%) per annum.

Holder shall have the right to declare the total unpaid balance of this Note to be immediately due and payable in advance of the Maturity Date upon the failure of Maker to pay when due, taking into account applicable grace periods, any payment of Principal or Interest or other amount due under the Loan Documents; or upon the occurrence of an event of default, which is not cured prior to the expiration of any applicable cure periods, pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Maker or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment under this Note or the Loan Documents not paid when due (at maturity, upon acceleration or otherwise) taking into account applicable grace periods shall bear interest at the Default Interest Rate from the due date until paid.

Provided Holder has not accelerated this Note, Maker shall pay Holder a late charge of five percent (5%) of any required payment which is not received by Holder within ten (10) days of the due date of said payment. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence. In the event that this Note is collected by law or through attorneys at law, or under their advice, Maker agrees, to pay all reasonable costs of collection, including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

This Note may be paid in whole or in part at any time by Maker without penalty. Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Maker to pay all obligations due, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

Maker agrees to assign any proceeds to the county from any contract between the county, its agencies or instrumentalities and the Maker or any firm, corporation, partnership or joint venture in which the Maker has a controlling financial interest in order to secure repayment of the loan. "Controlling financial interest" shall mean ownership, directly or indirectly to ten percent or more of the outstanding capital stock in any corporation or a direct or indirect interest of ten percent or more in a firm, partnership or other business entity.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise. No action or omission of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment of this Note" shall include any endorser, guarantor, surety or other person now or subsequently primarily or secondarily liable for the payment of this Note, whether by signing this Note or any other instrument.

This Note is a full recourse Note and Holder shall have all remedies available to it at law and at equity.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

This Note shall be the joint and several obligation of all makers, endorsers, co-signers, guarantors, and sureties, and shall be binding upon them and their successors and assigns. All makers, endorsers, co-signers, guarantors, and sureties hereof agree jointly and severally to pay all costs of collection and of suit and foreclosure, including reasonable attorneys' fees. The Note Holder may enforce its rights under this Note against each party individually or jointly, and may enforce its rights against any party in any order. Any party under this Note may be required to pay all amounts owed.

Maker and any other person liable for the payment of this Note respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Maker (or any co-maker) or any other person liable for payment of this Note, without in any way modifying,

altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Maker (or any co-maker) or against any other person liable for payment of this Note or to attempt to realize on any collateral for this Note.

BY EXECUTING THIS NOTE, MAKER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHTS OR THE RIGHTS OF ITS HEIRS, ASSIGNS, SUCCESSORS OR PERSONAL REPRESENTATIVES TO A TRIAL BY JURY, IF ANY, IN ANY ACTION, PROCEEDING OR SUIT, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, AND WHETHER ASSERTED BY WAY OF COMPLAINT, ANSWER, CROSSCLAIM, COUNTERCLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE, BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS NOTE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT TO BE EXECUTED IN CONNECTION HERewith OR WITH THE INDEBTEDNESS OR THE RENEWAL, MODIFICATION OR EXTENSION OF ANY OF THE FOREGOING OR ANY FUTURE ADVANCE THEREUNDER. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER'S EXTENDING CREDIT TO A BORROWER AND NO WAIVER OR LIMITATION OF LENDER'S RIGHTS HEREUNDER SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON LENDER'S BEHALF.

Maker acknowledges that the above paragraph has been expressly bargained for by Miami-Dade County, Florida as part of the transaction with Borrower and that, but for Maker's agreement, Miami-Dade County, Florida would not have agreed to lend the Borrower the Principal on the terms and at the Interest Rate.

WHEREFORE, Maker has executed this Note on the [REDACTED] day of [REDACTED], 20[REDACTED].

a Florida

By:

a Florida

By: _____
[REDACTED] President

By:

a Florida

By: _____
[REDACTED] President

PROMISSORY NOTE

CDBG Loan

\$ [REDACTED]

Miami, Florida

FOR VALUE RECEIVED the undersigned [REDACTED], a Florida [REDACTED] ("Maker"), promises to pay to the order of **MIAMI-DADE COUNTY**, Florida, a political subdivision of the State of Florida, together with any other holder hereof ("Holder"), at 111 N.W. 1st Street, Miami, Florida 33128, Attention: County Mayor, or such other place as Holder may from time to time designate in writing, the principal sum of and [REDACTED] NO/100 DOLLARS(\$ [REDACTED]) (the "Principal"), plus interest on the outstanding principal balance at the rate of twelve percent (12%) per annum ("Interest or Interest Rate"), to be paid in lawful money of the United States of America in accordance with the terms of this Promissory Note.

This Promissory Note ("Note") is made to evidence the loan made to the undersigned by Holder to provide Community Development Block Grant ("CDBG") funds to the Borrower as reflected in the [REDACTED] **[EXACT TITLE OF CONTRACT]** Contract between the parties dated [REDACTED], 20 [REDACTED] (the "Contract").

Terms of Forgiveness

If Maker complies strictly with all terms of the Contract, interest shall accrue at zero percent (0%) for the term of this Note. If Maker successfully meets a national objective, as set forth in 24 C.F.R. Part 570 ("CDBG Regulations") and complies with the terms of the Contract, then interest shall accrue at zero percent (0%) for the term of this Note and no payments shall be due. The term of this Note shall be for the duration of the Contract or until Maker successfully meets a national objective as set forth in the CDBG Regulations. (This means that Maker is not required to make payments of Principal or interest unless notified by Holder that Maker is not complying with the terms of the Contract or CDBG Regulations.) If the terms of the Contract are not complied with or Maker fails to meet a national objective as set forth in the CDBG Regulations, Holder shall be entitled, at its sole discretion, to accelerate this loan and demand from Maker the repayment of the entire Principal, plus twelve percent (12%) compound interest until the entire balance of Principal plus interest is fully repaid.

Payments will be applied first to interest and then to principal.

This Note, the Contract, and all other agreements, instruments and documents delivered in connection with this Note are collectively referred to as the "Loan Documents."

This Note has been executed and delivered in, and is to be governed by and construed under the laws of, the State of Florida. Any dispute arising under or in connection with this Agreement or related to any matter which is the subject of this Agreement shall be subject to the exclusive jurisdiction of the state and/or federal courts located in Miami-Dade County, Florida.

Maker shall have no obligation to pay interest or payments in the nature of interest in excess of the maximum rate of interest allowed to be contracted for by law, as changed from time to time, applicable to this Note (the "Maximum Rate"). Any interest in excess of the Maximum Rate paid by

Maker ("Excess Sum") shall be credited as a payment of principal, or, if Maker so requests in writing, returned to Maker, or, if the indebtedness and other obligations evidenced by this Note have been paid in full, returned to Maker together with interest at the same rate as was paid by Maker during such period. Any Excess Sum credited to Principal shall be credited as of the date paid to Holder. The Maximum Rate varies from time to time and from time to time there may be no specific maximum rate. Holder may, without such action constituting a breach of any obligations to Maker, seek judicial determination of the Maximum Rate of interest, and its obligation to pay or credit any proposed excess sum to Maker.

The "Default Interest Rate" and, in the event no specific maximum rate is applicable, the Maximum Rate shall be eighteen percent (18%) per annum.

Holder shall have the right to declare the total unpaid balance of this Note to be immediately due and payable upon the occurrence of an event of default, which is not cured prior to the expiration of any applicable cure periods, pursuant to any other Loan Documents now or hereafter evidencing, securing or guarantying payment of this Note. Exercise of this right shall be without notice to Maker or to any other person liable for payment hereof, notice of such exercise being hereby expressly waived.

Any payment under this Note or the Loan Documents not paid when due (at maturity, upon acceleration or otherwise) taking into account applicable grace periods shall bear interest at the Default Interest Rate from the due date until paid.

Provided Holder has not accelerated this Note, Maker shall pay Holder a late charge of five percent (5%) of any required payment which is not received by Holder within ten (10) days of the due date of said payment. The parties agree that said charge is a fair and reasonable charge for the late payment and shall not be deemed a penalty.

Time is of the essence. In the event that this Note is collected by law or through attorneys at law, or under their advice, Maker agrees, to pay all reasonable costs of collection, including reasonable attorneys' fees, whether or not suit is brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or other creditors proceedings or otherwise.

This Note may be paid in whole or in part at any time by Maker without penalty. Acceptance of partial payments or payments marked "payment in full" or "in satisfaction" or words to similar effect shall not affect the duty of Maker to pay all obligations due, and shall not affect the right of Holder to pursue all remedies available to it under any Loan Documents.

Maker agrees to assign any proceeds to the Holder from any contract between Miami-Dade County, its agencies or instrumentalities and the Maker or any firm, corporation, partnership or joint venture in which the Maker has a controlling financial interest in order to secure repayment of the loan. "Controlling financial interest" shall mean ownership, directly or indirectly to ten percent or more of the outstanding capital stock in any corporation or a direct or indirect interest of ten percent or more in a firm, partnership or other business entity.

The remedies of Holder shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of Holder, and may be exercised as often as occasion therefor shall arise. No action or omission of Holder, including specifically any failure to exercise or forbearance in the exercise of any remedy, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing, nor shall it be construed as a bar to, or as a waiver or release of, any subsequent remedy as to a subsequent event.

Any notice to be given or to be served upon any party in connection with this Note, whether required or otherwise, may be given in any manner permitted under the Loan Documents.

The term "other person liable for payment of this Note" shall include any endorser, guarantor, surety or other person now or subsequently primarily or secondarily liable for the payment of this Note, whether by signing this Note or any other instrument.

This Note is a full recourse Note and Holder shall have all remedies available to it at law and at equity.

Whenever the context so requires, the neuter gender includes the feminine and/or masculine, as the case may be, and the singular number includes the plural, and the plural number includes the singular.

This Note shall be the joint and several obligation of all makers, endorsers, co-signers, guarantors, and sureties, and shall be binding upon them and their successors and assigns. All makers, endorsers, co-signers, guarantors, and sureties hereof agree jointly and severally to pay all costs of collection and of suit, including reasonable attorneys' fees. The Note Holder may enforce its rights under this Note against each party individually or jointly, and may enforce its rights against any party in any order. Any party under this Note may be required to pay all amounts owed.

Maker and any other person liable for the payment of this Note respectively, hereby (a) expressly waive any valuation and appraisal, presentment, demand for payment, notice of dishonor, protest, notice of nonpayment or protest, all other forms of notice whatsoever, and diligence in collection; (b) consent that Holder may, from time to time and without notice to any of them or demand, (i) extend, rearrange, renew or postpone any or all payments, (ii) release, exchange, add to or substitute all or any part of the collateral for this Note, and/or (iii) release Maker (or any co-maker) or any other person liable for payment of this Note, without in any way modifying, altering, releasing, affecting or limiting their respective liability or the lien of any security instrument; and (c) agree that Holder, in order to enforce payment of this Note against any of them, shall not be required first to institute any suit or to exhaust any of its remedies against Maker (or any co-maker) or against any other person liable for payment of this Note or to attempt to realize on any collateral for this Note.

BY EXECUTING THIS NOTE, MAKER KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ITS RIGHTS OR THE RIGHTS OF ITS HEIRS, ASSIGNS, SUCCESSORS OR PERSONAL REPRESENTATIVES TO A TRIAL BY JURY, IF ANY, IN

ANY ACTION, PROCEEDING OR SUIT, WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE, AND WHETHER ASSERTED BY WAY OF COMPLAINT, ANSWER, CROSSCLAIM, COUNTERCLAIM, AFFIRMATIVE DEFENSE OR OTHERWISE, BASED ON, ARISING OUT OF, UNDER OR IN CONNECTION WITH, THIS NOTE OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT TO BE EXECUTED IN CONNECTION HERewith OR WITH THE INDEBTEDNESS OR THE RENEWAL, MODIFICATION OR EXTENSION OF ANY OF THE FOREGOING OR ANY FUTURE ADVANCE THEREUNDER. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER'S EXTENDING CREDIT TO A BORROWER AND NO WAIVER OR LIMITATION OF LENDER'S RIGHTS HEREUNDER SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON LENDER'S BEHALF.

Maker acknowledges that the above paragraph has been expressly bargained for by Miami-Dade County, Florida as part of the transaction with Borrower and that, but for Maker's agreement, Miami-Dade County, Florida would not have agreed to lend the Borrower the Principal on the terms and at the Interest Rate.

WHEREFORE, Maker has executed this Note on the _____ of _____, 20____.

a Florida

By:

a Florida

By: _____
President

By:

a Florida

By: _____
President

STATE OF FLORIDA)
) ss:
COUNTY OF DADE)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__ by _____, as President of _____, a Florida _____, on behalf of the _____.

Personally Known ☐

Produced Identification ☐ Type of Identification:

☐ *Did* ☐ *Did Not* Take an Oath

NOTARY PUBLIC, STATE OF FLORIDA
AT LARGE

NOTARY STAMP

THIS INSTRUMENT WAS PREPARED BY:

_____, ESQ.
Assistant County Attorney
Miami-Dade County, Florida
111 N.W. First Street, Suite 2810
Miami, Florida 33128

**MORTGAGE AND SECURITY AGREEMENT
AND ASSIGNMENT OF LEASES, RENTS AND PROFITS**

THIS MORTGAGE AND SECURITY AGREEMENT AND ASSIGNMENT OF LEASES, RENTS AND PROFITS ("the "Mortgage"), dated this ____ day of _____, 20__ by _____, a Florida _____ with an address of _____, Florida 33__ ("Mortgagor") in favor of MIAMI-DADE COUNTY, a political subdivision of the State of Florida with an address of 111 N.W. First Street, Miami, FL 33128, Attn: County Manager ("Mortgagee").

WITNESSETH

That for good and valuable consideration, and to secure the payment of the Promissory Note executed by the Mortgagor in favor of the Mortgagee in the original principal amount of _____ DOLLARS and no/100 (U.S. \$_____.00), as the same may be renewed, extended or amended, from time to time, and together with all accrual interest, including, without limitation, such interest as may be added to the principal amount under the terms of such instrument (referred to as the "Note" or the "Promissory Note"), the final payment of which is due on or before the due date provided in the Promissory Note and to secure any other indebtedness owed by Mortgagor to Mortgagee, now or hereafter arising under the terms of this Mortgage or in any other instrument constituting additional security for the Note, and all other sums of money secured as provided under this Mortgage, the Mortgagor does grant, bargain, sell, remise, release, and convey unto the Mortgagee, its successors and assigns, the real estate described in Exhibit A, which is attached and made a part of this Mortgage, which, together with the property hereinafter described, is referred to herein as the "Property";

TOGETHER WITH:

(a) All buildings and improvements, now or hereafter located on the Property, all privileges and other rights now or hereafter made appurtenant thereto, including, without limitation, all right, title and interest of Mortgagor in and to all streets, roads and public places, opened or proposed, and all easements and rights-of-way, public or private, now or hereafter used in connection with the Property; and

(b) All fixtures, fittings, furnishings, appliances, apparatus, goods, equipment, and machinery, including, without limitation, all gas and electric fixtures, radiators, heaters, engines

and machinery, boilers, ranges, ovens, elevators and motors, escalators, bathtubs, sinks, water closets, basins, pipes, faucets and other ventilating and air-conditioning, plumbing, lighting and heating fixtures, mirrors, mantels, refrigerating plants, refrigerators, iceboxes, dishwashers, carpeting, furniture, laundry equipment, cooking apparatus and appurtenances, washing machines, dryers, trash compactors, TV antennas, phone systems, incinerators, trash receptacles, sprinklers and fire extinguishing systems, smoke detectors and other fire alarm devices, door bell and alarm systems, screens, awnings, doors, storm and other detachable doors and windows, built-in cases, counters, trees, hardy shrubs and perennial flowers, interior and exterior cleaning, plowing, lawn care, maintenance and repair machinery, vehicles or equipment, and all building material, supplies and equipment now or hereafter delivered to the Property and installed or used in the Property, all other fixtures and personal property of whatever kind and nature owned by the Mortgagor on the date of this Mortgage contained in or hereafter placed in any building standing on the Property; such other goods, equipment, chattels and personal property as are usually furnished by landlords in letting premises of the character hereby conveyed, and all renewals or replacements thereof or articles in substitution thereof, all of the estate, right, title and interest of the Mortgagor in and to all property of any nature whatsoever, now or hereafter situated on the Premises or intended to be used in connection with the operation thereof, all of which shall be deemed to be fixtures and accessions to the freehold and a part of the realty as between the parties hereto, and all persons claiming by, through or under them, and shall be deemed to be a portion of the security for the indebtedness herein mentioned and secured by the Mortgage. If the lien of this Mortgage on any fixtures or personal property is or becomes subject to a lease agreement, conditional sale agreement or chattel mortgage of the Mortgagor, any and all deposits made thereof or therefor are hereby assigned to the Mortgagee, together with the benefit of any payments now or hereafter made thereon. There is also transferred, set over, and assigned hereby Mortgage to Mortgagee, its successors and assigns, all leases and use agreements of machinery, equipment and other personal property of Mortgagor in the categories hereinabove set forth, under which Mortgagor is the lessee of, or entitled to use, such items, and Mortgagor agrees to execute and deliver to Mortgagee specific separate assignments to Mortgagee of such leases and agreements when requested by Mortgagee, but nothing herein constitutes Mortgagee's consent to any financing of any fixture or personal property, and nothing herein shall obligate Mortgagee to perform any obligations of Mortgagor under any such leases or agreements unless it so chooses, which obligations Mortgagor hereby covenants and agrees to well and punctually perform. The items set forth in this paragraph (b) are sometimes hereinafter separately referred to as "Collateral"; and

(c) All rents, royalties, issues, profits, revenue, income and other benefits from the property described in paragraph (a) and (b) hereof to be applied against the indebtedness and other sums secured hereby, provided, however, that permission is hereby given to Mortgagor so long as no default has occurred hereunder, to collect, receive, take, use and enjoy such rents, royalties, issues, profits, revenue, income and other benefits as they become due and payable, but not in advance thereof. The foregoing assignment shall be fully operative without any further action on the part of either party and specifically Mortgagee shall be entitled, at its option upon the occurrence of a default hereunder, to all rents, royalties, issues, profits, revenue, income and other benefits from the property described in paragraphs (a) and (b) hereof whether or not

Mortgagee takes possession of such property. Upon any such default hereunder, the permission hereby given to Mortgagor to collect such rents, royalties, issues, profits, revenue, income and other benefits from the property described in paragraphs (a) and (b) hereof shall terminate and such permission shall be reinstated upon a cure of the default upon Mortgagee's specific consent. Neither the exercise of any rights under this paragraph by Mortgagee nor the application of any such rents, royalties, issues, profits, revenue, income or other benefits to the indebtedness and other sums secured hereby, shall cure or waive any default or notice of default hereunder or invalidate any act done pursuant hereto or to any such notice, but shall be cumulative of all other rights and remedies.

(d) All right, title and interest of Mortgagor in and to all leases now or hereafter on or affecting the property described in paragraphs (a) and (b) hereof, together with all security therefor and all monies payable thereunder, subject, however, to the conditional permission hereinabove given to Mortgagor to collect the rentals under any such lease. The foregoing assignment of any lease shall not be deemed to impose upon Mortgagee any of the obligations or duties of Mortgagor provided in any such lease, and, Mortgagor agrees to fully perform all obligations of the lessor under all such leases. Upon Mortgagee's request, Mortgagor agrees to send to Mortgagee a list of all leases covered by the foregoing assignment and as any such lease shall expire or terminate or as any new lease shall be made, Mortgagor shall so notify Mortgagee in order that at all times Mortgagee shall have a current list of all leases affecting the property described in paragraphs (a) and (b) hereof. Mortgagee shall have the right, at any time and from time to time, to notify any lessee of the rights of Mortgagee as provided by this paragraph. From time to time, upon request of Mortgagee, Mortgagor shall specifically assign to Mortgagee as additional security hereunder, by an instrument in writing in such form as may be approved by Mortgagee, all right, title and interest of Mortgagor in and to any and all leases now or hereafter on or affecting the Premises, together with all security therefor and all monies payable hereunder, subject to the conditional permission hereinabove given to Mortgagor to collect the rentals under any such lease. Mortgagor shall execute and deliver to Mortgagee any notification, financing statement or other document reasonably required by Mortgagee to perfect the foregoing assignment as to any such lease.

(e) To the extent of the indebtedness secured herein, all judgments, awards of damages and settlements hereafter made as a result of or in lieu of any taking of the Property or any part thereof or interest therein under the power of eminent domain, or for any damage (whether caused by such taking or otherwise) to the Property or the improvements thereon or any part thereof or interest therein, including any award for change of grade of streets.

(f) To the extent of the indebtedness secured herein, all insurance policies covering all or any portion of the Property and all blueprints, plans, maps, documents, books and records relating to the Property.

(g) To the extent of the indebtedness secured herein, all proceeds of the conversion, voluntary or involuntary, of any of the foregoing into cash or liquidated claims.

TO HAVE AND TO HOLD the above granted Property, with all the privileges and appurtenances to the same belonging to the said Mortgagee, its successors and assigns, to its and their use and behoof forever.

PROVIDED, HOWEVER, that if the Mortgagor shall pay or cause to be paid to the Holder of the Note principal and interest under the Note, at the time and in the manner stipulated therein, and shall pay or cause to be paid all other sums payable hereunder and all indebtedness hereby secured, then, in such case, the estate, right, title and interest of the Mortgagee in the Property shall cease, determine and become void and the Mortgagee shall, cancel, release and discharge this Mortgage.

ARTICLE ONE

Mortgagor's Covenants

Mortgagor covenants and agrees with Mortgagee that:

1.01 Title.

a. The Mortgagor warrants that: it has good and marketable title to an indefeasible fee simple estate in the Property, subject to no liens, charges or encumbrances other than the lien of this Mortgage and of any encumbrances, if any, described on Exhibit B hereto ("Permitted Encumbrances"); that it has good right and lawful authority to mortgage the Property in the manner and form herein provided; that Mortgagor has full power and authority to mortgage the Property in the manner and form herein done or intended hereafter to be done; that this Mortgage is and shall remain a valid and enforceable lien on the Property, subject only to those of the Permitted Encumbrances which are stated on Exhibit B hereto to constitute "Prior Encumbrances"; that Mortgagor and its successors and assigns shall warrant and defend the same and priority of this lien forever against the lawful claims and demands of all persons whomsoever (other than the Prior Encumbrances); and, that this covenant shall not be extinguished by any foreclosure hereof but shall run with the land.

b. Mortgagor shall maintain the property free of all security interests, liens and encumbrances, other than Permitted Encumbrances, the security interest hereunder or any lien or encumbrance disclosed to and approved by Mortgagee in writing.

c. The Mortgagor shall do, execute, acknowledge and deliver all and every such further acts, deeds, conveyances, mortgages, assignments, notices of assignments, transfers and assurances as the Mortgagee shall from time to time require, for the better assuring, conveying, assigning, transferring and confirming unto the Mortgagee the property and rights hereby conveyed or assigned or intended now or hereafter so to be, or which the Mortgagor may be or may hereafter become bound to convey or assign to the Mortgagee, or for carrying out the intention of facilitating the performance of the terms of this Mortgage, or for filing, registering or recording this Mortgage and, on demand, shall execute and deliver, and hereby authorizes the

Mortgagee to execute in the name of the Mortgagor to the extent it may lawfully do so, one or more financing statements, chattel mortgages or comparable security instruments, to evidence more effectively the lien hereof upon the Collateral.

d. The Mortgagor shall, upon the execution of this Mortgage, the Rental Regulatory Agreement, and the Note (the "Loan Documents"), cause all recordable Loan Documents, to be filed, registered or recorded in such manner and in such places as may be required by any present or future law in order to publish notice of and fully to protect the lien hereof upon, and the interest of the Mortgagee in the Property.

e. The Mortgagor shall pay for all filing, registration or recording fees, and all expenses incident to the preparation, execution and acknowledgment of this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Collateral, and any instrument of further assurance, and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of the Note, this Mortgage, any mortgage supplemental hereto, any security instrument with respect to the Collateral or any instrument of further assurance.

f. The Mortgagor, so long as all or part of the indebtedness secured hereby is outstanding shall preserve in its present form and keep in full force and effect its existence, as a legal entity under the laws of the state of its formation and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of any governmental authority or court applicable to the Premises or any part thereof.

1.02 Payment of Note and Escrow Account.

a. The Mortgagor shall promptly and punctually pay principal, interest, and all other sums due or to become due pursuant to the terms of the Note, in the time and manner set forth therein. On the first day of each month until said Note is fully paid, a sum, as estimated by the Mortgagee, equal to the total rental payments due under any ground leases which have not been subordinated to this Mortgage, if any, and the taxes and special assessments next due on the Property encumbered by this Mortgage, plus the premiums that will next become due and payable on insurance policies as may be required under section 1.05 hereof, less all sums already paid for each divided by the number of months to elapse before one (1) month prior to the date when such ground rents, premiums, taxes and special assessments will become delinquent, shall be segregated by the Mortgagor to pay said ground rents, taxes, special assessments and insurance premiums. Such segregated sums shall be held by Mortgagor in interest bearing accounts and shall be kept separate and apart from other funds of the Mortgagor. Mortgagor shall, at the written request of the Mortgagee, furnish any information requested by Mortgagee concerning such accounts. The Mortgagor shall pay the ground rents, taxes, special assessments and insurance premiums when each is due (the "Reserve Payments") and before they become delinquent. In the event the Mortgagor is late in making any of the Reserve Payments, the Mortgagee may require the Mortgagor to deposit the Reserve Payments with the Mortgagee on the first of each month until the Note is paid in full. The Reserve Payments should

be held by the Mortgagee without any allowance of interest to the Mortgagor and need not be kept separate and apart of other funds of the Mortgagee. All payments mentioned in this paragraph and all payments to be made under the Note secured hereby shall be added together and the aggregate amount thereof shall be paid by the Mortgagee to the following items in the order set forth: (i) said ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums, (ii) interest on the Note secured hereby; and (iii) amortization of the principal of said Note. Notwithstanding the foregoing escrow requirements, the Mortgagor shall not be obligated to segregate, or to pay to the Mortgagee, ground rents, if any, taxes, special assessments, fire and other hazard insurance premiums if the Mortgagor is required to pay such sums to the Holder of a Permitted Encumbrance.

b. The arrangement provided for in the section 1.02 is solely for the added protection of the Mortgagee and entails no responsibility on the Mortgagee's part beyond the allowing of due credit, without interest, for the sums actually received by it. Upon assignment of the Mortgage by the Mortgagee, any funds on hand shall be turned over to the new mortgagee and any responsibility of the Mortgagee for such funds shall terminate.

c. If the total of any Reserves described in section 1.02(a) hereof shall exceed the amount of payments actually applied by Mortgagee as set forth in section 1.02(a) any excess Escrow Funds may be credited by Mortgagee to subsequent Escrow payments coming due or, at the option of the Mortgagee, refunded to the Mortgagor. Any deficiency in the Escrow Account shall be paid by the Mortgagor within five (5) business days from receipt of written notification from the Mortgagee that the deficiency has occurred. If there shall be a default under any of the provisions of this Mortgage, the Mortgagee may apply any excess Escrowed Funds against the amounts due and payable under the Loan Documents.

1.03 Maintenance and Repair. The Mortgagor shall keep the Property in good condition and operating order and shall not commit or permit any waste thereof. Mortgagor shall diligently maintain the Property and make any needed repairs, replacements, renewals, additions and improvements, and complete and restore promptly and in a good workmanlike manner. Mortgagor shall not remove any part of the Collateral from the Property or demolish any part of the Property or materially alter any part of the Property without the prior written consent of the Mortgagee. Mortgagor shall permit Mortgagee or its agents the opportunity to inspect the Property, including the interior of any structures, at any reasonable time.

1.04 Compliance with Laws. The Mortgagor shall comply with all laws, ordinances, regulations, covenants, conditions and restrictions affecting the Property or the operation thereof, and shall pay all fees or charges of any kind in connection therewith.

1.05 Insurance.

a. The Mortgagor shall keep all buildings and improvements now or hereafter situated on the Property insured against loss or damage by fire and other hazards as may reasonably be required by Mortgagee, including, without limitation: (i) rent loss or business interruption insurance whenever in the opinion of Mortgagee such protection reasonably is necessary; and (ii) flood and earthquake insurance whenever in the opinion of Mortgagee such protection is reasonably necessary. Mortgagor shall also provide liability insurance with such limits for personal injury and death and property damage as Mortgagee may require.

b. The Mortgagor shall initially maintain, until Mortgagee shall otherwise indicate in writing, fire and extended coverage insurance in an amount of not less than the full replacement cost of the Property in accordance with HUD's requirements. The policy shall be written by a company or companies having a Best's rating of at least A. Public liability insurance shall be provided on a comprehensive basis in an amount of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) per occurrence for bodily injury and property damage and rental or business interruption insurance in an amount sufficient to cover any loss of rents or income for the Property suffered by the Mortgagor for a period of up to six (6) months.

c. All policies of insurance to be furnished hereunder shall be in a form satisfactory to Mortgagee, with Standard Mortgagee Clauses attached to all policies in favor of the Mortgagee, including a provision requiring that the coverage evidenced thereby shall not be terminated or materially modified without thirty (30) days' prior written notice to the Mortgagee. Mortgagor shall deliver all policies, including additional and renewal policies, to Mortgagee and shall deliver renewal policies not less than ten (10) days prior to their expiration date except that if the originals of such policies are at any time held by the holder of a Prior Encumbrance, then Mortgagor shall deliver to Mortgagee certified copies of such policies together with original certificates hereof. The Mortgagee shall be shown as additional insured with respect to this coverage.

d. No separate insurance shall be taken out by the Mortgagor without the prior written approval of the Mortgagee. In the event the Mortgagee approves additional insurance, the Mortgagor shall immediately notify Mortgagee whenever any separate insurance is issued and shall promptly deliver to Mortgagee certified copies of the policy or policies of such insurance. All additional insurance policies shall be in the form required by Paragraph (c) above. In the event of a foreclosure, or other transfer of title to the Property in lieu of foreclosure or by purchase at the foreclosure sale all interest in any insurance policies in force shall pass to Mortgagee, transferee or purchaser as the case may be, and to the holders of the Permitted Encumbrances as their interests may appear.

1.06 Casualty. Mortgagor shall promptly notify Mortgagee of any loss whether covered by insurance or not. In case of loss or damage by fire or other casualty, Mortgagee shall have the

right to approve the settlement of any claim made under insurance policies covering the Property or to allow Mortgagor to agree with the insurance company or companies on the amount to be paid in regard to such loss. Provided that there is no default hereunder, such insurance proceeds shall be paid to the Mortgagee to the extent of the indebtedness held by the Mortgagee without any allowance of rebuilding or restoration of buildings or improvements on said Property. Such proceeds shall be used to retire the indebtedness unless the Mortgagor demonstrates to the satisfaction of the Mortgagee that the Property may be restored to at least equal value and substantially the same character in which case the proceeds shall be made available to the Mortgagor for rebuilding or restoration of buildings or improvements on said Property. In that event, such proceeds shall be made available in the manner and under the conditions that the Mortgagee may require, including without limitation: (i) approval of plans and specifications of such work before such work shall be commenced; (ii) suitable completion or performance bonds and Builder's All Risk insurance; and (iii) no insurer claims any rights of participation and/or assignment of rights with respect to the indebtedness secured hereby. The buildings and improvements shall be so restored or rebuilt so as to be of at least equal value and substantially the same character as prior to such damage or destruction. Any surplus which may remain out of said insurance proceeds after payment of such cost of rebuilding or restoration shall, at the sole option of the Mortgagee, be applied on account of the indebtedness secured hereby or be paid to Mortgagor. Any insurance proceeds received by Mortgagor pursuant to the provisions of this section 1.06 shall remain subject to the lien of this Mortgage, and no holder of any Permitted Encumbrance shall attach, garnish, execute or otherwise attempt to compel payment or delivery of such sums to it or to any other person so long as such sums are used or are to be used for the purposes set forth in this paragraph 1.06.

1.07 Condemnation. The Mortgagor, immediately upon obtaining knowledge of the institution of any proceeding for the condemnation of the Property or any portion thereof, shall notify Mortgagee in writing of the pendency thereof. The Mortgagor hereby assigns, transfers and sets over unto the Mortgagee to the extent of the indebtedness secured herein, all compensation, rights of action, proceeds of any award and any claim for damages for any of the Property taken or damaged under the power of eminent domain or by condemnation or by sale of the Property in lieu thereof. Mortgagee may, at its option, commence, appear in and prosecute, in its own name, and for its own account, any action or proceeding, or make any compromise or settlement, in connection with the condemnation, taking under the power of eminent domain, or sale in lieu thereof. After deducting therefrom all of its reasonable expenses, including attorneys' fees, the Mortgagee shall apply the proceeds of the award to the reduction of the indebtedness secured by this Mortgage unless Mortgagor demonstrates to the satisfaction of the Mortgagee that the value and character of the Property shall be maintained, in which case, the Mortgagee shall hold said proceeds without any allowance of interest and make them available for restoration or rebuilding of the Property. In the event that the Mortgagee elects to make said proceeds available to reimburse Mortgagor for the cost of the rebuilding or restoration of the buildings or improvements on said Property, such proceeds shall be made available in the manner and under the conditions that the Mortgagee may require provided under Section 1.06 above. If the proceeds are made available by the Mortgagee to reimburse the Mortgagor for the cost of said rebuilding or restoration, any surplus which may remain out of said award after payment of such cost of

rebuilding or restoration shall at the option of the Mortgagee be applied on account of the indebtedness secured hereby or be paid to Mortgagor. Mortgagor agrees to execute such further assignments of any compensation, award, damages, right of action and proceeds, as Mortgagee may require. Any sums received by Mortgagor pursuant to the provisions of this paragraph 1.07 shall remain subject to the lien of this Mortgage, and no holder of any Permitted Encumbrance shall attach, garnish, execute or otherwise attempt to compel payment or delivery of such sums to it or to any other person so long as such sums are used or are to be used for the purposes set forth in this paragraph 1.07.

1.08 Liens and Encumbrances. The Mortgagor shall not, without the Mortgagee's express written consent, permit the creation of any liens or encumbrances on the Property other than the lien of this Mortgage and of any Permitted Encumbrances, and shall pay when due all obligations, lawful claims or demands of any person, which, if unpaid, might result in, or permit the creation of, a lien or encumbrance on the Property or on the rents, issues, income and profits arising therefrom, whether such lien would be senior or subordinate hereto, including all claims of mechanics, materialmen, laborers and others for work or labor performed, or materials or supplies furnished in connection with any work done in and to the Property and the Mortgagor will do or cause to be done everything necessary so that the lien of this Mortgage is fully preserved, at no cost to the Mortgagee.

1.09 Taxes and Assessments. The Mortgagor shall pay in full when due, and in any event before any penalty or interest attaches, all general taxes and assessments, special taxes, special assessments, water charges, sewer service charges, and all other charges against the Property and shall furnish to Mortgagee official receipts evidencing the payment thereof.

1.10 Indemnification. Mortgagor shall indemnify and hold harmless the Lender from any liability, claims or losses incurred by Lender in favor of third parties resulting from the disbursement of the Loan proceeds to Mortgagor or from the condition of the Premises, whether arising during or after the term of the Loan, whether as a result of a claim made under this Agreement, by the Lender under the Contracts or otherwise. The Mortgagor shall indemnify and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Contract by the Mortgagor or its employees, agents, servants, partners principals or subcontractors. Mortgagor shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon. Mortgagor expressly understands and agrees that any insurance protection required by this Contract or otherwise provided by Mortgagor shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as herein provided. This provision shall survive the repayment of the Loan and shall continue in full force and effect so long as the possibility of

such liability, claims, or losses exists.

1.11 Sale of Property.

a. In order to induce Mortgagee to make the loan evidenced by the Note, Mortgagor agrees that if the Property or any part thereof or interest therein is sold, assigned, transferred, conveyed, further mortgaged, encumbered, or otherwise alienated by Mortgagor, whether voluntarily, involuntarily or by operation of law, or that if the person(s) managing the Property is replaced, in either or any case without the prior written consent of Mortgagee, Mortgagee, at its option, may declare the Note secured hereby and all other obligations hereunder to be forthwith due and payable within fifteen (15) days of written notice, provided, however, Mortgagee shall not withhold its consent unless such mortgaging or encumbering of the Property, or change to its ownership or management will have a material adverse affect on the Mortgagee's security for the indebtedness secured by this Mortgage. The Mortgagee may condition its consent upon an increase in the interest rate of the Note to the then current market rate for new loans secured by property similar to the Property, and the Mortgagor shall pay all costs incurred thereby, including any costs of amending the Note and Mortgage and of obtaining a title insurance endorsement. In addition, the Mortgagee may charge a fee for processing any application seeking the consent of Mortgagee.

b. Any change in the legal or equitable title of the Property or in the beneficial ownership of the Property, whether or not of record and whether or not for consideration, or sale or other disposition of the stock of the borrowing entity except by devise or descent, shall be deemed a transfer of an interest in the Property. In connection herewith, the financial stability and managerial and operational ability of Mortgagor are a substantial and material consideration to Mortgagee in its agreement to make the loan to Mortgagor secured the Mortgage. The Mortgagor acknowledges that the transfer of an interest in the Property or change in the person or entity operating and managing the Property may significantly or materially alter and reduce Mortgagee's security for the indebtedness secured hereby.

c. In the event that ownership of the Property, or any part thereof, becomes vested in any person or persons other than Mortgagor, without the prior written approval of Mortgagee, the Mortgagee may waive such default and substitute the Mortgagor with the Mortgagor's successor or successors in interest in the same manner as with Mortgagor, without in any way releasing, discharging or otherwise affecting the liability of Mortgagor hereunder, or the Mortgage indebtedness hereby secured. No sale of the Property, no forbearance on the part of Mortgagee, no extension of the time for the payment of the Mortgage indebtedness or any change in the terms thereof consented to by Mortgagee shall in any way whatsoever operate to release, discharge, modify, change or affect the original liability of Mortgagor herein, either in whole or in part, nor shall the full force and effect of this lien be altered thereby. Any deed conveying the Property, or any part thereof, shall provide that the grantee thereunder assumes all of the grantor's obligations under this Mortgage, the Note and all other instruments or agreements evidencing or securing the repayment of the Mortgage indebtedness. In the event such deed shall not contain such provisions, the grantee under such deed shall be deemed to assume, by its

acquisitions of the Property all the obligations established by the Loan Documents.

d. Mortgagor shall not sell, assign, transfer or otherwise dispose of the Collateral or any interest therein and shall not do or permit anything to be done that may impair the Collateral without the prior consent of the Mortgagee, unless the Mortgagor is not in default under the terms of this Mortgage and the Collateral which is to be disposed is fully depreciated or unnecessary for use in the operation of the Property.

1.12 Management. The Mortgagor agrees that the Mortgagee shall have the right to employ professional management for the Property at any time that the Mortgagor is in default under any provision of this Mortgage for a period of more than forty-five (45) days. Such employment shall be at the sole discretion of the Mortgagee and NOTHING herein shall obligate the Mortgagee to exercise its right to install professional management. The cost of such management shall be borne by Mortgagor and shall be treated as an advance under Section 1.13.

1.13 Advances. If Mortgagor shall fail to perform any of the covenants herein contained or contained in any instrument constituting additional security for the Note, the Mortgagee may, without creating an obligation to do so, make advances on its behalf. Any and all sums so advanced shall be a lien upon the Property and shall become secured by this Mortgage. The Mortgagor shall repay on demand all sums so advanced in its behalf with interest at the rate of eightenn (18%) percent per annum in excess of the rate of the Note at the time of such advance. Nothing herein contained shall prevent any such failure to perform on the part of Mortgagor from constituting an event of default as defined below.

1.14 Financial Statements. The Mortgagor shall deliver to Mortgagee, within ninety (90) days after the end of each of Mortgagor's fiscal years, a balance sheet and statement of profit and loss with respect to the operation of the Property for the fiscal year just completed and beginning with the second such fiscal year after the recordation of the Loan Documents, a comparison of the just completed fiscal year with the preceding fiscal year's balance sheet and statement of profit and loss, all in reasonable detail and certified as complete and correct, by the Mortgagor and a Certified Public Accountant.

1.15 Time. The Mortgagor agrees that time is of the essence hereof in connection with all obligations of the Mortgagor herein or in said Note or any other instruments constituting additional security for said Note.

1.16 Estoppel Certificates. The Mortgagor within ten (10) days from receipt of written request, shall furnish a duly acknowledged written statement setting forth the amount of the debt secured by this Mortgage, and stating either that no set-offs or defenses exist against the Mortgage debt, or if any such setoffs or defenses are alleged to exist, the nature thereof.

1.17 Records. The Mortgagor agrees to keep adequate books and records of account in accordance with generally accepted accounting principles and shall permit the Mortgagee, and

its agents, accountants and attorneys, to visit and inspect the Property and examine its books and records of account, and to discuss its affairs, finances and accounts with the Mortgagor, at such reasonable times as Mortgagee may request.

1.18 Assignment of Rents and Leases. Mortgagor agrees to execute and deliver to Mortgagee such assignments of the leases and rents applicable to the Property as the Mortgagee may from time to time request while this Mortgage and the Note and indebtedness secured by this Mortgage are outstanding.

1.19 Subordination to Prior Encumbrances. Notwithstanding anything herein which is or which may appear to be to the contrary, the lien of this Mortgage and Mortgagee's rights hereunder are subordinate and inferior to the lien of those Permitted Encumbrances (if any) whether now existing or hereafter created which are stated on Exhibit B. Mortgagee agrees, by its acceptance hereof, that no action required to be taken by Mortgagor under the express terms of any Prior Encumbrance shall constitute a default or any Event of Default hereunder, provided however, that such actions are not inconsistent with Mortgagor's obligations set forth in the Note or in paragraph 1.20(c) below.

1.20 Leases Affecting Mortgaged Property.

a. Mortgagor shall comply with and observe its obligations as landlord under all leases affecting the Property or any part thereof. Upon request, Mortgagor shall furnish promptly to Mortgagee executed copies of all such leases now existing or hereafter created. Mortgagor shall not, without the express written consent of Mortgagee, enter any lease except upon forms approved by Mortgagee. Mortgagor shall not accept payment of rent more than one (1) month in advance without prior written consent of Mortgagee. Nothing contained in this Section 1.20 or elsewhere in this Mortgage shall be construed to make Mortgagee a mortgagee in possession unless and until Mortgagee actually takes possession of the Mortgaged Property either in person or through an agent or receiver.

b. To the extent allowable by applicable law, each lease of the Mortgaged Property, shall be entered into in a form provided by the Mortgagee and shall provide that, in the event of the enforcement by Mortgagee of the remedies provided for by law or by this Mortgage, the lessee thereunder will, if requested by Mortgagee or by any person succeeding to the interest of Mortgagor as the result of said enforcement, automatically become the lessee of Mortgagee or any such successor in interest, without any change in the terms or other provisions of the respective lease, provided, however, that Mortgagee or said successor in interest shall not be bound by (i) any payment of rent or additional rent for more than one (1) month in advance, except prepayments in the nature of security for the performance by said lessee of its obligations under said lease, or (ii) any amendment or modification in the lease made without the consent of Mortgagee or any successor in interest. Each lease shall also provide that, upon request by said successor in interest, the lessee shall execute and deliver an instrument or instruments confirming its attornment.

c. Mortgagor covenants and agrees that, until the Note and the other obligations secured hereby are satisfied in full, Mortgagor shall comply with the terms of that certain Rental Regulatory Agreement (if applicable) executed simultaneously herewith by and among Mortgagor and the Mortgagee, which Rental Regulatory Agreement is by this reference made a part hereof to the same extent as if set out in full herein.

1.21 Reserved

1.22 Incorporation of Contract. Mortgagor agrees and covenants to abide by all the terms and conditions of the CDBG Contract. The CDBG Contract is incorporated herein by reference as if fully set forth herein. A default of any provision of the CDBG Contract shall be deemed an Event of Default under this Mortgage.

ARTICLE TWO

Default

2.01 Events of Default. The following shall be deemed to be Events of Default hereunder:

a. Failure to make any payment when due in accordance with the terms of the Note secured by this Mortgage or failure to make any additional payments required by this Mortgage within fifteen days (15) of the date on which such payments were due.

b. Failure to keep or perform any of the other terms, covenants and conditions in this Mortgage provided that such failure shall have continued for a period of thirty (30) days after written notice of such failure from the Mortgagee.

c. After written notice from Mortgagee and an opportunity to cure of thirty (30) days from such written notice, continued breach of any warranties or representations given by Mortgagor to Mortgagee in connection with the Loan Documents.

d. An event of default under or institution of foreclosure or other proceedings to enforce any Permitted Encumbrance or any other mortgage or security interest, lien or encumbrance of any kind upon the Property or any portion thereof.

e. The Mortgagor, or any successor or assign including, without limitation, the current owners of any interest in the Property shall:

(i) file a petition under the Federal Bankruptcy Code or any similar law, state or federal, whether now or hereafter existing (hereafter referred to as a "Bankruptcy Proceeding"); or

(ii) file any answer admitting insolvency or inability to pay debts, or

(iii) fail to obtain a vacation or stay of any Insolvency Bankruptcy Proceeding within forty-five (45) days, as hereinafter provided; or

(iv) be the subject of an order for relief against it in any Bankruptcy Proceeding; or

(v) have a custodian or a trustee or receiver appointed for or have any court take jurisdiction of its property, or the major part thereof, in any involuntary proceeding for the purpose of reorganization, arrangement, dissolution, or liquidation if such receiver or trustee shall not be discharged or if such jurisdiction relinquished, vacated or stayed on appeal or otherwise within forty-five (45) days; or

(vi) make an assignment for the benefit of its creditors; or

(vii) admit in writing its inability to pay its debts generally as they become due; or

(viii) consent to an appointment of custodian or receiver or trustee of all of its property, or the major part thereof.

f. Failure without good cause of the Mortgagor to accept any referral from Miami-Dade County of eligible applicants for housing if space is available at the time of the referral.

g. Failure of the Mortgagor to comply with the requirements of the OCED Contract.

h. After the applicable grace periods have expired, failure to comply with the terms of the Loan Agreement between the Mortgagor, as Borrower, and Miami-Dade County as Lender; the Rental Regulatory Agreement (if applicable) between the Owner and Miami-Dade County, the Note, and any other instruments, now or hereafter executed by Owner in favor of Miami-Dade County, which in any manner constitute additional security for the Note.

i. The event of any default on any other Contract, Note or Mortgage between Mortgagor and Mortgagee.

j. The institution of any proceeding for foreclosure on any property where the County is also Mortgagee.

2.02 Remedies.

a. Upon and after any such Event of Default, the Mortgagee, by written notice

given to the Mortgagor, may declare the entire principal of the Note then outstanding (if not then due and payable), and all accrued and unpaid interest thereon, all premium payable thereunder, and all other obligations of Mortgagor hereunder, to be due and payable immediately, and upon any such declaration the principal of the Note and said accrued and unpaid interest shall become and be immediately due and payable, anything in the Note or in this Mortgage to the contrary notwithstanding.

b. Upon and after any such Event of Default, the Mortgagee or by its agents or attorneys, may enter into and upon all or any part of the Property, and each and every part thereof, and may exclude the Mortgagor, its agents and servants wholly therefrom; and having and holding the same, may use, operate, manage and control the Property and conduct the business thereof, either personally or by its superintendents, managers, agents, servants, attorneys or receivers and upon every such entry, the Mortgagee, at the expense of the Property, from time to time, either by purchase, repairs or construction, may maintain and restore the Property, whereof it shall become possessed as aforesaid, and, from time to time, at the expense of the Property, the Mortgagee may make all necessary or proper repairs, renewals and replacements and such useful alterations, additions, betterments and improvements thereto and thereon as to it may seem advisable, and in every such case the Mortgagee shall have the right to manage and operate the Property and to carry on the business thereof and exercise all rights and powers of the Mortgagor with respect thereto either in the name of the Mortgagor or otherwise as it shall deem best, and the Mortgagee shall be entitled to collect and receive all earnings, revenues, rents, issues, profits and income of the Property and every part thereof, all of which shall for all purposes constitute property of the Mortgagor; and after deducting the expenses of conducting the business thereof and of all maintenance, repairs, renewals, replacements, alterations, additions, betterments and improvements and amounts necessary to pay for taxes, assessments, insurance and prior or other proper charges upon the Property or any part thereof, as well as just and reasonable compensation for the services of the Mortgagee its attorneys, counsel, agents, clerks, servants and other employees by it properly and reasonably engaged and employed, the Mortgagee shall apply the moneys arising as aforesaid, first, to the payment of the principal of the Note and the interest thereon, when and as the same shall become payable, and second, to the payment of any other sums required to be paid by the Mortgagor under this Mortgage.

c. Upon and after any such Event of Default, the Mortgagee shall have all of the remedies of a Secured Party under the Uniform Commercial Code of Florida, Sec. 671-689 et al. F.S., as amended from time to time, including without limitation the right and power to sell, or otherwise dispose of the Collateral or any part thereof, and for that purpose may take immediate and exclusive possession of the Collateral, or any part thereof, and with or without judicial process, enter upon any Property on which the Collateral, or any part thereof, may be situated and remove the same therefrom without being deemed guilty of trespass and without liability for damages thereby occasioned, or at Mortgagee's option Mortgagor shall assemble the Collateral and make it available to the Mortgagee at the place and at the time designated in the demand. Mortgagee shall be entitled to hold, maintain, preserve and prepare the Collateral for sale. Mortgagee without removal may render the Collateral unusable and dispose of the Collateral on

the Property. To the extent permitted by law, Mortgagor expressly waives any notice of sale or other disposition of the Collateral and any other right or remedy of Mortgagee existing after default hereunder, and to the extent any such notice is required and cannot be waived, Mortgagor agrees that, as it relates to, this paragraph c. only, if such notice is marked, postage prepaid, to the Mortgagor at the above address with copies of said notice mailed in the same fashion to the president of the Mortgagor, at least fifteen (15) days before the time of the sale or disposition, such notice shall be deemed reasonable and shall fully satisfy any requirement for giving of said notice.

d. Upon and after any such Event of Default, the Mortgagee, with or without entry, or by its agents or attorneys, insofar as applicable, may:

(i) sell the Property to the extent permitted and pursuant to the procedures provided by law, and all estate, right, title and interest, claim and demand therein, and right of redemption thereof, at one or more sales as an entity or in parcels, and at such time and place upon such terms and after such notice thereof as may be required, or

(ii) institute proceedings for the complete or partial foreclosure of this Mortgage, or

(iii) apply to any court of competent jurisdiction for the appointment of a receiver or receivers for the Property and of all the earnings, revenues, rents, issues, profits and income thereof, or

(iv) take such steps to protect and enforce its rights whether by action, suit or proceeding in equity or at law for the specific performance of any covenant, condition or agreement in the Note, or in this Mortgage, or in aid of the execution of any power herein granted, or for any foreclosure hereunder, or for the enforcement of any other appropriate legal or equitable remedy or otherwise as the Mortgagee shall elect.

e. The Mortgagee may adjourn from time to time any sale by it to be made under or by virtue of this Mortgage by announcement at the time and place appointed for such sale or for such adjourned sale or sales; and, except as otherwise provided by any applicable provision of law, the Mortgagee, without further notice or publication, other than that provided in sub-paragraph 2.02(c) above may make such sale at the time and place to which the same shall be so adjourned.

f. Upon the completion of any sale or sales made by the Mortgagee under or by virtue of this Section, the Mortgagor, or an officer of any court empowered to do so, shall execute and deliver to the accepted purchaser or purchasers a good and sufficient instrument, or good and sufficient instruments, conveying, assigning and transferring, all estate, right, title and interest in and to the property and rights sold. The Mortgagee is hereby appointed the true and lawful attorney irrevocable of the Mortgagor, in its name and stead, to make all necessary conveyances, assignments, transfers and deliveries of the Property and rights so sold, and for

that purpose the Mortgagee may execute all necessary instruments of conveyance, assignment and transfer, and may substitute one or more persons with like power, the Mortgagor hereby ratifying and confirming all that its said attorney or such substitute or substitutes shall lawfully do by virtue hereof. This power of attorney shall be deemed to be a power coupled with an interest and not subject to revocation. Nevertheless, the Mortgagor, if so requested by the Mortgagee, shall ratify and confirm any such sale or sales by executing and delivering to the Mortgagee or to such purchaser or purchasers all such instruments as may be advisable, in the judgment of the Mortgagee, for the purpose, and as may be designated in such request. Any such sale or sales made under or by virtue of this Section whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the estate, right, title, interest, claim and demand whatsoever, whether at law or in equity, of the Mortgagor in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against the Mortgagor and against any and all persons claiming or who may claim the same, or any part thereof from, through or under the Mortgagor.

g. In the event of any sale made under or by virtue of this Section (whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale), the entire principal of, and interest on, the Note, if not previously due and payable, and all other sums required to be paid by the Mortgagor pursuant to this Mortgage, immediately thereupon shall, anything in the Note or in this Mortgage to the contrary notwithstanding, become due and payable.

h. The purchase money proceeds or avails of any sale made under or by virtue of this Section, together with any other sums which then may be held by the Mortgagee under the provisions of this Section or otherwise, shall be applied as follows:

First: To the payment of the costs and expenses of such sale, including reasonable compensation to the Mortgagee, its agents and counsel, and of any judicial proceedings wherein the same may be made, and of all expenses, liabilities and advances made or incurred by the Mortgagee under this Mortgage, together with interest at the rate for advances hereunder in Section 1. 13.

Second: To the payment of any other sums required to be paid by the Mortgagor pursuant to any provisions of this Mortgage or of the Note.

Third: To the payment of the whole amount then due, owing or unpaid upon the Note for principal and interest, with interest on the unpaid principal and accrued interest at the rate specified in the Note, from and after the happening of any Event of Default described above from the due date of any such payment of principal until the same is paid.

Fourth: To the payment of the surplus, if any, to the Mortgagor or whomsoever is lawfully entitled to receive the same, subject to federal law which may prohibit such payment. In the event that payment of surplus to Mortgagor is prohibited by federal law or a determination by U.S. HUD, Mortgagee shall follow the direction of U.S. HUD and shall use the

surplus as required by U.S. HUD and federal law.

Subject to federal law and U.S. HUD, upon any sale made under or by virtue of this Section, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the Mortgagee may bid for and acquire the Property or any part thereof and in lieu of paying cash therefor may make settlement for the purchase price by crediting upon the indebtedness of the Mortgagor secured by this Mortgage the net sales price after deducting therefrom the expenses of the sale and the cost of the action and any other sums which the Mortgagee is authorized to deduct under this Mortgage. The Mortgagee, upon so acquiring the Property, or any part thereof shall be entitled to hold, lease, rent, operate, manage and sell the same in any manner provided by applicable laws.

ARTICLE THREE

Miscellaneous Terms and Conditions

3.01 Leases. In the event the Mortgagee shall institute judicial proceedings to foreclose the lien hereof, and shall be appointed as a mortgagee in possession of the Property, the Mortgagee during such time as it shall be the Mortgagee in possession of the Property pursuant to an order or decree entered in such judicial proceedings, shall have, and the Mortgagor hereby gives and grants to the Mortgagee, the right, power and authority to make and enter into leases of the Property or the portions thereof for such rents and for such periods of occupancy and upon such conditions and provisions as mortgagee in possession may deem desirable, and Mortgagor expressly acknowledges and agrees that the term of any such lease may extend beyond the date of any sale of the Property pursuant to a decree rendered in such judicial proceedings; it being the intention of the Mortgagor that while the Mortgagee is a Mortgagee in possession of the Property pursuant to an order or decree entered in such judicial proceedings, such Mortgagee shall be deemed to be and shall be the attorney-in-fact of the Mortgagor for the purpose of making and entering into leases of parts or portions of the Property for the rents and upon the terms, conditions and provisions deemed desirable to such Mortgagee and with like effect as if such leases had been made by the Mortgagor as the owner in fee simple of the Property free and clear of any conditions or limitations established by this Mortgage. The power and authority hereby given and granted by the Mortgagor to Mortgagee shall be deemed to be coupled with an interest and shall not be revocable by Mortgagor. Nothing herein shall be construed to affect the Mortgagee's rights under Section 2.02(b) above.

3.02 Taxation of Note and Mortgage. If at any time before the debt hereby secured is fully paid, any law be enacted, deducting from the value of said real estate, for the purposes of taxation, any lien thereon, or revising or changing in any way the laws now in force for the taxation of mortgages or bonds, or the debts secured thereby, for state or local purposes, or the manner of collection of such taxes, so as to affect adversely this Mortgage or the debt hereby secured, or the owner and holder thereof in respect thereto, then this Mortgage and the Note hereby secured shall, at the option of Mortgagee and without notice to any party, become immediately due and payable. If any law should be enacted and to the extent permitted by such law, Mortgagor shall have the opportunity of paying to the Mortgagee the amount of any additional cost or taxes to the Mortgage from such law.

3.03 Marshalling of Assets. Mortgagor on its own behalf and on behalf of its successors and assigns hereby expressly waives all rights to require a marshalling of assets by Mortgagee or to require Mortgagee, upon a foreclosure, to first resort to the sale of any portion of the Property which might have been retained by Mortgagor before foreclosing upon and selling any other portion as may be conveyed by Mortgagor subject to this Mortgage.

3.04 Partial Release. Without affecting the liability of any other person for the payment of an indebtedness herein mentioned (including Mortgagor should it convey said Property) and without affecting the priority of the lien hereof upon any property not released, Mortgagee may,

without notice, release any person so liable, extend the maturity or modify the terms of any such obligation, or grant other indulgences, release or reconvey or cause to be released or reconveyed at any time all or any part of the Property described herein, or take or release any other security or make compositions or other arrangements with debtors. Mortgagee may also accept additional security, either concurrently herewith or hereafter, and sell the same or otherwise realized thereon either before, concurrently with, or after sale hereunder.

3.05 Non-Waiver.

a. By accepting payment of any sum secured hereby after its due date or altered performance of any obligation secured hereby, Mortgagee shall not waive its right against any person obligated directly or indirectly hereunder or with respect to any indebtedness hereby secured, either to require prompt payment when due of all other sums so secured or take remedy for failure to make such prompt payment or full performance. No exercise of any right or remedy by Mortgagee hereunder shall constitute a waiver of any other right or remedy herein contained or provided by law.

b. No delay or omission of the Mortgagee in the exercise of any right, power or remedy accruing hereunder or arising otherwise shall impair any such right, power or remedy, or be construed to be a waiver of any default or acquiescence therein.

c. Receipt of rents, awards, and any other monies or evidences thereof, pursuant to the provisions of this Mortgage and any disposition of the same by Mortgagee shall not constitute a waiver of the right of foreclosure by Mortgagee in the event of default or failure of performance by Mortgagor of any covenant or agreement contained herein or in any note secured hereby.

3.06 Protection of Security. Should Mortgagor fail to make any payment or to perform any covenant as herein provided, Mortgagee (but without obligation so to do and without notice to or demand upon Mortgagor and without releasing Mortgagor from any obligation hereof) may make or do the same in the manner and to such extent as Mortgagee may deem reasonably necessary to protect the security hereof, Mortgagee being authorized to enter upon the Property for such purposes, commence, appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Mortgagee; pay, purchase, contest, or compromise any encumbrance, charge or lien which in the judgment of Mortgagee is prior or superior hereto; and, in exercising any such power, incur any liability and expend whatever amounts in its absolute discretion it may deem necessary therefor, including cost of evidence of title and reasonable counsel fee. Any expenditures in connection herewith shall constitute an advance hereunder.

3.07 Rules of Construction. When the identity of the parties hereto or other circumstances make it appropriate, the masculine gender shall include the feminine and/or neuter, plural and the singular number shall include the plural. The headings of each paragraph are for information and convenience only and do not limit or construe the contents of any provision hereof

3.08 Severability. If any term of this Mortgage, or the application thereof to any person or circumstances, shall, to any extent, be invalid or unenforceable, the remainder of this Mortgage, or the application of such term to persons or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term of this Mortgage shall be valid and enforceable to the fullest extent permitted by law.

3.09 Successors in Interest. This Mortgage applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, executors, administrators, successors and assigns. All obligations of Mortgagor hereunder are joint and several. The term "Mortgagee" shall mean the holder and owner, including pledges, of the Note secured hereby, whether or not named as Mortgagee herein.

3.10 Notices. All notices to be given pursuant to this Mortgage shall be sufficient if mailed postage prepaid, certified or registered mail, return receipt requested, to the above described addresses of the parties hereto, or to such other address as a party may request in writing. All notices to Mortgagor shall be sent to the attention of the Executive Director. All notices to the Mortgagee shall be sent to the attention of the County Manager. Any time period provided in the giving of any notice shall commence upon the date such notice is deposited in the mail.

3.11 Modifications. This Mortgage may not be amended, modified or changed, nor shall any waiver of any provision be effective, except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

3.12 Governing Law. This Mortgage shall be construed according to and governed by the laws of the State of Florida, provided, however, that nothing herein shall limit or impair any right which Holder has under applicable federal laws of the United States of America to charge a rate of interest on the sums evidenced hereby at a rate which exceeds the maximum rate allowed under the laws of Florida.

ARTICLE FOUR

Lending Provisions

4.01 Breach of Loan Agreement and Other Documents. Notwithstanding anything to the contrary contained in this Mortgage, in the Note, or in any other instrument securing the loan evidenced by the Note, Mortgagee may at its option declare the entire indebtedness secured hereby, and all interest thereon and all advances made by Mortgagee hereunder, immediately due and payable and/or exercise all additional rights accruing to it under this Mortgage upon an Event of Default, or in the event of a breach by Mortgagor of any covenant contained in this Mortgage following expiration of all notice and cure periods set forth therein.

4.02 Future Advances. This Mortgage is given to secure not only existing

indebtedness, but also such future advances, whether such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, as are made within twenty years from the date hereof, to the same extent as if such future advances were made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at one time shall not exceed four times the face amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the Property with interest on such disbursements at the rate designated in the Note to apply following a default thereunder. Mortgagor hereby agrees that it shall not execute or file for record any notice limiting the maximum principal amount that may be so secured, and that no such notice shall be of any force and effect whatsoever unless Mortgagee shall have consented thereto in writing signed by Mortgagee and recorded in the public records of Miami-Dade County, Florida.

4.03 Rights under Prior Encumbrances.

a. Mortgagor hereby covenants and agrees (i) to promptly observe and perform all of the covenants and conditions contained in any Permitted Encumbrance or any other lien upon the Property, and which are required to be observed or performed by Mortgagor and to do all things necessary to preserve and keep unimpaired its rights thereunder; (ii) to promptly notify Mortgagee in writing of any default by the Mortgagor in the performance and the observance of any of the terms, covenants or conditions on part of Mortgagor to be performed or observed under such instrument or of the occurrence of any event which, regardless of the lapse of time, would constitute a default under such instrument and promptly to cause a copy of each such notice given by the Mortgagee thereunder to the Mortgagor to be delivered to Mortgagee.

b. In the event Mortgagor fails to make any payment required under such a Permitted Encumbrance or any other lien upon the Property or to do any act set forth in the preceding subparagraph herein provided, then Mortgagee may, but without obligation, and without notice to or demand upon Mortgagor, and without releasing Mortgagor from any obligation hereof, make or do the same in such manner and to such extent as Mortgagee may deem necessary to protect its interest under this Mortgage. Mortgagee's rights hereunder shall specifically include, but without limitation thereof, the right to pay any and all payments of interest and principal, insurance premiums, taxes and assessments and other sums due or to become due thereunder.

c. In the event Mortgagor fails to perform any of the terms, covenants and conditions required to be performed or observed by Mortgagor under such a Permitted Encumbrance or any other lien upon the Property, then Mortgagee may, but without obligation, and without notice or demand upon Mortgagor and without relieving Mortgagor from any obligation hereof, take any action Mortgagee deems necessary or desirable to prevent or cure any such default by Mortgagor. Upon receipt by Mortgagee from Mortgagor of any written notice of default by Mortgagor under such instrument, Mortgagee may rely thereon and take any action it deems necessary to cure such default event though the existence of such default or the nature thereof may be questioned or denied by the Mortgagor or by any party on behalf of the Mortgagor. Mortgagor hereby expressly grants to Mortgagee, and agrees that Mortgagee shall have, the

absolute and immediate right to enter upon the Property or any part thereof to such extent and as often as the Mortgagee in its sole discretion deems necessary or desirable in order to prevent or cure any such default by the Mortgagor. Mortgagee may pay and expend such sums of money as Mortgagee in its sole discretion deems necessary for any such purpose and may pay expenses, employ counsel and pay reasonable attorney's fees. All costs, charges and expenses so incurred or paid by Mortgagee shall become due and payable immediately, whether or not there by notice, demand, attempt to collect or suit pending. The amount so incurred or paid by Mortgagee, together with interest thereon at the rate of interest set forth in the Note to accrue following default thereunder, from the date incurred until paid by Mortgagor, shall be added to the indebtedness secured by the lien of this Mortgage to the same extent as if paid or expended on the date hereof.

d. Mortgagor agrees that it will not surrender any of its rights under such a Permitted Encumbrance or other lien upon the Property, and will not, without the prior written consent of Mortgagee, consent to any modification, change or any alteration or amendment of such instrument of the obligations secured thereby, either orally or in writing, and no release or forbearance of any of Mortgagor's obligations under such instrument whether pursuant to such instrument or otherwise, shall release Mortgagor from any of its obligations under this Mortgage.

e. Any default by Mortgagor or any event of default under a Permitted Encumbrance or other lien upon the Property, to which this Mortgage may be subject shall constitute an Event of Default under this Mortgage.

4.04 Limitation of Interest. All agreements between Mortgagor and Mortgagee are expressly limited so that in no contingency or event whatsoever, whether by reason of advancement of the principal amount of the Note, acceleration of maturity of the unpaid principal amount of the Note, acceleration of maturity of the unpaid principal balance thereof, or otherwise, or advancement of any sums under the provisions of this Mortgage, shall the amount paid or agreed to be paid to the holder of the Note for the use, forbearance or detention of the money to be advanced thereunder or hereunder exceed the highest lawful rate permissible. If, from any circumstances whatsoever, fulfillment of any provisions of this Mortgage or the Note or any other agreement referred to herein, at the time performance of such provision shall be due, shall involve transcending the limit of validity prescribed by law which a court of competent jurisdiction may deem applicable thereto or hereto, then ipso facto, the obligations to be fulfilled shall be reduced to the limit of such validity, and if from any circumstances the holder of the Note or Mortgage shall ever receive as interest an amount which would exceed the highest lawful rate, such amount which would be excessive interest shall be applied to the reduction of the unpaid principal balance due hereunder and not the payment of interest. These provisions shall control every other provision of all agreements between Mortgagor and Mortgagee.

4.05 Waiver of Jury Trial: **MORTGAGOR WAIVES ITS RIGHTS TO A TRIAL BY JURY IN ANY ACTION, WHETHER ARISING IN CONTRACT OR TORT, BY STATUTE OR OTHERWISE, IN ANY WAY RELATED TO THE TERMS OF THIS MORTGAGE. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE MORTGAGEE'S EXTENDING CREDIT TO MORTGAGOR AND NO WAIVER OF LIMITATION OF THE MORTGAGEE'S RIGHTS**

UNDER THIS PARAGRAPH SHALL BE EFFECTIVE UNLESS IN WRITING AND MANUALLY SIGNED ON THE LENDER'S BEHALF.

IN WITNESS WHEREOF, the said Mortgagor caused this instrument to be signed and sealed as of the date first above written.

Witnesses:

Mortgagor:

_____, a Florida

By: _____
Print Name: _____
Title: _____

(SEAL)

STATE OF FLORIDA)
) SS.
COUNTY OF MIAMI-DADE)

I HEREBY CERTIFY that on this day, before me, a Notary Public duly authorized in the State and County named above to take acknowledgments, personally appeared _____ as _____ of _____, a Florida _____, () who is personally known to me or () who presented _____ as identification, to me known to be a representative of the person described as the Mortgagor in and who executed the foregoing Mortgage and Security Agreement and Assignment of Leases, Rents and Profits, and acknowledged before me that said person executed that Mortgage and Security Agreement and Assignment of Leases, Rents and Profits and who () did () did not take an oath.

WITNESSETH my hand and official seal in the State and County above, this ____ day of _____, 20__.

NOTARY PUBLIC, State of Florida

My Commission Expires:

EXHIBIT A

LEGAL DESCRIPTION

(Insert legal description here)

EXHIBIT B

PERMITTED ENCUMBRANCES