Hurricane Sandy and Other Disasters Occurring in 2011-2013

HUD's Office of Disaster Recovery (ODR) Compendium of Notices by Appropriation

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Disaster Recovery

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

TOTAL BURDEN ESTIMATE

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

Status: New collection.

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

Dated: February 27, 2013.

Colette Pollard,

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

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–01]

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

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

ACTION: Notice.

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

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

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

SUPPLEMENTARY INFORMATION:

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I. Allocation

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013)(Appropriations Act) makes available $16,000,000,000 in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (UGLG) (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term ''grantee'' refers to any jurisdiction receiving a direct award under from HUD under this Notice.

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

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

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

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

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

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

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

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

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

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

II. Use of Funds

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

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

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

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

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

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

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

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

IV. Authority To Grant Waivers

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

V. Overview of Grant Process

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

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

- Grantee ensures that the HUD-approved Action Plan is posted on its official Web site;
- Grantee signs and returns the fully executed grant agreement;
- HUD establishes the proper amount in a line of credit for the grantee;
- Grantee requests and receives DRGR system access (if the grantee does not already have it);
- If it has not already done so, grantee enters the activities from its published Action Plan into DRGR and submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR);
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 (or paragraph A.20 under section VI of this Notice) and, as applicable, receives from HUD or the State an approved Request for Release of Funds and certification;
- Grantee begins to draw down funds within 60 days of receiving access to its line of credit;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan approval; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

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

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

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

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

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

A. Grant Administration.

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

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

The Action Plan must contain:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

14. *Recordkeeping.*

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

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

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

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

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

a. *Definition of program income.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20. *Environmental requirements.*

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

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

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

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

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

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

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

22. *Procurement.*

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

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

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

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

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

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

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

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

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

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

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

B. Housing and Related Floodplain Issues.

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

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

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

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

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

a. *Buyout requirements:*

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

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

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

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

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

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

b. *Redevelopment of acquired properties.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

D. Economic Revitalization.

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

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

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

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

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

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

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

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

E. Certifications and Collection of Information.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

VII. Duration of Funding

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

VIII. Catalog of Federal Domestic Assistance

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

IX. Finding of No Significant Impact

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

Dated: February 28, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

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

Background

Public Law 113–2 states:

For an additional amount for ''Community Development Fund'', $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.):

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

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

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

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

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

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

- ''restoration of * * * housing''. We make an estimate with best available data on the amount of housing damage not likely to be covered by insurance, SBA disaster loans, or FEMA housing assistance. To target the ''most impacted and distressed areas'', the calculation limits the need calculation only to homes with high levels of individual damage (see below).
- ''economic revitalization''. We make an estimate with best available data on the amount of damage to businesses applying for an SBA loan that are expected to be turned down, usually because of inadequate credit or income to support the needed loan amount.
- ''restoration of infrastructure''. Due to the early stage of the disaster, HUD did not use data on infrastructure need for this first allocation, pending getting better information on infrastructure needs which will be used in a later allocation. That noted, grantees may use this initial allocation to begin addressing infrastructure needs.

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

- Severe unmet housing needs. HUD limits the calculation of unmet needs to only properties with significant damage. This goes toward meeting the Congressional requirement of most impacted. Information on the adequacy of insurance to address housing needs was still very early in the disaster response, a high percentage of affected property owners are still determining how much of their recovery needs will be covered by insurance. To adjust for this uncertainty, HUD applied assumptions about insurance coverage rates to calculate the severe housing needs.
- Unmet business loss. It is very early in the disaster response to accurately estimate the needs for business to recover. This estimate looks at the properties that have applied for SBA disaster loans and extrapolates both estimated damage and disapproval rates based on the applications requested to date. As with the housing estimates, HUD applies an assumption about expected SBA denial rates.

Methodology for Calculating Unmet Needs

Available Data

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

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

Calculating Unmet Housing Needs

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

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected *real property* damage
  - Minor-High: $3,000 to $7,999 of FEMA inspected *real property* damage
  - Major-Low: $8,000 to $14,999 of FEMA inspected *real property* damage
  - Major-High: $15,000 to $28,800 of FEMA inspected *real property* damage and/or 1 to 4 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected *real property* damage or determined destroyed and/or 4 or more feet of flooding on the first floor.

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

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

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

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

Calculating Economic Revitalization Needs

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

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

[FR Doc. 2013–05170 Filed 3–4–13; 8:45 am]

BILLING CODE 4210–67–P

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

This Notice also lists the following information:

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

OMB Control Number: Pending.

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

Agency Form Numbers: None.

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

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

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

Status of the proposed information collection: Pending OMB approval.

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

Dated: April 12, 2013.

Jean Lin Pao,

General Deputy Assistant Secretary for Policy Development and Research.

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

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5710–N–01]

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

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

ACTION: Notice.

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

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

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

SUPPLEMENTARY INFORMATION:

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I. Background

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

* * * * *

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

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

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

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

III. Catalog of Federal Domestic Assistance

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

IV. Finding of No Significant Impact

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

Dated: April 15, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

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

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5681–N–16]

Federal Property Suitable as Facilities To Assist the Homeless

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

ACTION: Notice.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Dated: May 23, 2013.

Laura Dawkins,

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

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

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–03]

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

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

ACTION: Notice.

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

DATES: Effective Date: June 3, 2013.

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

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

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

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

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

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2011 OR 2012

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

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

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

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

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

II. Use of Funds

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

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

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

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

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

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

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

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

IV. Overview of Grant Process

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

a. *Buyout requirements:*

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

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

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

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

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

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

b. *Redevelopment of acquired properties.*

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

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

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

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

VI. Duration of Funding

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

VII. Catalog of Federal Domestic Assistance

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

VIII. Finding of No Significant Impact

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

Dated: May 22, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

Pub.lic Law 113–2 states:

For an additional amount for ''Community Development Fund'', $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.):

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

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

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

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

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

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

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

Methodology for Calculating Unmet Needs

Available Data

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

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

Calculating Unmet Housing Needs

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

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

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

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

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

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

Calculating Unmet Infrastructure Needs

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

Calculating Economic Revitalization Needs

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

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

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

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

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DEPARTMENT OF THE INTERIOR

Office of the Secretary

[A10–2006–1010–000–00–0–0, 2015200]

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

AGENCY: Office of Environmental Policy and Compliance, Interior.

ACTION: Notice of availability.

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

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

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

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

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

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

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

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

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

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

Statement of Purpose and Need and Proposed Action

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

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

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

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

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

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

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

Dated: July 23, 2013

Scott Elmore,

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

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

BILLING CODE 9111–28–P

DEPARTMENT OF HOMELAND SECURITY

United States Immigration and Customs Enforcement

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

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

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

Written comments and suggestions regarding items contained in this notice, and especially with regard to the estimated public burden and associated response time should be directed to the Department of Homeland Security (DHS), Scott Elmore, Forms Manager, U.S. Immigration and Customs Enforcement, 801 I Street NW., Mailstop 5800, Washington, DC 20536; (202) 732–2601.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Reinstatement of an expired collection.

(2) *Title of the Form/Collection:* Obligor Change of Address.

(3) *Agency form number, if any, and the applicable component of the Department of Homeland Security sponsoring the collection:* Form I–133, U.S. Immigration and Customs Enforcement.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individual or Households, Business or other non-profit. The data collected on this form is used by ICE to ensure accuracy in correspondence between ICE and the obligor. The form serves the purpose of standardizing obligor notification of any changes in their address, and will facilitate communication with the obligor.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 12,000 responses at 15 minutes (.25 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 3,000 annual burden hours.

Comments and/or questions; request for a copy of the proposed information collection instrument, with instructions; or inquires for additional information should be directed to Scott Elmore, Forms Management, U.S. Immigration and Customs Enforcement, 801 I Street NW., Stop 5800, Washington, DC 20536; (202) 732–2601.

Dated: July 23, 2013.

Scott Elmore,

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

[FR Doc. 2013–18062 Filed 7–26–13; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[FR–5727–N–01]

Rebuild by Design—Competition and Registration

AGENCY: Office of the Secretary, HUD.

ACTION: Notice.

SUMMARY: Under the authority of the America COMPETES Reauthorization Act of 2011, HUD and the Hurricane Sandy Rebuilding Task Force (Task Force) announce REBUILD BY DESIGN, a multi-stage regional design competition to promote resilience for the Hurricane Sandy-affected region. The goal of the competition is two-fold: to promote innovation by developing regionally-scalable but locally-contextual solutions that increase resilience in the region, and to implement selected proposals with both public and private funding dedicated to this effort.

DATES: *Application Due Date:* Applicants were required to submit a proposal in response to the Request for Qualifications in Phase One to *rebuildbydesign@hud.gov,* no later than 5:00 p.m. EDT on Friday, July 19, 2013.

FOR FURTHER INFORMATION CONTACT: Kevin Bush, *rebuildbydesign@hud.gov*

SUPPLEMENTARY INFORMATION:

I. Introduction

In an effort to promote resilience for the Hurricane Sandy-affected region, HUD and the Task Force are holding a multi-stage design competition entitled REBUILD BY DESIGN. The goal of the competition is to attract world-class talent, promote innovation, and develop projects that will actually be built. Once

the best ideas are identified, HUD will make funds available through its Community Development Block Grant Disaster Recovery (CDBG–DR) program for project implementation along with other public and private funds. Examples of design solutions are expected to range in scope and scale—from large-scale green infrastructure to small-scale residential resiliency retrofits. Additional information is available at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*

II. Objectives

The competition seeks to bring local, regional, and international knowledge to bear in order to:

(1) Contribute to a better understanding of the region's vulnerabilities, strengths, and interdependencies;

(2) Generate design proposals that focus on regionally applicable solutions, increase resilience, develop and promote innovation, and integrate local efforts in the region;

(3) Build capacity of local communities and federal agencies while promoting an integrated regional approach;

(4) Connect to local efforts and strengthen the collaboration within governments and between government, business, academic, non-profit, and other organizations;

(5) Ignite innovation, outside-the-box perspectives, and address new trends; and

(6) Execute world-class projects with regional impact (either large scale or replicable across the region).

III. Design Categories

While REBUILD BY DESIGN may result in design solutions that are applicable across the United States, design teams are asked to focus on the most-affected and most-vulnerable areas of the Sandy-affected region within Connecticut, Maryland, New Jersey, New York, and Rhode Island. This is a complex region, with differing governance structures, culture, etc. To help navigate this complexity, the competition is organized around four focus areas: coastal communities, high-density urban environments, ecological and water body networks, and a catch-all category of unidentified or unexpected focus. Design teams will be expected to select one of the four focus areas, outlined below:

(1) Coastal communities: This category focuses on small- to mid-sized coastal communities. These communities are characterized by limited capacity and high coastal vulnerability. Here, there is often a tension between environmental and economic systems (i.e. the tourism industry is dependent on the environment and also vulnerable to it).

(2) High-density urban environments: These economically-significant areas have impacts on both the region and the nation as a whole. These communities have highly complex built and human systems and significant economic value for the entire region. When storms like Sandy hit these communities they cause major disruptions to both the local and regional economy.

(3) Ecological and water body networks: These networks are regional by nature; watersheds and ecosystems disregard administrative boundaries and must be considered from the regional scale. This category focuses on the interdependencies between the built and natural environments.

(4) The unidentified and unexpected: This category allows for selected teams to pursue unexpected questions and innovative proposals outside of the framework provided above. This is an open category to encourage outside-the-box approaches and proposals.

IV. Competition Stages

The competition consists of four stages, each with its own process, timeline and deliverable:

Stage One: Request for qualifications and selection of 5 to 10 Design Teams (July 2013)

—Request for qualifications and concepts issued.
—Selection of teams to participate.

During Stage One, applicants were required to submit a short proposal, detailed in the REBUILD BY DESIGN Request for Qualifications (see Rebuild by Design Web site: *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*), which summarizes their interdisciplinary expertise and presents an initial approach related to one of the four focus areas. Applicants were required to submit both an idea on how they want to work on this (process) and what their initial thinking is on the issues at stake and the possible concepts that might emerge. Applicants were asked to illustrate these concepts in regard to what vulnerabilities their team would focus on. These concepts will serve as illustrations of the applicant's approach and innovative thinking; however, it is expected that selected Design Teams may need to adjust their approach based on the analysis process in Stage Two.

Applicants were required to include professional expertise in at least three of the following fields: infrastructure engineering, landscape design, urban design, architecture, land-use planning, industrial design, community engagement, and communications design. Applicants with additional expertise in the following fields are preferred: community building, social science, economics, ecology, hydrology, water safety, transportation, resilience, sustainability, project management, finance, arts, graphic design, and others. Applicants must have demonstrable experience in interdisciplinary research, analysis, and design—especially related to the spatial impacts of ecological, economic, and social development on the regional scale.

While by no means exhaustive, a Starter Kit of helpful information about the region was compiled and was also available on the Rebuild by Design Web site (*http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*). It contains a preliminary list of relevant datasets, general analyses, and existing plans.

At the end of Stage One, the Task Force, serving as the Selection Committee, will identify five to ten applicants to proceed to Stages Two and Three as Design Teams.

Stage One Timeline:

June 19, 2013 Request for Qualifications and Approach is Released

July 19, 2013 Deadline to Submit Response

July 25, 2013 Review/Selection of 5–10 Design Teams

Early August, 2013 Public Announcement of selected Design Teams

Deliverables: PDF proposal outlining applicant's qualifications and conceptual approach.

Stage Two: Analysis of the region through collaborative process (August—October 2013)

—Research and collaborative analysis of the region with a wide-variety of stakeholders.
—Identification of key design opportunities.

The selected Design Teams will participate in an intense participatory process that will involve HUD and its partners in the region. This process will include engagement with a wide-range of stakeholders (including state and local government) and experts to develop a comprehensive understanding of the region, its interdependencies, key vulnerabilities, and areas that warrant integrated design thinking and solutions. Teams that are selected to participate in Stage Two will receive $100,000 each to conduct their work.

Teams will be expected to participate in the following over the three-month analysis stage:

—Ongoing seminars around relevant themes and knowledge;
—A series of team symposia (one every three weeks) to discuss common needs for information/resources;
—Several regional site visits to interact with local stakeholders, engage the public, and witness affected spaces and structures; and
—An opening and closing conference for the analysis stage.

Content from this facilitated analysis process, being collaborative in nature and involving a wide-range of stakeholders, will be public, meaning that it can be used by all teams and will be collected throughout the process and presented through a variety of mediums. This iterative research process will underpin the analysis conducted by each of the Design Teams in their chosen focus area, and inform each Design Team's production of a research report and public presentation.

As part of the research and analysis stage, Design Teams must also identify at least three to five design opportunities resulting from their research. Design opportunities are defined as key opportunities or key projects that have the potential for maximum impact on the region's strengths and vulnerabilities. These opportunities can be both site-specific and/or representative of a typology that is regionally replicable.

Through a collaborative process with the Design Teams, Competition Jury (see below), and other stakeholders, each Design Team will end up with one design opportunity for development and refinement in Stage Three in collaboration with state and local communities. By defining the design questions through the competition process, this competition will incorporate the regional scale and perspective and will reflect the insight and interests of state and local stakeholders. Design Teams will then select one design opportunity to focus on in Stage 3.

Stage Two Timeline:

Mid—August, 2013 Opening Conference

August—October Ongoing Seminars and Team Symposia

August—October Six Regional Site Visits (exact sites TBD)

Late October, 2013 Closing Conference

Deliverables: Each Design Team will be expected to submit a highly-accessible digital research report that includes visual and non-visual analysis, and identification of at least three to five design opportunities within their focus area. Design Teams will publicly present their research at a conference in October 2013. These analyses will be compiled into a public catalog of submissions and synthesis document that could be used by a wide variety of stakeholders. The details and format for each of the Stage Two deliverables will be the subject of discussions and agreement with selected Design Teams.

Stage Three: Development of design solutions and community/partner engagement (November 2013–February 2014)

☐ Development of site-specific schematic design solutions

☐ Community engagement and intense collaboration with state/local government partners

During this stage, Design Teams will receive an additional $100,000 to design site-specific proposals for locally-implementable and/or regionally-scalable projects. In addition to design drawings, Design Teams will be expected to propose a strategy for implementation that identifies partners, funding, and timing. The design development phase will involve a facilitated, iterative community engagement process with all levels of government. Design Teams will engage with local political leadership in order to identify specific sites and individual projects relevant to the design opportunity identified in Stage Two, and to partner with a local or state government entity.

The Competition Jury will evaluate the final design proposals (based on criteria that will be provided) and identify winning projects that may be implemented by local or state governments with federal disaster recover resources. Winning projects will be presented publicly at a regional planning and design conference in the Sandy-affected region, as well as at TBD international venues.

Stage Three partners will include the Municipal Art Society of New York, the Regional Plan Association, and the Van Alen Institute. These partners will develop an iterative design process, rooted in the research from Stage Two, to help connect Design Teams with key partners and develop place-based design solutions.

Stage Three Timeline: TBD

Deliverables: Design and refinement of place-based design solutions implementable with CDBG-DR and other funding.

Stage Four: Implementation of winning designs by state and/or local governments with federal disaster recovery funds (March 2014—TBD)

☐ Design development of winning design solutions

☐ Implementation of winning design solutions with federal disaster recovery funds A winning Design Team or Design Teams will proceed from Stage Three to Stage Four and work closely with state and/or local government entities to implement their winning designs and key projects. Following the announcement of the competition winners, HUD may make an allocation of CDBG-DR funds for Sandy impacts and identify how these funds may be used to implement the winning projects/proposals.

Stage Four Timeline: Spring 2014

Deliverables: State or local governments receiving a final round CDBG-DR allocation will submit an action plan or action plan amendment to HUD identifying how it intends to use the funds consistent with guidelines and requirements published by Notice in the **Federal Register**.

V. Managing Partners and Jury

Managing Partners

While the Task Force is launching the competition, lead responsibility will transfer to HUD as the Task Force winds down in late summer/early fall 2013. The National Endowment for the Arts is lending their expertise to advise the Task Force and HUD in management and design of the overall process. In addition, many other federal departments and agencies are involved in the process both through the Task Force and in subsequent stages.

The Task Force is working with the Rockefeller Foundation and New York University's Institute of Public Knowledge, in collaboration with regional and other non-profit partners, to design and run the analysis process in Stages Two and Three.

Jury

The REBUILD BY DESIGN Jury functions as an expert panel throughout the competition, providing critical input during the analysis and design stages. The Jury will also help evaluate submissions at the end of Stage Two and ultimately judge the final designs at the end of Stage Three.

Subject to the requirements of 15 U.S.C. 3719(k), the Secretary of HUD will appoint one or more qualified individuals to act as jury members for this contest and may appoint himself as a jury member as well. Jury members

may include individuals from outside HUD, including from the private sector. Jury members will operate in a transparent manner.

A jury member may not have a personal or financial interest in, or be an employee, officer, director, or agent of any entity that is a registered entrant in this contest, and may not have a familial or financial relationship with an individual who is a registered entrant.

Specific tasks related to the judging process may be delegated to HUD employees or employees of a collaborating Federal agency. Third parties may perform judging tasks subject to supervision by HUD or by a collaborating Federal agency.

Jury members shall have the authority to obtain from any entrant additional information, clarification of information, or assistance in resolving any technical issues relating to the installation, use, testing or evaluation of any entry, so long as doing so causes no substantial benefit or detriment to any entrant.

VI. Eligibility Rules for Participating in the Competition

Teams are required to demonstrate professional expertise in at least three of the following fields: infrastructure engineering, landscape design, urban design, architecture, land use planning, community development, communications design, public finance, or real estate. Teams with additional expertise in the following fields are encouraged: social-science, economic development, ecology, hydrology, water safety, transportation, resilience, sustainability, project management, finance, arts, graphic design, industrial design, or other disciplines as appropriate. Teams must have demonstrable experience in interdisciplinary research, analysis, and design—especially related to the spatial impacts of ecological, economic, and social development on the regional scale. All levels of experience were encouraged to apply in order to attract innovative thinking and new approaches, however, at least one team member must have experience working with publically funded projects.

In accordance with section 24(g) of the America COMPETES Reauthorization Act of 2010, any private entity participating in the competition must be incorporated in and maintain a primary place of business in the United States, and in the case of an individual, whether participating singly or in a group, must be a citizen or permanent resident of the United States. An individual or entity shall not be deemed ineligible because the individual or entity used Federal facilities or consulted with Federal employees during a competition if the facilities and employees are made available to all individuals and entities participating in the competition on an equitable basis.

VII. Registration Process for Participants

Applicants must submit a proposal in response to the Request for Qualifications in Phase One to *rebuildbydesign@hud.gov* no later than 5:00 p.m. EDT on Friday, July 19, 2013.

All proposals were required to be submitted in PDF format; hardcopy proposals were not accepted. Proposals were limited to 12 one-sided pages (format US Letter), including text, images, and/or drawings. Font size could not exceed 11 points; file size cannot exceed 20MB. Applicants were required to address the following in their proposals:

—List of team members (1 page): Include each team member's name, affiliation, contact information, and Web site. Clearly identify a single lead contact for follow up.

—Focus area: Clearly identify your team's selected focus area (i.e. coastal communities, high-density urban environments, ecological and water body networks, or other). See Page 1 of the Competition Brief for detailed information.

—Summary of team's strengths and relevant experience (2–3 pages): Provide a narrative summary of the team's collective strengths and experience relevant to the goals of the competition and to the team's selected focus area. Clearly articulate each team member's specific contribution to this effort and the interdisciplinary strength that distinct the team. Discuss past collaborative efforts among team members, if applicable.

—Selected relevant projects and expertise (3–6 pages): Submit highlights of previous work relevant to the goals of the competition and to the team's research focus and design approach. Include both visual and non-visual examples. Do not include links to external documents.

—Conceptual approach (2–4 pages): Include a narrative description of the team's proposed research and design approach and initial ideas within one of the four focus areas. Submit your ideas on how the team wants to work (process) and what your initial thinking is on the issues at stake and the possible concepts that might emerge. Illustrate these concepts in regard to what vulnerabilities your team would focus on. Elaborate on your strategy for connecting research and analysis activities to the development of implementable, place-based design solutions. Note that these ideas are illustrations for the team's approach and innovative thinking. Selected Design Teams will finalize their focus based off of their research during Stage Two.

For more information, please consult Appendix A of the competition Design Brief at: *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign*

VIII. Selection Process

Designees from the Hurricane Sandy Rebuilding Task Force will serve as the Stage One Selection Committee and will select 5–10 design teams based on the criteria listed below. The Task Force is chaired by HUD Secretary Shaun Donovan and is made up of executive-level representation from over 20 federal departments and agencies including White House offices. Applicants that are chosen by the Selection Committee will be invited to participate in Stages Two and Three, at which point they will be expected to enter into an agreement and provided a Scope of Work. Selected Design Teams will be provided $100,000 to participate in Stage Two. Teams proceeding to Stage Three will be provided with another $100,000 to advance their design proposals. All winning design teams selected to advance from Stage One are expected to continue to participate through Stage Three, although HUD reserves the right to remove participants that fail to comply with the Scope of Work agreement entered into at the beginning of Stage Two. The Jury will select the finalists that advance to Stage Four.

IX. Evaluation Criteria

The Stage One Selection Committee will identify Design Teams based on the following criteria:

1. Team composition

a. Depth of interdisciplinary experience.

b. Capacity to work collaboratively on interdisciplinary teams.

2. Quality of past work

a. Demonstrated excellence in each of the team member's respective disciplines.

b. Commitment to participatory design and public engagement—especially to underserved populations.

c. Relevance of the team's experience to the proposed research focus and design approach.

d. Track record of publically-funded, built projects. NOTE: This criterion is not required for all design team

members; however, someone on the team must have experience successfully working through a public process.

3. Clarity, style, and thoroughness of proposal

Rules and Regulations

1. All proposals must have been sent in English.

2. Proposals must not have exceed 12 single-sided pages and be no larger than 20 megabytes.

3. Individual practitioners or offices may participate on multiple teams for the purpose of a submitting a response to the RFQ, however if selected they must select one team on which they will serve.

4. If your team is selected to proceed to Stages Two and Three then any changes to team members must approved by the Task Force/HUD.

Amount of the Prize

Applicants that are chosen by the Selection Committee will have the opportunity to participate in a facilitated analysis and design process, over the course of six months, gain access to a wide-variety of stakeholders, and be designated as a REBUILD BY DESIGN team. These Design Teams will be provided $100,000 to participate in Stage Two and $100,000 to participate in Stage Three. At the end of Stage Three, the competition Jury will evaluate Design Teams' final design solutions/projects and winning proposals to be implemented.

Prizes awarded under this competition in Stage Two and Stage Three as described above will be paid by electronic funds transfer and may be subject to Federal income taxes. HUD will comply with the Internal Revenue Service withholding and reporting requirements, where applicable.

Additional Information—Intellectual Property (IP)

a. Neither HUD nor the Task Force is responsible for a registered contestant's or entrant's lack of compliance with copyright, trademark, patent or other Federal law. Contestants and entrants will hold harmless, defend, and indemnify the Federal Government and any agency or component thereof from and against any suit, claim, demand, liability, damages, costs and expenses (including attorneys' fees and costs of defense), of whatever nature, whether groundless, false or fraudulent, arising out of any use, licensing or relicensing of any IP that is incorporated in the entrant's entry.

b. Contestants and entrants are responsible for obtaining all third-party licenses required to allow HUD, the Task Force and its contractors to receive any and all IP installed on any virtual machine, to run any and all testing software or scripts, and to demonstrate an entrant's product.

c. HUD may in its sole and absolute discretion choose to negotiate with any entrant to acquire, license, use or convey any other intellectual property developed in connection with this contest.

Public Comment

With this notice, HUD invites the public to comment on the information collection request described above. HUD will address all comments in a follow up notice to this publication.

For more information, visit the Rebuild By Design Web site at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign.*

Dated: July 23, 2013.

Laurel Blatchford,

Executive Director, Hurricane Sandy Rebuilding Task Force.

[FR Doc. 2013–18163 Filed 7–26–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–IA–2013–N163: FXIA16710900000–134–FF09A30000]

Notice of Establishment of the Advisory Council on Wildlife Trafficking

AGENCY: U.S. Fish and Wildlife Service, Interior.

ACTION: Notice of establishment and request for nominees.

SUMMARY: The Secretary of the Interior (Secretary), after consultation with the Co-Chairs of the Presidential Task Force on Wildlife Trafficking (Task Force), is announcing the establishment of the Advisory Council on Wildlife Trafficking (Council) under the Federal Advisory Committee Act. The Council will make recommendations to the Task Force and provide it with ongoing advice and assistance.

The Department of the Interior is also seeking nominations for individuals to be considered as Council members.

DATES: Nominations must be received by August 13, 2013.

ADDRESSES: Send nominations to Mr. Bryan Arroyo, Assistant Director, International Affairs, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Arlington, VA 22203.

FOR FURTHER INFORMATION CONTACT: Mr. Bryan Arroyo, Designated Federal Officer, International Affairs, U.S. Fish and Wildlife Service, 4401 N. Fairfax Drive, Arlington, VA 22203; *Bryan_Arroyo@fws.gov;* Phone: (202) 208–6394; Fax (202) 208–5618.

SUPPLEMENTARY INFORMATION:

Council's Role

The Council will conduct its operations in accordance with the provisions of the Federal Advisory Committee Act (5 U.S.C. Appendix). It will report to the Task Force through the Secretary of the Interior or his/her designee and function solely as an advisory body. It will advise and make recommendations on issues relating to combating wildlife trafficking, including, but not limited to:

(1) Effective support for anti-poaching activities,

(2) Coordinating regional law enforcement efforts,

(3) Developing and supporting effective legal enforcement mechanisms, and

(4) Developing strategies to reduce illicit trade and reduce consumer demand for illegally traded wildlife, including protected species.

The Council will meet approximately 1–2 times annually, and at such time as designated by the Designated Federal Officer.

Nominating Potential Council Members

The Department of the Interior is seeking nominations for individuals to be considered as Council members. Nominations should include a resume providing contact information and an adequate description of the nominee's qualifications, including information that would enable the Department of the Interior to make an informed decision regarding meeting the membership requirements of the Council.

Requirements for Council Membership

The Council will consist of eight members. The Secretary or his/her designee, in consultation with the Secretary of State and the Attorney General or their designees, will select and appoint members of the Council. The appointments will be for 3-year terms, except initially the Secretary will appoint four members for 2-year terms and four members for 3-year terms in order to stagger appointments to retain institutional knowledge. The Secretary will designate one of the members as the Chair. Members must not be employees of the Federal Government. Membership must include knowledgeable individuals from the private sector, former governmental officials,

burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collections of information on those who are to respond, including the use of appropriate automated, electronic, mechanical, or other technological techniques or other forms of information.

Title: Passenger List/Crew List.

OMB Number: 1651–0103.

Form Number: CBP Form I–418.

Abstract: CBP Form I–418 is prescribed by the Department of Homeland Security, Customs and Border Protection (CBP), for use by masters, owners, or agents of vessels in complying with Sections 231 and 251 of the Immigration and Nationality Act (INA). This form is filled out upon arrival of any person by commercial vessel at any port within the United States from any place outside the United States. The master or commanding officer of the vessel is responsible for providing CBP officers at the port of arrival with lists or manifests of the persons on board such conveyances. CBP is working to allow for electronic submission of the information on CBP Form I–418. This form is provided for in 8 CFR 251.1, 251.3, and 251.4. A copy of CBP Form I–418 can be found at *http://forms.cbp.gov/pdf/CBP_Form_I418.pdf.*

Current Actions: This submission is being made to extend the expiration date with a change to the burden hours resulting from revised estimates of the number of forms filed, and from a pilot that is being conducted to eliminate the paper I–418. There is no change to information collected on CBP Form I–418.

Type of Review: Extension (with change).

Affected Public: Businesses.

Estimated Number of Respondents: 96,000.

Estimated Time per Respondent: 1 hour.

Estimated Total Annual Hours: 96,000.

Dated: July 29, 2013.

Tracey Denning,

Agency Clearance Officer, U.S. Customs and Border Protection.

[FR Doc. 2013–18603 Filed 8–1–13; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–04]

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

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

ACTION: Notice.

SUMMARY: Previously, the Department allocated $5.4 billion of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 for the purpose of assisting recovery in the most impacted and distressed areas declared a major disaster due to Hurricane Sandy (*see* 78 FR 14329, published in the **Federal Register** on March 5, 2013). This notice provides additional waivers and alternative requirements.

DATES: This notice is effective: August 6, 2013.

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

SUPPLEMENTARY INFORMATION:

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I. Background
II. Applicable Rules, Statutes, Waivers, and Alternative Requirements
III. Catalog of Federal Domestic Assistance
IV. Finding of No Significant Impact

I. Background

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

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG disaster recovery (CDBG–DR) grants under the Appropriations Act to $15.18 billion. In a **Federal Register** notice published March 5, 2013 (78 FR 14329), the Department allocated $5.4 billion after analyzing the impacts of Hurricane Sandy and identifying unmet needs. A subsequent notice, providing additional guidance, waivers, and alternative requirements for Hurricane Sandy grantees was published by the Department on April 19, 2013 (78 FR 23578). This notice provides additional waivers and alternative requirements to several Hurricane Sandy grantees—the State of New York and the State of New Jersey.

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

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

This section provides additional waivers and alternative requirements to several Hurricane Sandy grantees. For each waiver and alternative requirement described in this notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal**

Register no later than five days before the effective date of such waiver.

1. *Waiver to permit some activities in support of the tourism industry (State of New York only).* In the notice published on April 19, 2013, the Department granted the State of New York a waiver to allow the State to fund certain tourism activities within the counties most impacted and distressed by Hurricane Sandy. This notice broadens that waiver to allow the State to fund certain tourism activities within counties receiving a Presidential disaster declaration in response to Hurricane Irene and/or Tropical Storm Lee.

Tourism in Irene/Lee-impacted counties generates approximately $14 billion each year. In the 30 counties affected by Hurricane Irene and Tropical Storm Lee, 11,000 businesses were impacted, accounting for 138,000 jobs. During this same time period, 13 of the impacted counties (located in the Adirondacks, Southern Tier and Central New York) experienced an economic loss of approximately $108 million in direct visitor spending and positive impact on state and local taxes. Without this waiver, the State estimates that the economic recovery in these areas will continue to significantly lag behind the pre-storm average growth rates, resulting in job loss and business closures.

Thus, HUD is broadening its previous waiver: 42 U.S.C. 5305(a) and 24 CFR 570.489(f) are waived only to the extent necessary to allow the State to expend up to $3 million (of the $30 million already approved by the Department) for the tourism industry to promote tourism in counties in receipt of a Presidential disaster declaration in response to Hurricane Irene and/or Tropical Storm Lee. Thus, this notice allows CDBG–DR funds to be used to promote a community or communities in general, provided the assisted activities are designed to support tourism within areas designated major disaster areas as a result of Hurricane Irene or Tropical Storm Lee. In addition, per the April 19, 2013, notice, the State of New York may use CDBG–DR funds to promote a community or communities in general, provided the assisted activities are designed to support tourism to the most impacted and distressed areas related to the effects of Hurricane Sandy. This waiver will expire at the end of the State's two-year expenditure period.

2. *Use of ''uncapped'' income limits (State of New Jersey only).* The State of New Jersey plans to initially target disaster recovery funds to low- and moderate-income households and has enaged in targeted outreach to ensure these households, particularly in high cost areas, can receive recovery funding. To ensure that all eligible households that are low- and moderate-income have equal access to resources, the State requested a waiver to allow all of the nine most impacted counties within the State to use HUD's ''uncapped income limits'' to better reflect the population of low- and moderate-income households in those areas.

The Quality Housing and Work Responsibility Act of 1998 (Title V of Pub. L. 105–276) enacted a provision that directed the Department to grant exceptions to at least 10 jurisdictions that are currently ''capped'' under HUD's low and moderate-income limits. Under this exception, a number of CDBG entitlement grantees may use ''uncapped'' income limits that reflect 80 percent of the actual median income for the area. Typically, average incomes (and thus the cost of living, including home values) in these entitlement grantees are significantly higher than in surrounding areas. By using uncapped income limits, grantees are better able to identify and assist those households considered to be low- to moderate-income for that particular area.

In the **Federal Register** notice dated March 5, 2013, the Department noted that the uncapped limits apply to disaster recovery activities funded pursuant to this notice in jurisdictions covered by the uncapped limits, including jurisdictions that receive disaster recovery funds from the State. While there are New Jersey counties that were most impacted by Hurricane Sandy that currently use the ''uncapped'' income limits, there are several that do not use the uncapped limits. The State's efforts to target CDBG resources to low- and moderate-income households means that those counties that already have the uncapped income limits (and thus more households that may be designated as low- and moderate-income) have a greater likelihood of receiving funding than counties that do not have the uncapped income limits despite having similar income demographics.

This notice imposes an alternative requirement to the applicable U.S. median family income cap on income limits that will apply to the State of New Jersey. The alternative requirement extends the exemption permitting the use of the uncapped income limits to all of the nine most impacted counties that were impacted by Hurricane Sandy within the State of New Jersey to ensure that households that are low- and moderate-income have equal opportunities to access funds. More information about this exemption can be found on HUD's Web site at *http://www.hud.gov/offices/cpd/systems/census/lowmod/uncapped.cfm.*

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or Speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–9339.

Dated: July 26, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

[FR Doc. 2013–18643 Filed 8–1–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5681–N–31]

Federal Property Suitable as Facilities To Assist the Homeless

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

ACTION: Notice.

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

FOR FURTHER INFORMATION CONTACT: Juanita Perry, Department of Housing and Urban Development, 451 Seventh Street SW., Room 7266, Washington, DC 20410; telephone (202) 402–3970; TTY number for the hearing- and speech-impaired (202) 708–2565 (these

purpose for 20 days from the date of this Notice. Homeless assistance providers interested in a review by HUD of the determination of unsuitability should call the toll free information line at 1–800–927–7588 for detailed instructions or write a letter to Ann Marie Oliva at the address listed at the beginning of this Notice. Included in the request for review should be the property address (including zip code), the date of publication in the **Federal Register**, the landholding agency, and the property number.

For more information regarding particular properties identified in this Notice (i.e., acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: *Agriculture:* Ms. Debra Kerr, Department of Agriculture, Reporters Building, 300 7th Street SW., Room 300, Washington, DC 20024, (202) 720–8873; *Navy:* Mr. Steve Matteo, Department of the Navy, Asset Management Division, Naval Facilities Engineering Command, Washington Navy Yard, 1330 Patterson Ave. SW., Suite 1000, Washington, DC 20374; (202) 685–9426; (These are not toll-free numbers).

Dated: August 15, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs.

TITLE V, FEDERAL SURPLUS PROPERTY PROGRAM FEDERAL REGISTER REPORT FOR 08/23/2013

Suitable/Available Properties

Building

California

Subase, Naval Base Point Loma
200 Catalina Blvd.
San Diego CA 92106
Landholding Agency: Navy
Property Number: 77201330014
Status: Excess
Comments: Facility w/in controlled perimeter of a DoD installation; public access denied & no alter method to gain access w/out compromising nat'l security.

Oregon

Crescent Office-East Modular
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330016
Status: Excess
Comments: 1,202 sf. 31 yrs.-old; poor conditions; existing federal need

Crescent Office, FS ID 2005
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330018
Status: Excess
Comments: 2,400 sf. 56 yrs.-old; poor conditions; existing federal need

Crescent Office-BM Modular, FS
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330019
Status: Excess
Comments: 3,608 sf.; 27 yrs.-old; poor conditions; existing federal need

Crescent Wellness Building, FS
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330020
Status: Excess
Comments: 640 sf. fitness ctr. 78 yrs.-old; poor conditions; existing federal need

Crescent RS Bunkhouse, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330021
Status: Excess
Comments: 1,056 sf. fair conditions; 66 yrs.-old; poor conditions; existing federal need

Crescent Fire Bunkhouse, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330022
Status: Excess
Comments: 1,216 sf. poor conditions; 12+months vacant; bunkhouse; existing federal need

Crescent Paint Storage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330023
Status: Excess
Comments: 530 sf.; shed, 51 yrs. old, poor conditions; existing federal need.

Crescent Timber Storage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330024
Status: Excess
Comments: 170 sf.; shed; 63 yrs. old. poor conditions; existing Federal need

Crescent Admin Garage, FS ID
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330025
Status: Excess
Comments: 336 sf.; 60 yrs.-old, good conditions; existing Federal need.

Crescent Office-South Modular
Crescent Admin Site
Crescent OR
Landholding Agency: Agriculture
Property Number: 15201330027
Status: Excess
Comments: 2,020 sf.; 18 yrs.-old, poor conditions; existing Federal need.

Maryland

Building 415; Hobby Shop
22049 Fortin Rd.
Patuxent River MD
Landholding Agency: Navy
Property Number: 77201330016
Status: Unutilized
Comments: located on military installation w/secured entry; public access denied and no alternative method to gain access w/out compromising nat'l security
Reasons: Secured Area

Land

California

Land
Naval Base
San Diego CA
Landholding Agency: Navy
Property Number: 77201330015
Status: Excess
Comments: DoD personnel only; public access denied & no alternative method to gain access w/out compromising nat'l security
Reasons: Secured Area

[FR Doc. 2013–20287 Filed 8–22–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5727–N–02]

Hurricane Sandy Rebuilding Task Force—Rebuild-by-Design; Announcement of Selection of Design Teams

AGENCY: Hurricane Sandy Task Force, HUD.

ACTION: Notice.

SUMMARY: In June 2013, the Hurricane Sandy Task Force launched Rebuild by Design, a multi-stage regional design competition to promote resilience for the Sandy-affected region. This notice announces the design teams selected under the competition.

FOR FURTHER INFORMATION CONTACT: Scott Davis at *rebuildbydesign@hud.gov.*

SUPPLEMENTARY INFORMATION: In an effort to promote resilience for the Hurricane Sandy-affected region, the Hurricane Sandy Task Force initiated a multi-stage regional design competition, called Rebuild by Design. The goals of the competition are to attract highly experienced building design teams, promote innovation by developing regionally-scalable but locally-contextual solutions that increase resilience in the region, and implement selected proposals with both public and private funding dedicated to this effort.

The Rockefeller Foundation is the lead funding partner for the competition and will provide support for the analysis and design process. The National Endowment for the Arts (NEA) served as a special partner, providing critical expertise and guidance to launch Rebuild by Design and select the 10 teams. NEA has a history of supporting and facilitating design competitions and NEA's involvement helped ensure the success of the launch of the competition. HUD will incentivize the implementation of the selected designs using funds made

available through the Community Development Block Grant Disaster Recovery (CDBG–DR) program as well as other public and private funds.

Rebuild by Design focuses on the following areas: Coastal communities, high-density urban environments, ecological networks and a fourth category that will include other innovative questions and proposals. Additionally, the competition has a region-wide focus to help provide solutions to problems that are larger or more complex than individual towns have the capacity to solve themselves. The regional focus will also help provide a better understanding of the many interconnected systems (infrastructure, ecological, climate, economic and others) in the Sandy-affected region. The design teams selected will start with regional analyses to understand major vulnerabilities and then, through the collaborative design process begin to focus on local implementation and key projects for improving the region's resilience. Applications for the competition were due July 19, 2013. The details of the competition can be found at *http://portal.hud.gov/hudportal/HUD?src=/sandyrebuilding/rebuildbydesign.*

Over 140 potential teams from more than 15 countries submitted proposals, representing the top engineering, architecture, design, landscape architecture and planning firms as well as research institutes and universities worldwide.

The 10 design teams selected are the following:

- Interboro Partners with the New Jersey Institute of Technology Infrastructure Planning Program; TU Delft; Project Projects; RFA Investments; IMG Rebel; Center for Urban Pedagogy; David Rusk; Apex; Deltares; Bosch Slabbers; H+N+S; and Palmbout Urban Landscapes.
- PennDesign/OLIN with PennPraxis, Buro Happold, HR&A Advisors, and E-Design Dynamics.
- WXY architecture + urban design/West 8 Urban Design & Landscape Architecture with ARCADIS Engineering; Dr. Alan Blumberg, Stevens Institute, Kate John Alder, Rutgers University; Maxine Griffith; William Morrish, Parsons the New School for Design; Dr. Orrin Pilkey, Duke University; Kei Hayashi, BJH Advisors; Mary Edna Fraser; and Yeju Choi.
- Office of Metropolitan Architecture with Royal Haskoning DHV; Balmori Associaties; R/GA; and HR&A Advisors.
- HR&A Advisors with Cooper, Robertson, & Partners; Grimshaw; Langan Engineering; W Architecture; Hargreaves Associates; Alamo Architects; Urban Green Council; Ironstate Development; New City America.
- SCAPE/LANDSCAPE ARCHITECTURE with Parsons Brinckerhoff; SeARC Ecological Consulting; Ocean and Coastal Consultants; The New York Harbor School; Phil Orton/Stevens Institute; Paul Greenberg; LOT–EK; and MTWTF.
- Massachusetts Institute of Technology Center for Advanced Urbanism and the Dutch Delta Collaborative by ZUS; with De Urbanisten; Deltares; 75B; and Volker Infra Design.
- Sasaki Associates with Rutgers University and ARUP.
- Bjarke Ingels Group with One Architecture; Starr Whitehouse; James Lima Planning & Development; Green Shield Ecology; Buro Happold; AEA Consulting; and Project Projects.
- unabridged Architecture, Mississippi State University Gulf Coast Community Design Studio, and Waggonner and Ball Architects.

Information on the selection of the design teams is also provided on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2013/HUDNo.13-121.*

Dated: August 20, 2013.

Laurel Blatchford,

Executive Director, Hurricane Sandy Rebuilding Task Force.

[FR Doc. 2013–20631 Filed 8–22–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[LLUT920000–L14300000–FM0000–LXSS014J0000; UT–52455]

Public Land Order No. 7820; Partial Modification, Public Water Reserve No. 107; Utah

AGENCY: Bureau of Land Management, Interior.

ACTION: Public Land Order.

SUMMARY: This order partially modifies a withdrawal created by an Executive Order insofar as it affects 264.21 acres of public lands withdrawn from settlement, sale, location, or entry under the public land laws, including location for non-metalliferous minerals under the United States mining laws, for protection of springs and waterholes and designated as Public Water Reserve No. 107. This order opens the lands only to exchange under the authority of the Utah Recreational Land Exchange Act of 2009.

DATES: *Effective Date:* August 23, 2013.

FOR FURTHER INFORMATION CONTACT: Joy Wehking, Bureau of Land Management, Utah State Office, 440 West 200 South, Suite 500, Salt Lake City, UT 84101, 801–539–4114. Persons who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 to contact the above individual during normal business hours. The FIRS is available 24 hours a day, 7 days a week, to leave a message or question with the above individual. You will receive a reply during normal business hours.

SUPPLEMENTARY INFORMATION: Subject generally to Section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716) and applicable law, Public Law 111–53 (123 Stat. 1982) directs the exchange of land between the United States and the State of Utah, School and Institutional Trust Lands Administration. This partial modification is needed to facilitate a pending land exchange.

Order

By virtue of the authority vested in the Secretary of the Interior by Section 204 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1714, it is ordered as follows:

1. The withdrawal created by the Executive Order dated April 17, 1926, which established Public Water Reserve No. 107, is hereby modified to allow for a land exchange in accordance with Public Law 111–53 (123 Stat. 1982) and Section 206 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1716), insofar as it affects the following described public lands:

Salt Lake Meridian

T. 15 S., R. 23 E.,
Sec. 23, SE¼SE¼;
Sec. 24, SE¼SE¼.
T. 17 S., R. 22 E.,
Sec. 4, SE¼NE¼;
Sec. 6, SW¼SE¼;
Sec. 7, NW¼SE¼;
Sec. 19, lot 10 and SW¼NE¼.

The areas described aggregate 264.21 acres in Uintah and Grand Counties.

2. At 9 a.m., on August 23, 2013, the lands described in Paragraph 1 will be opened to exchange pursuant to Public Law 111–53 (123 Stat. 1982) and Section 206 of the Federal Land Policy and Management Act of 1976, as amended, (43 U.S.C. 1716), subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law.

provided are based on the 2011 QC survey. The proposed surveys will continue to make use of Computer Assisted Interviewing (CAI) questionnaires and equipment, which are being used in part because they reduce interview times. The software also provides for consistency check and ensures that all needed data have been collected, thereby reducing the need for the follow-up contacts.

B. Solicitation of Public Comment

This notice is soliciting comments from members of the public and affected parties concerning the collection of information described in Section A on the following:

(1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) The accuracy of the agency's estimate of the burden of the proposed collection of information; (3) Ways to enhance the quality, utility, and clarity of the information to be collected; and (4) Ways to minimize the burden of the collection of information on those who are to respond; including through the use of appropriate automated collection techniques or other forms of information technology, e.g., permitting electronic submission of responses. HUD encourages interested parties to submit comment in response to these questions.

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

Dated: November 6, 2013.

Colette Pollard,

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

[FR Doc. 2013–27504 Filed 11–15–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–06]

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

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

ACTION: Notice.

SUMMARY: This Notice advises the public of a second allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013. This allocation provides $5.1 billion primarily to assist Hurricane Sandy recovery as well as recovery from Hurricane Irene and Tropical Storm Lee. The Notice also establishes requirements governing the use of these funds.

DATES: Effective Date: November 25, 2013.

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

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation and Related Information

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (UGLG) (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term ''grantee'' refers to any jurisdiction receiving a direct award from HUD under this Notice.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. Through a **Federal Register** Notice published March 5, 2013, the Department allocated $5.4 billion for the areas most impacted by Hurricane Sandy (78 FR 14329). Subsequent notices allocated funds for major disasters occurring in 2011 and 2012 (excluding Hurricane Sandy) and a future notice will address funding for qualifying major disasters occurring in 2013.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all the eligible affected areas. The initial allocation to Hurricane Sandy grantees was based on unmet housing and economic revitalization needs. The data used to calculate the allocation did not include unmet infrastructure restoration needs as damage estimates were preliminary at that time. As more data regarding unmet infrastructure needs are now available, this Notice provides the following Round 2 awards totaling $5.1 billion:

TABLE 1—HURRICANE SANDY ALLOCATIONS

Grantee	Second allocation	First allocation	Total
New York City	$1,447,000,000	$1,772,820,000	$3,219,820,000
New Jersey	1,463,000,000	1,829,520,000	3,292,520,000
New York State	2,097,000,000	1,713,960,000	3,810,960,000

TABLE 1—HURRICANE SANDY ALLOCATIONS—Continued

Grantee	Second allocation	First allocation	Total
Connecticut	66,000,000	71,820,000	137,820,000
Maryland	20,000,000	8,640,000	28,640,000
Rhode Island	16,000,000	3,240,000	19,240,000
Total	5,109,000,000	5,400,000,000	10,509,000,000

To ensure funds provided under this Notice address unmet needs within the ''most impacted and distressed'' counties, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (e.g., New York City must expend all funds within New York City). State grantees may expend funds in any county that received a Presidential disaster declaration in 2011, 2012, or 2013 subject to the limitations described in Table 2.

Table 2 identifies a minimum percentage that must be spent in the HUD-identified Hurricane Sandy affected Most Impacted and Distressed counties. The opportunity for certain grantees to expend 20 percent of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data.

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

Grantee	Counties from the following major declared disasters are eligible for CDBG–DR funds (FEMA declaration No.)	Hurricane Sandy most impacted and distressed counties	Minimum percentage that must be expended in Hurricane Sandy most impacted and distressed counties
New York City	All Counties	All Counties	100
New York	1957, 1993, 4020, 4031, 4085, 4111, 4129.	Nassau, Rockland, Suffolk, Westchester, and all Counties in New York City (Bronx, Kings, New York, Queens, Richmond).	80
New Jersey	1954, 4021, 4033, 4039, 4048, 4070, 4086.	Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, Union.	80
Connecticut	1958, 4023, 4046, 4087, 4106	Fairfield, New Haven	80
Rhode Island	4027, 4089, 4107	Washington	80
Maryland	4034, 4038, 4075, 4091	Somerset	80

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578) and August 2, 2013 (78 FR 46999), referred to collectively in this Notice as the ''Prior Notices.'' The Prior Notices are available at:

http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf

http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf

http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18643.pdf

Executive Order 13632, published at 77 FR 74341, established the Hurricane Sandy Rebuilding Task Force, to ensure government-wide and region-wide coordination to help communities as they are making decisions about long-term rebuilding and to develop a comprehensive rebuilding strategy. Section 5(b) of Executive Order 13632 requires that HUD, ''as appropriate and to the extent permitted by law, align [the Department's] relevant programs and authorities'' with the Hurricane Sandy Rebuilding Strategy (the Rebuilding Strategy). Accordingly, this Notice is further informed by both the Rebuilding Strategy released by the Task Force on August 19, 2013 and Rebuild by Design (RBD), an initiative of the Hurricane Sandy Rebuilding Task Force and HUD. RBD is aimed at addressing structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and developing fundable solutions to better protect residents from future disasters. The Rebuilding Strategy and information about RBD can be found, respectively, at:

http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf

http://www.rebuildbydesign.org/what-is-rebuild-by-design/

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster recovery related purposes. Consistent with the Rebuilding Strategy, it is essential to build back stronger and more resilient. This allocation provides additional funds to Sandy-impacted grantees to support investments in mitigation and resilience and directs grantees to undertake comprehensive planning to promote regional resilience as part of the recovery effort.

The Appropriations Act requires that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. In an Action Plan for Disaster Recovery (Action Plan), grantees must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice and the prior Notices; and (2) respond to a disaster-related impact. HUD has previously approved an Action Plan for each grantee receiving an allocation of funds in this Notice. Grantees are now directed to submit a substantial Action Plan Amendment in order to access funds provided in this Notice. For more guidance on requirements for substantial Action Plan Amendments,

please see Sections IV and VI of this Notice.

As provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by FEMA or the United States Army Corps of Engineers (USACE).

Consistent with the allocation methodology in Appendix A of the Notice, the State of New York must either ensure that: (1) A portion of its allocation is used to address resiliency and local cost share requirements for damage to both the Metropolitan Transportation Authority infrastructure in New York City and the Port Authority of New York and New Jersey; or (2) must demonstrate that such resiliency needs and local cost share has otherwise been met. The State of New Jersey must undertake one of the same actions with regard to the Port Authority. New York City must review the methodology to inform an analysis to address the recovery and resilience needs of the New York City Housing Authority (NYCHA).

III. Timely Expenditure of Funds

The Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee and funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. Approved waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadline will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD.

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Any substantial Action Plan Amendment submitted after the effective date of this Notice is subject to the following requirements:

- Grantee consults with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment; in addition, grantee prepares a comprehensive risk analysis (see section VI(2)(d) of this Notice);
- Grantee amends its citizen participation plan to reflect the requirements of this Notice (e.g., new requirement for a public hearing);
- Grantee publishes a substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices and this Notice;
- HUD sends an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- Grantee signs and returns the grant agreement;
- HUD signs the grant agreement and revises the grantee's line of credit amount (this triggers the two year expenditure deadline for any funds obligated by this grant agreement);
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval as provided for in paragraph (3)(g) of Section VI of this Notice; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

V. Authority To Grant Waivers

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

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

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The following requirements apply only to the CDBG–DR funds appropriated in the Appropriations Act.

Grantees may request additional waivers and alternative requirements to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, regulatory waivers are effective five days after publication in the **Federal Register**.

1. *Incorporation of general requirements, waivers, alternative*

requirements, and statutory changes previously described. Grantees are advised that general requirements, waivers and alternative requirements provided for and subsequently clarified or modified in the Prior Notices, apply to all funds under this Notice, except as modified herein. These waivers and alternative requirements provide additional flexibility in program design and implementation to support resilient recovery following Hurricane Sandy, while also ensuring that statutory requirements unique to the Appropriations Act are met. Waivers or alternative requirements previously issued pursuant to specific grantee requests remain in effect under their initial terms.

2. *Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects.* Grantees are advised that HUD will assess the adequacy of a grantee's response to each of the elements outlined in this subsection as a basis for the approval of a substantial Action Plan Amendment that includes infrastructure programs and projects. However, grantees need not resubmit responses to elements approved by HUD unless warranted by changing conditions or if project-specific analysis is required.

Section VI(A)(1) of the March 5, 2013 Notice (''Action Plan for Disaster Recovery waiver and alternative requirement''), as amended by the April 19, 2013 Notice, is modified to require:

a. *Applicability.* The following guidance and criteria are applicable to all infrastructure programs and projects in an Action Plan Amendment submitted to HUD after the effective date of this Notice. Infrastructure programs and projects funded pursuant to the Prior Notices and submitted in an Action Plan Amendment after the effective date of this Notice are also subject to these requirements. The following guidance and criteria are based on recommendations of the Rebuilding Strategy.

b. *Definition of an Infrastructure Project and Related Infrastructure Projects.*

(1) Infrastructure Project: For purposes of this Notice, an infrastructure project is defined as an activity, or a group of related activities, designed by the grantee to accomplish, in whole or in part, a specific objective related to critical infrastructure sectors such as energy, communications, water and wastewater systems, and transportation, as well as other support measures such as flood control. This definition is rooted in the implementing regulations of the National Environmental Policy Act (NEPA) at 40 CFR part 1508 and 24 CFR Part 58. Further, consistent with HUD's NEPA implementing requirements at 24 CFR 58.32(a), in responding to the requirements of this Notice, a grantee must group together and evaluate as a single infrastructure project all individual activities which are related to one another, either on a geographical or functional basis, or are logical parts of a composite of contemplated infrastructure-related actions.

(2) Related Infrastructure Project: Consistent with 40 CFR part 1508, *infrastructure projects* are ''related'' if they automatically trigger other projects or actions, cannot or will not proceed unless other projects or actions are taken previously or simultaneously, or are interdependent parts of a larger action and depend on the larger action for their justification.

c. *Impact and Unmet Needs Assessment.* The March 5, 2013 Notice required grantees to consult with affected citizens, stakeholders, local governments and public housing authorities to determine the impact of Hurricane Sandy and any unmet disaster recovery needs. Grantees are required to update their impact and unmet needs assessments to address infrastructure projects, or any other projects or activities not previously considered, but for which an unmet need has become apparent.

d. *Comprehensive Risk Analysis.* Each grantee must describe the science-based risk analysis it has or will employ to select, prioritize, implement, and maintain infrastructure projects or activities. At a minimum, the grantee's analysis must consider a broad range of information and best available data, including forward-looking analyses of risks to infrastructure sectors from climate change and other hazards, such as the Northeast United States Regional Climate Trends and Scenarios from the U.S. National Climate Assessment, the Sea Level Rise Tool for Sandy Recovery, or comparable peer-reviewed information, as well as the regional analysis developed in Phase 2 of the Rebuild by Design competition. The grantee should also consider costs and benefits of alternative investment strategies, including green infrastructure options. In addition, the grantee should include, to the extent feasible and appropriate, public health and safety impacts; direct and indirect economic impacts; social impacts; environmental impacts; cascading impacts and interdependencies within and across communities and infrastructure sectors; changes to climate and development patterns that could affect the project or surrounding communities; and impacts on and from other infrastructure systems. The analyses should, wherever possible, include both quantitative and qualitative measures and recognize the inherent uncertainty in predictive analysis. Grantees should work with other grantees to undertake regional risk baseline analyses, to improve consistency and cost-effectiveness.

The description of the comprehensive risk analysis must be sufficient for HUD to determine if the analysis meets the requirements of this Notice.

e. *Resilience Performance Standards.* Using the guidelines in the Rebuilding Strategy, grantees are required to identify and implement resilience performance standards that can be applied to each infrastructure project. The grantee must describe its plans for the development and application of resilience performance standards in any Action Plan Amendment submitted pursuant to this Notice.

f. *Green Infrastructure Projects or Activities.* In any Action Plan Amendment submitted pursuant to this Notice, each grantee must describe its process for the selection and design of green infrastructure projects or activities, and/or how selected projects or activities will incorporate green infrastructure components. For the purposes of this Notice, green infrastructure is defined as the integration of natural systems and processes, or engineered systems that mimic natural systems and processes, into investments in resilient infrastructure. Green infrastructure takes advantage of the services and natural defenses provided by land and water systems such as wetlands, natural areas, vegetation, sand dunes, and forests, while contributing to the health and quality of life of those in recovering communities.

In addition, the HCD Act authorizes public facilities activities that may include green infrastructure approaches that restore degraded or lost natural systems (e.g., wetlands and sand dunes ecosystems) and other shoreline areas to enhance storm protection and reap the many benefits that are provided by these systems. Protecting, retaining, and enhancing natural defenses should be considered as part of any coastal resilience strategy.

g. *Additional Requirements for Major Infrastructure Projects.* Action Plan Amendments that propose a major infrastructure project will not be approved unless the project meets the criteria of this Notice. HUD approval is required for each major infrastructure project with such projects defined as having a total cost of $50 million or

more (including at least $10 million of CDBG–DR funds), or benefits multiple counties. Additionally, two or more *related infrastructure projects* that have a combined total cost of $50 million or more (including at least $10 million of CDBG–DR funds) must be designated as major infrastructure projects. Projects encompassed by this paragraph are herein referred to as ''Covered Projects.'' Prior to funding a Covered Project, the grantee must incorporate each of the following elements into its Action Plan (i.e., via a substantial Action Plan Amendment):

(1) *Identification/Description.* A description of the Covered Project, including: Total project cost (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (i.e., a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to Hurricane Sandy or other disasters cited in this Notice.

(2) *Use of Impact and Unmet Needs Assessment, the Comprehensive Risk Analysis and the Rebuild by Design Collaborative Risk Analysis.* A description of how the Covered Project is supported by the grantee's updated impact and unmet needs assessment, as well as the grantee's comprehensive risk analysis.

The grantee must describe how Covered Projects address the risks, gaps, and vulnerabilities in the region as identified by the comprehensive risk analysis. Grantees must also describe how the collaborative risk analysis developed through the Rebuild by Design initiative has been or will be used for the evaluation of Covered Projects.

(3) *Transparent and Inclusive Decision Processes.* A description of the transparent and inclusive processes that have been or will be used in the selection of a Covered Project(s), including accessible public hearings and other processes to advance the engagement of vulnerable populations. Grantees should demonstrate the sharing of decision criteria, the method of evaluating a project(s), and how all project stakeholders and interested parties were or are to be included to ensure transparency including, as appropriate, stakeholders and parties with an interest in environmental justice or accessibility.

(4) *Long-Term Efficacy and Fiscal Sustainability.* A description of how the grantee plans to monitor and evaluate the efficacy and sustainability of Covered Projects, including how it will reflect changing environmental conditions (such as sea level rise or development patterns) with risk management tools, and/or alter funding sources if necessary.

(5) *Environmentally Sustainable and Innovative Investments.* A description of how the Covered Project(s) will align with the commitment expressed in the President's Climate Action Plan to ''identify and evaluate additional approaches to improve our natural defenses against extreme weather, protect biodiversity, and conserve natural resources in the face of a changing climate . . .''

h. *HUD Review of Covered Projects.* HUD may disapprove any Action Plan Amendment that proposes a Covered Project that does not meet the above criteria. In the course of reviewing an Action Plan Amendment, HUD will advise grantees of the deficiency of a Covered Project, and grantees must revise their plans accordingly to secure HUD approval. In making its decision, HUD will consider input from other relevant federal agencies. Each grantee is encouraged to consult with the Regional Coordination Working Group prior to the inclusion of a Covered Project in its Action Plan. HUD will also submit any Covered Project(s) identified in an Action Plan to the Regional Coordination Working Group for comment, and will consider the group's views prior to approval or disapproval of the project(s). Consistent with the Rebuilding Strategy Infrastructure Resilience Guidelines, the goal of this coordination effort is to promote a regional and cross-jurisdictional approach to resilience in which neighboring communities and states come together to: identify interdependencies among and across geography and infrastructure systems; compound individual investments towards shared goals; foster leadership; build capacity; and share information and best practices on infrastructure resilience.

3. *Action Plan for Disaster Recovery waiver and alternative requirement—Housing, Business Assistance, and General Requirements.* The Prior Notices are modified as follows:

a. *Public and assisted multifamily housing.* In the March 5, 2013 Notice, paragraph 1(a)(6) at 78 FR 14334, grantees were required to describe how funds would be used to address the rehabilitation, mitigation and new construction needs of each impacted Public Housing Authority (PHA) within its jurisdiction. In addition to this continuing requirement for PHAs, grantees under this Notice must now describe how they will address the rehabilitation, mitigation and new construction needs of other assisted multifamily housing developments impacted by the disaster, including HUD-assisted multifamily housing, low income housing tax credit (LIHTC) financed developments and other subsidized and tax credit-assisted affordable housing. For CDBG DR purposes, HUD-assisted multifamily housing continues to be defined by paragraph VI.A.1.a. (1) of the March 5, 2013 Notice at 78 FR 14332. Grantees should focus on protecting vulnerable residents and should consider measures to protect vital infrastructure (e.g., HVAC and electrical equipment) from flooding. Grantees are strongly encouraged to provide assistance to PHAs and other assisted and subsidized multifamily housing to help them elevate critical infrastructure and rebuild to model resilient building standards. Examples of such standards include the I-Codes developed by the International Code Council (ICC), the Insurance Institute for Business and Home Safety (IBHS) FORTIFIED home programs, and standards under development by the American National Standards Institute (ANSI) and the American Society of Civil Engineers (ASCE).

b. *Liquid Fuel Supply Chain Assistance.* The March 5, 2013 Notice, paragraph (d)(3) at 78 FR 14335, and paragraph 41 at 78 FR 14347, are amended, as necessary, to require the following: If a grantee provides CDBG–DR assistance to a small business in the liquid fuel supply chain, the award agreement must require the adoption of measures to mitigate impacts to the liquid fuel supply chain during future disasters. Risk mitigation measures should include processes or methods to ensure that fueling stations along critical evacuation routes remain functional, or quickly restore functionality, during power outages. This requirement applies to any small business in the liquid fuel supply chain that applies for CDBG–DR assistance after the effective date of this Notice. Grantees are reminded that pursuant to the March 5, 2013 Notice, grantees are prohibited from assisting businesses, including private utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121 and as further modified by this Notice. Please review the modified definition of a small business in paragraph 10 of this section of the Notice, particularly with regard to businesses covered by this section.

c. *Certification of proficient controls, processes and procedures.* The

Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. Grantees submitted this certification pursuant to paragraph VI.E.42(q) of the March 5, 2013 Notice. In any Action Plan Amendment submitted after the effective date of this Notice, grantees are required to identify any material changes in its processes or procedures that could potentially impact the Secretary's or the grantee's prior certification. Grantees are advised that HUD may revisit any prior certification based on a review of an Action Plan Amendment submitted for this allocation of funds, as well as monitoring reports, audits by HUD's Office of the Inspector General, citizen complaints or other sources of information. As a result of HUD's review, the grantee may be required to submit additional documentation or take appropriate actions to sustain the certification.

d. *Certification of Resilience Standards.* Paragraph 42 at 78 FR 14347 of the March 5, 2013 Notice is amended to additionally require the grantee to certify that it will apply the resilience standards required in section VI (2)(e) of this Notice.

e. *Amending the Action Plan.* Paragraph 1(k) at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to submit a substantial Action Plan Amendment to HUD within 120 days of the effective date of this Notice. All Action Plan Amendments submitted after the effective date of this Notice must be prepared in accordance with the Prior Notices, as modified by this Notice. In addition, they must budget all, or a portion, of the funds allocated under this Notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date that grantees may submit an Action Plan Amendment is June 1, 2017 given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

f. *HUD Review/Approval.* Consistent with the requirements of section 105(c) of the Cranston-Gonzalez National Affordable Housing Act, HUD will review each grantee's substantial Action Plan Amendment within 60 days from the date of receipt. This timeframe allows HUD's federal partners to view the Amendment and provide feedback. The Secretary may disapprove an Amendment if it is determined that it does not meet the requirements of the Prior Notices, as amended by this Notice. Once an Amendment is approved, HUD will issue a revised grant agreement to the grantee.

g. *Projection of expenditures and outcomes.* Paragraph 1(l) at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to amend its Action Plan to update its projection of expenditures and outcomes within 90 days of its Action Plan Amendment approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Projections should include the entire amount allocated by this Notice. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on preparing the projections is available on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi/afwa.*

4. *Citizen participation waiver and alternative requirement.* Paragraph 3 at 78 FR 14338 of the March 5, 2013 Notice is modified to require grantees to publish substantial Action Plan Amendments for comment for 30 days prior to submission to HUD. Grantees are reminded of both the citizen participation requirements of that Notice and that HUD will monitor grantee compliance with those requirements and the alternative requirements of this Notice. In addition, this Notice establishes the requirement that at least one public hearing must held regarding any substantial Action Plan Amendment submitted after the effective date of this Notice, including any subsequent substantial amendment proposing or amending a Covered Project. Citizens and other stakeholders must have reasonable and timely access to these public hearings. Grantees are encouraged to conduct outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities, to encourage public attendance at the hearings and the submission of written comments concerning the Action Plan Amendment.

The grantee must continue to make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request and the grantee must make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency, in accordance with the requirements of the March 5, 2013 Notice. Grantees are also encouraged to outreach to local nonprofit and civic organizations to disseminate substantial Action Plan Amendments submitted after the effective date of this Notice. During the term of the grant, the grantee must provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds. This objective should be achieved through effective use of the grantee's comprehensive Web site mandated by the Appropriations Act.

5. *Reimbursement of disaster recovery expenses.* In addition to pre-award requirements described in the March 5, 2013 Notice, grantees are subject to HUD's guidance issued July 30, 2013—''Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants'' (CPD Notice 2013–05). The CPD Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/documents/huddoc?id=cdbg_preaward_notice.pdf.*

6. *Duplication of benefits.* In addition to the requirements described in the March 5, 2013 Notice and the **Federal Register** Notice published November 16, 2011 (76 FR 71060), grantees receiving an allocation under this Notice are subject to HUD's guidance issued July 25, 2013—''Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance''. This guidance is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program offices/administration/hudclips/notices/cpd*

7. *Eligibility of needs assessment and comprehensive risk analysis costs.* Grantees may use CDBG–DR funds to update their impact and unmet needs assessments and to develop the comprehensive risk analysis for infrastructure projects required by this Notice, consistent with the overall 20 percent limitation on the use of funds for planning, management and administrative costs.

8. *Eligibility of mold remediation costs.* Mold remediation is an eligible CDBG–DR rehabilitation activity (see the HCD Act, e.g., 42 U.S.C. 5305(a)(4)). Like other eligible activities, however, the activity encompassing mold remediation must address a direct or indirect impact caused by the disaster.

9. *Eligibility of public services and assistance to impacted households.* Grantees are reminded that households impacted by Hurricane Sandy and other qualifying events in 2011, 2012 and 2013, may be assisted as part of an eligible public service activity, subject to applicable CDBG regulations. Public service activities often address needs such as employment and training, child care, health, etc. Income payments, defined as a series of subsistence-type grant payments are made to an individual or family for items such as food, clothing, housing, or utilities, are generally ineligible for CDBG–DR assistance. However, per the CDBG regulations, grantees may make emergency grant payments for up to three consecutive months, to the provider of such items or services on behalf of an individual or family.

Additionally, as provided by the HCD Act, funds for public services activities may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, the activity must still meet a national objective and address all applicable CDBG cross-cutting requirements.

10. *Small business assistance—Modification of the alternative requirement to allow use of the Employer Identification Number (EIN).* In the March 5, 2013 Notice, the Department instituted an alternative requirement to the provisions at 42 U.S.C. 5305(a) prohibiting grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by Small Business Administration (SBA) at 13 CFR part 121 in order to target assistance to the businesses most responsible for driving local and regional economies. To determine whether an entity is a small business under the SBA definition, the grantee must take into account all of its affiliations. Typically, companies that have common ownership or management are considered affiliated. Per the SBA regulations, if businesses are affiliated, the number of jobs and revenue for those businesses must be aggregated. However, this could preclude a number of small businesses from receiving assistance—particularly in cases where one or more persons have control (i.e., ownership or management) of multiple small businesses that each have separate employer identification numbers (EIN), file separate tax returns, or even operate in different industries. Thus, HUD is modifying its definition of a small business: Businesses must continue to meet the SBA requirements at 13 CFR part 121 to be eligible for CDBG–DR assistance, except that the size standards will only apply to each EIN. Businesses that share common ownership or management may be eligible for CDBG–DR assistance, as long as each business with a unique EIN meets the applicable SBA size standards.

11. *Eligibility of Local Disaster Recovery Manager costs.* Consistent with the recommendation of the Rebuilding Strategy, grantees may use CDBG–DR funds to fill Local Disaster Recovery Manager (LDRM) positions, which are recommended by the National Disaster Recovery Framework. Additional information about the National Disaster Recovery Framework can be found at *http://www.fema.gov/long-term-recovery.* A LDRM may coordinate and manage the overall long-term recovery and redevelopment of a community, which includes the local administration and leveraging of multiple federally-funded projects and programs. A LDRM may also ensure that federal funds are used properly, and can help local governments address the need for long-term recovery coordination. For additional guidance, grantees should consult the CPD Notice ''Allocating Staff Costs between Program Administration Costs vs. Activity Delivery Costs in the Community Development Block Grant (CDBG) Program for Entitlement Grantees, Insular Areas, Non-Entitlement Counties in Hawaii, and Disaster Recovery Grants,'' at: *http://portal.hud.gov/huddoc/13-07cpdn.pdf.*

VII. Mitigation and Resilience Methods, Policies, and Procedures

Executive Order 13632 established the Hurricane Sandy Rebuilding Task Force. The Task Force was charged with identifying and working to remove obstacles to resilient rebuilding while taking into account existing and future risks and promoting the long-term sustainability of communities and ecosystems in the Sandy-affected region. The Task Force was further tasked with the development of a rebuilding strategy, which was released on August 19, 2013. The Executive Order directs HUD and other federal agencies, to the extent permitted by law, to align its relevant programs and authorities with the Rebuilding Strategy. The requirements set forth elsewhere in this Notice related to the selection of infrastructure projects and assistance to public and assisted multifamily housing reflect recommendations in the Rebuilding Strategy. To further address these recommendations, each grantee is strongly encouraged to incorporate the following components into its long term strategy for recovery from Hurricane Sandy, and to reflect the incorporation of these components, to the extent appropriate, in Action Plan Amendments.

1. *Regional environmental review and permitting; opportunities to expedite environmental review.* To expedite environmental review and permitting for critical infrastructure projects in the Sandy-affected region, and ensure that the most complex projects are delivered as efficiently as possible, the Rebuilding Strategy recommended and federal agencies have created the Sandy Regional Infrastructure Permitting and Review Team. This interagency body will help to ensure that projects or activities funded by the Appropriations Act, including CDBG–DR funds, will incorporate best practices and align federal and state processes where appropriate. It is expected that this coordination will lead to considerable savings in time and cost. Where appropriate, grantees should identify opportunities to expedite and improve other types of review processes, including historic review and other environmental analyses, through programmatic agreements or consultation, and through participation in the Regional Coordination Working group referenced in Section VI (2) of this Notice. HUD will be providing additional guidance on the operation of both the Permitting and Review Team and the Regional Coordination Working Group.

2. *Small business assistance.* To support small business recovery, grantees are encouraged to work with, and/or fund, small business assistance organizations that provide direct and consistent communication about disaster recovery resources to affected businesses. Selected organizations should have close relationships with local businesses and knowledge of their communities' needs and assets. In addition, grantees may support outreach efforts by a Community Development Finance Institution (CDFI) to small businesses in vulnerable communities.

3. *Energy Infrastructure.* Where necessary for recovery, CDBG–DR funds may be used to support programs, projects and activities to enhance the resiliency of energy infrastructure. Energy infrastructure includes

electricity transmission and distribution systems, including customer-owned generation where a significant portion of the generation is provided to the grid; and liquid and gaseous fuel distribution systems, both fixed and mobile. CDBG–DR recipients may use funds from this allocation for recovery investments that enhance the resiliency of energy infrastructure so as to limit potential damages and future disturbance and thus reduce the need for any future federal assistance under such an event. CDBG–DR funds may be used to support public-private partnerships to enhance the resiliency of privately-owned energy infrastructure, if the CDBG–DR assisted activities meet a national objective and can be demonstrated to relate to recovery from the direct or indirect effects of Hurricane Sandy or other eligible disasters under this Notice. Such projects may include microgrids or energy banks that may provide funds to entities consistent with all applicable requirements. Grantees should review DOE's report, ''U.S. Energy Sector Vulnerabilities to Climate Change and Extreme Weather,'' available at: *http://energy.gov/sites/prod/files/2013/07/f2/20130716-Energy%20Sector%20Vulnerabilities%20Report.pdf.* This report assesses vulnerabilities and provides guidance on developing a new approach for electric grid operations. In developing this component of its long term recovery plan, grantees are reminded that pursuant to the March 5, 2013 Notice, grantees are prohibited from assisting businesses that do not meet the definition of a small business as defined by SBA at 13 CFR part 121 and as further modified by this Notice. The March 5, 2013 Notice also prohibits assistance to private utilities.

4. *Providing jobs to local workforce.* In complying with Section 3 of the Housing and Urban Development Act of 1968, grantees are encouraged to continue efforts, through specialized skills training programs and other initiatives, to: (a) Employ very-low and low-income individuals; and (2) award contracts to local businesses, for Hurricane Sandy rebuilding and rebuilding from other eligible disasters under this Notice (e.g., mold remediation and construction (including elevation), ecosystem and habitat restoration, green infrastructure and coastal engineering).

5. *Project labor agreements.* Executive Order 13502 (Use of Project Labor Agreements for Federal Construction Projects) governs the use of project labor agreements for large-scale construction projects procured by the federal government. Similarly, grantees are encouraged to make use of Project Labor Agreements (PLAs) on large-scale construction projects in areas responding to disasters. Public housing authorities receiving CDBG–DR funds are governed by PLA requirements established by the Department's Office of Public and Indian Housing. Executive Order 13502 can be found at: *http://www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreementsfederal-construction-projects.*

6. *Mitigating future risk.* Grantees should include programs to implement voluntary buyout programs or elevate or otherwise flood-proof all structures that were impacted by the disaster (whether they are homes, businesses or utilities) to mitigate flood or sea level rise risk as indicated by relevant data sources. Reducing risk is essential to the economic well-being of communities and business and is therefore an essential part of any disaster recovery. Elevating at least one foot higher than the latest FEMA-issued base flood elevation or best available data (which includes advisory base flood elevation data), as required by the April 19, 2013 Notice has the added benefit of making flood insurance more affordable, particularly for economically disadvantaged home and business owners. The relevant data source and best available data under Executive Order 11988 is the latest FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps. Thus, in addition to the elevation requirements of the April 19, 2013 Notice, the Department strongly encourages grantees to elevate all structures impacted by the disaster (including housing), even those requiring repairs of low or moderate damage, in addition to those requiring substantial rehabilitation in response to Hurricane Sandy. FEMA maps are available here: *https://msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=10001&langId=-1.* Additional Hurricane Sandy-specific information can be found here: *http://www.region2coastal.com/sandy/table.*

In addition, all rehabilitation projects should apply appropriate construction standards to mitigate risk, which may include: (a) Raising utilities or other mechanical devices above expected flood level; (b) wet flood proofing in a basement or other areas below ABFE/best available data + 1 foot; (c) using water resistant paints or other materials; or (d) dry flood proofing non-residential structures by strengthening walls, sealing openings, or using waterproof compounds or plastic sheeting on walls to keep water out.

Grantees are reminded of the mandatory mitigation requirements described in the April 19, 2013 Notice. That is, reconstruction and substantial improvement projects located in a floodplain, according to the best available data as defined above, must be designed using the base flood elevation plus one foot as the baseline standard for lowest floor elevation. If higher elevations are required by locally adopted code or standards, those higher standards apply.

In addition to the mandatory requirements of the April 19, 2013 Notice, grantees may also engage in voluntary risk mitigation measures. For example, instead of elevating non-residential structures that are not critical actions, as defined at 24 CFR 55.2(b)(2), grantees may design and construct the project such that below the flood level, the structure is flood proofed to the level of the best available base flood data plus one foot. Flood proofing requires structures to be water tight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic loads, hydrodynamic loads, the effects of buoyancy, or higher standards required by the FEMA National Flood Insurance Program as well as state and locally adopted codes.

In undertaking mitigation activities, grantees are also encouraged to include projects identified that are ultimately identified through the Rebuild by Design initiative referenced in Section I of this Notice.

7. *Leveraging funds and evidence-based strategies.* Grantees are encouraged, where appropriate, to leverage grant funds with public and private funding sources—including through infrastructure banks, Community Development Finance Institutions, and other intermediaries—and to make use of evidence-based strategies, including social impact bonds and other pay-for-success strategies.

VIII. Catalog of Federal Domestic Assistance

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

Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section

102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing or speech-impaired individuals may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

Dated: November 12, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

The first allocation of $5.4 billion for Disaster Recovery needs associated with Sandy was based on preliminary data associated with unmet housing and business needs. The second allocation of $5.1 billion reflects updated housing and business unmet needs that have more complete information on insurance coverage, infrastructure data from FEMA, the Department of Transportation, and the Corps of Engineers.

This allocation is calculated is based on relative share of needs HUD has estimated are required to rebuild to a higher standard consistent with CDBG program requirements and the goals set forth in the Hurricane Sandy Rebuilding Strategy.

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as well as a ''resiliency'' amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed homes, businesses, and infrastructure to pre-storm conditions. The repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. The formula allocation is made proportional to those calculated severe unmet needs.

Available Data

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

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss;
- FEMA, Department of Transportation, and Corps of Engineers data on infrastructure; and
- Action Plans and supplemental data submitted by Sandy CDBG Grantees.

Calculating Unmet Housing Needs

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

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

To meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need ''gap'' is 20 percent of the difference between total damage and the FEMA grant.

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

For rental properties, to meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 1 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

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

Calculating Unmet Infrastructure Needs

- To proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement. This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C-Roads and Bridges; D-Water Control Facilities; E-Public Buildings; F-Public Utilities; and G-Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not county), CDBG funding allocated by the estimate of unmet infrastructure needs are sub-allocated to New York City from the New York State total based on the distribution of initial project-level estimates obtained from FEMA.

For the second round of CDBG–DR funding for Sandy recovery, HUD included three additional sources of information:

1. US Army Corps of Engineers (USACE) Infrastructure Resilience Coordination. Many USACE Sandy projects require very high local cost shares. However, Federal requirements only allow grantees to no more than $250,000 of CDBG–DR funding towards local match requirements for these projects. As such, this calculation only includes $250,000 per USACE project where local match is higher than that amount.

2. DOT, Federal Highway Administration (FHWA) Sandy Recovery Grants—Emergency

Relief (ER). We include an estimate of the local cost share from this program. To calculate this estimate, we only include 20% of non-quick release Sandy ER project estimates as of July 2013.

3. DOT, Federal Transit Administration (FTA) Transit Emergency Relief (ER). We include the 10% local cost share for these transit projects. Note, since much of the New York City transit damage is owned by a state organization, the Metropolitan Transportation Authority, New York State receives the vast majority of need from this grant. Also note that the State of New Jersey receives 66% of the local match requirement from the Port Authority's match requirement; New York State receives 34% of the Authority's match requirement.

Calculating Economic Revitalization Needs

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

CDBG Disaster Recovery Funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For Sandy, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future storms do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied it estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent. Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate at 30 percent of damage is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs. Data on damage to public housing for purpose of calculating resiliency need was based on damage estimates from both FEMA and HUD's Office of Public and Indian Housing.

[FR Doc. 2013–27506 Filed 11–15–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5738–N–01]

Statutorily Mandated Designation of Difficult Development Areas for 2014

AGENCY: Office of the Secretary, HUD.

ACTION: Notice.

SUMMARY: This notice designates ''Difficult Development Areas'' (DDAs) for purposes of the Low-Income Housing Tax Credit (LIHTC) under Section 42 of the Internal Revenue Code of 1986 (IRC). The United States Department of Housing and Urban Development (HUD) makes new DDA designations annually. In addition to announcing the 2014 DDA designations, this notice announces a change in the designation methodology for metropolitan DDAs, beginning with the 2016 designations. The revised methodology will use Small Area Fair Market Rents (SAFMRs), rather than metropolitan-area Fair Market Rents (FMRs), for designating metropolitan DDAs and was originally described in a notice published in the **Federal Register** on Thursday, October 27, 2011.

The designations of ''Qualified Census Tracts'' (QCTs) under IRC Section 42, published on April 20, 2012, remain in effect.

FOR FURTHER INFORMATION CONTACT: For questions on how areas are designated and on geographic definitions, contact Michael K. Hollar, Senior Economist, Economic Development and Public Finance Division, Office of Policy Development and Research, U.S. Department of Housing and Urban Development, at 451 Seventh Street SW., Room 8234, Washington, DC 20410–6000; telephone number 202–402–5878 or email address *Michael.K.Hollar@hud.gov.* For specific legal questions pertaining to Section 42, contact Branch 5, Office of the Associate Chief Counsel, Passthroughs and Special Industries, Internal Revenue Service, 1111 Constitution Avenue NW., Washington, DC 20224; telephone number 202–622–3040, fax number 202–622–4753. For questions about the ''HUB Zones'' program, contact Mariana Pardo, Assistant Administrator for Procurement Policy, Office of Government Contracting, U.S. Small Business Administration, at 409 Third Street SW., Suite 8800, Washington, DC 20416; telephone number 202–205–8885, fax number 202–205–7167, or send an email to *hubzone@sba.gov.* A text telephone is available for persons with hearing or speech impairments, at 202–708–8339. (The previous are not toll-free telephone numbers.) Additional copies of this notice are available through HUD User at 800–245–2691 (this is a toll-free number) for a small fee to cover duplication and mailing costs.

Copies Available Electronically: This notice and additional information about DDAs and QCTs are available on the Internet at: *http://www.huduser.org/datasets/qct.html.*

SUPPLEMENTARY INFORMATION: This notice designates DDAs for each of the 50 states, the District of Columbia, Puerto Rico, American Samoa, Guam, the Northern Mariana Islands, and the U.S. Virgin Islands. The designations of DDAs in this notice are based on final Fiscal Year (FY) 2013 Fair Market Rents (FMRs), FY2013 income limits, and 2010 Census population counts.

This notice also announces the adoption of a revised methodology, beginning with the 2016 metropolitan DDA designations, which will be the first to rely on the use of Small Area FMRs, estimated at the ZIP-code level and based on the relationship of ZIP-code rents to metropolitan-area rents, as the housing cost component of the DDA formula, rather than metropolitan-area FMRs. This revised methodology was first described in a **Federal Register** notice published on October 27, 2011 (76 FR 66741), entitled ''Statutorily Mandated Designation of Difficult Development Areas and Qualified Census Tracts for 2012.''

2010 Census, 2000 Census, and Metropolitan Area Definitions

Data from the 2010 Census on total population of metropolitan areas and nonmetropolitan areas are used in the designation of DDAs. The Office of Management and Budget (OMB) first published new metropolitan area definitions incorporating 2000 Census data in OMB Bulletin No. 03–04 on June 6, 2003, and updated them periodically through OMB Bulletin No. 10–02 on December 1, 2009. FY2013 FMRs and FY2013 income limits used to designate DDAs are based on these Metropolitan

with the Paperwork Reduction Act of 1995. The information collection is published in the **Federal Register** to obtain comments from the public and affected agencies. Comments are encouraged and will be accepted for sixty day until February 14, 2014.

Written comments and suggestions regarding items contained in this notice and especially with regard to the estimated public burden and associated response time should be directed to the Office of Chief Information Office, Forms Management Office, U.S. Immigrations and Customs Enforcement, 801 I Street NW., Mailstop 5800, Washington, DC 20536–5800.

Written comments and suggestions from the public and affected agencies concerning the proposed collection of information should address one or more of the following four points:

(1) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension of a currently approved information collection.

(2) *Title of the Form/Collection:* Electronic Bonds Online (eBonds) Access.

(3) *Agency form number, if any, and the applicable component of the Department of Homeland Security sponsoring the collection:* ICE Form I–352SA (Surety eBonds Access Application and Agreement); ICE Forms I–352RA (eBonds Rules of Behavior Agreement); U.S. Immigration and Customs Enforcement.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individual or Households, Business or other non-profit. The information taken in this collection is necessary for ICE to grant access to eBonds and to notify the public of the duties and responsibilities associated with accessing eBonds. The I–352SA and the I–352RA are the two instruments used to collect the information associated with this collection. The I–352SA is to be completed by a Surety that currently holds a Certificate of Authority to act as a Surety on Federal bonds and details the requirements for accessing eBonds as well as the documentation, in addition to the I–352SA and I–352RA, which the Surety must submit prior to being granted access to eBonds. The I–352RA provides notification that eBonds is a Federal government computer system and as such users must abide by certain conduct guidelines to access eBonds and the consequences if such guidelines are not followed.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 100 responses at 30 minutes (.50 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 50 annual burden hours.

Dated: December 11, 2013.

Scott Elmore,

Program Manager, Forms Management Office, Office of the Chief Information Officer, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

[FR Doc. 2013–29761 Filed 12–13–13; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–07]

Allocations, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery Funds in Response to Disasters Occurring in 2013

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

ACTION: Notice.

SUMMARY: This Notice advises the public of a $128,500,000 allocation for the purpose of assisting recovery in the most impacted and distressed areas in Colorado, Illinois and Oklahoma declared a major disaster in 2013. This is the fourth allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). Prior allocations addressed the areas most impacted by Hurricane Sandy, as well as the areas most impacted by disasters occurring in 2011 or 2012. In **Federal Register** Notices, the Department has described those allocations, relevant statutory provisions, the grant award process, criteria for Action Plan approval, eligible disaster recovery activities, and applicable waivers and alternative requirements. This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578) and August 2, 2013 (78 FR 46999), referred to collectively in this Notice as the ''Prior Notices.'' The Prior Notices are available at: *http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18643.pdf.*

For grantees receiving an allocation under this Notice, many of the requirements described in the Prior Notices will apply, with some minor modifications.

DATES: *Effective Date:* December 23, 2013.

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

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term

recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. A total of $10.5 billion has been allocated for the areas most impacted by Hurricane Sandy. This Notice advises the public of a $128,500,000 allocation for the purpose of assisting recovery in the most impacted and distressed areas in Colorado, Illinois and Oklahoma declared a major disaster in 2013. As the Appropriations Act requires funds to be awarded directly to a State, or unit of general local government (hereinafter, local government), at the discretion of the Secretary, the term ''grantee'' refers to any jurisdiction receiving a direct award from HUD under this Notice.

To comply with statutory direction that funds be used for disaster recovery-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all of the eligible affected areas. Based on a review of the impacts from Presidentially-declared disasters that have occurred in 2013, and estimates of remaining unmet need, this Notice provides the following awards:

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2013

State	Grantee	Allocation
Colorado	State of Colorado	$62,800,000
Illinois	State of Illinois	3,600,000
Illinois	City of Chicago	4,300,000
Illinois	Cook County	13,900,000
Illinois	Du Page County	7,000,000
Oklahoma	State of Oklahoma	10,600,000
Oklahoma	City of Moore	26,300,000
Total		128,500,000

As outlined in Table 2, to ensure that funds provided under this Notice address unmet needs within the ''most impacted and distressed'' counties, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (e.g., Cook County must expend its entire award within Cook County, excluding the city of Chicago; the city of Chicago must expend all funds in the city of Chicago including the portions of Cook and DuPage counties located within the city's jurisdiction). The State of Oklahoma may expend funds in any county that was declared a major disaster in 2013, but must spend at least $3,220,000 within Cleveland County. The State of Illinois may expend funds in any county that was declared a major disaster in 2013. The State of Colorado must expend at least 80% of its funds in the most impacted counties of Boulder, Weld and Larimer but may expend up to $12,560,000 in other counties having a declared major disaster in 2013. A detailed explanation of HUD's allocation methodology is provided at Appendix A.

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

Grantee	Most impacted and distressed counties	Minimum percentage that must be expended in most impacted and distressed counties
State of Colorado	Boulder, Weld and Larimer	80
State of Illinois	Cook and DuPage	0
City of Chicago	City of Chicago and the portions of the City of Chicago in Cook and DuPage.	100
Cook County	Cook County	100
DuPage County	DuPage	100
State of Oklahoma	Cleveland	30.4
City of Moore	City of Moore and the portions of the City of Moore in Cleveland	100

II. Use of Funds

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

included in the Prior Notices. For grantees receiving an allocation under this Notice, the requirements described in the Prior Notices will apply, except as modified by this Notice (*see* section V of this Notice: ''Applicable Rules, Statutes, Waivers, and Alternative Requirements''). Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance (hereinafter referred to as the CPD Disaster Recovery Web site): *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi.*

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

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

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

Section 904(c) under Title IX of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds to a grantee (funds are obligated to a grantee upon HUD's signing of the grantee's CDBG–DR grant agreement). Action Plans must demonstrate how funds will be fully expended within two years of obligation. HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. Approved waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadline will be returned to the U.S. Treasury or, if before September 30, 2017, will be recaptured by HUD.

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

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

IV. Overview of Grant Process

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

- Grantee adopts citizen participation plan for disaster recovery in accordance with the requirements of this Notice and the March 5, 2013, Notice;
- Grantee consults with stakeholders, including required consultation with affected local governments and public housing authorities;
- Within 30 days of the effective date of this Notice (or when the grantee submits its Action Plan, whichever is sooner), grantee submits evidence that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds;
- Grantee publishes its Action Plan for Disaster Recovery on the grantee's official Web site for no less than 7 calendar days to solicit public comment;
- Grantee responds to public comment and submits its Action Plan (which includes Standard Form 424 (SF–424) and certifications) to HUD no later than 90 days after the effective date of this Notice;
- HUD expedites review of Action Plan (allotted 45 days from date of receipt; however, completion of review is anticipated much sooner) and approves the Plan according to criteria identified in the March 5, 2013, Notice;
- HUD sends an Action Plan approval letter, grant conditions, and unsigned grant agreement to the grantee. If the Action Plan is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the

Action Plan within 45 days of the notification letter;

- Grantee ensures that the HUD-approved Action Plan is posted on its official Web site;
- Grantee signs and returns the fully executed grant agreement;
- HUD signs the grant agreement and establishes the proper amount in a line of credit for the grantee;
- Grantee requests and receives DRGR system access (if the grantee does not already have it);
- If it has not already done so, grantee enters the activities from its published Action Plan into DRGR and submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR);
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, under the clarifying note in paragraph 20 in the March 5, 2013, Notice, receives from HUD or the State an approved Request for Release of Funds and certification;
- Grantee begins to draw down funds within 60 days of obligation (funds are obligated when HUD signs the grant agreement);
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan approval; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

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

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

This section describes the rules, statutes, waivers, and alternative requirements that apply to grantees receiving an allocation under this Notice. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. The Appropriations Act requires that regulatory waivers be published in the **Federal Register** no later than five days before the effective date of such waiver.

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

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

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

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

d. Paragraph VI.A.1.(j) of the March 5, 2013, Notice, at 78 FR 14337, is hereby amended. The disbursement of grant funds must begin within 60 days after funds have been obligated. Funds are obligated the day HUD signs the grant agreement.

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

2. *Modifications to the notice published May 29, 2013 (78 FR 32262)—for grantees in receipt of CDBG–DR funds for disasters that occurred in 2011 or 2012.*

a. In regards to Table 2—Counties and Parishes Eligible for CDBG–DR Assistance, Wyoming County is added as a most impacted and distressed county within the Commonwealth of Pennsylvania. The reference to Newton County is deleted.

b. In regards to Table 1—Allocations for Disasters Occurring in 2011 or 2012, the State of Louisiana's grant is reduced to $64,379,084, while the award to St. Tammany Parish is increased to $10,914,916. As a result, Table 2—Counties and Parishes Eligible for CDBG–DR Assistance, is modified to require the State to spend a minimum of $43,023,484 in the parishes determined to be the most impacted and distressed.

VI. Duration of Funding

The Appropriations Act requires that HUD obligate all funds provided under Chapter 9, Community Development Fund, not later than September 30, 2017. Concurrently, section 904(c) of the Appropriations Act requires that all funds be expended within two years of the date HUD obligates funds. Therefore, each grantee must expend all funds within two years of the date HUD signs the grant agreement with the grantee. Note that if a grantee amends its Action Plan to program additional funds that HUD has allocated to it, the grant agreement must also be revised. The requirement for each grantee to expend funds within two years is triggered by each amendment to the grant agreement

meaning that each grant amendment has its own expenditure deadline.

VII. Catalog of Federal Domestic Assistance

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

VIII. Finding of No Significant Impact

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

Dated: December 9, 2013.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

Appendix A—Allocation Methodology

Background

Public Law 113–2 states:

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

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

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

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

The legislation further specifies that the funds are not to be used for activities reimbursable by or for which funds are made available by FEMA or the Corps of Engineers.

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

- ''restoration of . . . housing''. HUD made an estimate with best available data on the amount of housing damage not likely to be covered by insurance, SBA disaster loans, or FEMA housing assistance (see below for more details).
- ''economic revitalization''. HUD made an estimate with best available data on the amount of damage to businesses declined for an SBA loan, usually because of inadequate credit or income to support the needed loan amount (see below for more details).
- ''restoration of infrastructure''. HUD calculated infrastructure need as the match required to address the FEMA estimates for repair of permanent infrastructure in the FEMA Public Assistance program (see below for more details).
- ''in the most impacted and distressed areas''. To target the funds to the most impacted and distressed areas, HUD limited its calculation to ''severe needs in areas of concentrated damage'':
  - Severe Needs: Only homes and businesses categorized as severe or major-high damage were included in the calculation (see below for more details).
  - Concentration: Only counties and parishes with greater than $10 million in severe housing and business needs were included for the calculation.

HUD's calculates the CDBG–DR grants in this Notice by summing an estimate of severe unmet needs in the most impacted and distressed communities using ''best available data''. The final allocation is equal to 70% of the grantee's total estimate of severe ''unmet needs,'' a proportion similar to other grantees funded through PL 113–2.

Methodology for Calculating Unmet Needs

Available Data

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

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss;
- FEMA Public Assistance data and preliminary infrastructure assessments for Oklahoma by HUD staff.

Calculating Unmet Housing Needs

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

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

To meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-high'' or ''severe''. That is, the homeowner has real property FEMA-inspected damage of $15,000 or flooding over 4 feet. Furthermore, a homeowner is determined to have unmet needs if s/he has received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need ''gap'' is 20 percent of the difference between total damage and the FEMA grant.

Since data for the Colorado disaster was preliminary at the time of this allocation, assumptions are made about the likely percent of damage not covered by insurance for homeowners with pending FEMA applications. This is assumed to increase by severity of damage to the home. The assumptions applied to ascertain the range of allocations were 50 percent for homes with major-high damage; and 70 percent for homes with severe damage in Colorado.

- FEMA does not inspect rental units for real property damage so personal property damage is used as a proxy for unit damage. Each of the FEMA-inspected renter units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $1,000 of FEMA-inspected *personal property* damage
  - Minor-High: $1,000 to $1,999 of FEMA-inspected *personal property* damage
  - Major-Low: $2,000 to $3,499 of FEMA-inspected *personal property* damage (if basement flooding only, damage categorization is capped at major-low)
  - Major-High: $3,500 to $7,499 of FEMA-inspected *personal property* damage or 4 to 6 feet of flooding on the first floor.

- Severe: Greater than $7,500 of FEMA-inspected *personal property* damage or determined destroyed and/or 6 or more feet of flooding on the first floor.
- *Note, if a FEMA-inspected unit only had basement flooding and $3,500 or more of FEMA-inspected personal property damage, the unit is categorized as Major-Low damage.*

For rental properties, to meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-high'' or ''severe''. That is, they have a FEMA personal property damage assessment of $3,500 or greater or flooding over 4 feet. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units that are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

- The average cost to fully repair a home for a specific disaster *to code* within each of the damage categories noted above is calculated using the average real property damage repair costs determined by the Small Business Administration for its disaster loan program for the subset of homes inspected by both SBA and FEMA. Because SBA is inspecting for full repair costs up to what is required in existing local building codes, it is presumed to reflect the full cost to repair the home, which is generally more than the FEMA estimates on the cost to make the home habitable. Note that SBA estimates do not cover resiliency costs above and beyond what is required in existing local building codes. If fewer than 100 SBA inspections are made for homes within a FEMA damage category, the estimated damage amount in the category for that disaster has a cap applied at the 75th percentile of all damaged units for that category for all disasters and has a floor applied at the 25th percentile.

Calculating Unmet Infrastructure Needs

- To best proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement (usually 25 percent of the estimated public assistance needs). This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C—Roads and Bridges; D—Water Control Facilities; E—Public Buildings; F—Public Utilities; and G—Recreational—Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used.
- Because Public Assistance damage estimates are available only statewide (and not at the county level), estimates of unmet infrastructure needs were sub-allocated to counties and local jurisdictions based on each jurisdiction's proportion of unmet housing and business needs.
- At the time of this allocation, data from the FEMA Public Assistance program were not yet available for Oklahoma. Therefore, this allocation relies on early HUD field staff estimates for total damages to infrastructure, equipment, parks, and public buildings. We then assume insurance coverage of 60% (roughly the same coverage as seen in FEMA assisted owner-occupants in this disaster) and a state match requirement of 25% from the FEMA Public Assistance program.

Calculating Economic Revitalization Needs

- Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. Because applications denied for poor credit or income are the most likely measure of requiring the type of assistance available with CDBG recovery funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of applications that were received for a disaster for which SBA did not calculate content and real property loss because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.
- Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $65,000 are considered severe damage for purposes of identifying the most impacted areas.
  - Category 1: real estate + content loss = below 12,000
  - Category 2: real estate + content loss = 12,000—30,000
  - Category 3: real estate + content loss = 30,000—65,000
  - Category 4: real estate + content loss = 65,000—150,000
  - Category 5: real estate + content loss = above 150,000
- Since SBA business needs are best measured at the county level, HUD estimates the distribution of needs to local entitlement jurisdictions based on the distribution of unmet housing needs, when necessary.
- Since data for the Colorado disaster was preliminary at the time of this allocation, HUD deflates the estimate of unmet business needs by 15% to account for expected SBA denial rates.

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

To ensure that funds are dedicated to the most impacted and distressed areas, 80 percent of the combined total of all the funds awarded within a state (this includes funds awarded directly to a State as well as those funds awarded directly to local governments) must be spent in the ''most impacted and distressed'' counties (i.e., those identified by HUD as having more than $10 million in estimated unmet severe housing and business needs). Since a local government receiving a direct grant allocation must spend the entirety of its grant within its jurisdiction, HUD has identified the remaining amount of each grant awarded directly to a State that must be expended within its ''most impacted'' counties in order to reach the 80 percent threshold. Oklahoma must spend a minimum of $3,220,000 within Cleveland County to ensure 80 percent of the combined total of all the funds awarded within the state is spent in the ''most impacted'' county. The State of Colorado must spend a minimum of $50,240,000 within Boulder, Weld, and Larimer Counties to meet this requirement. Because of the large grant to entitlement communities in Illinois relative to the State grant, there is no minimum requirement for the State of Illinois.

The principle behind the 80 percent rule is that each State received its allocation based on the estimated unmet needs in the most impacted counties (i.e., those counties with more than $10 million in severe unmet housing and business needs) and, thus, HUD is requiring that each State direct these limited resources toward those most impacted counties. Nonetheless, HUD recognizes that there may be circumstances where data regarding damage estimates are subsequently revised, highly localized damage may occur outside of the most impacted counties, or overall recovery would otherwise benefit from expenditures outside of those most impacted counties. As a result, HUD is permitting States to spend the portion of its award in excess of the 80 percent threshold to address recovery needs outside of its ''most impacted'' counties. However, these funds must still be spent within counties that received a Presidential disaster declaration in 2013. See the below table for further explanation:

State	Direct/state grantee designation	CDBG–DR Allocation	Minimum % spent in most impacted county(ies)	Minimum $ spent in most impacted county(ies)
CO	State Grant	62,800,000	80	$50,240,000
	Total	62,800,000		50,240,000
IL	Direct Grantees	25,200,000	100	25,200,000

State	Direct/state grantee designation	CDBG–DR Allocation	Minimum % spent in most impacted county(ies)	Minimum $ spent in most impacted county(ies)
	State Grant	3,600,000	0	0
	Total	28,800,000		25,200,000
OK	Direct Grantees	26,300,000	100	26,300,000
	State Grant	10,600,000	30.4	3,220,000
	Total	36,900,000		29,520,000

[FR Doc. 2013–29834 Filed 12–13–13; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5747–N–01]

Public Housing Assessment System (PHAS) Capital Fund Interim Scoring Notice: Reinstitution of Five Points for Occupancy Sub-Indicator and Request for Comment

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: This notice advises public housing agencies (PHAs), as well as members of the public, that HUD intends to reinstitute, temporarily, the award of 5 points for the occupancy sub-indicator of the Capital Fund Program Indicator to all PHAs for the PHAS Capital Fund Program Indicator. This award of points is provided as regulatory relief from a non-statutory element of PHAS and intended to help lessen the impact of decreases in funding in recent appropriations acts. Adding automatic points for the occupancy sub-indicator will allow PHAs to focus on the statutory criteria for assessing performance under the Capital Fund Indicator, which is timely obligation of the Capital Funds and will in no way limit HUD's oversight and monitoring of PHAs.

HUD welcomes public comment on the scoring adjustment HUD intends to make as provided in this notice.

DATES: *Effective Date:* December 16, 2013.

Comment due date: January 15, 2014.

ADDRESSES: Interested persons are invited to submit comments regarding this notice to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Communications must refer to the above docket number and title. There are two methods for submitting public comments. All submissions must refer to the above docket number and title.

1. *Submission of Comments by Mail.* Comments may be submitted by mail to the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500.

2. *Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at *www.regulations.gov.* HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make them immediately available to the public. Comments submitted electronically through the *www.regulations.gov* Web site can be viewed by other commenters and interested members of the public. Commenters should follow the instructions provided on that site to submit comments electronically.

Note: To receive consideration as public comments, comments must be submitted through one of the two methods specified above. Again, all submissions must refer to the docket number and title of the rule. *No Facsimile Comments.* Facsimile (FAX) comments are not acceptable.

Public Inspection of Public Comments. All properly submitted comments and communications submitted to HUD will be available for public inspection and copying between 8 a.m. and 5 p.m. weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at (202) 708–3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number via TTY by calling the Federal Relay Service at 1–800–877–8339. Copies of all comments submitted are available for inspection and downloading at *www.regulations.gov.*

FOR FURTHER INFORMATION CONTACT: Claudia J. Yarus, Real Estate Assessment Center (REAC), Office of Public and Indian Housing, Department of Housing and Urban Development, 550 12th Street SW., Suite 100, Washington, DC 20410, telephone 202–475–8830 (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. Additional information is available from the REAC Internet site at *http://www.hud.gov/offices/reac/.*

SUPPLEMENTARY INFORMATION:

I. Background

The purpose of PHAS is to provide a management tool for measuring the performance of a PHA in essential housing operations of projects, on a program-wide basis and individual project basis. PHAS measures a PHA's performance through four indicators: physical condition, financial condition, management operations and performance under the Capital Fund Program. Each of these indicators contains subindicators, and the scores for the subindicators are used to determine a single score for each of these PHAS indicators. The PHAS regulations, codified at 24 CFR part 902, were revised and updated by an interim rule published on February 23, 2011, at 76 FR 10136.

The Capital Fund Program Indicator consists of two subindicators. One subindicator required by statute focuses on the time taken by a PHA to obligate Capital Funds (see 42 U.S.C. 1437g(j)). The other subindicator, which is regulatory, focuses on a PHA's occupancy rate as of the end of a PHA's fiscal year. Each subindicator is worth up to 5 points for a total possible score of 10 points for the Capital Fund Program Indicator. (See 24 CFR 902.50.) In addition to measuring a PHA's occupancy rate under the Capital Fund Program Indicator, a PHA's occupancy

technology; and (e) the annual costs burden to respondents or record keepers from the collection of information (a total capital/startup costs and operations and maintenance costs). The comments that are submitted will be summarized and included in the CBP request for Office of Management and Budget (OMB) approval. All comments will become a matter of public record. In this document, CBP is soliciting comments concerning the following information collection:

Title: Entry of Articles for Exhibition.

OMB Number: 1651–0037.

Form Number: None.

Abstract: Goods entered for exhibit at fairs, or for constructing, installing, or maintaining foreign exhibits at a fair, may be free of duty under 19 U.S.C. 1752. In order to substantiate that goods qualify for duty-free treatment, the consignee of the merchandise must provide information to CBP about the imported goods, which is specified in 19 CFR 147.11(c).

Current Actions: CBP proposes to extend the expiration date of this information collection with no change to the burden hours or to the information collected.

Type of Review: Extension (without change).

Affected Public: Businesses.

Estimated Number of Respondents: 50.

Estimated Number of Responses per Respondent: 50.

Estimated Number of Total Annual Responses: 2,500.

Estimated Time per Response: 20 minutes.

Estimated Total Annual Burden Hours: 832.

Dated: March 24, 2014.

Tracey Denning,

Agency Clearance Officer, U.S. Customs and Border Protection.

[FR Doc. 2014–06809 Filed 3–26–14; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5752–N–32]

30-Day Notice of Proposed Information Collection: HUD Conditional Commitment/Statement of Appraised Value

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD has submitted the proposed information collection requirement described below to the Office of Management and Budget (OMB) for review, in accordance with the Paperwork Reduction Act. The purpose of this notice is to allow for an additional 30 days of public comment.

DATES: *Comments Due Date:* April 28, 2014.

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: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202–395–5806. Email: *OIRA_Submission@omb.eop.gov.*

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette.Pollard@hud.gov* or telephone 202–402–3400. Persons with hearing or speech impairments may access this number through TTY by calling the toll-free Federal Relay Service at (800) 877–8339. This is not a toll-free number. Copies of available documents submitted to OMB may be obtained from Ms. Pollard.

SUPPLEMENTARY INFORMATION: This notice informs the public that HUD has submitted to OMB a request for approval of the information collection described in Section A. The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on November 20, 2013.

A. Overview of Information Collection

Title of Information Collection: HUD Conditional Commitment/Statement of Appraised Value.

OMB Approval Number: 2502–0494.

Type of Request Revision of a currently approved collection.

Form Number: HUD 92800.5b.

Description of the need for the information and proposed use: Lenders must provide to loan applicants either a completed copy of form HUD–92800.5B, or a copy of the completed appraisal report, at or before loan closing. Form HUD 92800.5B serves as the mortgagee's conditional commitment/direct endorsement statement of value of FHA mortgage insurance on the property. The form provides a section for a statement of the property's appraised value and other required FHA disclosures to the homebuyer, including specific conditions that must be met before HUD can endorse a firm commitment for mortgage insurance. HUD uses the information only to determine the eligibility of a property for mortgage insurance.

Respondents: (i.e. affected public): Business.

Estimated Number of Respondents: 1837.

Estimated Number of Responses: 900,000.

Frequency of Response: On occasion.

Average Hours per Response: .12.

Total Estimated Burdens: 108,000.

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.

C. Authority

Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35

Dated: March 21, 2014.

Colette Pollard,

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

[FR Doc. 2014–06726 Filed 3–26–14; 8:45 am]

BILLING CODE P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–08]

Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This Notice provides clarifying guidance, waivers, and

alternative requirements for Community Development Block Grant (CDBG) disaster recovery grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). To date, the Department has allocated $10.6 billion under the Act to assist recovery in the most impacted and distressed areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013.

DATES: April 1, 2014.

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

SUPPLEMENTARY INFORMATION:

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I. Background
II. Applicable Rules, Statutes, Waivers, and Alternative Requirements
III. Catalog of Federal Domestic Assistance
IV. Finding of No Significant Impact

I. Background

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. As the Appropriations Act requires funds to be awarded directly to a State, or unit of general local government (hereinafter, local government) at the discretion of the Secretary, the term ''grantee'' refers to any jurisdiction that has received a direct award from HUD under the Appropriations Act.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG disaster recovery (CDBG–DR) grants under the Appropriations Act to $15.18 billion. To date, a total of $10.6 billion has been allocated for the areas most impacted by Hurricane Sandy and other disasters occurring in 2011, 2012, and 2013. To describe these allocations and the accompanying requirements, the Department published multiple notices (collectively, the ''Prior Notices'') in the **Federal Register**. The requirements of the Prior Notices continue to apply, except as modified by this Notice.

Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi.* The same information is also available on HUD's OneCPD Web site: *https://www.onecpd.info/cdbg-dr/.*

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

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

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

1. Action Plan for Disaster Recovery Waiver and Alternative Requirement—Infrastructure Programs and Projects (Only Applicable to Hurricane Sandy Grantees)

a. *Definition of ''Benefits Multiple Counties''.* The Notice published November 18, 2013, describes additional requirements that apply to major infrastructure projects (see paragraph 2g, under section VI, Applicable Rules, Statutes, Waivers, and Alternative Requirements, at 78 FR 69107). Specifically, the Notice states: ''HUD approval is required for each major infrastructure project with such projects defined as having a total cost of $50 million or more (including at least $10 million of CDBG–DR funds), or benefits multiple counties.'' For purposes of the identifying major infrastructure projects under the November 18, 2013 Notice, HUD defines ''benefits multiple counties'' to mean that a major infrastructure project is physically located in more than one county.

b. *Obligated Public Assistance Grant Program Projects.* Oftentimes, CDBG–DR grantees are awarded recovery funds under FEMA's Public Assistance (PA) Grant Program. Through the PA Program, FEMA provides grant assistance to states, tribal and local governments, and certain types of private nonprofit organizations for: Debris removal; emergency protective measures; and the repair, replacement, or restoration of disaster-damaged, publicly-owned facilities, and the facilities of certain private, nonprofit organizations. The PA Program also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures during the recovery process. The PA Program requires grantees to contribute a non-federal share to a project—typically, 25 percent of the total project cost. For example, if the repair of a public facility costs $1 million, FEMA provides $750,000 while the grantee provides $250,000. However, in the states of New York and New Jersey, due to the amount of damage caused by the storm, FEMA has reduced the non-federal share for Hurricane Sandy PA projects to 10 percent of the project's total cost (FEMA will provide the remaining 90 percent). This reduction is allowed under FEMA regulations.

Per the HCD Act (42 U.S.C. 5305(a)(9)), CDBG funds (including CDBG–DR funds) may be used for the payment of the non-federal share required in connection with a federal grant-in-aid program (e.g., the FEMA PA

Program) that provides funding for a CDBG-eligible activity. Prior to HUD's Notice allocating a second round of funding for grantees in response to Hurricane Sandy (78 FR 69104, published November 18, 2013), many of these grantees had coordinated with FEMA to secure PA funding for critical infrastructure projects. Thus, the infrastructure requirements described in paragraph 2 at 78 FR 69107 will not apply to Hurricane Sandy grantees with PA projects where funds have been obligated by FEMA on or before November 25, 2013. The infrastructure requirements described in paragraph 2 at 78 FR 69107 apply in full to PA projects where funds have been obligated by FEMA after November 25, 2013.

c. *Comprehensive Planning Process Required by Another Federal Agency.* Paragraph 2d, under section VI, Applicable Rules, Statutes, Waivers, and Alternative Requirements (at 78 FR 69107) of the Notice published November 18, 2013, is amended as necessary to allow the following: Where a grantee provides a local match (using CDBG–DR funds) for an infrastructure project that is covered by a comprehensive planning process required by another Federal agency (e.g., FEMA, the Department of Transportation, U.S. Army Corps of Engineers, Environmental Protection Agency, etc.), HUD does not require the grantee to repeat the analysis completed during that planning process as part of its comprehensive risk analysis. Rather, that process may be referenced and/or adopted to assist the grantee in meeting its responsibility to conduct the comprehensive risk analysis required by the November 18, 2013 Notice.

2. Documentation of Low- and Moderate-Income National Objective for Multi-Unit Housing Projects (New York City Only)

Per the HCD Act and the Prior Notices, Hurricane Sandy CDBG–DR grantees may fund the rehabilitation, reconstruction, and new construction of housing. To further address its housing needs, New York City has requested to measure the benefit to low- and moderate-income households, in multi-unit residential projects, in a manner more supportive of mixed income housing. In general, the applicable regulation, 24 CFR 570.208(a)(3), requires at least 51 percent of the units in an assisted multi-unit structure to be occupied by residents that are income eligible. This method of calculating the benefit to low- and moderate-income households is often referred to as the structure basis.

HUD has reviewed other housing assistance programs that measure benefit differently—only those units in a multi-unit structure occupied by income eligible residents are used to calculate the benefit to low- and moderate-income households. Under this ''unit'' approach, when units are alike, the proportion of CDBG funds contributed to the project may be no more than the proportion of units in the project that will be occupied by income-eligible households. For this reason, this approach is sometimes called the proportional units approach. In other words, the rule under the structure approach is that a dollar of CDBG assistance to a structure means that 51 percent of the units must meet income requirements. Under the unit approach, the amount of assistance provided is equal to the cost of units occupied by low- and moderate-income households.

Based on HUD experience, the unit approach can be more compatible with large-scale development of mixed-income housing. For example, in response to the widespread devastation caused by Hurricanes Katrina and Rita, HUD allowed the states of Louisiana and Mississippi to use this approach under their respective CDBG–DR programs. Additionally—(1) the CDBG program rule has a built-in exception that allows limited use of the unit basis for multi-unit non-elderly new construction structures with between 20 and 50 percent low- and moderate income occupancy, (2) in the HOME Investment Partnerships program, HUD's primary housing production program, HUD grantees use funds to pay for the cost of affordable units, and (3) the Neighborhood Stabilization Program permitted grantees to use a unit basis approach to meet the CDBG low- and moderate-income benefit requirement.

After review of the city's Action Plan for Disaster Recovery, and discussions with the city regarding its intent to encourage mixed-income housing development, HUD has determined that it is consistent with the overall purposes of the HCD Act to provide the city the requested additional flexibility in measuring program benefit. Therefore, the waiver and alternative requirements allow the city to measure benefit within a housing development project: (1) According to the existing CDBG requirements, or (2) according to the unit approach described above for multi-unit housing projects involving rehabilitation and/or reconstruction. However, the second option may only be used if the units are generally comparable in size and finishes. The city must select and use one method for each project. For these purposes, the term ''project'' will have the same meaning as in the HOME program at 24 CFR 92.2. The city is reminded that per 2 CFR part 225, CDBG–DR costs must be necessary and reasonable. To meet this requirement, the city must develop policies and procedures to document its costs for housing investments are necessary and reasonable. The city must also meet all civil rights and fair housing requirements.

3. Limited Purpose Modification of Overall Benefit Requirement (City of Minot Only)

The primary objective of the HCD Act is the ''development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.'' 42 U.S.C. 5301(c). To carry out this objective, the statute requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons.

This target can be difficult, if not impossible, for many CDBG–DR grantees to reach as a disaster impacts entire communities—regardless of income. Further, it may prevent grantees from providing assistance to the most damaged areas of need. Therefore, as described by the Prior Notices, the city of Minot, in addition to the other grantees under the Appropriations Act, received a waiver and alternative requirement—only 50 percent of funds must be used for activities that benefit low- and moderate-income persons. Additional flexibility was provided in the March 5, 2013 Notice (78 FR 14329). It allowed a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 50 percent requirement; and (d) demonstrates that the needs of non-low and moderate-income persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them. Upon HUD's review of the justification, the request can be granted only if the Secretary found a compelling need to reduce the overall benefit below 50 percent.

In response to the above, the city of Minot submitted a justification addressing the required criteria. As described in that letter, the city has received two awards of CDBG–DR funds (appropriated by two separate laws) in response to the severe flooding of the city in the summer of 2011. Early in the recovery process, the city identified housing as the largest unmet need for the low- and moderate-income population. Funding from the first allocation was used to fund housing rehabilitation and reconstruction only for low- and moderate-income households. In addition, the city obligated $2.2 million for infrastructure and acquisition activities to support two affordable rental housing projects (one will create 42 units of workforce housing, the other will result in 40 units of senior housing), and $5.1 million for infrastructure to support home development, as well as to provide pads for mobile homes for low- and moderate-income families. Further, the city is exploring the development of a homeless shelter, and projects to provide 60 affordable rental units for Minot's low- and moderate-income residents through a small rental rehabilitation and reconstruction program. In sum, the city's first appropriation of CDBG–DR funds, under Section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55, approved November 18, 2011), was $67,575,964; over 52 percent of that allocation is anticipated to benefit low- and moderate-income persons.

As the city moves forward with funding received under a second appropriation law, the Appropriations Act, the focus of the recovery has narrowed to the long-term needs of the city's Flood Inundation Area. This area is four square miles and includes the downtown area and the oldest and most heavily developed portion of the city. It was inundated with two to fifteen feet of water during the 2011 flood and sustained the most severe damage. According to the city, two types of long-term activities, both located within the Flood Inundation Area, are most urgent: Acquisition/buyout of properties and street repair and improvements. In regards to acquisition/buyouts, the city has allocated $14.8 million. These funds will act as a 25 percent match to funding provided by the North Dakota State Water Commission, for a total project cost of over $51 million. Additionally, $9.7 million has been allocated for street repair and improvements. The balance of the city's second allocation, $10.6 million, will be used for reimbursement of home repairs, street repairs in an area located outside the Flood Inundation Area, and planning and administrative costs.

HUD has reviewed the flood inundation data and maps, and the census tract information provided by the city. Of the 14 block groups that comprise the Flood Inundation Area, only four have low- and moderate-income populations of at least 51 percent. An average of the 14 groups demonstrates that the total low- and moderate income population of the Flood Inundation Area is approximately 45.2 percent. According to the HUD FY14 data, the median family income in Ward County, where Minot is located, is $65,700. To be considered a low- and moderate-income household, a family with four persons has an income equal to, or less than, $53,200.

Thus, to enable the city to undertake the activities it has deemed most critical for its recovery, and to ensure that low- and moderate-income households are adequately served and/or assisted, HUD is granting a limited waiver and alternative requirement to reduce the overall benefit from 50 percent to not less than 23 percent. Based on the city's justification, the Secretary has found a compelling need for this reduction due to the unique circumstances related to Minot's request. In particular, HUD notes that the City has already prioritized the needs of low- and moderate-income populations with its first allocation; the low- and moderate-income population in the Flood Inundation Area is close enough to 50 percent that it nearly qualifies under the overall benefit waiver in the March 5, 2013 Notice; given that the Flood Inundation Area is likely to flood again, the City has identified getting people out of harm's way as a top priority and this waiver will allow low- and moderate-income families to take advantage of Minot's program for this purpose; and finally, the waiver will enable the City to leverage non-Federal funds for its buyout program. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to permit the City to use funds appropriated by Public Law 113–2 for flood buyout and street repair programs in the 14 block groups of the Flood Inundation Area with a low- and moderate-income population of approximately 45.2 percent, as described in its Action Plan.

4. Tenant-Based Rental Assistance (Applicable to the State of New York and the City of Joplin)

The State of New York and the city of Joplin have requested a waiver of 42 U.S.C. 5305(a) in order to provide tenant-based rental assistance to households impacted by disasters eligible under the Appropriations Act. After reviewing each grantee's request, HUD is waiving 42 U.S.C. 5305(a), to the extent necessary, to make eligible rental assistance and utility payments paid for up to 2 years on behalf of homeless and at-risk households when such assistance or payments are part of a homeless prevention or rapid rehousing program or activity. Eligible assistance may also include rental (i.e., security) deposits and utility deposits when the grantee determines that such payments are necessary to help prevent a family from being homeless. While existing CDBG regulations may allow payments for these purposes, grantees under the annual CDBG programs are subject to a much shorter time limitation (3 months).

The goal of this waiver is to minimize the time households are homeless by providing re-housing and rental assistance, and by linking the individual or family with services that can help them become stable and self-sufficient. Both grantees' use of CDBG–DR funds for this purpose could measurably advance the Department's priority on supporting forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness. In addition, HUD has previously granted the State of Louisiana a similar waiver for its recovery in response to Hurricanes Katrina and Rita. Further justification for granting the waiver to both grantees, and the specifics of how the waiver will apply to each grantee, are detailed below. Either grantee using these funds in combination with an existing Section 8 Housing Choice Voucher (HCV) program must coordinate with HUD's Office of Public and Indian Housing; however, as this waiver is limited to two years from the effective date of this Notice, grantees are strongly encouraged to ensure households assisted in whole or in part with CDBG–DR funds are transitioned to an alternate source of assistance, if necessary. Unless noted otherwise, the term ''Section 8'' refers to the Section 8 HCV program.

a. *State of New York.* The State of New York anticipates up to $10 million of CDBG–DR funds will be used to support an emergency rehousing program designed to assist households

that are homeless, or in imminent danger of becoming homeless, as result of Hurricane Sandy, Hurricane Irene or Tropical Storm Lee. The State anticipates the funds will be used in conjunction with the State's Social Service Block Grant, which will support an intensive case management system to help locate housing and stabilize the household through a range of services.

Prior to seeking a waiver, the State explored all options available to those most in need of housing assistance. To date, FEMA has approved over $1 billion of assistance to more than 115,000 households located in the State of New York. The State has launched significant housing programs to address rehabilitation and reconstruction, however, these programs are not specifically targeted to address the urgent needs of the homeless—many of whom are still housed in shelters or other non-permanent accommodations as a result of Sandy, Irene and Lee. For example, it is estimated that Long Island's current homeless population in shelters exceeds 2,000; approximately 1,000 of these individuals were forced to the shelter as a result of Sandy. Meanwhile, the Section 8 rental assistance program is experiencing a tremendous demand and has a limited supply of available housing, while HOME resources have been reduced by sequestration. The State is aware of individuals being served by the FEMA Temporary Rental Assistance Program, the Transitional Sheltering Assistance, and the Disaster Housing Assistance Program; however, many of these programs have reached funding limits, or are not eligible sources of assistance for the majority of the homeless.

Thus, for the State of New York, the Department is waiving 42 U.S.C. 5305(a), to the extent necessary, to make eligible tenant-based rental assistance for the homeless population, or those at risk of becoming homeless, due to the effects of Hurricane Sandy, Hurricane Irene, or Tropical Storm Lee. Households will not be eligible for tenant-based rental assistance if they have rejected public housing assistance or declined a Section 8 voucher.

b. *City of Joplin.* As a result of the May 2011 tornado, Joplin's housing stock, including its Section 8 voucher program, was severely impacted. In regards to the Section 8 program, 85 voucher-holders were displaced. Since the tornado, new housing units have gradually been added to Joplin's inventory; however, many of these are more costly as Joplin's rental market evolves. Compounding the issue, during its recovery, the Joplin housing authority experienced a decrease in its ''fundable'' voucher population due to a lack of available units. As a result of this decrease, the voucher budget provided to the city also decreased, despite the needs of additional households that were displaced. Thus, the city seeks the use of CDBG–DR funds to assist Joplin's housing authority restore its program to reach pre-disaster voucher levels. After reviewing the city's request, the Department is waiving 42 U.S.C. 5305(a), to the extent necessary, to make eligible tenant-based rental assistance so that the city may restore its Section 8 program to pre-disaster levels. Households will not be eligible for tenant-based rental assistance if they have rejected public housing assistance, or declined a Section 8 voucher. A maximum of $290,000 may be provided by the city for this use.

Going forward, the city and the housing authority are strongly encouraged to continue to assess the voucher program to ensure households in need will have adequate resources available at the expiration of this waiver.

III. Catalog of Federal Domestic Assistance

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

IV. Finding of No Significant Impact

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

Date: March 24, 2014.

Mark Johnston,

Deputy Assistant Secretary for Special Needs Programs.

[FR Doc. 2014–06850 Filed 3–26–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[145A2100DD–AADD001000.A0E501010.999900]

Indian Education Study Group

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of tribal consultation.

SUMMARY: The Department of the Interior, in conjunction with the U.S. Department of Education (ED), will conduct a series of consultation sessions with Indian tribes to review and provide feedback on the draft actionable recommendations prepared by the American Indian Education Study Group.

DATES: Submit written comments on or before June 2, 2014.

ADDRESSES: Written comments may be submitted to: Jacquelyn Cheek, Special Assistant to the Director, Bureau of Indian Education, 1849 C Street NW., Mail Stop 3609, Washington, DC 20240; telephone (202) 208–6983 or fax (202) 208–3312 or by email to *IAEDTC-CMTS@bia.gov*.

FOR FURTHER INFORMATION CONTACT: Jacquelyn Cheek, Special Assistant to the Director, Bureau of Indian Education, at the above listed address and telephone number.

SUPPLEMENTARY INFORMATION: The Secretaries of the U.S. Department of the Interior (DOI) and the U.S. Department of Education (ED) have convened an American Indian Education Study Group (Study Group) to determine how to effectively fulfill President Obama's vision for Indian Education. The Study Group focused on how to facilitate tribal sovereignty in American Indian education and how to improve educational outcomes for students attending BIE-funded schools. The Study Group previously engaged with tribal leaders and Indian educators in six listening sessions on improving Indian education for BIE to develop draft actionable recommendations.

Based on input from these listening sessions, the Study Group has identified a framework for reform with a goal of high-achieving tribally controlled schools. This goal would allow the schools to deliver methods and practices for every BIE student to meet and exceed high expectations and be well prepared for college, careers, and tribal and global citizenship. The Study Group believes that, in order to reach this goal, the Obama Administration, Congress, and tribes must focus on the following four pillars of reform:

Description of Information Collection	Number of respondents	Responses per year	Total annual responses	Hours per response	Total hours
HUD 96011—Facsimile Transmittal (OMB No. 2535–0118)	350	1	350	0.50	175
HUD–2991—Certification of Consistency with the Consolidated Plan (OMB No. 2506–0112)	350	1	350	0.50	175
Sample Budget/Matching Form	350	1	350	1	350
Jobs Plus Pilot Application—Narrative(Strategy, Approach, Capacity)	350	1	350	24	8400
HUD 96010—Logic Model (OMB No. 2535–0114)	350	1	350	3	1050
Subtotal (Application)				31	10,850
Partnership Agreement (American Job Center)	12	1	12	1	12
Budget Worksheet	12	1	12	1	12
HUD–1044—Grant Agreement*	12	1	12	1	12
Annual Performance Report (Narrative and Data)—Quarterly	12	4	48	1	192
HUD–50058—Family Report (OMB No. 2577–0083)	12	1	12	1	12
Subtotal (Program Reporting/Recordkeeping)				5	240
Total				36	11,090

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: May 27, 2014.

Merrie Nichols-Dixon,

Deputy Director, Office of Policy, Programs and Legislative Initiatives.

[FR Doc. 2014–12729 Filed 6–2–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–09]

Second Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant (CDBG) Disaster Recovery Funds in Response to Disasters Occurring in 2013

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

ACTION: Notice.

SUMMARY: This Notice advises the public of a second allocation for the purpose of assisting recovery in the most impacted and distressed areas identified in major disaster declarations in calendar year 2013. This is the fifth allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). In addition to an initial allocation for disasters occurring in 2013, prior allocations addressed the areas most impacted by Hurricane Sandy, as well as the areas most impacted by disasters occurring in 2011 or 2012. In prior **Federal Register** Notices, the Department described the allocations, relevant statutory provisions, the grant award process, criteria for Action Plan approval, eligible disaster recovery activities, and applicable waivers and alternative requirements. This Notice builds upon the requirements of those notices.

DATES: *Effective Date:* June 9, 2014.

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

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

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

events in calendar years 2011, 2012, and 2013.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $11.2 billion has been allocated— $10.5 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, and $128.5 million in response to 2013 disasters. This Notice advises the public of a second allocation for 2013 disasters— $436.6 million is provided for the purpose of assisting recovery in the most impacted and distressed areas in Colorado, Illinois and Oklahoma. As the Appropriations Act requires funds to be awarded directly to a State or unit of general local government (hereinafter, local government), the term ''grantee'' refers to any jurisdiction receiving a direct award from HUD under this Notice.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all the eligible affected areas. Based on further review of the impacts from Presidentially-declared disasters that occurred in 2013, and estimates of remaining unmet need, this Notice provides the following awards:

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2013

Grantee	Second allocation	First allocation	Total
State of Colorado	$199,300,000	$62,800,000	$262,100,000
State of Illinois	6,800,000	3,600,000	10,400,000
City of Chicago, IL	47,700,000	4,300,000	52,000,000
Cook County, IL	54,900,000	13,900,000	68,800,000
Du Page County, IL	18,900,000	7,000,000	25,900,000
State of Oklahoma	83,100,000	10,600,000	93,700,000
City of Moore, OK	25,900,000	26,300,000	52,200,000
Total	436,600,000	128,500,000	565,100,000

As outlined in Table 2, to ensure funds provided under this Notice address unmet needs within the ''most impacted and distressed'' counties, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (e.g., Cook County must expend all funds within Cook County, excluding the city of Chicago; the city of Chicago must expend all funds in the city of Chicago, including the portions of Cook and Du Page counties located within the city's jurisdiction). The State of Oklahoma may expend funds (from both the first and/or second allocations) in areas it identifies as most impacted within any county that was declared a major disaster in 2011, 2012 or 2013, but must spend at least $41.2 million within Cleveland, and Creek Counties. The State of Illinois may expend funds in areas it identifies as most impacted within any county that was declared a major disaster in 2011, 2012 or 2013. The State of Colorado must expend at least 80 percent of its funds in the most impacted counties of Boulder, Weld and Larimer but may expend up to $52.4 million (combined first and second allocations) in other counties having a declared major disaster in 2011, 2012 or 2013. The following link provides access to maps showing declared disasters in each state, by year: *http://www.fema.gov/disasters/grid/state-tribal-government.* The opportunity for certain grantees to expend a portion of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data. A detailed explanation of HUD's allocation methodology is provided at Appendix A.

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

Grantee	Most impacted and distressed counties	Minimum percentage that must be expended in most impacted and distressed counties
State of Colorado	Boulder, Weld and Larimer	80
State of Illinois	Cook and Du Page	0
City of Chicago	City of Chicago; portions of the city in Cook and Du Page	100
Cook County	Cook	100
Du Page County	Du Page	100
State of Oklahoma	Cleveland , Creek	44
City of Moore	City of Moore; portions of the city in Cleveland	100

II. Use of Funds

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), and December 16, 2013 (76 FR 76154), referred to collectively in this Notice as the ''Prior Notices''. The Prior Notices can be accessed through the OneCPD Web site at *https://www.onecpd.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.* In addition, the following links provide direct access to the Prior Notices: *http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf, http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf,* and *http://www.gpo.gov/fdsys/pkg/FR-2013-12-16/pdf/2013-29834.pdf.* The requirements of this Notice parallel

those established for other grantees receiving funds under the Appropriations Act in a **Federal Register** Notice published by the Department on November 18, 2013 (78 FR 69104) and located at: *http://www.gpo.gov/fdsys/pkg/FR-2013-11-18/pdf/2013-27506.pdf*

As a reminder, the Appropriations Act requires funds to be used only for specific disaster-recovery related purposes. This allocation provides additional funds to areas impacted by disasters in 2011, 2012 or 2013 for recovery, including mitigation and resilience as part of the recovery effort and directs grantees to undertake comprehensive planning to promote resilience as part of that effort. The law also requires that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas. To access funds provide by the initial allocation, HUD has approved an Action Plan for each of the grantees identified as receiving funds in this Notice. Grantees are now directed to submit a substantial Action Plan Amendment in order to access funds provided in this Notice. For more guidance on requirements for substantial Action Plan Amendments, please see sections IV and V of this Notice.

Note that, as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by FEMA or the United States Army Corps of Engineers (USACE).

In addition, sections V and VI of this Notice incorporate information developed in response to Hurricane Sandy that are also being applied to these disasters. Executive Order 13632 (published in the **Federal Register** at 77 FR 74341) established the Hurricane Sandy Rebuilding Task Force (Task Force) to: (1) ensure government-wide and region-wide coordination was available to assist communities in making decisions about long-term rebuilding;-, and (2) develop a comprehensive rebuilding strategy. The Task Force released the Hurricane Sandy Rebuilding Strategy (the Rebuilding Strategy) on August 19, 2013. The Rebuilding Strategy can be found at *http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf.* In recognition of the increased risk the nation faces from extreme weather events, the Rebuilding Strategy provides recommendations for both rebuilding more resiliently in the Sandy-affected region and improving the ability of communities to withstand and recover effectively from disasters across the country.

Section 5(b) of the executive order requires HUD, ''as appropriate and to the extent permitted by law, [to] align [the Department's] relevant programs and authorities'' with the Rebuilding Strategy. Thus, this Notice applies elements of the Rebuilding Strategy so that grantees may build back stronger and more resilient through comprehensive planning and investing in mitigation efforts.

III. Timely Expenditure of Funds

The Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee; and funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges for any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget (OMB) has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. Approved waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadline will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD.

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Any substantial Action Plan Amendment submitted after the effective date of this Notice is subject to the following requirements:

- Grantee consults with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment; in addition, grantee prepares a comprehensive risk analysis (see section V.3.d. of this Notice);
- Grantee amends its citizen participation plan to reflect the requirements of this Notice (e.g., new requirement for a public hearing);
- Grantee publishes a substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices and this Notice;
- HUD sends an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- Grantee signs and returns the grant agreement;
- HUD signs the grant agreement and revises the grantee's line of credit amount;
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90

days of the Action Plan Amendment approval as provided for in paragraph 4.g. of section V of this Notice; and

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

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

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

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The following requirements apply only to the CDBG–DR funds allocated in this Notice. Grantees may request additional waivers and alternative requirements to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, regulatory waivers are effective five days after publication in the **Federal Register**.

1. *Incorporation of general requirements, waivers, alternative requirements, and statutory changes previously described.* Grantees are advised that general requirements, waivers and alternative requirements provided for and subsequently clarified or modified in the Prior Notices (published March 5, 2013, April 19, 2013, and December 16, 2013) apply to all funds under this Notice, except as modified herein. However, waivers and alternative requirements specific to one or more grantees only apply to those grantees. These waivers and alternative requirements described in the Prior Notices and this Notice provide additional flexibility in program design and implementation to support resilient recovery following the 2013 disasters, while also ensuring that statutory requirements unique to the Appropriations Act are met.

2. *Eligible activities and uses of funds.* Each grantee's Action Plan Amendment must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice or the Prior Notices; (2) meet a national objective; and (3) respond to a disaster-related impact in a county eligible for assistance. As described in the Prior Notices, eligible activities and uses typically fall under one of the following categories—housing, infrastructure, or economic revitalization.

3. *Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects.* Grantees are advised that HUD will assess the adequacy of a grantee's response to each of the elements outlined in this subsection as a basis for the approval of a substantial Action Plan Amendment that *includes* infrastructure programs and projects. Going forward, and with the submission of additional Action Plan Amendments that include an infrastructure program or project, grantees need not resubmit responses to elements approved by HUD unless warranted by changing conditions or if project-specific analysis is required. Section VI(A)(1) of the March 5, 2013 Notice (''Action Plan for Disaster Recovery waiver and alternative requirement''), as amended by the April 19, 2013 Notice, is modified to require:

a. *Applicability.* The following guidance and criteria are applicable to all infrastructure programs and projects in an Action Plan Amendment submitted to HUD after the effective date of this Notice. Infrastructure programs and projects funded pursuant to the Prior Notices and submitted in an Action Plan Amendment after the effective date of this Notice are also subject to these requirements. However, projects scheduled to receive funding through FEMA's Public Assistance Grant Program, and for which funds have been obligated by FEMA on or before the effective date of this Notice, are not subject to these requirements.

b. *Definition of an Infrastructure Project and Related Infrastructure Projects.*

(1) Infrastructure Project: For purposes of this Notice, an infrastructure project is defined as an activity, or a group of related activities, designed by the grantee to accomplish, in whole or in part, a specific objective related to critical infrastructure sectors such as energy, communications, water and wastewater systems, and transportation, as well as other support measures such as flood control. This definition is rooted in the implementing regulations of the National Environmental Policy Act (NEPA) at 40 CFR part 1508 and 24 CFR Part 58. Further, consistent with HUD's NEPA implementing requirements at 24 CFR 58.32(a), in responding to the requirements of this Notice, a grantee must group together and evaluate as a single infrastructure project all individual activities which are related to one another, either on a geographical or functional basis, or are logical parts of a composite of contemplated infrastructure-related actions. Grantees should also ensure that each infrastructure project is eligible pursuant to section 105(a)(2) of the Housing and Community Development Act.

(2) Related Infrastructure Project: Consistent with 40 CFR part 1508, *infrastructure projects* are ''related'' if they automatically trigger other projects or actions, cannot or will not proceed unless other projects or actions are taken previously or simultaneously, or are interdependent parts of a larger action and depend on the larger action for their justification.

c. *Impact and Unmet Needs Assessment.* In Prior Notices, grantees were required to consult with affected citizens, stakeholders, local governments and public housing authorities to determine the impact of the 2013 disasters and any unmet disaster recovery needs. Grantees are required to update their impact and unmet needs assessments to address infrastructure projects, or any other projects or activities not previously considered, but for which an unmet need has become apparent.

d. *Comprehensive Risk Analysis.* Each grantee must describe the science-based risk analysis it has or will employ to select, prioritize, implement, and maintain infrastructure projects or activities. At a minimum, the grantee's analysis must consider a broad range of information and best available data, including forward-looking analyses of risks to infrastructure sectors from climate change and other hazards, such as the Midwest, Great Plains and Southwest United States Regional Climate Trends and Scenarios from the U.S. National Climate Assessment or comparable peer-reviewed information. The grantee should also consider costs

and benefits of alternative investment strategies, including green infrastructure options. In addition, the grantee should include, to the extent feasible and appropriate, public health and safety impacts; direct and indirect economic impacts; social impacts; environmental impacts; cascading impacts and interdependencies within and across communities and infrastructure sectors; changes to climate and development patterns that could affect the project or surrounding communities; and impacts on and from other infrastructure systems. The analyses should, wherever possible, include both quantitative and qualitative measures and recognize the inherent uncertainty in predictive analysis. Grantees should work with other states and units of general local government to undertake regional risk baseline analyses, to improve consistency and cost-effectiveness.

The description of the comprehensive risk analysis must be sufficient for HUD to determine if the analysis meets the requirements of this Notice. Where a grantee provides a local match (using CDBG–DR funds) for an infrastructure project that is covered by a comprehensive planning process required by another Federal agency (e.g., FEMA, the Department of Transportation, U.S. Army Corps of Engineers, Environmental Protection Agency, etc.) HUD does not require the grantee to repeat the analysis completed during that planning process as part of its comprehensive risk analysis. Rather, that process may be referenced and/or adopted to assist the grantee in meeting its responsibility to conduct the comprehensive risk analysis required by this Notice.

e. *Resilience Performance Standards.* Grantees are required to identify and implement resilience performance standards that can be applied to each infrastructure project. The grantee must describe its plans for the development and application of resilience performance standards in any Action Plan Amendment submitted pursuant to this Notice.

f. *Green Infrastructure Projects or Activities.* In any Action Plan Amendment submitted pursuant to this Notice, each grantee must describe its process for the selection and design of green infrastructure projects or activities, and/or how selected projects or activities will incorporate green infrastructure components. For the purposes of this Notice, green infrastructure is defined as the integration of natural systems and processes, or engineered systems that mimic natural systems and processes, into investments in resilient infrastructure. Green infrastructure takes advantage of the services and natural defenses provided by land and water systems such as wetlands, natural areas, vegetation, sand dunes, floodplains and forests, while contributing to the health and quality of life of those in recovering communities.

In addition, the HCD Act authorizes public facilities activities that may include green infrastructure approaches that restore degraded or lost natural systems (e.g., wetlands and floodplain ecosystems) and other shoreline and riparian areas to enhance storm protection and reap the many benefits that are provided by these systems. This includes activities that provide greater floodplain space for floodwaters and recharge groundwater. Protecting, retaining, and enhancing natural defenses should be considered as part of any climate resilience strategy.

g. *Additional Requirements for Major Infrastructure Projects.* Action Plan Amendments that propose a major infrastructure project will not be approved unless the project meets the criteria of this Notice. HUD approval is required for each major infrastructure project with such projects defined as having a total cost of $50 million or more (including at least $10 million of CDBG–DR funds), or physically located in more than one county. Additionally, two or more *related infrastructure projects* that have a combined total cost of $50 million or more (including at least $10 million of CDBG–DR funds) must be designated as major infrastructure projects. Projects encompassed by this paragraph are herein referred to as ''Covered Projects.'' Prior to funding a Covered Project, the grantee must incorporate each of the following elements into its Action Plan (i.e., via a substantial Action Plan Amendment):

(1) *Identification/Description.* A description of the Covered Project, including: total project cost (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (i.e., a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to a disaster covered by this Notice.

(2) *Use of Impact and Unmet Needs Assessment and the Comprehensive Risk Analysis.* A description of how the Covered Project is supported by the grantee's updated impact and unmet needs assessment, as well as the grantee's comprehensive risk analysis. The grantee must also describe how Covered Projects address the risks, gaps, and vulnerabilities in the region as identified by the comprehensive risk analysis.

(3) *Transparent and Inclusive Decision Processes.* A description of the transparent and inclusive processes that have been or will be used in the selection of a Covered Project(s), including accessible public hearings and other processes to advance the engagement of vulnerable populations. Grantees should demonstrate the sharing of decision criteria, the method of evaluating a project(s), and how all project stakeholders and interested parties were or are to be included to ensure transparency including, as appropriate, stakeholders and parties with an interest in environmental justice or accessibility.

(4) *Long-Term Efficacy and Fiscal Sustainability.* A description of how the grantee plans to monitor and evaluate the efficacy and sustainability of Covered Projects, including how it will reflect changing environmental conditions (such as development patterns) with risk management tools, and/or alter funding sources, if necessary.

(5) *Environmentally Sustainable and Innovative Investments.* A description of how the Covered Project(s) will align with the commitment expressed in the President's Climate Action Plan to ''identify and evaluate additional approaches to improve our natural defenses against extreme weather, protect biodiversity, and conserve natural resources in the face of a changing climate . . .''

h. *HUD Review of Covered Projects.* HUD may disapprove any Action Plan Amendment that proposes a Covered Project that does not meet the above criteria. In the course of reviewing an Action Plan Amendment, HUD will advise grantees of the deficiency of a Covered Project, and grantees must revise their plans accordingly to secure HUD approval. In making its decision, HUD will seek input from other relevant federal agencies. Grantees are strongly encouraged to consult with federal agencies as proposals are developed for major infrastructure projects. The goal of this coordination effort is to promote a regional and cross-jurisdictional approach to resilience in which neighboring communities come together to: identify interdependencies among and across geography and infrastructure systems; compound individual investments towards shared goals; foster leadership; build capacity; and share information and best practices on infrastructure resilience.

4. *Action Plan for Disaster Recovery waiver and alternative requirement—Housing, Business Assistance, and General Requirements.* The Prior Notices are modified as follows:

a. *Public and assisted multifamily housing.* In the December 16, 2013 Notice, grantees were required to describe how they would identify and address (if needed) the rehabilitation (as defined at 24 CFR 570.202), reconstruction, and replacement of the following types of housing affected by the disaster: Public housing (including administrative offices), HUD-assisted housing (defined at subparagraph (1) of the March 5, 2013, Notice, at 78 FR 14332), McKinney-Vento-funded shelters and housing for the homeless—including emergency shelters and transitional and permanent housing for the homeless, and private market units receiving project-based assistance or with tenants that participate in the Section 8 Housing Choice Voucher Program. As part of this requirement, each grantee was required to work with any impacted Public Housing Authority (PHA) located within its jurisdiction, to identify the unmet needs of damaged public housing. If unmet needs existed once funding became available to the grantee, the grantee was required to work with the impacted PHA(s) to identify necessary costs, and ensure adequate funding was dedicated to the recovery of the damaged public housing.

In addition to the above, grantees under this Notice must now describe how they will address the rehabilitation, mitigation and new construction needs of other assisted multifamily housing developments impacted by the disaster, including HUD-assisted multifamily housing, low income housing tax credit (LIHTC)—financed developments and other subsidized and tax credit-assisted affordable housing. For CDBG–DR purposes, HUD-assisted multifamily housing continues to be defined by paragraph VI.A.1.a. (1) of the March 5, 2013 Notice at 78 FR 14332. Grantees should focus on protecting vulnerable residents and should consider measures to protect vital infrastructure (e.g., HVAC and electrical equipment) from flooding. Grantees are strongly encouraged to provide assistance to PHAs and other assisted and subsidized multifamily housing to help them elevate critical infrastructure and rebuild to model resilient building standards. Examples of such standards include the I-Codes developed by the International Code Council (ICC), the Insurance Institute for Business and Home Safety (IBHS) FORTIFIED home programs, and standards under development by the American National Standards Institute (ANSI) and the American Society of Civil Engineers (ASCE).

b. *Certification of proficient controls, processes and procedures.* The Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. Grantees submitted this certification pursuant to the Prior Notices. In any Action Plan Amendment submitted after the effective date of this Notice, grantees are required to identify any material changes in its processes or procedures that could potentially impact the Secretary's or the grantee's prior certification. Grantees are advised that HUD may revisit any prior certification based on a review of an Action Plan Amendment submitted for this allocation of funds, as well as monitoring reports, audits by HUD's Office of the Inspector General, citizen complaints or other sources of information. As a result of HUD's review, the grantee may be required to submit additional documentation or take appropriate actions to sustain the certification.

c. *Certification of Resilience Standards.* The Prior Notices are amended to additionally require the grantee to certify that it will apply the resilience standards required in section V.3.e of this Notice.

d. *Amending the Action Plan.* The Prior Notices are amended, as necessary, to require each grantee to submit a substantial Action Plan Amendment to HUD within 120 days of the effective date of this Notice. All Action Plan Amendments submitted after the effective date of this Notice must be prepared in accordance with the Prior Notices, as modified by this Notice. In addition, they must budget all, or a portion, of the funds allocated under this Notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date that grantees may submit an Action Plan Amendment is June 1, 2017 given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

e. *HUD Review/Approval.* Consistent with the requirements of section 105(c) of the Cranston-Gonzalez National Affordable Housing Act, HUD will review each grantee's substantial Action Plan Amendment within 60 days from the date of receipt. The Secretary may disapprove an Amendment if it is determined that it does not meet the requirements of the Prior Notices, as amended by this Notice. Once an Amendment is approved, HUD will issue a revised grant agreement to the grantee.

f. *Projection of expenditures and outcomes.* The Prior Notices are amended, as necessary, to require each grantee to amend its Action Plan to update its projection of expenditures and outcomes within 90 days of its Action Plan Amendment approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Projections should include the entire amount allocated by this Notice. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on preparing the projections is available on HUD's OneCPD Web site at: *https://www.onecpd.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/*.

5. *Citizen participation waiver and alternative requirement.* The Prior Notices are modified to require grantees to publish substantial Action Plan Amendments for comment for 30 days prior to submission to HUD. Grantees are reminded of both the citizen participation requirements of those Notices and that HUD will monitor grantee compliance with those requirements and the alternative requirements of this Notice. In addition, this Notice establishes the requirement that at least one public hearing must be held regarding any substantial Action Plan Amendment submitted after the effective date of this Notice, including any subsequent substantial amendment proposing or amending a Covered Project. Citizens and other stakeholders must have reasonable and timely access to these public hearings. Grantees are encouraged to conduct outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities, to encourage public attendance at the hearings and the submission of written comments concerning the Action Plan Amendment.

The grantee must continue to make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request and the grantee must make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency, in accordance with the requirements of the Prior Notices. Grantees are also encouraged to outreach to local nonprofit and civic organizations to disseminate substantial Action Plan Amendments submitted after the effective date of this Notice. During the term of the grant, the grantee must provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds. This objective should be achieved through effective use of the grantee's comprehensive Web site mandated by the Appropriations Act.

6. *Reimbursement of disaster recovery expenses.* In addition to pre-award requirements described in the Prior Notices, grantees are subject to HUD's guidance issued July 30, 2013—''Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants'' (CPD Notice 2013–05)—as well as any subsequent updates to this guidance that HUD may issue. The CPD Notice is available on HUD's OneCPD Web site at: *https://www.onecpd.info/resource/3138/notice-cpd-13-05-guidance-for-charging-pre-award-costs-to-cdbg-dr-grants/*.

7. *Duplication of benefits.* In addition to the requirements described in the Prior Notices and the **Federal Register** Notice published November 16, 2011 (76 FR 71060), grantees receiving an allocation under this Notice are subject to HUD's guidance issued July 25, 2013—''Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance''. This guidance is available on HUD's OneCPD Web site at: *https://www.onecpd.info/resource/3137/cdbg-dr-duplication-of-benefit-requirements-and-provision-of-assistance-with-sba-funds/*.

8. *Eligibility of needs assessment and comprehensive risk analysis costs.* Grantees may use CDBG–DR funds to update their impact and unmet needs assessments and to develop the comprehensive risk analysis for infrastructure projects required by this Notice, consistent with the overall 20 percent limitation on the use of funds for planning, management and administrative costs.

9. *Eligibility of mold remediation costs.* Mold remediation is an eligible CDBG–DR rehabilitation activity (see the HCD Act, e.g., 42 U.S.C. 5305(a)(4)). Like other eligible activities, however, the activity encompassing mold remediation must address a direct or indirect impact caused by the disaster.

10. *Eligibility of public services and assistance to impacted households.* Grantees are reminded that households impacted by 2013 disasters may be assisted as part of an eligible public service activity, subject to applicable CDBG regulations. Public service activities often address needs such as employment and training, infant and child care and supportive services, counseling, education, healthcare, etc. Income payments, defined as a series of subsistence-type grant payments are made to an individual or family for items such as food, clothing, housing, or utilities, are generally ineligible for CDBG–DR assistance. However, per the CDBG regulations, grantees may make emergency grant payments for up to three consecutive months, to the provider of such items or services on behalf of an individual or family.

Additionally, as provided by the HCD Act, funds for public services activities may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, the activity must still meet a national objective and address all applicable CDBG cross-cutting requirements.

11. *Small business assistance—Modification of the alternative requirement to allow use of the Employer Identification Number (EIN).* In the March 5, 2013 Notice, the Department instituted an alternative requirement to the provisions at 42 U.S.C. 5305(a) prohibiting grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by Small Business Administration (SBA) at 13 CFR part 121 in order to target assistance to the businesses most responsible for driving local and regional economies. To determine whether an entity is a small business under the SBA definition, the grantee must take into account all of its affiliations. Typically, companies that have common ownership or management are considered affiliated. Per the SBA regulations, if businesses are affiliated, the number of jobs and revenue for those businesses must be aggregated. However, this could preclude a number of small businesses from receiving assistance—particularly in cases where one or more persons have control (i.e., ownership or management) of multiple small businesses that each have separate employer identification numbers (EIN), file separate tax returns, or even operate in different industries. Thus, HUD is modifying its definition of a small business: Businesses must continue to meet the SBA requirements at 13 CFR part 121 to be eligible for CDBG–DR assistance, except that the size standards will only apply to each EIN. Businesses that share common ownership or management may be eligible for CDBG–DR assistance, as long as each business with a unique EIN meets the applicable SBA size standards.

12. *Eligibility of Local Disaster Recovery Manager costs.* Consistent with the recommendation of the Rebuilding Strategy, grantees may use CDBG–DR funds to fill Local Disaster Recovery Manager (LDRM) positions, which are recommended by the National Disaster Recovery Framework. Additional information about the National Disaster Recovery Framework can be found at *http://www.fema.gov/long-term-recovery.* A LDRM may coordinate and manage the overall long-term recovery and redevelopment of a community, which includes the local administration and leveraging of multiple federally-funded projects and programs. A LDRM may also ensure that federal funds are used properly, and can help local governments address the need for long-term recovery coordination. For additional guidance, grantees should consult the CPD Notice ''Allocating Staff Costs between Program Administration Costs vs. Activity Delivery Costs in the Community Development Block Grant (CDBG) Program for Entitlement Grantees, Insular Areas, Non-Entitlement Counties in Hawaii, and Disaster Recovery Grants,'' at: *http://portal.hud.gov/huddoc/13-07cpdn.pdf.*

13. *Waiver to permit some activities in support of the tourism industry (State of Colorado only).* The State of Colorado has requested a waiver to allow the State to use up to $500,000 in CDBG–DR funds to support its tourism industry and promote travel to communities in the flood-impacted areas. Tourism is the primary economic contributor to the State of Colorado economy and provides a valuable source of business revenue, taxes and employment. Preliminary Needs Assessment data indicate that after the floods, of the $19.7 million in Small Business Administration Loans given to date, 16.25 percent were awarded to businesses with NAICS codes within the lodging and restaurant industries. These range from hotel, lodges, motels, full-service restaurants,

limited-service restaurants, and specialty food shops. The lodging and restaurant industries are heavily dependent on tourism dollars, and serve as early indicators of a larger, long-term tourism-related impact that the State is already witnessing unfold. In addition, the tourism industry in the impacted areas employs many individuals who are of low- and moderate-income; some of these jobs have been lost as a result of the devastating floods. According to estimates, the Estes Park Local Marketing District (consisting of Estes Park, Drake, Glen Haven and rural areas) has 1,338 direct tourism jobs with an average income per job of $23,650. In addition, there are another 409 indirect and induced jobs with an average income of $36,978 per job. Major visitor draws, like the Rocky Mountain National Park (RMNP) and the community of Estes Park have already seen a significant negative impact to their tourism dollars. In just September and October of 2013, RMNP experienced a loss of 427,376 visitors. The estimated financial impact of this loss is more than $118 million.

The Estes Park community serves as a gateway to the RMNP. Tourism to the region is promoted by a quasi-governmental entity, funded in part through tax dollars, known as *Visit Estes Park.* However, its reliance on tax dollars to fund their efforts has severely minimized its ability to promote tourism to the area. The area now finds itself in a worsening economic cycle, from which it could take decades to recover, if ever, without the injection of much-needed cash into the regional economy brought in by tourism.

Tourism industry support, such as a national consumer awareness advertising campaign for an area in general, is ineligible for CDBG assistance. However, HUD understands that such support can be a useful recovery tool in a damaged regional economy that depends on tourism for many of its jobs and tax revenues and has granted similar waivers for several CDBG–DR disaster recovery efforts. As the State of Colorado is proposing advertising and marketing activities for this specific program, rather than direct assistance to tourism-dependent businesses, and because the measures of long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) is waived only to the extent necessary to make eligible use of no more than $500,000 for assistance for the tourism industry. CDBG–DR funds may be used to promote a community or communities in general, provided the assisted activities are designed to support tourism to the most impacted and distressed areas related to the 2013 floods. This waiver will expire two years after it first draws CDBG–DR funds under this allocation.

VII. Mitigation and Resilience Methods, Policies, and Procedures

Executive Order 13632 established the Hurricane Sandy Rebuilding Task Force. The Task Force was charged with identifying and working to remove obstacles to resilient rebuilding while taking into account existing and future risks and promoting the long-term sustainability of communities and ecosystems in the Sandy-affected region. The Task Force was further tasked with the development of a rebuilding strategy, which was released on August 19, 2013. The Executive Order directs HUD and other federal agencies, to the extent permitted by law, to align its relevant programs and authorities with the Rebuilding Strategy. The requirements set forth elsewhere in this Notice related to the selection of infrastructure projects and assistance to public and assisted multifamily housing reflect recommendations in the Rebuilding Strategy. To further address these recommendations, each grantee is strongly encouraged to incorporate the following components into its long-term strategy for recovery from eligible disasters under this Notice, and to reflect the incorporation of these components, to the extent appropriate, in Action Plan Amendments.

1. *Small business assistance.* To support small business recovery, grantees are encouraged to work with, and/or fund, small business assistance organizations that provide direct and consistent communication about disaster recovery resources to affected businesses. Selected organizations should have close relationships with local businesses and knowledge of their communities' needs and assets. In addition, grantees may support outreach efforts by a Community Development Finance Institution (CDFI) to small businesses in vulnerable communities.

2. *Energy Infrastructure.* Where necessary for recovery, CDBG–DR funds may be used to support programs, projects and activities to enhance the resilience of energy infrastructure. Energy infrastructure includes electricity transmission and distribution systems, including customer-owned generation where a significant portion of the generation is provided to the grid; and liquid and gaseous fuel distribution systems, both fixed and mobile. CDBG–DR recipients may use funds from this allocation for recovery investments that enhance the resilience of energy infrastructure so as to limit potential damages and future disturbance and thus reduce the need for any future federal assistance under such an event. CDBG–DR funds may be used to support public-private partnerships to enhance the resiliency of privately-owned energy infrastructure, if the CDBG–DR assisted activities meet a national objective and can be demonstrated to relate to recovery from the direct or indirect effects of eligible disasters under this Notice. Such projects may include microgrids or energy banks that may provide funds to entities consistent with all applicable requirements. Grantees should review DOE's report, ''U.S. Energy Sector Vulnerabilities to Climate Change and Extreme Weather,'' available at: *http://energy.gov/sites/prod/files/2013/07/f2/20130716-Energy%20Sector%20Vulnerabilities%20Report.pdf.* This report assesses vulnerabilities and provides guidance on developing a new approach for electric grid operations. In developing this component of their long-term recovery plans, grantees are reminded that pursuant to the March 5, 2013 Notice, grantees are prohibited from assisting businesses that do not meet the definition of a small business as defined by SBA at 13 CFR part 121 and as further modified by this Notice. The March 5, 2013 Notice also prohibits assistance to private utilities.

3. *Providing jobs to local workforce.* Grantees are reminded that they are required to comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and implementing regulations at 24 CFR part 135, and to certify to such compliance. In addition to complying with Section 3, grantees are encouraged to undertake specialized skills, training programs and other initiatives to: (a) Employ very-low and low-income individuals; and (b) award contracts to local businesses for rebuilding from eligible disasters under this Notice and mitigate against future risk (e.g., mold remediation and construction (including elevation), ecosystem and habitat restoration, water conservation efforts and green infrastructure) and for professional services related to Section 3 covered projects (e.g., architecture, site preparation, engineering, accounting, etc.).

4. *Project labor agreements.* Executive Order 13502 (Use of Project Labor Agreements for Federal Construction Projects) governs the use of project labor agreements for large-scale construction projects procured by the federal government. Similarly, grantees are encouraged to make use of Project Labor Agreements (PLAs) on large-scale

construction projects in areas responding to disasters. Executive Order 13502 can be found at: *http://www.whitehouse.gov/the-press-office/executive-order-use-project-labor-agreements-federal-construction-projects.*

5. *Mitigating future risk.* Grantees should include programs to implement voluntary buyout programs or elevate or otherwise flood-proof all structures that were impacted by the disaster (whether they are homes, businesses or utilities) to mitigate flood risk as indicated by relevant data sources. Reducing risk is essential to the economic well-being of communities and business and is therefore an essential part of any disaster recovery, including elevating at least one foot higher than the latest FEMA-issued base flood elevation or best available data as required by the April 19, 2013 Notice. The relevant data source and best available data under Executive Order 11988 is the latest FEMA data or guidance, which includes advisory data (such as Advisory Base Flood Elevations) or preliminary and final Flood Insurance Rate Maps. Thus, in addition to the elevation requirements of the April 19, 2013 Notice, the Department strongly encourages grantees to elevate, relocate or remove all structures impacted by the disaster (including housing), even those requiring repairs of low or moderate damage, in addition to those requiring substantial improvements. FEMA maps are available here: *https://msc.fema.gov/webapp/wcs/stores/servlet/FemaWelcomeView?storeId=10001&catalogId=10001&langId=-1.*

In addition, all rehabilitation projects should apply appropriate construction standards to mitigate risk, which may include: (a) Raising utilities or other mechanical devices above expected flood level; (b) wet flood proofing in a basement or other areas below the Advisory Base Flood Elevation/best available data plus one foot; (c) using water resistant paints or other materials; or (d) dry flood proofing non-residential structures by strengthening walls, sealing openings, or using waterproof compounds or plastic sheeting on walls to keep water out.

Grantees are reminded of the mandatory mitigation requirements described in the April 19, 2013 Notice. That is, reconstruction and substantial improvement projects located in a floodplain, according to the best available data as defined above, must be designed using the base flood elevation plus one foot as the baseline standard for lowest floor elevation (or alternatively, for non-critical non-residential structures, for floodproofing). If higher elevations are required by locally adopted code or standards, those higher standards apply.

In addition to the mandatory requirements of the April 19, 2013 Notice, grantees may also engage in voluntary risk mitigation measures. For example, grantees may assist in floodproofing non-residential structures that are not critical actions (as defined at 24 CFR 55.2(b)(3)) in accordance with the floodproofing standards of the April 19, 2013 Notice, where the structures were impacted by the disaster but the needed repairs do not constitute a substantial improvement. Flood proofing requires structures to be water tight with walls substantially impermeable to the passage of water and with structural components having the capability of resisting hydrostatic loads, hydrodynamic loads, the effects of buoyancy, or higher standards required by the FEMA National Flood Insurance Program as well as state and locally adopted codes.

6. *Leveraging funds and evidence-based strategies.* Grantees are encouraged, where appropriate, to leverage grant funds with public and private funding sources—including through infrastructure banks, Community Development Finance Institutions, and other intermediaries—and to make use of evidence-based strategies, including social impact bonds and other pay-for-success strategies.

VIII. Catalog of Federal Domestic Assistance

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

Finding of No Significant Impact

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

Dated: May 27, 2014.

Clifford Taffett,

Assistant Secretary for Community Planning and Development (Acting).

Appendix A—Allocation Methodology

The first allocation for Disaster Recovery needs associated with 2013 disasters was based on preliminary data. The second allocation reflects updated housing and business unmet needs that have more complete information on insurance coverage and updated infrastructure repair costs from FEMA. This allocation is calculated based on relative share of needs HUD has estimated are required to rebuild to a higher standard consistent with CDBG program requirements and the goals set forth in the Hurricane Sandy Rebuilding Strategy. The methodology used to allocate these funds was designed to provide funding to cover a level of estimated unmet severe repair and resiliency recovery needs at the same proportional level as has been provided through the two allocations for Sandy recovery.

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as well as a ''resiliency'' amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed homes, businesses, and infrastructure to pre-disaster conditions. The estimated cost to repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. The formula allocation is made proportional to those calculated severe unmet needs.

Available Data

The ''best available'' data HUD staff have identified as being available to calculate unmet needs at this time for all disasters in 2011, 2012, and 2013 in each state meeting HUD's Most Impacted threshold comes from the following data sources:

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

These funds are only allocated to states where the aggregate of their severe housing and business unmet needs (excluding resiliency) associated with disasters in 2011, 2012, and 2013 exceed $25 million from counties with $10 million or more in severe housing and business unmet needs.

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home

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

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected real property damage.
  - Minor-High: $3,000 to $7,999 of FEMA inspected real property damage.
  - Major-Low: $8,000 to $14,999 of FEMA inspected real property damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $15,000 to $28,800 of FEMA inspected real property damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected real property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need ''gap'' is 20 percent of the difference between total damage and the FEMA grant.

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

For rental properties, to meet the statutory requirement of ''most impacted'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 4 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

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

Calculating Unmet Infrastructure Needs

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

Calculating Economic Revitalization Needs

- Based on SBA disaster loans to businesses, HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.
- Because applications denied for poor credit or income are the most likely measure of needs requiring the type of assistance available with CDBG–DR funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $30,000 are considered severe damage for purposes of identifying the most impacted areas.
  - Category 1: real estate + content loss = below $12,000.
  - Category 2: real estate + content loss = $12,000 to $30,000.
  - Category 3: real estate + content loss = $30,000 to $65,000.
  - Category 4: real estate + content loss = $65,000 to $150,000.
  - Category 5: real estate + content loss = above $150,000.

To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage.

Resiliency Needs

CDBG Disaster Recovery Funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For the disasters covered by this Notice, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future disasters do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied it estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent. Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate at 30 percent of damage is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs.

[FR Doc. 2014–12709 Filed 6–2–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5750–N–21]

Federal Property Suitable as Facilities To Assist the Homeless

Correction

In Notice document 2014–11695, appearing on pages 29789–29791 in the Issue of Friday, May 23, 2014, make the following correction:

On page 29791, in the first column, after the seventeenth line and prior to the word ''California'', the following headings were inadvertently omitted:

''**Unsuitable Properties**

Building''

[FR Doc. C1–2014–11695 Filed 6–2–14; 8:45 am]

BILLING CODE 1505–01–D

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: July 7, 2014.

Laura M. Marin,

Associate General Deputy Assistant Secretary for Housing-Associate Deputy Federal Housing Commissioner.

[FR Doc. 2014–16314 Filed 7–10–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–10]

Additional Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery FundsUnder the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This Notice provides additional clarifying guidance, waivers, and alternative requirements for all Community Development Block Grant (CDBG) disaster recovery grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2).[1] To date, the Department has allocated $14.1 billion under the Act to assist recovery in the most impacted and distressed areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

DATES: *Effective Date:* July 16, 2014.

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

SUPPLEMENTARY INFORMATION:

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II. Applicable Rules, Statutes, Waivers, and Alternative Requirements
III. Catalog of Federal Domestic Assistance
IV. Finding of No Significant Impact

I. Background

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. As the Appropriations Act requires funds to be awarded directly to a State, or unit of general local government (hereinafter, local government), at the discretion of the Secretary, the term ''grantee'' refers to any jurisdiction that has received a direct award from HUD under the Appropriations Act.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, $14.1 billion has been allocated for the areas most impacted by Hurricane Sandy and other disasters occurring in 2011, 2012, and 2013. To describe these allocations and the accompanying requirements, the Department published multiple **Federal Register** notices: March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (78 FR 17173), and June 3, 2014 (79 FR 31964), referred to collectively in this Notice as the ''Prior Notices''). The requirements of the Prior Notices continue to apply, except as modified by this Notice.[2]

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

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

This Notice clarifies or modifies requirements of the Prior Notices. Except as noted, the waivers and alternative requirements in this Notice apply to all grants under the Appropriations Act. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

1. *Reporting of contracts.* Public Law 113–2 requires grantees ''to maintain on a public Web site information accounting for how all grant funds are

[1] Luzerne, PA initially received disaster assistance under Public Law 112–55 and was provided with additional assistance through Pub. L. 113–2. The waiver in this Notice specific to Luzerne, PA applies to both its 112–55 funds and 113–2 funds as described herein.

[2] Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi.* The same information is also available on HUD's OneCPD Web site: *https://www.onecpd.info/cdbg-dr/.*

used, including details of all contracts and ongoing procurement processes.'' To streamline the reporting requirements for grantees by eliminating duplicative reporting efforts, and to provide greater transparency regarding procured contracts, HUD is removing the requirement that grantees identify contracts above $25,000 in HUD's Disaster Recovery Reporting System (DRGR) because grantees are already reporting this information in the Federal Subaward Reporting System (FSRS) through USA Spending [usaspending.gov]. Grantees are still required to post contract information as described below. HUD is amending requirements described in the March 5, 2013 Notice as follows:

a. Paragraph 2.b. at 78 FR 14337 is amended to exclude the requirement for grantees ''to identify in the DRGR system any contract over $25,000,'' and now reads as follows: ''DRGR Action Plan. Each grantee must enter its Action Plan for Disaster Recovery, including performance measures, into HUD's DRGR system. As more detailed information about uses of funds is identified by the grantee, it must be entered into the DRGR system at a level of detail that is sufficient to serve as the basis for acceptable performance reports, and permits HUD review of compliance requirements.

The Action Plan must also be entered into the DRGR system so that the grantee is able to draw its CDBG–DR funds. The grantee may enter activities into DRGR before or after submission of the Action Plan to HUD. To enter an activity into the DRGR system, the grantee must know the activity type, national objective, and the organization that will be responsible for the activity. In addition, a Data Universal Numbering System (DUNS) number must be entered into the system for any entity carrying out a CDBG–DR funded activity, including the grantee, recipient(s) and subrecipient(s), contractor(s) and developers carrying out a CDBG–DR activity.

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

b. Paragraph 23 at 78 FR 14344 is amended to exclude the requirement for grantees to ''enter information on contracts in the DRGR system activity profiles (for all contracts valued over $25,000)'' and now reads as follows: ''Public Web site. The Appropriations Act requires grantees to maintain a public Web site which provides information accounting for how all grant funds are used, and managed/administered, including details of all contracts and ongoing procurement policies. To meet this requirement, each grantee must make the following items available on its Web site: The Action Plan (including all amendments); each QPR (as created using the DRGR system); procurement policies and procedures; status of services or goods currently being procured by the grantee—e.g., phase of the procurement, requirements for proposals, etc.; a copy of contracts the grantee has procured directly; and a summary of all procured contracts, including those procured by the grantee, recipients, or subrecipients. Grantees should post only those contracts subject to 24 CFR 85.36 or in accordance with the State's procurement policies. To assist grantees prepare this summary, HUD has developed a template. The template can be accessed at: *https://www.onecpd.info/cdbg-dr/*. Grantees are required to use this template, and attach an updated version to DRGR each quarter as part of their QPR submissions. Updated summaries must also be posted quarterly on each grantee's Web site.''

2. *Incorporation of clarifications and requirements for grantees in receipt of grant awards made by HUD in response to disasters occurring in 2011 or 2012.* Grantees in receipt of funds under the Appropriations Act for disasters occurring in 2011 or 2012 (see the Notice published in the **Federal Register** May 29, 2013, at 78 FR 32262) are advised that the following paragraphs in section VI. (Applicable Rules, Statutes, Waivers, and Alternative Requirements) of the Notice published November 18, 2013 apply to grant funds provided pursuant to Public Law 113–2: 3.b. (Liquid Fuel Supply Chain Assistance); 5. (Reimbursement of disaster recovery expenses); 6. (Duplication of benefits); 7. (Eligibility of needs assessment and risk analysis costs); 8. (Eligibility of mold remediation); 9. (Eligibility of public services and assistance to impacted households); 10. (Modification of the alternative requirement related to small business assistance); and 11. (Eligibility of Local Disaster Recovery Manager costs) (see 78 FR 69108 through 69110). These paragraphs impose or clarify general requirements or provide additional flexibility in program design and implementation to support resilient recovery following the 2011 and 2012 disasters, while also ensuring that statutory requirements unique to the Appropriations Act are met. Any new requirements established by this paragraph are applicable to all programs initiated in an Action Plan Amendment subsequent to the date of this Notice.

3. *Tenant-based rental assistance (State of New Jersey, only).* The State of New Jersey has requested a waiver of 42 U.S.C. 5305(a) in order to provide tenant-based rental assistance to households impacted by disasters eligible under the Appropriations Act. Eligible assistance includes rental assistance and utility payments and may also include rental costs (i.e., security deposits and utility deposits) when the grantee determines that such payments are necessary to help prevent a household from being homeless. While existing CDBG regulations allow payments for these purposes, those regulations limit assistance to a period not to exceed three months. The State's tenant-based rental assistance will be funded through its Supportive Services program, will be limited to the beneficiaries of that program as described in the State's approved Action Plan, and will not be tied to HUD's Section 8 program assistance.

As a result of Hurricane Sandy, thousands of households in New Jersey were displaced and need housing at a time when the State's housing stock had been substantially reduced. The decrease in the housing supply placed upward pressure on housing costs, making housing less affordable for households already strained by hurricane-related expenses. To date, the State has invested more than $320 million to support the rehabilitation or construction of new affordable rental housing (to create approximately 7,000 units); however, the most vulnerable of Sandy-displaced households—including very low-income persons—continue to need immediate rental assistance until construction of affordable rental units is completed and those units become available.

The goal of this waiver is to minimize the time households are homeless by

providing re-housing and rental assistance, and by linking the person or family with services that can help them become stable and self-sufficient. Throughout the rental period, assisted households will receive referrals to available long-term units, as well as housing counseling. Further, the State plans to establish a referral process that will enable the targeted households to apply to live in the affordable housing units created under other CDBG–DR funded programs.

The State's use of CDBG–DR funds for this purpose advances the Department's priority to support forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness. In addition, HUD has previously granted the States of Louisiana and New York, as well as New York City, similar waivers in response to Hurricanes Katrina, Rita, and Sandy. After reviewing the State's request, HUD is waiving 42 U.S.C. 5305(a), to the extent necessary, to make eligible up to $17 million in rental assistance and utility payments paid for up to 2 years on behalf of homeless and at-risk low- and moderate-income households displaced by Hurricane Sandy, when such assistance or payments are part of a homeless prevention or rapid re-housing program or activity. The Department is approving the State's request for a waiver to allow for the payment of tenant-based rental assistance. This waiver is in effect from January 1, 2014 to January 1, 2016.

4. *Documentation of Low- and Moderate-Income National Objective for Multi-Unit Housing Projects (State of New Jersey, only).* Per the HCD Act and the Prior Notices, Hurricane Sandy CDBG–DR grantees may fund the rehabilitation, reconstruction, and new construction of housing. To further address its housing needs, the State of New Jersey has requested to measure the benefit to low- and moderate-income households, in multiunit residential projects, in a manner more supportive of mixed income housing. In general, the applicable regulation, 24 CFR 570.208(a)(3), requires at least 51 percent of the units in an assisted multi-unit structure to be occupied by residents that are income eligible. This method of calculating the benefit to low- and moderate-income households is often referred to as the structure basis.

HUD has reviewed other housing assistance programs that measure benefit differently—only those units in a multi-unit structure occupied by income eligible residents are used to calculate the benefit to low- and moderate-income households. Under this ''unit'' approach, when units are alike, the proportion of CDBG funds contributed to the project may be no more than the proportion of units in the project that will be occupied by income-eligible households. For this reason, this approach is sometimes called the proportional units approach. In other words, the rule under the structure approach is that a dollar of CDBG assistance to a structure means that 51 percent of the units must meet income requirements. Under the unit approach, the amount of assistance provided is equal to the cost of units occupied by low- and moderate-income households.

Based on HUD experience, the unit approach can be more compatible with large-scale development of mixed-income housing. For example, in response to the widespread devastation caused by Hurricanes Katrina and Rita, HUD allowed the states of Louisiana and Mississippi to use this approach under their respective CDBG–DR programs. Additionally—(1) the CDBG program rule has a built-in exception that allows limited use of the unit basis for multi-unit non-elderly new construction structures with between 20 and 50 percent low- and moderate-income occupancy, (2) in the HOME Investment Partnerships program, HUD's primary housing production program, HUD grantees use funds to pay for the cost of affordable units, and (3) the Neighborhood Stabilization Program permitted grantees to use a unit basis approach to meet the CDBG low- and moderate-income benefit requirement.

After review of the State of New Jersey's Action Plan for Disaster Recovery, and discussions with the State regarding its intent to encourage mixed-income housing development, HUD has determined that it is consistent with the overall purposes of the HCD Act to provide the State the requested additional flexibility in measuring program benefit. Therefore, the waiver and alternative requirements allow the State to measure benefit within a housing development project: (1) According to the existing CDBG requirements or (2) according to the unit approach described above for multi-unit housing projects involving rehabilitation and/or reconstruction. However, the second option may only be used if the units are generally comparable in size and finishes. The State must select and use one method for each project. For these purposes, the term ''project'' will have the same meaning as in the HOME program at 24 CFR 92.2. The State is reminded that per 2 CFR part 225, CDBG–DR costs must be necessary and reasonable. To meet this requirement, the State must develop policies and procedures to document its costs for housing investments are necessary and reasonable. The State must also meet all civil rights and fair housing requirements and comply with any applicable civil rights or fair housing related voluntary compliance agreements, settlement agreements, or consent decrees.

5. *Limited purpose modification of overall benefit requirement (Luzerne County, Pennsylvania, only).* The primary objective of the Housing and Community Development Act is the ''development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income'' (42 U.S.C. 5301 et seq.). To carry out this objective, the statute requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons.

This target can be difficult, if not impossible, for many CDBG–DR grantees to reach as a disaster impacts entire communities—regardless of income. Further, it may prevent grantees from providing assistance to the most damaged areas of need. Therefore, as described by the Prior Notices, Luzerne County, in addition to the other grantees under the Appropriations Act, received a waiver and alternative requirement—only 50 percent of funds must be used for activities that benefit low- and moderate-income persons. Additional flexibility was provided in the March 5, 2013 Notice (78 FR 14329) and the May 29, 2013 Notice (FR 32262), which is applicable to Luzerne County. It allows a grantee to request a further reduction of its overall benefit requirement by submitting a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 50 percent requirement; and (d) demonstrates that the needs of non-low and moderate-income persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them. After review of grantee requests, under the Appropriations Act, HUD can grant such a waiver request only if the Secretary finds a compelling need to reduce the overall benefit below 50 percent.

In response to the above, Luzerne County submitted justification addressing the required criteria. As described in the correspondence, the county has received two awards of CDBG–DR funds (appropriated under two separate laws and totaling more than $25.5 million) in response to disasters that occurred in 2011 (Hurricane Irene and Tropical Storm Lee). The county's first allocation was for $15,738,806 under Section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55, approved November 18, 2011). The second allocation to the county for $9,763,000 was made under Public Law 113–2.

Initially, the county's first award allocated funds to acquisition/buyouts, housing rehabilitation and mitigation, and infrastructure. The county anticipated that buyouts would be primarily paid for using FEMA funds under the FEMA's Hazard Mitigation Grant Program; CDBG–DR funds would provide the local match (25 percent). However, following approval of the county's CDBG–DR Action Plan, FEMA announced that requests for acquisition far exceeded available funds. Thus, citizens and local elected officials requested that CDBG–DR address this unmet need. In response, the county participated in public meetings to gauge the scope of unmet need. It was determined that approximately 100 residential properties (across 14 jurisdictions) could not be funded by FEMA, but those property owners wished to participate in a voluntary buyout program. Additionally, while other citizens were no longer interested in a buyout (they were either back in their homes or would be soon), they were in need of assistance to elevate or otherwise mitigate their disaster-impacted homes. As a result, the county amended its Action Plan to pay 100 percent of the costs associated with acquiring properties, and demolishing any structures, in order to assist participating households' recovery in a safer area, and reduce future flood hazards and prevent the loss of life. In counties such as Luzerne with a history of flooding, the need for a buyout program is particularly compelling. The county's buyout activities ($11,951,625 for residential properties and $1 million for commercial properties) will use the majority of its first CDBG–DR allocation. The remainder of funds are programmed to infrastructure ($1.2 million) and administration and planning ($1.6 million). While the Action Plan includes housing rehabilitation as an eligible activity, this will only be funded if all buyout needs have been addressed and CDBG–DR funds are available.

Of note, Luzerne County's residential buyout program is prioritizing low- and moderate-income property owners. To date, of the 100 properties estimated to participate in the program, 68 property owners have submitted pre-applications. An initial review shows that only 30 of the 68 owners are low- and moderate-income households (44 percent). Approximately 44 percent of the households will be of low- and moderate-income, and the county estimates that of the total amount budgeted for residential buyouts, $3,940,715 will benefit low- and moderate-income households. In addition, the county has plans to address the needs of low- and moderate income households it moves out of harm's way, through a down payment assistance to assist households who require assistance in buying a replacement home. As applications with the greatest need under the infrastructure program and the commercial buyout programs are not in areas with significant low-and moderate- income populations, these programs will not help the county meet its overall benefit requirement. The county anticipates an overall low- and moderate-income benefit of 27.82 percent for its first CDBG–DR allocation.

In regards to the county's second award of CDBG–DR funds, the primary activity to be funded is infrastructure ($8,786,700). The remaining funds, $976,300, are for administration and planning. As the census tracts and block groups most impacted by the 2011 disasters and in need of assistance are not predominately low- and moderate-income, and as infrastructure activities generally only meet the low- and moderate-income national objective on an area basis, the county has requested a reduction of the overall benefit requirement for this grant as well. (The county is prioritizing infrastructure activities with this grant due to the significant unmet needs demonstrated. Further, market studies indicate little demand in the county for new housing stock and the county's business assistance program received no applications). Based on infrastructure applications received to date, the county anticipates that three projects, totaling $3,268,000, will benefit low- and moderate-income households on an area basis. Thus, the overall low- and moderate-income benefit for the second grant award is projected to be 37.19 percent.

To enable the county to undertake the activities it has deemed most critical for its recovery, and to ensure that low- and moderate-income households are adequately served and/or assisted, HUD is granting a limited waiver and alternative requirement to reduce the overall benefit from 50 percent to not less than 27 percent for the county's first allocation of CDBG–DR funds, and to not less than 37 percent for the county's second allocation of CDBG–DR funds. Based on the county's justification, the Secretary has found a compelling need for this reduction due to the unique circumstances related to Luzerne County's request. In particular, HUD notes that the county prioritized the needs of low- and moderate-income populations with its first allocation; the county has identified getting people out of harm's way as a top priority and this waiver will allow low- and moderate-income families to take advantage of Luzerne's program for this purpose; and finally, the waiver will enable the county to undertake critical infrastructure activities necessary to its recovery. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to permit the county to use funds appropriated by Public Law 112–55 for its residential buyout program, to use funds appropriated by Public Law 113–2 for its infrastructure program, as described by the county's Action Plans.

III. Catalog of Federal Domestic Assistance

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

IV. Finding of No Significant Impact

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

Dated: July 7, 2014.

Clifford Taffet,

General Deputy Assistant Secretary for Community Planning and Development.

[FR Doc. 2014–16316 Filed 7–10–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5750–N–28]

Federal Property Suitable as Facilities To Assist the Homeless

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

ACTION: Notice.

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

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

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

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

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

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

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

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

For more information regarding particular properties identified in this Notice (i.e., acreage, floor plan, existing sanitary facilities, exact street address), providers should contact the appropriate landholding agencies at the following addresses: AGRICULTURE: Ms. Debra Kerr, Department of Agriculture, Reporters Building, 300 7th Street SW., Room 300, Washington, DC 20024, (202) 720–8873; AIR FORCE: Ms. Connie Lotfi, Air Force Real Property Agency, 143 Billy Mitchell Blvd., San Antonio, TX 78226, (210) 925–3047; COE: Mr. Scott Whiteford, Army Corps of Engineers, Real Estate, CEMP–CR, 441 G Street NW., Washington, DC 20314; (202) 761–5542; ENERGY: Mr. David Steinau, Department of Energy, Office of Property Management, 1000 Independence Ave. SW., Washington, DC 20585 (202) 287–1503; GSA: Mr. Flavio Peres, General Services Administration, Office of Real Property Utilization and Disposal, 1800 F Street NW., Room 7040, Washington, DC 20405, (202) 501–0084; INTERIOR: Mr. Michael Wright, Acquisition & Property Management, Department of the Interior, 3960 N. 56th Ave. #104, Hollywood, FL 33021; (443) 223–4639; NAVY: Mr. Steve Matteo, Department of the Navy, Asset Management Division, Naval Facilities Engineering Command, Washington Navy Yard, 1330 Patterson Ave. SW., Suite 1000, Washington, DC 20374; (202) 685–9426 (These are not toll-free number).

Dated: July 3, 2014.

Brian P. Fitzmauricem

Director, Division of Community Assistance, Office of Special Needs Assistance Programs.

TITLE V, FEDERAL SURPLUS PROPERTY PROGRAMFEDERAL REGISTER REPORT FOR 07/11/2014

Suitable/Available Properties

Building

Colorado

Turley House
Reclamation
Grand Junction CO 81503
Landholding Agency: Interior
Property Number: 61201420004
Status: Unutilized
Directions: House; Garage/Carport; Shop/Shed
Comments: off-site removal only; no future service need; 3,603 total sq. ft.; structural delicacies; contact interior for more information.

Georgia

Records Holding 661246B024, RPUD 03 54976
934 College Station Road
Athens GA 30605
Landholding Agency: Agriculture
Property Number: 15201420021
Status: Excess
Comments: off-site removal only; 196 sq. ft.; storage; good conditions; secured area; contact Agriculture for more information.

If you need a copy of the information collection instrument with supplementary documents, or need additional information, please visit *http://www.regulations.gov.* We may also be contacted at: USCIS, Office of Policy and Strategy, Regulatory Coordination Division, 20 Massachusetts Avenue NW., Washington, DC 20529–2134; Telephone 202–272–8377.

Dated: October 1, 2014.

Laura Dawkins,

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

[FR Doc. 2014–23872 Filed 10–6–14; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–12]

Additional Waivers and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This Notice provides an additional waiver and alternative requirements for Minot, North Dakota, a Community Development Block Grant (CDBG) disaster recovery grantee in receipt of funds under Section 239 of the Department of Housing and Urban Development Appropriations Act, 2012 (Pub. L. 112–55) and the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). Minot, ND initially received disaster assistance under Public Law 112–55 and was provided with additional assistance through Public Law 113–2 (together, the supplemental Acts). The waiver in this Notice specific to Minot, ND applies to both its 112–55 funds and 113–2 funds as described herein. To date, the Department has allocated nearly $15.5 billion under the supplemental Acts to assist recovery in the most impacted and distressed areas identified in major disaster declarations in calendar years 2011, 2012 and 2013.

DATES: *Effective Date:* October 14, 2014.

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

SUPPLEMENTARY INFORMATION:

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I. Background

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

Additionally, the Disaster Relief Appropriations Act, 2013 (Public Law 113–2, approved January 29, 2013) made available $16 billion (reduced to $15.18 billion after sequestration) [1] in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Stafford Act, due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

To describe these allocations and the accompanying requirements, the Department published multiple **Federal Register** notices: March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (78 FR 17173), June 3, 2014 (79 FR 31964), and July 11, 2014 (79 FR 40133). For Minot, North Dakota, allocations and requirements under Public Law 112–55 can be found in the Notice published April 16, 2012 (77 FR 22583). These are referred to collectively in this Notice as the ''Prior Notices.'' The requirements of the Prior Notices continue to apply, except as modified by this Notice.[2]

As the supplemental Acts require funds to be awarded directly to a State, or unit of general local government (hereinafter, local government), at the discretion of the Secretary, the term ''grantee'' refers to any jurisdiction that has received a direct award from HUD under the supplemental Acts.

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

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

This Notice modifies requirements of the Prior Notices. The waivers and alternative requirements in this Notice apply to Minot, North Dakota, as identified herein. For the waiver and alternative requirements described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of Title I of the HCD Act. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the supplemental Acts, waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

1. General note. Except as described in this Notice, the statutory, regulatory, and notice provisions that shall apply to the use of these funds are those governing the funds appropriated under

[1] On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Public Law 113–2 to $15.18 billion.

[2] Links to the Prior Notices, the text of the supplemental Acts, and additional guidance prepared by the Department for CDBG–DR grants, are available on HUD's Web site under the Office of Community Planning and Development, Disaster Recovery Assistance: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi.* The same information is also available on HUD's OneCPD Web site: *https://www.onecpd.info/cdbg-dr/.*

Public Law 112–55 and Public Law 113–2 and already published in the **Federal Register**.

2. Waiver of Section 414 of the Stafford Act and Alternative Requirements. (City of Minot, North Dakota, only).

Section 414 of the Stafford Act provides that that no person otherwise eligible for a replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), may be denied eligibility for that payment as a result of being unable because of a major disaster as determined by the President to meet the occupancy requirements set by the URA. Accordingly, residential occupants displaced from their homes as a result of the 2011 floods in Minot, North Dakota, would be eligible for relocation assistance upon implementation of a rehabilitation program affecting homes that had been previously vacated.

The city of Minot has requested a waiver of section 414 of the Stafford Act, as amended, for its Small Rental Rehabilitation and Reconstruction Program (SRRRP). This Notice grants the city's request and provides alternative requirements consistent with the purpose of the supplemental Acts.

Section 414 of the Stafford Act (including its implementing regulation at 49 CFR 24.403(d), which is found among the regulations implementing the URA), is waived to the extent that it would apply to the CDBG disaster recovery-funded program SRRRP initiated by the city of Minot under approved Action Plans for Disaster Recovery for its grants under Public Law 113–2 and Public Law 112–55 provided that the program or affiliated projects were not planned, approved, or otherwise underway prior to the disaster.

The Department has surveyed other federal agencies' administration of Section 414 and found varying strategies for long-term, post-disaster projects involving the acquisition, rehabilitation, or demolition of disaster-damaged housing. Under the supplemental Acts, HUD has the authority to waive Section 414 and impose alternative requirements. The Department has, in specific circumstances, previously granted a waiver and provided alternative requirements of Section 414 to CDBG–DR grantees, including the Gulf States impacted by disasters in 2005 and 2008 (see 72 FR 48804).

The severe flood of 2011 substantially damaged Minot's affordable rental housing stock resulting in increased housing burden among the city's renters. According to the city, approximately one quarter of the city's rental units were damaged by the flood. Nearly half of Minot's rental households are now cost- burdened for housing, a portion that has increased in part because of disaster-related damage to available affordable housing. The city hopes to restore rental housing units by using CDBG–DR funds to rehabilitate those units that were damaged by the flood. The SRRRP will commence more than three years after the flood, and many of the residential occupants occupying the housing units at the time of the disaster have since obtained permanent housing elsewhere. The Department has determined that without a statutory waiver and the establishment of alternative requirements for the application of Section 414, the city's SRRRP is unlikely to achieve its goals of contributing to the restoration of the city's affordable housing stock because former residential occupants that left the properties long ago could be eligible to receive replacement housing payments under the URA because of Section 414, reducing amounts that would otherwise be directed toward SRRRP activities.

Due to the specific circumstances of Minot's recovery process, the Department is providing a statutory waiver and establishing alternative requirements in the application of Section 414 of the Stafford Act. For the program covered by this waiver (SRRRP), the city must adhere to the requirements specified in this Notice. In addition to the following requirements, the Department strongly encourages the city to offer low and moderate income former residential occupants preferred status in the residential application process once rehabilitation is complete.

1. For residential occupants that have vacated housing units damaged by the flood, prior to provision of funds for SRRRP activities, the city of Minot must:

a. Establish a publicly available re-housing plan for the program and ensure that it is provided in accessible formats, as necessary, to ensure effective communication with persons with disabilities and those who are limited English proficient. This plan must include, at minimum, the following:

i. A regularly updated registry of the units and/or complexes to be rehabilitated with CDBG–DR funds and those persons eligible for residence so that displaced households and other interested residential occupants may apply to live in these units;

ii. Contact information and a description of any applicable application process, including any deadlines;

iii. A description of other services to be made available, including, at minimum, outreach efforts to eligible persons, housing counseling providing information about available housing resources, and placement services for former and prospective residential occupants;

iv. Operating procedures requiring the city to collect from property owners the contact information of former residential occupants to inform them of the availability of units rehabilitated under the program.

b. In order to contact residential occupants that were displaced from their homes due to the flood, the city must require owners to meet with the city to fill out the site occupant record which will provide information on the residential occupants that occupied the structure at the time of the flood. This information is to be in the agreement to provide assistance to property owners participating in the SRRRP. The city must ask the owner for the residential occupants' latest contact information, and the city must make a good faith effort to contact the residential occupants. The city should also make utilize newspaper and other public media advertisements to locate displaced households.

c. The city must, where necessary, refer former residential occupants to housing counseling programs.

2. In its request, the city has committed to ensure that all units restored with CDBG–DR funds meet the affordability requirements defined by HUD's HOME Program Rents for a period of five years, as described in the SRRRP's published program information.

Justification for Waiver

The Department's basis for this waiver and alternative requirements are unique to the city of Minot as documented in its request to the Department. The Department has considered the city's request and determined that good cause exists and that the waiver and alternative requirements are not inconsistent with the overall purposes of Title I of the HCD Act.

1. The 2011 flood caused unprecedented destruction in the city of Minot. Twenty to 30 percent of the rental housing stock was damaged, which was concentrated in an area of the city that had the highest percentage of affordable housing. The destruction has contributed to an increase in housing cost burden for nearly half of all rental households. Based on information from the city's 2012

Assessment, there are 837 fewer affordable homes in Minot today then there were in 2010, a shortage contributing to the widespread lack of affordable housing in the city.

2. The SRRRP will commence three years after the units in question were rendered uninhabitable. According to the city, 2,328 households were displaced as a result of the flood, 2,062 were provided with temporary housing, but only 20 households continue to reside in temporary housing units which are assisted through other programs with other forms of assistance.

3. In the absence of this waiver, any assistance provided to former residential occupants under the URA might duplicate insurance proceeds and federal, state, or local housing assistance that has already been disbursed.

4. The waiver will simplify the administration of a disaster recovery program (SRRRP) initiated years following the disaster and expedite recovery in a location where rehabilitation activities are restricted to a very short building season due to the region's climate. This waiver does not apply to persons in physical occupancy of real property who are displaced by the SRRRP or other HUD-funded disaster recovery programs or projects. Such persons will continue to be eligible for relocation assistance and payments under the URA. Additionally, persons displaced by the effects of the disaster may continue to apply for assistance under the city's approved disaster recovery programs. This waiver does not address programs or projects receiving other HUD funding or funding from other federal sources. The city or the State of North Dakota may already be performing some elements of a re-housing plan, such as providing a public rental registry or undertaking outreach and placement services to those former residents still receiving FEMA housing assistance. The city will provide a description in the re-housing plan of how those existing efforts will be available for the SRRRP to satisfy the requirements of this Notice.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this Notice is as follows: 14.269; 14.218; 14.228.

IV. Finding of No Significant Impact

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

Dated: October 1, 2014.

Clifford Taffet,

General Deputy Assistant Secretary for Community Planning and Development.

[FR Doc. 2014–23967 Filed 10–6–14; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5811–N–01]

Section 184 Indian Housing Loan Guarantee Program New Annual Premium

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Notice.

SUMMARY: The Section 184 Indian Housing Loan Guarantee program (Section 184 program) provides access to sources of private financing for Indian families, Indian housing authorities, and Indian tribes that otherwise could not acquire housing financing because of the unique legal status of Indian land, by guaranteeing loans to eligible persons and entities. Over the last 5 years, the Section 184 program has doubled the number of loans and eligible families being assisted by the program. For HUD to continue to meet the increasing demand for participation in this program, HUD is exercising its new statutory authority to implement an annual premium to the borrower in the amount of 0.15 percent of the remaining loan balance until the unpaid principal balance, excluding the upfront loan guarantee fee, reaches 78 percent of the lower of the initial sales price or appraised value based on the initial amortization schedule. Effective November 15, 2014 the new annual premium of 0.15 percent of the remaining loan balance will apply to all new loan guarantees, including refinances. This notice also provides guidance on the cancellation of the annual premium when the loan reaches the 78 percent loan-to-value ratio.

DATES: *Effective Date:* November 15, 2014.

FOR FURTHER INFORMATION CONTACT: Rodger J. Boyd, Deputy Assistant Secretary for Native American Programs, Office of Public and Indian Housing, Department of Housing and Urban Development, 451 7th Street SW., Room 4126, Washington, DC 20410; telephone number 202–401–7914 (this is not a toll-free number). Persons with hearing or speech disabilities may access this number through TTY by calling the toll-free Federal Relay Service at 800–877–8339.

SUPPLEMENTARY INFORMATION:

I. Background

Section 184 of the Housing and Community Development Act of 1992 (Public Law 102–550, approved October 28, 1992), as amended by the Native American Housing Assistance and Self-Determination Act of 1996 (Pub. L. 104–330, approved October 26, 1996), established the Section 184 program to provide access to sources of private financing to Indian families, Indian housing authorities, and Indian tribes that otherwise could not acquire housing financing because of the unique legal status of Indian land. Because title to trust or restricted land is inalienable, title cannot be conveyed to eligible Section 184 program borrowers. As a consequence, financial institutions cannot utilize the land as security in mortgage lending transactions. The Section 184 program addresses obstacles to mortgage financing on trust land and in other Indian and Alaska Native areas by giving HUD the authority to guarantee loans to eligible persons and entities to construct, acquire, refinance, or rehabilitate one-to-four family dwellings in these areas.

The Section 184 Loan Guarantee Fund (the Fund) receives annual appropriations to cover the cost of the program. Guarantee fees and any other amounts, claims, notes, mortgages, contracts, and property acquired by the Secretary under the Section 184 program reduce the amount of appropriations needed to support the program, and together with appropriations are used to fulfill obligations of the Secretary with respect to the loans guaranteed under this section.

In recent years, rapidly growing demand has increased the need for subsidy appropriations to support new loan guarantees. HUD issued loan

should never use E-Verify for reverification.

Note to All Employers

Employers are reminded that the laws requiring proper employment eligibility verification and prohibiting unfair immigration-related employment practices remain in full force. This Notice does not supersede or in any way limit applicable employment verification rules and policy guidance, including those rules setting forth reverification requirements. For general questions about the employment eligibility verification process, employers may call USCIS at 888–464–4218 (TTY 877–875–6028) or email USCIS at *I-9Central@dhs.gov.* Calls and emails are accepted in English and many other languages. For questions about avoiding discrimination during the employment eligibility verification process, employers may also call the U.S. Department of Justice, Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC) Employer Hotline at 800–255–8155 (TTY 800–237–2515), which offers language interpretation in numerous languages, or email OSC at *osccrt@usdoj.gov.*

Note to Employees

For general questions about the employment eligibility verification process, employees may call USCIS at 888–897–7781 (TTY 877–875–6028) or email at *I-9Central@dhs.gov.* Calls are accepted in English and many other languages. Employees or applicants may also call the U.S. Department of Justice, Office of Special Counsel for Immigration-Related Unfair Employment Practices (OSC) Worker Information Hotline at 800–255–7688 (TTY 800–237–2515) for information regarding employment discrimination based upon citizenship, immigration status, or national origin, or for information regarding discrimination related to Employment Eligibility Verification (Form I–9) and E-Verify. The OSC Worker Information Hotline provides language interpretation in numerous languages.

To comply with the law, employers must accept any document or combination of documents from the Lists of Acceptable Documents if the documentation reasonably appears to be genuine and to relate to the employee, or an acceptable List A, List B, or List C receipt described in the Employment Eligibility Verification (Form I–9) Instructions. Employers may not require extra or additional documentation beyond what is required for Employment Eligibility Verification (Form I–9) completion. Further, employers participating in E-Verify who receive an E-Verify case result of ''Tentative Nonconfirmation'' (TNC) must promptly inform employees of the TNC and give such employees an opportunity to contest the TNC. A TNC case result means that the information entered into E-Verify from Employment Eligibility Verification (Form I–9) differs from the Social Security Administration, DHS, or DOS records. Employers may not terminate, suspend, delay training, withhold pay, lower pay or take any adverse action against an employee based on the employee's decision to contest a TNC or because the case is still pending with E-Verify. A Final Nonconfirmation (FNC) case result is received when E-Verify cannot verify an employee's employment eligibility. An employer may terminate employment based on a case result of FNC. Work-authorized employees who receive an FNC may call USCIS for assistance at 888–897–7781 (TTY 877–875–6028). An employee that believes he or she was discriminated against by an employer in the E-Verify process based on citizenship or immigration status, or based on national origin, may contact OSC's Worker Information Hotline at 800–255–7688 (TTY 800–237–2515).. Additional information about proper nondiscriminatory Employment Eligibility Verification (Form I–9) and E-Verify procedures is available on the OSC Web site at *http://www.justice.gov/crt/about/osc/* and the USCIS Web site at *http://www.dhs.gov/E-verify.*

Note Regarding Federal, State, and Local Government Agencies (Such as Departments of Motor Vehicles)

While Federal government agencies must follow the guidelines laid out by the Federal government, state and local government agencies establish their own rules and guidelines when granting certain benefits. Each state may have different laws, requirements, and determinations about what documents you need to provide to prove eligibility for certain benefits. Whether you are applying for a Federal, state, or local government benefit, you may need to provide the government agency with documents that show you are a TPS beneficiary and/or show you are authorized to work based on TPS. Examples are:

(1) Your unexpired EAD that has been automatically extended, or your EAD that has not expired;

(2) A copy of this **Federal Register** Notice if your EAD is automatically extended under this Notice;

(3) A copy of your Application for Temporary Protected Status Notice of Action (Form I–797) for this re-registration;

(4) A copy of your past or current Application for Temporary Protected Status Notice of Action (Form I–797), if you received one from USCIS; and/or

(5) If there is an automatic extension of work authorization, a copy of the fact sheet from the USCIS TPS Web site that provides information on the automatic extension.

Check with the government agency regarding which document(s) the agency will accept. You may also provide the agency with a copy of this **Federal Register** Notice.

Some benefit-granting agencies use the USCIS Systematic Alien Verification for Entitlements Program (SAVE) to verify the current immigration status of applicants for public benefits. If such an agency has denied your application based solely or in part on a SAVE response, the agency must offer you the opportunity to appeal the decision in accordance with the agency's procedures. If the agency has received and acted upon or will act upon a SAVE verification and you do not believe the response is correct, you may make an InfoPass appointment for an in-person interview at a local USCIS office. Detailed information on how to make corrections, make an appointment, or submit a written request can be found at the SAVE Web site at *http://www.uscis.gov/save,* then by choosing ''How to Correct Your Records'' from the menu on the right.

[FR Doc. 2014–24560 Filed 10–15–14; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–11]

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

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

ACTION: Notice.

SUMMARY: This Notice advises the public of a third allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds appropriated by the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) for the purpose of assisting recovery in the most impacted and distressed

areas identified in major disaster declarations due to Hurricane Sandy and other eligible events in calendar years 2011, 2012 and 2013. This allocation provides $2,504,017,000 to assist Hurricane Sandy recovery. Included in this allocation is $930,000,000 to implement projects from the HUD-sponsored Rebuild by Design competition, described in **Federal Register** Notices 78 FR 45551 (July 29, 2013), and 78 FR 52560 (August 23, 2013). The first and second allocations for recovery from Hurricane Sandy totaling $10,509,000,000 were published, together with program requirements, at 78 FR 14329 (March 5, 2013) and 78 FR 69104 (November 18, 2013). Additional notices at 78 FR 23578, 78 FR 46999, 79 FR 17173, and 79 FR 40133 have provided clarifying guidance, additional waivers, and alternative requirements. This third allocation brings total funding to recover from the impacts of Hurricane Sandy and other eligible events in the Sandy-affected region to $13,013,017,000. The Notice also establishes requirements governing the use of these funds.

DATES: *Effective Date:* October 21, 2014.

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

SUPPLEMENTARY INFORMATION:

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I. Allocation and Related Information

The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) (Appropriations Act) made available $16 billion in Community Development Block Grant (CDBG) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The law provides that funds shall be awarded directly to a State or unit of general local government (hereafter local government) at the discretion of the Secretary. Unless noted otherwise, the term ''grantee'' refers to any jurisdiction receiving a direct award from HUD under this Notice.

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. Through a **Federal Register** Notice published March 5, 2013, the Department allocated $5.4 billion for the areas most impacted by Hurricane Sandy (78 FR 14329). On November 18, 2013, HUD allocated an additional $5.1 billion to further assist in recovery from Hurricane Sandy (78 FR 69104). Other Notices have also allocated funds from the Appropriations Act for other major disasters occurring in 2011, 2012 and 2013.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD makes allocations based on the best available data that cover all the eligible affected areas. The initial allocation to Hurricane Sandy grantees was based on unmet housing and economic revitalization needs, while the second allocation also included data on unmet infrastructure restoration needs. This Notice provides the following Round 3 awards totaling $1.574 billion to address unmet recovery needs (See Appendix A for allocation methodology) and allocates $930 million toward proposals developed through the Rebuild by Design competition. The awards for all grantees are as follows:

TABLE 1—HURRICANE SANDY ALLOCATIONS

Grantee	First allocation	Second allocation	Third allocation	Rebuild by design	Total funding To date
Connecticut	$71,820,000	$66,000,000	$11,459,000	$10,000,000	$159,279,000
New Jersey	1,829,520,000	1,463,000,000	501,909,000	380,000,000	4,174,429,000
New York	1,713,960,000	2,097,000,000	420,922,000	185,000,000	4,416,882,000
New York City	1,772,820,000	1,447,000,000	639,056,000	355,000,000	4,213,876,000
Rhode Island	3,240,000	16,000,000	671,000	N/A	19,911,000
Maryland	8,640,000	20,000,000	N/A	N/A	28,640,000
Total	5,400,000,000	5,109,000,000	1,574,017,000	930,000,000	13,013,017,000

New York City must expend all funds within New York City. State grantees may expend funds in any county that received a Presidential disaster declaration in 2011, 2012, or 2013 subject to the limitations described in Table 2.

Table 2 identifies a minimum percentage of the third allocation, inclusive of the Rebuild by Design allocation that must be spent in the HUD-identified Hurricane Sandy Most Impacted and Distressed counties. All selected RBD proposals are located in counties previously identified by the Department as the most impacted and distressed pursuant to the **Federal Register** Notice published on March 5, 2013 (78 FR 14329). The opportunity for certain grantees to expend 20 percent of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data for most impacted and distressed areas.

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

Grantee	Counties from the following major declared disasters are eligible for CDBG–DR funds (FEMA declaration number)	Hurricane Sandy Most Impacted and Distressed counties	Minimum percentage that must be expended in Hurricane Sandy most impacted and distressed counties
New York City	All Counties	All Counties	100
New York	1957, 1993, 4020, 4031, 4085, 4111, 4129	Nassau, Rockland, Suffolk, Westchester, and all Counties in New York City (Bronx, Kings, New York, Queens, Richmond).	80
New Jersey	1954, 4021, 4033, 4039, 4048, 4070, 4086	Atlantic, Bergen, Cape May, Essex, Hudson, Middlesex, Monmouth, Ocean, Union.	80
Connecticut	1958, 4023, 4046, 4087, 4106	Fairfield, New Haven	80
Rhode Island	4027, 4089, 4107	Washington	80

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (79 FR 17173), and July 11, 2014 (79 FR 40133) referred to collectively in this Notice as the ''Prior Notices.'' The Prior Notices are available at:

http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-08-02/pdf/2013-18643.pdf
http://www.gpo.gov/fdsys/pkg/FR-2013-11-18/pdf/2013-27506.pdf
http://www.gpo.gov/fdsys/pkg/FR-2014-03-27/pdf/2014-06850.pdf
http://www.gpo.gov/fdsys/pkg/FR-2014-07-11/pdf/2014-16316.pdf

Executive Order 13632, published at 77 FR 74341, established the Hurricane Sandy Rebuilding Task Force, to ensure government- and region-wide coordination to help communities as they are making decisions about long-term rebuilding and to develop a comprehensive rebuilding strategy. Section 5(b) of Executive Order 13632 requires that HUD, ''as appropriate and to the extent permitted by law, align [the Department's] relevant programs and authorities'' with the Hurricane Sandy Rebuilding Strategy (the Rebuilding Strategy). Accordingly, this Notice is informed by both the Rebuilding Strategy released by the Task Force on August 19, 2013 and Rebuild by Design (RBD), an initiative of the Hurricane Sandy Rebuilding Task Force and HUD and part of the Rebuilding Strategy's recommendation to promote resilience rebuilding through innovation. RBD addresses structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and developed fundable solutions to better protect residents from future disasters. The Rebuilding Strategy and information about RBD can be found, respectively, at:

http://portal.hud.gov/hudportal/documents/huddoc?id=HSRebuildingStrategy.pdf
http://www.rebuildbydesign.org

II. Use of Funds

The Appropriations Act requires funds to be used only for specific disaster recovery related purposes. Consistent with the Rebuilding Strategy, it is essential to build communities back stronger and more resilient. This allocation provides additional funds to Sandy-impacted grantees to support investments in resilient recovery.

The Appropriations Act requires that prior to the obligation of CDBG–DR funds, a grantee must submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas. In an Action Plan for Disaster Recovery (Action Plan), grantees must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act) or allowed by a waiver or alternative requirement published in this Notice and the Prior Notices; and (2) respond to a disaster-related impact. HUD has previously approved an Action Plan for each grantee receiving an allocation of funds in this Notice. Grantees are now directed to submit substantial Action Plan Amendments in order to access funds provided in this Notice. RBD and formula allocations may be included together or in separate Action Plan Amendments. For more information on requirements for substantial Action Plan Amendments, please see Sections IV and VI of this Notice.

As provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity. However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by, FEMA or the United States Army Corps of Engineers (USACE).

The Notice published November 18, 2013 (78 FR 69104) imposes additional requirements on certain grantees. The grantees must update the needs assessment component of their Action Plan amendments to reflect current unmet needs, as applicable. The State of New York must either: (1) Ensure that a portion of its allocation is used to address resiliency and local cost share requirements for damage to both the Metropolitan Transportation Authority infrastructure in New York City and the Port Authority of New York and New Jersey; or (2) demonstrate that such resiliency needs and local cost share has otherwise been met. The State of New Jersey must undertake one of these same actions with regard to the Port Authority. In order to demonstrate that resiliency and local cost share requirements have otherwise been met, the substantial Action Plan Amendments submitted by State of New York and the State of New Jersey must include evidence of consultation with the Metropolitan Transportation Authority and the Port Authority of New York and New Jersey, as applicable. New York City must ensure that a portion of its allocation is used to address the recovery and resilience needs of the New York City Housing Authority (NYCHA), or demonstrate that such resiliency needs have otherwise been met.

III. Timely Expenditure of Funds

To ensure the timely expenditure of funds the Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee. Funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the deadline and that it desires to retain, the grantee must submit a letter to HUD not less than 30 days in advance of the deadline justifying why it is necessary to extend the deadline for a specific portion of funds. The letter must detail the compelling legal, policy, or operational challenges necessitating any such waiver, and must also identify the date by when the specified portion of funds will be expended. The Office of Management and Budget (OMB) has provided HUD with authority to act on grantee waiver requests but grantees are cautioned that such waivers may not be approved. If granted, waivers will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadlines will be recaptured by HUD.

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Submission to and review by HUD must follow the process outlined below. HUD approves the Amendment according to criteria identified in the Prior Notices and this Notice.

- Before submitting a substantial Action Plan Amendment, a grantee must consult with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment, and as necessary, update its comprehensive risk analysis;
- Grantee amends its citizen participation plan to reflect the requirements of this Notice, as described in Section VII.3;
- Grantee publishes the proposed substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices and this Notice;
- HUD sends an Action Plan Amendment approval letter. The Secretary may disapprove of the Action Plan Amendment if it is determined that it does not meet the requirements of this Notice or relevant prior Notices. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- HUD sends an amended unsigned grant agreement with revised grant conditions to the grantee; and the grantee signs and returns the amended grant agreement;
- HUD signs the grant agreement amendment and revises the grantee's line of credit amount (this triggers the two year expenditure deadline for any funds obligated by this amended grant agreement) and provides a copy of the executed grant agreement to the grantee;
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under Section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval as provided for in paragraph VII.2.f of this Notice; and
- Grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update if it has not already completed the update.

V. Authority To Grant Waivers

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

VI. Rebuild by Design Allocations, Purpose, and Requirements

Rebuild by Design (RBD) was a planning and design competition to increase resilience in the Sandy-affected region as part of recovery from the storm. The Department conducted the competition under the authority of § 105 of the America COMPETES Reauthorization Act of 2010 (15 U.S.C. 3719). Administered in partnership with philanthropic, academic, and nonprofit organizations, HUD solicited the best talents and ideas from around the world to seek innovative solutions for how communities rebuild and adapt in response to the damage from a disaster and future risks presented by natural hazards and climate change. More regarding the history of the competition can be found in the **Federal Register** at 78 FR 45551, published July 29, 2013, and 78 FR 52560, published August 23, 2013.

The competition resulted in the selection of ten interdisciplinary design teams as finalists to participate in an in-depth process. Ultimately, six proposals were announced as winning proposals in June 2014, representing an award of distinction for the respective design teams.

1. Rebuild by Design Allocations

Under this Notice, the Department is providing $930 million in funds for use toward the implementation of proposals developed through the RBD competition. Unless otherwise provided for in the Prior Notices or in this Notice, the allocated RBD funds are subject to all applicable CDBG requirements. For example, RBD expenditures must be included in each grantee's overall benefit requirement. The specified uses and additional requirements on these allocations are outlined later in this Notice. Grantees are prohibited from spending the funds provided by this allocation for RBD on non-RBD purposes, including other disaster recovery activities.

Allocations for RBD are identified in Table 3 below by proposal:

TABLE 3—REBUILD BY DESIGN ALLOCATIONS BY PROPOSAL

Grantee	Proposal	Location	RBD CDBG–DR Allocation
State of New Jersey	New Meadowlands	Meadowlands	$150,000,000
State of New Jersey	Resist, Delay, Store, Discharge	Weehawken/Hoboken/Jersey City	230,000,000
State of New York	Living with the Bay	Nassau County	125,000,000
State of New York	Living Breakwaters	Staten Island	60,000,000
New York City	The Big U	Manhattan/Lower East Side	335,000,000
New York City	Hunts Point Lifelines	South Bronx/Hunts Point	20,000,000
State of Connecticut	Resilient Bridgeport	Bridgeport	10,000,000

As part of the RBD competition process, each design team worked closely with each respective grantee to ensure that design solutions within the proposals were consistent with the grantee's recovery goals and priorities.

2. Purpose of RBD Allocations and Required Actions

Each selected proposal from the RBD competition is comprised of multiple phases, which collectively represent a larger master plan. For each selection, the multiple phases collectively are referred to in this Notice as the selected RBD proposal. For purposes of the RBD-related sections of this Notice, HUD is referring to the first phase, portion of a phase, or pilot project of each selected proposal as an ''RBD Project.'' Each of these RBD Projects can be implemented to provide independent, meaningful risk reduction and assist in recovery. Successful implementation of RBD Projects will require collaboration within and among various levels of government (including, but not limited to, the environmental review and permitting process). In addition, implementation of RBD Projects may require engagement with private-sector, nonprofit, and philanthropic entities as part of an overall financing strategy.

At a minimum, grantees must use the specific allocation for each selected RBD proposal to undertake the following actions:

a. Implement each RBD Project identified in Section VI.3 consistent with the proposal selected through the RBD competition process, to the greatest extent practicable and appropriate, considering the technical, fiscal, environmental, legal, and other constraints or opportunities that may be encountered. CDBG–DR funds must be used to implement the RBD Project, including research, study, analysis, planning, citizen participation, design, and engineering activities or other activities (i.e., pre-development activities) that are necessary and reasonable to achieve RBD Project implementation as well as site work and RBD Project construction (i.e. development activities). The Department recognizes that the amount of CDBG–DR allocated to each proposal may not be sufficient to fully build-out the RBD Project. Accordingly, grantees must describe the major or primary RBD Project elements that they will develop further for implementation according to the total amount of funding (HUD and non-HUD funds) that can be reasonably anticipated as part of the RBD Action Plan Amendment process described in Section VI.4. In order to meet the requirements of this Notice, the RBD Project, when completed, must achieve independent utility.

b. Undertake planning activities necessary at the RBD Project- and selected RBD proposal-level. Planning at the RBD Project level is necessary for the continued design and ultimate construction of the RBD Project activities. Planning at the selected RBD proposal level is necessary to ensure that the completed RBD Project will have appropriate continuity and connection to implementation of subsequent phases of the selected RBD proposal or other resilience plans and strategies. Selected RBD proposal-level planning must include development of an implementation strategy, including identification of potential funding sources and financing mechanisms, to continue the subsequent phase or phases of the selected RBD proposal. RBD Project-level planning should examine potential displacement of residents, businesses, and other entities due to potentially increasing costs of rent and property ownership in the years following the completion of the RBD Project (e.g., gentrification). Consideration should also be given to actions for mitigating the impacts of such displacement.

c. Develop an implementation case study and lessons learned document, recording the implementation process for each RBD Project, to be submitted to HUD prior to grant close-out. The Department anticipates that new and creative coordination structures, partnerships, and decision-making processes may be developed during the implementation process and will use these case studies and lessons learned documents to inform future recovery efforts. Grantees must develop this document using a scope and methodology acceptable to the Department. HUD will work with grantees to develop an acceptable format for this document.

The Department also encourages grantees to secure additional funding to implement other phases or portions of the selected RBD proposals and to consider increasing the scale, effectiveness, impact, or scope of the RBD Projects identified in this Notice. If the allocated RBD funding permits a grantee to implement additional phases or portions of the selected RBD proposal beyond the RBD Project identified in the grantee's approved Action Plan Amendment, the grantee must, again, seek HUD approval through the substantial RBD Action Plan Amendment Process described in Section VI.4 below.

3. RBD Project Descriptions

Descriptions of the RBD Projects to be funded with these allocations can be found on the RBD Web site (*www.rebuildbydesign.org*) according to the names below:

a. State of New Jersey: Meadowlands

CDBG–DR funds are provided to assist in the implementation of the first phase (''Pilot 1'') of the proposal titled ''New Meadowlands.'' Pilot 1 includes Little Ferry, Moonachie, Carlstadt, Teterboro, and a portion of South Hackensack.

b. State of New Jersey: Weehawken/Hoboken/Jersey City

CDBG–DR funds are provided to assist in the implementation of the first phase (''Phase 1'') of the proposal titled ''Resist, Delay, Store, Discharge.''

c. State of New York: Nassau County

CDBG–DR funds are provided to assist in the implementation of the first phase (''Slow Streams'') of the proposal titled ''Living with the Bay.'' Slow Streams runs along the Mill River and through Rockville Centre.

d. State of New York: Staten Island

CDBG–DR funds are provided to assist in the implementation of the first phase (''Tottenville Pilot'') of the proposal titled ''Living Breakwaters.'' Tottenville Pilot is located along the South Shore.

e. New York City: Manhattan/Lower East Side

CDBG–DR funds are provided to assist in the implementation of the first phase (''Compartment 1: East River Park'') of the proposal titled ''BIG U.''

f. New York City: South Bronx/Hunts Point

CDBG–DR funds are provided to assist in implementation of the proposal titled ''Hunts Point Lifelines.'' The amount of CDBG–DR funds allocated pursuant to this Notice is not sufficient to fully fund the first phase of the proposal. Therefore, funding is to be used for continued study, analysis, planning, and community engagement as well as for design, engineering, and construction of a pilot project, as yet undefined. For purposes of this allocation, this pilot project will be considered the RBD Project for this selected RBD proposal. In order to allow the time necessary for engagement of community stakeholders regarding selection of a pilot project, the pilot project does not need to be identified in the initial Action Plan Amendment submitted in response to this Notice; however the grantee must describe the planning activity and certify that it will complete the pilot project in its initial Action Plan Amendment. Once the pilot project is identified by the City, the City must then submit a substantial Action Plan Amendment that incorporates the pilot project in order for project-related funds to be obligated.

g. State of Connecticut: Bridgeport

CDBG–DR funds are provided to assist in implementation of the finalist proposal titled ''Resilient Bridgeport.'' Although the proposal for Bridgeport was not selected as a winning proposal, funds are being allocated to reduce flood risk for the most vulnerable public housing stock in the city and to leverage significant match funding from the State of Connecticut and other local funds. The Department recognizes that additional planning is required to re-assess and re-scope one or more elements of the proposal to identify a pilot project that can be implemented and that the forthcoming project may require greater deviation from the proposal as submitted relative to that of winning proposals. Funding allocated pursuant to this Notice is to be used for continued study, analysis, planning, and community engagement as well as for design, engineering, and construction of a pilot project, as yet undefined. For purposes of this allocation, this pilot project will be considered the RBD Project for this selected proposal. At a minimum, the pilot project must reduce flood risk to public housing in the City's South End/Black Rock Harbor area. In order to allow the time necessary for engagement of community stakeholders regarding selection of a pilot project, the pilot project does not need to be identified in the initial Action Plan Amendment submitted in response to this Notice; however, the grantee must describe the planning activity and certify that it will complete the pilot project in its initial Action Plan Amendment. Once the pilot project is identified, the State of Connecticut must then submit a substantial Action Plan Amendment that incorporates the pilot project in order for project-related funds to be obligated.

4. RBD Action Plan Amendment Process

The RBD Action Plan Amendment process, as described below, is designed to ensure that as specific plans for the RBD Project are developed, the RBD Project remains consistent with the selected RBD proposal and the RBD Project approved by HUD as an eligible CDBG activity as described in Section VII.4.c of this Notice. Before a grantee can access its RBD Allocation to carry out the RBD Project described in Section VI.2. of this Notice (or other phases of the selected RBD Proposal as permitted by this Notice), the grantee must complete the Grant Amendment process described in Section IV of this Notice as well as the RBD Amendment process described here:

a. Following announcement of RBD allocations on May 30, 2014, grantee proceeds with additional planning, outreach, design, engineering, and other pre-development activities necessary to develop the RBD Project to the level of detail necessary for purposes of environmental review, permitting, and construction. Grantees are strongly encouraged to integrate project planning with the environmental review process.

b. Grantees may charge to the grant the costs of CDBG eligible, RBD Project planning and pre-development activities incurred on or after May 30, 2014, by temporarily reprograming previously awarded CDBG–DR funds already identified for planning away from such planning activities for purposes of funding RBD Project planning and pre-development activities under the alternative requirements described in Section VII.4.a. and b. of this Notice.

c. No later than 120 days after the effective date of this Notice, grantee must submit its initial RBD Action Plan Amendment. The required elements of this Amendment are further described in Section VI.6.a.

d. HUD approves the initial RBD Action Plan Amendment. Following HUD approval, grantee identifies the amount it wishes to obligate in consideration of the expenditure timeframes identified in Section III of this Notice and engages residents and community stakeholders in fully developing the RBD Project. Grantee also begins to take actions necessary for the environmental review process.

e. *For RBD Projects not requiring an Environmental Impact Statement (EIS) pursuant to the requirements of 24 CFR part 58:* Grantee submits a subsequent substantial Action Plan Amendment to reflect the final RBD Project, as described in Section VI.6.b. This Amendment must include a detailed description of the final RBD Project as permitted and approved from the environmental review process. This Amendment may be submitted prior to or concurrent with grantee's submission of its Request for Release of Funds and Certifications (RROF). Following approval of the Action Plan Amendment and RROF, funds from the grantee's line of credit will be made available for construction (proceed to Section VI.4.g).

f. *For RBD Projects requiring an EIS:*

i. Following completion of the Draft EIS, grantee submits a subsequent substantial Action Plan Amendment to reflect the final RBD Project, as described in Section VI.6.b. This Amendment must identify the RBD Project scope and design as it exists at that point. Grantees are not prohibited from proceeding with the EIS process. HUD approval of this Action Plan Amendment is contingent upon whether the RBD Project is as consistent with the conceptual proposal as practicable and appropriate. HUD will provide clarifying guidance as to the content and format of materials that will help ensure timely approval of the Action Plan Amendment under the criteria for approval of Action Plan Amendments containing RBD Projects described in this Notice. If the Action Plan is not approved, RBD Project-related costs will not be eligible following the date of disapproval until the RBD Project is brought back into alignment with the RBD Project as proposed in the previously approved Action Plan.

ii. Grantee successfully stewards the RBD Project through the environmental review process pursuant to 24 CFR part 58 and any permitting processes required to implement the RBD Project.

iii. HUD anticipates that the final EIS or other project plan development may result in material changes to the project after grantee submits the subsequent substantial Action Plan Amendment described in Section VI.4.f.i. If no material changes have occurred since the previous RBD Project design and scope approved by HUD in the grantee's Action Plan Amendment, no additional amendment is necessary. If the RBD Project has undergone a material change, then the grantee must submit a

substantial Action Plan Amendment in order to describe the final RBD Project as permitted and approved from the environmental review process. A grantee may submit its RROF concurrent with this Action Plan Amendment, if applicable, and its Record of Decision for the project. Following approval of the Action Plan Amendment, if applicable, and RROF, funds from the grantee's line of credit will be made available for construction.

g. Grantee begins drawing funds for construction. HUD staff will continue to routinely monitor each grantee for continued consistency of RBD Projects with its approved Action Plan.

5. RBD Environmental Review Requirements

Grantees will conduct environmental reviews pursuant to 24 CFR part 58 and are strongly encouraged to integrate RBD Project planning with the environmental review process to the fullest extent possible by, for instance, aligning scoping and public comment periods required as part of environmental reviews with those required for RBD Action Plan Amendments. It is expected that grantees will undertake action that contributes to the environmental review process as soon as RBD Project planning commences. To expedite environmental review and permitting and to ensure that the most complex projects are delivered as efficiently as possible, grantees shall submit all RBD Projects to the Sandy Regional Team for Federal Review and Permitting as provided for in Section VII.1 of the Notice published on November 18, 2013 (78 FR 69104). Grantees must group together and evaluate as a single project all individual activities which are related either on a geographical or functional basis, or are logical parts of a composite of contemplated actions. Furthermore, grantees must analyze the reasonably foreseeable direct, indirect and cumulative effects of the RBD Project. See 40 CFR 1508.7 and 1508.8. If the RBD Project is anticipated to require an EIS, grantees are encouraged to undertake the scoping process as early as possible consistent with 24 CFR part 58 and 40 CFR parts 1500–1508.

6. RBD Action Plan Requirements

a. Initial Action Plan Amendment for Proposed RBD Project

Grantees in receipt of an RBD allocation must submit an initial substantial Action Plan Amendment that includes the following elements:

(i) RBD Project Description

A general description of the proposed RBD Project to be designed and implemented (*e.g.,* through narrative, maps, and conceptual project renderings). This description must also identify the CDBG national objective(s) that will be met by the funded RBD Project. The grantee must describe the use of all funds dedicated for planning, pre-development, and project construction costs and must breakout estimated amounts for such costs. The description must demonstrate the RBD Project's feasibility and effectiveness in providing protection against current and future threats and hazards, including future risks associated with climate change. Additionally, the grantee must include in its description any applicable infrastructure requirements of the November 18, 2013 Notice as described in Section VI.7.a of this Notice.

(ii) Implementation Partnership for RBD Project

A description of the implementation partnership responsible for RBD Project completion. The description must identify the grantee agency responsible for managing the implementation of the RBD Project. The Action Plan Amendment must demonstrate that the implementing agency has the capacity to successfully implement the RBD Project in a timely, cost-effective, and compliant manner. If adequate capacity does not currently exist, the grantee must identify how it will provide this capacity. Adequate demonstration of capacity is typically reflected by, but is not limited to: Staffing levels; management structure; operational authority; experience; established controls, policies, and procedures; and history or ability to work collaboratively with other city, county, state, and federal agencies as required.

The description of the implementation partnership must identify the entities that will comprise the partnership as well as the nature and role of each entity of the partnership (*e.g.,* type of agreement, responsibilities, authorities, etc.). The description should include identification of any agreements that have been executed or that will need to be signed (such as contracts, subrecipient agreements, memoranda of understanding, etc.) for the partnership to effectively function and meet the requirements in this Notice. State grantees must include a description of the roles and responsibilities of the incorporated municipalities in which the projects are located.

(iii) Citizen Participation Plan for RBD Project

A description of the citizen participation plan specifically related to the prospective planning and implementation of RBD Projects. The competition process through which the proposals were developed involved transparent and inclusive community outreach and public participation surrounding each proposal. Grantees must demonstrate to the satisfaction of the Department that they will continue to similarly engage community stakeholders through the planning, design, and development process related to each RBD Project and selected RBD proposal in their Action Plan. HUD encourages grantees to align citizen participation plan requirements with environmental review public participation processes to the fullest extent possible to gain efficiencies. For example, if the project requires an EIS, then the required public comment period following the publication of a Draft EIS should run, to the fullest extent possible, concurrently with the comment period for the substantial Action Plan Amendment. Grantees must take steps to ensure that vulnerable and underserved populations, including racial and ethnic minorities, persons with disabilities, and persons with limited English proficiency, are involved in the planning and decision-making processes throughout the RBD Project.

(iv) RBD Project Timeline

A description of the general timeline for RBD Project development until completion. Grantees should identify the general timeframe for activities such as additional study/research, planning, design/engineering, environmental review and permitting, site development, and construction. The timeline must be revised to reflect more accurate expectations once the final RBD Project design is approved by HUD. The timeline should reflect a critical path approach to RBD Project completion that illustrates the milestones to the completion of the RBD Project and estimates the resources required for accomplishment of each milestone.

(v) Identification of Leveraged or Reasonably Anticipated Funds for RBD Project

A description of funds that are anticipated to be generated or secured in leveraging the CDBG–DR allocation for RBD Project completion as well as any additional CDBG–DR funds the grantee anticipates dedicating to the RBD

Project beyond the funds allocated to the RBD Project in this Notice. Accordingly, the description must identify any potential gap or shortfall in RBD Project funding (relative to what is being proposed) and identify the strategy(ies) that will be pursued to secure such funds. While RBD Projects must be implemented as consistent with the winning proposals as practicable and appropriate, it is understood that modifications may be necessary in response to the amount of funding ultimately secured.

b. Subsequent Action Plan Amendment to Reflect Final RBD Project

As described under Section VI.4.e. and f. of this Notice, the Department is requiring grantees to submit an Action Plan Amendment as a condition for the release of funds for RBD Project-related construction activities. HUD will provide clarifying guidance as to the format of materials for approval of Action Plan Amendments containing the final RBD Project descriptions described in this Notice. Grantees are advised that the Amendment submission must detail a final RBD Project that comports with the selected RBD proposal to the greatest extent practicable and appropriate and must update the required RBD Action Plan Amendment elements described in Section VI.6.a.

Submissions will need to include an examination of the RBD Project through a Benefit-Cost Analysis, using methodologies and approaches acceptable to HUD. In its submission, the grantee must demonstrate the degree to which the project reduces flood risk and the respective geography that it will benefit. In its submission, the grantee must also certify to adequately fund the long-term operation and maintenance of the RBD Project from reasonably anticipated revenue, recognizing that operation and maintenance costs must be provided from sources other than CDBG and CDBG–DR funds. Approval of the Action Plan Amendment is contingent upon this certification.

Grantees are also responsible for demonstrating that the RBD Project is feasible, including having an appropriate design that will result in the benefits proposed. In order to demonstrate that the engineering design for the RBD Project is feasible, a registered Professional Engineer (or other design professional) must certify that the design meets the appropriate code, or industry design and construction standards. HUD, when approving the RBD Action Plan Amendment, may impose special conditions on the grants to address high risk factors that HUD identifies in its review.

HUD expects the grantee or a subrecipient, contractor, or subgrantee to take responsibility for operating and maintaining any levee, floodwall, or other flood control structure or system funded under the RBD allocation. Grantees must identify the entity(ies) that will own, operate, and maintain any levee or levee/breakwater system. Any levee or levee/breakwater system funded under the RBD allocation must be technically sound. The grantee must certify in its Action Plan Amendment that it, or the local authority assuming ownership of a levee, will take action to ensure the levee is certified and meets FEMA standards at 44 CFR 65.10 and is subsequently accredited by FEMA, which allows for floodmaps to be re-drawn accordingly.

7. Applicability of Prior Notice Requirements to RBD Projects

a. Infrastructure requirements of Prior Notices

As a result of the RBD competition process, RBD Projects are considered as having met:

(i) The definition of infrastructure projects and related infrastructure projects under Section VI.b.1 of the November 18, 2013 Notice;

(ii) The requirement for impact and unmet needs assessments and the comprehensive risk analysis under Section VI.c and VI.d of the November 18, 2013 Notice;

(iii) The process required for the selection and design of green infrastructure projects or activities under Section VI.f of the November 18, 2013 Notice; and

(iv) The additional requirements for major infrastructure projects (''Covered Projects'') under Section VI.g of the November 18, 2013, Notice. However, the Initial RBD Action Plan Amendment as described in Section VI.6.a of this Notice must still include a description of how the grantee plans to monitor and evaluate the efficacy and sustainability of RBD Projects, and meet the resilience performance standards requirement as outlined at Section VI.2.e of the November 18, 2013 Notice. Each RBD Project has been introduced to the Sandy Regional Infrastructure Resilience Coordination (SRIRC) Group. Grantees are expected to continue to work in consultation with SRIRC as this state and federal interagency group can help facilitate coordination of project scopes to best align and integrate with other recovery projects in the area. In addition, funded RBD Projects will be submitted to the Sandy Regional Team for Federal Review and Permitting for enhanced coordination that can expedite the implementation process, as provided for in Section VII.1 of the Notice published on November 18, 2013 (78 FR 69104).

b. Eligible Activity

Under the waiver and alternative requirements imposed by this Notice, RBD Projects are CDBG-eligible activities subject to a determination by the Department that the RBD Project remains as consistent with the selected RBD proposal as practicable and appropriate, and meets all other requirements in this Notice.

HUD has previously provided for the eligibility of large complex projects that are composed of multiple activities that, in and of themselves, would be eligible and contribute to long-term recovery. The Department has determined that the projects resulting from the RBD process are a critical component of the region's long-term recovery and resilience to future weather events. To accomplish the initiative's stated intention, each grantee will fund additional strategic planning and public outreach followed by an RBD Project that successfully implements an initial phase of the design. At HUD's request, grantees have agreed that the RBD Projects will be implemented and contribute to their respective disaster recovery process. At this stage of development, it may be difficult for grantees to categorize RBD Projects into discrete categories of CDBG eligibility. HUD has determined that the activities that comprise the RBD Project, including the implementation case study and lessons learned document, are necessarily eligible CDBG activities under this Notice. Therefore, to streamline implementation of RBD Projects, HUD is providing an alternative requirement, as described in Section VII.4.c of this Notice, to create an eligible activity referred to as 'Rebuild by Design,' to include all pre-development and construction activities carried out in accordance with identified RBD Projects referenced in this Notice. As a criterion for approval of an Action Plan Amendment containing an RBD Project, HUD must determine that the description of the RBD Project, as included in a grantee Action Plan, is consistent with the eligible activity described in this Notice. Grantees must consider any portion of their RBD allocations expended on planning and general administrative costs as planning and general administrative expenditures for purposes of calculating compliance with the 20 percent cap on planning and general administration costs and 5

percent cap on general administration costs of their total CDBG–DR grant (i.e., the sum total of all CDBG–DR funds received under the Appropriations Act) as outlined in the March 5, 2013 Notice.

c. National Objective Classification

In the initial RBD Action Plan Amendment submitted in response to this Notice, as described in Section VI.6.a of this Notice, grantees must identify the CDBG national objective(s) associated with each RBD Project. Each RBD Project must meet the national objective requirements applicable to other CDBG–DR activities. Grantees may attribute a single national objective that covers the complete RBD Project activity; however grantees may also choose to categorize the project into multiple activities in order to distinguish and classify expenditures as benefiting low- and moderate-income populations, as a means of meeting the overall benefit requirement. Grantees must establish appropriate methods by which an RBD Project may be attributable to multiple national objectives through consultation with the Department. In addition, through the research and analysis conducted as part of the competition, RBD Projects have demonstrated an acceptable connection to recovery from the direct and indirect impacts of Hurricane Sandy.

d. Procurement of Consultants Supporting Project Design

Grantees should ensure that individuals with a strong working knowledge of both the RBD Project to be implemented and the overall proposal are among the consultants hired to advance the project. Given the unique knowledge and understanding that each RBD design team possesses regarding their respective proposal, grantees should consider how it may procure design team members noncompetitively. The RBD design teams and their members represent a collection of some of the best planning, design, and engineering talent in the world as they were selected by the President's Hurricane Sandy Rebuilding Task Force out of a universe of 148 teams from more than 15 different countries. The teams also bring interdisciplinary expertise such as economists, sociologists, hydrologists, and climate scientists.

If a grantee has adopted or is required to use 24 CFR part 85, the grantee is reminded of the provisions of 24 CFR 85.36, which set forth the conditions under which a grantee may engage in a non-competitive, single source procurement (§ 85.36(d)(4)). Grantees operating under part 85 are granted the authorization referenced under § 85.36 (d)(4)(i)(C) only regarding procurement of the design teams (or members of the design teams) that participated in the development of selected RBD proposals through the HUD-sponsored RBD competition. The grantee will be responsible for ensuring compliance with requirements that all costs be necessary and reasonable. (In many cases, this will entail the grantee undertaking a cost analysis prior to hiring consultants.) Grantees that have not adopted part 85 should review state or local requirements associated with single source procurement to ensure continued consistency with § 85.36 and are advised to follow all applicable procurement requirements as well as those identified by HUD regulations and Notices.

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

This section of the Notice describes requirements imposed by the Appropriations Act, as well as applicable waivers and alternative requirements. For each waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act. The following requirements apply only to the CDBG–DR funds appropriated in the Appropriations Act.

Grantees may request additional waivers and alternative requirements to address specific needs related to their recovery activities. Except where noted, waivers and alternative requirements described below apply to all grantees under this Notice. Under the requirements of the Appropriations Act, waivers are effective five days after publication in the **Federal Register**.

1. Incorporation of General Requirements, Waivers, Alternative Requirements, and Statutory Requirements Previously Described

Grantees are advised that general requirements, waivers and alternative requirements provided for and subsequently clarified or modified in the Prior Notices, apply to all funds under this Notice, except as modified herein. These waivers and alternative requirements provide additional flexibility in program design and implementation to support resilient recovery following Hurricane Sandy, while also ensuring that statutory requirements unique to the Appropriations Act are met. Waivers or alternative requirements previously issued pursuant to specific grantee requests remain in effect under their terms.

2. Action Plan for Disaster Recovery Waiver and Alternative Requirements

a. Infrastructure Programs and Projects. The infrastructure requirements described in in Section VI.2 of the Notice published on November 18, 2013 (78 FR 69106) apply to infrastructure programs and projects funded through the allocation provided by this Notice except as otherwise noted for RBD Projects in Section VI of this Notice. In evaluating infrastructure programs and projects included in a substantial Action Plan Amendment submitted in response to this Notice, HUD will assess the adequacy of a grantee's response to each of the elements outlined in Section VI.2 of the November 18, 2013 Notice or as qualified in this Notice regarding RBD Projects as a basis for the approval of the amendment. However, grantees need not resubmit responses to elements approved by HUD unless warranted by changing conditions or if project-specific analysis is required.

b. *Identification/Description of Covered Projects.* For any Covered Project held to the requirements of the Notice published on November 18, 2013, Section VI.2.g.1 of that Notice (''Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects, Additional Requirements for Major Infrastructure Projects, Identification/Description''), as amended by the March 27, 2014 Notice, is modified to require: A description of the Covered Project, including: total project cost estimate (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (i.e., a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to Hurricane Sandy or other disasters cited in this Notice. The Department recognizes that grantees often finance large scale infrastructure projects by leveraging several sources of funds that may shift over time. Therefore, the Department may elect to approve projects based on estimates of total project cost and of other funding sources as well as the CDBG–DR contribution amount. Grantees are expected to provide the best estimates available and the expected timeline for determining the exact costs. Grantees must submit an Action Plan Amendment to reflect any material adjustments to the cost estimate. As

described in Section VII.3 of this Notice, where an adjustment of the CDBG–DR contribution to a Covered Project triggers the substantial amendment criteria described in the March 5, 2013 Notice (78 FR 14329) at Section VI.A.3.a., grantees must submit a Substantial Action Plan Amendment subject to the requirements of the Notice, which requires no less than 7 calendar days to solicit public comment. The Covered Project itself is subject to the 30-day comment period and public hearing required by the November 18, 2013 Notice. However, HUD will consider resubmissions of Covered Projects submitted to HUD prior to the effective date of this Notice and revised in accordance with these amended requirements, subject to all non-substantial Action Plan Amendment requirements.

c. *Certification of proficient controls, processes and procedures.* The Appropriations Act requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by Section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds, detect and prevent waste, fraud, and abuse of funds. Grantees submitted documentation for the Secretary's certification pursuant to paragraph VI.E.42.q of the March 5, 2013 Notice and updated them in accordance with 78 FR 691014 (November 18, 2013). In any Action Plan Amendment submitted after the effective date of this Notice, grantees are required to identify any material changes in its processes or procedures that could potentially impact the Secretary's or the grantee's prior certification. Grantees are advised that HUD may revisit any prior certification based on a review of an Action Plan Amendment submitted for this allocation of funds, as well as monitoring reports, audits by HUD's Office of the Inspector General, citizen complaints or other sources of information. As a result of HUD's review, the grantee may be required to submit additional documentation or take appropriate actions to sustain the certification.

d. *Amending the Action Plan.* Except as otherwise provided for in this Notice, Section VI.A.1.k at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to submit a substantial Action Plan Amendment to HUD within 120 days of the effective date of this Notice. All Action Plan Amendments submitted after the effective date of this Notice must be prepared in accordance with the Prior Notices, as modified by this Notice. In addition, they must budget all, or a portion, of the funds allocated under this Notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date that grantees may submit an Action Plan Amendment is June 1, 2017 given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. The requirement to expend funds within two years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable.

e. *HUD Review/Approval.* Consistent with the requirements of section 105(c) of the Cranston-Gonzalez National Affordable Housing Act, HUD will reject or approve each grantee's substantial Action Plan Amendment within 60 days from the date of receipt. This timeframe allows HUD's federal partners to view the Amendment and provide feedback. The Secretary may disapprove an Amendment if it is determined that it does not meet the requirements of the Prior Notices, as amended by this Notice.

f. *Projection of expenditures and outcomes.* Section VI.A.1.l. at 78 FR 14337 of the March 5, 2013 Notice is amended, as necessary, to require each grantee to amend its Action Plan to update its projection of expenditures and outcomes within 90 days of its Action Plan Amendment approval. The projections must be based on each quarter's expected performance—beginning the quarter funds are available to the grantee and continuing each quarter until all funds are expended. Projections should include the entire amount allocated by this Notice. Amending the Action Plan to accommodate these changes is not considered a substantial amendment. Guidance on preparing the projections is available on HUD's Web site at: *http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/drsi/afwa.*

3. Citizen Participation Waiver and Alternative Requirement

78 FR 69104 (November 18, 2013) modified paragraph 3 at 78 FR 14338 of the March 5, 2013 Notice to require grantees to publish substantial Action Plan Amendments for comment for 30 days prior to submission to HUD. Covered Projects are subject to the 30-day comment period and public hearing required by the November 18, 2013 Notice. However, as described in paragraph VII.2.b. of this Notice, this paragraph modifies paragraph 4 at 78 FR 69109 of the November 18, 2013 Notice by imposing a 7-day public comment period *only* when a grantee proposes adjustments of CDBG–DR contributions to a Covered Project that would trigger a substantial amendment by exceeding the $1 million threshold. Action Plan amendments must include full project descriptions for Covered Projects. Grantees are reminded of both the citizen participation requirements of that Notice and that HUD will monitor grantee compliance with those requirements and the alternative requirements of this Notice. Grantees are strongly encouraged to align citizen participation plan requirements with environmental review public participation processes to the fullest extent possible to gain efficiencies. Grantees are encouraged to conduct outreach to community groups, including those that serve minority populations, persons with limited English proficiency, and persons with disabilities, to encourage public attendance at the hearings and the submission of written comments concerning the Action Plan Amendment.

The grantee must continue to make the Action Plan, any amendments, and all performance reports available to the public on its Web site and on request. The grantee must also make these documents available in a form accessible to persons with disabilities and persons of limited English proficiency, in accordance with the requirements of the March 5, 2013 Notice. Grantees are also encouraged to conduct outreach to local nonprofit and civic organizations to disseminate draft substantial Action Plan Amendments for public comment. Until the grant is closed the grantee must provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Action Plan and to the grantee's use of grant funds. This objective should be achieved through effective use of the grantee's comprehensive Web site mandated by the Appropriations Act.

4. Waivers and Alternative Requirements for Rebuild by Design Allocations

a. Interim funding for RBD planning and RBD Project-related pre-development costs. Without providing a waiver and alternative requirement, HUD would be required to make the RBD eligible activity determination

described in Section VI.7.b prior to a grantee's use of funds made available by the RBD Allocation for RBD Project pre-development costs. However, this eligibility determination will not be made until the grantee has completed the RBD Action Plan Amendment Process as described in Section VI.4. To ensure timely progress and prevent gaps in continuity regarding design development and community engagement for implementation of RBD Projects, HUD is providing this waiver and alternative requirement to permit grantees to temporarily reprogram CDBG–DR funds previously identified for planning in an Action Plan governing earlier CDBG–DR allocations under the Appropriations Act. This alternative requirement will allow grantees to move funds temporarily from planning activities for purposes of funding RBD Project planning and pre-development costs. In order to undertake this action, grantees must submit a non-substantial Action Plan Amendment to identify any amounts reprogrammed, with the exception of general planning activities that are eligible under 24 CFR 570.205 (including planning activities under 570.205 undertaken by states pursuant to the waiver for planning-only activities in the March 5, 2013 Notice), which would not require an amendment. Under the terms of this alternative requirement, when funds become available under the grantee's line of credit for the RBD Project, the grantee must set aside funds from the RBD allocation in the amount reprogrammed for the RBD Project under this alternative requirement for the original planning purpose for which these funds were designated. Use of existing CDBG–DR funding for RBD Project planning and pre-development activities is allowed for such expenditures incurred following the announcement of RBD allocations by the Secretary on May 30, 2014.

b. Citizen participation waiver and alternative requirement—Interim funding for RBD Project planning and pre-development costs. Modifications to a grantee's Action Plan to reflect the temporary reprogramming of funds for RBD Project planning and pre-development costs, as outlined in subparagraph a above, are not subject to the substantial amendment criteria described in the March 5, 2013 Notice (78 FR 14329); however, these modifications are subject to all non-substantial Action Plan Amendment requirements.

c. Rebuild by Design as an eligible CDBG activity. As described in Section VI.7.b of this Notice, the Department is waiving 42 U.S.C. 5305(a) only to the extent necessary to create a new eligible activity, the 'Rebuild by Design' eligible activity, that includes:

- *RBD Pre-development and Construction Costs:* This waiver and alternative requirement permits grantees receiving an RBD allocation to designate all necessary pre-development and construction costs carried out in accordance with the selected RBD proposal described in a HUD-approved Action Plan as an eligible activity; and
- *RBD Implementation case study and lessons learned document:* This waiver and alternative requirement allows grantees to classify costs expended on the preparation of the case study and lessons learned document required in Section VI of this Notice as eligible CDBG activity costs (not planning costs) of the 'Rebuild by Design' eligible activity.

5. Reimbursement of Disaster Recovery Expenses

In addition to pre-award requirements described in the March 5, 2013 Notice, grantees are subject to HUD's guidance issued July 30, 2013—''Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants'' (CPD Notice 2013–05), as may be amended. The CPD Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/documents/huddoc?id=cdbg_preaward_notice.pdf.*

6. Duplication of Benefits

Grantees are reminded that the March 5, 2013 Notice, at 78 FR 14344, imposes a requirement that grantees, in administering grant funds, adhere to the guidance in the **Federal Register** Notice published November 16, 2011 (76 FR 71060), ''Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance''. This requirement continues to apply to funds made available under this Notice. The Duplication of Benefits Notice is available on the CPD Disaster Recovery Web site at: *http://portal.hud.gov/hudportal/HUD?src=/programoffices/administration/hudclips/notices/cpd*

7. Eligibility of Needs Assessment and Comprehensive Risk Analysis Costs

Grantees may use CDBG–DR funds to update their impact and unmet needs assessments as well as their comprehensive risk analyses for infrastructure projects as required by November 18, 2013 Notice, consistent with the overall 20 percent limitation on the use of funds for planning, management, and administrative costs.

VIII. Catalog of Federal Domestic Assistance

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

IX. Finding of No Significant Impact

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

Dated: October 9, 2014.

Clifford Taffet,

General Deputy Assistant Secretary.

Appendix A—Allocation Methodology

May 2014 CDBG–DR Allocation Methodology

This allocation is calculated based on relative share of needs HUD has estimated are required to rebuild to a higher standard consistent with CDBG program requirements and the goals set forth in the Hurricane Sandy Rebuilding Strategy. HUD's analysis shows that when calculating both unmet repair costs and resiliency needs, there is adequate funding allocated to address the critical housing and small business repair needs of each grantee, but grantees will continue to need to make careful choices about prioritizing the limited resources for those most impacted and distressed, most particularly in consideration of infrastructure and non-critical resiliency investments. In addition to ensuring adequate amounts of funds have been allocated for addressing critical housing and business needs, HUD has allocated funds estimated to support development of at least one phase of Sandy Rebuild by Design (RBD) award winning projects and one final project. This allocation methodology applies only to the formula allocation and not to the RBD allocation.

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as

well as a ''resiliency'' amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed homes, businesses, and infrastructure to pre-disaster conditions. The estimated cost to repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. This calculation of housing, business, and infrastructure needs is used to determine the relative share of funding for this Sandy state allocation versus other eligible disasters of 2011, 2012, and 2013. Consistent with HUD's intent to prioritize critical housing and business needs with this final allocation, the formula sub-allocation among Sandy states is made proportional to the calculated severe unmet needs for estimated remaining housing and business needs (excluding infrastructure).

Statutory Language for the Allocation

Public Law 113–2 (January 29, 2013) provides the following language on how the Secretary shall allocate the funds: ''For an additional amount for ''Community Development Fund'', $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): Provided, That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development: Provided further, That the Secretary shall allocate to grantees not less than 33 percent of the funds provided under this heading within 60 days after the enactment of this division based on the best available data:''

Available Data

The ''best available'' data HUD staff have identified as being available to calculate unmet needs at this time for all disasters in 2011, 2012, and 2013 meeting HUD's Most Impacted and Distressed threshold comes from the following data sources:

- FEMA Individual Assistance program data on housing unit damage;
- SBA for management of its disaster assistance loan program for housing repair and replacement;
- SBA for management of its disaster assistance loan program for business real estate repair and replacement as well as content loss; and
- FEMA Public Assistance, Department of Transportation Federal Transit Administration and Federal Highway Administration, Corps of Engineers, and US Department of Agriculture Emergency Watershed Restoration data on infrastructure

These funds are only allocated toward disasters in 2011, 2012, and 2013 determined by HUD to be most impacted and distressed disasters.[1]

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program (extracted January 2014). For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program (extracted January 2014). HUD calculates ''unmet housing needs'' as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

- Each of the FEMA inspected owner units are categorized by HUD into one of five categories:
  - Minor-Low: Less than $3,000 of FEMA inspected real property damage.
  - Minor-High: $3,000 to $7,999 of FEMA inspected real property damage.
  - Major-Low: $8,000 to $14,999 of FEMA inspected real property damage (if basement flooding only, damage categorization is capped at major-low).
  - Major-High: $15,000 to $28,800 of FEMA inspected real property damage and/or 4 to 6 feet of flooding on the first floor.
  - Severe: Greater than $28,800 of FEMA inspected real property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of ''most impacted and distressed'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need ''gap'' is 20 percent of the difference between total damage and the FEMA grant.

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

For rental properties, to meet the statutory requirement of ''most impacted and distressed'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 4 feet. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

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

Calculating Unmet Infrastructure Needs

- To proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement (extracted January 2014). This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG funding above the Public Assistance and state match requirement. Those activities are categories: C-Roads and Bridges; D-Water Control Facilities; E-Public Buildings; F-Public Utilities; and G-Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG funds are generally used. Because Public Assistance damage estimates are available only statewide (and not county), CDBG funding allocated by the estimate of unmet infrastructure needs are sub-allocated to New York City from the New York State total based on the distribution of initial project-level estimates obtained from FEMA (69 percent New York City, 31 percent New York state). Note, that due to most states' large private electric utilities being ineligible for FEMA Public Assistance, HUD does not include the estimated repair costs for the Long Island Power Authority (LIPA) in New York.

[1] For Hurricane Sandy, a most impacted disaster is any state that received a FEMA Individual Assistance declaration. For other disasters a Most Impacted disaster is a disaster where the severe housing and business unmet needs (excluding resiliency) exceed $25 million from counties with greater than $10 million in unmet housing and business severe needs (excluding resiliency and area construction cost adjustment).

• For the third round of CDBG–DR funding for Sandy recovery, HUD includes four additional sources of information:

1. US Army Corps of Engineers (USACE) Infrastructure Resilience Coordination (extracted June 2013). Many USACE Sandy projects require very high local cost shares. However, Federal requirements only allow grantees to no more than $250,000 of CDBG–DR funding towards local match requirements for these projects. As such, this calculation only includes $250,000 per USACE project where local match is higher than that amount.

2. DOT, Federal Highway Administration (FHWA) Sandy Recovery Grants—Emergency Relief (ER) (extracted June 2013). We include an estimate of the local cost share from this program. To calculate this estimate, we only include 20% of non-quick release Sandy ER project estimates as of July 2013.

3. DOT, Federal Transit Administration (FTA) Transit Emergency Relief (ER) (extracted June 2013). We include the 10% local cost share for these transit projects. Note, since much of the New York City transit damage is owned by a state organization, the Metropolitan Transportation Authority, New York State receives the vast majority of need from this grant. Also note that the State of New Jersey receives 66% of the local match requirement from the Port Authority's match requirement; New York State receives 34% of the Authority's match requirement.

4. USDA Emergency Watershed Repair Program (extracted May 2014). For most impacted disasters in 2011, 2012, and 2013 that have not received supplemental funding to address watershed repairs, HUD includes the estimated unmet repair costs calculated by USDA in the unmet repair needs calculation.

Calculating Economic Revitalization (Small Business) Needs

• Based on SBA disaster loans to businesses (extracted January 2014), HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.

• Because applications denied for poor credit or income are the most likely measure of needs requiring the type of assistance available with CDBG–DR funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $30,000 are considered severe damage for purposes of identifying the most impacted and distressed areas.

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

To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage.

Resiliency Needs

CDBG Disaster Recovery Funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For the disasters covered by this Notice, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future disasters do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied it estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent. Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate at 30 percent of damage is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs. Note that because FEMA Public Assistance does not include the estimated cost to repair Public Housing that is covered by private insurance, HUD adds to its resiliency calculation 30 percent times the insurance payment for Public Housing repairs.

Housing and Small Business Construction Cost Adjustment

Prior to making this final allocation, HUD staff carefully reviewed the housing programs being operated by New York City and New Jersey. Out of this analysis came the observation that higher construction costs in New York and New Jersey were not being adequately accounted for in HUD's base formula for determining relative share of funding among the 2011, 2012, and 2013 disasters. As a result, for this allocation, HUD has increased its estimate of severe unmet housing and business repair and resiliency needs to account for these higher construction costs. To do this, HUD used the same Marshall & Swift regional cost adjustment multipliers used for HUD's annual calculation of Total Development Costs developed for HUD's public housing repair programs. The specific construction cost multiplier used for adjusting the above calculations of unmet housing and business needs for each grantee was as follows:

Connecticut: 1.19
Maryland: 1.00
New York State: 1.44
New York City: 1.45
New Jersey: 1.34
Rhode Island: 1.00

[FR Doc. 2014–24662 Filed 10–15–14; 8:45 am]
BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Invasive Species Advisory Committee

AGENCY: Office of the Secretary, Interior.

ACTION: Notice of Public Meetings of the Invasive Species Advisory Committee.

SUMMARY: Pursuant to the provisions of the Federal Advisory Committee Act, notice is hereby given of meetings of the Invasive Species Advisory Committee (ISAC). Comprised of 30 nonfederal invasive species experts and stakeholders from across the nation, the purpose of ISAC is to provide advice to the National Invasive Species Council (Council), as authorized by Executive Order 13112, on a broad array of issues related to preventing the introduction of invasive species and providing for their control and minimizing the economic, ecological, and human health impacts that invasive species cause. The Council is co-chaired by the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Commerce. The duty of the Council is to provide national leadership regarding invasive species issues.

Purpose of Meeting: The meeting will be held on November 12–14, 2014 in San Antonio, Texas, and will focus primarily on the management of invasive species in urban areas, particularly: (1) On-the-ground efforts in the Austin, San Marcos, and San Antonio areas of Texas, which are experiencing rapid growth and developing new ways of addressing the problems invasive species cause to buildings and homes, as well as parks and other public spaces; and, (2) Trans-border cooperation between the U.S. and Mexico on invasive species issues. A copy of the meeting agenda is available on the Web site, *www.doi.gov/invasivespecies.*

DATES: Meeting of the Invasive Species Advisory Committee: Wednesday, November 12, 2014 and Friday, November 14, 2014; beginning at approximately 8:00 a.m., and ending at approximately 5:00 p.m. each day. Members will be participating in an off-site field tour on Thursday, November 13, 2014. *The field tour is closed to the public.*

ADDRESSES: Holiday Inn Riverwalk, 217 North Saint Mary's Street, San Antonio, Texas 78205. The general session on November 12, 2014 and November 14,

Information collection	Number of respondents	Frequency of response	Responses per annum	Burden hour per response	Annual burden hours	Hourly cost per response	Annual cost
Total	1,000	1	1	5.5	5,500	$110.00	$110,000

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: December 23, 2014.

Michael Dennis,

Director, Office of Housing Voucher Programs.

[FR Doc. 2015–00107 Filed 1–7–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–13]

Third Allocation, Waivers, and Alternative Requirements for Grantees Receiving Community Development Block Grant Disaster Recovery (CDBG–DR) Funds in Response to Disasters Occurring in 2013

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

ACTION: Notice.

SUMMARY: This Notice advises the public of a third allocation of Community Development Block Grant disaster recovery (CDBG–DR) funds for the purpose of assisting recovery in the most impacted and distressed areas identified in major disaster declarations in calendar year 2013. This is the seventh allocation of CDBG–DR funds under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2). In addition to an initial allocation for disasters occurring in 2013, prior allocations addressed the areas most impacted by Hurricane Sandy, as well as the areas most impacted by disasters occurring in 2011 or 2012. In prior **Federal Register** notices, the Department described the allocations, relevant statutory provisions, the grant award process, criteria for Action Plan approval, eligible disaster recovery activities, and applicable waivers and alternative requirements. This Notice builds upon the requirements of those notices, and specifies that funds allocated through this notice are subject to all requirements in the notice published on June 3, 2014 (79 FR 31964).

DATES: *Effective Date:* January 13, 2015.

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

SUPPLEMENTARY INFORMATION:

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Appendix A: Allocation Methodology

I. Allocation

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

On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.1 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $565 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition. This Notice advises the public of a third allocation for 2013 disasters—$89.8 million is provided for the purpose of assisting recovery in the most impacted and distressed areas in Colorado, the city of Chicago, Illinois, Cook County, Illinois, and Du Page County, Illinois. As the Appropriations Act requires funds to be awarded directly to a state or unit of general local government (hereinafter, local government), the term ''grantee'' refers to any jurisdiction receiving a direct award from HUD under this Notice.

To comply with statutory direction that funds be used for disaster-related expenses in the most impacted and distressed areas, HUD computes allocations based on the best available data that cover all the eligible affected areas. Based on further review of the impacts from Presidentially-declared disasters that occurred in 2013, and estimates of remaining unmet need, this Notice provides the following awards:

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2013

Grantee	This allocation	Second allocation	First allocation	Total
State of Colorado	$58,246,000	$199,300,000	$62,800,000	$320,346,000

TABLE 1—ALLOCATIONS FOR DISASTERS OCCURRING IN 2013—Continued

Grantee	This allocation	Second allocation	First allocation	Total
State of Illinois	.....	6,800,000	3,600,000	10,400,000
City of Chicago, IL	11,075,000	47,700,000	4,300,000	63,075,000
Cook County, IL	14,816,000	54,900,000	13,900,000	83,616,000
Du Page County, IL	5,626,000	18,900,000	7,000,000	31,526,000
State of Oklahoma	.....	83,100,000	10,600,000	93,700,000
City of Moore, OK	.....	25,900,000	26,300,000	52,200,000
Total	89,763,000	436,600,000	128,500,000	654,863,000

As outlined in Table 2, to ensure funds provided under this Notice address unmet needs within the ''most impacted and distressed'' counties, each local government receiving a direct award under this Notice must expend its entire CDBG–DR award within its jurisdiction (*e.g.,* Cook County must expend all funds within Cook County, excluding the city of Chicago; the city of Chicago must expend all funds in the city of Chicago, including the portions of Cook and Du Page counties located within the city's jurisdiction). The State of Colorado must expend at least 80 percent of its funds in the most impacted counties of Boulder, Weld, and Larimer but may expend 20 percent (approximately $64 million from the combined first, second, and third allocations) in other State-identified most impacted and distressed area within counties having a declared major disaster in 2011, 2012 or 2013. The following link provides access to maps showing declared disasters in each state, by year: *http://www.fema.gov/disasters/grid/state-tribal-government.* The opportunity for certain grantees to expend a portion of their allocations outside the most impacted and distressed counties identified by HUD enables those grantees to respond to highly localized distress identified via their own data. A detailed explanation of HUD's allocation methodology is provided at Appendix A.

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

Grantee	Most impacted and distressed counties	Minimum percentage that must be expended in most impacted and distressed counties
State of Colorado	Boulder, Weld and Larimer	80
City of Chicago	City of Chicago; portions of the city in Cook and Du Page	100
Cook County	Cook	100
Du Page County	Du Page	100

II. Use of Funds

This Notice builds upon the requirements of the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), December 16, 2013 (76 FR 76154), June 3, 2014 (79 FR 31964), and July 11, 2014 (79 FR40133) referred to collectively in this Notice as the ''Prior Notices''. The Prior Notices can be accessed through the HUD Exchange Web site at *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/*. In addition, the following links provide direct access to the Prior Notices: *http://www.gpo.gov/fdsys/pkg/FR-2013-03-05/pdf/2013-05170.pdf, http://www.gpo.gov/fdsys/pkg/FR-2013-04-19/pdf/2013-09228.pdf, http://www.gpo.gov/fdsys/pkg/FR-2013-12-16/pdf/2013-29834.pdf, http://www.gpo.gov/fdsys/pkg/FR-2014-06-03/pdf/2014-12709.pdf,* and *http://www.gpo.gov/fdsys/pkg/FR-2014-07-11/pdf/2014-16316.pdf.*

The requirements of this Notice parallel those established for other grantees receiving funds under the Appropriations Act in a **Federal Register** Notice published by the Department on November 18, 2013 (78 FR 69104) and located at: *http://www.gpo.gov/fdsys/pkg/FR-2013-11-18/pdf/2013-27506.pdf.* Additionally, the funds allocated in this Notice are bound by all of the same requirements as those found in the **Federal Register** Notice published by the Department on June 3, 2014 (79 FR 31964), including the two year expenditure deadline located at: *http://www.gpo.gov/fdsys/pkg/FR-2014-06-03/pdf/2014-12709.pdf.*

As a reminder, the Appropriations Act requires funds to be used only for specific disaster-recovery related purposes. This allocation provides additional funds to areas impacted by disasters in 2013 for recovery, including mitigation and resilience as part of the recovery effort and directs grantees to undertake comprehensive planning to promote resilience as part of that effort. The law also requires that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas. To access funds provided by the prior allocations, HUD approved an Action Plan and Action Plan amendments for each of the grantees identified as receiving funds under this Notice. Grantees are now directed to submit a substantial Action Plan Amendment in order to access funds provided in this Notice. For more guidance on requirements for substantial Action Plan Amendments, please see section III of this Notice.

Note that, as provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other federal program when used to carry out an eligible CDBG–DR activity.

However, pursuant to the requirements of the Appropriations Act, CDBG–DR funds may not be used for expenses reimbursable by, or for which funds are made available by FEMA or the United States Army Corps of Engineers (USACE).

IV. Grant Amendment Process

To access funds allocated by this Notice grantees must submit a substantial Action Plan Amendment to their approved Action Plan. Any substantial Action Plan Amendment submitted after the effective date of this Notice is subject to the following requirements:

- Grantee consults with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment; in addition, grantee prepares a comprehensive risk analysis (see section V.3.d. of the June 3, 2014 Notice);
- Grantee amends its citizen participation plan to reflect the requirements of the June 3, 2014 Notice (*e.g.,* new requirement for a public hearing);
- Grantee publishes a substantial amendment to its previously approved Action Plan for Disaster Recovery on the grantee's official Web site for no less than 30 calendar days and holds at least one public hearing to solicit public comment;
- Grantee responds to public comment and submits its substantial Action Plan Amendment to HUD (with any additional certifications required by this Notice or Prior Notices) no later than 120 days after the effective date of this Notice;
- HUD reviews the substantial Action Plan Amendment within 60 days from date of receipt and approves the Amendment according to criteria identified in the Prior Notices;
- HUD sends an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee ensures that the HUD-approved substantial Action Plan Amendment (and updated Action Plan) is posted on its official Web site;
- Grantee signs and returns the grant agreement;
- HUD signs the grant agreement and revises the grantee's line of credit amount;
- If it has not already done so, grantee enters the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submits it to HUD within the system;
- The grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to *24 CFR part 58* (or paragraph A.20 under section VI of the March 5, 2013 Notice) and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification;
- Grantee amends its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval as provided for in paragraph 4.f. of section V of the June 3, 2014 Notice; and
- If not already completed, grantee updates its full consolidated plan to reflect disaster-related needs no later than its Fiscal Year 2015 consolidated plan update.

VIII. Catalog of Federal Domestic Assistance

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

Finding of No Significant Impact

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

Dated: December 31, 2014.

Clifford Taffett,

General Deputy Assistant Secretary for Community Planning and Development.

CDBG–DR Allocation Methodology—2013 Disasters Third Tranche

HUD calculates the cost to rebuild the most impacted and distressed homes, businesses, and infrastructure back to pre-disaster conditions. From this base calculation, HUD calculates both the amount not covered by insurance and other federal sources to rebuild back to pre-disaster conditions as well as a ''resiliency'' amount which is calculated at 30 percent of the total basic cost to rebuild back the most distressed flooded homes, businesses, and infrastructure to pre-disaster conditions; 10 percent for other disaster types (*ie.* tornadoes, severe storms, fires). The estimated cost to repair unmet needs are combined with the resiliency needs to calculate the total severe unmet needs estimated to achieve long-term recovery. This calculation of housing, business, and infrastructure needs is used to determine the relative share of funding among eligible disasters.

Statutory Language for the Allocation

Public Law 113–2 (January 29, 2013) provides the following language on how the Secretary shall allocate the funds: ''For an additional amount for ''Community Development Fund'', $16,000,000,000,[1] to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*): *Provided,* That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development: *Provided further,* That the Secretary shall allocate to grantees not less than 33 percent of the funds provided under this heading within 60 days after the enactment of this division based on the best available data:''

Available Data

The ''best available'' data HUD staff have identified as being available to calculate unmet needs at this time for all disasters in 2011, 2012, and 2013 meeting HUD's Most Impacted and Distressed threshold comes from the following data sources:

- FEMA Individual Assistance program data on housing unit damage;

[1] $15.2 billion after sequestration.

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

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

• FEMA Public Assistance, Department of Transportation Federal Transit Administration and Federal Highway Administration, Corps of Engineers, and US Department of Agriculture Emergency Watershed Restoration data on infrastructure.

These funds are only allocated toward disasters in 2011, 2012, and 2013 determined by HUD to be most impacted and distressed disasters.[2]

Calculating Unmet Housing Needs

The core data on housing damage for both the unmet housing needs calculation and the concentrated damage are based on home inspection data for FEMA's Individual Assistance program (extracted January 2014). For unmet housing needs, the FEMA data are supplemented by Small Business Administration data from its Disaster Loan Program (extracted January 2014). HUD calculates ''unmet housing needs'' as the number of housing units with unmet needs times the estimated cost to repair those units less repair funds already provided by FEMA, where:

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

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

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

○ Major-Low: $8,000 to $14,999 of FEMA inspected real property damage (if basement flooding only, damage categorization is capped at major-low).

○ Major-High: $15,000 to $28,800 of FEMA inspected real property damage and/or 4 to 6 feet of flooding on the first floor.

○ Severe: Greater than $28,800 of FEMA inspected real property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

To meet the statutory requirement of ''most impacted and distressed'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a real property FEMA inspected damage of $8,000 or flooding over 4 foot. Furthermore, a homeowner is determined to have unmet needs if they have received a FEMA grant to make home repairs. For homeowners with a FEMA grant and insurance for the covered event, HUD assumes that the unmet need ''gap'' is 20 percent of the difference between total damage and the FEMA grant.

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

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

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

○ Major-Low: $2,000 to $3,499 of FEMA inspected personal property damage (if basement flooding only, damage categorization is capped at major-low).

○ Major-High: $3,500 to $7,499 of FEMA inspected personal property damage or 4 to 6 feet of flooding on the first floor.

○ Severe: Greater than $7,500 of FEMA inspected personal property damage or determined destroyed and/or 6 or more feet of flooding on the first floor.

For rental properties, to meet the statutory requirement of ''most impacted and distressed'' in this legislative language, homes are determined to have a high level of damage if they have damage of ''major-low'' or higher. That is, they have a FEMA personal property damage assessment of $2,000 or greater or flooding over 4 foot. Furthermore, landlords are presumed to have adequate insurance coverage unless the unit is occupied by a renter with income of $30,000 or less. Units are occupied by a tenant with income less than $30,000 are used to calculate likely unmet needs for affordable rental housing. For those units occupied by tenants with incomes under $30,000, HUD estimates unmet needs as 75 percent of the estimated repair cost.

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

Calculating Unmet Infrastructure Needs

• To proxy unmet infrastructure needs, HUD uses data from FEMA's Public Assistance program on the state match requirement (extracted January 2014). This allocation uses only a subset of the Public Assistance damage estimates reflecting the categories of activities most likely to require CDBG–DR funding above the Public Assistance and state match requirement. Those activities are categories: C—Roads and Bridges; D—Water Control Facilities; E—Public Buildings; F—Public Utilities; and G—Recreational-Other. Categories A (Debris Removal) and B (Protective Measures) are largely expended immediately after a disaster and reflect interim recovery measures rather than the long-term recovery measures for which CDBG–DR funds are generally used.

For the third round of CDBG–DR funding for Sandy recovery, HUD also includes data from the USDA Emergency Watershed Repair Program (extracted May 2014). For most impacted disasters in 2011, 2012, and 2013 that have not received supplemental funding to address watershed repairs, HUD includes the estimated unmet repair costs calculated by USDA in the unmet repair needs calculation.

Calculating Economic Revitalization (Small Business) Needs

• Based on SBA disaster loans to businesses (extracted January 2014), HUD used the sum of real property and real content loss of small businesses not receiving an SBA disaster loan. This is adjusted upward by the proportion of applications that were received for a disaster that content and real property loss were not calculated because the applicant had inadequate credit or income. For example, if a state had 160 applications for assistance, 150 had calculated needs and 10 were denied in the pre-processing stage for not enough income or poor credit, the estimated unmet need calculation would be increased as (1 + 10/160) * calculated unmet real content loss.

• Because applications denied for poor credit or income are the most likely measure of needs requiring the type of assistance available with CDBG–

[2] A Most Impacted disaster for non-Sandy disasters is a disaster where the severe housing and business unmet needs (excluding resiliency) exceed $25 million from counties with greater than $10 million in unmet housing and business severe needs (excluding resiliency and area construction cost adjustment).

DR funds, the calculated unmet business needs for each state are adjusted upwards by the proportion of total applications that were denied at the pre-process stage because of poor credit or inability to show repayment ability. Similar to housing, estimated damage is used to determine what unmet needs will be counted as severe unmet needs. Only properties with total real estate and content loss in excess of $30,000 are considered severe damage for purposes of identifying the most impacted and distressed areas.

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

To obtain unmet business needs, the amount for approved SBA loans is subtracted out of the total estimated damage.

Resiliency Needs

CDBG DR funds are often used to not only support rebuilding to pre-storm conditions, but also to build back much stronger. For the disasters covered by this Notice, HUD has required that grantees use their funds in a way that results in rebuilding back stronger so that future disasters do less damage and recovery can happen faster. To calculate these resiliency costs, HUD multiplied its estimates of total repair costs for seriously damaged homes, small businesses, and infrastructure by 30 percent for flooding disasters and 10 percent for other disasters.[3] Total repair costs are the repair costs including costs covered by insurance, SBA, FEMA, and other federal agencies. The resiliency estimate is intended to reflect some of the unmet needs associated with building to higher standards such as elevating homes, voluntary buyouts, hardening, and other costs in excess of normal repair costs.

Housing and Small Business Construction Cost Adjustment

For grantees with housing construction costs above the national average, HUD increases their estimated housing and business construction costs using the same Marshall & Swift regional cost adjustment multipliers as used for HUD's annual calculation of Total Development Costs developed for HUD's public housing repair programs. No estimate of damage is reduced by the multiplier (*ie.* if the Marshall & Swift adjustment is less than 1, the adjustment is set at 1).

[3] The 30 percent multiplier for flooding disasters is the approximate additional cost to elevate a newly constructed home; the 10 percent multiplier is the approximate additional cost to add a safe room.

[FR Doc. 2015–00109 Filed 1–7–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[DT20400000 DST000000.T7AC00 15XD0120AF]

Privacy Act of 1974, as Amended; Notice To Amend an Existing System of Records

AGENCY: Office of the Special Trustee for American Indians, Interior.

ACTION: Notice of amendment to an existing system of records.

SUMMARY: Pursuant to the provisions of the Privacy Act of 1974, as amended, the Department of the Interior is issuing a public notice of its intent to amend the Office of the Special Trustee for American Indians Privacy Act system of records, ''Individual Indian Money (IIM) Trust Funds–Interior, OS–02,'' to combine the existing system of records with the OST Privacy Act system of records, ''Accounting Reconciliation Tool (ART)—Interior, OS–11'' into one system of records for efficiency purposes and to promote the overall streamlining and management of Department of the Interior Privacy Act systems of records. This amendment will also update the system location, categories of individuals covered by the system, categories of records in the system, authority for maintenance of the system, storage, safeguards, retention and disposal, system manager and address, notification procedures, records access and contesting procedures, records source categories, and the routine uses to include activities related to land consolidation of fractionated lands.

DATES: Comments must be received by February 17, 2015. The amendments to the system will be effective February 17, 2015.

ADDRESSES: Any person interested in commenting on this notice may do so by: submitting comments in writing to Veronica Herkshan, Office of the Special Trustee for American Indians Privacy Act Officer, 4400 Masthead Street NE., Albuquerque, New Mexico 87109; hand-delivering comments to Veronica Herkshan, Office of the Special Trustee for American Indians Privacy Act Officer, 4400 Masthead Street NE., Albuquerque, New Mexico, 87109; or emailing comments to veronica _ *herkshan@ost.doi.gov.*

FOR FURTHER INFORMATION CONTACT: Chief of Staff, Office of the Special Trustee for American Indians, 1849 C Street NW., Room 3254, Washington, DC 20240, or by telephone at 202–208–4866.

SUPPLEMENTARY INFORMATION

I. Background

The Department of the Interior (DOI), Office of the Special Trustee for American Indians (OST), maintains the ''Individual Indian Money (IIM) Trust Funds—Interior, OS–02,'' system of records. Due to a recent reorganization of OST and the Office of Historical Accounting, DOI is proposing to combine the OST Privacy Act system of records, ''Individual Indian Money (IIM) Trust Funds—Interior, OS–02,'' with the OST Privacy Act system of records, ''Accounting Reconciliation Tool (ART)—Interior, OS–11,'' for efficiency purposes and to promote the overall streamlining and management of DOI Privacy Act systems of records. The two systems have the same authorities and purpose, to manage the collection, distribution, and disbursement of Indian Trust land income; are managed by the same system manager within OST; and have the same or similar categories of records, categories of individuals, and routine uses.

The IIM system will assist OST in meeting the fiduciary responsibilities set forth in the American Indian Trust Fund Management Reform Act of 1994 including management of the receipt, investment, disbursement and administration of money held in trust for individual Indians and Alaskan Natives (or their heirs), and Indian Tribes; and ensure timely, accurate, and consistent responses to beneficiary inquiries. The system also assists the OST in providing litigation support in analyzing and reconciling the historical collection, distribution, and disbursement of income from IIM accounts, Indian trust land, and other revenue sources. The amendments to this system includes updating the system locations, categories of individuals covered by the system, categories of records in the system, authority for maintenance of the system, storage, safeguards, retention and disposal, system manager and address, notification procedures, records access and contesting procedures, records source categories, and updating the routine uses to include activities related to land consolidation of fractionated

NOTIFICATION AND RECORD ACCESS PROCEDURES:

For information, assistance, or inquiries about the existence of records, contact Donna Robinson-Staton, Chief Privacy Officer, U.S. Department of Housing and Urban Development, 451 Seventh Street SW., Room 4156, Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402–8073. Verification of your identity must include original signature and be notarized. Written request must include the full name, Social Security Number, date of birth, current address, and telephone number of the individual making the request.

CONTESTING RECORD PROCEDURES:

The Department's rules for contesting contents of records and appealing initial denials appear in 24 CFR part 16. Additional assistance may be obtained by contacting: Donna Robinson-Staton, Chief Privacy Officer, U.S. Department of Housing and Urban Development, 451 Seventh Street SW., Room 4156, Washington, DC 20410 (Attention: Capitol View Building, 4th Floor), telephone number: (202) 402–8073 or the HUD Departmental Privacy Appeals Officers, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street SW., Washington DC 20410.

RECORD SOURCE CATEGORIES:

Data for this evaluation will be gathered through a variety of methods including informational interviews, direct observation, surveys, and analysis of administrative records. PHAs will provide program participants records, as well as information obtained through an interview of voucher holders that includes: (1) Output of random assignment process data, and (2) Responses provided to baseline information form. Administrative data will come from the participating PHAs' data systems and HUD's Inventory Management System, also known as the Public and Indian Housing Information Center (PIC). This information will be entered into MDRC's on-line system.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

[FR Doc. 2015–07613 Filed 4–1–15; 8:45 am]

BILLING CODE CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–15]

Additional Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under the Disaster Relief Appropriations Act, 2013

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

SUMMARY: This Notice provides a waiver and alternative requirement for the State of New Jersey's tenant-based rental assistance program funded through its Community Development Block Grant disaster recovery (CDBG–DR) grant pursuant to the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) (the Appropriations Act). In addition, this Notice provides an alternative requirement for Major (Covered) Infrastructure Projects funded by grantees receiving an allocation for disasters occurring in 2013 under the Appropriations Act. This Notice also modifies a requirement for Disaster Recovery Grant Reporting System (DRGR) reporting requirements for all grantees receiving an allocation of CDBG–DR grants pursuant to the Appropriations Act.

DATES: *Effective Date:* April 7, 2015.

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

SUPPLEMENTARY INFORMATION:

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II. Applicable Rules, Statutes, Waivers, and Alternative Requirements
III. Catalog of Federal Domestic Assistance
IV. Finding of No Significant Impact

I. Background

The Appropriations Act made available $16 billion in Community Development Block Grant disaster recovery (CDBG–DR) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et seq.) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This Notice specifies a waiver and modifies requirements for grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** Notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), March 27, 2014 (79 FR 17173), June 3, 2014 (79 FR 31964), July 11, 2014 (79 FR 40133), October 7, 2014 (79 FR 60490), October 16, 2014 (79 FR 62182), and January 8, 2015 (80 FR 1039), referred to collectively in this Notice as the ''Prior Notices.'' The requirements of the Prior Notices continue to apply, except as modified by this Notice.[1]

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

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and

[1] Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCD Act). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waiver and alternative requirement described in this Notice, the Secretary has determined that good cause exists and the waiver is not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than five days before the effective date of such waiver.

1. Tenant-based rental assistance (State of New Jersey only). The State of New Jersey previously requested a waiver of 42 U.S.C. 5305(a) in order to provide tenant-based rental assistance to households impacted by disasters eligible under the Appropriations Act, and the Department granted this waiver in the **Federal Register** Notice published on July 11, 2014 (79 FR 40134). This Notice replaces the waiver in the Notice published on July 11, 2014, in section II.3 and increases the amount of funding for this activity by providing an additional $15 million of CDBG–DR funds for tenant- based rental assistance, increasing the amount covered by the waiver from $17 million to $32 million.

This waiver makes eligible up to $32 million of CDBG–DR funds to be used for rental assistance, utility payments and, if necessary, rental costs (*i.e.,* security deposits and utility deposits). This assistance may be provided on behalf of beneficiaries for a period of up to two years. The State justified a longer term of assistance in order to meet the housing needs of vulnerable populations displaced by Hurricane Sandy until construction of affordable rental units is completed and those units become available.

On May 30, 2014, the State entered into a Voluntary Compliance Agreement (VCA) with the Department in response to a complaint filed by civil rights and fair housing organizations regarding the State's administration of its CDBG–DR funded recovery programs. The VCA commits the State to providing an additional $15 million of CDBG–DR funds for tenant- based rental assistance, increasing the amount covered by the initial waiver from $17 million to $32 million.

Thousands of households in New Jersey remain displaced and continue to need housing at a time when the State's housing stock has not fully recovered from the disaster. The decrease in the housing supply placed upward pressure on housing costs, making housing less affordable for households already strained by hurricane-related expenses. By increasing the amount of funding available for tenant-based rental assistance, the State will be able to assist more households and to minimize the incidence of homelessness by providing re-housing and rental assistance. Additionally, the State will link the assisted beneficiaries with services that can help them become stable and self-sufficient. Throughout the rental assistance period, assisted households will receive referrals to available long-term units, as well as housing counseling.

After reviewing the State's request, and in accordance with the VCA, HUD is waiving 42 U.S.C 5305(a) to make eligible an additional $15 million of CDBG–DR funds for rental assistance and utility payments paid for up to two years on behalf of homeless and at-risk low- and moderate-income households displaced by Hurricane Sandy when such assistance or payments are part of a homeless prevention or rapid re-housing program or activity. The State's tenant-based rental assistance must be funded through its Supportive Services program, limited to payments on behalf of beneficiaries of that program as described in the State's approved Action Plan, and must not be tied to HUD's Section 8 program assistance. This waiver permits the State to review and approve applications for tenant-based rental assistance on behalf of beneficiaries from January 1, 2014 to January 1, 2016, and to provide rental assistance on behalf of approved applicants for up to 24 months, but in no case may assistance be provided on behalf of a beneficiary after January 1, 2018. The additional funds provided for the State's tenant-based rental assistance program through this waiver are subject to all requirements in the Notice published on July 11, 2014 (79 FR 40133) as well as the requirements of the VCA and any subsequent amendments to the VCA.

2. *Identification/Description of Covered Projects (2013 Disaster Grantees only).* In the **Federal Register** Notice published on October 16, 2014 (79 FR 62182), the Department modified requirements for Covered Projects implemented by Hurricane Sandy grantees by stating that grantees need only provide an estimate of the total project cost and CDBG–DR contributions, instead of providing the exact amount of funding. The Department is extending this flexibility to Covered Projects held to the requirements of the Notice published on June 3, 2014 (79 FR 31964). For any Covered Project held to the requirements of that Notice, Section V.3.g.1 (''Action Plan for Disaster Recovery waiver and alternative requirement—Infrastructure Programs and Projects, Additional Requirements for Major Infrastructure Projects, Identification/Description''), is modified to require: A description of the Covered Project, including: total project cost estimate (illustrating both the CDBG–DR award as well as other federal resources for the project, such as funding provided by the Department of Transportation or FEMA), CDBG eligibility (*i.e.,* a citation to the HCD Act, applicable **Federal Register** notice, or a CDBG regulation), how it will meet a national objective, and the project's connection to Hurricane Sandy or other disasters cited in this Notice. The Department recognizes that grantees often finance large scale infrastructure projects by leveraging several sources of funds that may shift over time. Therefore, the Department may elect to approve projects based on estimates of total project cost and other funding sources as well as the CDBG–DR contribution amount.

Grantees are expected to provide the best estimates available and the expected timeline for determining the exact costs. Grantees must submit an Action Plan Amendment to reflect any material adjustments to the cost estimate. Where an adjustment of the CDBG–DR contribution to a Covered Project triggers the substantial amendment criteria described in the March 5, 2013 Notice (78 FR 14329) at Section VI.A.3.a. by exceeding the $1 million threshold, grantees must submit a Substantial Action Plan Amendment subject to the requirements of that Notice, which requires no less than 7 calendar days to solicit public comment. All Covered Projects are subject to the 30-day comment period and public hearing required by the July 3, 2014, Notice (79 FR 31964). However, HUD will consider resubmissions of Covered Projects that have fulfilled the public review requirements and were submitted to HUD prior to the effective date of this Notice if they are revised only in accordance with the amended description requirements. Such resubmissions are subject to non-substantial Action Plan Amendment requirements.

3. *Reporting of Responsible Organizations in DRGR (all P.L. 113–2 grantees).* In order to draw CDBG–DR funds, grantees must enter an Action Plan into DRGR that includes all activities to be funded. DRGR requires

that at least one Primary Responsible Organization be entered for each activity, and grantees may choose to add ancillary Responsible Organizations to an activity. A Dun and Bradstreet Data Universal Numbering System (DUNS) number must be entered for each Responsible Organization. The March 5, 2013 Notice (78 FR 14329) required grantees to enter a DUNS number into the system for any entity carrying out a CDBG–DR funded activity, including the grantee, recipient(s) and subrecipient(s), contractor(s) and developers carrying out a CDBG–DR activity. The language describing DRGR reporting requirements was later revised in the July 11, 2014 Notice (79 FR 40134) to exclude requirements for identifying contracts above $25,000. This Notice, however, did not modify requirements for entering Responsible Organizations or DUNS numbers. To reduce the reporting burden on grantees, paragraph II.1.a. at 79 FR 40134 is amended to require that grantees only enter a DUNS number for the Responsible Organization or Organizations associated with an activity—with the understanding that only a single primary Responsible Organization is required to be identified within grantee DRGR Action Plans—and now reads as follows:

''The Action Plan must also be entered into the DRGR system so that the grantee is able to draw its CDBG–DR funds. The grantee may enter activities into DRGR before or after submission of the Action Plan to HUD. To enter an activity into the DRGR system, the grantee must know the activity type, national objective, and the organization or organizations that will be responsible for the activity. In addition, a Data Universal Numbering System (DUNS) number must be entered into the system for each entity designated as a Responsible Organization for the activity.''

Grantees are reminded that this modification applies only to requirements for DRGR DUNS number reporting and does not change any other Federal DUNS number reporting requirements.

III. Catalog of Federal Domestic Assistance

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

IV. Finding of No Significant Impact

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

Dated: March 27, 2015.

Ann Marie Oliva,

Deputy Assistant Secretary for Special Needs, Community Planning and Development.

[FR Doc. 2015–07622 Filed 4–1–15; 8:45 am]

BILLING CODE CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–HQ–MB–2015–N064]; [FXMB123109WEBB0–145–FF09M25100]

Information Collection Request Sent to the Office of Management and Budget (OMB) for Approval; North American Woodcock Singing Ground Survey

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice; request for comments.

SUMMARY: We (U.S. Fish and Wildlife Service) have sent an Information Collection Request (ICR) to OMB for review and approval. We summarize the ICR below and describe the nature of the collection and the estimated burden and cost. This information collection is scheduled to expire on April 30, 2015. We may not conduct or sponsor and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. However, under OMB regulations, we may continue to conduct or sponsor this information collection while it is pending at OMB.

DATES: You must submit comments on or before May 4, 2015.

ADDRESSES: Send your comments and suggestions on this information collection to the Desk Officer for the Department of the Interior at OMB–OIRA at (202) 395–5806 (fax) or *OIRA_Submission@omb.eop.gov* (email). Please provide a copy of your comments to the Service Information Collection Clearance Officer, U.S. Fish and Wildlife Service, MS BPHC, 5275 Leesburg Pike, Falls Church, VA 22041–3803 (mail), or *hope_grey@fws.gov* (email). Please include ''1018–0019'' in the subject line of your comments.

FOR FURTHER INFORMATION CONTACT: To request additional information about this ICR, contact Hope Grey at *hope_grey@fws.gov* (email) or 703–358–2482 (telephone). You may review the ICR online at *http://www.reginfo.gov.* Follow the instructions to review Department of the Interior collections under review by OMB.

SUPPLEMENTARY INFORMATION:

Information Collection Request

OMB Control Number: 1018–0019.

Title: North American Woodcock Singing Ground Survey.

Service Form Number(s): 3–156.

Type of Request: Extension of currently approved collection.

Description of Respondents: State, Provincial, local, and tribal employees.

Frequency of Collection: Annually.

Respondent's Obligation: Voluntary.

Estimated Number of Respondents: 759.

Estimated Annual Number of Responses: 759.

Estimated Total Annual Burden Hours: 1,354 hours. We estimate that 662 persons will enter data electronically, with an average reporting burden of 1.8 hours per respondent. For all other respondents, we estimate the reporting burden to be 1.67 hours per respondent.

Estimated Annual Nonhour Burden Cost: None.

Abstract: The Migratory Bird Treaty Act (16 U.S.C. 703–712) and the Fish and Wildlife Act of 1956 (16 U.S.C. 742a–754j–2) designate the Department of the Interior as the primary agency responsible for:

- Management of migratory bird populations frequenting the United States, and
- Setting hunting regulations that allow for the well-being of migratory bird populations.

These responsibilities dictate that we gather accurate data on various characteristics of migratory bird populations.

The North American Woodcock Singing Ground Survey is an essential part of the migratory bird management program. State, Federal, Provincial, local, and tribal conservation agencies conduct the survey annually to provide the data necessary to determine the population status of the woodcock. In addition, the information is vital in

enforcement activities to which the BCI records may relate, to the extent retention for such purposes exceeds the normal retention period for such data in BCI.

SYSTEM MANAGER AND ADDRESS:

Director, Office of Automated Systems, U.S. Customs and Border Protection Headquarters, 1300 Pennsylvania Avenue NW., Washington, DC 20229.

NOTIFICATION PROCEDURE:

DHS allows persons (including foreign nationals) to seek administrative access under the Privacy Act to information maintained in BCI. However, the Secretary of DHS exempted portions of this system from the notification, access, and amendment procedures of the Privacy Act because it is a law enforcement system. Nonetheless, DHS/CBP will consider individual requests to determine whether or not information may be released. Thus, individuals seeking notification of and access to any record contained in this system of records, or seeking to contest its content, may submit a request in writing to the DHS Chief Freedom of Information Act (FOIA) Officer or CBP FOIA Officer, whose contact information can be found at *http://www.dhs.gov/foia* under ''Contacts.'' If an individual believes more than one Component maintains Privacy Act records that concern him or her, the individual may submit the request to the Chief Privacy Officer and Chief FOIA Officer, Department of Homeland Security, 245 Murray Lane SW., Building 410, STOP–0655, Washington, DC 20528.

When seeking records about yourself from this system of records or any other Departmental system of records, your request must conform with the Privacy Act regulations set forth in 6 CFR part 5. You must first verify your identity, meaning that you must provide your full name, current address, and date and place of birth. You must sign your request and your signature must either be notarized or submitted under 28 U.S.C. 1746, a law that permits statements to be made under penalty of perjury as a substitute for notarization. Although no specific form is required, you may obtain forms for this purpose from the Chief Privacy Officer and Chief Freedom of Information Act Officer, *http://www.dhs.gov/foia* or 1–866–431–0486. In addition, you should:

- Explain why you believe the Department would have information on you;
- Identify which Component(s) of the Department you believe may have the information about you;
- Specify when you believe the records would have been created; and
- Provide any other information that will help the FOIA staff determine which DHS Component agency may have responsive records

If your request is seeking records pertaining to another living individual, you must include a statement from that individual certifying his/her agreement for you to access his/her records.

Without the above information, CBP may not be able to conduct an effective search, and your request may be denied due to lack of specificity or lack of compliance with applicable regulations.

RECORD ACCESS PROCEDURES:

See ''Notification procedure'' above.

CONTESTING RECORD PROCEDURES:

See ''Notification procedure'' above.

RECORD SOURCE CATEGORIES:

BCI receives information from individuals who arrive in, depart from, or transit through the United States. This system also collects information from carriers that operate vessels, vehicles, aircraft, or trains that enter or exit the United States, including private aircraft operators. Lastly, BCI receives border crossing information received from CBSA.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

No exemption shall be asserted with respect to information maintained in the system that is *collected from a person* at the time of crossing and submitted by that person's air, sea, bus, or rail carriers if that person, or his or her agent, seeks access or amendment of such information.

The Privacy Act, however, requires DHS to maintain an accounting of the disclosures made pursuant to all routines uses. Disclosing the fact that a law enforcement or intelligence agency has sought particular records may affect ongoing law enforcement activities. The Secretary of Homeland Security, pursuant to 5 U.S.C. 552a(j)(2), exempted this system from the following provisions of the Privacy Act: Sections (c)(3), (e)(8), and (g) of the Privacy Act of 1974, as amended, as is necessary and appropriate to protect this information. Further, DHS has exempted section (c)(3) of the Privacy Act of 1974, as amended, pursuant to 5 U.S.C. 552a(k)(2) as is necessary and appropriate to protect this information.

Additionally, this system contains records or information recompiled from or created from information contained in other systems of records that are exempt from certain provision of the Privacy Act. This system also contains accountings of disclosures made with respect to information maintained in the system. For these records or information only, in accordance with 5 U.S.C. 552a(j)(2) and (k)(2), DHS will also claim the original exemptions for these records or information from subsections (c)(3) and (4); (d)(1), (2), (3), and (4); (e)(1), (2), (3), (4)(G) through (I), (5), and (8); (f); and (g) of the Privacy Act of 1974, as amended, as necessary and appropriate to protect such information.

Dated: May 1, 2015.

Karen L. Neuman,

Chief Privacy Officer, Department of Homeland Security.

[FR Doc. 2015–11288 Filed 5–8–15; 8:45 am]

BILLING CODE 9111–14–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–14]

Guidance and Instructions for Extension Requests of 24-Month Expenditure Deadline for Community Development Block Grant Disaster Recovery (CDBG–DR) Grantees

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

ACTION: Notice.

SUMMARY: This Notice advises Community Development Block Grant disaster recovery (CDBG–DR) grantees with grants pursuant to the Disaster Relief Appropriations Act, 2013 (the Appropriations Act) of the process and requirements associated with grantee requests for an extension of the 24-month expenditure deadline for specific portions of funds obligated under the Appropriations Act.

DATES: *Effective Date:* May 18, 2015.

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

SUPPLEMENTARY INFORMATION:

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I. Applicability

The requirements of this Notice are applicable to all CDBG disaster recovery (CDBG–DR) grants funded pursuant to the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2, approved January 29, 2013) and do not apply to any CDBG–DR grants funded pursuant to other supplemental appropriations.

II. Background

The Appropriations Act made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et. seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This Notice establishes submission instructions for expenditure deadline extension requests and other related requirements for grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** Notices published by HUD on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), March 27, 2014 (79 FR 17173), June 3, 2014 (79 FR 31964), July 11, 2014 (79 FR 40133), October 7, 2014 (79 FR 60490), October 16, 2014 (79 FR 62182), January 8, 2015 (80 FR 1039), and April 2, 2015 (80 FR 17772) referred to collectively in this Notice as the ''Prior Notices.'' The requirements of the Prior Notices continue to apply, except as modified by this Notice.[1]

The Appropriations Act requires HUD to obligate all funds provided under the Appropriations Act by September 30, 2017. The Appropriations Act also requires that grantees expend funds within 24 months of the date on which HUD obligates funds to a grantee. Funds are obligated to a grantee on the date that HUD signs a grantee's CDBG- DR grant agreement or grant agreement amendment obligating additional funds. Each obligation carries its own expenditure deadline. For each obligation to a grantee, any funds remaining in the grantee's line of credit from that obligation at the time of the expenditure deadline for that obligation will be returned to the U.S. Treasury, or if before September 30, 2017, will be recaptured by HUD. In all instances, grantees must continue to meet the requirements for Federal cash management at 24 CFR 85.20(a)(7), as may be amended, and therefore may not draw down funds in advance of need to attempt to comply with the expenditure deadline in accordance with HUD's long-standing implementation of this requirement.

Section 904(c) of the Appropriations Act authorizes the Office of Management and Budget (OMB) to grant waivers of the 24-month expenditure deadline. To implement this provision of the Appropriations Act, OMB requested Federal agencies receiving an appropriation under the Appropriations Act to identify categories of activities that could be subject to a waiver of the 24-month expenditure deadline. OMB also requested that agencies estimate, for each category of activity, the total amount of funds provided under the Appropriations Act that would likely require a waiver. HUD submitted an analysis of different categories of CDBG–DR activities that would likely necessitate a waiver of the expenditure deadline to OMB. OMB authorized HUD to provide CDBG–DR grantees with expenditure deadline extensions for activities that are inherently long-term and where it would be impracticable to expend funds within the 24-month period and still achieve program missions.

Although HUD has authority to grant extensions of the 24-month expenditure deadline up to amounts approved by OMB for each of the activity categories described in Section III of this Notice, grantees are advised that 31 U.S.C. 1552(a) continues to apply to funds appropriated under the Appropriations Act. Specifically, CDBG–DR funds are to remain available for expenditure for five years following the period of availability for obligation. All funds under the Appropriations Act, including those subject to a waiver of the expenditure deadline, must be expended by September 30, 2022. Any grant funds that have not been disbursed by September 30, 2022, will be canceled and will no longer be available for disbursement to the grantee for obligation or expenditure for any purpose.

III. Eligible Activities

The National Disaster Recovery Framework acknowledges that long-term recovery is inherently a multi-year process. HUD recognizes that grantees allocate a significant portion of CDBG–DR funds to complex and large-scale programs and projects that are long-term in nature. HUD also recognizes that grantees will require CDBG–DR administrative funds to conduct grant closeout and engage in ongoing program oversight, and that these efforts will inevitably extend beyond the 24-month expenditure deadline that applies to each obligation.

As authorized by OMB, HUD will limit its consideration of expenditure deadline extension requests to certain types of eligible disaster recovery activities undertaken by grantees. HUD will consider grantee programs and projects within the following four categories for expenditure deadline extensions:

- *Public facilities and improvements.* Typical public facilities and improvement activities include the rehabilitation, replacement, or relocation of damaged public facilities and improvements, as well as investments to increase the resilience of those facilities and improvements.
- *Housing.* Typical housing activities include new construction, elevation, and rehabilitation of single family or multifamily residential units.
- *Economic revitalization.* Economic revitalization activities often include the provision of loans and grants to small businesses, job training programs, the construction of education facilities to teach technical skills, making improvements to commercial or retail

[1] Links to the Prior Notices, the text of the Appropriations Act, and additional guidance prepared by HUD for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

districts, and financing other efforts that attract and retain workers in disaster-impacted communities.

• *Grant administration.* Typical administrative activities include salaries, wages, and related costs of grantee or subrecipient staff and others engaged in program management, monitoring, and evaluation. Administrative costs are limited by the Appropriations Act to five percent of each grantee's total allocation.

IV. Timeline for Submission

The process for any funds that the grantee believes will not be expended by the 24-month expenditure deadline, as outlined in Section III of each of the prior **Federal Register** Notices published by HUD on March 5, 2013 (78 FR 14329), May 29, 2013 (78 FR 32262), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), June 3, 2014 (79 FR 31964), and October 16, 2014 (79 FR 62185), is hereby revised as follows:

''The Appropriations Act requires that funds be expended within two years of the date HUD obligates funds to a grantee; and funds are obligated to a grantee upon HUD's signing of a grantee's CDBG–DR grant agreement. In its Action Plan, a grantee must demonstrate how funds will be fully expended within two years of obligation and HUD must obligate all funds not later than September 30, 2017. For any funds that the grantee believes will not be expended by the 24-month deadline and that it desires to retain, the grantee must submit an extension request in a form acceptable to HUD not less than 120 calendar days in advance of the date of the expenditure deadline on those funds justifying why it is necessary to extend the deadline for a specific portion of the funds. In consideration of the timeline for funds with expenditure deadlines in 2015, extension requests for those funds must be submitted to HUD not less than 60 calendar days in advance of the date of the expenditure deadline on those funds. OMB has provided HUD with authority to act on grantee extension requests but grantees are cautioned that such extensions may not be approved. If granted, extensions will be published in the **Federal Register**. Funds remaining in the grantee's line of credit at the time of its expenditure deadlines will be recaptured by HUD.''

V. Requirements for Submission

Grantees seeking an extension of the 24-month deadline for a project or program must provide HUD with detailed information on the compelling legal, policy, or operational challenges that prevent the grantee from meeting the expenditure deadline as well as identify the proposed date for the full expenditure of the specified portion of funds.

To expedite the review process, HUD has developed a CDBG–DR Expenditure Deadline Extension Request template. Grantees must submit one template per program or project for which a revised expenditure deadline is being requested. In certain cases, HUD may request that a grantee resubmit this template at a project-level if information provided at the programmatic level is insufficient for HUD to assess whether the request meets HUD's criteria for approving an extension, as outlined in Section VII below. This template will ensure that each request captures all of the requirements outlined in this Notice. The template will be posted at: *https://www.hudexchange.info/cdbg-dr/.* Each grantee must include the following elements, as delineated within the CDBG–DR Expenditure Deadline Extension Request template, as part of its submission:

(1) A description of the individual program or project for which an extension is being requested, including information on relevant Disaster Recovery Grant Reporting System (DRGR) activity(ies).

(2) An explanation for why an extension is being requested, including all relevant and compelling statutory, regulatory, policy, or operational challenges, and how the extension will promote a more effective and efficient recovery effort.

(3) Description of how the provision of an extension would reduce the likelihood of waste, fraud, and abuse, if applicable.

(4) An identification of all community stakeholders (including state or local entities, subrecipients, nonprofits, and civic organizations) to be affected by the expenditure deadline extension, their role in program or project implementation, and the impact, if any, of the extension on these stakeholders.

(5) A revised expenditure deadline for the CDBG–DR funds budgeted for the program or project (*i.e.* the DRGR 'end date') as well as a projection of quarterly expenditures for the program or project for which the waiver is requested, including incremental dollar amounts and percentage of funds budgeted for each DRGR activity. This information is required in order for HUD to ensure grantee compliance with revised expenditure deadlines in the DRGR system.

(6) A description of the risks associated with not receiving the requested extension, such as the estimated percentage of funds which would be at risk of recapture or specific recovery needs that would not be met if the particular program or project cannot be completed or undertaken.

(7) A description of the monitoring process and internal controls that the grantee and any subrecipients will implement to ensure compliance with the revised expenditure deadline.

VI. Submission Process

The submission of any grantee expenditure deadline extension request is subject to the following requirements:

• Grantee submits the completed CDBG–DR Expenditure Deadline Extension Request template and any attachments to HUD in order to request consideration of the extension request not less than 120 calendar days in advance of the expenditure deadline on the funds (or 60 days for funds expiring in calendar year 2015).

• HUD reviews the extension request within 45 (or sooner for funds expiring in calendar year 2015) calendar days from date of receipt and approves the request based on the parameters outlined in Section VII of this Notice.

• HUD sends an extension request approval letter to the grantee. HUD may disapprove the request if it is determined that it does not meet the requirements of this Notice. If the request is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the request within 30 calendar days (or 10 days for funds expiring in the calendar year 2015) of the notification letter;

• Within 30 calendar days of HUD's approval, the grantee amends its Action Plan for disaster recovery to reflect the approval of the revised expenditure deadline. HUD considers any Action Plan amendments to reflect revised activity expenditure timelines to be non-substantial amendments.

• Immediately following this amendment, the grantee updates its DRGR Action Plan to reflect the revised 'end date' for each DRGR activity covered by the approved waiver.

• If approved, HUD will publish the extension approval in the **Federal Register**. HUD will consolidate grantee extension approvals for publication. Therefore, extension approval is effective as of the date of the extension request approval letter, rather than as of the effective date of the published **Federal Register** notice.

VII. Criteria for Approval

Under the authority provided to HUD by OMB, HUD will consider expenditure deadline extension requests for projects or programs based on the Secretary's determination that the extension is necessary and that the request meets the conditions set forth by OMB. HUD will assess extension requests using the following criteria:

(1) The program or project must be approved in the grantee's Action Plan

for disaster recovery prior to the grantee's submission of an expenditure deadline extension request to HUD.

(2) The CDBG–DR funds associated with the program or project must have been obligated by HUD through a grant agreement, and, therefore, be subject to an established expenditure deadline.

(3) The information submitted on the CDBG–DR Expenditure Deadline Extension Request template is comprehensive and complete to the satisfaction of HUD, as outlined in Section V of this Notice.

(4) The revised expenditure deadline for the CDBG–DR funds budgeted for the program or project (*i.e.* the DRGR 'end date') as well as the projection of quarterly expenditures are determined to be achievable based on the grantee's past performance and expenditure rate.

(5) The grantee's capacity to implement monitoring processes and internal controls as outlined by the grantee in the template are sufficient to ensure compliance with the revised expenditure deadline.

(6) The grantee has demonstrated that it has evaluated all reasonable alternatives prior to determining that an extension is the only remaining viable alternative.

(7) HUD can determine, based on the grantee's submission, that the program or project covered by the request satisfies the OMB criteria for activities that are long-term by design, where it is impracticable to expend funds within the 24-month period and achieve program missions, and any other criteria imposed by OMB.

Regardless of the criteria outlined in this section, HUD retains the authority to deny requested extensions or to provide alternative expenditure deadlines to those proposed by grantees.

VIII. Applicable Rules and Considerations

This section of the Notice describes other requirements that grantees should consider prior to requesting an extension of the of the 24-month expenditure deadline for CDBG–DR programs and projects.

1. *Urgent need national objective certification requirements.* In HUD's March 5, 2013 Notice (78 FR 14329), grantees receiving funds under the Appropriations Act were provided a waiver of the certification requirements for the documentation of the urgent need national objective, located at§§ 570.208(c) and 570.483(d), until two years after the date HUD obligates funds to a grantee. Grantees seeking a waiver of the expenditure deadline may simultaneously seek an extension of the urgent need certification waiver. However, a grantee's request for an urgent need waiver must demonstrate to HUD that an extension of the urgent need certification waiver for those funds is necessary for recovery and that that remaining needs remain urgent, despite the passage of time since the disaster. HUD may grant a waiver under the authority provided in the Appropriations Act authorizing the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the HCD Act. If approved, the extension of the urgent need certification waiver will only become effective after its publication in in the **Federal Register**.

2. *Expenditure deadline extensions are program- and project-specific.* Any revised expenditure deadline is specific to the program or project as identified in the approval letter from HUD. Grantees may not reallocate funds with a revised expenditure deadline to other recovery programs or projects without HUD authorization. In order to reallocate such funds, the grantee must request an additional extension through the process described in Section VI of this Notice. Grant balances not used for a program or project that receives an expenditure deadline waiver will be canceled if the expenditure deadline on those funds has passed.

3. *Modifications to revised expenditure deadlines.* Under limited circumstances and subject to 31 U.S.C. 1552(a), HUD may authorize grantees to further extend the expenditure deadlines associated with recovery programs and projects. In order to revise the expenditure deadline on these funds, the grantee must request an additional extension through the process described in Section VI of this Notice.

IX. Applicability to National Disaster Resilience Competition and Rebuild by Design Projects

National Disaster Resilience Competition Projects. Projects that are funded under the Notice of Funding Availability (NOFA) for the National Disaster Resilience Competition (NDRC) (FR–5800–N–29) are not subject to the requirements of this Notice. Grantees may instead request extensions of the 24-month expenditure deadline for those projects pursuant to the requirements of the NOFA, as may be amended.

Rebuild by Design Projects. HUD will also consider extension requests for funds allocated for Rebuild by Design (RBD) Projects, funded under the eligible ''Rebuild by Design'' activity in Section VII.4.c. of the Notice published on October 16, 2014, subject to any other criteria imposed by OMB. Requests for an extension of the expenditure deadline for RBD Project funds shall be submitted pursuant to the submission process outlined in Section VI of this Notice but instead of submitting the CDBG–DR Expenditure Deadline Extension Request template, grantee submission requests must contain the information required of extension requests under the headline ''Expenditure Deadline Waivers'' in Appendix E to the NDRC NOFA, as may be amended.

X. Catalog of Federal Domestic Assistance

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

XI. Finding of No Significant Impact

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

Date: May 4, 2015.

Harriet Tregoning,

Principal Deputy Assistant, Secretary for Community Planning and Development.

[FR Doc. 2015–11260 Filed 5–8–15; 8:45 am]

BILLING CODE 4210–67–P

Status of the proposed information collection: This is an extension of a currently approved collection.

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

Dated: August 13, 2015.

Janet M. Golrick,

Associate General Deputy Assistant Secretary for Housing-Associate Deputy Federal Housing Commissioner.

[FR Doc. 2015–20925 Filed 8–24–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–16]

Additional Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This notice provides clarifying guidance, waivers, and alternative requirements for Community Development Block Grant Disaster Recovery grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act). This notice modifies requirements for infrastructure projects funded by grantees receiving an allocation for Hurricane Sandy. This notice also provides waivers and alternative requirements for the State of New Jersey's Energy Resilience Bank and LMI Homeowner Rebuilding Program, and for New York City's infrastructure projects and the Breezy Point Flood Mitigation System.

DATES: Effective Date: August 31, 2015.

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

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I. Background

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in Community Development Block Grant disaster recovery (CDBG–DR) funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et. seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This notice specifies a waiver and alternative requirements and modifies requirements for Hurricane Sandy grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (79 FR 17173), July 11, 2014 (79 FR 40133), October 16, 2014 (79 FR 62182), April 2, 2015 (80 FR 17772), and May 11, 2015 (80 FR 26942), referred to collectively in this notice as the ''prior notices.'' The requirements of the prior notices continue to apply, except as modified by this notice.[1]

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

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

For the waivers and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. *Exemptions from Infrastructure Program and Project Requirements—Obligated Assistance from Federal Grant Program Projects and Completed Projects—(Hurricane Sandy Grantees only).* The March 27, 2014, **Federal Register** notice, at paragraph II.1.b., Obligated Public Assistance Grant Program Projects (78 FR 17174), provides an exemption from certain infrastructure requirements described in paragraph 2 of the **Federal Register** notice published November 18, 2013, at 78 FR 69107, for those projects to which the Federal Emergency Management Agency (FEMA) had obligated Public Assistance (PA) funds on or before November 25, 2013. After consideration of the factors discussed below, HUD is now modifying this exemption. As of the effective date of this notice, the infrastructure requirements described in paragraph 2 at 78 FR 69107 will not apply to an infrastructure project carried out by a Hurricane Sandy CDBG–DR grantee if FEMA or any other Federal agency has obligated funds to that infrastructure project on or before January 15, 2014, or if the infrastructure project was completed on or before January 15, 2014.

Oftentimes CDBG–DR grantees are awarded Federal recovery funds for which CDBG–DR can be used as the source for the required non-Federal local match of funds. These Federal

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

sources may include, but are not limited to, the Environmental Protection Agency, the Federal Highway Administration, the Federal Transportation Administration, the Army Corps of Engineers, and the FEMA Public Assistance and Hazard Mitigation grant programs. Such grant assistance can be used for a variety of activities and often requires grantees to contribute a non-Federal share of funds to a project. If the project is an eligible CDBG–DR activity, CDBG–DR funds may be used for the payment of the non-Federal share required in connection with a Federal grant-in-aid program if permitted by the Federal awarding agency that required the match (see 24 CFR 570.201(g) and 42 U.S.C. 5305(a)(9)) .

Prior to HUD's November 18, 2013, notice, many grantees had coordinated with Federal agencies to secure funding for critical infrastructure projects, but only upon establishment of the Sandy Recovery Office and the launch of the Regional Coordination Working Group (now known as the Sandy Regional Infrastructure Resilience Coordination Group or SRIRC Group), in January 2014, would grantees have been able to comply with Federal coordination requirements outlined in the November 18, 2013 notice. In addition, grantees may have completed infrastructure projects before the establishment of the requirements described in that notice at paragraph 2 at 78 FR 69107.

Accordingly, the clarification described in the March 27, 2014, notice at paragraph II.1.b. is amended to read, ''Infrastructure requirements described in paragraph 2 at 78 FR 69107 do not apply to any infrastructure project where funds have been obligated by a Federal agency under any federal grant-in-aid program on or before January 15, 2014, or where a project funded through any means was completed on or before January 15, 2014.''

2. Waiver of requirement for assistance to businesses, including privately-owned utilities for Energy Resilience Bank activities (State of New Jersey only)—The **Federal Register** notice published on March 5, 2013, instituted an alternative requirement to various provisions at 42 U.S.C. 5305(a) and restricts the assistance provided to for-profit businesses to only those businesses that meet the definition of a small business as described by the Small Business Administration (SBA) at 13 CFR part 121. That notice also prohibited CDBG–DR grantees in receipt of funds under the Appropriations Act from providing funds to privatelyowned utilities (paragraph VI.D.41., *Alternative requirement for assistance to businesses, including privately-owned utilities,* at 78 FR 14347). The State of New Jersey has requested a waiver of the prohibition on assistance to businesses that do not meet the SBA definition of a small business and the prohibition on assistance to privately-owned utilities for its planned $200 million CDBG–DR investment in the New Jersey Energy Resilience Bank (ERB).

The Department approved the ERB in the State's disaster recovery Action Plan for the second allocation of CDBG–DR funds under the Appropriations Act on May 30, 2014.[2] The State has committed to using the ERB to harden critical facilities to ensure they remain operational during storm events through the use of distributed energy generation, such as combined heat and power, fuel cells, and off-grid solar inverters with battery storage. Eligible technologies must be constructed to operate independently from the electric utility grid and be able to start up without a direct connection to the electric grid when the grid is down due to extreme weather events. The ERB will focus on funding critical facilities in sectors that were impacted by Hurricane Sandy, including water and wastewater treatment plants, hospitals and long-term care facilities, colleges and universities, state and county correctional facilities, HUD-assisted multifamily housing units, community shelters, and transportation and transit infrastructure.

The ERB aligns with the Hurricane Sandy Rebuilding Strategy's (the Strategy) goal of ''Ensuring a Regionally Coordinated, Resilient Approach to Infrastructure Investment,'' and the Strategy specifically references the ERB as a program developed by the State with assistance from the Hurricane Sandy Rebuilding Task Force. The Strategy notes ''most energy infrastructure is privately-owned and operated, which means that resilience investment will come about only through close cooperation between the Federal and State governments and the private sector.''

Many of the facilities expected to receive funding through the State's ERB provide critical public services but are owned by a mix of public and for-profit entities, or are solely privately owned, and cannot be assisted under the current prohibitions imposed by the March 5, 2013, notice. At least 20 of the 108 potentially eligible hospital facilities are operated as for-profit entities and do not meet the small business criteria. Moreover, 438 of the State's 617 long-term care facilities and 95 of 170 institutions of higher learning are operated as for-profit entities and do not meet the small business criteria. The State also anticipates funding private utilities, such as private water districts, which serve the needs of their regional populations in the same manner as public utilities.

These facilities often serve communities most impacted by Hurricane Sandy, having high concentrations of low- and moderate-income (LMI) persons, and they provide essential services to vulnerable populations that are comparable to their public and non-profit counterparts. Without a waiver of the restrictions on assistance to certain types of businesses, many of these critical facilities would be ineligible for funding, leaving large gaps in the State's regional distributed energy networks and excluding significant populations (including LMI persons) from benefiting from the State's resiliency measures.

While not every critical facility will serve predominantly LMI populations, vulnerable residents typically rely more on community-based facilities and services, especially in disaster scenarios. To the extent that the ERB will be funding such facilities and services, LMI populations would benefit especially from the increased resiliency of critical infrastructure during the next storm event. Accordingly, as a condition of providing this waiver, HUD is requiring the State to develop a scoring methodology for the selection of ERB projects that provides preferential treatment to LMI areas and populations. The LMI benefit scoring methodology is to be designed to ensure continued progress by the State in meeting its overall CDBG–DR grant LMI benefit requirement and to ensure that, in financing ERB projects, the State places a significant priority on serving LMI areas and populations.

In its request to the Department, the State acknowledged that the ERB is not a substitute for private investment, but is instead designed to leverage additional private investment in resilient energy systems. The State has developed ERB financial products using substantial market research and analysis to ensure that products are attractive to consumers in the market, while also generating proceeds for the ERB. The State is also developing assistance packages that consist of variable contributions of loans, forgivable loans, and grants, with each product requiring varying levels of equity investments. Market research and analysis specific to each business sector and uniform

[2] *http://www.renewjerseystronger.org/plans-policies-reports/#cdbg.*

underwriting standards will drive the precise financing terms and equity contributions of participating businesses to ensure that assistance is based on actual identified need. For example, the water/wastewater product that the ERB will offer requires for-profit applicants to provide an equity contribution of 10 percent of total project cost, while there is no equity contribution for public or non-profit facilities. Accordingly, HUD is requiring the State to establish policies and procedures to ensure that the CDBG–DR funds invested in ERB projects reflect the actual identified financing needs of the assisted businesses, while also ensuring a robust return to the ERB to finance future investments.

Based on the critical role that the ERB will fulfill in ensuring long-term resiliency within Sandy-impacted New Jersey communities and for only those activities funded by the ERB as described in the State's approved disaster recovery Action Plan Amendment, the Department is waiving the alternative requirement in the March 5, 2013, notice and subsequent notices that prohibit funding businesses that do not meet the SBA definition of small business and funding of private utilities, subject to the following alternative requirements. As a condition of this waiver the State must:

- Provide preferential treatment to LMI areas and populations in its ERB scoring methodology;
- Require an equity contribution for for-profit critical facilities, the amount of which is to be based on uniform underwriting standards developed by the State and uniformly applied to all such facilities, to ensure that the level of assistance provided to these facilities addresses only the actual identified needs of the project; and
- Establish a mix of financing terms (loan, forgivable loan, and/or grant) for each assisted for-profit facility, based on the business's financial capacity, in order to ensure that assistance is based on actual identified need, in order to achieve a targeted use of funds and to safeguard against the potential over-subsidization of for-profit facilities.

This waiver allows the State to add new potential beneficiaries to the activity described within its amended Action Plan for disaster recovery. This change will constitute a substantial amendment as described in the March 5, 2013, notice (78 FR 14329) at paragraph VI.A.3.a. Accordingly, the State must submit a Substantial Action Plan Amendment revising its description of the ERB to include affected entities, and this amendment will be subject to the citizen participation requirements of the March 5, 2013, notice at VI.A.3, which requires no less than 7 calendar days to solicit public comment.

3. Extension of Urgent Need Certification Waiver for ERB activities (State of New Jersey only)—The March 5, 2013, **Federal Register** notice waives the certification requirements for classifying activities as meeting the CDBG urgent need national objective until ''two years after the date HUD obligates funds to a grantee for the activity'' (paragraph VI.A.1.f, *Use of the urgent need national objective,* at 78 FR 14336) and establishes an alternative requirement for grantees. That requirement provides that during the 2-year period, grantees must document how all programs and/or activities funded under the urgent need national objective category respond to a disaster-related impact. In its implementation of the Appropriations Act, HUD established the 2-year limit on the use of this alternative certification requirement in response to grantees' historical use of this urgent need alternative certification requirement in previous disasters. The State of New Jersey has requested an extension of the urgent need national objective alternative certification requirement for the program income generated from its CDBG–DR grant and used to fund activities through its ERB program.

HUD must obligate all funds under the Appropriations Act by September 30, 2017. Because grantees are required to expend program funds within 2-years following HUD's obligation of the funds, CDBG–DR funds used to finance ERB projects will automatically qualify under the 2-year alternative urgent need certification requirement. The State, however, intends to apply program income generated through ERB projects to additional ERB projects and may also apply program income from its other CDBG–DR programs to the ERB, beyond the 2-year period of the alternative urgent need certification requirement. The State has requested authority to use the alternative urgent need certification requirement; for the life of the CDBG–DR grant, for program income applied to the ERB. Without this extension, funds critical to the performance of the ERB could not be classified as meeting the urgent need national objective and program participants may be unable to raise necessary private capital for critical energy resilience projects. Providing this flexibility for ERB-financed projects will allow the projects to be implemented following the obligation of all CDBG–DR funds to the ERB and until the State has closed out its CDBG–DR Sandy recovery grant.

Therefore, until grant closeout and for only program income used to fund ERB activities, HUD is permitting the State of New Jersey, when the use of the urgent need national objective is warranted, to document the use of the urgent need national objective by applying the waiver and alternative requirement regarding urgent need at paragraph VI.A.1.f. of the March 5, 2013, notice (78 FR 14336). The program income requirements described in paragraphs A.2 and A.17 of section VI of the March 5, 2013, notice (78 FR 14336) will continue to apply.

4. Extension of 1-year time limitation on reimbursable pre-award expenses (State of New Jersey only)—Grantees in receipt of funds under the Appropriations Act are subject to the limitations on the reimbursement of pre-award disaster recovery expenses as provided for in CPD Notice 2014–017 (''Guidance for Charging Pre-Award Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants'') (the CPD Notice),[3] as may be amended, and the November 18, 2014, notice at section VI, paragraph 5, which requires grantees to comply with the provisions of the CPD Notice. The CPD Notice states that grantees may ''charge to CDBG–DR grants the eligible pre-award and pre-application costs of individuals and private entities related to single- and multi-family residential structures and nonresidential structures, only if the person or private entity incurred the expenses within 1-year after the date of the disaster and before the date on which the person or entity applies for CDBG–DR assistance.'' The State of New Jersey has requested an extension of this 1-year limitation for applicants to its LMI Homeowners Rebuilding Program in order to provide reimbursement for rehabilitation and reconstruction expenses incurred by LMI homeowners who incurred such expenses after this time limit and before applying to the program for Federal assistance.

The State of New Jersey implemented the LMI Homeowners Rebuilding Program pursuant to a VCA with the Department, which was executed on May 30, 2014. The VCA was established in response to a complaint filed by civil rights and fair housing organizations regarding the State's administration of its CDBG–DR funded recovery programs. The VCA required the State to implement the LMI Homeowners Rebuilding Program more than 1-year after the 1-year, post-disaster time

[3] *https://www.hudexchange.info/resource/4139/notice-cpd14017-guidance-for-charging-preaward-costs—to-cdbg-disaster-recovery-grants.*

limitation established in the CPD Notice. As a result, any rehabilitation expenses incurred by applicants to the program after the 1-year date would be ineligible for reimbursement. Without an extension of the 1-year limitation, the State would be limited in its ability to comply with the requirements of the VCA and to provide necessary housing assistance to LMI homeowners.

Accordingly, based on the critical role of the LMI Homeowner Rebuilding Program in providing housing recovery assistance to LMI residents and for only those applicants assisted through the State's LMI Homeowners Rebuilding Program, the Department is extending the date by which grantees may reimburse expenses incurred by applicants to the date of application to the LMI Homeowners Rebuilding Program, provided such expenses would otherwise be eligible expenses.

5. Waiver of Major Infrastructure Project (Covered Project) requirements for projects in multiple counties (New York City only)—The **Federal Register** notice published November 18, 2013, describes additional infrastructure requirements, including requirements placed on Covered Projects (paragraph VI.2.g., *Additional Requirements for Major Infrastructure Projects,* at 78 FR 69107). HUD approval is required for each major infrastructure project with such projects defined as having a total cost of $50 million or more (including at least $10 million of CDBG–DR funds), or projects that benefit multiple counties. The **Federal Register** notice published on March 27, 2014, clarified that ''benefits multiple counties'' means that the project is physically located in more than one county (paragraph II.1.a., *Definition of ''Benefits Multiple Counties,''* at 78 FR 17174). New York City has requested exemption from the major infrastructure requirements for projects located in multiple counties and exclusively within the city, where they otherwise would not meet the definition of a major infrastructure project.

New York City is composed of five counties (which are coterminous with its five boroughs) that are subordinate to the municipal government, and the city's authority precludes the need for due consideration of the counties' response. Requiring the city to adhere to the Department's requirements for major infrastructure projects in such cases would impose additional and unnecessary standards for relatively small projects that do not warrant the level of scrutiny triggered by the requirements. Accordingly, for purposes of identifying major infrastructure projects that are held to the requirements of the notice published November 18, 2013, and any subsequent notice that includes provisions for major infrastructure projects, HUD is providing New York City a waiver of the major infrastructure identification criteria to exclude projects located in multiple counties that are located exclusively within the city, only where the project would not otherwise meet the definition of a major infrastructure project by exceeding the total cost thresholds described above.

6. Waiver of requirements for housing rehabilitation activities for Breezy Point Flood Mitigation System (New York City only)—New York City has requested a waiver of 24 CFR 570.202(a)(1) to the extent necessary to permit new construction of a flood mitigation system at Breezy Point, a privately held cooperative in Queens, by classifying the entire system as an improvement for residential purposes.

Under the CDBG Entitlement Program regulations, which are applicable to units of local government, New York City may use CDBG–DR funds to finance the rehabilitation of privately owned buildings and improvements for residential purposes, including grounds improvements that are incidental to and necessary for housing rehabilitation. This housing rehabilitation provision does not permit the city to construct a new flood mitigation system that improves the grounds of a privately held cooperative that benefits an entire community. The community's unique status as a cooperative on a single property lot also precludes the city from funding the activity as an eligible public facility and improvement under the CDBG regulations at 24 CFR 570.201(c).

The flood mitigation system proposed for Breezy Point will provide critical protection to CDBG–DR home rehabilitation investments as well as investments from other Federal partners, and it will improve waterfronts damaged by Hurricane Sandy. The city has determined that the system is necessary to permit long-term disaster recovery from Hurricane Sandy for the Breezy Point community. Thus, the city has requested the ability to construct the project as part of its CDBG–DR housing rehabilitation and reconstruction efforts in the community.

The city is seeking $58.2 million to construct this system from FEMA's Hazard Mitigation Grant Program (HMGP), which requires a 25-percent, local match or $14.55 million that may potentially be sourced from the city's CDBG–DR grant. The community provides year-round residency to 4,300 people and consists of 2,400 homes, nearly all of which were damaged during Hurricane Sandy. The city and community, with State and Federal partners, has worked to rehabilitate homes and reconstruct the community. Federal investments in housing rehabilitation total approximately $450 million, including National Flood Insurance Program policy payments, SBA loans, FEMA Individual Assistance grants, the city's Rapid Repair grants, and CDBG–DR grants through the city's NYC Build it Back Program. The NYC Build it Back Program alone is projected to provide $200 million in housing rehabilitation assistance to households in the area, including $80 million in assistance to approximately 400 low- or moderate-income households. Without a provision to allow this flood mitigation improvement, Federal investments as well as numerous private and public interests would be exposed to flooding during major flood events and if sea levels rise. A Benefit-Cost Analysis conducted by the city identified a reduction in expected annual flood damages to the community of between 50 percent and 98 percent as a result of this project. In addition, according to the city, the protection that this project will provide has the potential to lower flood insurance premiums for structures in the neighborhood in the event of the revision of FEMA's area Flood Insurance Study (FIS) and the effective Base Flood Elevation.

Therefore, for the city's Breezy Point Flood Mitigation System only, the Department is waiving 24 CFR 570.202(a)(1) to the extent necessary to allow for the city's Breezy Point Flood Mitigation System to be classified as an eligible housing rehabilitation and preservation activity. Further, the Department is waiving section 105(a)4 of the HCD Act to the extent necessary to allow for the new construction associated with this activity that would otherwise be prohibited.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 4.269.

IV. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m., weekdays, in the Regulations Division, Office of General Counsel,

Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

Dated: August 19, 2015.

Laura H. Hogshead,

Chief Operating Officer for Office of the Secretary.

[FR Doc. 2015–21065 Filed 8–24–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5831–N–41]

30-Day Notice of Proposed Information Collection: Insurance Termination Request for Multifamily Mortgage

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD has submitted the proposed information collection requirement described below to the Office of Management and Budget (OMB) for review, in accordance with the Paperwork Reduction Act. The purpose of this notice is to allow for an additional 30 days of public comment.

DATES: *Comments Due Date:* September 24, 2015.

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: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202–395–5806. Email: *OIRA_Submission@omb.eop.gov.*

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette Pollard@hud* or telephone 202–402–3400. 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.

The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on June 30, 2015 at 80 FR 37282.

A. Overview of Information Collection

Title of Information Collection: Insurance Termination Request for Multifamily Mortgage.

OMB Approval Number: 2502–0416.

Type of Request: Revision of currently approved collection.

Form Numbers: HUD–9807.

Description of the need for the information and proposed use: The information collection is used to notify HUD that the mortgagor and mortgagee mutually agree to terminate the HUD multifamily mortgage insurance.

Respondents: Business or other for-profit.

Estimated Number of Respondents: 1891.

Estimated Number of Responses: 1891.

Frequency of Response: 1.

Average Hours per Response: 25.

Total Estimated Burdens: 473 hours.

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: August 19, 2015.

Colette Pollard,

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

[FR Doc. 2015–20923 Filed 8–24–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5831–N–40]

30-Day Notice of Proposed Information Collection: Section 3 Summary Report for Economic Opportunities for Low and Very Low Income Persons (Form HUD 60002) and Section 3 Complaint Register (Form HUD 958)

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD has submitted the proposed information collection requirement described below to the Office of Management and Budget (OMB) for review, in accordance with the Paperwork Reduction Act. The purpose of this notice is to allow for an additional 30 days of public comment.

DATES: Comments Due Date: September 24, 2015.

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: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202–395–5806. Email: *OIRA_Submission@omb.eop.gov.*

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QDAM, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette.Pollard@hud.gov* or telephone 202–402–3400. 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.

The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on June 17, 2015 at 80 FR 34687.

Dated: November 12, 2015.

Henry Hensley,

Acting Director, Office of Strategic Planning and Management.

[FR Doc. 2015–29484 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–17]

Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under Public Law 113–2: ''Buyout'' and ''Acquisition'' Activities; Assistance to Agricultural Enterprises; and State of Colorado Waiver for Tourism Promotion

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

ACTION: Notice.

SUMMARY: This notice provides clarifying guidance for Community Development Block Grant disaster recovery (CDBG–DR) grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act). It provides clarification regarding the requirements of ''buyout'' activities authorized in the Department's March 5, 2013, **Federal Register** notice and expands the eligibility criteria for buyout activities to include ''Disaster Risk Reduction Areas'' as defined by the grantee. It also modifies requirements of the March 5, 2013, notice on the prohibition of assistance to businesses that do not meet the Small Business Administration (SBA) definition of small businesses, permitting assistance also to eligible businesses engaged in ''farming operations,'' as determined by the U.S. Department of Agriculture (USDA). This notice also provides a waiver to the State of Colorado to expend additional CDBG–DR funds and to assist additional communities impacted by declared disasters in 2011, 2012, and 2013, through tourism promotion activities previously authorized in the Department's June 3, 2014, notice.

DATES: *Effective Date:* November 23, 2015.

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

SUPPLEMENTARY INFORMATION:

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

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et. seq.) (Stafford Act) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition.

This notice applies to grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329); April 19, 2013 (78 FR 23578); May 29, 2013 (78 FR 32262); August 2, 2013 (78 FR 46999); November 18, 2013 (78 FR 69104); December 16, 2013 (78 FR 76154); March 27, 2014 (79 FR 17173); June 3, 2014 (79 FR 31964); July 11, 2014 (79 FR 40133); October 7, 2014 (79 FR 60490); October 16, 2014 (79 FR 62182); January 8, 2015 (80 FR 1039); April 2, 2015 (80 FR 17772); May 11, 2015 (80 FR 26942); and August 25, 2015 (80 FR 51589) referred to collectively in this notice as the ''prior notices.'' The requirements of the prior notices continue to apply, except as modified by this notice.[1]

II. Applicable Rules (Including Clarifying Guidance), Statutes, Waivers, and Alternative Requirements

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

For the waiver and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waiver and alternative requirements are not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Acquisition of Real Property and Buyouts Outside of Floodplains

In response to a request from the State of Colorado, HUD is authorizing grantees in receipt of CDBG–DR funds under the Appropriations Act to acquire property for an amount equal to either the property's pre-disaster or post-disaster value (formerly referenced in the prior notices as pre- and post-flood values), for the buyout of properties in ''Disaster Risk Reduction Areas'' as defined by criteria established by the grantee, subject to the limitations of this notice.

The Department has previously authorized CDBG–DR grantees to carry out buyout programs in floodways or floodplains, by allowing grantees to offer to acquire properties in hazardous

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/*.

flood areas at pre-flood or post–flood value. The Secretary authorized this type of acquisition to: (1) Reduce the risk to homeowners from the effects of subsequent disasters; (2) assist in the recovery of low- and moderate-income households; and (3) protect taxpayer resources that might otherwise be needed after future disasters in the same area.

In previous notices, HUD referred to ''flood buyouts'' and recognized that grantees frequently used CDBG–DR funds to match funds for buyouts provided under section 404 of the Stafford Act, as amended. Section 404 empowers the Director of the Federal Emergency Management Agency (FEMA) to provide property acquisition and relocation assistance ''in providing hazard mitigation assistance under this section in connection with flooding . . . .'' Since flooding is by far the most prevalent and predictable source of widespread destruction in a Presidentially declared disaster, the Department did not address the potential need to include other types of hazards. Large scale disasters have the potential to create or exacerbate hazards in areas located outside of a floodplain or floodway. For example, the wildfires that swept through Colorado in 2013 destroyed vegetation in many areas, creating erosion and affecting soil stability in a manner that now places many homes at risk for mudslides in future disasters, although those homes are not located in a floodplain or floodway.

For the same reasons that buyouts in floodways and floodplains are permitted, HUD is amending its alternative requirement to expand the scope of authorized buyouts in the prior notices for grantees receiving CDBG–DR funds under the Appropriations Act. Accordingly, the definition of ''buyout'' in all prior notices is amended to mean ''acquisition of properties located in a floodway or floodplain that is intended to reduce risk from future flooding, or the acquisition of properties in 'Disaster Risk Reduction Areas' located outside of floodways and floodplains for the purpose of reducing risks from the hazard that was the basis of the Disaster Risk Reduction Area designation. 'Disaster Risk Reduction Areas' must be designated in accordance with the buyout requirements of applicable **Federal Register** Notices.''

Recognizing that States and units of general local government (UGLGs) are best positioned to determine what constitutes an unacceptable risk to their communities in exercising this additional authority, grantees will need to establish criteria to designate a '' Disaster Risk Reduction Area,'' subject to the following requirements: (1) The hazard must have been caused or exacerbated by the Presidentially declared disaster for which the grantee received its CDBG–DR allocation; (2) The hazard must be a predictable environmental threat to the safety and well-being of program beneficiaries, as evidenced by the best available data and science; and (3) The Disaster Risk Reduction Area must be clearly delineated so that HUD and the public may easily determine which properties are located within the Disaster Risk Reduction Area.

Once grantees have established criteria to designate a ''Disaster Risk Reduction Area,'' and designated a Disaster Risk Reduction Area in accordance with the established criteria, the grantee may conduct buyouts in the Disaster Risk Reduction Area only if the grantee's approved action plan contains a description of the buyouts to be conducted in the identified Disaster Risk Reduction Areas and the national objective that the buyouts will meet. Any buyouts conducted within the Disaster Risk Reduction Area will be subject to the requirements applicable to buyouts in the March 5, 2013, notice. These requirements include restrictions on redevelopment and the discretion to determine the appropriate valuation method (including the use of pre- or post-disaster fair market value (FMV)), so long as the valuation method is uniformly applied.

2. Clarification of ''Buyout'' and ''Real Property Acquisition'' Activities

CDBG–DR grantees under Public Law 113–2 that choose to undertake a buyout program have the discretion to determine the appropriate valuation method, including paying either pre-disaster or post-disaster FMV. In most cases, a program that provides *pre*-disaster FMV to buyout applicants provides compensation at an amount greater than the post-disaster FMV. When the purchase price exceeds the current FMV, any CDBG–DR funds in excess of FMV are considered assistance to the seller, thus making the seller a beneficiary of CDBG–DR assistance. If the seller receives assistance as part of the purchase price, this may have implications for duplication of benefits calculations or for demonstrating national objective criteria, as discussed below. However, a program that provides *post*-disaster FMV to buyout applicants merely provides the actual value of the property; thus, the seller is not considered a beneficiary of CDBG–DR assistance.

Regardless of purchase price, all buyout activities are a type of acquisition of real property (as permitted by section 105(a)(1) of the HCD Act). However, only acquisitions that meet the definition of a ''buyout'' are subject to the post-acquisition land use restrictions imposed by the applicable prior notices. The key factor in determining whether the acquisition is a buyout is whether the intent of the purchase is to reduce risk from future flooding or to reduce the risk from the hazard that lead to the property's Disaster Risk Reduction Area designation. The distinction between buyouts and other types of acquisitions is important, because grantees may only redevelop an acquired property if the property is not acquired through a buyout program (*i.e.,* the purpose of acquisition was something other than risk reduction). When acquisitions are not acquired through a buyout program, the purchase price must be consistent with applicable uniform cost principles (the pre-disaster FMV may not be used).

3. Clarification of Ownership and Maintenance Requirements for Property Acquired Through a Buyout Program

Any property acquired with CDBG–DR funds through a buyout program is subject to the requirement made applicable by the prior notices that property acquired through a buyout program be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices. In addition, no new structure may be erected on the property other than exceptions identified in the March 5, 2013, notice, and no subsequent application for Federal disaster assistance may be made for any purpose for the property. The acquiring entity may lease such property to adjacent property owners or other parties for compatible uses in return for a maintenance agreement. Although Federal policy encourages leasing rather than selling such property, the property may also be sold. In all cases, a deed restriction or covenant running with the property must require that the buyout property be dedicated and maintained for compatible uses in perpetuity.

4. Use of Low- and Moderate-Income Housing National Objective When Undertaking Buyout Activities

In order to demonstrate that a buyout meets the Low- and Moderate-Income (LMI) Housing National Objective (LMH), grantees must meet all requirements of the HCD Act and applicable regulatory criteria described below. Grantees are encouraged to

consult with HUD prior to undertaking a buyout program with the intent of using the LMH national objective.

Section 105(c)(3) of the HCD Act (42 U.S.C. 5305(c)(3)) provides that ''[a]ny assisted activity under this chapter that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low- and moderate-income only to the extent such housing will, upon completion, be occupied by such persons.'' In addition, the State CDBG regulations at 24 CFR 570.483(b)(3) and entitlement CDBG regulations at 24 CFR 570.208(a)(3) apply the LMH national objective to an eligible activity carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by low- and moderate-income households. Therefore, a buyout program that merely pays homeowners to leave their existing homes does not result in an LMI household occupying a residential structure and thus cannot meet the requirements of the LMH national objective.

Buyout programs that assist LMI persons can be structured in one of the following ways: (1) The buyout program combines the acquisition of properties with another direct benefit, LMI housing activity, such as down payment assistance,[2] that results in occupancy and otherwise meets the applicable LMH housing national objective criteria in 24 CFR part 570 (*e.g.,* if the structure contains more than two dwelling units, at least 51 percent of the units must be occupied by LMI households); (2) The program meets the low- and moderate-income area benefit criteria to demonstrate national objective compliance, provided that the grantee can document that the properties acquired through buyouts will be used in a way that benefits all of the residents in a particular area where at least 51 percent of the residents are low- and moderate-income persons. When using the area benefit approach, grantees must define the service area based on the end use of the buyout properties; or (3) The program meets the criteria for the limited clientele national objective, including the prohibition on the use of the limited clientele national objective when an activity's benefits are available to all residents of the area. A buyout program could meet the national objective criteria for the limited clientele national objective if it restricts buyout program eligibility to exclusively low- and moderate-income persons, and the buyout provides an actual benefit to the low- and moderate-income sellers by providing pre-disaster valuation uniformly to those who participate in the program.

5. Clarification of Definition of Small Business for Agricultural Enterprises

The March 5, 2013, notice (78 FR 14329) instituted an alternative requirement to the provisions at 42 U.S.C. 5305(a), prohibiting grantees in receipt of funds under the Appropriations Act from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121. The objective of this alternative requirement is to ensure that grantees target disaster recovery resources to the unmet needs of small businesses. HUD is now modifying these criteria to better enable assistance for agricultural businesses. Businesses and entities engaged in agricultural enterprises may now be assisted if they meet the alternative eligibility criteria employed by USDA assistance programs.

The SBA small business definition establishes a much lower income threshold for agricultural enterprises than for other businesses. The SBA criteria provides a gross income limit of $750,000 for most agricultural businesses, while the gross income limit for businesses in other sectors is $7.5 million or higher. These gross income limitations for agricultural enterprises may prevent CDBG–DR grantees from addressing unmet recovery needs of many agricultural businesses that would otherwise be considered small enterprises that meet the intent of HUD's requirements.

Legislation enacted in 1986 withdrew SBA's authority to provide disaster assistance loans to agricultural enterprises to ensure cooperation between USDA and SBA in the use of each agency's respective loan making authorities and to improve the delivery of disaster assistance to the agricultural segment of the country. SBA also decreased the gross income limits for the agricultural sector in its small business criteria, as described above, to further ensure that agricultural businesses would apply to USDA for other types of financial assistance. Consequently, HUD's use of the SBA definition in its March 5, 2013, notice may inadvertently limit small agricultural enterprises from accessing financial assistance through grantees' CDBG–DR programs under the Appropriations Act.

As HUD's intent to address the unmet recovery needs of small agricultural enterprises does not conflict with the goal of directing these businesses to USDA for other types of assistance, HUD is modifying its criteria for businesses engaged in agricultural enterprises to enable them to access CDBG–DR funds necessary for their recovery.

Accordingly, paragraph VI.D.41, of the March 5, 2013, notice is amended to read: ''To target assistance to small businesses, the Department is instituting an alternative requirement to the provisions at 42 U.S.C. 5305(a) to prohibit grantees from assisting businesses, including privately owned utilities, that do not meet the definition of a small business as defined by SBA at 13 CFR part 121. Grantees may also assist businesses that are engaged in ''farming operations,'' as defined at 7 CFR 1400.3, and that meet the USDA Farm Service Agency (FSA) criteria that are described at 7 CFR 1400.500 which are used by the FSA to determine eligibility for certain assistance programs.''

Grantees are also reminded that this modification may allow them to add new beneficiaries or programs described within their CDBG–DR action plans for disaster recovery. These changes would constitute a substantial amendment to the CDBG–DR action plan as described in the March 5, 2013, notice (78 FR 14329) at paragraph VI.A.3.a. If applicable, grantees must submit a Substantial Action Plan Amendment revising the description of their business assistance program to include potential beneficiaries, and this amendment will be subject to the citizen participation requirements of the March 5, 2013, notice at VI.A.3, which requires no less than 7 calendar days to solicit public comment.

6. Waiver To Permit Some Activities in Support of the Tourism Industry (State of Colorado Only)

In the **Federal Register** notice published on June 3, 2014 (79 FR 31964), the Department granted the State of Colorado a waiver of 42 U.S.C. 5305(a) to make eligible the use of up to $500,000 in CDBG–DR funds to support the State's tourism industry and to promote travel to the most impacted and distressed areas related to the 2013 floods. This notice replaces the previous waiver and authorizes the State to provide an additional $768,300 in

[2] The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (URA) applies to the use of CDBG funds for down payment assistance. If down payment assistance is provided with CDBG funds awarded under the Appropriations Act (Pub. L. 113–2), URA requirements apply as modified by the March 5, 2013, notice (78 FR 14329). The use of other CDBG funds for down payment assistance is subject to the URA and regulatory requirements at 24 CFR 570.606. Other direct benefit LMI housing activities may also be subject to the URA.

CDBG–DR funds to support tourism promotion activities, increasing the amount covered by the waiver from $500,000 to $1,268,300. In addition, this revised waiver permits the State to support its tourism industry and promote travel to the most impacted and distressed counties that had a declared major disaster in 2011, 2012, or 2013, including those impacted by disasters other than flooding.

Using the funds provided under the initial waiver, the State established its first CDBG–DR Tourism Marketing Grant Program and received applications requesting a total of $787,927. Through this program, the State awarded eight grants totaling $500,000 in CDBG–DR funding to support a variety of activities such as advertising, marketing campaigns, promotion of community and spectator events, and Web site improvements in targeted areas that had experienced a reduction in tourism revenues following the 2013 floods in Colorado. This funding fell short of meeting the tourism promotion priorities identified through the initial round of State funding by $287,927. The State has also subsequently identified $480,373 in additional funding opportunities for the original applicants who were constrained by the initial grant size limitation, as well as for potential new applicants made eligible through the inclusion of areas impacted by disasters other than flooding.

In support of this request, the State has conducted an analysis of retail sales that indicates that the flooding and wildfire disasters continue to negatively affect local tourism revenues. Tourism is the primary economic contributor to the State of Colorado's economy and provides a valuable source of business revenue, taxes, and employment. According to analyses provided by the State, businesses supported by tourism, including hotels, lodges, restaurants, and grocery stores, are still experiencing weakened sales revenue. Tax revenue from these businesses benefits the State's economy and provides funding for other State activities and services. In addition, this industry employs many individuals who are of low- and moderate-income; thus, this population has been inordinately affected by the decrease in tourism revenue. Some of these jobs have been lost as a result of the disasters.

Because communities are diverting disposable tax revenue to physical recovery projects, funding for tourism marketing is scarce and communities face a worsening economic cycle from which the areas cannot recover without the injection of supplemental assistance. Therefore, the State has requested that an additional $768,300 of its total CDBG–DR award be made eligible for such tourism promotion activities. HUD continues to support the use of CDBG–DR funds in this scenario as a recovery tool in a damaged regional economy that depends on tourism for many of its jobs and tax revenue.

As the State of Colorado is proposing to use these additional funds for advertising and marketing activities that broadly support its tourism industry, rather than direct assistance to tourism-dependent businesses, and because long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) is waived only to the extent necessary to make eligible an additional $768,300 to support tourism promotion activities. The State must award the additional $768,300 in CDBG–DR funds competitively through its existing CDBG–DR Tourism Marketing Grant Program to public or nonprofit entities that promote travel to or within a community or communities in general, provided the assisted activities are designed to support tourism to areas most impacted and distressed by a major disaster declared in 2011, 2012, or 2013.

As an additional condition of expanding this waiver, the State must demonstrate that funds will supplement and not replace State and local funding sources for this purpose. In its request for this waiver, the State indicated that entities selected for an award also pledged nearly a one-for-one match for their projects. The State may demonstrate that CDBG–DR funds will supplement, but not replace, local funding by requiring a match, including provision for in-kind contributions, similar to the existing competitive grant program offered by the Colorado Tourism Office. However, if the State does not require a match, the State must identify another means to adequately demonstrate that funds will supplement, but not supplant, State and local resources typically dedicated to promote tourism in these impacted areas.

The additional funds provided through this waiver for the State's CDBG–DR Tourism Marketing Grant Program are subject to all requirements in the notice published on June 3, 2014 (79 FR 31964), unless otherwise modified through this notice. The funds permitted under this waiver are subject to the same obligation and expenditure deadline applicable to all funds under the Appropriations Act. Therefore, this waiver remains in effect until 2 years following HUD's obligation of the funds permitted under this waiver.

The State is reminded that this expanded waiver will allow them to add new beneficiaries described within their CDBG–DR action plans for disaster recovery. These changes would constitute substantial amendments as described in the March 5, 2013 notice (78 FR 14329), at paragraph VI.A.3.a. If applicable, the State must submit a Substantial Action Plan Amendment revising its description of its CDBG–DR Tourism Marketing Grant Program to include potential beneficiaries, and this amendment will be subject to the citizen participation requirements of the March 5, 2013, notice at VI.A.3, which requires no less than 7 calendar days to solicit public comment.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

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

Dated: November 10, 2015.

Nani Coloretti,

Deputy Secretary.

[FR Doc. 2015–29487 Filed 11–17–15; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5832–N–12]

60-Day Notice of Proposed Information Collection: Indian Community Capital Initiative

AGENCY: Office of Community Planning and Development, HUD.

12,000 respondents from Individuals or Households and the estimated hour burden per response is 1.17 hours).

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 38,160 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $2,205,000.

Dated: February 9, 2016.

Samantha Deshommes,

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

[FR Doc. 2016–02942 Filed 2–11–16; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5696–N–18]

Additional Clarifying Guidance, Waivers and Alternative Requirements for Grantees in Receipt of Community Development Block Grant Disaster Recovery Funds Under Public Law 113–2 for the Submission of Expenditure Deadline Extension Requests and Urgent Need Certification Extensions and for the Provision of Interim Mortgage Assistance by the State of New York

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

ACTION: Notice.

SUMMARY: This notice provides additional clarifying guidance for all Community Development Block Grant Disaster Recovery (CDBG–DR) grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act), with regard to the submission of requests for an extension of the 2-year expenditure deadline established for funds provided under the Appropriations Act and the continued use of the alternative urgent need national objective. This notice also provides an alternative requirement for New York State as a grantee in receipt of CDBG–DR funds under the Appropriations Act. This alternative requirement addresses the period of time in which interim mortgage assistance may be provided to beneficiaries in the State's housing recovery programs.

DATES: Effective Date: *February 17, 2016.*

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

SUPPLEMENTARY INFORMATION:

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I. Background

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et. seq.*) (Stafford Act) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion set aside for the National Disaster Resilience Competition.

This notice applies to all CDBG–DR grantees in receipt of allocations under the Appropriations Act, which are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), May 29, 2013 (78 FR 32262), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), December 16, 2013 (78 FR 76154), March 27, 2014 (79 FR 17173), June 3, 2014 (79 FR 31964), July 11, 2014 (79 FR 40133), October 7, 2014 (79 FR 60490), October 16, 2014 (79 FR 62182), January 8, 2015 (80 FR 1039), April 2, 2015 (80 FR 17772), May 11, 2015 (80 FR 26942), August 25, 2015 (80 FR 51589), and November 18, 2015 (80 FR 72102), referred to collectively in this notice as the ''prior notices.'' The requirements of the prior notices continue to apply, except as modified by this notice.[1]

II. Applicable Rules (Including Clarifying Guidance), Statutes, Waivers, and Alternative Requirements

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

For the waivers and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waiver and alternative requirements are not inconsistent with the overall purpose of the HCD Act. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** at least 5 days before the effective date of such waiver.

1. *Timeline for the submission of expenditure deadline extension requests.* The Appropriations Act requires the Department to obligate all funds provided under the Appropriations Act by September 30, 2017, and requires grantees to expend funds within 24-months of the date on which the Department obligates funds to a grantee. The Appropriations Act also authorizes the Office of Management and Budget (OMB) to grant waivers of the 24-month expenditure deadline.

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

OMB authorized the Department to provide CDBG–DR grantees with expenditure deadline extensions for activities that are inherently long-term and where it would be impracticable to expend funds within the 24-month period and still achieve program missions, up to amounts approved by OMB. In the **Federal Register** notice published on May 11, 2015, (80 FR 26942), the Department established the process and criteria for the submission of expenditure deadline extension requests for CDBG–DR grantees in receipt of funds under the Appropriations Act. The May 11, 2015, notice requires these grantees to submit requests for the extension of an expenditure deadline at least 120 calendar days in advance of the expenditure deadline (80 FR 26944). Since the May 11, 2015, notice was published, the Department subsequently received, reviewed, and acted upon expenditure deadline extension requests from a number of CDBG–DR grantees in receipt of funds under the Appropriations Act. In some instances, the Department observed that events and circumstances beyond the control of the grantee may require grantees to request an extension of an expenditure deadline after the 120-calendar-day deadline has passed. The Department is therefore amending this requirement of the May 11, 2015, notice to provide that a grantee ''submits the completed CDBG–DR Expenditure Deadline Extension Request template and any attachments to HUD in order to request consideration of the extension request at least 120 calendar days in advance of the expenditure deadline on the funds (or 60 days for funds expiring in calendar year 2015). HUD may, however, also accept requests from CDBG–DR grantees for the extension of an expenditure deadline *less than* 120 calendar days in advance of the deadline upon receipt of a letter from the chief executive officer of the grantee requesting the extension and a demonstration by the grantee that the request is required in order to achieve program missions. Grantees are advised however, that time constraints may not permit HUD to act upon requests that are received in close proximity to an expenditure deadline.''

2. *Urgent need national objective certification requirements.* The March 5, 2013, notice (78 FR 14329) provided grantees receiving funds under the Appropriations Act with a waiver of the certification requirements for the documentation of the urgent need national objective, located at §§ 570.208(c) and 570.483(d), until 2 years after the date the Department obligates funds to a grantee. The May 11, 2015, notice allowed grantees seeking a waiver of an expenditure deadline to simultaneously seek an extension of the urgent need certification waiver. The extension of the urgent need certification waiver, however, is currently only effective after its publication in the **Federal Register**. This approach presents challenges for CDBG–DR grantees who receive an extension of an expenditure deadline for an activity associated with the urgent need certification, with the extended expenditure deadline in effect but with the urgent need certification waiver still requiring publication in the **Federal Register**.

To accommodate the timely expenditure of funds, HUD is modifying the temporary, streamlined urgent need waiver and alternative requirement in paragraph VI.A.1.f. of the March 5, 2013, notice (78 FR 14336). This waiver and alternative requirement supersedes the information published in the May 11, 2015, notice and will allow grantees to more effectively implement urgent recovery activities by aligning the applicable urgent need national objective criteria with the expenditure deadline on the use of funds. The March 5, 2013, notice is modified to add the following alternative requirement for grantees that receive an extension of the expenditure deadline: For activities designed to respond to a disaster-related impact that poses a serious and immediate threat to the health or welfare of the community, the grantee may continue to use the urgent need national objective until the end of the new expenditure deadline if the grantee meets the following requirements from the March 5, 2013, notice: (1) Before seeking the expenditure deadline extension, the grantee must reference in its Action Plan the type, scale, and location of the disaster-related impacts addressed by each program and/or activity that will meet the urgent need national objective; (2) before seeking the expenditure deadline extension, the grantee must identify these disaster related impacts in its Action Plan needs assessment; (3) the needs assessment must be updated as new or more detailed/accurate disaster-related impacts are known; and (4) the grantee must document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee.

3. *Alternative requirement to permit extended time for the provision of interim mortgage assistance (State of New York only).* In the **Federal Register** notice published on March 5, 2013, the Department established an alternative requirement to 42 U.S.C. 5305(a)(8) to extend the authority of grantees under the Appropriations Act to provide interim mortgage assistance to qualified individuals from 3 months to up to 20 months (78 FR 14345). A grantee using this alternative requirement is required to document in its policies and procedures how it will determine the amount of assistance to be provided is necessary and reasonable. The State of New York has requested a modification of the 20-month limitation on the provision of interim mortgage assistance to authorize the assistance for a period of up to 36 months.

Under the State's existing Interim Mortgage Assistance (IMA) program, financial assistance is available to eligible applicants to the NY Rising Housing Recovery Program who demonstrate financial difficulty in paying their mortgage due to additional housing expenses incurred as a result of their primary residence no longer being habitable. Interim mortgage assistance may be provided for past, current, and future debt obligations of the mortgage, capped at $3,000 per month for a maximum of 20 months or $60,000.

On November 15, 2013, the Department approved Amendment 4 to the State's disaster recovery Action Plan to allocate $80,000,000 to the initial State IMA program. On May 27, 2014, the Department approved Amendment 6 to the State's disaster recovery Action Plan to modify the calculation of the IMA grant award based on a participant's monthly mortgage amount for their primary residence and proof of an additional housing payment. On April 13, 2014, the Department approved Amendment 8 to the State's disaster recovery Action Plan to enable the State to calculate partial IMA grant awards that reflect rental housing expenses incurred by participants while displaced, less any rental assistance received from insurance or government agencies.

At the time the State submitted a request for a modification of the alternative requirement, 454 program participants were receiving IMA assistance and approximately 25 percent of those participants were low- and moderate-income households. In its request for a modification of the alternative requirement, the State indicated that in the absence of additional time to provide assistance, 287 IMA recipients would no longer qualify for IMA funds within the succeeding 12 months and that 26 percent of those recipients were low- and moderate-income households. In its

request to provide IMA payments for a period of up to 36 months, the State cited a number of unanticipated developments that contributed to delays in the completion of assisted housing projects. Most notably, the State pointed to the prospect of increased National Flood Insurance Program (NFIP) claim payments to NY Rising program participants as a result of fraudulent damage assessments conducted on behalf of the NFIP in the immediate aftermath of the disaster. The State indicated that uncertainty surrounding these payments, and the potential impact of the payments on the amount of CDBG–DR funds ultimately available to the homeowner, contributed to delays and supports an extended period of availability for IMA. Other factors cited by the State as contributing to the need for extended IMA are the limited pool of contractors experienced in undertaking the elevation of homes and the shorter Northeastern United States construction season. The State further noted that its own clarification process, through which applicants may appeal the ultimate amount of their CDBG–DR award, can also slow progress in completing repairs and contribute to the need for additional IMA.

The State proposed to implement the extended period for IMA by initially maintaining the current 20 months of assistance for IMA participants. At the end of the 20-month period of assistance, the State may subsequently determine a need for an additional 16 months of IMA, for a total not to exceed 36 months of assistance. When a need for an extension of IMA is identified, the State will conduct an inspection of the property to determine if substantial construction progress has been made. If substantial construction progress has been made, the State may provide IMA for the additional authorized period of time, for a total period of assistance up to 36 months. If the inspection indicates that substantial progress has not been made, the extension of IMA will be provided only when the recipient agrees to participate in the newly established construction program within the NY Rising Housing Recovery Program. Under the construction program, the State will contract for and manage, on behalf of the IMA recipient, the rehabilitation of the IMA recipient's home. Prior to its initial implementation of the construction program, the State will determine the need for the IMA extension in those instances where substantial construction progress has not occurred and will give priority to the rehabilitation of homes for those IMA recipients receiving a total up to 36 months of IMA.

After reviewing the State's request, and for the State of New York's IMA program only, the Department is modifying the provision of the March 5, 2013, **Federal Register** notice that limits the provision of interim mortgage assistance to a period of 20 months and establishing an alternative requirement that allows for the payment of assistance for a period of up to 36 months if the State meets the other requirements described in the above paragraph. The goal of this alternative requirement is to provide an extended period of IMA in order to minimize the risk of foreclosure of storm damaged homes while they are being rehabilitated with CDBG–DR funds and to return IMA recipients to their rehabilitated homes as quickly as possible. The State must implement this alternative requirement consistent with the approach outlined in its request and as described herein. This waiver and alternative requirement shall remain in effect until December 31, 2017, after which the State shall be authorized to offer interim mortgage assistance for a period no more than 20 months. Interim mortgage assistance is an authorized eligible public service activity and the State is reminded that IMA expenditures are subject to the 15 percent cap on public services established pursuant to 42 U.S.C. 5305(a)(8).

Within 30 days of the effective date of this notice, the State must begin to implement its construction program for IMA recipients receiving an extended period of assistance and without substantial construction progress in the rehabilitation of their home. The State must have fully implemented the construction program for all IMA recipients within 6 months of the effective date of this notice. In addition, the State's policies and procedures must:

(1) Document how the State will determine that ''substantial progress'' has or has not been made in the rehabilitation of an IMA recipient's home;

(2) Document how the State will determine that the amount and period of assistance to be provided under this alternative requirement is necessary and reasonable;

(3) Document how the State will prioritize the rehabilitation of homes of IMA recipients receiving a total up to 36 months of IMA;

(4) Include internal controls designed to ensure that IMA provided to recipients is being used for its authorized purpose; and

(5) Include a plan for assisting recipients that exhaust their IMA after 36 months but continue to have a need for assistance because the rehabilitation of their home has not been completed.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance number for the disaster recovery grants under this notice is 14.269.

IV. Finding of No Significant Impact

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

Dated: February 8, 2016.

Nani A. Coloretti,

Deputy Secretary.

[FR Doc. 2016–02913 Filed 2–11–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5927–N–01]

Mortgage and Loan Insurance Programs Under the National Housing Act—Debenture Interest Rates

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Notice.

SUMMARY: This notice announces changes in the interest rates to be paid on debentures issued with respect to a loan or mortgage insured by the Federal Housing Administration under the provisions of the National Housing Act (the Act). The interest rate for debentures issued under section 221(g)(4) of the Act during the 6-month period beginning January 1, 2016, is 2¼

parole documents based on humanitarian, educational and employment reasons. Lawful permanent residents may now file requests for travel permits (transportation letter or boarding foil).

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The estimated total number of respondents for the information collection I–131 is 519,090 and the estimated hour burden per response is 1.9 hours; 71,665 respondents providing biometrics at 1.17 hours; and 317,773 respondents providing passport-style photographs at .50 hours.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 1,228,986 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $155,789,790.

Dated: June 2, 2016.

Samantha Deshommes,

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

[FR Doc. 2016–13386 Filed 6–6–16; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5936–N–01]

Notice of National Disaster Resilience Competition Grant Requirements

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

ACTION: Notice.

SUMMARY: This notice lists the awardees of Phase 2 of the National Disaster Resilience Competition (NDRC). The NDRC was conducted in accordance with Notice of Funding Availability (NOFA) FR–5800–N–29A2, published on grants.gov (Primary CFDA Number 14.272, last modified June 25, 2015). Awardees have been allocated $999,108,000 made available pursuant to the Disaster Relief Appropriations Act, 2013, Public Law 113–2 (Appropriations Act). This notice also updates and republishes Appendix A to the NOFA, which states the requirements applicable to NDRC grant recipients, including applicable waivers and alternative requirements. HUD is publishing the post-award requirements of Appendix A in the **Federal Register** because the Appropriations Act requires HUD to publish waivers and alternative requirements in the **Federal Register** no later than 5 days before their effective date. The requirements of Appendix A will also be incorporated into the grant agreement between the Grantees and HUD. The updates to Appendix A included in this notice reflect necessary revisions to citations and requirements that have changed since the NOFA's publication, as a result of the Department's implementation of the Office of Management and Budget's (OMB) final guidance, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards,* through amendments to 24 CFR parts 84, 85, and 570.

DATES: *Effective Date:* June 7, 2016.

FOR FURTHER INFORMATION CONTACT: Stanley Gimont, Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street SW., Room 7286, Washington, DC 20410, telephone number 202–708–3587 (this is not a toll-free number). Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Fax inquiries may be sent to Mr. Gimont at 202–401–2044.

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Section 1: Program Background and Purpose:

NDRC awardees identified in this notice were allocated Community Development Block Grant National Resilient Disaster Recovery (CDBG–NDR) grant funds on a competitive basis. These funds were made available by the Appropriations Act for disaster recovery from major disasters declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 *et seq.*) (Stafford Act) in 2011, 2012, and 2013. The Appropriations Act made available $16 billion in Community Development Block Grant Disaster Recovery (CDBG–DR) funds. On March 1, 2013, the President issued a sequestration order pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced funding for CDBG disaster recovery grants under the Appropriations Act to $15.18 billion.

HUD has not allocated other Appropriations Act funds competitively. As of September 2014, HUD had allocated or set aside approximately $13 billion–$14 billion in response to Hurricane Sandy, and Tropical Storms Irene and Lee; $514 million in response to disasters occurring in 2011 or 2012; and $654 million in response to other 2013 disasters. The Department determined that the data available for the earliest disasters eligible under the Appropriations Act no longer credibly represented additional current unmet needs (beyond those for which HUD had already allocated funding by formula) to support a formula allocation method for the remaining funding. No other reasonably current data sources common to all possible eligible jurisdictions existed at the time of the allocation. Because the law directs that CDBG–DR assistance must flow to the Most Impacted and Distressed areas with unmet recovery and revitalization needs related to the effects of a covered major disaster, HUD decided that a competition framework would work best to elicit the data needed to inform allocation choices, and ensure that the unmet disaster recovery and revitalization needs of communities around the country were appropriately considered.

To comply with statutory direction that CDBG–NDR funds be used for disaster-related expenses in the Most Impacted and Distressed areas related to the Qualified Disaster, HUD has required that Grantees address unmet needs in areas identified in the Grantee's approved application and accepted by HUD as ''Most Impacted

and Distressed'' as a result of the effects of the Qualified Disaster.

The Appropriations Act requires funds to be used only for specific disaster recovery related purposes. The Appropriations Act also requires that, prior to the obligation of CDBG–NDR funds, a Grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the Most Impacted and Distressed areas. This Action Plan is discussed in section 3.I.B, ''Action Plan, Amendments, and Benefit Cost Analysis,'' below.

Allowable costs for CDBG–NDR funds under this appropriation include only those expenses necessary to meet the Unmet Recovery Needs of the Most Impacted and Distressed target area(s), but once the necessary Tie-Back is established for a Project, it could be designed to also meet other community development objectives and economic revitalization needs, including greater Resilience to address the negative effects of climate change. Tie-Back to the Qualifying Disaster was established for CDBG–NDR projects by demonstrating a logical link to addressing Unmet Recovery Needs from the Qualifying Disaster. Under this competition, HUD awarded points for leverage, long-term commitments, and regional coordination. The most competitive proposals, however, brought other resources and commitments to bear beyond the CDBG–NDR request to enhance Resilience beyond the Most Impacted and Distressed target areas with Unmet Recovery Needs (MID–URN target areas).

Summary of Competition Details

HUD has established six goals for the NDRC: First, to fairly allocate remaining Appropriation Act funds; second, to create multiple examples of local disaster recovery planning that apply science-based and forward-looking risk analysis to address recovery, Resilience, and revitalization needs; third, to leave a legacy of institutionalizing, in as many States and local jurisdictions as possible, the implementation of thoughtful, innovative, and resilient approaches to addressing future risks; fourth, to provide resources to help communities plan and implement disaster recovery that makes them more resilient to future threats or hazards, including extreme weather events and climate change, while also improving quality of life for existing residents and making communities more resilient to economic stresses or other shocks; fifth, to fully inform and engage community stakeholders about the current and projected impacts of climate change and to develop pathways to Resilience based on sound science; and sixth, to leverage investments from the philanthropic community to help communities define problems, set policy goals, explore options, and craft solutions to inform their own local and regional resilient recovery strategies. As with all CDBG assistance, the priority is on serving low- and moderate-income people.

The NDRC applied elements of the Hurricane Sandy Task Force's rebuilding strategy to support Grantee efforts to build back stronger and more resilient through integrating comprehensive planning and investing in meaningful efforts in their recovery and revitalization. The Task Force was established by Executive Order 13632 (published in the **Federal Register** on December 14, 2012, at 77 FR 74341) to: (1) Ensure governmentwide and regionwide coordination was available to assist communities make decisions about long-term rebuilding and (2) develop a comprehensive rebuilding strategy.

The NDRC bears some similarities to other Federal programs that address disaster recovery and threat and hazard mitigation. This similarity (and the distinctions noted below) is deliberate. The similarity allows States and local governments to invest CDBG–NDR funds to support or fill gaps to address unmet needs inaccessible or unaffordable to other Federal programs, and for which insurance and State, local, and other resources are unavailable. In addition, any similarity in program structure will enable lessons learned from the competition to potentially be transferable to other Federal programs. The distinctions, on the other hand, spring from the CDBG nature of the funding source, as directed in the congressional appropriation. Among major disaster recovery programs, CDBG is notable in its statutory focus on determining and meeting the unmet needs of vulnerable lower-income people and communities and targeting the Most Impacted and Distressed areas. CDBG is also singular in its ability to consider a wide range of local community development objectives related to recovery and economic revitalization, including integrally related Resilience objectives. HUD intends that the most successful proposals from the competition will take advantage of these CDBG similarities and distinctions to envision and implement recovery Projects that serve multiple purposes and position recovering communities for a prosperous and more resilient future. To ensure programs harmonize and do not duplicate benefits, HUD required all Applicants to describe how they consult with or coordinate with funders of other proposed recovery and Resilience investments in the Most Impacted and Distressed target area and region. The CDBG context also leads naturally to requiring Resilience elements within recovery projects because it creates stability. Reducing current and future risk is essential to the long-term economic well-being of communities and businesses. When a disaster chills local and regional economies, investments in anchor Projects to reduce risk and stimulate economic revitalization can be an essential part of any disaster recovery.

Eligible Applicants. Eligible Applicants in Phase 1 were States with Qualified Disasters and units of general local government who received CDBG–DR funding from HUD for disasters occurring in 2011—2013 (including Grantees under prior disaster recovery supplemental funding)—a total of 67 potential Applicants (See Appendix B to the NOFA for a list of eligible Applicants). HUD set aside $181 million for applications serving Hurricane Sandy Qualified Disasters in the States of New York and New Jersey and in New York City, due to the catastrophic level of damage caused in those areas from Hurricane Sandy and tropical storms in 2011. Note that HUD reserved the right to fund applications out of rank order to ensure geographic diversity of funding. For the same reason, HUD also reserved the right to partially fund an application(s). To ensure HUD had complete understanding on how to scale down Projects, each Phase 2 Applicant was required to identify any phasing or scalability inherent in its proposal. Those invited to submit applications for Phase 2 should have developed proposals with scalable options to the degree possible and practicable, and were required to ensure that each component proposed for CDBG–NDR funding had independent utility.

Successful completion of Phase 1 was a threshold requirement for eligible Applicants for Phase 2.

Phase 1: Framing Unmet Recovery Needs, Vulnerabilities, and Community Development Objectives (Closed). During Phase 1 (the framing phase) of the NDRC, Applicants consulted with stakeholders and comprehensively framed the recovery needs, relevant risks and vulnerabilities (current and future), and related community development opportunities in the target

geographic areas. Every fundable application had to first demonstrate a logical link, or Tie-Back, to addressing Unmet Recovery Needs stemming from the effects of the community's presidentially declared major disaster from 2011, 2012, or 2013. The other objectives, needs, or issues a Project would address were unique to the Applicant's community. For example, a community that suffered a flood might want to offer flood buyouts and property acquisition in the Most Impacted and Distressed areas, followed by restoration of a wetland to limit future flooding and provide a nature preserve or recreation area. A community that lost housing and a road during a mudslide might not only want to construct housing in a safer area for survivors, but also to find a financing mechanism for affected downstream businesses to survive the effects of the last event and be prepared for and recover more quickly from future hazards. Once the community framed the recovery need(s), identified current and future risks and vulnerabilities and noted community development opportunities, the Applicant had to identify and seek commitments from the public and private Partners it needs to develop and implement a solution, and develop a high level implementation idea. The Applicant's responses in Phase 1 described this framing process and its results, identified the Partners and other resources, and described the resulting resilient recovery concept or idea.

The Phase 1 CDBG–NDR NOFA included criteria and deadlines for both this initial ''framing'' phase and the later ''implementation'' phase of the competition. Applicants had approximately 180 days from the Phase 1 CDBG–NDR NOFA publication to complete the framing process and to submit initial proposals stating in general terms the Applicant's vulnerability(ies), issue(s), community development objectives, team (meaning the Applicant, all Partners, and any other supporting entities), required threshold items, known obstacles, substantial consultation and citizen engagement (particularly with affected and Vulnerable Populations), and general information about Unmet Recovery Needs.

After the 180-day deadline, HUD reviewed, rated, and provided detailed comments on each initial application that met all threshold requirements. HUD then ranked the applications by score and selected the qualifying Applicants for the Phase 2 application round.

Phase 2: From Framing to Implementation (Closed). In the second phase of the competition (the implementation phase), the highest scoring Applicants from the first phase were invited to fully articulate a Resilience-enhancing disaster recovery or revitalization Project or program that addressed as many of the Phase 1 identified risks, vulnerabilities, and community development opportunities as feasible and compete for implementation funding. The best Projects demonstrated how the proposal or Project would help the community recover from the effects of the covered disaster, advance community development objectives such as economic revitalization, and improve the community's ability to absorb or rapidly recover from the effects of a future extreme event, stress, threat, hazard, or other shocks. The proposed Phase 2 Project could be a pilot for the overall Phase 1 solution, could be limited to the CDBG–NDR-eligible portion of a Phase 1 concept that would benefit a geography larger than the Most Impacted and Distressed target area, or could be a stand-alone portion of a Project idea envisaged in Phase 1 that could take years or decades to completely realize. In any case, the Phase 2 Project could not be contingent on actions outside the scope of the Project to provide a defined level of protection against the threat(s) and hazard(s) identified, meet a CDBG–NDR national objective, or comply with program requirements as described in this notice. The Applicant was asked to explain how the Phase 2 proposal logically arises from the Phase 1 framing.

In Phase 2, each Applicant completed a benefit cost analysis (BCA) for any Covered Project(s), as described in the NOFA. Although the required completion of a BCA is new to CDBG disaster recovery, Rebuild by Design competitors completed BCAs and the analysis process helped improve the final proposals. The Federal Emergency Management Agency (FEMA) and U.S. Department of Transportation (DOT) also employ BCAs in reviewing applications for major Projects, and cost efficiency analysis is employed in reviews of environmental impact and consideration of alternatives. The CDBG–NDR BCA provided a sense of the cost efficiency of the proposal, but the BCA score was not used alone to rate soundness of approach. HUD recognizes that the benefits and costs may be difficult or impossible to comprehensively quantify, but, regardless of a proposed Project's scale, HUD did not fund any Phase 2 activities for which the benefits to the Applicant's community, and to the United States as a whole, were not demonstrated by the evidence submitted to justify the costs. Appendix H to the NOFA provided guidance on completing an acceptable BCA. Note that quantifying or otherwise accounting for social and ecological benefits and costs were a critical component, as was consideration of all related resources, including leverage, and the benefits and costs of long-term commitments under Factor 5.

Some of the resources provided to CDBG Grantees to support completion of the environmental reviews required under 24 CFR part 58 are also useful sources of information for a benefit-cost analysis. Consideration of these resources at an early stage in a Project may help speed the required environmental reviews. Applicants were strongly encouraged to integrate general and Project planning with the environmental review process, and to coordinate these reviews under the Unified Federal Review (UFR) process, where possible and as appropriate. The Applicant could have used public outreach meetings not only to seek Phase 1 planning input and Phase 2 Project comments or to meet the consultation requirement of the NDRC competition, but also to inform the public about environmental effects of different design approaches or of a proposed Project and its alternatives. Examples of required outreach included scoping for the National Environmental Policy Act, notices and evaluation in compliance with Executive Orders 11988 and 11990 (the 8-step decision process for floodplain management and wetlands protection), and consultation for section 106 of the National Historic Preservation Act (54 U.S.C. 306108). The Applicant engagement plan was to include strategies to ensure that vulnerable and underserved populations are involved throughout the planning and decisionmaking processes, including outreach and engagement of low-income and minority populations in furtherance of the Department's environmental justice obligations under Executive Order 12,898. This informs decisionmakers of the widest possible range of needs and options. Meaningful engagement and participation ensures the highest probability of success for all stakeholders.

After HUD provided comments on the initial Phase 1 submissions, each continuing Applicant had approximately 120 days in Phase 2 to develop a final submission. HUD considered soundness of approach, needs, capacity, leverage, and long-term commitment at this phase. Leverage in this phase could have included

traditional financial and some types of in-kind contributions. The application must also have included the supporting actions undertaken by the Applicant locally (*e.g.,* building code updates, executive orders, zoning revisions, comprehensive and mitigation plan linkages, interagency partnerships, financing mechanisms, or completing and adopting a forward-looking communitywide Resilience assessment and plan) to better position the Applicant to be more resilient to future threat(s) and hazard(s).

Following submission of the Phase 2 applications, HUD and Federal agency partners reviewed, rated, and ranked the applications in accordance with the published criteria. HUD then determined the Phase 2 awards as published in this notice.

Selection of Awardees

HUD considered for funding any completed Phase 2 application that met all thresholds and received at least 75 percent of the total points available in Phase 2. The applicable postaward requirements that were included in Appendix A to the NOFA are updated in this notice and apply to awards described herein. These postaward grant management requirements are, insofar as feasible, identical to those imposed under the notices published for grants made under the formula allocations under the Appropriations Act.

In both phases, HUD required thoughtful, evidence-based practice, incorporating consideration of the latest findings regarding the range of possible effects of climate change and other risks on the target geography during the useful life of any proposed Project. Many of the communities eligible to apply had already been subject to repetitive or increasingly severe disaster events and their community and regional plans, built environment, building codes, and design/construction practices may not yet have adjusted to enhance community Resilience to expected threat(s) and hazard(s) based on the best available data and science. Planning for an investment in a structure or improvement intended to endure and remain in service through its useful life must involve detailed consideration of the context in which the structure will be placed: The expected intensity and frequency of wind, rain, fire, flooding, snow loads, earthquake, drought conditions, and effects of climate change, for example and as relevant, should all influence community investment and policy decisions.

States and local governments were strongly encouraged to take or commit to Resilience-enhancing actions to protect their communities from threat(s) and hazard(s), as well as to ensure the useful life of their Projects under changing conditions, including future risk caused by climate change. Taking or committing to actions enhanced the competitiveness of Phase 1 and 2 proposals. HUD only invited an Applicant to Phase 2 if it had at least committed to taking a permanent Resilience-enhancing action, and HUD awarded points in Phase 2 to Applicants that have or will implement significant Resilience-enhancing action(s), such as updating State and local building codes, zoning, hazard mitigation, consolidated or comprehensive plans (including area-specific plans), and other ordinances or matters within the span of control of the Applicant and public sector Partners. Such improvements may have included coordination or merger of local plans or requirements in a way that will clearly enhance Resilience, such as hazard mitigation assessments and plans incorporated into forward-looking comprehensive plans updated to consider future impacts from climate change. Only significant updates made or major actions taken after the date of the Qualified Disaster were considered in responding to Factor 5: Regional Coordination and Long-Term Commitment. If such changes were planned for completion within one year of grant award, Applicants could include them in this factor only if they also submitted, as an attachment to their application, a hard commitment to complete the changes by a specified date (see the Long-term Commitment Factor of Phase 2 for details). Applicants were required to identify leveraging funds to pay for costs attributable to any portion of a proposed Project (including any mitigating action) that was not necessary to meet Unmet Recovery Needs in the Most Impacted and Distressed area resulting from a Qualified Disaster.

Section 2: NDRC Awards

The following awards have been made to Applicants for funding a portion of their Application. The components of the Applications for which CDBG–NDR funds may be used will be identified in grant agreements between HUD and the following CDBG–NDR awardees:

NDRC awardees	Total CDBG–NDR award
Connecticut	$54,277,359
New Orleans, LA	141,260,569
Iowa	96,887,177
New York City, NY	176,000,000
Louisiana	92,629,249
Springfield, MA	17,056,880
Tennessee	44,502,374
Virginia	120,549,000
Shelby County, TN	60,445,163
Minot, ND	74,340,770
California	70,359,459
New York State	35,800,000
New Jersey	15,000,000
Total	999,108,000

Section 3: CDBG–NDR Program Requirements

This notice contains the postaward requirements applicable to CDBG funds made available by the Appropriations Act and awarded under the NDRC as CDBG–NDR grants. This notice supersedes Appendix A to the NOFA and updates the CDBG–NDR program requirements to reflect HUD's recent regulatory amendments to implement Federal uniform requirements.

The Appropriations Act provides that funds shall be awarded directly to a State or unit of general local government (local government) at the discretion of the Secretary. A State or local government recipient of a CDBG–NDR grant is a ''Grantee,'' as defined by the NOFA. Other terms in this notice are defined in the NOFA, and the definitions in the NOFA are expressly incorporated and made a part of this notice and continue to apply in the post-award period.

I. Use of Funds

A. General

The Appropriations Act made funds available for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the Most Impacted and Distressed areas resulting from a major disaster declared pursuant to the Stafford Act, due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The Appropriations Act requires funds to be used only for these specific disaster-related purposes.

B. Action Plan, Amendments, and Benefit Cost Analysis

The Appropriations Act requires that, prior to the obligation of funds by HUD, a Grantee shall submit a plan detailing the proposed use of funds, including criteria for eligibility and how the use of these funds will address disaster relief, long-term recovery, restoration of infrastructure, and housing and economic revitalization in the Most Impacted and Distressed areas. For purposes of awards made in response to Phase 2 submissions under the NOFA,

the Grantee's Phase 1 and Phase 2 submissions for this competition, constitute, together, the action plan required by the Appropriations Act.

Following execution of a grant agreement, the Grantee will publish on its Web site the action plan (DRGR Action Plan) contained in HUD's Disaster Recovery and Grant Reporting system (DRGR) that reflects the components funded through the CDBG–NDR grant. HUD will provide clarifying guidance as to the content and format of the DRGR Action Plan, which will help ensure clear communication of CDBG–NDR activities to the public.

A Grantee may amend the Action Plan, but must receive prior HUD approval for substantial amendments to the plan. Before making any substantial amendment to the Action Plan, a Grantee must follow the same citizen participation requirements required by the NOFA for the preparation and submission of an NDRC application. Additionally, HUD must agree in writing that the substantially amended Application would still score in the fundable range for the competition based on the rating factors in the NOFA. Additional information about substantial amendments can be found in section 3.V.A.3 below.

With the exception of general administration of the CDBG–NDR grant, the Grantee may only use CDBG–NDR funds to carry out or plan for the HUD approved components of a Grantee's Phase 2 activities for which the Grantee has submitted to HUD, and HUD has approved, an analysis of the activity's benefits and costs. For Covered Projects, as described in the NOFA, HUD has not approved the analysis if the benefits to the Applicant's community, and to the United States as a whole, are not demonstrated by the evidence submitted to justify the costs. Appendix H to the NOFA and the CDBG–NDR NOFA provided guidance on completing an acceptable BCA. For Applicants proposing a program rather than a specific Covered Project, HUD's acceptance of such a program-level BCA was *not* an approval of the Project- or activity-level analysis itself, which HUD will reserve the right to review after award through the Grant Terms and Conditions. A ''program'' for purposes of the BCA refers to a set of related measures or activities with a particular long-term goal or objective. A program is implemented by a specified agency that uses defined policies and procedures to select Projects or activities to assist.

C. Applicable Statutory and Regulatory Requirements

1. General. All recipients of CDBG–NDR grants are subject to: (1) The requirements of the Appropriations Act; (2) portions of the Fiscal Year (FY) 2014 General Section of the Department's broader NOFA (as amended) and the NOFA (including appendices) made applicable by the grant agreement and this notice; and (3) applicable regulations governing the CDBG program at 24 CFR part 570, unless modified by waivers and alternative requirements published in this notice or other applicable **Federal Register** notices and; (4) the requirements of the grant agreement governing the CDBG–NDR award.

2. Uniform Requirements. Grantees are subject to the revised Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Requirements). On December 26, 2013, the OMB published (at 78 FR 78608) the final Uniform Requirements, which are codified at 2 CFR part 200. HUD adopted the Uniform Requirements at 2 CFR part 2400. HUD published conforming changes to its CDBG program regulations on December 7, 2015 (80 FR 75931), that updated CDBG program regulations to reflect references to appropriate sections of 2 CFR part 200. The effective date of HUD's conforming rule is January 6, 2016.

3. Other PostAward Requirements, including incorporated sections of the Fiscal Year 2014 General Section of the Department's Broader NOFA, as Amended:

• Incorporated Sections of the General Section. HUD is incorporating portions of the FY 2014 General Section to the Department's FY 2014 NOFAs for Discretionary Programs (General Section), as amended by the technical correction to HUD's General Section to the Department's FY 2014 NOFAs for Discretionary Programs (technical correction), relevant to the award of CDBG–NDR funds. Grantees must adhere to the requirements of the sections of the General Section, as amended by the technical correction, identified in the NOFA under the heading ''1. Applicable Requirements of the General Section (as modified by the Technical Correction to the General Section).'' Other requirements of the General Section are superseded by the requirements applicable to the use of CDBG–NDR funds identified in this notice and in the grant agreement.

• System for Award Management. Grantees must have a valid, active registration in the System for Award Management (SAM).

• False Statements. A false statement in an application is grounds for denial or termination of an award and possible punishment, as provided in 18 U.S.C. 1001.

• Conducting Business in Accordance with Ethical Standards/Code of Conduct. Grantees must adhere to the conflict of interest requirements of 2 CFR part 570. In addition, local governments and States that have adopted the Uniform Requirements are required to develop and maintain a written standards of conduct as required by 2 CFR 200.318.

• Equal Access to HUD-assisted or HUD-insured Housing. The Department is committed to ensuring that its programs are open to all eligible individuals and families regardless of sexual orientation, gender identity, or marital status. HUD funding recipients and subrecipients must comply with 24 CFR 5.105(a)(2) in connection with determining eligibility for housing assisted with HUD funds or subject to an FHA-insured mortgage, and in connection with making such housing available. This includes making eligibility determinations and making housing available regardless of actual or perceived sexual orientation, gender identity, or marital status, and prohibiting inquiries about sexual orientation or gender identity for the purpose of making eligibility determinations or making housing available. Applicants are encouraged to become familiar with these requirements, HUD's definitions of sexual orientation and gender identity at 24 CFR 5.100, clarifications to HUD's definition of family at 24 CFR 5.403, and other regulatory changes made through HUD's Equal Access Rule, published in the **Federal Register** on February 3, 2012 at 77 FR 5662.

• Procurement of Recovered Materials. State agencies and agencies of a political subdivision of a State that are using assistance under a program NOFA for procurement, and any person contracting with such an agency with respect to work performed under an assisted contract, must comply with the requirements of section 6002 of the Solid Waste Disposal Act. In accordance with section 6002, these agencies and persons must procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds $10,000 or the value of the quantity

acquired in the preceding fiscal year exceeded $10,000; must procure solid waste management services in a manner that maximizes energy and resource recovery; and must have established an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines. Please refer to 2 CFR 200.322 and to *www.epa.gov/osw/conserve/tools/cpg/pdf/rcra-6002.pdf* for complete text and requirements of section 6002.

• Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109–282) (Transparency Act), as Amended. Prime Grant Awardee Reporting. Prime recipients of the Department's financial assistance are required to report certain subawards in the Federal Funding Accountability and Transparency Act Subaward System (FSRS) Web site located at *https://www.fsrs.gov/* or its successor system for all prime awards listed on the FSRS Web site. Starting with awards made October 1, 2010, prime financial assistance awardees receiving funds directly from the Department were required to report subawards and executive compensation information both for the prime award and subaward recipients, including awards made as pass-through awards or awards to vendors, if the initial prime grant award is $25,000 or greater, or the cumulative prime grant award will be $25,000 or greater if funded incrementally, as directed by HUD in accordance with OMB guidance; and the subaward is $25,000 or greater, or the cumulative subaward will be $25,000 or greater. For reportable subawards, if executive compensation reporting is required and subaward recipients' executive compensation is reported through the SAM system, the prime recipient is not required to report this information. The reporting of award and subaward information is in accordance with the requirements of the Transparency Act, as amended by section 6202 of Public Law 110–252, and OMB Guidance issued to Federal agencies on September 14, 2010 (75 FR 55669), and in OMB policy guidance. Please refer to *www.fsrs.gov* for complete information on requirements under the Transparency Act and OMB guidance.

• Compliance with Section 872 of the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 (Pub. L. 110–417), (Section 872). Section 872 requires the establishment of a governmentwide data system (currently designated the Federal Awardee Performance and Integrity Information System) to contain information related to the integrity and performance of entities awarded Federal financial assistance. Federal officials will make use of this information in making awards. OMB published final guidance to implement this requirement on July 22, 2015, at 80 FR 43301, for Federal awards issued on or after January 1, 2016, that meet the thresholds described in the preamble to the OMB guidance. Grantees are required to comply with any guidance issued by HUD to implement OMB's rule.

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

A. Statutory Expenditure Deadline and Period of Availability

1. Expenditure Deadline and Extensions

The Appropriations Act requires that HUD obligate all CDBG–NDR funds not later than September 30, 2017. To further ensure the timely expenditure of funds, section 904(c) under Title IX of the Appropriations Act, requires that all funds be expended within 2 years of the date HUD obligates funds to a Grantee, unless the Grantee requests and HUD approves an extension to the deadline. Funds are obligated to a Grantee upon HUD's signing of the Grantee's CDBG–NDR grant agreement, or amended grant agreement, obligating funds. Grantees may request to obligate awarded funds in phases as established in a schedule submitted by the Grantee, provided all funds are obligated prior to September 30, 2017. Grantees must not draw down funds in advance of need, to attempt to comply with the expenditure deadline.

2. Extensions of the Expenditure Deadline

For any portion of funds that the Grantee believes will not be expended by the deadline and that it desires to retain, the NOFA required the Grantee to submit a letter to HUD justifying why it is necessary to extend the deadline for a specific portion of funds. Appendix E to the NOFA also required Applicants to submit extension requests with the application if the Applicant submitted a schedule that indicated time needed for completion of the proposal exceeds 24 months. Some Applicants submitted extension requests to HUD within their applications and such extensions were considered within the application review process. If granted, any extensions will be published in the **Federal Register** in a subsequent notice. Grantees that did not submit an extension request with their Applications may still submit a request. As required by Appendix E to the NOFA, the extension request must justify the need for the extension, detail the compelling legal, policy, or operational challenges necessitating the extension, and identify the date when the funds covered by the extension will be expended. The Grantee must justify how, under the proposed schedule, the Project will proceed in a timely manner. For example, large and complex infrastructure Projects are likely to require more than 24 months to complete. An extension request for such a Project should justify the new timeline for any proposed extension by comparing it to completion timelines for other, similarly sized Projects.

Grantees are advised that extensions of the 2-year expenditure deadline may not be granted. Any funds not expended by the deadline (or extended deadline, if an extension is approved) will be recaptured.

3. Cancelation of Grant Funds

Although HUD has authority to grant extensions of the 24-month expenditure deadline, Grantees are advised that 31 U.S.C. 1552(a) continues to apply to funds appropriated under the Appropriations Act. Specifically, CDBG–DR funds are to remain available for expenditure for 5 years following the period of availability for obligation. All funds under the Appropriations Act, including those subject to an extension of the expenditure deadline, must be expended by September 30, 2022. Any grant funds that have not been disbursed by September 30, 2022, will be canceled and will no longer be available for disbursement to the Grantee or for obligation or expenditure for any purpose.

B. Secretary's Certifications and Grantee Submissions

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

To provide a basis for the Secretary to make the certification, each awardee submitted the certification required in Appendix F of the NOFA, related to the requirements of Public Law 113–2. In addition, before HUD executes a grant agreement, each awardee will satisfactorily complete a Certification Checklist and submit required documentation that, in HUD's

determination, is sufficient to support the Secretary's certification. The Certification Checklist will be posted by HUD and sent to awardees following award announcement. A HUD representative will review the awardee's submission and complete the HUD portion of the Certification Checklist. Failure to submit the checklist and documentation within 30 days of the effective date of this notice may result in the cancellation of the award selection.

To enable the Secretary to make the certification, each awardee must submit the items listed below to their designated HUD representative, in addition to submitting the Certification Checklist. Grant agreements will not be executed until HUD has issued a certification in response to the awardee's submission.

(1) Financial Control Checklist. An awardee has in place proficient financial controls at the time of the Secretary's certification if each of the following criteria is satisfied.

(a) The awardee submits its most recent single audit and annual financial statement, and the submission indicates that the awardee has no material weaknesses, deficiencies, or concerns that HUD considers to be relevant to the financial management of the CDBG program. If the single audit or annual financial statement identified weaknesses or deficiencies, the awardee must provide documentation showing how those weaknesses have been removed or are being addressed; and

(b) With its completed checklist, the awardee must submit the Guide for Review of Financial Management, as modified, to support the financial controls certification required for Grantees by Public Law 113–2 (Pub. L. 113–2 Financial Management Guide). The completed Public Law 113–2 Financial Management Guide must demonstrate that the financial standards are complete and conform to the requirements of the guide. The awardee must identify which sections of its financial standards address each of the questions in Public Law 113–2 Financial Management Guide and which personnel or unit is responsible for each checklist item.

(2) Procurement. An awardee has in place a proficient procurement process if:

(i) *For local governments:* The grantee will follow the specific applicable procurement standards identified in 2 CFR 200.318–200.326 (subject to 2 CFR 200.110, as applicable). The grantee must provide a copy of its procurement standards and indicate the sections of its procurement standards that incorporate these provisions. The procedures should also indicate which personnel or unit is responsible for each item.

(ii) *For States:* The grantee has adopted 2 CFR 200.318–200.326 (subject to 2 CFR 200.110, as applicable), or the effect of grantee's procurement process/standards are equivalent to the effect of procurements under 2 CFR 200.318–200.326, meaning that they operate in a manner providing fair and open competition. The grantee must provide its procurement standards and indicate how the sections of its procurement standards align with the provisions of 2 CFR 200.318–200.326, so that HUD may evaluate the overall effect of the grantee's procurement standards. The procedures should also indicate which personnel or unit is responsible for the task. Guidance on the procurement rules applicable to States is provided in section 3.V.A.21, of this notice. HUD will review this information and determine whether the standards, taken as a whole, are equivalent to the standards at 2 CFR part 200, subpart D.

(3) Duplication of Benefits. An awardee has adequate procedures to prevent the duplication of benefits if they contain uniform procedures for each of the following: verifying all sources of disaster assistance; determining a beneficiary's unmet need(s) before awarding assistance; and ensuring beneficiaries agree to repay the assistance if they later receive other disaster assistance for the same purpose. The procedures should also indicate which personnel or unit is responsible for the task. Duplication of benefits requirements applicable to the use of CDBG–NDR funds are discussed in section 3.II.C of this notice.

(4) Adequate Procedures to Determine Timely Expenditures. An awardee has adequate procedures to determine timely expenditures if they contain uniform procedures that indicate how the awardee will track expenditures each month; how it will monitor expenditures of its recipients; how it will reprogram funds in a timely manner for activities that are stalled; and how it will project expenditures. The procedures should also indicate which personnel or unit is responsible for the task.

(5) Procedures to Maintain Comprehensive Web sites Regarding All Disaster Recovery Activities Assisted with These Funds. An awardee has adequate procedures to maintain comprehensive Web sites regarding all disaster recovery activities if its procedures indicate that the awardee will have a separate page dedicated to its disaster recovery that will contain links to all Action Plans, including the DRGR Action Plan and portions required to be posted for citizen comment; Action Plan amendment; performance reports; citizen participation requirements; and activity/program information for activities described in the Action Plan. The procedures should also indicate the frequency of Web site updates and which personnel or unit is responsible for the task.

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

(7) Awardee Certification. As part of the submission of a complete Certification Checklist, the awardee is required to attest to the proficiency and adequacy of its controls.

(8) Design. This notice amends the NOFA to clarify that prior to the Grantee's obligation of funds for construction, the Grantee will demonstrate that the engineering design for a Project is feasible, prior to obligation of funds by the Grantee for construction. This demonstration is satisfied if a registered professional engineer (or other design professional) certifies that the design meets the appropriate code or industry design and construction standards.

(9) Continuing Obligation Related to Certification. After submitting materials necessary to support the Secretary's certification and the grant agreement is signed, Grantees have continuing obligations. HUD may request an update to the Grantee's certification submission each time the Grantee submits a substantial Action Plan amendment, or if HUD has reason to believe the Grantee has made material changes to the Grantee's support for its certifications.

Grantees must submit to the Department, for approval, an update to the program schedule (projection of expenditures) and milestones (outcomes) included in the application response to the Phase 2, Factor 3, Soundness of Approach rating. The projections must be based on each quarter's expected performance—beginning the quarter in which funds are available to the Grantee and continuing each quarter until all funds are expended. Each Grantee must also include these projected expenditures

and outcomes in activity set-up in the DRGR system within 90 days of the grant award letter. The information in the DRGR system (contained in the DRGR Action Plan) must be amended to reflect any subsequent changes, updates, or revision of the projections. Any subsequent changes, updates, or revision of the projections must receive written approval from HUD. Amending Action Plans solely to accommodate changes to the timeline for projected expenditures does not fall within the definition of substantial amendment and is not subject to citizen participation requirements.

Guidance on the preparation of projections is available on HUD's Web site under the heading Office of Community Planning and Development Disaster Recovery Assistance (commonly known as the CPD Disaster Recovery Web site). The projections will enable HUD, the public, and the Grantee, to track proposed versus actual performance. HUD will make the DRGR Action Plan and performance reports available on the DRGR Public Data Portal at *https://drgr.hud.gov/public/*.

Additionally, following execution of a grant agreement, the DRGR Action Plan that reflects the components funded through the CDBG–NDR grant must be posted on the Grantee's Web site.

Additional information on the DRGR system requirements can be found in section V.A.2 below.

Grantees are also required to ensure all contracts (with subrecipients, recipients, and contractors) clearly stipulate the period of performance or the date of completion. In addition, Grantees must enter expected contract completion dates for each activity in the DRGR system. When target dates are not met, Grantees are required to explain why in the activity narrative in the system.

Other reporting, procedural, and monitoring requirements are discussed under ''Grant Administration'' in section 3.V.A of this notice. The Department will institute risk analysis and on-site monitoring of Grantee management, as well as collaborate with the HUD Office of Inspector General to plan and implement oversight of these funds.

C. Duplication of Benefits Requirements

Duplication of benefits requirements in section 312 of the Stafford Act and in the Appropriations Act apply to the use of CDBG–NDR funds. To help prevent the duplication of benefits, HUD published a notice in the **Federal Register** on November 16, 2011, at 76 FR 71060. The Department published additional guidance on July 25, 2013, titled ''Guidance on Duplication of Benefit Requirements and Provision of CDBG–DR Assistance.'' The steps and actions described in the November 2011 and the July 2013 guidance documents are mandatory requirements applicable to the use of CDBG–NDR funds.

III. Authority To Grant Waivers

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

IV. Overview of Grant Process

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

- If the application is selected for award, HUD sends an initial allocation letter notifying the Applicant that it has been selected for funding. HUD subsequently sends a grant award letter outlining next steps before the award is effective, and transmitting the unsigned grant agreement and grant conditions.
- Within 30 days of the effective date of this notice, awardee submits evidence, as described in section 3.II of this notice, that it has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act; ensure timely expenditure of funds; maintain comprehensive Web sites regarding all disaster recovery activities assisted with these funds; and detect and prevent waste, fraud, and abuse of funds.
- Once the Certification Checklist is completed and HUD determines that submissions are sufficient, the Secretary makes the certification required by the Appropriations Act.
- Grantee signs and returns the grant agreement.
- HUD signs the grant agreement and establishes the proper amount in a line of credit for the Grantee (this triggers the 2-year expenditure deadline for any funds obligated by this grant agreement).
- Grantee requests and receives DRGR system access (if the Grantee does not already have it).
- Grantee enters the activities from its application into the DRGR system that reflect the components funded through the CDBG–NDR grant (as contained in the DRGR Action Plan), submits it to HUD within the system (funds can be drawn from the line of credit only for activities that are established in DRGR System, and publishes on its Web site the DRGR Action Plan.
- The Grantee may draw down funds from the line of credit after the responsible entity completes applicable environmental review(s) pursuant to 24 CFR part 58 (or section 3.V.A.20 of this notice) and, as applicable, receives from HUD or the State an approved Request for Release of Funds and certification.
- Grantee begins to draw down funds within 60 days of receiving access to its line of credit.
- Grantee amends its published Action Plan to include any updates to its projection of expenditures and outcomes within 90 days of the date of the grant award letter.

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

This section of the notice describes requirements imposed by the Appropriations Act, applicable waivers, and alternative requirements. For each waiver and alternative requirement described in this notice, the Secretary has determined that good cause exists and the action is not inconsistent with the overall purpose of the HCD Act.

The waivers and alternative requirements provide additional flexibility in program design and implementation to support full and swift resilient disaster recovery, while meeting the unique requirements of the Appropriations Act. The following requirements apply only to the CDBG–NDR funds awarded under the NOFA, and not to funds provided under any other component of the CDBG program, such as the annual formula Entitlement or State and Small Cities programs, Section 108 Loan Guarantee Program, the Neighborhood Stabilization Program, any prior CDBG disaster recovery appropriation, or any formula award under the Appropriations Act.

The NOFA required Applicants to submit waiver requests necessary to carry out an activity described in their applications (Phase 1 or Phase 2). HUD anticipates that Grantees may encounter changing conditions or other good cause that justifies requesting a new or modified waiver or alternative

requirement after the award. Therefore, Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities.

An overall benefit waiver request may be made by submitting a detailed justification that, at a minimum: (a) Identifies how the disaster-related needs of the low- and moderate-income population in the declared disaster area were sufficiently addressed by other means, or that the needs of non-low- and non-moderate-income persons are disproportionately greater by a significant margin, and that the jurisdiction lacks other resources to serve the needs of non-low- and non-moderate-income individuals; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the Grantee's long-term disaster recovery plan; and (c) describes how the activities/programs identified in (b) prevent the Grantee from meeting the 50 percent requirement. For any other waiver or alternative requirement request, Grantees must submit a written request that includes: the requirement to be waived and, if applicable, the alternative requirement to be added (meaning how the current requirement should be altered); a detailed statement of how the request is necessary to address Unmet Recovery Needs; the demographics of the population to be assisted; and a statement of alternative approaches considered to eliminate the need for a waiver.

Except where noted, waivers and alternative requirements described below apply to all Grantees under this notice. Under the requirements of the Appropriations Act, regulatory waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

Except as described in this notice, statutory and regulatory provisions governing the State CDBG program shall apply to any State Grantee, while statutory and regulatory provisions governing the Entitlement CDBG program shall apply to local government Grantees. Applicable statutory provisions can be found at 42 U.S.C. 5301 *et seq.* Applicable State and Entitlement regulations can be found at 24 CFR part 570.

All references in the NOFA and in this notice pertaining to timelines and/or deadlines are in terms of calendar days, unless otherwise noted. All references to ''substantial improvement'' shall be as defined in the HUD regulations at 24 CFR 55.2, unless otherwise noted.

A. Grant Administration

1. Application for CDBG–NDR Waiver and Alternative Requirement. The requirements for CDBG actions plans, located at 42 U.S.C. 12705(a)(2), 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), and 24 CFR 91.220 and 91.320 are waived for funds provided under the NOFA. Instead, HUD required each Grantee to submit an application for CDBG–NDR, and the Applicant's Phase 1 and Phase 2 submissions for this competition together constitute an Action Plan required under Public Law 113–2. HUD notes that 24 CFR 570.304 and 24 CFR 570.485, to the extent they govern annual formula CDBG grant approvals, do not apply to National Disaster Resilience Competition (NDRC) allocations, but the standard of review of certifications continues to apply to Grantee certifications. HUD will monitor the Grantee's activities and use of funds for consistency with its approved Action Plan and all other requirements, including performance and timeliness. Per the Appropriations Act, and in addition to the requirements at 24 CFR 91.500, the Secretary may disapprove a substantial amendment to an Action Plan (application) if it is determined that the amended application does not satisfy all of the required elements identified in the NOFA, including in this notice, or the application would not score in the fundable range based on the rating factors in the NOFA. However, in reviewing substantial amendments, HUD will not penalize Grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process.

a. Action Plan-related Requirements. The application was required to meet the criteria of the NOFA and identify the proposed use(s) of the Grantee's allocation, including criteria for eligibility, and how the uses address long-term recovery needs. Because HUD may not obligate Appropriations Act funds after September 30, 2017, the last date that Grantees may submit an amendment that would involve obligation of awarded funds by HUD is June 1, 2017. The requirement to expend funds within 2 years of the date of obligation will be enforced relative to the activities funded under each obligation, as applicable. All proposed amendments must address an unmet need in a Most Impacted and Distressed area, as established in the Action Plan or the proposed amendment, using the methodology required by the NOFA. The Grantee must develop a policy describing (a) how it will promote sound, sustainable long-term recovery planning informed by a post-disaster evaluation of hazard risk, especially land-use decisions that reflect responsible flood plain management and take into account possible sea level rise; and (b) how it will coordinate with other local and regional planning efforts to ensure consistency.

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

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

Executive Order 11988, on floodplain management, requires that Federal agencies use the best available flood data to determine the location of projects and activities. In addition, best available flood risk data must be used to determine requirements for reconstruction, and the elevation of structures for grants funding (in whole or part) new construction and substantial improvements, as defined at 24 CFR 55.2(b)(8). If a new construction

or substantial improvement project or activity is located in a floodplain, the lowest floor must be designed using the base flood elevation, determined in accordance with the best available data, plus one foot as the baseline standard for elevation. If higher elevations are required by locally adopted code or standards, those higher standards would apply.

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

Additionally, the Grantee will encourage, where appropriate, construction methods that emphasize high quality, durability, energy efficiency, a healthy indoor environment, sustainability, and water or mold resistance, including how it will support adoption and enforcement of modern building codes and reduction of hazard risk, including possible sea level rise, storm surge, and flooding. All rehabilitation, reconstruction, and new construction should be designed to incorporate principles of sustainability, including water and energy efficiency, Resilience, and mitigating the impact of future disasters. Whenever feasible, Grantees should follow best practices such as those provided by the U.S. Department of Energy Home Energy Professionals: Professional Certifications and Standard Work Specifications. Grantees rebuilding housing in areas prone to high winds are especially encouraged to consider inclusion of construction methods from the Resilient Star demonstration underway by the Department of Homeland Security.

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

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

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

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

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

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

(f) Housing Related Information.

(i) Grantees are reminded that public housing is eligible for FEMA Public Assistance and must ensure that there is no duplication of benefits when using CDBG–NDR funds to assist public housing. Information on the public housing agencies impacted by the disaster is available on the Department's Web site.

(ii) To the extent the Grantee undertakes housing activities, the Grantee will encourage the provision of housing, for all income groups, that is disaster-resistant, including transitional housing and permanent supportive housing. Grantees must also assess how planning decisions may affect racial, ethnic, and low-income concentrations, and promote the availability of affordable housing in low-poverty, nonminority areas where appropriate and in response to disaster-related impacts.

(iii) The Grantee shall minimize displacement of persons or entities, and assist any persons or entities displaced.

(iv) Any safe room construction, reconstruction, or rehabilitation is required to meet at least consistent with the requirements of FEMA P–320 or FEMA P–361.

(v) Wind retrofit construction, reconstruction, or rehabilitation activities funded under CDBG–DR are required to be implemented in conformance with FEMA P–804.

(g) Funds Awarded to a State. For each program or activity that will be carried out by the State, the application as entered into the DRGR Action Plan must describe: (1) The Projected use of the CDBG–NDR funds, including the entity administering the program/activity, budget, and geographic area; (2) the threshold factors or Applicant eligibility criteria, grant size limits, and proposed start and end dates; (3) how the Projected use will meet CDBG eligibility criteria and a national objective; (4) how the Projected use relates to a specific impact of the disaster and will result in long-term

recovery; and (5) estimated and quantifiable performance outcomes (*i.e.,* a performance measure) relative to the identified unmet need.

If a State, in its application, uses a method of distribution to allocate funds to local governments, its Action Plan must describe all criteria used to determine the distribution, including the relative importance of each criterion. If this information was not included in the application, the Action Plan must be amended to include this information prior to drawing funds (this amendment is not a substantial amendment if the method of distribution has not changed since the submission of the application).

(h) Funds Awarded Directly to a Local Government. The local government's application as entered into the DRGR Action Plan, shall describe: (1) The Projected use of the CDBG–DR funds, including the entity administering the program/activity, budget, and geographic area; (2) the threshold factors or Applicant eligibility criteria, grant size limits, and proposed start and end dates; (3) how the Projected use will meet CDBG eligibility criteria and a national objective; (4) how the Projected use relates to a specific impact of the disaster and will result in long-term recovery; and (5) estimated and quantifiable performance outcomes (*i.e.,* a performance measure) relative to the identified unmet need.

b. General Grant Oversight.

(a) The Grantee must put in place mechanisms and/or procedures to detect and prevent fraud, abuse, and mismanagement of funds (including potential conflicts of interest).

(b) The Grantee must maintain adequate capacity of its administering agency(ies) and staffs, and the capacity of any local government or other organization or Partner expected to carry out disaster recovery programs. The Grantee will plan and provide for increasing the capacity of local governments or other organizations, as needed and where capacity deficiencies (*e.g.,* outstanding Office of Inspector General audit findings) have been identified. Grantees are responsible for providing adequate technical assistance to Partners, subrecipients, or subgrantees to ensure the timely, compliant, and effective use of funds. Although local governments or other organizations may carry out disaster recovery programs and Projects, each Grantee under the NOFA and this notice remains legally and financially accountable for the use of all funds and may not delegate or contract to any other party any inherently governmental responsibilities related to management of the funds, such as oversight (also see section 3.V.A.10 of this notice), policy development, and financial management.

(c) The Grantee will manage program income (*e.g.,* including, in agreements, whether subrecipients may retain it), and the purpose(s) for which it may be used. Waivers and alternative requirements related to program income can be found in paragraphs A.2(d) and A.17 of section 3.V of this notice;

(d) The Grantee must establish monitoring standards and procedures that are sufficient to ensure program requirements, including preventing duplication of benefits, are met and that provide for continual quality assurance and investigation. Some of this information may be adopted from the Grantee's submission of information that is required for the Department's certification. Grantees must also operate a robust internal audit function with an organizational diagram showing that responsible audit staff report independently to the chief officer or board of the organization designated to administer the CDBG–NDR award (typically, the organization is designated by a chief, elected official);

c. Clarification of Disaster-related Activities. Each CDBG–NDR activity must be CDBG-eligible (or permissible under a waiver or alternative requirement published in an applicable **Federal Register** notice), meet a national objective, and Tie-back to the Qualifying Disaster by demonstrating a logical link to addressing Unmet Recovery Needs from the Qualifying Disaster. Additional details on disaster-related activities are provided under section 3.V.B of this notice.

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

(b) Tie-Back to the Qualified Disaster and Ineligible Projects for Temporary Measures.

(i) Tie-Back to the Disaster. Each Grantee must document Tie-Back, to show how each activity is connected to the Qualified Disaster for which it is receiving CDBG assistance. The Grantee must ensure that each activity reasonably ties back to addressing demonstrated direct and indirect effects of the Qualified Disaster. In regard to physical losses, damage or insurance estimates may demonstrate the connection to the direct effects of the disaster. For economic, social, or other nonphysical losses, post-disaster analyses or assessments, using the most rigorous methods feasible, may document the relationship between the disaster and the related effects. If Tie-back has been sufficiently documented in the application, the Grantee does not need to maintain additional documentation (although additional information documenting Tie-back may be necessary to support a substantial amendment).

(ii) Temporary Measures. The Appropriations Act states that funds shall be used for recovering from a Presidentially declared major disaster. As such, all activities must respond to the effects of the declared disaster. HUD requires CDBG–NDR Grantees to incorporate resiliency measures into all activities, to ensure that communities recover to be safer, stronger, and more resilient. Incorporation of these measures also reduces costs in recovering from future disasters. However, Projects for temporary measures, including those that are designed solely to prepare for future needs and not to address a recovery need of the Qualified Disaster (*e.g.,* sandbags, bladders, geotubes, newly established emergency operation centers) are ineligible for CDBG–NDR assistance. Equipment is generally ineligible for CDBG–NDR assistance unless necessary in the provision of an eligible public service or special economic development activity. Resilience measures that are not incorporated into rebuilding activities must Tie back to the Qualified Disaster and be a necessary expense related to disaster relief, long-term recovery, restoration of infrastructure, and housing, or economic revitalization. HUD has determined that, generally, designing a Project that improves Resilience to negative effects of climate change while meeting an Unmet Recovery Need is a necessary and reasonable cost of recovery.

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

(iv) Use of Funds for Disasters Not Covered by The Appropriations Act. CDBG–DR funds awarded under the NOFA and this notice are limited to activities that respond to the Qualified Disaster(s) for which HUD made the

award. However, if the Grantee addresses an unmet need that arose from a previous disaster or a previous community development need that was exacerbated by a Qualified Disaster, and this use of funds was described in the Grantee's application that was approved for funding by HUD, and included in the grant agreement, the Grantee's activity may meet the remaining unmet need. If an impact or need originating from a Qualified Disaster identified in the NOFA is subsequently exacerbated by a future disaster, in some cases funds under the NOFA and this notice may be used to address the resulting exacerbated unmet need, with prior HUD approval.

d. Use of the Urgent Need National Objective. The certification requirements for the documentation of urgent need, located at 24 CFR 570.208(c) and 24 CFR 570.483(d), are waived for the grants under this notice until two years after the date HUD obligates funds to a Grantee for the activity. In the context of disaster recovery, these standard requirements may prove burdensome and redundant. Since the Department has only selected Grantees for CDBG–NDR awards with documented disaster-related impacts (as supported by data provided by FEMA, SBA, and Applicants), each Grantee is limited to spending funds only in counties identified in the Action Plan as the Most Impacted and Distressed area.

Grantees need not issue formal certification statements to qualify an activity as meeting the urgent need national objective. Instead, each Grantee receiving a CDBG–NDR award was required to document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the Grantee. This waiver and alternative requirement allows Grantees to more effectively and quickly implement disaster recovery programs. For activities that meet the urgent need national objective, Grantees were required to reference in their Action Plan the type, scale, and location of the disaster-related impacts that each Project, program, and/or activity is addressing (Action Plans must be amended, as necessary, to ensure that this information is included for each Project, Program, or CDBG-eligible activity undertaken with CDBG–NDR funds). As a reminder, at least 50 percent of each Grantee's CDBG–NDR grant award must be used for activities that benefit low- and moderate-income persons, unless waived.

e. Obligation and Expenditure of Funds. Upon the Secretary's certification, HUD will issue a grant agreement obligating the funds to the Grantee. Funds will be obligated based on the schedule described by the Grantee in its application or later requested by the Grantee and approved by HUD. In addition, HUD will establish the line of credit and the Grantee will receive DRGR system access (if it does not have access already). The Grantee must also enter its application activities into the DRGR system before it may draw funds, as described in paragraph A.2 below.

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

g. Action Plan Amendments, Submission to HUD, Treatment of Leverage, Partners, and BCA. A Grantee is encouraged to work with its HUD representative before making any amendment to its Action Plan. HUD can help determine whether the amendment would constitute a substantial amendment, and help ensure the proposed change complies with the NOFA and all applicable requirements.

(i) Substantial Amendments. The following modifications constitute a substantial amendment requiring HUD approval: Any change to the funded portions of the Phase 1 or Phase 2 application that would result in a change of more than 5 points in the score for Capacity or Soundness of Approach factors, any change to the Most Impacted and Distressed target area(s) (a revised area must meet Most Impacted and Distressed threshold requirements in the NOFA, including Appendix G to the NOFA), any change in program benefit, beneficiaries, or eligibility criteria, the allocation or reallocation of more than $1 million, or the addition or deletion of an eligible activity. Amendments to the Action Plan that do not fall within the definition of a substantial amendment are referred to as ''nonsubstantial amendments.''

For substantial amendments, Grantees must complete the citizen participation requirements of this notice, at section 3.V.A.3, before HUD can approve the amendment. HUD will only approve a substantial amendment if the new score is still within the competitive range. If the substantial amendment criteria are triggered, HUD will review the proposed change against the rating factors and threshold criteria and consider whether the application, inclusive of the proposed change, would continue to score in the fundable range. This review is not limited to the Capacity and Soundness of Approach factors. In reviewing substantial amendments, HUD will not penalize Grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process. Additionally, in re-rating and re-ranking any substantial amendment, the Grantee's initial leverage score will remain unchanged if the Grantee will meet the amount of leverage included in its grant terms. As indicated in the NOFA, if a Grantee makes or proposes to make a substantial amendment to its Project, HUD reserves the right to amend the Grantee's award and reduce the grant amount or recapture the grant, as necessary.

(ii) Information for Substantial and Nonsubstantial Amendments. If the Grantee proposes to amend its Action Plan, each proposed amendment must be highlighted, or otherwise identified, within the context of the funded portions of the application and be submitted to HUD. All amendments must comply with provisions of this notice, including Tie-back requirements. Grantees may not amend an Action Plan to include funding for ineligible activities identified in section C.2 of the NOFA. The beginning of every proposed amendment must include a section that identifies exactly what content is being added, deleted, or changed and whether it is believed that the change would affect the scoring under the rating factors, and, thus, potentially trigger a substantial amendment. This section must also include a chart or table that clearly illustrates where funds are coming from and to where they are moving. The amendment must include a revised budget allocation table that reflects the entirety of all funds, as amended. A Grantee's most recent version of its application and its DRGR Action Plan must be accessible for viewing as a single document, at any given point in time, rather than the public or HUD having to view and cross-reference changes among multiple amendments. The requirement for each Grantee to expend funds within 2 years of the date of obligation will be enforced relative to the date activities are funded under each obligation, as applicable, even if the Action Plan is amended. Every amendment to the Action Plan (substantial and nonsubstantial) must be numbered sequentially and posted on

the Grantee's Web site. The Department will acknowledge receipt of the proposed amendment via email or letter within 5 business days of receipt. HUD may seek additional information from the Grantee to determine whether a proposed amendment is a substantial amendment.

(iii) Amendments that may affect the BCA accepted by HUD. If requested by HUD, a Grantee must submit an update to its BCA to support a request for a substantial amendment.

(iv) Leverage Accepted by HUD. Grantees are required to show, through quarterly reports as the Project proceeds, evidence that firmly committed leverage resources in the amount required by the grant terms and conditions were actually received and used for their intended purposes. The Grantee may not propose an amendment to reduce the amount of leverage pledged once a final amount is identified in the grant agreement. In re-rating and re-ranking any substantial amendment, the Grantee's initial leverage score will remain unchanged if the Grantee will meet the amount of leverage included in its grant terms. Sources of leverage funds may be substituted after grant award without affecting a Grantee's leverage score in any re-rating and re-ranking, as long as the dollar amount of leverage is equal to or greater than the total amount of leverage required by the grant terms and conditions. Substitution of a leverage source in the same amount committed and identified in the grant terms and conditions is a nonsubstantial amendment. Section 3.V.A.2.e describes additional DRGR leverage reporting requirements.

(v) Partners Accepted by HUD. The NOFA permitted a Grantee to identify a Partner in its application that the Grantee would be otherwise required by program requirements to competitively procure. A Grantee is not required to secure the services of any Partner by competitive procurement if the Partner is duly documented and identified in the application. The Department has granted permission for single source procurement of these Partners, pursuant to 2 CFR 200.320(f)(3) (cited in the NOFA as 24 CFR 85.36(d)(4)(i)(C), which has since been superseded by the Uniform Requirements) and advised State Grantees that have not adopted the local government procurement requirements in part 200 to review State requirements associated with single source procurement and to follow all applicable procurement requirements. In many cases, this will entail the Grantee undertaking a cost analysis prior to making payments to such a Partner, and the Grantee will be responsible for ensuring compliance with requirements that all CDBG–NDR costs be necessary and reasonable (for local government Grantees, see 2 CFR 200.323, for State governments that have not adopted 2 CFR 200.323, see State procurement requirements applicable to single source procurements). If a Partner dissolves the partnership after award and before activities are complete, the Grantee should make its best effort to replace the Partner with a similarly skilled Partner, if the Grantee's application was rated and ranked based on the capacity of the dissolved Partner. The Grantee's application may have to be re-rated and re-ranked based on the lost capacity unless the Grantee follows a contingency plan included in its application to address such a loss. If a Grantee wants to add a Partner that would otherwise have to be procured as a contractor after the award or if the Partner was identified in the application but was found by HUD to lack sufficient documentation, through HUD's application review process, then that selection would not be covered by the single-source permission above and would be subject to procurement requirements under 2 CFR part 200 or State law, as applicable. Additionally, as required by Appendix D to the NOFA, the Grantee shall execute a written subrecipient agreement, developer agreement, contract, or other agreement, as applicable, with each Partner regarding the use of the CDBG–NDR funds, before disbursing any CDBG–NDR funds to the Partner. The written agreement must conform with all CDBG–NDR requirements and shall require the Partner to comply with all applicable CDBG–NDR requirements, including those found in Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2), title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5302 *et seq.*), the CDBG program regulations at 24 CFR part 570, this notice and any other applicable **Federal Register** notice, and commitments made in the grantee's Phase 1 and Phase 2 applications.

2. HUD Performance Review Authorities and Grantee Reporting Requirements in the Disaster Recovery Grant Reporting System (DRGR).

a. Performance Review Authorities. Section 5304(e) of 42 U.S.C. requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the Grantee has carried out its activities in a timely manner, whether the Grantee's activities and Grantee certifications are carried out in accordance with the requirements and the primary objectives of the HCD Act and other applicable laws, and whether the Grantee has the continuing capacity to carry out those activities in a timely manner. Applicants were informed by section VI.A.4 of the General Section of the Department's broader NOFA (as amended, and made applicable by the NOFA) that the Department expects Grantees to fulfill performance promises made as part of their application. This notice waives the requirements for submission of a performance report, pursuant to 42 U.S.C. 12708 and 24 CFR 91.520. In the alternative, and to ensure consistency between grants allocated under the Appropriations Act and prior CDBG disaster recovery appropriation laws, HUD is requiring that Grantees enter information in the DRGR system in sufficient detail to permit the Department's review of Grantee performance on a quarterly basis and to enable remote review of Grantee data to allow HUD to assess compliance and risk.

b. DRGR Action Plan. Each Grantee must enter the components of its Action Plan funded through the CDBG–NDR grant into the DRGR system, including performance measures. This is referred to as the DRGR Action Plan. As more detailed information about uses of funds is identified by the Grantee, the Grantee must enter this information into the DRGR system at a level of detail that is sufficient to serve as the basis for acceptable performance reports, HUD review of compliance requirements, and citizen understanding of progress. The information must also be entered into the DRGR system so that the Grantee is able to draw its CDBG–NDR funds from the line of credit. To enter an activity into the DRGR system, the Grantee must know the activity type, national objective, and the organization that will be responsible for the activity. In addition, a Data Universal Numbering System (DUNS) number must be entered into the system for any entity carrying out a CDBG–NDR funded activity, including the Grantee, recipient(s) and subrecipient(s), contractor(s), and developers. Additionally, following execution of a grant agreement, Grantees must publish on their Web sites the DRGR Action Plan. HUD will provide clarifying guidance as to the content and format of the DRGR Action Plan, which will help ensure clear communication of CDBG–NDR activities to the public.

c. Tracking Oversight Activities in the DRGR System; Use of DRGR Data for HUD Review and Dissemination. Each Grantee must also enter into the DRGR system summary information on monitoring visits and reports, audits,

and technical assistance it conducts as part of its oversight of its disaster recovery programs. The Grantee's Quarterly Performance Report (QPR) will include a summary indicating the number of Grantee oversight visits and reports (see subparagraph e for more information on the QPR). HUD will use data entered into the DRGR Action Plan and the QPR, transactional data from the DRGR system, and other information provided by the Grantee to: (1) Provide reports to Congress and the public; as well as to (2) monitor for anomalies or performance problems that suggest fraud, abuse of funds, and duplication of benefits; (3) reconcile budgets, obligations, funding draws, and expenditures; (4) calculate expenditures to determine compliance with administrative and public service caps and the overall percentage of funds that benefit low- and moderate-income persons; and (5) analyze the risk of Grantee programs to determine priorities for the Department's monitoring.

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

e. DRGR System Quarterly Performance Report (QPR). Each Grantee must submit a QPR through the DRGR system no later than 30 days following the end of each calendar quarter. Within 3 days of submission to HUD, each QPR must be posted on the Grantee's official Web site. HUD will also post the reports via the DRGR Public Web site. The Grantee's first QPR is due after the first full calendar quarter after the grant award. For example, a grant award made in April requires a QPR to be submitted by October 30. QPRs must be submitted on a quarterly basis until the grant program is completed and meets the criteria for closeout. During the grant closeout process, a final QPR may be required by HUD to ensure complete reporting. HUD will close out CDBG–NDR grants in accordance with this notice (or other applicable **Federal Register** notice) and notice CPD 2014–02, Closeout Instructions for Community Development Block Grant (CDBG) Programs Grants, as amended, insofar as the notice applies to CDBG–DR grants.

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

3. Citizen Participation Waiver and Alternative Requirement. To permit a more streamlined process, and ensure disaster recovery grants are awarded in a timely manner, provisions of 42 U.S.C. 5304(a)(2) and (3), 42 U.S.C. 12707, 24 CFR 570.486, 91.105(b) and (c), and 91.115(b) and (c), with respect to citizen participation requirements, are waived and replaced by the requirements below.

Note that the citizen participation process is distinct from consultation requirements. The streamlined requirements mandate at least one public hearing at the Applicant's level of government for each substantial amendment, and require providing a reasonable opportunity (at least 15 days for any substantial amendment) for citizen comment and ongoing citizen access to information about the use of grant funds.

The streamlined citizen participation requirements for CDBG–NDR grants are:

a. Publication of the Action Plan, Access to Information, and Substantial Amendments: At all times, the Grantee must maintain a public Web site that contains the latest versions of its Action Plan, including the DRGR Action Plan and the version as submitted to HUD for the competition and including the following portions: Executive summary; Factor narratives; Eligibility; national objective; overall benefit; and schedule responses, threshold requirements documentation, and all exhibits (A–G) (but of the attachments, only Attachments D and F must be published); and opportunity for public comment, hearing, and substantial amendment criteria. Before the Grantee submits a proposed substantial amendment, the Grantee must publish the proposed submission, including a section that identifies exactly what content is being added, deleted, or changed, and whether it believes that the change would affect the scoring under the rating factors, and, thus, potentially trigger a substantial amendment; a chart or table that clearly illustrates where funds are coming from and to where they are moving; and a revised budget allocation table that reflects the entirety of all funds, as amended.

The manner of publication of a proposed substantial amendment must include prominent posting on the Grantee's official Web site, and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the plan or amendment's contents. The topic of disaster recovery must, for citizens, be navigable from the Grantee's homepage. Grantees are required to hold at least one public hearing to solicit public comments before finalizing each substantial amendment submission.

Grantees are also encouraged to notify affected citizens of proposed amendments and public hearings, through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with organizations located in or serving the target area or neighborhood.

Grantees are responsible for ensuring that all citizens have equal access to information about the programs, including persons with disabilities and limited English proficiency (LEP). Each Grantee must ensure that program information is available in the appropriate languages for the geographic area served by the jurisdiction and the appropriate format for persons with disabilities.

For assistance in ensuring that this information is available to LEP populations, recipients should consult the Final Guidance to Federal Financial Assistance Recipients Regarding Title VI, Prohibition Against National Origin Discrimination Affecting Limited

English Proficient Persons, published on January 22, 2007, in the **Federal Register** (72 FR 2732).

Subsequent to publication of any proposed substantial amendment, the Grantee must provide a reasonable time frame and method(s) (including electronic submission) for receiving comments on the submission. A summary by topic of all comments received on the amended submission and a list of commenters by name or organization must be submitted to HUD along with the submission.

Following execution of a grant agreement, the Grantee must post on its Web site the DRGR Action Plan that reflects the components funded through CDBG–NDR funds. HUD will provide clarifying guidance as to the content and format of the DRGR Action Plan that will help ensure clear communication of CDBG–NDR activities to the public. Subsequent to award, a Grantee may substantially amend the Action Plan if it follows the citizen participation requirements in this notice, and HUD agrees in writing that the initial application, inclusive of the proposed amendment, would still score in the fundable range for the competition.

b. Nonsubstantial Amendment. The Grantee is not required to undertake public comment when it makes any Action Plan amendment that is not substantial. The Grantee must impose an effective date 5 business days after submission to HUD.

c. Physical Accessibility. Meetings must be held in facilities that are physically accessible to persons with disabilities, or where physical accessibility is not achievable, Grantees and Partners must give priority to alternative methods of product or information delivery regarding programs and activities to qualified individuals with disabilities in the most integrated setting appropriate, in accordance with HUD's implementing regulations for section 109 of the HCD Act and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) at 24 CFR part 8 and all applicable laws and regulations. In addition, all notices of and communications during all training sessions and public meetings shall be provided in a manner that is effective for persons with hearing, visual, and other communication-related disabilities, or provide other means of accommodation for persons with disabilities, consistent with section 504 of the Rehabilitation Act of 1973 and HUD's section 504 regulations. See 24 CFR part 8.6.

d. Additional Post-Award Requirements. The Grantee must update its citizen participation plan for CDBG–NDR grants to reflect the requirements of this notice. The purpose of this plan is to inform citizens of the citizen complaint process and the Grantee's response policy, the methods through which the public can learn about the grant and activity status, and the process the city will use to amend the Action Plan. The plan must satisfy the requirements of 24 CFR 91.105 or 91.115, as applicable (except as provided for in notices providing waivers and alternative requirements for this grant).

(1) Web site. The topic of disaster recovery must be navigable by citizens from the Grantee (or relevant agency) homepage. Grantees are also encouraged to notify affected citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with neighborhood organizations.

(2) Availability and Accessibility of the Application/Action Plan and the DRGR Action Plan. The Grantee must make the previously published portions of the Application, the Application as submitted to HUD, the DRGR Action Plan, any Action Plan amendments, and all performance reports available to the public on its Web site and on request. In addition, the Grantee must make these documents available in a form accessible to persons with disabilities and non-English-speaking persons. During the term of the grant, the Grantee will provide citizens, affected local governments, and other interested parties with reasonable and timely access to information and records relating to the Application and to the Grantee's use of grant funds.

(3) Citizen Complaints. The Grantee will provide a timely written response to every citizen complaint. As required by law, the Grantee will provide a response within 15 working days of the receipt of the complaint, if practicable.

4. Direct Grant Administration and Means of Carrying Out Eligible Activities.

a. Requirements Applicable to State Grantees. Requirements at 42 U.S.C. 5306 are waived, to the extent necessary, to allow a State to directly carry out eligible activities with CDBG–NDR funds, rather than distribute all funds to local governments. Experience in administering CDBG supplemental disaster recovery funding demonstrates that this practice can expedite recovery. Pursuant to this waiver, the standard at section 570.480(c), the provisions at 42 U.S.C. 5304(e)(2), and the CDBG State program regulations will also include activities that the State carries out directly. In addition, activities eligible under the NOFA may be carried out, subject to State law, by the State through its employees, through procurement contracts, or through assistance provided under agreements with subrecipients or recipients, so long as the State is consistent with its Action Plan, including description of capacity and commitments to work with Partners. Notwithstanding this waiver, State Grantees continue to be responsible for civil rights, labor standards, and environmental protection requirements contained in the HCD Act and 24 CFR part 570, as well as ensuring such compliance by subgrantees.

b. Requirements for All Grantees — Direct Administration and Assistance to Neighborhood Organizations Described in 42 U.S.C 5305(a)(15) of the HCD Act. Activities made eligible at 42 U.S.C. 5305(a)(15) may only be undertaken by the eligible entities described in that section, whether the assistance is provided to such an entity from the State or from a local government.

5. Consolidated Plan Waiver. To the extent that the Grantee did not receive points for consistency with the Consolidated Plan for the jurisdiction in which the Most Impacted and Distressed area is located, HUD is waiving the requirement for consistency with the consolidated plan, for no longer than 6 months (requirements at 42 U.S.C. 12706, 24 CFR 91.325(a)(5), 91.225(a)(5), 91.325(b)(3), and 91.225(b)(3)), because the effects of a major disaster alter a Grantee's priorities for meeting housing, employment, and infrastructure needs. In conjunction, 42 U.S.C. 5304(e), to the extent that it would require HUD to annually review Grantee performance under the consistency criteria, is also waived for 6 months. All applications that did not submit the Certification of Consistency with the Consolidated Plan (form HUD–2991) in the attachments must update the Consolidated Plan within 6 months of grant award. At a minimum, the updated consolidated plan must include the criteria discussed in this notice. If not completed since the Qualified Disaster that led to the Grantee's eligibility under the NOFA, a Grantee must update its Analysis of Impediments to Fair Housing Choice in coordination with its post-waiver consolidated plan update or within the 18 months after the consolidated plan update, so that it more accurately reflects conditions following the disaster.

6. Requirement for Consultation During Plan Preparation. Currently, the statute and regulations require States to consult with affected units of local

government in nonentitlement areas of the State in determining the State's proposed method of distribution. Because Grantees complied with the extensive consultation requirements of the NOFA, including Appendix I to the NOFA, HUD is waiving 42 U.S.C. 5306(d)(2)(C)(iv), 42 U.S.C. 5306(d)(2)(D), and 24 CFR 91.325(b) and 91.110, to permit Grantees to rely on the consultation completed during Phase 1 and Phase 2 of the competition. No additional consultation is necessary to carry out the Project or program for which the Grantee received an allocation of CDBG–NDR funds.

7. Overall Benefit Waiver and Alternative Requirement. The primary objective of the HCD Act is the ''development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.'' (42 U.S.C. 5301(c)). To carry out this objective, the statute requires that 70 percent of the aggregate of a CDBG program's funds be used to support activities benefitting low- and moderate-income persons. This target could be difficult to reach, and perhaps even impossible, for many Grantees affected by the Qualified Disasters. CDBG–NDR Grantees experienced disaster impacts that affected entire communities—regardless of income—and the existing requirement may prevent Grantees from providing assistance to damaged areas of need. Therefore, this notice waives the requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A),and 24 CFR 570.484 and 570.200(a)(3), that 70 percent of funds be used for activities that benefit low- and moderate-income persons. Instead, 50 percent of funds must benefit low- and moderate-income persons. This provides Grantees with greater flexibility to carry out recovery activities by allowing up to 50 percent of the grant to assist activities under the urgent need or prevention or elimination of slums or blight national objectives.

A Grantee may seek a waiver to reduce the overall benefit requirement below 50 percent of the total grant (see instructions to request waivers in section 3.V), but overall benefit waivers are uncommon and Grantees, generally, must have submitted a request and justification for this waiver with its application. The 50 percent overall benefit requirement will not be reduced unless the Secretary specifically finds that there is a compelling need to further reduce the threshold.

8. Use of the ''Upper Quartile'' or ''Exception Criteria'' for Low- and Moderate-Income Area Benefit Activities. Per the requirements at 42 U.S.C. 5305(c)(2)(A), certain communities are allowed to use a percentage of less than 51 percent to qualify activities under the low- and moderate-income area benefit category. This exception is referred to as the ''exception criteria'' or the ''upper quartile.'' For entitlement communities that meet the regulatory exception criteria, the State (or its subgrantee, if permitted by the State) may apply the criteria if acting directly in that community.

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

10. Grant Administration Responsibilities and General Administration Cap.

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

b. General administration Cap. For grants under this notice, the annual CDBG program administration requirements must be modified to be consistent with the Appropriations Act, which allows up to 5 percent of the grant award, inclusive of any program income, to be used for general administration costs, by the Grantee, by local governments, or by subrecipients. Thus, the total of all costs charged to the grant and classified as general administration must be less than or equal to the 5 percent cap. (See Notice CPD 13–07 for additional guidance regarding classification of general administration costs.)

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

(2) Local Government Grantees Are Also Subject to the 5 Percent Administrative Cap. This 5 percent applies to all general administration costs, whether incurred by the Grantee or its subrecipients. Local government Grantees also remain limited to spending 20 percent of the total CDBG–NDR award on a combination of planning and general administration costs.

(3) Planning and Administrative Costs Pledged as Leverage: Grantees cannot charge to the grant any administrative and planning costs pledged as leverage.

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

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

12. Waiver And Alternative Requirement for Distribution to CDBG Metropolitan Cities and Urban Counties—Applicable to State Grantees Only. Section 5302(a)(7) of 42 U.S.C. (definition of ''nonentitlement area'') and provisions of 24 CFR part 570 that would prohibit or restrict a State from distributing CDBG funds to entitlement communities and Indian tribes under the CDBG program, are waived, including 24 CFR 570.480(a) and 570.486(c) (revised April 23, 2012). Instead, the State may distribute funds to local governments and Indian tribes.

13. Use of Subrecipients—Applicable to State Grantees Only. The State CDBG program rule does not make specific provision for the treatment of entities that the CDBG Entitlement program calls ''subrecipients.'' The waiver allowing the State to directly carry out activities creates a situation in which the State may use subrecipients to carry out activities in a manner similar to an entitlement community. Therefore, for States taking advantage of the waiver to carry out activities directly through a subrecipient, the requirements at 24 CFR 570.503, 570.500(c), and 570.489(m) apply, except only the specific references to 2 CFR part 200 made applicable by the State CDBG regulations must be included in subrecipient agreements. Pursuant to 24 CFR 570.489(p) (revised December 7, 2015), a State Grantee must ensure that its costs and those of its State recipients and subrecipients are in conformance with 2 CFR part 200, subpart E, as may be amended, where carrying out activities directly, including through the use of a subrecipient.

14. Recordkeeping.

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

b. Local Government Grantees. Entitlement Grantees remain subject to the recordkeeping requirements of 24 CFR 570.506.

15. Change of Use of Real Property—Applicable to State Grantees Only. This waiver conforms to the change of the use of real property rule to the waiver allowing a State to carry out activities directly. For purposes of this program, all references to ''unit of general local government'' in 24 CFR 570.489(j) shall be read as ''unit of general local government or State.''

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

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

a. Definition of Program Income.

(1) For the purposes of this subpart, ''program income'' is defined as gross income generated from the use of CDBG–NDR funds and received by a State, local government, or tribe, or a subrecipient of a State, local government, or tribe, unless excluded from the definition as described in paragraph 17.a.(2) and paragraph 17.d below. When income is generated by an activity that is only partially assisted with CDBG–NDR funds, the program income to the CDBG–NDR grant shall be prorated to reflect the percentage of CDBG–NDR funds used (*e.g.,* a single loan supported by CDBG–NDR funds and other funds; a single parcel of land purchased with CDBG–NDR funds and other funds). Program income includes, but is not limited to, the following:

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

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

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

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

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

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

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

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

(i) Funds collected through special assessments made against properties owned and occupied by households not of low- and moderate-income, where the special assessments are used to recover

all or part of the CDBG–NDR portion of a public improvement; and

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

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

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

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

b. Retention of Program Income. Per 24 CFR 570.504(c), a local government Grantee receiving a direct CDBG–NDR award may permit a subrecipient to retain program income. State Grantees may permit a local government or tribe, which receives or will receive program income, to retain the program income, but are not required to do so.

c. Program Income—Use, Closeout, and Transfer.

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

(2) In addition to the regulations dealing with program income found at 24 CFR 570.489(e) and 570.504, modified by this notice, the following rules apply: A Grantee may transfer program income before closeout of the CDBG–NDR grant that generated the program income to its annual CDBG program. In addition, a State Grantee may transfer program income before closeout to any annual CDBG-funded activities carried out by a local government or Indian tribe within the State, including a local government that is an Entitlement CDBG grantee if that Entitlement grantee received CDBG disaster recovery assistance from the State or from HUD under Public Law 113–2.

Program income received by a Grantee, or received and retained by a subgrantee, after closeout of the grant that generated the program income, may also be transferred to a Grantee's annual CDBG award. In all cases, any program income received, and not used to continue disaster recovery activities, will not be subject to the waivers and alternative requirements of this notice. Rather, those funds will be subject to the Grantee's non-disaster formula CDBG program rules.

d. Revolving Loan Funds. Entitlement Grantees, State Grantees, and local governments or tribes (as permitted by a State Grantee) may establish revolving funds to carry out specific, identified activities. A revolving fund, for this purpose, is a separate fund (with a set of accounts that are independent of other program accounts) established to carry out specific activities. These activities generate payments, which will be used to support similar activities going forward. These payments to the revolving fund are program income and must be substantially disbursed from the revolving fund before additional grant funds are drawn from the U.S. Treasury for payments that could be funded from the revolving fund. Such program income is not required to be disbursed for nonrevolving fund activities.

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

18. Reimbursement of Disaster Recovery Expenses. Grantees may not use CDBG–NDR grant funds to pay for any activities carried out on or before the date of the letter notifying the grantee of the award of the grant, except that grant funds may be used to reimburse CDBG–NDR eligible costs of grant application preparation, including planning and citizen outreach activities. The provisions of 24 CFR 570.489(b) are applied to permit a State to reimburse itself for otherwise allowable application-related costs incurred by itself or its recipients, subgrantees or subrecipients (including public housing authorities) on or after the date of publication of the initial CDBG–NDR NOFA. An entitlement Grantee is subject to the provisions of 24 CFR 570.200(h) but may reimburse itself or its subrecipients for otherwise allowable application-related costs incurred on or after the publication date of the initial CDBG–NDR NOFA. Section 570.200(h)(1)(i) of 24 CFR will not apply to the extent that it requires preagreement activities to be included in a consolidated plan. The Department expected Grantees to include all preagreement activities in their applications. The provisions at 24 CFR 570.200(h) and 570.489(b), as modified by this paragraph, apply to Grantees reimbursing application-related costs incurred by itself or its recipients or subrecipients prior to signing a grant agreement with HUD.

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

a. One-for-One Replacement. One-for-one replacement requirements at section 104(d)(2)(A)(i)–(ii) and (d)(3) and 24 CFR 42.375 are waived in connection with funds allocated under this notice for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The Section 104(d) one-for-one replacement requirements generally apply to demolished or converted occupied and vacant occupiable lower-income dwelling units.

This waiver exempts disaster-damaged units that meet the Grantee's definition of ''not suitable for rehabilitation'' from the one-for-one replacement requirements. Before carrying out a program or activity which may be subject to the one-for-one replacement requirements, the Grantee must define ''not suitable for rehabilitation'' in its application or in policies/procedures governing these programs and activities. Grantees with questions about the one-for-one replacement requirements are encouraged to contact the HUD regional relocation specialist responsible for their State.

HUD is waiving the one-for-one replacement requirements because they do not account for the large, sudden changes that a major disaster may cause to the local housing stock, population, or economy. Furthermore, the requirements may discourage Grantees from converting or demolishing disaster-damaged housing when excessive costs would result from

replacing all such units. Disaster-damaged housing structures that are not suitable for rehabilitation can pose a threat to public health and safety and may impede economic revitalization. Grantees should reassess post-disaster population and housing needs to determine the appropriate type, amount, and location of lower-income dwelling units to rehabilitate and/or rebuild. Grantees should note, however, that the demolition and/or disposition of Public Housing Authority-owned public housing units is covered by section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970, neither of which is waived by this notice.

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

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

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

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

f. Moving Expenses. The requirements at section 202(b) of the URA and 49 CFR 24.302, which require that a Grantee offer a displaced person the option to receive a fixed moving cost payment based on the Federal Highway Administration's Fixed Residential Moving Cost Schedule instead of receiving payment for actual moving and related expenses, are waived. As an alternative, the Grantee must establish and offer the person a ''moving expense and dislocation allowance'' under a schedule of allowances that is reasonable for the jurisdiction and that takes into account the number of rooms in the displacement dwelling, whether the person owns and must move the furniture, and, at a minimum, the kinds of expenses described in 49 CFR 24.301.

Without this waiver and alternative requirement, disaster recovery may be impeded by requiring Grantees to offer allowances that do not reflect current local labor and transportation costs. Persons displaced from a dwelling remain entitled to choose a payment for actual reasonable moving and related expenses if they find that approach preferable to the locally established ''moving expense and dislocation allowance.''

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

20. Environmental Requirements.

a. Clarifying Note on the Process for Environmental Release of Funds When a State Carries Out Activities Directly. In the CDBG program, a State distributes CDBG Funds to local governments and takes on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. For State Grantees under this notice, HUD allows the State to carry out activities directly, in addition to distributing funds to subrecipients and/or subgrantees. Thus, per 24 CFR 58.4, when a State carries out activities directly, the State must submit the certification and request for release of funds to HUD for approval.

b. Adoption of Another Agency's Environmental Review. In accordance with the Appropriations Act, recipients of Federal funds that use such funds to supplement Federal assistance provided under sections 402, 403, 404, 406, 407, or 502 of the Stafford Act may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval, or permit that is required by the HCD Act. The Grantee must notify

HUD in writing of its decision to adopt another agency's environmental review. The Grantee must retain a copy of the review in the Grantee's environmental records.

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

d. Historic Preservation Reviews. To facilitate expedited historic preservation reviews under section 106 of the National Historic Preservation Act of 1966 (54 U.S.C. 306108), HUD strongly encourages Grantees to allocate general administration funds to support the capacity of the State Historic Preservation Officer (SHPO)/Tribal Historic Preservation Officer (THPO) to review CDBG–NDR Projects.

21. Procurement.

a. State Grantees. Per 24 CFR 570.489(d), a State must have fiscal and administrative requirements for expending and accounting for all funds. Additionally, States and State subgrantees (Units of General Local Governments) and subrecipients) shall follow requirements of 24 CFR 570.489(g). HUD is imposing a waiver and alternative requirement to require the State to establish requirements for procurement policies and procedures based on full and open competition for subrecipients, in addition to units of general local government.

The State can comply with the requirement under 24 CFR 570.489(g) to follow its procurement policies and procedures and establish procurement requirements for its UGLGs and subrecipients in one of three ways (subject to 2 CFR 200.110, as applicable):

(i) A State can follow its existing procurement policies and procedures and establish requirements for procurement policies and procedures for units of general local government and subrecipients, based on full and open competition, that specify methods of procurement (*e.g.,* small purchase, sealed bids/formal advertising, competitive proposals, and noncompetitive proposals) and their applicability;

(ii) A State can adopt 2 CFR 200.317, which requires the State to follow the same policies and procedures it uses for procurements from its non-Federal funds and comply with 2 CFR 200.322 (procurement of recovered materials) and 2 CFR 200.326 (required contract provisions), but requires the State to make its subrecipients and UGLGs follow 2 CFR 200.318 through 200.326; or

(iii) A State can adopt the provisions that apply to CDBG entitlement grantees (2 CFR 200.318 through 2 CFR 200.326) for itself and its subgrantees (subrecipients and units of general local government).

b. Direct Grants to Local Governments. Any unit of general local government receiving a direct grant from HUD is subject to procurement requirements in the Uniform Administrative Requirements at 2 CFR 200.318 through 2 CFR 200.326 (subject to 2 CFR 200.110, as applicable).

c. Additional Requirements Related to Procurement (States and Local Governments). HUD may request periodic updates from grantees that employ contractors. A contractor is a third-party firm that the grantee acquires through a procurement process to perform specific functions, consistent with the procurement requirements in the CDBG program regulations. A subrecipient is not a contractor (see 2 CFR 200.330). Grantees are also required to ensure all contracts and agreements (with subrecipients, recipients, and contractors) clearly state the period of performance or date of completion. Grantees must incorporate performance requirements and penalties into each contract or agreement. The Appropriations Act requires HUD to provide Grantees with technical assistance on contracting and procurement processes.

22. Public Web site. The Appropriations Act requires Grantees to maintain a public Web site that provides information accounting for how all grant funds are used and managed/administered, including details of all contracts and ongoing procurement policies. To meet this requirement, each Grantee must make the following items available on its Web site: The Action Plan (including the latest version of its Action Plan, the latest version of its DRGR Action Plan, the version as submitted to HUD for the competition, and all amendments, as described in section 3.V.A.3 of this notice); each QPR (as created using the DRGR system) detailing expenditures for each contractor; procurement policies and procedures; executed CDBG–NDR contracts; and the status of services or goods currently being procured by the Grantee (*e.g.,* phase of the procurement, requirements for proposals, etc.).

23. Timely Distribution of Funds. The provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with the following alternative requirement: Grantees must adhere to the requirement in section 904(c) of the Appropriations Act, which requires that all funds be expended within 2 years of the date HUD obligates funds to a Grantee, as described in section 3.II.A.1.a in this notice. HUD expects each Grantee to expeditiously obligate and expend all funds, including any recaptured funds or program income, and to carry out activities in a timely manner to ensure this deadline is met.

Additionally, to track Grantees' progress, HUD will evaluate timeliness in relation to each Grantee's established projection schedules (see section 3.II. B and section 3.V.A.1.j of this notice). The Department will, absent substantial evidence to the contrary, deem a Grantee to be carrying out its programs and activities in a timely manner if the schedule for carrying out its activities is substantially met. In determining the appropriate corrective action pursuant to this section, HUD will take into account the extent to which unexpended funds have been obligated by the Grantee and its subrecipients for specific activities at the time the finding is made and other relevant information. As stated in the NOFA, if a Grantee does not proceed within a reasonable time frame, HUD reserves the right to withdraw any funds the Grantee has not obligated under their award. If funds are withdrawn prior to September 30, 2017, HUD shall redistribute any withdrawn amounts to one or more other jurisdictions eligible for CDBG–DR funding.

24. Review of Continuing Capacity to Carry Out CDBG-Funded Activities in a Timely Manner. If HUD determines at any time that the Grantee has not carried out its CDBG–NDR activities and certifications in accordance with the requirements and criteria described in this notice, HUD will undertake a further review to determine whether or not the Grantee has the continuing capacity to carry out its activities in a timely manner. In making the determination, the Department will consider the following alternative requirements to provisions under 42 U.S.C. 5304(e): The nature and extent of the Grantee's performance deficiencies, types of corrective actions the Grantee has undertaken, and the success or likely success of such actions.

25. Corrective and Remedial Actions. To ensure compliance with the

requirements of the Appropriations Act and to effectively administer the CDBG–NDR program in a manner that facilitates recovery, particularly the alternative requirements permitting States to act directly to carry out eligible activities, HUD is waiving 42 U.S.C. 5304(e) of the HCD Act to the extent necessary to impose the following alternative requirement: HUD may undertake corrective and remedial actions for States in accordance with the authorities applicable to entitlement Grantees in subpart O (including corrective and remedial actions in 24 CFR 570.910, 570.911, and 570.913) or under subpart I of the CDBG regulations at 24 CFR part 570. Before determining appropriate corrective actions, HUD will notify the Grantee of the procedures applicable to its review. As in the annual CDBG program, in accordance with 24 CFR 570.300, the policies and procedures set forth in subpart O apply to local governments receiving direct grants from HUD.

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

B. Common Eligibility Waivers and Alternative Requirements and Other Provisions: Housing, Floodplain Issues, Infrastructure, Economic Revitalization

1. Housing-Related Eligibility Waivers. The broadening of 42 U.S.C. 5305(a)(24) is necessary following major disasters in which large numbers of affordable housing units have been damaged or destroyed, as is the case of the disasters eligible under this notice. Thus, 42 U.S.C. 5305(a) is waived to the extent necessary to allow: Homeownership assistance for households with up to 120 percent of the area median income, down payment assistance for up to 100 percent of the down payment (an increase from the limit in 42 U.S.C. 5305(a)(24)(D)), and new housing construction. While homeownership assistance may be provided to households with up to 120 percent of the area median income, only those funds used to serve households with up to 80 percent of the area median income may qualify as meeting the low- and moderate-income person benefit national objective.

2. Housing incentives. Incentive payments are generally offered in addition to other programs or funding (such as insurance), to encourage households to relocate in a suitable housing development or an area promoted by the community's comprehensive recovery plan. For example, a Grantee may offer an incentive payment (possibly in addition to a buyout payment) for households that volunteer to relocate outside of a floodplain or to a lower-risk area. Therefore, 42 U.S.C. 5305(a) and associated regulations are waived to the extent necessary to allow the provision of housing incentives. Grantees providing housing incentives must maintain documentation, at least at a programmatic level, describing how the amount of assistance was determined to be necessary and reasonable. Incentives to relocate individuals outside of a floodplain, when combined with acquisition that would lead to redevelopment in the floodplain, is not permissible if it does not increase Resilience. When assessing compliance under this alternative requirement, HUD will look closely at how those activities that include housing incentives are necessary and reasonable, are consistent with the BCA submitted with the application, and increase Resilience. In addition, the incentives must be in accordance with the Grantee's Action Plan and any other program policies. Note that this waiver does not permit a compensation program. Additionally, a Grantee may require the incentive to be used for a particular purpose by the household receiving the assistance.

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

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

a. Buyout Requirements.

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

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

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

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

(5) All buyout activities must be classified using the ''buyout'' activity type in the DRGR system.

(6) Any State Grantee implementing a buyout program or activity must consult with affected local governments.

b. Redevelopment of Acquired Properties.

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

(2) Grantees may redevelop an acquired property if: (a) The property is not acquired through a buyout program, and (b) the purchase price is based on the property's post-flood fair market

value (the pre-flood value may not be used). In addition to the purchase price, Grantees may opt to provide relocation assistance to the owner of a property that will be redeveloped if the property is purchased by the Grantee or subgrantee through voluntary acquisition, and the owner's need for additional assistance is documented.

(3) In carrying out acquisition activities, the Grantee must ensure compliance with its long-term redevelopment plans.

5. Alternative Requirement for Housing Rehabilitation—Assistance for Second Homes. The Department is instituting an alternative requirement to the rehabilitation provisions at 42 U.S.C. 5305(a) as follows: A ''second home'', as defined in IRS Publication 936 (Home Mortgage Interest Deductions), is not eligible for rehabilitation assistance, residential incentives, or to participate in a CDBG–NDR buyout program (as defined by this notice).

6. Floodplains and Flood Insurance. Grantees, recipients, and subrecipients must implement procedures and mechanisms to ensure that assisted property owners comply with all flood insurance requirements, including the purchase and notification requirements described below, prior to providing assistance. For additional information, please consult with the Field Environmental Officer in the local HUD Field Office, or review the guidance on flood insurance requirements on HUD's Web site. Additional requirements for flood insurance, future Federal disaster assistance, and flood control structures are included below.

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

b. Future Federal Assistance to Owners Remaining in a Floodplain.

(1) Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a) prohibits flood disaster assistance in certain circumstances. In general, it provides that no Federal disaster relief assistance made available in a flood disaster area may be used to make a payment (including any loan assistance payment) to a person for repair, replacement, or restoration for damage to any personal, residential, or commercial property if that person, at any time, has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has, subsequently, failed to obtain and maintain flood insurance, as required under applicable Federal law, on such property. This means that a Grantee may not provide disaster assistance for the repair, replacement, or restoration to a person who has failed to meet this requirement.

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

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

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

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

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

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

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

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

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

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

c. Floodplain Management. HUD CDBG–NDR grants must conform to Executive Orders 11988, on Floodplain Management, and 11990, on Wetlands, as well as HUD's regulations at 24 CFR parts 55 and 58, which may include identifying alternate locations, and, as necessary, modifying the Project.

d. Federally Funded Levees, Floodwalls, and Other Flood Control Structures. The requirements in this section apply to new structures and improvements to existing structures.

(1) Operation and Maintenance. HUD expects the Grantee or one of its Partners to take responsibility for operating and maintaining any levee, floodwall, or other flood control structure.

(2) Purpose. One function of such a structure must be for the purpose of providing flood protection for existing structures at risk of flooding, although the CDBG–NDR Project incorporating such a structure must also meet an Unmet Recovery Need and may include co-benefits that meet other community development objectives, but must not be created to reduce flooding to currently undeveloped land.

(3) Special Requirements for Levees. A levee or levee system (new or existing) proposed under this NOFA must be technically sound (*i.e.,* levee is tied off to high ground, is geotechnically stable, etc.), well maintained, and provide reliable flood protection. Any levee Project carried out as a CDBG–NDR activity must meet FEMA accreditation standards upon completion and the Sources and Uses statement must identify, and the

Leverage response commit to providing a source of funding for operations and maintenance of the levee in perpetuity.

If HUD provides funding for such a structure under this notice, the grant terms and conditions will require the Grantee to upload into the DRGR system (and, if directed by HUD, the National Levee Database) shape files or other geographic information system data delineating the exact location of the assisted structure and of the area served and protected by the structure (meaning the area subject to inundation to any depth in the event of a levee breach at any location), and to provide additional data for input to the National Levee Database, including the status of the levee under the U.S. Army Corps of Engineers Public Law 84–99 Program (Levee Rehabilitation and Improvement Program), accreditation status under the National Flood Insurance Program; levee owner/operator, and public party that is legally responsible for the maintenance of the levee; number of all structures, and of people that reside, in the leveed area; critical structures and facilities in the leveed area, as-built plans sealed by a licensed professional engineer; levee cross-section plots and coordinates; levee features (*i.e.,* gravity drains, pump stations relief wells, boreholes, etc.); levee design flow; levee design frequency; level of freeboard being no less than 3 vertical feet; and points of contact for public safety/emergency management and repository for the Levee Emergency Action Plan, levee operations and maintenance, and flood risk/floodplain management plan for the levee.

Information provided to HUD for submission to the National Levee Database (or to the database, as directed by HUD) is to be updated on an annual basis or any time that there is a change in the status of the levee, including updates to the inspection date, inspection type, and inspection rating of the levee. This information will be shared with FEMA, the U.S. Army Corps of Engineers, members of the House and Senate appropriations committees, and any other interested Federal agencies and affected parties, as appropriate. This information is intended to be used to ensure that no additional Federal resources are used for operations and maintenance of the structure in the future.

(4) Public Notification. In addition, because occupants in the floodplain behind flood control structures are at risk when the levee or other structure is overtopped or fails, the grant terms and conditions governing HUD funding for any levee, floodwall, or other flood control structure will require the Grantee to provide, to all property owners, businesses, and residents in the leveed area, notification of the presence, condition, and level of protection of the levee, on no less than an annual basis. This notification must include messages regarding public safety information and evacuation procedures, promotion of flood insurance, family and business evacuation planning, and point of contact for reports of any problems, questions, and additional information related to the structure.

7. Use of CDBG–NDR as Match and Order of Assistance Between FEMA, U.S. Army Corps of Engineers, and CDBG–NDR. As provided by the HCD Act, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to carry out an eligible CDBG–NDR activity. This includes programs or activities administered by FEMA or the U.S. Army Corps of Engineers. By law, the amount of CDBG–NDR funds that may be contributed to a U.S. Army Corps of Engineers Project is $250,000 or less. However, the Appropriations Act prohibits use of funds for any activity reimbursable by, or for which funds are made available by, FEMA or the U.S. Army Corps of Engineers.

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

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

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

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

10. Clarifying note on Section 3 Resident Eligibility and Documentation Requirements. The definition of ''low-income persons'' in 12 U.S.C. 1701u and 24 CFR 135.5, is the basis for eligibility as a Section 3 resident. This notice authorizes Grantees to determine that an individual is eligible to be considered a Section 3 resident if the annual wages or salary of the person are at, or under, the HUD-established income limit for a one-person family for the jurisdiction.

11. Waiver and Modification of the Job Relocation Clause to Permit Assistance to Help a Business Return. Traditional CDBG requirements prevent program participants from providing assistance to a business to relocate from one labor market area to another, if the relocation is likely to result in a significant loss of jobs in the labor market from which the business moved.

This prohibition can be a critical barrier to reestablishing and rebuilding a displaced employment base after a major disaster. Therefore, 42 U.S.C. 5305(h), 24 CFR 570.210, and 24 CFR 570.482(h) are waived to allow a Grantee to provide assistance to any eligible business that was operating in the disaster-declared labor market area before the incident date of the applicable disaster and has since

moved, in whole or in part, from the affected area to another State or to a labor market area within the same State to continue business. 12. Alternative Requirement for Assistance to Businesses, Including Privately-Owned Utilities. The Department is instituting an alternative requirement to the provisions at 42 U.S.C. 5305(a) as follows: When CDBG–NDR Grantees provide funds to for-profit businesses, such funds may only be provided to a small business, as defined by the SBA under 13 CFR part 121. CDBG–NDR funds may not be used to directly assist a privately owned utility for any purpose. Note that a private utility may be a Partner to the Applicant for purposes of implementing a CDBG–NDR program.

C. Certifications and Collection of Information

1. Certifications Waiver and Alternative Requirement. Sections 91.325 and 91.225 of title 24 of the Code of Federal Regulations are waived, and as an alternative requirement, each State or local government that applied for an award under the NOFA are held to the certifications required by Appendix F to the NOFA and submitted with its Phase 1 and its Phase 2 applications as a requirement for funding.

a. As required by the NOFA, an Applicant signing the SF–424 cover page, either through electronic submission or in paper copy submission (for those Applicants granted a waiver to submit in paper), affirms that the certifications and assurances associated with the Application are material representations of the facts upon which the Department will rely when making an award to the Applicant. If it is later determined that the signatory to the application submission knowingly made a false certification or assurance or did not have the authority to make a legally binding commitment for the Applicant, the Applicant may be subject to criminal prosecution, and the Department may terminate the award to the Applicant organization or pursue other available remedies.

b. Affirmatively Furthering Fair Housing Certification. All activities under this notice shall be carried out in a manner that affirmatively furthers fair housing, as required by section 808(e)(5) of the Fair Housing Act, as amended (42 U.S.C. 3608(e)(5)). Each Applicant made the required certification for CDBG–NDR activities included in Appendix F of the NOFA.

Grantees shall adhere to the certifications included in Appendix F of the NOFA and 24 CFR 570.601, and take appropriate actions to support and document compliance with the certification.

2. Information Collection Approval Note. The information collection requirements contained in this document were approved by OMB under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501–3520) and assigned OMB Control Number [Paperwork Reduction Act Number 2506–0203]. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information, unless the collection displays a currently valid OMB control number. The public reporting burden for the collection of information following the award of funds is estimated to average 56.2 hours per annum, per respondent, for grant set-up and administration. This includes the time for executing the grant agreement, establishing the grant within the DRGR system, voucher submissions, and quarterly reports. The information will be used for monitoring the administration of funds. Response to this request for information is required in order to receive the benefits to be derived.

Section 4: Duration of Funding

CDBG–NDR funds are subject to 31 U.S.C. 1552(a), and, therefore, are to remain available for expenditure for 5 years following the period of availability for obligation. All funds under the Appropriations Act must be expended by September 30, 2022. In addition, the Appropriations Act requires that HUD obligate all CDBG–NDR funds by September 30, 2017. The Appropriations Act (Section 904(c) of title IX in division A) also requires that all funds be expended within 2 years of the date HUD obligates funds. For more information, including information on extensions, see section 3.II of this notice.

Section 5: Catalog of Federal Domestic Assistance

The primary Catalog of Federal Domestic Assistance (CFDA) number for the disaster recovery grants under this notice is 14.272. Additional supporting CFDAs are 14.218 and 14.228.

Section 6: Finding of No Significant Impact

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

Dated: June 1, 2016.

Nani A. Coloretti,

Deputy Secretary.

[FR Doc. 2016–13430 Filed 6–6–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5913–N–12]

60-Day Notice of Proposed Information Collection: Pay for Success Pilot Application Requirements

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

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. The Budget-Neutral Demonstration Program for Energy and Water Conservation Improvements at Multifamily Housing Residential Units (Pay for Success Pilot) authorizes HUD to establish a competitive process for selecting one or more qualified intermediaries who will, per agreements with HUD, be responsible for initiating and managing an energy and water conservation retrofit program. These retrofits are authorized at properties participating in the project-based rental assistance (PBRA) program under section 8 of the United States Housing Act of 1937; supportive housing for the elderly program operating under section 202 of the Housing Act of 1959; and supportive housing for persons with disabilities under section 811(d)(2) of the Cranston-Gonzalez National

Dated: August 9, 2016.

Colette Pollard,

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

[FR Doc. 2016–19403 Filed 8–12–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5909–N–56]

30-Day Notice of Proposed Information Collection: Alternative Inspections—Housing Choice Voucher Program

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD has submitted the proposed information collection requirement described below to the Office of Management and Budget (OMB) for review, in accordance with the Paperwork Reduction Act. The purpose of this notice is to allow for an additional 30 days of public comment.

DATES: *Comments Due Date:* September 14, 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: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202–395–5806. Email: *OIRA_Submission@omb.eop.gov.*

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QMAC, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette.Pollard@hud.gov* or telephone 202–402–3400. 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.

The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on March 29, 2016 at 81 FR 17488.

A. Overview of Information Collection

Title of Information Collection: Alternative Inspections—Housing Choice Voucher Program.

OMB Approval Number: 2577–New.

Type of Request: New collection.

Form Number: None.

Description of the need for the information and proposed use: Under the Section 8 housing choice voucher rule, PHAs that elect to rely on an alternative inspection are required to meet the requirements of subpart I of the rule. If the inspection method and standard selected is other than HOME Investment Partnerships (HOME) program, Low-Income Housing Tax Credits (LIHTCs), or that performed by HUD, the PHA must submit a request to HUD. PHAs with approved alternative inspection standards must monitor changes to the standards and requirements of their method and if changes are made must submit to HUD a copy of the revised standards and requirements along with a revised comparison to Housing Quality Standards (HQS).

Respondents (i.e., affected public): State, Local or Tribal Governments.

Estimated Number of Respondents: 2280.

Estimated Number of Responses: 33.

Frequency of Response: 1.

Average Hours per Response: 4.

Total Estimated Burdens: 149 hours.

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.

Date: August 9, 2016.

Colette Pollard,

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

[FR Doc. 2016–19396 Filed 8–12–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5961–N–01]

Additional Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant (CDBG) Disaster Recovery Grant Funds Under the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This notice provides clarifying guidance, waivers, and alternative requirements for Community Development Block Grant Disaster Recovery (CDBG–DR) grantees in receipt of funds under the Disaster Relief Appropriations Act, 2013 (the Appropriations Act). This notice modifies requirements for projects funded by the HUD-sponsored Rebuild by Design (RBD) competition, described in **Federal Register** notices published on July 29, 2013 (78 FR 45551); August 23, 2013 (78 FR 52560); October 16, 2014 (79 FR 62182); and May 11, 2015 (80 FR 26942). These changes will allow RBD grantees to submit their required subsequent Action Plan amendments before the RBD project's design has been finalized, the draft environmental impact statement has been completed and permits for the project have been issued. Additionally, this notice modifies requirements of a notice published on March 5, 2013 (78 FR 14329), to allow grantees to submit Action Plan amendments after June 1, 2017. This notice also modifies requirements for infrastructure projects funded through the allocation of CDBG–DR funds for Hurricane Sandy. Specifically, this notice provides waivers and alternative requirements for certain infrastructure projects funded by the State of New York, including the Breezy Point Storm Drainage system, as well as for New York City's Raised Shorelines program. The notice also provides a waiver of the Housing and Community Development Act of 1974 (HCDA) to authorize the State of New Jersey to use up to $30 million of CDBG–DR funds for the provision of up to 21 months of rental assistance for

participants in its single-family housing rehabilitation programs. The waiver for the State of New Jersey expires on December 31, 2017.

DATES: Effective Date: August 22, 2016.

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

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I. Background

The Appropriations Act (Pub. L. 113–2, approved January 29, 2013) made available $16 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5121 et. seq.) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a) and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition. This notice specifies waivers and alternative requirements and modifies requirements for Hurricane Sandy grantees in receipt of allocations under the Appropriations Act, which are described in the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329); April 19, 2013 (78 FR 23578); August 2, 2013 (78 FR 46999); November 18, 2013 (78 FR 69104); March 27, 2014 (79 FR 17173); July 11, 2014 (79 FR 40133); October 16, 2014 (79 FR 62182); April 2, 2015 (80 FR 17772); May 11, 2015 (80 FR 26942); August 25, 2015 (80 FR 51589); November 18, 2015 (80 FR 72102); and February 12, 2016 (81 FR 7567) (referred to collectively in this notice as the ''prior notices'').[1] The requirements of the prior notices continue to apply, except as modified by this notice.

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

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

For the waivers and alternative requirements described in this notice, the Secretary has determined that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purpose of title I of the HCDA. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Amending the Requirements for Permitting and Design of RBD projects in the Subsequent Substantial Action Plan Amendment. Paragraph VI of the October 16, 2014, **Federal Register** notice (79 FR 62182) (the RBD notice) establishes requirements for the timing of permits for RBD projects. The RBD notice requires grantees to submit a subsequent Action Plan amendment that includes a detailed description of the final RBD project ''as permitted and approved from the environmental review process.'' Since the publication of the RBD notice, as RBD projects have progressed and grantees have further refined implementation timelines, the Department has determined that it is not feasible to reach a level of design that facilitates permit issuance prior to the June 1, 2017, deadline for submission of the subsequent substantial Action Plan amendments. Many State and Federal agencies do not grant permits until the project design is complete and construction documents are complete. To ensure that grantee submissions of the subsequent substantial Action Plan amendments are not delayed because permits have not yet been issued, HUD is amending the RBD notice at paragraph VI.4.e to read:

e. For RBD projects not requiring an Environmental Impact Statement (EIS) pursuant to the requirements of 24 CFR part 58: Grantee submits a subsequent substantial Action Plan amendment to reflect the final RBD project, as described in paragraph VI.6.b. This amendment must include a detailed description of the final RBD project as permitted and as approved through the environmental review process, or a detailed description of the RBD project as approved through the environmental review process and an explanation of why it is not possible to obtain permits at the time of submission. If the necessary permits have not been obtained at the time of the substantial Action Plan amendment submission, grantees must provide a plan that describes how and when the permits will be obtained. This amendment may be submitted prior to or concurrent with a grantee's submission of its Request for Release of Funds and Certifications (RROF). Following approval of the Action Plan amendment and RROF, funds from the grantee's line of credit will be made available for construction (proceed to paragraph VI.4.g).

Paragraph VI.4.f.ii of the RBD notice is amended to read:

> Grantee successfully stewards the RBD project through the environmental review process, pursuant to 24 CFR part 58, and any permitting processes required to implement the RBD project. If the project is not permitted, include a description of why it is not possible to obtain permits at this time and provide a plan that describes how and when the permits will be obtained.

In addition, paragraph VI.4.f.iii of the RBD notice is amended to read:

> HUD anticipates that the final EIS or other project plan development may result in material changes to the project after the grantee submits the subsequent substantial Action Plan amendment described in paragraph VI.4.f.i. If no material changes have occurred since the previous RBD project design and scope approved by HUD in the grantee's Action Plan amendment, as

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-drlaws-regulations-and-federal-register-notices/.*

determined by the grantee in consultation with HUD, no additional amendment is necessary. If the RBD project has undergone a material change, then the grantee must submit a substantial Action Plan amendment in order to describe the final RBD project, either as permitted and as approved through the environmental review process, or including an explanation of why it is not possible to obtain permits at this time and provide a plan that describes how and when the permits will be obtained. A grantee may submit its RROF concurrent with this Action Plan amendment, if applicable, and its Record of Decision for the project. Following approval of the Action Plan amendment, if applicable, and RROF, funds from the grantee's line of credit will be made available for construction.

Paragraph VI of the RBD notice also includes requirements for the certification of design standards for RBD projects. The RBD notice requires grantees to submit a subsequent substantial Action Plan amendment in which ''a registered Professional Engineer (or other design professional) must certify that the design meets the appropriate code, or industry design and construction standards.'' HUD has determined that for most RBD projects, project design at the time of the subsequent Action Plan amendment submission will only be preliminary. Before final RBD project designs are complete, a design professional will not have sufficient information to make this certification.

Accordingly, the third subparagraph of section VI.6.b of the RBD notice is amended to read:

Grantees are also responsible for demonstrating that the RBD project is feasible, including having an appropriate preliminary design that will result in the benefits proposed. Grantees must certify that the preliminary design considers the appropriate code, or industry design and construction standards, and certify that the final design will adhere to all relevant codes and construction standards when it is complete. In addition, grantees must have a registered professional engineer (or other design professional) certify that the final design met the appropriate code, or industry design and construction standards, prior to obligation of funds by the grantee for construction.

2. Clarifying the Requirements of the RBD Subsequent Substantial Action Plan Amendment and the Timing of the Draft EIS. The RBD notice at paragraph VI.4.f.i includes requirements for the timeline of completing a draft EIS on an RBD project prior to or at the same time as a grantee's submission of the subsequent substantial Action Plan amendment. The RBD notice requires grantees to have a completed draft EIS by the time of the submission of the subsequent Action Plan amendment no later than June 1, 2017. This requirement was designed to ensure that the RBD project is consistent with the conceptual proposal as practicable and appropriate. HUD has determined that, as some RBD projects have progressed and implementation timelines have been refined, it may not be possible for all grantees to complete a draft EIS by June 1, 2017.

Accordingly, HUD is allowing grantees to submit a draft EIS after they have submitted their subsequent Action Plan amendment. However, as HUD noted in the RBD notice, material changes could take place at completion of the final EIS, and these changes could also occur after the subsequent substantial Action Plan amendment is approved and prior to the completion of the draft EIS. If no material changes have occurred since the previous RBD project design and scope approved by HUD in the grantee's subsequent Action Plan amendment, as determined by the grantee in consultation with HUD, no additional amendment is necessary. If the RBD project has undergone a material change after submission of the subsequent Action Plan amendment, as determined by the grantee in consultation with HUD, then the grantee must submit another substantial Action Plan amendment in order to describe the final RBD project as permitted and as approved through the environmental review process, or include an explanation of why it is not possible to obtain permits at this time and provide a plan that describes how and when the permits will be obtained. A grantee may submit its RROF concurrent with this Action Plan amendment, if applicable, and its Record of Decision for the RBD project. Following approval of the Action Plan amendment, if applicable, and RROF, funds from the grantee's line of credit will be made available for construction.

Finally, paragraph VI.4.f.i of the RBD notice is amended to read:

i. Grantee submits a subsequent substantial Action Plan amendment to reflect the final RBD project, as described in paragraph VI.6.b. This amendment must identify the RBD project scope and design as it exists at that point. Grantees are not prohibited from proceeding with the EIS process. HUD approval of this Action Plan amendment is contingent upon whether the RBD project is consistent with the conceptual proposal as practicable and appropriate. HUD will provide clarifying guidance as to the content and format of materials that will help ensure timely approval of the Action Plan amendment under the criteria for approval of Action Plan amendments containing RBD projects described in this notice. If the Action Plan is not approved, RBD project-related costs will not be eligible following the date of disapproval until the RBD project is aligned with the RBD project as proposed in the previously approved Action Plan.

3. Clarification of RBD Expenditure Extension Requests. The May 11, 2015, **Federal Register** notice (80 FR 26942) includes requirements for grantees requesting expenditure extensions for RBD projects. Currently, a grantee may request an expenditure extension if the grant funds associated with the program or project at issue were obligated by HUD through a grant agreement, and, therefore, are already subject to an established expenditure deadline. Under the May 11, 2015, notice the timeline and planning of RBD projects are to follow the process established for National Disaster Resilience (CDBG–NDR) projects. RBD projects, like CDBG–NDR projects, have already been identified and grantees are able to more accurately estimate the time frame for completion of their projects. Grantees are not required to have obligated funds to a CDBG–NDR project prior to requesting an expenditure extension.

Accordingly, paragraph VII.2 of the May 11, 2015, **Federal Register** notice is amended to read,

(2) The CDBG–DR funds associated with the program or project must have been obligated by HUD through a grant agreement, and, therefore, be subject to an established expenditure deadline. Rebuild by Design (RBD) projects, funded under the eligible ''Rebuild by Design'' activity in paragraph VII.4.c, of the notice published on October 16, 2014, are exempt from this requirement.

4. Submission of a Final Action Plan Amendment for Disaster Recovery. HUD is modifying the language in paragraph VI.A.1.a of the March 5, 2013, **Federal Register** notice regarding the submission of Action Plan amendments after June 1, 2017. The March 5, 2013, notice does not currently allow grantees to submit Action Plan amendments after June 1, 2017. While grantees must program the use of 100 percent of their allocated funds by June 1 in an approved Action Plan, HUD realizes that grantees will continue to need the flexibility of making both substantial and nonsubstantial Action Plan amendments as their programs continue to move forward and evolve after the June 1 deadline.

Accordingly, HUD is amending this language to allow grantees to submit Action Plan amendments after June 1, 2017. Subparagraph a of section VI.A.1 of the March 5, 2013, notice, as amended by the April 19, 2013, notice, is amended further to read:

Although a grantee may submit a partial Action Plan, the partial Action Plan must be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–

DR award. Due to the statutory requirement that HUD may not obligate Appropriations Act funds after September 30, 2017, grantees must submit an Action Plan amendment to HUD that provides for the allocation of 100 percent of its CDBG–DR funds for its recovery programs no later than June 1, 2017. Grantees may continue to submit Action Plan amendments after that date. The requirement, however, to expend funds within 2 years of the date of obligation will continue to be enforced relative to each partial obligation made by HUD, as applicable.

HUD is also similarly modifying paragraph VI.3.e of the November 18, 2013, **Federal Register** notice (78 FR 69109) to read:

e. Amending the Action Plan. Paragraph 1(k) at 78 FR 14337 of the March 5, 2013, notice is amended, as necessary, to require each grantee to submit a substantial Action Plan amendment to HUD within 120 days of the effective date of this notice. All Action Plan amendments submitted after the effective date of this notice must be prepared in accordance with the prior notices, as modified by this notice. In addition, they must budget all, or a portion, of the funds allocated under this notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date by which grantees must submit the Action Plan amendment that provides for the allocation of 100 percent of its funds for its recovery programs is June 1, 2017, given that HUD must obligate all CDBG–DR funds no later than September 30, 2017. Grantees may continue to submit Action Plan amendments after that date. The requirement, however, to expend funds within 2 years of the date of obligation will continue to be enforced relative to each partial obligation made by HUD.

Paragraph V.4(d) of the June 3, 2014, **Federal Register** notice (79 FR 31969), is also modified to read:

d. Amending the Action Plan. The prior notices are amended, as necessary, to require each grantee to submit a substantial Action Plan amendment to HUD within 120 days of the effective date of this notice. All Action Plan amendments submitted after the effective date of this notice must be prepared in accordance with the prior notices, as modified by this notice. In addition, they must budget all, or a portion, of the funds allocated under this notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date by which grantees must submit the Action Plan amendment that provides for the allocation of 100 percent of its funds for its recovery programs is June 1, 2017, given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. Grantees may continue to submit Action Plan amendments after that date. The requirement, however, to expend funds within 2 years of the date of obligation will continue to be enforced relative to each partial obligation made by HUD.

Finally, paragraph VII.2.d of the October 16, 2014, **Federal Register** notice (79 FR 62191) is modified to read:

d. Amending the Action Plan. Except as otherwise provided for in this notice, paragraph VI.A.1.k of the March 5, 2013 notice (at 78 FR 14337) is amended, as necessary, to require each grantee to submit a substantial Action Plan amendment to HUD within 120 days of the effective date of this notice. All Action Plan amendments submitted after the effective date of this notice must be prepared in accordance with the prior notices, as modified by this notice. In addition, they must budget all, or a portion, of the funds allocated under this notice. Grantees are reminded that an Action Plan may be amended one or more times until it describes uses for 100 percent of the grantee's CDBG–DR award. The last date for grantees to submit the Action Plan amendment that provides for the allocation of 100 percent of its funds for its recovery programs is June 1, 2017, given that HUD must obligate all CDBG–DR funds not later than September 30, 2017. Grantees may continue to submit Action Plan amendments after that date. The requirement, however, to expend funds within 2 years of the date of obligation will continue to be enforced relative to each partial obligation made by HUD.

5. Waiver of Covered project Requirements for Certain Infrastructure projects Benefiting Multiple Counties (State of New York only). Paragraph VI.2.g of the November 18, 2013, **Federal Register** notice, (at 78 FR 69107), describes additional infrastructure requirements applicable to grantees receiving an allocation of CDBG–DR funds under that notice, including requirements for covered projects. HUD approval is required for each infrastructure project that meets the definition of a covered project, defined as having a total cost of $50 million or more (including at least $10 million of CDBG–DR funds), or projects that benefit multiple counties. The **Federal Register** notice published on March 27, 2014, clarified that ''benefits multiple counties'' means that the project is physically located in more than one county (paragraph II.1.a, Definition of ''Benefits Multiple Counties,'' at 78 FR 17174). The State of New York has requested an exemption from the covered project requirements for two infrastructure projects located in multiple counties and which would meet the definition of a covered project. These infrastructure projects are funded through the NY Rising Community Reconstruction (NYRCR) Program. In its request, the State contends that the NYRCR Program generally aligns with the goals of the coordination efforts that are reflected in the covered project requirements, by directly engaging local residents and business owners across neighboring communities to formulate a ''grassroots'' approach to rebuilding communities through investments in infrastructure. The Department, however, is providing a waiver of covered project requirements for the following two infrastructure projects identified by the State, based on the particular aspects of each project rather than on the particular components of the NYRCR Program:

a. Meadowmere Park Bridge Reconstruction project. This $2.25 million project will reconstruct an existing footbridge that was damaged by the storm. The footbridge links an isolated portion of Nassau County with a neighboring area in Queens County. The project cost is significantly less than the funding threshold established for covered projects (*i.e.,* $50 million in total project costs with at least $10 million of CDBG–DR funding), and the Department has determined that the State's investment of CDBG–DR funds to reconstruct a footbridge that existed prior to the storm, and that happens to span two counties, does not constitute the type of infrastructure investment contemplated by the Department when it decided to establish the covered project requirements.

b. Comprehensive Green Infrastructure Assessment and Implementation project. This $13.5 million project involves the assessment, design, and construction of green infrastructure that will be located in multiple counties that are all located within the City of New York. In an August 25, 2015, **Federal Register** notice (80 FR 51592), the Department provided the City of New York with an exemption from the covered project requirements for infrastructure projects that would not otherwise meet the definition of a covered project but that were located in multiple counties, recognizing that within the City of New York, the counties are ''subordinate to the municipal government.'' The Department is now providing a waiver of the covered project requirements for the comprehensive green infrastructure assessment and implementation project in continued recognition of the unique subordinate status of counties located within the City of New York.

6. Waiver of Requirements for New Construction Activities for Breezy Point Storm Drainage System (State of New York only). The State of New York has requested a waiver of section 105(a)(4) of the HCDA to the extent necessary to permit new construction of a storm drainage system at Breezy Point, a privately held cooperative in Queens, by classifying the entire system as an

improvement for residential purposes rather than as a public improvement under section 105(a)(2) of the HCDA, which would otherwise preclude assisting private homeowners. The State of New York has allocated up to $19.5 million in CDBG–DR dollars to fund long-term initiatives that will protect and enhance the Breezy Point community. The Breezy Point Cooperative is a residential bungalow community consisting of 2,837 homes that are primarily wood frame, single family houses along the Rockaway Peninsula. The storm water drainage improvement project consists of three activities to address three of the most flood-prone areas in Breezy Point. One of the three projects is a storm drain system that would be implemented to collect storm water and pump it out of the area. In its request to the Department, the State contends that not funding this activity will leave residential buildings in Breezy Point, as well as emergency personnel, resources, and infrastructure, exposed to reoccurring flooding events. The State also contends that failure to undertake the improvement would allow for periodic floods to gradually degrade systems, increase the likelihood of catastrophic failures, and place people, development, and resources, at continuing and possibly escalating risk. Therefore, for the State's Breezy Point storm drainage system only, the Department is waiving section 105(a)4 of the HCDA to the extent necessary to allow for the new construction associated with this activity.

7. Waiver of requirements on public facility improvement on private land for the Raised Shorelines Program (New York City only). New York City has requested a waiver of 24 CFR 570.201(c) and 24 CFR 570.202(a)(1) to the extent necessary to permit new construction of shoreline improvements on private property. Under the CDBG Entitlement program regulations at 24 CFR 570.202(a)(1), which are applicable to units of local government, New York City may use CDBG–DR funds to finance the rehabilitation of privately owned buildings and improvements for residential purposes, including grounds improvements that are incidental to and necessary for housing rehabilitation. However, this housing rehabilitation provision does not permit the city to construct new shoreline improvements on privately held land that would minimize the threat and impact of future inland flooding (a public benefit). Additionally, the fact that part of the designated shoreline is privately owned currently precludes the city from funding this activity as an eligible public facility and improvement under the CDBG regulations at 24 CFR 570.201(c). To accomplish the mitigation goals of the resiliency project planned by the city, the physical improvements must be made to a continuous coastline made up of both public and private properties. The Raised Shorelines program will protect vulnerable areas that contain homes and businesses that were directly damaged or negatively impacted by Hurricane Sandy. The city has allocated $109 million in HUD CDBG–DR dollars to fund the Raised Shorelines program and has determined that the construction of continuous shoreline improvements will not only protect against sea level rise in the future, but also help with the recovery effort by restoring damaged shorelines, fortifying vulnerable shorelines against storm events, and raising shorelines to protect the broader lower-lying communities against future flooding. Therefore, for the city's Raised Shorelines program only, the Department is waiving 24 CFR 570.202(a)(1) to the extent necessary to allow for the city's shoreline improvements on private property to be classified as an eligible housing rehabilitation and preservation activity, and to allow for the new construction associated with this activity. Further, the Department is waiving section 105(a)(4) of the HCDA to the extent necessary to allow for the new construction associated with this activity that would otherwise be prohibited.

8. Waiver to Allow the Use of CDBG–DR Funds for Rental Assistance for New Jersey Homeowners in the RREM and LMI Homeowners Programs (State of New Jersey only). In the State of New Jersey, more than 8,000 homeowners are rebuilding their Sandy-damaged homes through the State's Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) Program or the Low- and Moderate-Income (LMI) Homeowners Rebuilding Program (LMI Program). Nearly 3,000 of those homeowners have already completed construction; however, the majority of remaining applicants, many of whom are LMI households, are still in the construction phase due to unanticipated delays and scarcity of available construction and/or elevation contractors in the State. While undergoing rehabilitation of their homes, most of these applicants are forced to pay not only a mortgage payment, but rent as well. In order to provide temporary financial assistance to these families, the State created the Sandy Homeowners and Renters Assistance Program (SHRAP), using $100 million of federal Social Services Block Grant (SSBG) funds, to provide up to $15,000 to homeowners and renters for rental assistance and/or to replace storm-damaged appliances. Once SHRAP funds were exhausted, the State used an additional $19.5 million in SSBG funds to create the Rental Assistance Program (RAP). The RAP program provided rental assistance of up to $1,300 per month for up to 9 months to homeowners with executed RREM or LMI Program grant agreements who are paying rent because they are displaced by storm damage, construction, or elevation. The State estimates that these funds will be exhausted by July 2016; nevertheless, based on their analysis of RAP to date, the State projects that approximately 20–30 percent of RAP recipients will have ongoing rental assistance needs after exhausting their RAP assistance. The majority of those households will be LMI. To address this impending need, the State of New Jersey has requested to use up to $30 million in CDBG–DR funds to continue to provide interim rental assistance for up to 21 months to families rebuilding through RREM or the LMI Program and who are already in or who apply to the RAP program, once SSBG funds are exhausted. Without a waiver, the State could not use CDBG–DR funds for subsistence-type grant payments to individuals or families. Therefore, in order to allow the State of New Jersey to continue its RAP Program, HUD is waiving the requirements at section 105(a)(8) of the HCDA to the extent necessary to allow the State of New Jersey to use up to $30 million of its CDBG–DR allocation to provide up to 21 months of RAP assistance to eligible RREM and LMI program applicants. The State must implement this alternative requirement consistent with the approach outlined in its request and as described herein. This waiver and alternative requirement shall remain in effect until December 31, 2017, after which the State will no longer be able to use CDBG–DR funds for any new applicants to the RAP program.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice is 14.269.

VI. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in

accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW., Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

Dated: August 8, 2016.

Nani A. Coloretti,

Deputy Secretary.

[FR Doc. 2016–19394 Filed 8–12–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5913–N–17]

Withdrawal of 60-Day Notice of Proposed Information Collection: Energy Benchmarking

AGENCY: Office of the Assistant Secretary for Housing—Federal Housing Commissioner, HUD.

ACTION: Withdrawal: Notice.

SUMMARY: On August 9, 2016 at 81 FR 52703, HUD published a 60 Day Notice of Proposed Information Collection entitled ''Energy Benchmarking.'' HUD is withdrawing this notice from the **Federal Register** and will publish again at a later date.

FOR FURTHER INFORMATION CONTACT: Stan Houle, Office of Multifamily Housing Programs, Department of Housing and Urban Development, 451 7th Street SW., Room 10139, Washington, DC 20410, telephone 202–708–3054. (This is not a toll-free number.) Persons with hearing or speech impairments may access these numbers through TTY by calling the toll-free Federal Information Relay Service at 800–877–8339.

Dated: August 9, 2016.

Mark Kudlowitz,

Director, Multifamily Housing Programs.

[FR Doc. 2016–19405 Filed 8–12–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5909–N–55]

30-Day Notice of Proposed Information Collection: Single Family Premium Collection Subsystem-Upfront (SFPCS–U)

AGENCY: Office of the Chief Information Officer, HUD.

ACTION: Notice.

SUMMARY: HUD has submitted the proposed information collection requirement described below to the Office of Management and Budget (OMB) for review, in accordance with the Paperwork Reduction Act. The purpose of this notice is to allow for an additional 30 days of public comment.

DATES: *Comments Due Date: September 14, 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: HUD Desk Officer, Office of Management and Budget, New Executive Office Building, Washington, DC 20503; fax: 202–395–5806. Email: *OIRA_Submission@omb.eop.gov.*

FOR FURTHER INFORMATION CONTACT: Colette Pollard, Reports Management Officer, QMAC, Department of Housing and Urban Development, 451 7th Street SW., Washington, DC 20410; email Colette Pollard at *Colette.Pollard@hud.gov* or telephone 202–402–3400. 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.

The **Federal Register** notice that solicited public comment on the information collection for a period of 60 days was published on April 14, 2016 at 81 FR 22102.

A. Overview of Information Collection

Title of Information Collection: Single Family Premium Collection Subsystem-Upfront (SFPCS–U).

OMB Approval Number: 2502–0423.

Type of Request: Revision of currently approved collection.

Form Number: None.

Description of the need for the information and proposed use: To continue to collect MIP information and improve customer service and FHA lender portfolio management capabilities.

Respondents: Business or other for profit.

Estimated Number of Respondents: 2,711.

Estimated Number of Responses: 7,534.

Frequency of Response: 12 hour.

Average Hours per Response: .15 hours.

Total Estimated Burdens: 4,880 hours.

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: August 9, 2016.

Colette Pollard,

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

[FR Doc. 2016–19393 Filed 8–12–16; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[FWS–R6–ES–2016–N104]; FXES11130600000–167–FF06E00000]

Endangered and Threatened Wildlife and Plants; Recovery Permit Applications

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability; request for comments.

SUMMARY: We, the U.S. Fish and Wildlife Service, invite the public to

(2) Evaluate the accuracy of the agencies estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection:* Extension, without change, of a currently approved information collection.

(2) *Title of the Form/Collection:* Standards to Prevent, Detect, and Respond to Sexual Abuse and Assault in Confinement Facilities.

(3) *Affected public who will be asked or required to respond, as well as a brief abstract:* Primary: Individuals or households. DHS is setting standards for the prevention, detection, and response to sexual abuse in its confinement facilities. For DHS facilities and as incorporated in DHS contracts, these standards require covered facilities to retain and report to the agency certain specified information relating to sexual abuse prevention planning, responsive planning, education and training, and investigations, as well as to collect, retain, and report to the agency certain specified information relating to allegations of sexual abuse within the covered facility.

(4) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* 1,385,063 responses at 5 minutes (.08 hours) per response.

(6) *An estimate of the total public burden (in hours) associated with the collection:* 119,321 annual burden hours.

Dated: February 3, 2017.

Scott Elmore,

PRA Clearance Officer, Office of the Chief Information Officer, U.S. Immigration and Customs Enforcement, Department of Homeland Security.

[FR Doc. 2017–02586 Filed 2–7–17; 8:45 am]

BILLING CODE 9111–28–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–5961–N–02]

Additional Clarifying Guidance, Waivers, and Alternative Requirements for Grantees in Receipt of Community Development Block Grant (CDBG) Disaster Recovery Grant Funds Under the Disaster Relief Appropriations Act, 2013

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

ACTION: Notice.

SUMMARY: This Notice modifies a waiver and alternative requirement for the State of New Jersey's tenant-based rental assistance program funded through its Community Development Block Grant disaster recovery (CDBG–DR) grant pursuant to the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) (the Appropriations Act). A waiver and alternative requirement for the tenant-based rental assistance program was initially published in a **Federal Register** notice on July 11, 2014 (79 FR 40134), and later modified in the **Federal Register** notice published on April 2, 2015 (80 FR 17772).

DATES: *Effective Date:* February 13, 2017.

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

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I. Background
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I. Background

The Appropriations Act made available $16 billion in Community Development Block Grant disaster recovery funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas, resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 *et seq.*) (Stafford Act), due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. On March 1, 2013, the President issued a sequestration order pursuant to Section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (2 U.S.C. 901a), and reduced the amount of funding for CDBG–DR grants under the Appropriations Act to $15.18 billion. To date, a total of $15.18 billion has been allocated or set aside: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition. This notice modifies the waiver and alternative requirement initially published in the **Federal Register** notice on July 11, 2014 (79 FR 40133), and later modified in the **Federal Register** notice published on April 2, 2015 (80 FR 17772). All waivers and alternative requirements for Hurricane Sandy grantees in receipt of allocations under the Appropriations Act, are described within the **Federal Register** notices published by the Department on March 5, 2013 (78 FR 14329), April 19, 2013 (78 FR 23578), August 2, 2013 (78 FR 46999), November 18, 2013 (78 FR 69104), March 27, 2014 (79 FR 17173), July 11, 2014 (79 FR 40133), October 16, 2014 (79 FR 62182), April 2, 2015 (80 FR 17772), and May 11, 2015 (80 FR 26942), August 25, 2015 (80 FR 51589), November 18, 2015 (80 FR 72102), February 12, 2016 (81 FR 7567), and August 15, 2016 (81 FR 54114) (referred to collectively in this notice as the ''prior notices''). The requirements of the prior notices continue to apply, except as modified by this notice.[1]

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

The Appropriations Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the

[1] Links to the prior notices, the text of the Appropriations Act, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/cdbg-dr/cdbg-dr-laws-regulations-and-federal-register-notices/.*

Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waiver and alternative requirement described in this notice, the Secretary has determined that good cause exists and that the waiver and alternative requirement are not inconsistent with the overall purpose of Title I of the HCDA. Grantees may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of the Appropriations Act, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Tenant-based rental assistance (State of New Jersey, only). The State of New Jersey requested a waiver of 42 U.S.C. 5305(a) in order to provide up to $17 million in tenant-based rental assistance to households beyond the permissible length of time, and this waiver was granted by the Department in the **Federal Register** notice published on July 11, 2014 (79 FR 40134). While existing CDBG regulations allow payments for these purposes, those regulations limit assistance to a period not to exceed three months. The State justified longer term assistance in order to meet the housing needs of vulnerable populations until the State completes construction of affordable rental units and those units are made available to low- and moderate-income (LMI) populations.

The State later requested that HUD increase the amount covered by the waiver from $17 million to $32 million, and extend the period of assistance by two years, to January 1, 2018, in order to meet the goals of a Voluntary Compliance Agreement (VCA) with the Department. HUD granted this waiver extension in the April 2, 2015 **Federal Register** notice (80 FR 17772) to support the State's compliance with its VCA and because of the continued lack of affordable housing caused by Hurricane Sandy.

The State of New Jersey recently requested an extension to the expenditure deadline to January 1, 2019, to allow the State to provide up to two years of assistance to this LMI population. Without this extension, 85% of this LMI population would not be able to receive the full two years of assistance under the TBRA program. Because the Department is committed to assisting this population and allowing the State to disburse the full amount of assistance made available by the VCA, HUD is modifying its waiver of 42 U.S.C. 5305(a) to the extent necessary to allow the State to disburse the $32 million in Community Development Block Grant disaster recovery (CDBG–DR) funds allocated to State's TBRA program until January 1, 2019. The funds extended through this waiver are subject to the 24-month limitation on assistance and all other waiver and alternative requirements related to the TBRA program in the notice published on July 11, 2014 (79 FR 40133), as modified by the notice published on April 2, 2015 (80 FR 17772), as well as the requirements of the VCA and any subsequent amendments to the VCA.

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this Notice is 14.269.

IV. Environmental Review

This Notice does not direct, provide for assistance or loan and mortgage insurance for, or otherwise govern or regulate, real property acquisition, disposition, leasing (other than tenant-based rental assistance), 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: February 3, 2017.

Janet M. Golrick,

Acting Deputy Secretary.

[FR Doc. 2017–02585 Filed 2–7–17; 8:45 am]

BILLING CODE 4210–67–P

INTERNATIONAL TRADE COMMISSION

Notice of Receipt of Complaint; Solicitation of Comments; Relating to the Public Interest

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has received a complaint entitled *Certain Hybrid Electric Vehicles and Components Thereof, DN 3196* the Commission is soliciting comments on any public interest issues raised by the complaint or complainant's filing pursuant to the Commission's Rules of Practice and Procedure.

FOR FURTHER INFORMATION CONTACT: Lisa R. Barton, Secretary to the Commission, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000. The public version of the complaint can be accessed on the Commission's Electronic Document Information System (EDIS) at *https://edis.usitc.gov,* and will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000.

General information concerning the Commission may also be obtained by accessing its Internet server at United States International Trade Commission (USITC) at *https://www.usitc.gov* . The public record for this investigation may be viewed on the Commission's Electronic Document Information System (EDIS) at *https://edis.usitc.gov.* Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on (202) 205–1810.

SUPPLEMENTARY INFORMATION: The Commission has received a complaint and a submission pursuant to § 210.8(b) of the Commission's Rules of Practice and Procedure filed on behalf of Paice LLC and Abell Foundation, Inc. on February 3, 2017. The complaint alleges violations of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) in the importation into the United States, the sale for importation, and the sale within the United States after importation of certain hybrid vehicles and components thereof. The complaint names as a respondent, Ford Motor Company of Dearborn, MI. The complainant requests that the Commission issue a limited exclusion order, cease and desist order and impose a bond upon respondents' alleged infringing articles during the 60-day Presidential review period pursuant to 19 U.S.C. 1337(j).

Proposed respondents, other interested parties, and members of the public are invited to file comments, not to exceed five (5) pages in length, inclusive of attachments, on any public interest issues raised by the complaint or § 210.8(b) filing. Comments should address whether issuance of the relief specifically requested by the complainant in this investigation would affect the public health and welfare in the United States, competitive

DEPARTMENT OF HOMELAND SECURITY

Coast Guard

[Docket No. USCG–2017–0124]

Information Collection Request to Office of Management and Budget; OMB Control Number: 1625–0057

AGENCY: Coast Guard, DHS.

ACTION: Sixty-day notice requesting comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, the U.S. Coast Guard intends to submit an Information Collection Request (ICR) to the Office of Management and Budget (OMB), Office of Information and Regulatory Affairs (OIRA), requesting a Reinstatement, without change, of a previously approved collection for which approval has expired for the following collection of information: 1625–0057, Small Passenger Vessels—Title 46 Subchapters K and T without change. Our ICR describes the information we seek to collect from the public. Before submitting this ICR to OIRA, the Coast Guard is inviting comments as described below.

DATES: Comments must reach the Coast Guard on or before October 6, 2017.

ADDRESSES: You may submit comments identified by Coast Guard docket number [USCG–2017–0124] to the Coast Guard using the Federal eRulemaking Portal at *http://www.regulations.gov.* See the ''Public participation and request for comments'' portion of the **SUPPLEMENTARY INFORMATION** section for further instructions on submitting comments.

A copy of the ICR is available through the docket on the Internet at *http://www.regulations.gov.* Additionally, copies are available from: Commandant (CG–612), Attn: Paperwork Reduction Act Manager, U.S. Coast Guard, 2703 Martin Luther King Jr. Ave. SE., Stop 7710, Washington, DC 20593–7710.

FOR FURTHER INFORMATION CONTACT: Contact Mr. Anthony Smith, Office of Information Management, telephone 202–475–3532, or fax 202–372–8405, for questions on these documents.

SUPPLEMENTARY INFORMATION:

Public Participation and Request for Comments

This Notice relies on the authority of the Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended. An ICR is an application to OIRA seeking the approval, extension, or renewal of a Coast Guard collection of information (Collection). The ICR contains information describing the Collection's purpose, the Collection's likely burden on the affected public, an explanation of the necessity of the Collection, and other important information describing the Collection. There is one ICR for each Collection.

The Coast Guard invites comments on whether this ICR should be granted based on the Collection being necessary for the proper performance of Departmental functions. In particular, the Coast Guard would appreciate comments addressing: (1) The practical utility of the Collection; (2) the accuracy of the estimated burden of the Collection; (3) ways to enhance the quality, utility, and clarity of information subject to the Collection; and (4) ways to minimize the burden of the Collection on respondents, including the use of automated collection techniques or other forms of information technology. In response to your comments, we may revise this ICR or decide not to seek an extension of approval for the Collection. We will consider all comments and material received during the comment period.

We encourage you to respond to this request by submitting comments and related materials. Comments must contain the OMB Control Number of the ICR and the docket number of this request, [USCG–2017–0124], and must be received by October 6, 2017.

Submitting Comments

We encourage you to submit comments through the Federal eRulemaking Portal at *http://www.regulations.gov.* If your material cannot be submitted using *http://www.regulations.gov,* contact the person in the **FOR FURTHER INFORMATION CONTACT** section of this document for alternate instructions. Documents mentioned in this notice, and all public comments, are in our online docket at *http://www.regulations.gov* and can be viewed by following that Web site's instructions. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted.

We accept anonymous comments. All comments received will be posted without change to *http://www.regulations.gov* and will include any personal information you have provided. For more about privacy and the docket, you may review a Privacy Act notice regarding the Federal Docket Management System in the March 24, 2005, issue of the **Federal Register** (70 FR 15086).

Information Collection Request

Title: Small Passenger Vessels—Title 46 Subchapters K and T.

OMB Control Number: 1625–0057.

Summary: The information requirements are necessary for the proper administration and enforcement of the program on safety of commercial vessels as it affects small passenger vessels. The requirements affect small passenger vessels (under 100 gross tons) that carry more than 6 passengers.

Need: Under the authority of 46 U.S.C. 3305 and 3306, the Coast Guard prescribed regulations for the design, construction, alteration, repair and operation of small passenger vessels to secure the safety of individuals and property on board. The Coast Guard uses the information in this collection to ensure compliance with the requirements.

Forms: CG–841, Certificate of Inspection; CG–854, Temporary Certificate of Inspection; CG–948, Permit to Proceed to Another Port for Repairs; CG–949, Permit to Carry Excursion Party; CG–3752, Application for Inspection of U.S. Vessel; CG–5256, U.S. Coast Guard Inspected Small Passenger Vessel.

Respondents: Owners and operators of small passenger vessels.

Frequency: On occasion.

Hour Burden Estimate: The estimated burden has decreased from 399,420 hours to 397,124 hours a year due to a decrease in the estimated annual number of respondents.

Authority: The Paperwork Reduction Act of 1995; 44 U.S.C. Chapter 35, as amended.

Dated: August 1, 2017.

Marilyn L. Scott-Perez,

U.S. Coast Guard, Chief, Office of Information Management.

[FR Doc. 2017–16505 Filed 8–4–17; 8:45 am]

BILLING CODE 9110–04–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6039–N–01]

Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees

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

ACTION: Notice.

SUMMARY: This notice provides guidance on issues arising from Community Development Block Grant disaster recovery (CDBG–DR) funds.

Specifically, this notice allocates additional funds for 2015 and 2016 disasters; establishes an allocation framework for disasters that occur in 2017 and later; provides waivers for previously funded National Disaster Resilience Competition grants and for grantees that received certain CDBG–DR funding; provides a waiver for Rebuild By Design activities; and establishes an alternative requirement that creates new national objective criteria for grantees undertaking CDBG–DR buyouts and housing incentives.

DATES: This notice will apply on: August 14, 2017.

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

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Appendix A: Allocation Methodology

I. 2015 and 2016 Allocations

A. Background

Since December 2015, four different public laws have been enacted that have provided CDBG–DR appropriations to address major declared disasters that occurred in 2015, 2016, 2017, and later. Table 1 lists these various public laws, the related **Federal Register** notices that govern the funds, grantees that have received allocations, and amounts provided to those grantees.

Table 1 – FY 2016 and 2017 CDBG-DR Appropriations and Allocations

Appropriation Act	Public Law 114-113	Public Law 114-223	Public Law 114-254	Public Law 115-31	
Date of Enactment	December 18, 2015	September 29, 2016	December 10, 2016	May 5, 2017	
Date of Applicable Federal Register Notice	June 17, 2016	November 21, 2016	January 18, 2017		
Federal Register Notice Reference Number	81 FR 39687	81 FR 83254	82 FR 5591		
CDBG-DR Available	$299,000,000	$500,000,000	$1,805,976,000	$400,000,000	
2015 Disaster Grantees					**Totals**
Lexington County SC	$16,332,000			$5,038,000	$21,370,000
Columbia SC	$19,989,000			$6,166,000	$26,155,000
Richland County, SC	$23,516,000			$7,254,000	$30,770,000
State of South Carolina	$96,827,000			$29,871,000	$126,698,000
Houston, TX	$66,560,000			$20,532,000	$87,092,000
San Marcos, TX	$25,080,000			$8,714,000	$33,794,000
State of Texas	$50,696,000			$23,872,000	$74,568,000
2016 Disaster Grantees					
State of Louisiana		$437,800,000	$1,219,172,000	$51,435,000	$1,708,407,000
State of West Virginia		$17,000,000	$87,280,000	$45,595,000	$149,875,000
State of Texas		$45,200,000	$177,064,000	$16,631,000	$238,895,000
State of North Carolina			$198,553,000	$37,976,000	$236,529,000
State of South Carolina			$65,305,000	$29,781,000	$95,086,000
State of Florida			$58,602,000	$59,335,000	$117,937,000
Total	$299,000,000	$500,000,000	$1,805,976,000	$342,200,000	

*The allocation amounts for Pub. L. 115-3 column include amounts announced by the Department on May 18, 2017.

Each of the public laws identified above provides CDBG–DR funds for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (HCDA) related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a qualifying major disaster declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (Stafford Act) (42 U.S.C. 5121 et seq.).

CDBG–DR grants under each appropriation are governed by one or more **Federal Register** notices that contain the requirements, applicable waivers, and alternative requirements that apply to the use of the funds. Congress requires that HUD publish waivers and alternative requirements in the **Federal Register**.

This **Federal Register** notice sets out the requirements, waivers, and alternative requirements that govern the funds appropriated under Public Law 115–31. Throughout this notice, references to **Federal Register** notices will be to the date the notices were published as noted in Table 1.

Under Public Law 115–31, Congress appropriated $400 million in CDBG–DR funding to address remaining unmet needs (as defined by HUD) arising from qualifying major disasters that occurred

in 2015 and 2016, and for qualifying major disasters that occur in 2017 or later, until the funds are fully allocated. Congress required that HUD, in distributing the $400 million, use the allocation methodologies identified in June 17, 2016, and January 18, 2017, **Federal Register** notices for disasters occurring in 2015 and 2016, respectively.

Table 1, under the column labeled Public Law 115–31, reflects the allocation of funds appropriated by that act for qualifying disasters in 2015 and 2016 (inclusive of the amounts announced on May 18, 2017). In HUD's June 17, 2016, **Federal Register** notice, HUD described the allocation and applicable waivers and alternative requirements, relevant statutory and regulatory requirements, grant award process, criteria for Action Plan approval, and eligible disaster recovery activities for the qualifying 2015 disasters. Grantees receiving an allocation of funds under this **Federal Register** notice for qualifying 2015 disasters are subject to the authority and conditions of Public Law 114–113 and the requirements, waivers, and alternative requirements provided in the June 17, 2016, notice.

In HUD's November 21, 2016, and January 18, 2017, **Federal Register** notices, HUD described the allocation and applicable waivers and alternative requirements, relevant statutory and regulatory requirements, grant award process, criteria for Action Plan approval, and eligible disaster recovery activities for the qualifying 2016 disasters. Grantees receiving allocations of funds under these **Federal Register** notices for qualifying 2016 disasters are subject to the authority and conditions of Public Law 114–223 and 114–254 and the requirements, waivers and alternative requirements provided in the November 21, 2016, and January 18, 2017, **Federal Register** notices.

HUD is allocating the funds for the 2015 and 2016 disasters based on updated data HUD received from the Federal Emergency Management Agency (FEMA), and the Small Business Administration (SBA). HUD's allocations match the difference between HUD's 100 percent estimate of the serious unmet needs for repair in most impacted counties after taking into consideration other resources, including insurance, FEMA, SBA and the amounts previously allocated. HUD's methodology for allocation as specified in the June 17, 2016, and January 18, 2017, notices does not include additional funds for resilience activities. Detailed explanations of HUD's allocation methodologies for qualifying disasters from 2015 and 2016, are provided at Appendix A in the June 17, 2016 notice and Appendix A of the January 18, 2017 notice, respectively.

TABLE 2—QUALIFYING 2015 AND 2016 DISASTERS AND ''MOST IMPACTED AND DISTRESSED'' AREAS

FEMA disaster No.	Grantee	Minimum amount that must be expended for recovery in the HUD-identified ''most impacted and distressed'' areas
2015 Disasters		
4241	Lexington County (Urban County), SC	Lexington County Urban County Jurisdiction ($5,038,000).
4241	Columbia, SC	Columbia ($6,166,000).
4241	Richland County, SC	Richland County Urban County Jurisdiction ($7,254,000).
4241	State of South Carolina	Charleston, Dorchester, Florence, Georgetown and Clarendon Counties * ($23,896,800).
4223, 4245	Houston, TX	City of Houston ($20,532,000).
4223, 4245	San Marcos, TX	City of San Marcos ($8,714,000).
4223, 4245, 4272	State of Texas	Harris, Hays, Hidalgo, and Travis Counties ($12,511,200).
2016 Disasters		
4263, 4277	State of Louisiana	East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, Lafayette, Lafayette, Vermilion, Acadia, Washington, and St. Tammany Parishes ($41,148,000).
4273	State of West Virginia	Kanawha, Greenbrier, Clay, and Nicholas Counties ** ($36,476,000).
4266, 4269, 4272	State of Texas	Harris, Newton, Montgomery, Fort Bend, and Brazoria Counties ($13,304,800).
4285	State of North Carolina	Robeson, Cumberland, Edgecombe, and Wayne Counties ($30,380,800).
4286	State of South Carolina	Marion and Horry Counties ($23,824,800).
4280, 4283	State of Florida	St. Johns County ($47,468,000).

* Based on data presented by the grantee, HUD has approved the addition of Clarendon County to the 2015 South Carolina ''most impacted and distressed'' areas.

** Based on data presented by the grantee, HUD has approved the addition of Clay and Nicholas Counties to the 2016 West Virginia ''most impacted and distressed'' areas.

Use of funds for all grantees is limited to unmet recovery needs from the major disasters identified in Table 2. Table 2 shows the HUD-identified ''most impacted and distressed'' areas impacted by the identified disasters. At least 80 percent of the total funds provided to each grantee under this notice must address unmet needs within the HUD-identified ''most impacted and distressed'' areas, as identified in Table 2. Grantees may spend the remaining 20 percent in the HUD-identified areas or areas the grantee determines to be ''most impacted and distressed.''

B. Use of Funds

Public Law 115–31 requires funds to be used only for specific disaster recovery related purposes. This allocation provides funds to 2015 and 2016 CDBG–DR grantees for authorized disaster recovery efforts. Grantees allocated funds under this notice for 2015 and 2016 disasters must submit a

substantial Action Plan Amendment as outlined below.

C. Grant Amendment Process

To receive funds allocated by this notice, 2015 and 2016 grantees (listed in Table 1) must submit a substantial Action Plan Amendment to their approved Action Plan and meet the following requirements:

- Grantee must consult with affected citizens, stakeholders, local governments and public housing authorities to determine updates to its needs assessment;
- Grantee must amend its Action Plan to update its needs assessment, modify or create new activities, or reprogram funds. Each amendment must be highlighted, or otherwise identified within the context of the entire Action Plan. The beginning of every Action Plan Amendment must include a: (1) Section that identifies exactly what content is being added, deleted, or changed; (2) chart or table that clearly illustrates where funds are coming from and where they are moving to; and (3) a revised budget allocation table that reflects the entirety of all funds;
- Grantee must publish a substantial amendment to its previously approved Action Plan for Disaster Recovery prominently (see section VI.A.4.a of the November 21, 2016, notice and section VI.A.3.a of the June 17, 2016, notice) on the grantee's official Web site for no less than 14 calendar days. The manner of publication must include prominent posting on the grantee's official Web site and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the amendment's contents and provide feedback;
- Grantee must respond to public comment and submit its substantial Action Plan Amendment to HUD no later than 90 days after the effective date of this notice;
- HUD will review the substantial Action Plan Amendment within 45 days from date of receipt and determine whether to approve the Amendment per criteria identified in this notice and all applicable prior notices;
- HUD will send an Action Plan Amendment approval letter, revised grant conditions (may not be applicable to all grantees), and an amended unsigned grant agreement to the grantee. If the substantial Amendment is not approved, a letter will be sent identifying its deficiencies; the grantee must then re-submit the Amendment within 45 days of the notification letter;
- Grantee must ensure that the HUD approved substantial Action Plan Amendment (and original Action Plan) is posted prominently on its official Web Site;
- Grantee must enter the activities from its published Action Plan Amendment into the Disaster Recovery Grant Reporting (DRGR) system and submit the updated DRGR Action Plan to HUD within the system;
- Grantee must sign and return the grant agreement to HUD;
- HUD will sign the grant agreement and revise the grantee's line of credit amount;
- Grantee may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58, or adopts another Federal agency's environmental review where authorized under provisions incorporated by reference in Public Law 115–31, and, as applicable, receives a response from HUD or the state that approves the grantee's Request for Release of Funds and certification;
- Grantee must amend its published Action Plan to include its projection of expenditures and outcomes within 90 days of the Action Plan Amendment approval.

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

Awards under this notice will be subject to the waivers and alternative requirements provided in the notices governing the award of CDBG–DR funds for 2015 and 2016disasters, as identified in Table 1. These waivers and alternative requirements provide additional flexibility in program design and implementation to support full and swift recovery following the disasters, while also ensuring that statutory requirements are met. Grantees may request additional waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Waivers and alternative requirements are effective five days after they are published in the **Federal Register**.

E. Duration of Funding

Public Law 115–31 provides that these funds will remain available until expended. However, consistent with 31 U.S.C. 1555 and OMB Circular A–11, if the Secretary or the President determines that the purposes for which the appropriation has been made have been carried out and no disbursements have been made against the appropriation for two consecutive fiscal years, any remaining balance will be made unavailable for obligation or expenditure. Consistent with the June 17, 2016, November 21, 2016, and January 18, 2017 notices, the provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with alternative requirements under this notice. Grantees must expend 100 percent of their allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

II. Waivers and Alternative Requirements for CDBG–DR Funds Appropriated by Public Law 114–223, 114–254 and 115–31 (Applicable Only to the State of Louisiana)

This section of the notice provides a waiver for the state of Louisiana, which has received CDBG–DR allocations pursuant to Public Law 114–223, 114–254 and 115–31. The state of Louisiana was allocated $1,656,972,000 in CDBG–DR funds under Public Law 114–223 and 114–254 and HUD has approved the state's use of these CDBG–DR funds for three main recovery programs: Housing (86 percent), economic development (4 percent), and infrastructure (6 percent). These programs were developed to address the most urgent and significant unmet needs of those areas impacted by the eligible 2016 disasters. This notice allocates $51,435,000 to Louisiana pursuant to Public Law 115–31, bringing the total amount allocated to the state for 2016 disasters to $1,708,407,000.

1. *Waiver of the 70 percent overall benefit requirement (State of Louisiana only).* The overall benefit requirement set by the HCDA requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons. It can be difficult for grantees working in disaster recovery to meet the overall benefit test, because disasters do not always affect low- and moderate-income areas and, therefore, this requirement can in some cases limit grantees' ability to assist the most damaged areas.

The November 21, 2016, notice maintained the 70 percent overall benefit requirement for all grantees receiving funds under these public laws, but provided the state of Louisiana and all other grantees with additional flexibility to request a lower overall benefit requirement. Specifically, that notice allows a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative

requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 70 percent requirement; and (d) demonstrates that low- and moderate-income (LMI) persons' disaster-related needs have been sufficiently met and that the needs of non–LMI persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them.

The state of Louisiana submitted a request to establish a lower overall benefit requirement based on the above criteria. In its request, the state contends that out of the 57,600 households that suffered major or severe damage during the flooding in 2016, only 44 percent were low-and and moderate-income (LMI) persons. The State's request notes that due to the persistent flooding that occurs in these communities, offering assistance to all households in the areas affected by the storm, and not just LMI households, will help the impacted neighborhoods with critical rebuilding needs.

Accordingly, the state will target its CDBG–DR funds to households with major or severe damage that did not have flood insurance at the time of the storms (36,510 households). The state indicates that 53 percent of those households qualify as LMI, and that 65 percent of the funds for the state's homeowner program will benefit those LMI households. The state also estimates that 100 percent of its housing rental funds will benefit LMI households, and 50 percent of the funds allocated for infrastructure and economic development activities will also meet the LMI national objective. The state designed its program so that those in greatest need are provided with the greatest level of assistance, by covering 100 percent of unmet needs for households earning less than 120 percent of area median income (AMI) and covering 50 percent of unmet needs for households above 120 percent of AMI. This approach prioritizes the unmet needs of LMI households and encourages higher income households to leverage personal or private funds.

To enable the state to undertake the activities it has deemed most critical for its recovery, and to ensure that LMI households are sufficiently served and/or assisted, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement from 70 percent to not less than 55 percent of the state's allocation of CDBG–DR funds. This means that the state must use at least 55 percent of its CDBG–DR allocations under Public Law 114–223, 114–254 and 115–31 to benefit LMI households (or not less than $939,623,850.00).

Based on the analysis submitted by the state, the Secretary finds a compelling need for this reduction due to the circumstances outlined in the state's request. In particular, HUD notes that the areas most damaged by the storms have limited LMI populations; that all of the state's recovery programs will have some component that will specifically benefit LMI households; that the persistent nature of flooding has led the state to focus on the importance of rebuilding communities in a holistic manner; and that the state will prioritize the unmet needs of LMI households in its homeowner recovery programs. HUD does not see evidence that reduction to the 50 percent level sought by the state is necessary given its approved program design and early data with respect to its applicant pools. HUD, however, does advise the state to maintain its current program design and targeting strategy to ensure that projected LMI benefit levels are achieved and the state continues to demonstrate that low- and moderate-income persons' disaster-related needs have been sufficiently met.

This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the state of Louisiana must meet when carrying out activities identified in its approved action from 70 percent to not less than 55 percent of the state's allocations of CDBG–DR funds under Public Law 114–223, 114–254 and 115–31.

2. Waiver of Section 414 of the Stafford Act, 42 U.S.C. 5181 (State of Louisiana only). The state of Louisiana has requested a waiver of section 414 of the Stafford Act, as amended, for rehabilitation or reconstruction activities. This notice grants the State's request and specifies alternative requirements.

Section 414 of the Stafford Act (42 U.S.C. 5181) provides that ''Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91–646) [42 U.S.C. 4601 *et seq.*] [''URA''] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by [the URA]''. Accordingly, tenants displaced from their homes as a result of the identified disaster and who would have otherwise been displaced as a direct result of any acquisition, rehabilitation, or demolition, of real property for a federally assisted project or program may become eligible for a replacement housing payment notwithstanding their inability to meet occupancy requirements prescribed in the URA.

Section 414 of the Stafford Act (including its implementing regulation at 49 CFR 24.403(d)(1)), is waived to the extent that it would apply to the CDBG–DR funded rehabilitation and reconstruction activities undertaken by the state of Louisiana, or its subrecipients, for its grants under Public Law 114–223, Public Law 114–254 and Public Law 115–31; provided that the activities were not planned, approved, or otherwise underway prior to the disaster.

The Department has surveyed other federal agencies' interpretation and implementation of Section 414 and found varying views and strategies for long-term, post-disaster projects involving the acquisition, rehabilitation, or demolition of disaster-damaged housing. Under the CDBG–DR supplemental appropriations, the Secretary has the authority to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds. The Department, in special cases, has previously granted a waiver and provided alternative requirements of Section 414 to CDBG–DR grantees, including the Gulf States impacted by disasters in 2005 and 2008 (see 72 FR 48804) and the 2011 floods in the city of Minot, North Dakota (see 79 FR 60490).

The severe floods of 2016 damaged Louisiana's affordable rental housing stock. According to the State, approximately 28,470 rental units were damaged by the floods, resulting in lower vacancies, increased rental rates and further exacerbating the housing cost burden among low- and moderate-income renters. Many of the damaged rental housing units have since been vacated by tenants who have found permanent housing elsewhere.

The state of Louisiana's CDBG–DR Action Plan for recovery from the 2016 floods identifies this rental housing need and contains several programs geared toward the repair and increase of the affordable rental housing stock by using CDBG–DR funds to reconstruct or rehabilitate rental units that were damaged by the floods and to create new rental housing by providing funding for multi-family developments.

Existing CDBG–DR funding is only sufficient to bring less than six percent of disaster-impacted rental units into decent, safe, and sanitary condition. With a potential pool of 1,500 units eligible for rehabilitation or reconstruction, a strict interpretation of Section 414 of the Stafford Act and 49 CFR 24.403(d)(1) would pose a significant administrative burden and add delays to achieving overall program goals within the timeframe set forth by the applicable notices governing the use of the CDBG–DR funds. Additionally, the State has demonstrated that replacement housing payments for persons initially displaced by the disaster will reduce funds available for improving long-term housing affordability and sustainability.

The State has identified a relatively small population of households currently in need of continued temporary housing assistance of some form related to the flooding events, and the State's CDBG–DR Action Plan attempts to addresses this need by funding programs designed to assist the needs of persons who are homeless or at risk of becoming homeless due to the 2016 floods.

The Department's basis for this waiver and alternative requirements are unique to the State of Louisiana as documented in its request to the Department. The Department has considered the State's request and determined that good cause exists for a waiver and alternative requirements and that such waiver and alternative requirements are not inconsistent with the overall purposes of title I of the HCD Act.

1. The State's proposal maximizes its ability to increase the overall supply of affordable rental units. Such units will have affordability requirements for low-income persons.

2. The waiver will simplify the administration of the disaster recovery process and reduce the administrative burden associated with a strict interpretation of Stafford Act Section 414 requirements on the potential pool of 1,500 units eligible for rehabilitation or reconstruction.

3. This waiver does not apply to persons that meet the occupancy requirements to receive a replacement housing payment under the URA nor does it apply to persons displaced by other HUD-funded disaster recovery programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted.

Due to the specific circumstances of Louisiana's recovery process, the Department is providing a waiver of Section 414 of the Stafford Act and its implementing regulation at 49 CFR 24.403(d)(1), and establishing alternative requirements. For rehabilitation or reconstruction activities in support of bringing damaged rental units back into productive use, the State must adhere to the alternative requirements specified in this notice.

For tenants that have vacated housing units damaged by the 2016 floods, the State of Louisiana must:

1. Establish a publicly available re-housing plan for its rental housing programs that includes, at minimum, the following:

a. A rental registry containing information concerning the availability of all of the units assisted through its rental housing programs so that displaced low- and moderate-income households and other interested households may apply to live in these units;

b. Contact information and a description of any eligibility and applicable application process, including any deadlines;

c. Information on market rate rental units for non-LMI households displaced by the disaster;

d. A description of services to be made available, including, at minimum, outreach efforts to eligible persons and housing counseling providing information about available housing resources.

2. Establish and implement operating procedures to ensure that a good faith effort is made to contact each former residential tenants to inform them of the availability of their previous unit and other available units rehabilitated under the program.

3. Offer low- and moderate-income former tenants preferred status in the residential application process for the unit from which they were displaced and for other rental units repaired or created with CDBG–DR funds.

The State's request for waiver and alternative requirements indicates that landlords participating in the rental repair programs will be required to keep the restored units affordable for 5 to 20 years after initial occupancy. The State's policies and procedures governing each rental repair program must detail any imposed affordability requirements for that program.

This waiver has no effect on URA eligibility for relocation assistance and payments for existing tenant occupants of dwelling units who may be displaced or relocated temporarily as a direct result of a CDBG–DR activity.

III. Allocation Framework for Disasters in 2017 or Later

A. Background

After addressing remaining unmet need for 2015 and 2016 disasters, $57,800,000 in CDBG–DR funding remains available to be allocated for major disasters occurring in 2017 or later. Public Law 115–31 specifies that the funds allocated for disasters in 2017 or later are subject to the same authority and conditions as those applicable to CDBG–DR funds appropriated by Public Law 114– 223 and, therefore, these funds are also subject to the requirements of the November 21, 2016 notice, except the major disaster may occur in calendar year 2017 or later until such funds are fully allocated.

For 2017 and later disasters, HUD will use the methodology specified in Appendix A to the January 18, 2017 notice for determining if a disaster meets the minimum qualifications for funding using the limits established by that notice. For disasters that meet the minimum qualification, HUD will allocate the lesser of 100 percent of serious unmet needs as defined in the January 18, 2017 notice or remaining funds available from Public Law 115–31.

HUD will not evaluate a disaster for qualification to receive CDBG–DR funds until:

(i) The major disaster has been declared eligible for FEMA's Public Assistance (PA) Program and Individual and Households (IHP) Program;

(ii) FEMA has approved Individual Assistance applications totaling at least $13 million in IHP financial assistance for the declared disaster in a single county; and

(iii) four months have passed since the disaster declaration that made IHP available, or the IHP registration period is closed, whichever comes first.

These criteria do not assure CDBG–DR eligibility, but they will lead HUD to acquire the data necessary to determine eligibility, and if eligible, calculate a formula allocation. HUD will allocate funds to 2017 disasters using the best available data at that time.

B. Use of Funds

Grantees receiving an allocation of funds for 2017 and later disasters pursuant to a subsequent notice are subject to the requirements of the November 21, 2016 notice, as amended, which require that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan to HUD for approval detailing the proposed use of all funds, including criteria for eligibility, and how the use of these funds will address

long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. This Action Plan for disaster recovery must describe uses and activities that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (HCDA) or allowed by a waiver or alternative requirement; and (2) respond to disaster-related impact to infrastructure, housing, and economic revitalization in the most impacted and distressed areas. To inform the plan, grantees must conduct an assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities, pursuant to paragraph A.2.a. in section VI of the November 21, 2016 notice, as amended.

Pursuant to the November 21, 2016 notice, each grantee receiving an allocation of funds for 2017 or later disasters in a subsequent notice is also required to expend 100 percent of its allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

Grantees receiving an allocation of funds for 2017 or later disasters pursuant to a subsequent notice will be subject to the grant process provided for in section V of the November 21, 2016 notice.

IV. Public Law 113–2 Waivers and Alternative Requirements

A. Background

This section of the notice authorizes waivers and alternative requirements for certain grantees that received an allocation of funds appropriated under Public Law 113–2, which ultimately made available $15.2 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The full amount of the appropriation has been allocated as follows: $13 billion in response to Hurricane Sandy, $514 million in response to disasters occurring in 2011 or 2012, $655 million in response to 2013 disasters, and $1 billion for the National Disaster Resilience Competition (NDRC).

This section of the notice specifies waivers and alternative requirements and modifies requirements for grantees that received awards under the NDRC (CDBG–NDR grantees), described in the **Federal Register** notice published by the Department on June 7, 2016 (81 FR 36557). The requirements of the June 7, 2016 notice continue to apply to these grantees, except as modified by this notice.[1]

This section of the notice also provides a waiver of the low- and moderate-income overall benefit requirement for the City of Moore, OK, and the State of New York, which have each received a CDBG–DR award pursuant to Public Law 113–2. This section of the notice also modifies the process for the publication of the expenditure extensions approved by the Department under Public Law 113–2. This section of the notice additionally authorizes grantees receiving an allocation of CDBG–DR funds for Rebuild by Design projects to exclude expenditures of that allocation from the calculation of the grantee's overall low- and moderate-income benefit.

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

Public Law 113–2 authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waivers and alternative requirements described in this section of notice, the Secretary has determined that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purposes of title I of the HCDA. Grantees under Public Law 113–2 may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Under the requirements of Public Law 113–2, waivers must be published in the **Federal Register** no later than 5 days before the effective date of such waiver.

1. Urgent need national objective certification requirements for CDBG–NDR grantees. The June 7, 2016 notice provided CDBG–NDR grantees with a waiver and alternative requirement to the certification requirements for the documentation of the urgent need national objective at 24 CFR 570.208(c) and 570.483(d), waiving the certification requirements until 24 months after the date the Department obligates funds to a grantee, and alternatively requiring each CDBG–NDR grantee to document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact identified by the grantee. Elsewhere, this notice describes the extension of the expenditure deadline that the Department is authorized to provide to all CDBG–NDR grantees, allowing them to expend funds until September 30, 2022. For CDBG–NDR grantees funding activities that will satisfy the urgent need national objective, an extension of the existing alternative requirement to the standard urgent need certification requirement is also required, to ensure that the CDBG–NDR project can meet the urgent need national objective on a timeframe that coincides with an extended expenditure deadline.

Each CDBG–NDR grantee was required to document how all programs and/or activities funded under the urgent need national objective respond to a disaster-related impact. For activities that meet the urgent need national objective, grantees were required to reference in their Action Plan the type, scale, and location of the disaster-related impacts that each project, program, and/or activity will address. Without an extension of the prior waiver and alternative requirement to the certification requirements for documentation of the urgent need national objective, HUD's extension of the 24-month expenditure deadline could penalize grantees whose successful applications relied on the availability of the alternative urgent need national objective criteria.

Grantees documented urgent needs in their initial applications, and the grantees will expend funds to meet these urgent needs throughout the grant period. Therefore, section 3.V.A.1.d. of the June 7, 2016 notice is modified to add the following alternative requirement for CDBG–NDR grantees: ''Notwithstanding the two year limitation on the use of the urgent need national objective referenced in paragraph one of this section, for activities designed to respond to disaster-related impacts that pose a serious and immediate threat to the health or welfare of the community, and which were adequately documented within the grantee's initial Action Plan, the grantee may continue to use the alternative certification of the urgent

[1] Links to the June 7, 2016 notice, the text of Public Law 113–2, and additional guidance prepared by the Department for CDBG–DR grants, are available on the HUD Exchange Web site: *https://www.hudexchange.info/programs/cdbg-dr/resilient-recovery/*.

need national objective until the end of the extended expenditure deadline approved by the Department, provided that the grantee updates the needs assessment of its Action Plan as new or more detailed/accurate disaster-related impacts are known.''

As a reminder, Action Plans must be amended, as necessary, to ensure that an updated needs assessment is included for each project, program, or CDBG-eligible activity undertaken with CDBG–NDR funds. This alternative requirement does not contemplate new projects or activities that were not documented as meeting an urgent need within a grantee's initial Action Plan. Amendments to a CDBG–NDR Action Plan that describe additional projects or activities will trigger the substantial amendment requirements described in paragraph V.A.1.g.(i) in the June 7, 2016 notice and new projects or activities intended to meet the urgent need national objective may require a separate waiver from HUD to permit use of the alternative urgent need certification.

2. Revision of substantial amendment requirements for CDBG–NDR grantees. The June 7, 2016 notice specified the changes to an Action Plan that would constitute a substantial amendment, and described the process required for CDBG–NDR grantees to make a substantial amendment to an approved Action Plan. The June 7, 2016 notice indicated that HUD would review the proposed change(s) against the rating factors and threshold criteria and consider whether the revised Action Plan, inclusive of the proposed change, would continue to score in the fundable range for the NDRC. The June 7, 2016 notice also stated that HUD would only approve a substantial amendment if the revised score remains within the fundable range of CDBG–NDR scores. However, all NDR awards funded scaled and scoped versions of proposals in NDR applications, because the Department could not fully fund all the proposed activities described in applications that scored within the initial fundable range. Accordingly, determining whether a change to a grantee's Action Plan would fall within the initial fundable range of CDBG–NDR scores is not an accurate method of determining whether a revised project would still be fundable. To address this and to further clarify the criteria and process for amendments to CDBG–NDR Action Plans, the Department is amending the third paragraph of section 3.I.B. of the June 7, 2016 notice by replacing it in its entirety with the following:

''A grantee may amend the Action Plan, but must receive prior HUD approval for substantial amendments to the plan. Before making any substantial amendment to the Action Plan, a grantee must follow the same citizen participation requirements required by the NOFA for the preparation and submission of an NDRC application, FR–5800–N–29A2 (NOFA). Additional information about citizen participation requirements can be found in section 3.V.A.3 below.''

Additionally, the Department is also amending section 3.V.A.1. of the June 7, 2016 notice by replacing it with the following:

''1. *Application for CDBG–NDR Waiver and Alternative Requirement.* The requirements for CDBG actions plans, located at 42 U.S.C. 12705(a)(2), 42 U.S.C. 5304(a)(1), 42 U.S.C. 5304(m), 42 U.S.C. 5306(d)(2)(C)(iii), and 24 CFR 91.220 and 91.320 are waived for funds provided under the NOFA. Instead, HUD required each grantee to submit an application for CDBG–NDR, and the Applicant's Phase 1 and Phase 2 submissions for this competition together constitute an Action Plan required under Public Law 113–2. HUD notes that 24 CFR 570.304 and 24 CFR 570.485, to the extent they govern annual formula CDBG grant approvals, do not apply to National Disaster Resilience Competition (NDRC) allocations, but the standard of review of certifications continues to apply to grantee certifications. HUD will monitor the grantee's activities and use of funds for consistency with its approved Action Plan and all other requirements, including performance and timeliness. Per the Appropriations Act, and in addition to the requirements at 24 CFR 91.500, the Secretary may disapprove a substantial amendment to an Action Plan (application) if it is determined that the amended application does not satisfy all the required elements included in this notice at 3.V.A.1.g.(i). However, in reviewing substantial amendments, HUD will not penalize grantees for scaling and scoping decisions made by HUD as part of the NDRC award selection process.''

The Appropriations Act, as used in the June 7, 2016 notice, refers to Public Law 113–2.

Additionally, the Department is also amending section 3.V.A.1.g. of the June 7, 2016 notice by replacing it in its entirety with the following:

''(g) *Action Plan Amendments, Submission to HUD, Treatment of Leverage, Partners, and BCA.* A grantee is encouraged to work with its HUD representative before making any amendments to its Action Plan to determine whether the amendment would constitute a substantial amendment and to ensure that the proposed change complies with all applicable requirements.

(i) *Substantial Amendments.* The following modifications constitute a substantial amendment requiring HUD approval: Any change to the funded portions of the application that HUD determines, based generally on the guidelines of the NOFA (as adjusted for HUD's scaling and scoping of the award), would present a significant change to the grantee's capacity to carry out the grant (including loss of a partner without addressing lost capacity through replacement or contingency plan identified in the application); any change to the funded portions of the application that HUD determines, based generally on the guidelines of the NOFA (as adjusted for HUD's scaling and scoping of the award), would undermine the grantee's soundness of approach (including the benefit cost analysis); any change to the Most Impacted and Distressed target area(s) (a revised area must meet Most Impacted and Distressed threshold requirements in the NOFA, including Appendix G to the NOFA); any change in program benefit, beneficiaries, or eligibility criteria, and the allocation or reallocation of more than 10 percent of the grant award; any change to the leverage that was pledged and approved in the grantee's grant agreement; or the addition or deletion of an eligible activity.

Amendments that do not fall within the definition of substantial amendment are referred to as 'nonsubstantial amendments.' A grantee must notify HUD at least 10 business days before a nonsubstantial amendment becomes effective.

For substantial amendments, grantees must complete the citizen participation requirements of this notice, at section 3.V.A.3, before HUD can approve the amendment. In addition to reviewing Action Plans against the criteria at 24 CFR 91.500, HUD will review and approve a substantial amendment to an Action Plan if the amendment results in an Action Plan that HUD determines: (i) Can be reasonably carried out by the grantee and that the grantee has addressed any loss in capacity due to dissolved partners that are not replaced; (ii) may differ from the previously approved Action Plan but does not significantly deviate from the scope and objectives of the previously approved Action Plan or the purpose of the NDRC; (iii) satisfies all of the required elements identified in the NOFA (as adjusted for HUD's scaling and scoping of the

award), this amended section 3.V.A.1.g. and elsewhere in the June 7, 2016 notice, including Tie-back requirements, and does not fund activities identified in section III.C.2. of the NOFA as ineligible; (iv) demonstrates (through an updated BCA, if requested) that the benefits to the grantee's community and to the United States continue to justify the costs of the award; and (v) does not differ in the amount of leverage identified in the grantee's grant agreement (substitution of leverage sources is permitted).

To allow HUD to make this determination, a grantee must submit adequate documentation that demonstrates the following: capacity of the grantee and partners to implement the funded activities, any changes to partners who will assist in the amended activity, scope and beneficiaries of the funded activities, the direct and supporting leverage committed by the grantee, and an updated BCA (if requested). Grantees are encouraged to work with their HUD representatives before making any amendment to an Action Plan. As indicated in the NOFA, if a grantee makes or proposes to make a substantial amendment to its project, HUD reserves the right to disapprove the amendment or amend the grantee's award and reduce the grant amount or recapture the grant, as necessary.

(ii) *Information for Substantial and Nonsubstantial Amendments.* If the grantee proposes to amend its Action Plan, each proposed amendment must be highlighted, or otherwise identified, within the context of the approved Action Plan and be submitted to HUD. All amendments must comply with provisions of this notice, including Tie-back requirements. Grantees may not amend an Action Plan to include funding for ineligible activities identified in section III.C.2 of the NOFA. The beginning of every proposed amendment must include a section that identifies exactly what content is being added, deleted, or changed, and whether the grantee believes that the proposed amendment would result in a significant change to the grantee's capacity or soundness of approach. This section must also include a chart or table that clearly illustrates where funds are coming from and to where they are moving. The amendment must include a revised budget allocation table that reflects the entirety of all funds, as amended. A grantee's most recent version of its approved NDR application and its DRGR Action Plan must be accessible for viewing as a single document, at any given point in time, rather than requiring the public or HUD to view and cross-reference changes among multiple amendments. Requirements for the full expenditure of CDBG–NDR funds by a date established by HUD will continue to be enforced under any amendment to the Action Plan. Every amendment to the Action Plan (substantial and nonsubstantial) must be numbered sequentially and posted on the grantee's website. The Department will acknowledge receipt of a proposed amendment via email or letter within 5 business days of receipt. HUD may seek additional information from the grantee to determine whether a proposed amendment is a substantial amendment.

(iii) *Amendments that may affect the BCA previously accepted by HUD.* If requested by HUD, a grantee must submit an update to its BCA to support a request for a substantial amendment.

(iv) *Leverage Accepted by HUD.* Grantees are required to show, through quarterly reports, evidence that firmly committed leverage resources in the amount required by the grant terms and conditions have been received and used for the intended purposes. A grantee may not propose an amendment to reduce the amount of leverage pledged and identified in the grant agreement. Sources of leverage funds, however, may be substituted after grant award with HUD approval, if the dollar amount of leverage is equal to or greater than the total amount of leverage required by the grant terms and conditions. Substitution of a leverage source in the same amount committed and identified in the grant terms and conditions is a nonsubstantial amendment. Section 3.V.A.2.e describes additional DRGR leverage reporting requirements.

(v) *Partners Accepted by HUD.* The NOFA permitted a grantee to identify a partner in its application that the grantee would be otherwise required by program requirements to competitively procure. A grantee is not required to secure the services of any partner by competitive procurement if the partner is duly documented and identified in the initial approved Action Plan for the CDBG–NDR grant. The Department has granted permission for single source procurement of these partners, pursuant to 2 CFR 200.320(f)(3) (cited in the NOFA as 24 CFR 85.36(d)(4)(i)(C), which has since been superseded by the Uniform Requirements) and advised state grantees that have not adopted the local government procurement requirements in 2 CFR part 200 to review state requirements associated with single source procurement and to follow all applicable procurement requirements. In many cases, this will entail the grantee undertaking a cost analysis prior to making payments to such a partner, and the grantee will be responsible for ensuring compliance with requirements that all CDBG–NDR costs be necessary and reasonable (for local government grantees, see 2 CFR 200.323, for state governments that have not adopted 2 CFR 200.323, see state procurement requirements applicable to single source procurements). If a partner dissolves the partnership after award and before activities are complete, a grantee should make its best effort to replace the partner with a similarly skilled partner, if the grantee's approved CDBG–NDR application was rated and ranked based on the capacity of the dissolved partner. If the grantee is not able to replace the lost capacity of a partner by following a contingency plan included in its approved CDBG–NDR application, the grantee must complete a substantial amendment to its Action Plan that addresses the lost capacity. If a grantee proposes to add a partner that would otherwise have to be procured as a contractor after the award or if the partner was identified in the approved CDBG–NDR application but was found by HUD to lack sufficient documentation, then that selection of that partner would not be covered by the single-source permission above and would be subject to procurement requirements under 2 CFR part 200 or state law, as applicable. Additionally, as required by Appendix D to the NOFA, the grantee shall execute a written subrecipient agreement, developer agreement, contract, or other agreement, as applicable, with each partner regarding the use of the CDBG–NDR funds, before disbursing any CDBG–NDR funds to the partner. The written agreement must conform with all CDBG–NDR requirements and shall require the partner to comply with all applicable CDBG–NDR requirements, including those found in Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2), title I of the HCDA (42 U.S.C. 5302 et seq.), the CDBG program regulations at 24 CFR part 570, this amended June 7, 2016 notice, and any other applicable **Federal Register** notices, and commitments made in the grantee's Phase 1 and Phase 2 approved CDBG–NDR applications.''

Additionally, the Department is also amending the first paragraph of section 3.V.A.3.a. of the June 7, 2016 notice by replacing it in its entirety with the following:

a. Publication of the Action Plan, Access to Information, and Substantial Amendments: At all times, the grantee must maintain a public Web site that contains the latest versions of its Action Plan, including the DRGR Action Plan and the version as

submitted to HUD for the competition and including the following portions: Executive summary; Factor narratives; Eligibility; national objective; overall benefit; and schedule responses, threshold requirements documentation, and all exhibits (A–G) (but of the attachments, only Attachments D and F must be published); and opportunity for public comment, hearing, and substantial amendment criteria. Before the grantee submits a proposed substantial amendment, the grantee must publish the proposed submission, including a section that identifies exactly what content is being added, deleted, or changed, and whether the grantee believes that the proposed amendment would result in a significant change to the grantee's capacity or soundness of approach; a chart or table that clearly illustrates where funds are coming from and to where they are moving; and a revised budget allocation table that reflects the entirety of all funds, as amended.

3. *Projection of Expenditures and Outcomes.* The June 7, 2016 notice specified the time frames for grantees to report and update the projection of expenditures and performance outcomes for CDBG–NDR grants. As grantees have refined and finalized outcomes for each CDBG–NDR grant, the Department has determined that further clarification of the time frames for initially reporting and updating grantee projections of expenditures and outcomes is required. Accordingly, Section 3.II.B(9) of the June 7, 2016 notice is amended by replacing it in its entirety with the following:

(9) *Continuing responsibility related to certification.* After materials necessary to support the Secretary's certification are submitted and the grant agreement is signed, grantees have continuing responsibilities for maintaining the certification. HUD may request an update to the grantee's certification submission each time the grantee submits a substantial Action Plan Amendment, or if HUD has reason to believe the grantee has made material changes to grantee's support for its certifications.

Grantees must submit to the Department for approval an update to the program schedule (projection of expenditures) and milestones (outcomes) included in the approved CDBG–NDR application response to the Phase 2 Factor 3 Soundness of Approach rating factor. The projections must be based on each quarter's expected performance—beginning the quarter that funds are available to the grantee and continuing each quarter until all funds are expended. Each grantee must also include these projected expenditures and outcomes in the initial activity set-up in DRGR. Within 90 days of HUD's approval of the initial DRGR Action Plan, the projections entered into DRGR (as contained in the DRGR Action Plan) must be amended to reflect any subsequent changes, updates, or revision of the projections. Any subsequent changes, updates, or revision of the projections must receive written approval from HUD. Amending Action Plans solely to accommodate changes to the timeline for projected expenditures does not fall within the definition of substantial amendment and is not subject to citizen participation requirements.

Guidance on the preparation of projections is available on HUD's Web site under the headings Office of Community Planning and Development, Disaster Recovery Assistance (*https://www.hudexchange.info/resource/3685/cdbg-dr-grantee-projections-of-expenditures-and-outcomes/*). The projections will enable HUD, the public, and the grantee to track proposed versus actual performance. HUD will make the DRGR Action Plan and performance reports available on the DRGR public Web site (*https://drgr.hud.gov/public/*).

Additionally, following execution of a grant agreement, the DRGR Action Plan that reflects the components funded through the CDBG–NDR grant must be posted on the grantee's Web site.

Additional information on the DRGR reporting system requirements can be found in section 3.V.A.2. below.

Grantees are also required to ensure all agreements (with subrecipients, recipients, and contractors) clearly state the period of performance or the date of completion. In addition, grantees must enter expected completion dates for each activity in the DRGR system. When target dates are not met, grantees are required to explain why in the activity narrative in the system.

Other reporting, procedural, and monitoring requirements are discussed under ''Grant Administration'' in section 3.V.A. of this amended June 7, 2016 notice. The Department will institute risk analysis and on-site monitoring of grantee management as well as collaborate with the HUD Office of Inspector General to plan and implement oversight of these funds.

In addition to the above changes, HUD is modifying the last paragraph of section 3.IV of the June 7, 2106 notice, by replacing it in its entirety with the following:

• ''Grantee amends its published Action Plan (the DRGR Action Plan) to include any updates to its projection of expenditures and outcomes within 90 days of HUD's approval of the initial DRGR Action Plan.''

4. *Waiver of Limitation on Planning Costs (State of New Jersey only).* The Department is modifying the alternative requirement in the June 7, 2016 notice which imposes a 20 percent limit on planning and administrative costs, and is imposing an alternative requirement for the state of New Jersey to accommodate activities to be funded under the state's approved CDBG–NDR Action Plan. The June 7, 2016 notice waived section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) for states and provided an alternative requirement that limits CDBG–NDR grantees to using no more than 20 percent of the total grant amount on a combination of planning and general administrative costs (see paragraph V.A.10.b.(1) of the June 7, 2016 notice). The state submitted a Phase 2 application to HUD for the NDRC on October 27, 2015, describing an array of recovery and resilience activities that included both infrastructure and planning activities. In January 2016, the Department made a CDBG–NDR award of $15 million to the state for two proposed planning-only projects, a Regional Resiliency Planning (RRP) Grant Program and a best practices toolkit. As part of its RRP Grant Program, the state proposed to invest CDBG–NDR funds in a program evaluation that investigates the efficacy of its grant program and facilitates replication of the program in other communities. Because the entirety of the state's CDBG–NDR award is for the purpose of planning-only activities, HUD is modifying the limitation described in the June 7, 2016 notice for the state of New Jersey only, and imposing the following alternative requirement:

To ensure that the state of New Jersey can devote the full amount of CDBG–NDR grant funds to both of its approved planning-only projects, the Department is waiving section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) to remove the limitation on planning expenses for this grant, thereby permitting the state to expend 100 percent of its CDBG–NDR grant on planning and administration expenses. Additionally, to ensure that the state devotes a minimum amount of its funds to local level planning activities as described in its approved CDBG–NDR Action Plan, the Department is requiring that at least 80 percent of the $10 million provided for the RRP in the state's Action Plan ($8 million) be expended on local planning grants.

As a reminder, the state must continue to limit its general administrative costs for the CDBG–NDR grant to 5 percent of its total grant award, as provided in Public Law 113–2 and the June 7, 2016 notice. The state must also adhere to the program funding amounts in the state's grant agreement terms and conditions, as amended.

5. Waiver of Limitation on Planning Costs (State of Connecticut only). The Department is modifying the alternative requirement in the June 7, 2016 notice which imposes a 20 percent limit on planning and administrative costs, and is imposing an alternative requirement for the state of Connecticut to accommodate activities to be funded under the state's approved CDBG–NDR Action Plan. The June 7, 2016 notice waived section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) for states and provides an alternative requirement that limits CDBG–NDR grantees to using no more than 20 percent of the total

grant amount on a combination of planning and general administrative costs (see paragraph V.A.10.b.(1) of the June 7, 2016 notice). The state submitted a Phase 2 application to HUD for the NDRC on October 27, 2015, describing an array of recovery and resilience activities that included both infrastructure and planning activities. In January 2016, the Department made a CDBG–NDR award of $54,277,359 to the state for infrastructure and the following planning activities: Bridgeport South End Design Guidelines ($330,000), Bridgeport South End District Energy Feasibility ($350,000), Connecticut Connections Coastal Resilience Plan ($8,203,323), and the State Agencies Fostering Resilience (SAFR) program ($3,500,000), which includes both administration and planning expenses.

The sum of planning projects funded under this award is $12,383,323, or 22.8 percent of the total grant award amount, and the maximum allowable amount that can be used for general administrative expenses is 5 percent of the grant total or $2,713,868. In order to allow the state to fully fund its selected projects and properly administer its grant award, HUD is modifying the limitation described in the June 7, 2016 notice for the state of Connecticut, and imposing the following alternative requirement:

The Department is waiving section 106(d) of the HCDA (42 U.S.C. 5306(d)) and 24 CFR 570.489(a)(1)(i), (ii), and (iii) to increase the limitation on planning and general administration expenses for this grant to 27.8 percent or $15,097,191.

As a reminder, the state of Connecticut must continue to limit its general administrative costs for the CDBG–NDR grant to 5 percent of its total grant award, as provided in the Appropriations Act and the June 7, 2016 notice. The state must also adhere to the program funding amounts in the state's grant agreement terms and conditions, as amended. The Appropriations Act referenced in the amended June 7, 2016 notice is Public Law 113–2.

6. Waiver for Eligible Activity (Commonwealth of Virginia only). The Department awarded the Commonwealth of Virginia CDBG–NDR funds to develop a Coastal Resilience Lab and Accelerator Center (the Center) that supports new business initiatives aimed at addressing flood risk. Many of the Center's components, however, are not otherwise CDBG-eligible activities. Accordingly, the Commonwealth requested and the Department is granting a waiver and establishing an alternative requirement to create a CDBG-eligible activity that comprises all the components proposed for the Center.

The Commonwealth's approved Action Plan states that the Center will ''serve as the nexus for technological and organizational innovation around community revitalization, water management, resilience measurement,'' and will ''focus on generating economic growth by assisting entrepreneurs skilled at identifying problems, matching them with potential solutions, working with companies to create product, and moving product quickly to market.'' To this end, the Commonwealth will use its CDBG–NDR grant to fund specific components of the project including the design plan for the operations of the Center, training, office space, and capital investment for emerging businesses focused on regional resilience solutions, targeted workforce development and support, public outreach, and sharing best practices.

In rare instances when necessary to achieve recovery goals, HUD has previously granted waivers and alternative requirements to allow a grantee to treat a large complex project as a single eligible activity with multiple components that contribute to long-term recovery. HUD's approval of the Commonwealth's application through the NDRC is intended to support the creation of a new regional industry cluster to serve as a model for other communities that want to support businesses in this field.

HUD has determined that many of the proposed project components in the Commonwealth's application, including the development of a public facility, support for small businesses through training and capital, supporting workforce development, public engagement, and knowledge dissemination are already eligible CDBG activities. Therefore, to streamline implementation of the Center and its programs and allow the Commonwealth to proceed with valuable project components that are not eligible CDBG activities, HUD is waiving section 105(a) (42 U.S.C. 5305(a)) and establishing an alternative requirement only to the extent necessary to create a new eligible activity for the Commonwealth's CDBG–NDR grant, referred to as the Center, comprised of the activities outlined in the Commonwealth's approved Action Plan for its CDBG–NDR grant. However, HUD reminds grantees that the following provision in the June 7, 2016 notice remains in effect: ''When CDBG–NDR grantees provide funds to for-profit businesses, such funds may only be provided to a small business, as defined by the SBA under 13 CFR part 121. CDBG–NDR funds may not be used to directly assist a privately-owned utility for any purpose''.

7. Waiver and alternative requirement for low- and moderate-income area benefit activities (State of California only). The Department awarded the State of California CDBG–NDR funds to develop a Community and Watershed Resilience Program in response to the 2013 Rim Fire that was the third largest wildfire in California's history. The program will finance the development of a biomass facility and wood products campus in Tuolumne county as well as a forest and watershed health component focused on forest restoration efforts, rangeland improvements, and biomass removal and thinning throughout the region. The program also includes the establishment of a community resilience center that will offer business incubator and job training services, while also serving as an emergency evacuation center for the broader community.

The state's approved CDBG–NDR application noted that the most impacted and distressed area with remaining unmet disaster recovery needs to be served by the project encompasses the non-entitlement jurisdictions of Tuolumne, Mariposa and Calaveras counties, where 38 percent of the residents are low- and moderate-income (LMI). The state's application indicated that if CDBG–NDR funds were awarded for the program, the state would require a waiver that would permit activities carried out in areas with an LMI percentage of not less than 38 percent to qualify under the low- and moderate-income area benefit national objective.

Subsequent to the award and in response to HUD's scoping and scaling of the project, the state submitted a revised request to the Department, seeking a waiver and alternative requirement that would allow the state to apply exception criteria that recognizes that few, if any communities within the service area have 51 percent or more low- and moderate-income residents, per the requirements of 42 U.S.C. 5305(c)(2)(A), allowing the state to use a 38 percent LMI threshold to qualify activities under the LMI area benefit national objective. In its request, the state contends that the very nature of the initiatives financed with CDBG–NDR funds means that communities beyond the identified service area will also realize benefits, through reduced risks associated with wildfires, improved watersheds and new economic opportunities arising from efforts to commercialize the area's biomass.

Based on the state's request and the fact that the approved project has a combined LMI population that is not

greater than 38 percent of the area, HUD is granting a limited waiver modifying 42 U.S.C. 5305(c)(2)(A)(i), to the extent necessary to permit the state to use a percentage of not less than 38 percent to qualify activities under the low- and moderate-income area benefit national objective.

8. *Waiver of the 50 percent overall benefit requirement (City of Moore, OK only).* The primary objective of the HCDA is the ''development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.'' 42 U.S.C. 5301(c). To carry out this objective, the statute requires that 70 percent of the aggregate of the grantee's CDBG program's funds be used to support activities benefitting low- and moderate-income persons. This target can be difficult for many CDBG–DR grantees to reach as a disaster impacts entire communities—regardless of income. Further, it may limit grantees' ability to provide assistance to the most damaged areas of need. Therefore, as described by the December 16, 2013 **Federal Register** notice (78 FR 76154), the city of Moore, Oklahoma, in addition to the other grantees under Public Law 113–2 received a waiver and alternative requirement reducing the amount of the city's CDBG–DR funds that must be used for activities that benefit LMI persons to 50 percent. Additional flexibility was provided in the March 5, 2013 **Federal Register** notice (78 FR 14329). It allowed a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 50 percent requirement; and (d) demonstrates that the needs of non-low and moderate-income persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them. Upon HUD's review of the justification, the request can be granted only if the Secretary finds a compelling need to reduce the overall benefit below 50 percent.

In response to the above, the city of Moore submitted a justification addressing the required criteria. The EF–5 tornado that struck Moore in 2013 also destroyed several affordable housing developments in the city which have not been replaced. The city council adopted a plan in March of 2013 that included infrastructure projects in support of a new affordable housing development project that will bring much needed LMI affordable units to the city. In order to carry out these activities the city acquired land in a closed mobile home park which will allow it to replace a portion of the LMI affordable rental housing destroyed by the EF–5 tornado. Demolition of the remaining structures and asbestos abatement has been completed and a Planned Unit Development (PUD) design for the site has been adopted. The SW 17th/Janeway Master Redevelopment plan will be a mixed use, mixed income urban village which will be built at an overall cost of $36–$40 million. This redevelopment will include the use of $13.5 million in CDBG–DR grant funds and provides for 170 affordable LMI units and 30 market rate units. The city council approved the master plan and PUD in October 2016, and staff are currently developing a Request for Proposals to solicit development bids. After the completion of the SW 17th/Janeway development, the city expects that the percent of LMI residents in the block group which contains the development will rise to 57.2 percent, well above the 51 percent required to classify a project under the low/mod area benefit (LMA) national objective.

Through its Infrastructure Recovery and Implementation Plan (IRIP), designed in 2014, the city identified several flood control and drainage projects that will support the development of SW 17th/Janeway and its affordable housing units, and thus will directly benefit the LMI residents that return to the area. Currently, there are three infrastructure projects associated with the Round Rock development that will not meet the area benefit test that requires at least 51 percent of the residents in the area are LMI using the most current HUD FY 2016 data. The three projects include the Little River Sewer Interceptor project, the S. Telephone Road Improvements project, and the Little River Channel and Greenway project totaling over $7.6 million in CDBG–DR investments. While these projects will directly benefit the new housing development, they will also benefit other block groups within the city. Without this waiver, the city could carry out these activities under the national objective of Urgent Need, but because of the large number of CDBG–DR funds dedicated to these activities, the city would then not be able to meet its 50 percent LMI overall benefit requirement. Hence, the city cannot carry out these infrastructure activities without a waiver.

To enable the city to undertake these infrastructure activities it has deemed most critical for its recovery, and to ensure that LMI residents are adequately served and/or assisted, HUD is granting a limited waiver and alternative requirement to reduce the overall benefit from 50 percent to not less than 42 percent. Based on the city's justification, the Secretary has found a compelling need for this reduction due to the circumstances outlined in Moore's request. In particular, HUD notes that these projects will all directly serve the new housing development that will provide 170 units of affordable LMI housing, prioritizing the needs of those LMI residents because these three projects will ensure that the redevelopment site is no longer in a FEMA floodway, will repair and replace sewage lines that will service the development, and install traffic control lights and widen an intersection to handle the increased density the development will bring. The city has identified these infrastructure projects as a top priority to ensure the success of the SW 17th/Janeway redevelopment and this waiver will allow LMI persons to live there safely. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the city must meet when carrying out activities with funds appropriated under Public Law 113–2 from 50 percent to not less than 42 percent.

9. Waiver of the 50 percent overall benefit requirement (New York State, only). As described in the March 5, 2013 notice, the state of New York and all other grantees under Public Law 113–2 received a waiver and alternative requirement requiring that at least 50 percent of CDBG–DR grant funds must be used for activities that benefit low- and moderate-income persons.

The state of New York has submitted a justification to HUD to reduce the overall benefit requirement for funds provided under Public Law 113–2. HUD has allocated $4,416,882,000 in CDBG–DR funds to the state pursuant to Public Law 113–2, including $185 million for projects identified by HUD through the Rebuild by Design competition. The state's CDBG–DR grant is administered by the Governor's Office of Storm Recovery (GOSR).

GOSR's approved action plan allocates its CDBG–DR grant to four main recovery programs: Housing (58 percent), economic development (3 percent), community reconstruction (18 percent) and infrastructure (21 percent). These programs were developed by GOSR to address the most urgent and significant unmet needs of those areas impacted by the storms that are eligible under Public Law 113–2—Hurricanes Sandy and Irene. In its request, GOSR contends that it has engaged in extensive and continued outreach to all persons and businesses impacted by the storms to inform the state's citizens of the availability of recovery programs and how to apply, and that all eligible applicants will receive assistance. Significantly, GOSR's analysis of the geographic areas most impacted by the storms demonstrates that the storms did not damage areas with significant LMI populations. Because HUD requires grantees receiving funds under Public Law 113–2 to spend at least 80 percent of each grant in the HUD identified most impacted counties, it is very difficult for the state to meet both this requirement and the requirement that at least 50 percent of the expended funds benefit LMI populations.

GOSR has submitted an extensive data analysis to illustrate that the demographics of the communities most impacted by the storms are generally not comprised of LMI block groups. GOSR's data illustrates that, outside of the five counties that comprise New York City, the storms impacted communities in which only about 20 percent of the population resides in LMI block groups. GOSR has reported that while there are 3.96 million people living in the state's most impacted counties (Nassau, Westchester, Suffolk, and Rockland), only 34 percent of those residents are LMI persons and only 25 percent of the block groups are considered LMI.

The state uses this data to illustrate its difficulty in meeting the LMI area benefit national objective, particularly as it relates to infrastructure. Many of the state's infrastructure projects are large in scale and have widespread positive impacts for persons of all income levels, including LMI persons, but it is nearly impossible for those projects to meet the LMI area benefit criteria. For example, one of the state's largest investments, the $101 million Bay Park Wastewater Treatment Plant project, benefits a service area that includes more than 370 block groups. Even though this project benefits many thousands of LMI residents within these block groups (approximately 135,000 LMI persons), there are not enough LMI persons to meet the 51 percent test for an LMI area benefit activity.

Given these challenges, the state has proposed allocating additional funds to initiatives that further address unmet needs of LMI persons, including the reallocation of $50,000,000 of Community Reconstruction (CR) funds to projects within the city of New York that will meet the applicable LMI area benefit criteria.

To enable the state to undertake the activities it has deemed most critical for its recovery, and to ensure that LMI households are adequately served and/or assisted, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement for the state's grant from 50 percent to not less than 35 percent of the state's allocation of CDBG–DR funds, excluding the $185 million allocated by HUD for Rebuild by Design projects and, consistent with existing program requirements and subject to the requirements in paragraph 10, below. This means that the state must use at least 35 percent of its CDBG–DR allocation (excluding RBD) under Public Law 113–2 to benefit LMI persons.

Based on the analysis submitted by the state, the Secretary has found a compelling need for this reduction due to the particular circumstances outlined in the state's request. In particular, HUD notes that the areas most damaged by the storms have limited LMI populations; that the infrastructure projects being undertaken by the state will nonetheless directly serve large populations of LMI persons; that the state has done significant outreach to communities in the most impacted counties and will serve all eligible applicants that have applied for assistance; and that the state will reallocate at least $50,000,000 of Community Reconstruction funds to increase the number of LMI persons served. This is a limited waiver modifying 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to reduce the low- and moderate-income overall benefit requirement that the state must meet when carrying out activities identified in its approved action with funds appropriated under Public Law 113–2 from 50 percent to not less than 35 percent.

10. Rebuild By Design Exception to Overall Benefit Requirement. In the October 16, 2014, **Federal Register** notice (79 FR 62182), HUD allocated $930,000,000 of CDBG–DR funds made available under Public Law 113–2, for the implementation of six proposals selected through the HUD-sponsored Rebuild by Design (RBD) competition. The RBD allocation was included as part of the larger allocation of CDBG–DR funds under Public Law 113–2 for long term recovery from Hurricane Sandy. Four grantees received an RBD allocation as part of their CDBG–DR grant for Hurricane Sandy recovery: The state of New York, the city of New York, the state of Connecticut, and the state of New Jersey.

The proposals selected through the Rebuild by Design Competition were identified prior to the development and approval of action plans for grantees receiving an allocation of CDBG–DR funds under Public Law 113–2. The October 16, 2014, notice notes that the individual proposals were selected to address the structural and environmental vulnerabilities that Hurricane Sandy exposed in communities throughout the region and to provide fundable solutions to better protect residents from future disasters. The notice also requires that projects funded with the RBD allocation reflect the proposals selected through the Rebuild by Design Competition to the greatest extent practicable and appropriate.

The RBD proposals were selected by HUD and the RBD allocation was included as part of each grantee's overall CDBG–DR allocation for Hurricane Sandy recovery, however, HUD recognizes that as the location and scope of an RBD project is further refined, the RBD portion of a grantee's overall CDBG–DR allocation may prevent certain grantees from meeting the requirement of the March 5, 2013, notice that at least 50 percent of each grantee's overall allocation of CDBG–DR funds be expended to meet the LMI national objective. Accordingly, the Secretary has found a compelling need for this waiver based on the facts presented above. In particular, HUD's selection of RBD projects within defined geographic areas may limit the ability of grantees to meet an LMI national objective within that defined area. This is a limited waiver and alternative requirement to modify 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.484, and 570.200(a)(3) only to the extent necessary to allow the four grantees receiving an allocation of CDBG–DR funds specifically for RBD projects, to either include or exclude the expenditure of its RBD allocation in the calculation of the grant's overall LMI benefit. If a grantee chooses to exclude the expenditures of its RBD allocation from its overall benefit calculation, it is required to notify HUD and the public through a non-substantial amendment to its approved action plan.

11. *Publication of Approved Expenditure Extension Requests.* Pursuant to the requirements of section 904(c) under title IX of Public Law 113–2, CDBG–DR and CDBG–NDR funds must be expended within 24 months following obligation, unless an extension is provided. The Office of Management and Budget (OMB) granted the Department a waiver of the statute's two-year expenditure timeline, recognizing that certain disaster recovery activities satisfy the OMB criteria for activities that are long-term by design where it is impracticable to expend funds within the 24-month period and achieve program missions. HUD may grant extensions for activities that satisfy the OMB criteria. The **Federal Register** notice published by the Department on May 11, 2015 (80 FR 26942) and the June 7, 2016 notice established the process and requirements for extension of the deadline for the expenditure of funds under Public Law 113–2, including the requirement that HUD publish its approval of the extension of grantee expenditure deadlines in the **Federal Register**. In order to provide the public with more timely information about the expenditure deadlines for funds provided under Public Law 113–2, the Department is amending both the May 11, 2015 notice and the June 7, 2016 notice, respectively, to provide for the publication of expenditure deadline extensions on the Department's Web site.

Accordingly, the last bullet of Section VI of the May 11, 2015 notice is amended to read:

• ''If approved, HUD will publish the extension approval on its web site at: *https://www.hudexchange.info/programs/cdbg-dr/*. HUD will consolidate grantee extension approvals for publication. Therefore, extension approval is effective as of the date of the extension approval letter, rather than as of the date the approval is published on the HUD web site.''

The first paragraph Section II.A.2 of the June 7, 2016 notice is also amended to read:

''For any portion of funds that the grantee believes will not be expended by the deadline and that it desires to retain, the NOFA required the Grantee to submit a letter to HUD justifying why it is necessary to extend the deadline for a specific portion of the funds. Appendix E of the NOFA also required Applicants to submit extension requests with the application if the Applicant submitted a schedule that indicated time needed for completion of the proposal exceeds 24 months. Some Applicants submitted extension requests to HUD within their applications and such extensions were considered within the application review process. If granted, any extensions will be published on the HUD web site at: *https://www.hudexchange.info/programs/cdbg-dr/*. Under the NOFA, grantees that did not submit an extension request with their Applications are eligible to request an extension prior to the expiration of the twenty-four month deadline for the expenditure of obligated funds. As required by Appendix E of the NOFA, the extension request must justify the need for the extension, detail the compelling legal, policy or operational challenges necessitating the extension, and identify the date when funds covered by the extension will be expended. The Grantee must justify how, under the proposed schedule, the Project will proceed in a timely manner. For example, large and complex infrastructure Projects are likely to require more than 24 months to complete. An extension request for such a Project should justify the new timeline for any proposed extension by comparing it to completion deadlines for other similarly sized Projects.''

V. New LMI National Objective Criteria for Buyouts and Housing Incentives (Applicable to Multiple Appropriations)

Historically, various **Federal Register** notices published by HUD have authorized CDBG–DR grantees to carry out ''buyouts,'' which have been generally limited to the acquisition of properties located in a floodway or floodplain or Disaster Risk Reduction Area for pre-or post-flood value for the purpose of reducing risk from future disasters. These notices also generally prohibit redevelopment of property acquired through buyouts. Certain previous CDBG–DR **Federal Register** notices also waive 42 U.S.C. 5305(a) and associated regulations to allow grantees to offer housing incentives to resettle beneficiaries who were in disaster-affected communities. As described in those notices, housing incentives are usually offered to encourage households to relocate to a suitable housing development or to an area promoted by the community's comprehensive recovery plan, and may be in addition to acquisition or buyout awards.

In this notice, HUD is establishing an alternative requirement to clarify the criteria under which buyout activities and housing incentives can meet an LMI national objective. Grantees authorized to use housing incentives as described above, must continue to comply with the other eligibility requirements of applicable **Federal Register** notices governing those incentives—specifically, the requirement that grantees ''providing housing incentives must maintain documentation, at least at a programmatic level, describing how the amount of assistance was determined to be necessary and reasonable. In addition, the incentives must be in accordance with the grantee's approved Action Plan and published program design(s). Note that this waiver does not permit a compensation program. Additionally, a grantee may require the incentive to be used for a particular purpose by the household receiving the assistance.''

The CDBG regulations limit activities that meet the LMI national objective to only the activities meeting the four established criteria in 24 CFR 570.208(a)(1) through (4) and 570.483(b)(1) through (4). Prior **Federal Register** notices have advised grantees of the criteria under which a buyout activity can meet a LMI housing (LMH) national objective (80 FR 72102). Notwithstanding that guidance, however, HUD has determined that providing CDBG–DR grantees with an additional method to demonstrate how buyouts and housing incentives can assist LMI households, beyond those described in the previous notices, will ensure that grantees and HUD can account for and assess the benefit that CDBG–DR assistance may have on LMI households when buyouts and housing incentives are used in long term recovery. Given the primary objective of the HCDA to assist low- and moderate income persons, the Secretary has determined that there is good cause to establish an alternative requirement under which CDBG–DR grantees are authorized to qualify the assistance provided to LMI persons through buyout and housing incentive programs, due to the benefits received by the individuals that receive buyout and housing incentive awards that allow them to move from areas that are likely to be affected by future disasters.

In addition to the existing criteria at 24 CFR 570.208(a)(1)–(4) and 570.483(b)(1)–(4), HUD is establishing an alternative requirement to include two new LMI national objective criteria for buyouts (LMB) and housing incentives (LMHI) that benefit LMI households that use CDBG–DR funding provided by Public Law 113–2, 114–113, 114–223, 114–254 and 115–31.

For a buyout award or housing incentive to meet the new LMB and LMHI national objectives, grantees must demonstrate the following:

(1) The CDBG–DR funds have been provided for an eligible buyout activity that benefits LMI households by

supporting their move from high risk areas. The following activities shall qualify under this criterion, and must also meet the eligibility criteria of the notices governing the use of the CDBG–DR funds:

(a) Low/Mod Buyout (LMB). When CDBG–DR funds are used for a buyout award to acquire housing owned by a qualifying LMI household, where the award amount is greater than the pre-disaster fair market value of that property;

(b) Low/Mod Housing Incentive (LMHI). When CDBG–DR funds are used for a housing incentive award, tied to the voluntary buyout or other voluntary acquisition of housing owned by a qualifying LMI household, for which the housing incentive is for the purpose of moving outside of the affected floodplain or to a lower-risk area; or when the housing incentive is for the purpose of providing or improving residential structures that, upon completion, will be occupied by an LMI household.

(2) Activities that meet the above criteria will be considered to benefit low and moderate income persons unless there is substantial evidence to the contrary.

Any activities that meet the newly established national objective criteria described above will count towards the calculation of a CDBG–DR grantee's overall LMI benefit to comply with the primary objective described in 24 CFR 570.200(a)(3) and 24 CFR 570.484(b).

Grantees receiving an allocation of CDBG–DR funds pursuant to the following appropriations acts must specifically request a waiver and alternative requirement from HUD in order apply the new national objective criteria established in this section of the notice: Public Law 109–148, 109–234, and 110–116 (Katrina, Rita, and Wilma); Public Law 110–252 and 110–328 (2008 Disasters), Public Law 111–112 (2010 disasters), and Public Law 112–55 (2011 disasters).

VI. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice are as follows: 14.218; 14.228; and 14.269.

VII. Finding of No Significant Impact

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

Dated: July 31, 2017.

Janet Golrick,

Acting Deputy Secretary.

[FR Doc. 2017–16411 Filed 8–4–17; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[Docket No. FWS–HQ–IA–2017–0037; FXIA16710900000–156–FF09A30000]

Foreign Endangered Species; Issuance of Permits

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of issuance of permits.

SUMMARY: We, the U.S. Fish and Wildlife Service (Service), have issued the following permits to conduct certain activities with endangered species, marine mammals, or both. We issue these permits under the Endangered Species Act (ESA).

ADDRESSES: Documents and other information submitted with these applications are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents to the U.S. Fish and Wildlife Service, Division of Management Authority, Branch of Permits, MS: IA, 5275 Leesburg Pike, Falls Church, VA 22041; fax (703) 358–2281. To locate the **Federal Register** notice that announced our receipt of the application for each permit listed in this document, go to *www.regulations.gov* and search on the permit number provided in the tables in **SUPPLEMENTARY INFORMATION**.

FOR FURTHER INFORMATION CONTACT: Joyce Russell, (703) 358–2023 (telephone); (703) 358–2281 (fax); or *DMAFR@fws.gov* (email).

SUPPLEMENTARY INFORMATION: On the dates below, as authorized by the provisions of the ESA, as amended (16 U.S.C. 1531 *et seq.*), we issued requested permits subject to certain conditions set forth therein. For each permit for an endangered species, we found that (1) the application was filed in good faith, (2) the granted permit would not operate to the disadvantage of the endangered species, and (3) the granted permit would be consistent with the purposes and policy set forth in section 2 of the ESA.

ENDANGERED SPECIES

Permit No.	Applicant	Receipt of application **Federal Register** notice	Permit issuance date
12500C	Charles Waibel	82 FR 4914 January 17, 2017	4/13/2017
06382C	Richard Killion	82 FR 4914 January 17, 2017	4/13/2017
15671C	New Mexico State University/Timothy F. Wright	82 FR 4914 January 17, 2017	3/27/2017
93065B	University of South Carolina	81 FR 63788 September 16, 2016	1/12/2017
209142	Adalgisa Caccone	82 FR 14742 March 22, 2017	4/25/2017
13615C	Stevens Forest Ranch	82 FR 13486 March 13, 2017	05/01/17

proposed collection of information, including the validity of the methodology and assumptions used;

(3) Enhance the quality, utility, and clarity of the information to be collected; and

(4) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.,* permitting electronic submission of responses.

Overview of This Information Collection

(1) *Type of Information Collection Request:* Extension, Without Change, of a Currently Approved Collection.

(2) *Title of the Form/Collection:* Collection of Qualitative Feedback through Focus Groups.

(3) *Agency form number, if any, and the applicable component of the DHS sponsoring the collection:* No Agency Form Number; USCIS.

(4) *Affected public who will be asked or required to respond, as well as a brief abstract: Primary:* Individuals or households; Business or other for-profit. The information collection activity will garner qualitative customer and stakeholder feedback in an efficient, timely manner, in accordance with the Administration's commitment to improving service delivery. By qualitative feedback USCIS means information that provides useful insights on perceptions and opinions, but not responses to statistical surveys that yield quantitative results that can be generalized to the population of study. This feedback will provide information on customer and stakeholder perceptions, experiences and expectations, provide an early warning of issues with service, and/or focus attention on areas where communication, training, or changes in operations might improve delivery of products or services. These collections will allow for ongoing, collaborative and actionable communications between the Agency and its customers and stakeholders and contribute directly to the improvement of program management. Feedback collected under this generic clearance will provide useful information, but it will not be generalized to the overall population. This data collection will not be used to generate quantitative information that is designed to yield reliably actionable results, such as monitoring trends over time or documenting program performance.

(5) *An estimate of the total number of respondents and the amount of time estimated for an average respondent to respond:* The estimated total number of respondents for the information collection is 3,000 and the estimated hour burden per response is 1.5 hours.

(6) *An estimate of the total public burden (in hours) associated with the collection:* The total estimated annual hour burden associated with this collection is 4,500 hours.

(7) *An estimate of the total public burden (in cost) associated with the collection:* The estimated total annual cost burden associated with this collection of information is $0.

Dated: December 20, 2017.

Samantha Deshommes,

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

[FR Doc. 2017–27809 Filed 12–26–17; 8:45 am]

BILLING CODE 9111–97–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6074–N–01]

Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees; State of Texas Allocation

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

ACTION: Notice.

SUMMARY: This notice allocates $57,800,000 of Community Development Block Grant disaster recovery (CDBG–DR) funds to the State of Texas in response to Hurricane Harvey. This allocation is made pursuant to the requirements of Public Law 115–31. This notice also makes a technical correction to the previously established alternative requirement on the low- and moderate- income national objective criteria for grantees undertaking CDBG–DR buyouts and housing incentives.

DATES: Applicable: January 2, 2018.

FOR FURTHER INFORMATION CONTACT: Jessie Handforth Kome, Acting Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street, SW, Room 10166, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Ms. Kome at 202–401–2044. (Except for the''800'' number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. 2017 Allocations

A. Background

Congress appropriated $400 million in CDBG–DR funds for necessary expenses for activities authorized under title I of the Housing and Community Development Act of 1974 (HCDA) related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a qualifying major disaster declared by the President pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (Stafford Act) (42 U.S.C. 5121 *et seq.*) in 2015, 2016, 2017 or later.

Of this amount, HUD previously allocated $342,200,000 to areas impacted by disasters in 2015 and 2016. The $57,800,000 allocated under this notice is the remaining amount from $400 million appropriated under Public Law 115–31.

Public Law 115–31 specifies that the funds allocated for disasters in 2017 or later must be allocated and used under the same authority and conditions as those applicable to CDBG–DR funds appropriated by Public Law 114–223. Therefore, the funds allocated to the State of Texas under this notice are subject to the authority and conditions of Public Law 114–223 and the requirements, waivers, and alternative requirements applicable to CDBG–DR funds appropriated under Public Law 114–223 provided in HUD's **Federal Register** notices published on November 21, 2016, January 18, 2017, and August 7, 2017. These **Federal Register** notices describe the allocation and applicable waivers and alternative requirements, relevant statutory and regulatory requirements, grant award process, criteria for Action Plan approval, and eligible disaster recovery activities for the qualifying disaster.

Section III.A. of HUD's August 7, 2017 **Federal Register** notice provided that HUD would not evaluate a 2017 disaster for qualification to receive CDBG–DR funds until: (i) The major disaster has been declared eligible for the Federal Emergency Management Agency's (FEMA) Public Assistance (PA) Program and Individual and Households (IHP) Program; (ii) FEMA has approved Individual Assistance applications totaling at least $13 million in IHP financial assistance for the declared disaster in a single county; and (iii) four months have passed since the disaster declaration that made IHP available, or the IHP registration period is closed, whichever comes first. Section III. A. iii. was intended to allow time for HUD to gather data needed to validate that a disaster met the eligibility thresholds established in the methodology. However, HUD has already received sufficient data to show these thresholds were far exceeded by Hurricane Harvey, and thus, the Department is rescinding section III. A. iii. of the August 7, 2017 notice to expedite this allocation.

Section III.A. also provided that HUD would use the detailed methodology specified in Appendix A of the January 18, 2017 notice and make allocations equal to the lesser of 100 percent of the serious unmet needs or the remaining funds available from Public Law 115–31. Using updated data HUD received from the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA), the unmet needs in Texas far exceed this allocation of the remaining $57,800,000 available from Public Law 115–31. A detailed explanation of HUD's allocation methodology applicable to the $57,800,000 is provided at Appendix A of the January 18, 2017 notice.

TABLE 1—QUALIFYING 2017 DISASTER AND ''MOST IMPACTED AND DISTRESSED'' AREA

FEMA Disaster No.	Grantee	Minimum amount that must be expended for recovery in the HUD-identified ''most impacted and distressed'' areas
2017 Disasters		
4332	State of Texas	Harris County ($46,240,000).

The grantee's use of funds is limited to unmet recovery needs from Hurricane Harvey (FEMA Disaster No. 4332). Table 2 shows the HUD-identified ''most impacted and distressed'' areas impacted by the identified disaster. At least 80 percent of the $57,800,000 must address unmet needs within Harris County, Texas, which is the ''most impacted and distressed'' area, as identified by HUD. Texas may spend the remaining 20 percent in Harris County or in other areas the grantee determines to be ''most impacted and distressed'' that a received a presidential disaster declaration pursuant to the disaster number listed in Table 1.

B. Use of Funds

Public Law 115–31 requires funds to be used only for specific disaster recovery related purposes. This allocation provides funds to the State of Texas for authorized disaster recovery efforts associated with Hurricane Harvey. Section III of the August 7, 2017 notice describes the requirements governing the submission of action plans required for 2017 disasters. However, the State of Texas previously completed a CDBG–DR action plan for 2016 disasters and that action plan is subject to the same requirements applicable to this allocation. Due to the severity of Hurricane Harvey and to help ensure funds reach those affected in a timely manner, HUD will allow Texas to adopt and incorporate into its Action Plan, for the funds allocated under this notice, any relevant information from the action plan that it previously completed for its 2016 disaster allocation. Additionally, the scale of analysis for this allocation may be commensurate with the amount of the allocation and the limited data available this soon after the disaster. Accordingly, section III. B. of the August 7, 2017 notice is deleted and replaced with the following:

B. Use of Funds

Grantees receiving an allocation of funds under Public Law 115–31 for 2017 and later disasters pursuant to a subsequent notice are subject to the requirements of the November 21, 2016 notice, as amended, which require that prior to the obligation of CDBG–DR funds, a grantee shall submit a plan to HUD for approval detailing the proposed use of all funds, including criteria for eligibility, and how the use of these funds will address long-term recovery and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas. The grantee's Action Plan for 2017 disasters may adopt and incorporate applicable sections and any other relevant information from its Action Plan for 2016 disasters, previously submitted pursuant to the November 21, 2016 notice or January 18, 2017 notice. The grantee must include updated information specific to the 2017 disasters, such as its analysis of unmet needs and use of funds to address these needs. The Action Plan for 2017 disasters must describe uses and activities for all funds that: (1) Are authorized under title I of the Housing and Community Development Act of 1974 (HCDA) or allowed by a waiver or alternative requirement; and (2) respond to disaster-related impact to infrastructure, housing, and economic revitalization in the most impacted and distressed areas. To inform the Action Plan, the grantee must conduct an updated assessment of community impacts and unmet needs to guide the development and prioritization of planned recovery activities, pursuant to paragraph A.2.a. in section VI of the November 21, 2016, notice, as amended. However, the scale of analysis for this allocation may be commensurate with the amount of the allocation and the limited data available.

Public Law 115–31 requires the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, ensure timely expenditure of funds, maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. The November 21, 2016 notice further required grantees to submit risk analysis documentation and to certify to its capacity to administer CDBG–DR funds. To provide a basis for these certifications, grantees were required to submit documentation to the Department demonstrating compliance with the stated requirements of the

statute and corresponding notice. The Department will not require grantees to resubmit its previous documentation to support the Secretary's required certification before signing the grant agreement for funds under Public Law 115–31 for 2017 disasters. Instead, grantees receiving an allocation of funds under Public Law 115–31 for 2017 disasters may submit a new certification to HUD indicating that its submissions in response to the certification requirements of the November 21, 2016 notice for its CDBG–DR grant for 2016 disasters remain unchanged, and the policies and procedures on which HUD based its certification for 2016 disasters are adopted and will apply to the grantee's CDBG–DR grant allocation for 2017 disasters. Alternatively, grantees may provide a supplement updating its previous submissions in response to the certification requirements of the November 21, 2016 notice to indicate any changes that will apply to the use of funds for 2017 disasters, and will submit a certification that its submissions remain unchanged, except as indicated.

Pursuant to the November 21, 2016 notice, as amended, a grantee receiving an allocation of funds for 2017 disasters in a subsequent notice is also required to expend 100 percent of its allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

A grantee receiving an allocation of funds for 2017 disasters will be subject to the grant process provided for in section V. of the November 21, 2016 notice, as amended. The grantee and HUD will execute a separate grant agreement for funds for 2017 disasters.

C. Grant Process

To receive funds allocated by this notice, Texas may adopt and incorporate applicable sections and any other relevant information from its approved Action Plan for 2016 disasters, and include any additional information, as appropriate, to address recovery from Hurricane Harvey. In developing the resulting Action Plan for Hurricane Harvey (Public Law 115–31), Texas must meet the grant process requirements from the November 21, 2016 notice, which include the following:

- Consult with affected citizens, stakeholders, local governments, and public housing authorities to assess needs;
- Publish the resulting Action Plan for Hurricane Harvey (Pub. L. 115–31) in accordance with the requirements set forth in section VI.A.4.a of the November 21, 2016 notice, including the requirement to prominently post the Action Plan on its official website for no less than 14 calendar days. The grantee must also ensure equal access for persons with disabilities and persons with limited English proficiency. The manner of publication must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the Action Plan contents and provide feedback;
- Respond to public comment and submit its resulting Action Plan for 2017 disasters to HUD no later than 90 days after the effective date of this notice;
- Enter the activities from its published Action Plan for Hurricane Harvey (Pub. L. 115–31) into the Disaster Recovery Grant Reporting (DRGR) system and submit the updated DRGR Action Plan to HUD within the system;
- Sign and return the grant agreement to HUD;
- Ensure that the HUD approved Action Plan for Hurricane Harvey (Pub. L. 115–31) is posted prominently on its official website; and
- Amend its published Action Plan for Hurricane Harvey (Pub. L. 115–31) to include its projection of expenditures and outcomes within 90 days of the Action Plan approval.

HUD will review Texas's resulting Action Plan for Hurricane Harvey (Pub. L. 115–31) within 45 days from date of receipt and determine whether to approve the plan per criteria identified in this notice and all applicable prior notices. HUD will then send an approval letter, grant conditions, and an unsigned grant agreement to the grantee. If the state's Action Plan is not approved, a letter will be sent identifying its deficiencies and the state must then re-submit the plan within 45 days of the notification letter.

Once HUD signs the grant agreement and revises the grantee's line of credit amount, the state may draw down funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 or as authorized by Public Law 115–31 and, as applicable, receives from HUD or the state an approved Request for Release of Funds and certification.

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

The funds allocated under this notice are subject to the waivers and alternative requirements provided in the November 21, 2016, January 18, 2017, and August 7, 2017 notices governing the award of CDBG–DR funds to 2016 grantees. These waivers and alternative requirements provide additional flexibility in program design and implementation to support full and swift recovery following the disasters, while also ensuring that statutory requirements are met. Texas may request additional waivers and alternative requirements from the Department, as needed, to address specific needs related to its recovery activities. Waivers and alternative requirements are effective five days after they are published in the **Federal Register**.

E. Duration of Funding

Public Law 115–31 provides that these funds will remain available until expended. However, consistent with 31 U.S.C. 1555 and OMB Circular A–11, if the Secretary or the President determines that the purposes for which the appropriation has been made have been carried out and no disbursements have been made against the appropriation for two consecutive fiscal years, any remaining balance will be made unavailable for obligation or expenditure. Consistent with the November 21, 2016, January 18, 2017, and August 7, 2017 notices, the provisions at 24 CFR 570.494 and 24 CFR 570.902 regarding timely distribution of funds are waived and replaced with alternative requirements. Grantees must expend 100 percent of their allocation of CDBG–DR funds on eligible activities within 6 years of HUD's execution of the grant agreement.

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

This section of the notice provides a technical correction to the previously established alternative requirement on the low- and moderate- income (LMI) national objective criteria for grantees undertaking buyouts and housing incentives with CDBG–DR funding provided by Public Laws 113–2, 114–113, 114–223, 114–254 and 115–31.

The **Federal Register** notice published by the Department on August 7, 2017 (82 FR 36812) established additional opportunities for CDBG–DR grantees to meet the LMI national objective with respect to assistance provided to LMI persons through buyouts and housing incentives. After the publication of that notice, HUD determined that the language used would make it difficult for grantees to meet those objectives. Accordingly, starting at the fifth paragraph of Section V, the August 7, 2017 notice is amended to read:

For a buyout award or housing incentive to meet the new LMB and LMHI national objectives, grantees must demonstrate the following:

(1) The CDBG–DR funds have been provided for an eligible activity that benefits LMI households by supporting their move from high risk areas. The following activities shall qualify under this criterion, and must also meet the eligibility criteria of the notices governing the use of the CDBG–DR funds:

(a) Low/Mod Buyout (LMB). When CDBG–DR funds are used for a buyout award to acquire housing owned by a qualifying LMI household, where the award amount is greater than post-disaster (current) fair market value of that property;

(b) Low/Mod Housing Incentive (LMHI). When CDBG–DR funds are used for a housing incentive award, tied to the voluntary buyout or other voluntary acquisition of housing owned by a qualifying LMI household, for which the housing incentive is for the purpose of moving outside of the affected floodplain or to a lower-risk area; or when the housing incentive is for the purpose of providing or improving residential structures that, upon completion, will be occupied by an LMI household.

(2) Activities that meet the above criteria will be considered to benefit low- and moderate-income persons unless there is substantial evidence to the contrary.

Any activities that meet the newly established national objective criteria described above will count towards the calculation of a CDBG–DR grantee's overall LMI benefit to comply with the primary objective described in 24 CFR 570.200(a)(3) and 24 CFR 570.484(b). Grantees receiving an allocation of CDBG–DR funds pursuant to the following appropriations acts must specifically request a waiver and alternative requirement from HUD in order apply the new national objective criteria established in this section of the notice: Public Law 109–148, 109–234, and 110–116 (Katrina, Rita, and Wilma); Public Law 110–252 and 110–328 (2008 Disasters), Public Law 111–112 (2010 disasters), and Public Law 112–55 (2011 disasters).

III. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice are as follows: 14.218; 14.228; and 14.269.

IV. Finding of No Significant Impact

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

Dated: December 20, 2017.

Neal J. Rackleff,

Assistant Secretary for Community Planning and Development.

[FR Doc. 2017–27960 Filed 12–26–17; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Office of the Secretary

[18XD4523WS/DWSN0000.000000/DS61500000/DP.61501]

Invasive Species Advisory Committee; Request for Nominations

AGENCY: Office of the Secretary, Interior.

ACTION: Notice.

SUMMARY: The U.S. Department of the Interior, on behalf of the interdepartmental National Invasive Species Council (NISC), proposes to appoint new members to the Invasive Species Advisory Committee (ISAC). The Secretary of the Interior, acting as administrative lead, is requesting nominations for qualified persons to serve as members of the ISAC.

DATES: Nominations must be postmarked by February 26, 2018.

ADDRESSES: Nominations should be sent to Jamie K. Reaser, Executive Director, National Invasive Species Council (OS/NISC), Regular/Express Mail: 1849 C Street NW (Mailstop 3530), Washington, DC 20240.

FOR FURTHER INFORMATION CONTACT: Kelsey Brantley, Coordinator for NISC and ISAC Operations, at (202) 208–4122, fax: (202) 208–4118, or by email at *Kelsey_Brantley@ios.doi.gov.*

SUPPLEMENTARY INFORMATION:

Advisory Committee Scope and Objectives

Executive Order (E.O.) 13112 authorized the National Invasive Species Council (NISC) to provide interdepartmental coordination, planning, and leadership for the Federal Government on the prevention, eradication, and control of invasive species. This authorization was recently reiterated in E.O. 13751. NISC is currently comprised of the senior-most leadership of thirteen Federal Departments/Agencies and three Executive Offices of the President. The Co-chairs of NISC are the Secretaries of the Interior, Agriculture, and Commerce. The Invasive Species Advisory Committee (ISAC) advises NISC. NISC is requesting nominations for individuals to serve on the ISAC.

NISC provides high-level interdepartmental coordination of Federal invasive species actions and works with other Federal and non-Federal groups to address invasive species issues at the national level. NISC duties, consistent with E.O. 13751, are to provide national leadership regarding invasive species and: (a) Work to ensure that the Federal agency and interagency activities concerning invasive species are coordinated, complementary, cost-efficient, and effective; (b) undertake a National Invasive Species Assessment that evaluates the impact of invasive species on major U.S. assets, including food security, water resources, infrastructure, the environment, human, animal, and plant health, natural resources, cultural identity and resources, and military readiness, from ecological, social, and economic perspectives; (c) advance national incident response, data collection, and rapid reporting capacities that build on existing frameworks and programs and strengthen early detection of and rapid response to invasive species, including those that are vectors, reservoirs, or causative agents of disease; (d) publish an assessment by 2019 that identifies the most pressing scientific, technical, and programmatic coordination challenges to the Federal Government's capacity to prevent the introduction of invasive species, and that incorporate recommendations and priority actions to overcome these challenges into the National Invasive Species Council Management Plan, as appropriate; (e) support and encourage the development of new technologies and practices, and promote the use of existing technologies and practices, to prevent, eradicate, and control invasive species, including those that are vectors, reservoirs, and causative agents of disease; (f) convene annually to discuss and coordinate interagency priorities and report annually on activities and budget

northern border by small [1] pleasure boats to report their arrival and make entry without having to travel to a designated port of entry for an inspection by a CBP officer. United States citizens, Lawful Permanent Residents of the United States, Canadian citizens, and Landed Residents of Canada who are nationals of the Visa Waiver Program countries listed in 8 CFR 217.2(a) are eligible to apply for the permit.

The information collected on CBP Form I–68 allows eligible individuals who enter the United States from Canada by small pleasure boats to be inspected only once during the boating season, rather than each time they make an entry. This information collection is provided for by 8 CFR 235.1(g) and Section 235 of Immigration and Nationality Act. CBP Form I–68 is accessible at *http://www.cbp.gov/newsroom/publications/forms?title=68&=Apply.*

CBP has developed a smart phone application known as Reporting Offsite Arrival—Mobile (ROAM) that will generally allow travelers to electronically complete their I–68 application, report their arrival in the United States, and make U.S. entry using automated document (passport) reading, global positioning system (GPS) location, and video chat. CBP believes providing the traveling public with the option to use this smart phone app will increase traveler compliance with U.S. arrival and entry requirements. Additionally, the ROAM app will allow CBP officers to remotely conduct traveler interviews with a phone's video chat capability, and replace other technologies used for remote inspections that are obsolete or inefficient.

CBP Form I–68 Paper Version

Estimated Number of Respondents: 18,000.

Estimated Number of Annual Responses per Respondent: 1.

Estimated Number of Total Responses: 18,000.

Estimated Time per Respondent: 10 minutes.

Estimated Total Annual Burden Hours: 2,988.

ROAM App

Estimated Number of Respondents: 50,000.

Estimated Number of Annual Responses per Respondent: 1.

Estimated Number of Total Annual Responses: 50,000.

Estimated Time per Response: 5 minutes.

Estimated Total Annual Burden Hours: 4,150.

Dated: February 13, 2019.

Seth D Renkema,

Branch Chief, Economic Impact Analysis Branch, U.S. Customs and Border Protection.

[FR Doc. 2019–02627 Filed 2–15–19; 8:45 am]

BILLING CODE 9111–14–P

[1] Weighing less than five net tons.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6136–N–01]

Waivers, Alternative Requirements and Extensions for Community Development Block Grant Disaster Recovery Grantees

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

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) funds awarded under several appropriations. Specifically, this notice provides waivers and establishes alternative requirements for certain grantees that have submitted waiver requests for grants provided pursuant to Public Laws 112–55, 113–2, 114–113, 114–223, 114–254, 115–31, 115–56 and 115–123. This notice also provides further clarification on the application of the green building standards established by the Department for 2017 CDBG–DR grantees in the February 9, 2018 **Federal Register** notice (83 FR 5844). Additionally, this notice addresses the availability of an alternative requirement to Section 414 of the Stafford Act and other URA provisions for grantees that received an allocation of CDBG–DR funds under Public Laws 114–113, 114–223, 114–254, and 115–31.

DATES: Applicability Date: February 25, 2019.

FOR FURTHER INFORMATION CONTACT: Claudette Fernandez, Director, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 7th Street SW, Room 7286, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech disability may access this number via TTY/VRS by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Ms. Fernandez at 202–708–0033. (Except for the''800'' number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Public Law 112–55 Waivers and Alternative Requirements

New LMI National Objective Criteria for Buyouts and Housing Incentives (New York State only)

New York State was awarded $71,654,166 of CDBG–DR funds under Public Law 112–55 for recovery from Hurricane Irene and Tropical Storm Lee (77 FR 22583) and $4,416,882,000 of CDBG–DR funds under Public Law 113–2 for recovery from Hurricane Sandy. This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR funds awarded to New York State under Public Law 112–55 to allow the State to better coordinate recovery efforts across multiple CDBG–DR allocations.

Public Law 112–55 authorizes the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. As required by Public Law 112–55, waivers and alternative requirements provided in this paragraph are in response to a request by New York State explaining why the waiver is required to facilitate the use of the funds and based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974, as amended (HCDA).

The Department's April 16, 2012 notice authorized New York State to carry out ''buyouts,'' which for purposes of grants under Public Law 112–55, are a type of acquisition activity limited to acquisition of properties located in a

floodway or floodplain that is intended to reduce risk from future flooding. The April 16, 2012 notice prohibits redevelopment of property acquired through buyouts and imposes other requirements on the use of CDBG–DR funds for this activity. This same notice also waives 42 U.S.C. 5305(a) and associated regulations to allow New York State to offer housing incentives. Housing incentives are usually offered to encourage households to relocate to a suitable housing development or to an area promoted by the community's comprehensive recovery plan and may be provided in addition to acquisition or buyout awards.

The **Federal Register** notices governing New York State's grants for disasters occurring in 2012 also included waivers and alternative requirements authorizing similar buyout and housing incentive activities.

The Department's December 27, 2017 notice (82 FR 61320) provided an alternative requirement that established criteria under which buyout activities and housing incentives related to recovery from New York State's 2012 disasters (and other specified disasters) can meet a low- and moderate-income (LMI) national objective (82 FR 61322). HUD defined these alternative national objective criteria as Low/Mod Buyout (LMB) and Low/Mod Housing Incentive (LMHI). In that **Federal Register** notice, HUD did not make the LMB and LMHI criteria applicable to New York State's grant under the Consolidated and Further Continuing Appropriations Act, 2012 (Pub. L. 112–55), because Public Law 112–55 only permits HUD to grant waivers and alternative requirements upon a request by a grantee receiving funds under that appropriation.

The State has now requested that HUD establish the alternative requirement for meeting an LMI national objective for buyout activities and housing incentives carried out with CDBG–DR funds under Public Law 112–55. New York State is currently using the new national objective criteria for the buyout program funded with CDBG–DR funds awarded under Public Law 113–2. The State contends that granting this waiver and alternative requirement for its grant under Public Law 112–55 ''will ensure a consistency of approach between the grants and allow. . . [the State] to account for the benefits provided to LMI households through these important, long term recovery activities.'' The LMB and LMHI national objective criteria will provide a valuable method to demonstrate how these program activities assist LMI households.

Based on the above, in addition to the existing national objective criteria at 24 CFR 570.483(b)(1)–(4), HUD is establishing this alternative requirement to add additional national objective criteria for activities benefiting low and moderate income persons to allow New York State to use the LMB and LMHI national objective criteria described in section II of the Department's December 27, 2017 notice to demonstrate a national objective for buyout activities and housing incentives it carries out under its Public Law 112–55 CDBG–DR award.

II. Public Law 113–2 Extensions, Waivers and Alternative Requirements

This section of the notice applies to certain grantees that received an allocation of funds appropriated under Public Law 113–2, which ultimately made available $15.2 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013.

Public Law 113–2 authorizes the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5.

For the waivers and alternative requirements described in this section of notice, the Secretary has determined that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purposes of title I of the HCDA. Grantees under Public Law 113–2 may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Public Law 113–2 also authorizes the Department to provide waivers and establish alternative requirements absent a request from a CDBG–DR grantee.

1. *Additional eligible activities for the extension of expenditure deadlines.* The Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2) requires grantees to expend CDBG–DR funds within 24 months of the date on which the Department obligates funds to a grantee and authorizes the Office of Management and Budget (OMB) to grant a waiver of the 24-month expenditure deadline. OMB authorized the Department to provide CDBG–DR grantees with expenditure deadline extensions for activities that are inherently long-term and where it would be impracticable to expend funds within the 24-month period and still achieve program missions, up to an amount approved by OMB.

In the May 11, 2015 notice (80 FR 26942), the Department established the process and criteria for the submission of expenditure deadline extension requests for CDBG–DR grantees in receipt of funds under Public Law 113–2. Section III of the May 11, 2015 notice established four categories of disaster recovery activities that would be eligible for an extension of the 24-month expenditure deadline: Public facilities and improvements; housing; economic revitalization; and grant administration. Since the publication of the May 11, 2015 notice, the Department has reviewed and acted on expenditure deadline extension requests from several CDBG–DR grantees. As recovery activities approach completion and with a requirement that all CDBG–DR funds provided under Public Law 113–2 be expended no later than September 30, 2022, the Department has determined that additional categories of disaster recovery activities that are not identified in the May 11, 2015 notice are also inherently long-term in nature, and present implementation challenges that make it impracticable for grantees to achieve disaster recovery program missions within the 24-month expenditure deadline. The Department, for instance, recognizes that many Public Law 113–2 grantees are engaged in long term planning activities to enhance the resiliency of their jurisdiction to future disasters. Similarly, the Department has determined that certain public service activities, most notably various job training initiatives, continue to play an important role in grantee post-disaster economic recovery efforts. These types of activities therefore warrant inclusion in the activities that may qualify for an extension of the 24-month expenditure deadlines. The Department, however, shall only extend planning and public service activities that are authorized in a grantee's action plan as of the applicability date of this notice. Accordingly, the Department is replacing section III of the May 11, 2015 notice with the following:

''III. Eligible Activities

The National Disaster Recovery Framework acknowledges that long-term recovery is inherently a multi-year process. The Department recognizes that grantees allocate a significant portion of CDBG–DR funds to complex and large-scale programs and projects that are long-term in nature and that planning and public services are often critical components of long-term recovery. The Department also recognizes that grantees will require CDBG–DR administrative funds to conduct grant closeout and engage in ongoing program oversight, and that these efforts will inevitably extend beyond the twenty-four-month expenditure deadline that applies to each obligation.

Within the amounts waived by OMB as not being subject to the expenditure deadline, the Department will limit its consideration of expenditure deadline extension requests to certain types of eligible disaster recovery activities undertaken by grantees which are determined to be long-term in nature. The Department will consider grantee programs and projects within the following six categories for expenditure deadline extensions:

• *Public facilities and improvements.* Typical public facilities and improvement activities include the rehabilitation, replacement, or relocation of damaged public facilities and improvements, as well as investments to increase the resiliency of those facilities and improvements.

• *Housing.* Typical housing activities include new construction, elevation, and rehabilitation of single family or multifamily residential units.

• *Economic revitalization.* Economic revitalization activities often include the provision of loans and grants to small businesses, job training programs, the construction of education facilities to teach technical skills, making improvements to commercial or retail districts, and financing other efforts that attract and retain workers in disaster-impacted communities.

• *Grant administration.* Typical administrative activities include salaries, wages, and related costs of grantee or subrecipient staff and others engaged in program management, monitoring, and evaluation. Administrative costs are limited by the Appropriations Act to five percent of each grantee's total allocation.

• *Public Services.* Public service activities typically include employment services (*e.g.,* job training), fair housing counseling, and education programs.

• *Planning.* Planning activities often include community development plans, functional plans (*e.g.,* for resiliency) and capacity building activities.''

2. Change in the Substantial Amendment Criteria.

The Department's March 5, 2013 notice (78 FR 14329) established the criteria for substantial amendments to action plans for disaster recovery and included the requirement that an allocation or re-allocation of more than $1 million would constitute a substantial amendment. Grantees awarded funds under Public Law 113–2 are nearing the end of their recovery programs and are moving towards the eventual closeout of their CDBG–DR awards. Whereas grantees in the earliest stages of recovery rely more often on estimated activity budgets, grantees approaching closeout rely more on actual budgets and more routinely reallocate funds between activities and projects as their budgets transition from estimates of program costs to actual costs. Accordingly, to provide grantees with increased flexibility in the reallocation of CDBG–DR funds and consistent with the Department's definition of a substantial amendment for 2015, 2016 and 2017 CDBG–DR grantees, the Department is deleting the third paragraph of section VI.A.3.a. of the March 5, 2013 notice and establishing the following new definition of a substantial amendment for all grantees allocated funds under Public Law 113–2:

> ''Subsequent to publication of the action plan, the grantee must provide a reasonable time frame and method(s) (including electronic submission) for receiving comments on the plan or substantial amendment. In its action plan, each grantee must specify criteria for determining what changes in the grantee's plan constitute a substantial amendment to the plan. At a minimum, the following modifications will constitute a substantial amendment: A change in program benefit or eligibility criteria; the addition or deletion of an activity; the allocation or reallocation of a monetary threshold amount as specified by the grantee in its action plan; or a change in the monetary threshold amount above which allocations or reallocations trigger a substantial amendment. The grantee may substantially amend the action plan if it follows the same procedures required in this Notice for the preparation and submission of an action plan for Disaster Recovery. Prior to submission of a substantial amendment, the grantee is encouraged to work with its HUD representative to ensure the proposed change is consistent with this Notice, and other requirements made applicable by the Federal award.''

If a grantee chooses to change the threshold amount established by HUD in the March 5, 2013 notice ($1 million), a grantee shall undertake a substantial amendment to make changes to its monetary threshold above which allocations and reallocations constitute a substantial amendment. Once that substantial amendment is approved by HUD, the grantee shall apply the new definition of a substantial amendment.

3. *Buildings for the general conduct of government (City of Minot, North Dakota only).*

The Department's June 7, 2016 notice (81 FR 36557) established the requirements for grantees receiving CDBG–DR funds through the National Disaster Resilience Competition (CDBG–NDR), under Public Law 113–2. The city of Minot was awarded a CDBG–NDR grant of $74,340,770 and its approved Phase 2 application included an allocation of $3,750,000 for the relocation of its City Hall.

The city's existing City Hall and its emergency communications center are in the city's flood inundation area and within the most recent FEMA-identified flood plain. The city plans to use CDBG–NDR grant funds to acquire a building for the City Hall, emergency communications center, and for the Center for Technical Education that will also be established pursuant to the city's approved Phase 2 CDBG–NDR application. The importance of the City Hall relocation with the emergency police dispatch center is further reflected in the city's commitment of $1 million of its own funds to this aspect of the CDBG–NDR award.

To implement this portion of the city's CDBG–NDR award, the city has requested a waiver of 42 U.S.C. 5305(a)(2), which excludes acquisition, construction, reconstruction, or installation of buildings for the general conduct of government from eligible public facilities activities. The Department has determined that the city's waiver request is consistent with the underlying premise and purpose of the city's CDBG–NDR grant and is approving the requested waiver to authorize the expenditure of CDBG–NDR grant funds for the acquisition, rehabilitation and reuse of a commercial office structure for use as its primary governmental offices, consistent with the city's approved Phase 2 CDBG–NDR application. Therefore, HUD is waiving the prohibition on buildings for the general conduct of government in 42 U.S.C. 5305(a)(2) and associated regulations at 24 CFR 570.207(a) to permit the City of Minot to carry out the public facility activity referred to as City Hall and comprised of activities as outlined in the city's CDBG–NDR application and approved CDBG–NDR action plan.

4. *Clarification that certain actions constitute part of new construction and*

disposition activities associated with relocation of the Isle de Jean Charles community (State of Louisiana only). The Department awarded the State of Louisiana $92,629,249 in CDBG–NDR funds, of which $48,373,249 was to enable the community on the Isle de Jean Charles (IDJC) to relocate to a new and more resilient community. As part of this award, the State grantee will construct new housing on land it acquires for relocation purposes. This housing will be transferred to former residents of the Isle de Jean Charles community that relocate to the new community.

In its approved application for CDBG–NDR funds, the State noted that IDJC has experienced a 98 percent loss of land since 1955, with only 320 acres remaining of what was a 22,400-acre island in 1955. The State's Phase 1 application notes that the island's residents will relocate to a new community, but as long as the island itself exists, the residents will retain their property on the island for ceremonial, cultural, historic and recreational uses. The Phase 1 application also notes that the connecting road to the island will very soon be impassible and that access will then be available only by boat.

To implement the IDJC portion of its grant, the State of Louisiana has explored a variety of voluntary relocation assistance options to facilitate the movement of island residents to the planned new community. Both the State and IDJC community have indicated that to effectively relocate as many island residents as possible, it is critical to provide those residents with continued access to their property for ceremonial, cultural, historic and recreational uses for the finite remaining life of the island.

While it is important to permit the community's continued access to the island for these limited purposes, it is also important to take reasonable measures to ensure that the land is no longer used for primary residences or otherwise developed in ways that frustrate the purposes of the grant to relocate the community to a safer area. The current residents of the island will continue to own their property on the island. However, as a condition of receiving newly constructed housing, the State plans to restrict owners' use of their former land on the island as a primary residence. The State indicates that it may need to record mortgage liens or limited real property interests such as easements or deed restrictions on the property of relocated island residents to restrict the use of the island land as a primary residence.

For this reason, HUD is clarifying that costs incurred by the State to establish and record mortgage liens or limited real property interests on the island to restrict the use of the land as a primary residence are eligible costs that may be charged to the grant as part of the State's new construction and disposition activities to relocate island residents. HUD considers the costs incurred to restrict continued use of the island property as a primary residence to meet the same national objective as the new construction and disposition activities. HUD is also clarifying that since the actions to limit use as a primary residence are undertaken as a condition of new construction and disposition activities to provide relocated residents with more resilient housing, the actions are not undertaken as part of acquisition activities that trigger buyout requirements.

The State should impose conditions on assistance to relocate island residents that are consistent with the purpose of the CDBG–NDR award. Specifically, the State should prohibit new construction, reconstruction, and major rehabilitation on the property and prohibit use of the property as a primary residence. CDBG–NDR funds may not be used for rehabilitation of structures on the island. However, if the State chooses to permit limited, minor rehabilitation of structures on the property with other, non-grant funds to allow for the continued interim use of the property for ceremonial, cultural, historic and recreational uses, the State should specify in its policies and procedures the allowable activities that would constitute a minor rehabilitation. Under the second homes prohibition established for all CDBG–NDR grantees in the June 7, 2016 notice (81 FR 36578), the State may not provide CDBG–NDR funds for rehabilitation of residential structures on the island.

5. Rental Assistance Waiver extension (State of New Jersey only). In the Department's August 15, 2016 notice (81 FR 54114), the State of New Jersey was granted a waiver for the use of CDBG–DR funds for rental assistance for New Jersey homeowners in the Rehabilitation, Reconstruction, Elevation and Mitigation (RREM) Program and the Low and Moderate-Income (LMI) Homeowners Rebuilding Program (LMI Program). In the State of New Jersey, more than 7,600 homeowners have participated in the State's RREM Program or the LMI Program to rebuild their Sandy-damaged homes. Nearly 6,400 of those homeowners have completed construction; however, the approximately 1,200 remaining participants, many of whom are LMI households, are still in the construction phase due to insufficient funding to complete the project, contractor disputes or delays associated with the re-opening of certain claims under the National Flood Insurance Program. While undergoing rehabilitation of their homes, most of these applicants are required to continue to make payments for the mortgage on the home in addition to paying rent for alternative housing during the rehabilitation. The August 15, 2016 notice waived the requirements at section 105(a)(8) of the HCDA to the extent necessary to allow the State of New Jersey to use up to $30 million of its CDBG–DR allocation to provide up to 21 months of rental assistance through its Rental Assistance Program (RAP) to eligible RREM and LMI program applicants. The State estimates that approximately 200 of the 400 current RAP recipients in both rehabilitation programs will exhaust their maximum 21 months of RAP assistance in January 2019. The State is taking several actions to close out RAP and address the remaining rehabilitations of these homes. To address the continuing need of RREM and LMI program participants, the State of New Jersey will submit a substantial amendment to allocate an additional $50 million to its housing rehabilitation programs to assist participants in the completion of their homes. The State also indicates that it has increased its project management support to the remaining homeowner-managed construction projects to accelerate completions. To date, the State has only disbursed $11.6 million of the $30 million allowed under the previous waiver for RAP assistance and has not requested an increase to this cap. Without the waiver provided herein, the State could not continue to use CDBG–DR funds for these payments to individuals or families.

Accordingly, to allow the State of New Jersey to continue RAP and to assist homeowners in completing the rehabilitation of their homes, HUD is extending its original waiver granted in the August 15, 2016 notice to allow the State to use up to $30 million of its CDBG–DR allocation to provide RAP assistance to eligible RREM and LMI program applicants for an additional 19 months, for a total of 40 months. The State must implement this alternative requirement consistent with the approach outlined in its requests and as described herein. This waiver and alternative requirement shall remain in effect until June 30, 2022, after which

the State will no longer be able to use CDBG–DR funds for any RAP assistance.

6. Waiver and alternative requirement to permit certain activities as part of the Iowa Watershed Approach (State of Iowa only). The Department awarded the State of Iowa $96,887,177 in CDBG–NDR funds to support the Iowa Watershed Approach, a holistic watershed-scale program designed to sustain the State's agricultural economy while protecting vulnerable residents and communities. HUD funding will enable several watersheds to form Watershed Management Authorities, which will develop hydrological assessment and watershed plans, and implement pilot projects in the upper and lower watersheds, as well as invest in more resilient, healthy homes in Dubuque.

As part of the Iowa Watershed Approach, the State's NDR application proposed to fund subrecipients to install improvements and implement stormwater management practices on mostly privately-owned agricultural land to collect and hold back water in times of increased rain to prevent or minimize the impact of downstream flooding. To the extent some of these activities take place on privately-owned land, all of the activities may not be eligible under section 105(a)(2) of the HCDA, which permits the acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements. However, HUD recognizes that the improvements and planned management practices to be installed or applied on private lands provide public benefits that are similar to the public benefits derived from public works, facilities, and other improvements generally eligible under section 105(a)(2). Accordingly, the Department is approving a waiver and alternative requirement to expand section 105(a)(2) of the HCDA to the extent necessary to permit Iowa to carry out the activities described in its NDR application by installing improvements and implementing stormwater management practices for the purpose of preventing downstream flooding. This eligible activity includes the expenditure of CDBG–NDR funds for actions necessary to obtain mandatory environmental permits (if approved by the permitting agency). The State must demonstrate at a program level that such payments are necessary and reasonable and are required in order to secure the permits needed to implement its CDBG–NDR project.

III. Public Law 114–113 and 115–31 Waivers and Alternative Requirements

This section of the notice applies to grantees that received an allocation for a major disaster in 2015 and 2016 under Public Law 114–113 and Public Law 115–31. Public Laws 114–113 and 115–31 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of these funds, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. As required by Public Laws 114–113 and 115–31, waivers and alternative requirements provided in this section are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

1. Most Impacted and Distressed Area Requirements (South Carolina and Texas only).

This paragraph amends the Department's August 7, 2017 notice, which allocated additional CDBG–DR funds for qualified disasters that occurred in 2015. Table 2 of the August 7, 2017 notice indicates the HUD-identified ''most impacted and distressed'' (MID) areas impacted by the qualified disasters and the amounts that each grantee is required to expend in the MID areas. The notice required that at least 80 percent of the total combined funds provided within each State address unmet needs within the HUD-identified MID areas. The methodology, however, that HUD used to calculate the required amount to be expended in the MID areas for South Carolina and Texas was not correct. For the State of South Carolina, the amount established for its MID area expenditures did not account for CDBG–DR funds that would also be expended by Lexington County, Columbia, and Richland County as CDBG–DR grantees. For the State of Texas, the MID area expenditure calculation should have been based on a consideration of damage data received by HUD from December 2016, or fuller data received in May 2017. The MID calculation in the August 7, 2017 notice for Texas, however, only reflects the consideration of the December 2016 data. Therefore, this notice replaces Table 2 of the August 7, 2017 notice to reflect the corrected MID area expenditure amounts for the States of South Carolina and Texas:

TABLE 2—QUALIFYING 2015 AND 2016 DISASTERS AND ''MOST IMPACTED AND DISTRESSED'' AREAS

FEMA disaster No.	Grantee	Minimum amount that must be expended for recovery in the HUD-identified ''most impacted and distressed'' areas
2015 Disasters		
4241	Lexington County (Urban County), SC	($5,038,000) Lexington County Urban County Jurisdiction.
4241	Columbia, SC	($6,166,000) Columbia.
4241	Richland County, SC	($7,254,000) Richland County Urban County Jurisdiction.
4241	State of South Carolina	($20,205,200) Charleston, Dorchester, Florence, Georgetown and Clarendon Counties.
4223, 4245	Houston, TX	($20,532,000) City of Houston.
4223, 4245	San Marcos, TX	($8,714,000) City of San Marcos.
4223, 4245, 4272	State of Texas	($13,248,400) Harris, Hays, Hidalgo, and Travis Counties.
2016 Disasters		
4263, 4277	State of Louisiana	($41,148,000) East Baton Rouge, Livingston, Ascension, Tangipahoa, Ouachita, Lafayette, Vermilion, Acadia, Washington, and St. Tammany Parishes.
4273	State of West Virginia	($36,476,000) Kanawha, Greenbrier, Clay, and Nicholas Counties.
4266, 4269, 4272	State of Texas	($13,304,800) Harris, Newton, Montgomery, Fort Bend, and Brazoria Counties.
4285	State of North Carolina	($30,380,800) Robeson, Cumberland, Edgecombe, and Wayne Counties.
4286	State of South Carolina	($23,824,800) Marion and Horry Counties.

TABLE 2—QUALIFYING 2015 AND 2016 DISASTERS AND "MOST IMPACTED AND DISTRESSED" AREAS—Continued

FEMA disaster No.	Grantee	Minimum amount that must be expended for recovery in the HUD-identified "most impacted and distressed" areas
4280, 4283	State of Florida	($47,468,000) St. Johns County.

2. Waiver and alternative requirement for 70 percent overall low- and moderate-income benefit requirement (Lexington County, South Carolina only). This paragraph specifies a waiver and alternative requirement for CDBG–DR funds awarded to Lexington County under Public Laws 114–113 and 115–31 in order to allow the County to meet the unmet needs of residents in the HUD-defined MID areas. Lexington County was allocated $16,332,000 of CDBG–DR funds under Public Law 114–113 and was awarded an additional $5,038,000 under Public Law 115–31, both for recovery from 2015 severe storms and flooding (81 FR 39687 and 82 FR 36812).

The overall benefit requirement established by the HCDA requires that 70 percent of the aggregate of a grantee's CDBG–DR fund expenditures shall be used to support activities benefitting low- and moderate-income persons. Under certain circumstances, it can be difficult for grantees working in disaster recovery to meet this overall benefit test, because disasters do not always affect low- and moderate-income (LMI) areas and this requirement can therefore (in some cases) limit a grantee's ability to assist the MID areas resulting from the disaster. The Department's June 17, 2016 notice maintained the 70 percent overall benefit requirement for all CDBG–DR grantees receiving funds under Public Law 114–113 but provided grantees with the option of submitting a request to HUD for a lower overall benefit requirement. Specifically, the notice allows a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) Identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 70 percent requirement; and (d) demonstrates that LMI persons' disaster-related needs have been sufficiently met and that the needs of non–LMI persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them.

Lexington County submitted a request to establish a lower overall benefit requirement based on the above criteria. In its request, the County contends that its three established programs: Minor Residential Rehabilitation, Residential Buyout and Public Infrastructure Improvement, will meet all the unmet housing needs of its LMI population in the county. Specifically, in its Residential Buyout program the County has worked to prioritize the needs of LMI persons in its four identified Disaster Reduction Risk Areas who are most at-risk to repetitive flooding damage. The majority of the applications the County received for its Minor Residential Rehabilitation program were in the eligible buyout areas and were encouraged to move to the Residential Buyout program. After three years of public outreach, the County ultimately had 135 applications that were either eligible for its Minor Residential Rehabilitation program or its Residential Buyout program, and the County will be able to assist them all. Of the 135 eligible applications, 52 of those households are LMI. According to data provided by the County, once the Minor Residential Rehabilitation and Residential Buyout programs are completed it will have addressed all LMI unmet needs in those two programs.

The County's Public Infrastructure program is still in the design phase, but the County's unmet needs analysis has shown that the projects left to be funded involve damaged bridges and improvements needed for storm water management systems. The County's analysis shows that while LMI persons will likely benefit from all of its public infrastructure projects, none of the bridges that need repair are in areas that will qualify as LMI areas under the applicable national objective criteria. However, the improvements to the storm water management systems will benefit an LMI area, will be leveraged with additional federal and private funds, and will incorporate buyout properties into the program. The County plans to allocate around $300,000 to repair the damaged bridges and over $1 million to improve storm water management systems.

To enable the County to undertake the activities it has determined to be most critical for its recovery, and to ensure that LMI persons are sufficiently served or assisted, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement from 70 percent to not less than 50 percent of the County's total allocation of CDBG–DR funds. This is a limited waiver modifying sections 101(c) and 104(b)(3)(A) of the HCDA and 24 CFR 570.200(a)(3) only to the extent necessary to reduce the LMI overall benefit requirement that the County of Lexington must meet when carrying out activities identified in its approved action plan from 70 percent to not less than 50 percent of the grantee's allocations of CDBG–DR funds under Public Laws 114–113 and 115–31. Based on the analysis submitted by the County, the Secretary finds a compelling need for this reduction due to the circumstances outlined in the County's request. In particular, HUD notes that the County has accepted applications in its buyout and housing program for three years following the disaster event, with significant amounts of public outreach during that time to ensure that it reached all affected communities including: updates on its disaster recovery website, neighborhood meetings and public presentations at County council meetings.

IV. Public Law 114–113, 114–223, 114–254 and 115–31 Waivers and Alternative Requirements

This section of the notice applies to grantees that received an award for a major disaster in 2015, 2016, or 2017 under Public Law 114–113, Public Law 114–223, Public Law 114–254 or Public Law 115–31, and an award for a 2017 major disaster under Public Laws 115–56 or 115–123.

1. Planning and Administration Expenditures. Grantees that received an allocation for a major disaster in 2015, 2016, or 2017 under Public Law 114–113, Public Law 114–223, Public Law 114–254 or Public Law 115–31, and an award for a 2017 major disaster under Public Laws 115–56 or 115–123, are subject to different requirements with respect to determining how planning and administrative funds will be accounted for in the requirement that 80 percent of the total grant award be

expended in the HUD-identified ''most impacted and distressed'' areas. To avoid the administrative burden of tracking MID area expenditures differently between different grants, HUD is authorizing grantees under Public Laws 114–113, 114–223, 114–254 and 115–31 to follow the provisions of the Department's February 9, 2018 notice. Specifically, for these grantees and for allocations pursuant to the above Public Laws, HUD will include 80 percent of a grantee's expenditures for grant administration in its determination that 80 percent of the total award has been expended in the MID areas. HUD will include expenditures for planning activities towards a grantee's 80 percent expenditure requirement only if the grantee amends its action plan to include a description of how those planning activities benefit the HUD-identified MID areas.

2. *Waiver of Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).* Section 414 of the Stafford Act (42 U.S.C. 5181) provides that ''Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91–646) [42 U.S.C. 4601 *et seq.*] [''URA''] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by [the URA].'' Accordingly, homeowner occupants and tenants displaced from their homes as a result of the identified disaster and who would have otherwise been displaced, as a direct result of any acquisition, rehabilitation, or demolition of real property for a federally funded program or project, may become eligible for a replacement housing payment, notwithstanding their inability to meet occupancy requirements prescribed in the URA.

Grantees that received an allocation for a major disaster in 2015, 2016, or 2017 under Public Laws 114–113, 114–223, 114–254 or 115–31, and an award for a 2017 major disaster under Public Laws 115–56 or 115–123, are subject to different requirements with respect to protections afforded to tenants and homeowners under Section 414 of the Stafford Act. The Department issued a waiver of Section 414 for all grantees receiving an allocation for a 2017 major disaster under Public Laws 115–56 and 115–123 and provided an alternative requirement in the Department's February 9, 2018 notice (83 FR 5844), as amended and replaced by language in the August 14, 2018 notice (83 FR 40314) that did not apply to grantees receiving an allocation for a major disaster in 2015, 2016, or 2017 under Public Laws 114–113, 114–223, 114–254 or 115–31.

To avoid the administrative burden of implementing two different sets of URA requirements, HUD is authorizing grantees under Public Laws 114–113, 114–223, 114–254 and 115–31 that also received an award under Public Law 115–56 or 115–123 to either: (a) Continue to follow Section 414 of the Stafford Act (or any grantee-specific alternative requirement previously authorized by HUD); or (b) follow the alternative requirement of this section as previously established for Public Law 115–56 and 115–123, if the relevant activity has not yet received a Request for Release of Funds (RROF) as of the applicability date of this Notice. If a grantee chooses to follow option (b) above then it must identify this approach in its policies and procedures related to that particular activity, and consistently apply that option for all displaced persons affected by that activity.

This waiver and alternative requirement is as follows: Section 414 of the Stafford Act (including its implementing regulation at 49 CFR 24.403(d)(1)), is waived to the extent that it would apply to real property acquisition, rehabilitation or demolition of real property for a CDBG–DR funded project, undertaken by the grantee or subrecipient, commencing more than one year after the Presidentially declared disaster, provided that the project was not planned, approved, or otherwise underway prior to the disaster. For purposes of this paragraph, a CDBG–DR funded project shall be determined to have commenced on the earliest of: (1) The date of an approved RROF and certification, or (2) the date of completion of the site-specific review when a program utilizes tiered environmental reviews, or (3) the date of sign-off by the approving official when a project converts to exempt under 24 CFR 58.34(a)(12). The Secretary has the authority to waive provisions of the Stafford Act and its implementing regulations that the Secretary administers in connection with the obligation of CDBG–DR funds covered under this waiver and alternative requirement, or the grantees' use of these funds. The Department has determined that good cause exists for a waiver and that such waiver is not inconsistent with the overall purposes of title I of the HCDA. The waiver will simplify the administration of the disaster recovery process and reduce the administrative burden associated with the implementation of Stafford Act Section 414 requirements for projects commencing more than one year after the date of the Presidentially declared disaster, considering the majority of such persons displaced by the disaster will have returned to their dwellings or found another place of permanent residence. This waiver does not apply with respect to persons that meet the occupancy requirements to receive a replacement housing payment under the URA nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

3. *One-for-One Replacement Housing, Relocation, and Real Property Acquisition Requirements.*

Similar to the Section 414 waiver above, grantees that have received an allocation of CDBG–DR funds for 2017 disasters under Public Law 115–56 and 115–123 are currently subject to different requirements with respect to One-for-One Replacement Housing, Relocation, and Real Property Acquisition Requirements, than grantees that received an allocation of CDBG–DR funds for 2015, 2016 and 2017 disasters pursuant to Public Laws 114–113, 114–223, 114–254, and 115–31. To avoid the administrative burden of implementing two different sets of URA requirements, HUD is authorizing grantees under Public Laws 114–113, 114–223, 114–254, or 115–31that also received an award under Public Law 115–56 or 115–123, to either continue to follow the section on One-for-One Replacement Housing, Relocation, and Real Property Acquisition Requirements as provided in Section VI.A.19. of the June 17, 2016 notice (81 FR 39700) and Section VI.A.19. of the November 21, 2016 notice (81 FR 83266); or (b) follow the requirements of the same section in Section VI.A.23.a. through e. (excluding Section VI.A.23.f.) of the February 9, 2018 notice (83 FR 5858), if the relevant activity has not yet received a Request for Release of Funds (RROF) as of the applicability date of this Notice. If a grantee chooses to follow option (b) above then it must identify this approach in its policies and procedures related to that particular activity, and consistently apply that option for all displaced persons affected by that activity.

The provisions in Section VI.A.23.a. through e. of the February 9, 2018 notice governing One-for-One Replacement Housing, Relocation, and Real Property Acquisition Requirements are not

amended but are restated below for reference:

''23. *One-for-One Replacement Housing, Relocation, and Real Property Acquisition Requirements.* Activities and projects undertaken with CDBG–DR funds are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601 *et seq.*) (''URA'') and section 104(d) of the HCD Act (42 U.S.C. 5304(d)) (section 104(d)). The implementing regulations for the URA are at 49 CFR part 24. The regulations for section 104(d) are at 24 CFR part 42, subpart C. For the purpose of promoting the availability of decent, safe, and sanitary housing, HUD is waiving the following URA and section 104(d) requirements with respect to the use of CDBG–DR funds allocated under this notice:

a. Section 104(d) one for one replacement. One-for-one replacement requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) of the HCD Act and 24 CFR 42.375 are waived in connection with funds allocated under this notice for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation. The section 104(d) one-for-one replacement requirements generally apply to demolished or converted occupied and vacant occupiable lower-income dwelling units. This waiver exempts disaster-damaged units that meet the grantee's definition of ''not suitable for rehabilitation'' from the one-for-one replacement requirements. Before carrying out activities that may be subject to the one-for-one replacement requirements, the grantee must define ''not suitable for rehabilitation'' in its action plan or in policies and procedures governing these activities. A grantee with questions about the one-for-one replacement requirements is encouraged to contact the HUD regional relocation specialist responsible for its jurisdiction. HUD is waiving the section 104(d) one-for-one replacement requirement for lower-income dwelling units that are damaged by the disaster and not suitable for rehabilitation because it does not account for the large, sudden changes that a major disaster may cause to the local housing stock, population, or economy. Further, the requirement may discourage grantees from converting or demolishing disaster-damaged housing when excessive costs would result from replacing all such units. Disaster-damaged housing structures that are not suitable for rehabilitation can pose a threat to public health and safety and to economic revitalization. Grantees should reassess post-disaster population and housing needs to determine the appropriate type and amount of lower-income dwelling units to rehabilitate and/or rebuild. Grantees should note that the demolition and/or disposition of PHA-owned public housing units is covered by section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970.

b. Relocation assistance. The relocation assistance requirements at section 104(d)(2)(A) of the HCD Act and 24 CFR 42.350 are waived to the extent that they differ from the requirements of the URA and implementing regulations at 49 CFR part 24, as modified by this notice, for activities related to disaster recovery. Without this waiver, disparities exist in relocation assistance associated with activities typically funded by HUD and FEMA (*e.g.,* buyouts and relocation). Both FEMA and CDBG funds are subject to the requirements of the URA; however, CDBG funds are subject to section 104(d), while FEMA funds are not. The URA provides at 49 CFR 24.402(b) that a displaced person is eligible to receive a rental assistance payment that is calculated to cover a period of 42 months. By contrast, section 104(d) allows a lower-income displaced person to choose between the URA rental assistance payment and a rental assistance payment calculated over a period of 60 months. This waiver of the section 104(d) relocation assistance requirements assures uniform and equitable treatment by setting the URA and its implementing regulations as the sole standard for relocation assistance under this notice.

c. Tenant-based rental assistance. The requirements of sections 204 and 205 of the URA, and 49 CFR 24.2(a)(6)(vii), 24.2(a)(6)(ix), and 24.402(b) are waived to the extent necessary to permit a grantee to meet all or a portion of a grantee's replacement housing payment obligation to a displaced tenant by offering rental housing through a tenant-based rental assistance (TBRA) housing program subsidy (*e.g.,* Section 8 rental voucher or certificate), provided that comparable replacement dwellings are made available to the tenant in accordance with 49 CFR 24.204(a) where the owner is willing to participate in the TBRA program, and the period of authorized assistance is at least 42 months. Failure to grant this waiver would impede disaster recovery whenever TBRA program subsidies are available but funds for cash replacement housing payments are limited and such payments are required by the URA to be based on a 42-month term.

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

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

V. Public Law 114–223, 114–254 and 115–31 Waivers and Alternative Requirements

This paragraph of the notice applies to the State of Louisiana, which received allocations for major disasters in 2016 under Public Laws 114–223, 114–254 and 115–31. The Department may grant a waiver pursuant to the authority provided under the above appropriations, which authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, non-discrimination, labor standards, and the environment). As required by Public Laws 114–223, 114–254 and 115–31, the waiver and alternative requirement provided in this paragraph is based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

Rental assistance to tenants—42 U.S.C. 5305(a)(8) is modified to permit rental assistance for up to 24 months (State of Louisiana only).

The Department has received a request from the State of Louisiana to provide up to 24 months of tenant-based rental assistance (TBRA) to households impacted by a covered disaster when those households do not meet the definition of a ''displaced person'' under the URA. Existing CDBG regulations allow these payments to cover rent and utilities for a short period of time as a public service activity under 42 U.S.C. 5305(a)(8), but these payments cannot extend for so long that they no longer qualify as an eligible public service activity. Following a disaster, however, households may be forced to abandon their residences and may be unable to return if the damage to the units have made them uninhabitable. Furthermore, scarcity of affordable replacement units in the recovery period following a disaster, and security and utility deposits can further exacerbate affordability concerns for tenants. This waiver and alternative requirement will provide additional time to stabilize persons or households in permanent housing and is consistent with the goal of preventing homelessness.

Due to the severe flooding that occurred in 2016, the housing stock and shelters in several parishes of the State were severely damaged or destroyed.

The State notes that thousands of families continue to be doubled up with family and friends, facing eviction, in temporary housing conditions, including FEMA trailers that will be removed or have rents increased in the near future. The damage from the flooding diminished the opportunities for homeless or at-risk persons or households to independently establish re-housing. This waiver and alternative requirement will provide additional time to stabilize persons or households in permanent housing. The goal of this waiver and alternative requirement is to prevent homelessness and provide additional time to stabilize persons or households in permanent housing along with supportive services. In developing the policies and procedures for the Rapid Rehousing program, the State must list the services to be provided and outline a referral process that will enable the targeted households to apply to live in affordable housing units, including those that are created under other CDBG–DR funded programs.

The use of CDBG–DR funds for this purpose advances the Department's priority to support forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness as a result of a disaster. For the reasons above, HUD is expanding the definition of public service at 42 U.S.C. 5305(a)(8) to include the following activity: Provision of rental assistance to disaster-impacted households for up to 24 months. This activity is subject to the 15 percent cap on public services.

In implementing this waiver and alternative requirement, the State must document in its policies and procedures how it will determine that the amount of assistance to be provided is necessary and reasonable and not duplicative of any other funding source, including insurance. Additionally, the State is reminded that any rental assistance provided by FEMA must first be exhausted prior to providing CDBG–DR funds for this purpose. Eligible assistance includes rental assistance and utility payments and may also include rental costs (*i.e.,* security deposits and utility deposits) when the grantee determines that such payments are necessary and reasonable to help prevent a household from being homeless.

A homeowner receiving any form of CDBG–DR interim mortgage assistance that may be offered by the State is not eligible for rental assistance as authorized by this section. This waiver and alternative requirement shall expire on September 30, 2022.

VI. Public Law 115–56 and 115–123 Waivers and Alternative Requirements

This section of the notice authorizes waivers and alternative requirements for certain grantees that received an allocation of funds appropriated under Public Laws 115–56 and 115–123, which together made available $17.4 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization due to qualified disasters that occurred in calendar year 2017.

Public Laws 115–56 and 115–123 both authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). As required by these appropriations, each waiver and alternative requirement in this section is based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

1. *Clarification of the Green Building Standards.* The Department's February 9, 2018 notice (83 FR 5844) included the requirement for the application of green building standards that have applied to CDBG–DR awards since 2013. Section VI.B.32. of the February 9, 2018 notice requires grantees to meet the green building standards for ''(i) All new construction of residential buildings and (ii) all replacement of substantially damaged residential buildings.'' Section VI.B.32. subparagraph b. of the February 9, 2018 notice includes a list of green building standards that grantees may adopt and asks grantees to identify which green building standard it will use to meet the requirements. Some grantees have interpreted this requirement to mean that they must choose only one of the specified green building standards and must apply that one standard to all CDBG–DR funded activities that are subject to the requirement. HUD's requirement, however, is only intended to require grantees to identify which green building standard it will meet for each project. It is not intended to require grantees to limit themselves to using only one of the authorized standards. To clarify HUD's intention, HUD is replacing section VI.B.32. subparagraph b. of the February 9, 2018 notice with the following:

''b. Meaning of Green Building Standard. For purposes of this notice, the Green Building Standard means the grantee will require all construction covered by subparagraph a., above, to meet an industry-recognized standard that has achieved certification under at least one of the following programs: (i) ENERGY STAR (Certified Homes or Multifamily High-Rise), (ii) Enterprise Green Communities, (iii) LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development), (iv) ICC–700 National Green Building Standard, (v) EPA Indoor AirPlus (ENERGY STAR a prerequisite), or (vi) any other equivalent comprehensive green building program acceptable to HUD. Grantees must identify, in each project file, which Green Building Standard will be used on any building covered by subparagraph a., along with a checklist or other documentation demonstrating the elements of the chosen standard have been followed. This will allow grantees flexibility in the implementation of this requirement and will also allow HUD to readily identify the authorized standard chosen for each building.''

2. Waiver to increase tourism and business marketing cap (Commonwealth of Puerto Rico only). In the August 14, 2018 notice, the Department granted the Commonwealth of Puerto Rico a waiver to create a new eligible activity to use up to $15,000,000 of CDBG–DR funds for tourism marketing activities to promote travel and to attract new businesses to disaster-impacted areas, consistent with the amount allocated by the Commonwealth in the action plan submitted to HUD pursuant to the February 9, 2018 notice. This notice increases the amount by $10,000,000, allowing the Commonwealth to use up to $25,000,000 in CDBG–DR funds to promote travel and to attract new businesses to disaster-impacted areas. This additional $10,000,000 in CDBG–DR funds represents a substantial and necessary infusion of CDBG–DR resources to sustain the following unmet tourism marketing and business promotion needs identified in the Commonwealth's prior waiver request: (1) Advertising and publicity to correct and update public perception of Puerto Rico as a tourism destination and location for new business investment; and (2) sales promotion and publicity to update professional planners' perceptions of the destination and its ability to host business events (*e.g.,* conventions, quarterly sales conferences, corporate meetings, association conferences) and new businesses. As the Commonwealth of Puerto Rico is proposing advertising and marketing activities rather than direct assistance to tourism-dependent and other businesses, and because the measures of long-term benefit from the

proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) is waived only to the extent necessary to expand the tourism and business marketing eligible activity to permit no more than $25,000,000 for assistance for tourism and business marketing activities to promote travel and to attract new businesses to disaster-impacted areas. No elected officials or candidates for political office shall appear in tourism or business marketing materials financed with CDBG–DR funds. Given the importance of tourism and new business investment to the overall economy, HUD is authorizing this use of funds without regard to unmet housing need.

This waiver will expire two years after the Commonwealth first draws CDBG–DR funds under the allocation of CDBG–DR funds provided in the February 9, 2018 notice. The requirements of the August 14, 2018 notice for the Commonwealth apply to all amounts used for tourism and business marketing, including the additional $10,000,000 permitted by this waiver. The Commonwealth cannot use its CDBG–DR tourism expenditures to supplant Commonwealth or local government funds for tourism and business marketing activities, and it must develop metrics in its action plan that will demonstrate the impact of its CDBG–DR tourism and business marketing expenditures.

The Commonwealth shall coordinate its tourism promotion and business marketing activities with its designated Opportunity Zones.

3. Waiver and alternative requirement for homeowner mortgage assistance (Commonwealth of Puerto Rico only). The widespread damage to the Commonwealth's housing stock following Hurricane Maria has also negatively impacted the Commonwealth's housing market. Elderly homeowners in particular have experienced new difficulties in meeting their mortgage obligations. To assist these homeowners during the period of recovery, HUD is expanding the definition of public service at 42 U.S.C. 5305(a)(8) to include this activity and allow the Commonwealth to use up to $5,000,000 of CDBG–DR funds for the purpose of paying arrearages on taxes and insurance for Home Equity Conversion Mortgages (HECM) insured by the Federal Housing Administration, provided such arrearages have been incurred by the homeowner following and not before the qualified disaster and that such payments serve only to make the homeowner current in his/her required tax and insurance payments for the HECM.

Payments pursuant to this paragraph shall be made by the Commonwealth to: (1) The HECM servicer where the HECM servicer advanced taxes and insurance payments on behalf of the borrower, or (2) to the local taxing authority and/or property insurer on behalf of the borrower. The Commonwealth is reminded that as a public service activity, the HECM assistance authorized herein is subject to the 15 percent cap on the use of CDBG–DR for public service activities. This waiver and alternative requirement shall expire two years after the date on which the Commonwealth first draws CDBG–DR funds for the purpose of providing the assistance authorized herein.

4. Rental assistance to tenants—42 U.S.C. 5305(a)(8) is modified to permit rental assistance to tenants for up to 24 months (Commonwealth of Puerto Rico only).

The Department has received a request from the Commonwealth of Puerto Rico to provide up to 24 months of tenant-based rental assistance (TBRA) to households impacted by a covered disaster when those households do not meet the definition of a ''displaced person'' under the URA. Existing CDBG regulations allow these payments to cover rent and utilities for a short period as a public service under 42 U.S.C. 5305(a)(8), but these payments cannot extend for so long that they are no longer qualify as an eligible public service activity. Following a disaster, however, households may be forced to abandon their residences and may be unable to return if the damage to the units have made them uninhabitable. Furthermore, scarcity of affordable replacement units in the recovery period following a disaster, and security and utility deposits can further exacerbate affordability concerns for tenants. This alternative requirement will provide additional time to stabilize persons or households in permanent housing and is consistent with the goal of preventing homelessness.

As a result of Hurricanes Maria and Irma, rental units across the Commonwealth were seriously damaged or destroyed and affordable rental housing units are urgently needed, especially for the elderly who are in need of rental assistance. Many elderly residents are at immediate risk of becoming homeless because they cannot afford to pay rent without assistance. The goal of this waiver is to prevent and minimize the time disaster-impacted households are homeless by providing rental assistance and re-housing services, and by linking the households with services that can help them become stable and self-sufficient. In developing the policies and procedures for this TBRA program, the Commonwealth must list services to be provided and outline a referral process that will enable the targeted households to apply to live in affordable housing units, including those that are created under other CDBG–DR funded programs. The Commonwealth must clearly demonstrate in its action plan the concrete steps it will take to prevent households from becoming homeless after the exhaustion of the CDBG–DR TBRA assistance.

The use of CDBG–DR funds for this purpose advances the Department's priority to support forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness as a result of a disaster. For the reasons above, HUD is expanding the definition of public service at 42 U.S.C. 5305(a)(8) to include the following activity: Provision of rental assistance to disaster-impacted households for up to 24 months. This activity is subject to the 15 percent cap on public services.

In implementing this alternative requirement, the Commonwealth must document, in its policies and procedures, how it will determine that the amount of assistance to be provided is necessary and reasonable and not duplicative of any other funding source. Additionally, the Commonwealth is reminded that any rental assistance provided by FEMA or insurance must first be exhausted prior to providing CDBG–DR funds for this purpose. Eligible assistance includes rental assistance and utility payments and may also include rental costs (*i.e.,* security deposits and utility deposits) when the grantee determines that such payments are necessary and reasonable to help prevent a household from being homeless.

A homeowner receiving any form of CBDG–DR interim mortgage assistance that may be offered by the Commonwealth is not eligible for rental assistance as authorized by this section. This waiver and alternative requirement shall expire on September 30, 2022.

5. Waiver to increase tourism marketing cap to further permit some activities in support of the tourism industry (U.S. Virgin Islands only). In the Department's August 14, 2018 notice, HUD granted the U.S. Virgin Islands (USVI) a waiver to spend up to $5,000,000 of CDBG–DR funds on tourism marketing activities to promote travel to disaster-impacted areas related to the effects of Hurricanes Irma and Maria, consistent with the amount allocated by the USVI in the action plan

submitted to HUD pursuant to the February 9, 2018 notice.

The USVI is seeking a waiver request to allow it to spend an additional $20,000,000 on activities to promote tourism within those same areas, for a combined total of $25,000,000. This increase in funding for tourism marketing activities is based upon the USVI Department of Tourism's identification of specific travel and tourism niches in which the USVI is acknowledged to be competitive, including sports and adventure; meetings, incentives, conferences and exhibitions; and destination weddings and honeymoons.

Accordingly, 42 U.S.C. 5305(a) is waived only to the extent necessary to make eligible use of no more than $25,000,000 for assistance for tourism marketing, provided the assisted activities are designed to support tourism to the disaster-impacted areas related to the effects of Hurricanes Irma and Maria. This waiver will expire two years after the USVI first draws CDBG–DR funds under the allocation of CDBG–DR funds provided in the February 9, 2018 notice. The requirements of the August 14, 2018 notice for the USVI apply to all amounts used for tourism marketing, including the additional $20,000,000 permitted by this waiver. These include requirements for the USVI to develop metrics in its action plan that will demonstrate the impact of its CDBG–DR tourism expenditures and that no elected officials or candidates for political office shall appear in tourism marketing materials financed with CDBG–DR funds. Any CDGB–DR tourism expenditures may not supplant USVI or local government funds for tourism marketing.

The USVI shall coordinate its tourism promotion and marketing activities with its designated Opportunity Zones.

6. Rental assistance to tenants—42 U.S.C. 5305(a)(8) is modified to permit rental assistance to tenants for up to 24 months (U.S. Virgin Islands only).

The Department has received a request from the USVI to provide up to 24 months of tenant-based rental assistance (TBRA) to households impacted by a covered disaster when those households do not meet the definition of a ''displaced person'' under the URA. Existing CDBG regulations allow these payments to cover rent and utilities for a short period as a public service under 42 U.S.C. 5305(a)(8), but these payments cannot extend for so long that they are no longer a public service. Following a disaster, however, households may be forced to abandon their residences and may be unable to return if the damage to the units have made them uninhabitable. Furthermore, scarcity of affordable replacement units in the recovery period following a disaster, and security and utility deposits can further exacerbate affordability concerns for tenants. This waiver and alternative requirement will provide additional time to stabilize persons or households in permanent housing and is consistent with the goal of preventing homelessness.

Many of the homeowners in USVI own their homes outright or reside in long-standing familiar homes. This practice has allowed them to live on very low, fixed expenses each month and therefore these homeowners may not have the means to pay rent at a different location while their home is under repair. Additionally, many homeowners have either expended their FEMA temporary assistance and rental assistance provided by insurance or did not qualify for any rental assistance in the first place. Thus, temporary rental assistance for homeowners is necessary to prevent displacement and/or homelessness while these homes are repaired or reconstructed. The goal of this waiver and alternative requirement is to prevent and minimize the time households are homeless as a result of the disaster by providing rental assistance and re-housing services. In developing the policies and procedures for the rental assistance program, the grantee must list services to be provided and outline a referral process that will enable the targeted households to apply to live in affordable housing units, including those that are created under other CDBG–DR funded programs. Grantees must also clearly demonstrate in its action plan the concrete steps it will take to prevent households from becoming homeless after the exhaustion of CDBG–DR TBRA assistance.

The use of CDBG–DR funds for this purpose advances the Department's priority to support forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness as a result of a disaster. For the reasons above, HUD is expanding the definition of public service at 42 U.S.C. 5305(a)(8) to include the following activity: provision of rental assistance to disaster-impacted households for up to 24 months. This activity is subject to the 15 percent cap on public services.

In implementing this waiver and alternative requirement, the USVI must document, in its policies and procedures, how it will determine that the amount of assistance to be provided is necessary and reasonable and not duplicative of any other funding source, including insurance. Additionally, the USVI is reminded that any rental assistance provided by FEMA must first be exhausted prior to providing CDBG–DR funds for this purpose. Eligible assistance includes rental assistance and utility payments and may also include rental costs (*i.e.,* security deposits and utility deposits) when the grantee determines that such payments are necessary and reasonable to help prevent a household from being homeless.

A homeowner receiving any form of CBDG–DR interim mortgage assistance that may be offered by the USVI is not eligible for rental assistance as authorized by this section. This waiver and alternative requirement shall expire on September 30, 2022.

VII. Catalog of Federal Domestic Assistance

The Catalog of Federal Domestic Assistance numbers for the disaster recovery grants under this notice are as follows: 14.218 for Entitlement CDBG grantees and 14.228 for State CDBG grantees.

VIII. Finding of No Significant Impact

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

Dated: February 8, 2019.

David Woll, Jr.,

Acting Assistant Secretary, Office of Community Planning and Development.

[FR Doc. 2019–02695 Filed 2–15–19; 8:45 am]

BILLING CODE 4210–67–P

Community	Community map repository address
Unincorporated Areas of Charleston County	Charleston County Lonnie Hamilton, III Public Services Building, Building Inspection Services Department, 4045 Bridge View Drive, Suite 311, North Charleston, SC 29405.
Fort Bend County, Texas and Incorporated Areas Docket Nos.: FEMA–B–1753; FEMA B–1944	
City of Fulshear	City Hall, 30603 FM 1093, Fulshear, TX 77441.
City of Houston	Public Works and Engineering Department—Floodplain Management Office, 1002 Washington Avenue, 3rd Floor, Houston, TX 77002.
City of Simonton	City Hall, 35011 FM 1093, Simonton, TX 77476.
City of Weston Lakes	Weston Lakes City Hall, 8045 FM 359, Suite 200, Fulshear, TX 77441.
Unincorporated Areas of Fort Bend County	Fort Bend County Drainage District, 1124 Blume Road, Rosenberg, TX 77471.
Village of Fairchilds	Fairchilds Village Map Repository, Fairchild Volunteer Fire Department, 8715 Fairchild Road, Richmond, TX 77469.
Village of Pleak	Pleak Village Hall, 6621 FM 2218 South, Richmond, TX 77469.
Llano County, Texas and Incorporated Areas Docket Nos.: FEMA B–1523, FEMA B–1923	
City of Llano	Code Enforcement Department, 301 West Main Street, 2nd Floor, Llano, TX 78643
Unincorporated Areas of Llano County	Llano County Permitting and Emergency Management, 100 West Sandstone Street, Suite 200A, Llano, TX 78643.
Frederick County, Virginia and Incorporated Areas Docket No.: FEMA–B–1817 and B–1955	
Town of Middletown	Town Office, 7875 Church Street, Middletown, VA 22645.
Town of Stephens City	Town Office, 1033 Locust Street, Stephens City, VA 22655.
Unincorporated Areas of Frederick County	Frederick County Administration Building, 107 North Kent Street, Suite 202, Winchester, VA 22601.
Independent City of Winchester, Virginia Docket No.: FEMA–B–1817 and B–1955	
City of Winchester	Rouss City Hall, 15 North Cameron Street, Winchester, VA 22601.

[FR Doc. 2020–21305 Filed 9–25–20; 8:45 am]
BILLING CODE 9110–12–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6219–N–01]

Waivers and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees

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

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) funds awarded under several appropriations. Specifically, this notice provides waivers and establishes alternative requirements for certain grantees that have submitted waiver requests for grants provided pursuant to Public Laws. This notice also provides further clarification on the waiver and alternative requirement for use of a FEMA-approved alternative to the CDBG–DR elevation requirement for nonresidential structures. Additionally, this notice revises action plan substantial amendment requirements for CDBG-Mitigation (CDBG–MIT) grants.

DATES: Applicability Date: October 5, 2020.

FOR FURTHER INFORMATION CONTACT: Jessie Handforth Kome, Director, Office of Block Grant Assistance, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800–877–8339. Facsimile inquiries may be sent to Ms. Kome at 202–708–0033. (Except for the''800'' number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Public Law 113–2 Waivers and Alternative Requirements

Authorizing Specific Housing Activities for the ''Reshaping the Urban Delta'' Initiative (City of New Orleans Only)

The Department awarded $141,260,569 in Community Development Block Grant National Disaster Resilience (CDBG–NDR) funds made available under Public Law 113–2 to the City of New Orleans to implement activities described in the city's application, which the city collectively refers to as the ''Reshaping the Urban Delta'' initiative. This section of the notice specifies waivers and

alternative requirements and modifies requirements for CDBG–NDR funds awarded to the City of New Orleans under Public Law 113–2, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization.

Public Law 113–2 authorizes the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. The waiver and alternative requirement provided in this section is in response to a request by the City of New Orleans explaining why there is good cause for the waiver and is based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (HCDA).

The City of New Orleans will use its CDBG–NDR funds to create the city's first Resilience District in the Gentilly neighborhood, a low- and moderate-income community with a particularly high risk of flooding. The city is requesting a waiver to establish an alternative requirement to create a CDBG-eligible activity that comprises all of the activities proposed in the community adaptation component of the Resilience District initiative.

The city's initiative is comprised of four components: (1) Urban water: consisting of public improvements to improve storm water management; (2) reliable energy and smart systems: to enhance the reliability of the electrical grid and energy asset monitoring; (3) coastal restoration: A series of coastal protection and restoration projects to mitigate flooding impacts; and (4) community adaptation: to support improvements to private residential properties in the neighborhood as a means of improving storm water management.

Certain activities under the community adaptation component, as proposed by the City, are not CDBG-eligible as housing rehabilitation activities as they do not involve the rehabilitation of the housing structure itself. Accordingly, the Department is granting a waiver and establishing an alternative requirement to create a CDBG-eligible activity that comprises all of the activities proposed for improvements to residential properties under the community adaptation component of the initiative. In its approved CDBG–NDR action plan, the city describes activities that will be eligible for funding and that entail improvements to private residential properties. These improvements may include the installation of permeable driveways, rain cisterns, bioswales and other site and exterior adaptations and resilience retrofits which are on the property of homeowners, but generally do not involve physical improvements to the housing unit.

To clarify the eligibility of these activities as outlined in the city's approved CDBG–NDR application and action plan, the Department is approving a waiver and alternative requirement to expand section 105(a)(4) of the HCDA only to the extent necessary to create a new eligible activity for the city's CDBG–NDR grant. This new eligible activity shall be comprised of activities described in its CDBG–NDR application and approved action plan for residential improvements under the community adaptation portion of the initiative, through installation of improvements and implementation of stormwater management practices on residential properties for the purpose of enhancing the resilience of the residential building and preventing neighborhood flooding.

II. Public Law 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 Waivers and Alternative Requirements

This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR funds awarded to grantees that received an allocation for a 2015, 2016, 2017, 2018, or 2019 major disaster under Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation. Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. As required by Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 the waivers and alternative requirements provided in this paragraph are based upon a determination by the Secretary that good cause exists and that the waivers or alternative requirements are not inconsistent with the overall purposes of title I of the HCDA.

II.A. Waiver and Alternative Requirement for Use of FEMA-Approved Elevation Standards for Nonresidential Structures

Grantees that received an allocation for a 2015, 2016, 2017, 2018, or 2019 major disaster under Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 are subject to different federal requirements established by the Federal Emergency Management Agency (FEMA) and HUD, with respect to the elevation of nonresidential structures in a floodplain. Grantees that have received an allocation of CDBG–MIT funds pursuant to Public Law 115–123 are also subject to these different federal requirements.

Specifically, CDBG–DR and CDBG–MIT grantees under these appropriations and corresponding **Federal Register** notices are required to elevate, or floodproof in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or a successor standard, nonresidential structures up to at least two feet above the 100-year (or 1 percent annual chance floodplain), *i.e.* two feet above the base flood elevation. Critical Actions, as defined at 24 CFR 55.2(b)(3), within the 0.2 percent annual chance floodplain (*i.e.,* 500-year floodplain), must be elevated or floodproofed (in accordance with FEMA standards) to the higher of 0.2 percent annual floodplain flood elevation or three feet above the 1 percent annual chance floodplain (*i.e.,* 100-year floodplain). Under current CDBG–DR and CDBG–MIT requirements for these grantees, if the 500-year floodplain or elevation standard is unavailable, and the Critical Action is in the 100-year floodplain, then the structure must be elevated or floodproofed to at least three feet above the 100-year floodplain elevation.

CDBG–DR funds may be used to meet the non-federal match requirements for programs funded by FEMA. CDBG–DR grantees using FEMA and CDBG–DR funds to fund the same activity, however, have encountered challenges in certain circumstances in reconciling CDBG–DR elevation requirements with those established by FEMA. CDBG–MIT grantees will encounter similar challenges in the implementation of projects when using FEMA funds

together with CDBG–MIT funds. FEMA regulations at 44 CFR 9.11(d)(3)(i) and (ii) prohibit new construction or substantial improvements to a structure unless the lowest floor of the structure is at or above the level of the base flood and for critical actions, at or above the level of the 500-year flood, while 44 CFR 9.11(d)(3)(iii) allows for an alternative to elevation to the 100- or 500-year flood level, subject to FEMA approval, which would provide for improvements that would ensure the substantial impermeability of the structure below flood level.

As programs funded by FEMA are pursuant to an annual appropriation, FEMA funded projects generally commence soon after a disaster and well in advance of the availability of CDBG–DR funds. When CDBG–DR funds are used as match for a FEMA project that is underway, the alignment of HUD's elevation standards with any alternative standard allowed by FEMA may not be feasible and may not be cost reasonable.

Accordingly, the Department is waiving the elevation requirements applicable under the **Federal Register** notices for the referenced appropriations, and establishing an alternative requirement for the use of an alternative, FEMA-approved flood standard when each of the following conditions is in place: (i) CDBG–DR or CDBG–MIT funds are used as the non-federal match for FEMA assistance; (ii) the FEMA-assisted activity, for which CDBG–DR or CDBG–MIT funds will be used as match, commenced prior to HUD's obligation of CDBG–MIT or CDBG–DR funds to the grantee; and (iii) the grantee has determined and demonstrated with records in the activity file that implementation costs of the required CDBG–DR elevation or flood proofing up to two feet is not reasonable as that term is defined in the applicable cost principles at 2 CFR 200.404. HUD and FEMA will issue joint guidance to assist grantees in the compliant implementation of this provision and with other requirements that apply when CDBG–DR or CDBG–MIT funds are used to meet the non-federal match requirements of certain FEMA programs.

II.B. Changes to the DOB Implementation Notice for Grantees That Received a CDBG–DR Allocation for a 2015, 2016, or 2017 Disaster Event

On June 20, 2019, the Department published a **Federal Register** notice, ''Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees,'' (84 FR 28836) (''2019 DOB Notice''). This notice reflects the requirements of recent CDBG–DR supplemental appropriations acts and amendments to the Robert T. Stafford Disaster Relief and Emergency Assistance Act. HUD's corresponding DOB implementation notice, ''Applicability of Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees,'' (84 FR 28848) (''DOB Implementation Notice'') makes conforming amendments to other notices governing CDBG–DR grants received in response to a disaster declared between January 1, 2015 and December 31, 2017. The DOB Implementation Notice advises these grantees of the applicability of the 2019 DOB Notice to their existing CDBG–DR activities. In the DOB Implementation Notice, the Department imposed the requirements of the 2019 DOB Notice for: (a) New programs and activities added to the action plan after the date of the implementation notice; and (b) existing programs and activities, to the extent that the grantee amends its action plan to change its treatment of loans in accordance with the 2019 DOB Notice.

The Department recognizes that not all grantees include this level of specificity in their action plan and is broadening the applicability of the 2019 DOB Notice to include existing programs and activities, to the extent that the grantee amends its action plan *or* its policies and procedures to change the treatment of loans in accordance with the 2019 DOB Notice. Therefore, this notice deletes and replaces the first bullet of the third paragraph of section III of the DOB Implementation Notice, which follows the sentence: ''This notice makes the following changes to the Prior Notices.'' The first bullet in the third paragraph of section III is revised to read:

- ''The 2019 DOB Notice shall supersede the 2011 DOB notice for any new activities submitted to HUD in an action plan or action plan amendment on or after the effective date of this notice, and for existing programs and activities, to the extent that the grantee amends its action plan or its policies and procedures to change the treatment of loans in accordance with the 2019 DOB Notice. If a grantee opts to revise its policies and procedures for one or more existing programs that were included in an action plan for disaster recovery before the effective date of this notice, the grantee must amend its action plan to reflect any resulting changes in benefits to program participants or to correct any resulting inconsistencies with duplication of benefits policies described in the action plan.''

II.C. Use of the ''Upper Quartile'' or ''Exception Criteria'' for Low- and Moderate-Income Area Benefit Activities (State of Texas only)

The State of Texas was awarded a total of $74,568,000 from Public Laws 114–113 and 115–31 for recovery from 2015 disasters; a total of $238,895,000 from Public Laws 114–223, 114–254, and 115–31 for recovery from 2016 disasters; a total of $5,734,190,000 from Public Laws 115–56, 115–123, and 115–31 for recovery from Hurricane Harvey disaster; a total of $72,913,000 from Public Laws 115–254 and 116–20 for recovery from 2018 disasters; and a total of $212,741,000 from Public Law 116–20 for recovery from 2019 disasters. HUD has also awarded $4,297,189,000 of CDBG–MIT funds to the State under Public Law 115–123 for mitigation activities. This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR and CDBG–MIT funds awarded to the State of Texas under Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation.

The State is seeking a waiver and alternative requirement to apply exception criteria in determining that an activity qualifies as meeting the low- and moderate-income (LMI) area benefit national objective when the area contains fewer than 51 percent of LMI persons. This waiver and alternative requirement will allow the State to use the ''upper quartile'' or ''exception criteria'' for LMI area benefit activities for non-entitlement counties impacted by the 2015 and 2016 floods, as well as areas impacted by Hurricane Harvey.

Section 105(c)(2)(A) of the HCDA generally provides that assisted activities designed to serve an area generally and clearly designed to meet identified needs of LMI persons in the area, shall be considered to principally benefit persons of low- and moderate-income if the area served in a metropolitan city or urban county is within the highest quartile of all areas within the jurisdiction of such city or county in terms of the degree of concentration of persons of low- and moderate-income. In some cases, HUD permits an exception to the requirement that at least 51 percent of the residents of the area qualify as LMI, when certain requirements are met.

The exception provided by HUD under this waiver and alternative requirement is typically applied to those entitlement communities that have few, if any, areas within their jurisdiction that have 51 percent or more of LMI residents. Under the exception, communities are allowed to use a percentage that is less than 51 percent to qualify activities under the LMI area benefit national objective criteria. In these communities, activities must serve an area that contains a percentage of LMI residents that is within the upper quartile of all census-block groups within its jurisdiction in terms of the degree of concentration of LMI residents. HUD assesses each grantee's census-block groups to determine whether a grantee qualifies to use this exception and identifies the alternative percentage the grantee may use instead of 51 percent for the purpose of qualifying activities under the LMI area benefit national objective criteria. HUD determines the lowest proportion a grantee may use to qualify an area for this purpose and advises the grantee accordingly. CDBG–DR grantees are required to use the most recent data available in implementing the exception criteria. The ''exception criteria'' applies to disaster recovery activities funded by a State grantee pursuant to the applicable **Federal Register** notices in jurisdictions covered by such criteria, including jurisdictions that receive CDBG–DR funds from a State.

The State of Texas is requesting this waiver and alternative requirement for only those non-entitlement counties in which fewer than one quarter of the block groups within each jurisdiction have 51 percent or more of LMI residents. When the ''upper quartile'' or ''exception criteria'' methodology is applied to block groups within those counties that do not fall within an entitlement community, fewer than one quarter of the populated-block groups in those counties contain 51 percent or more of LMI persons.

To enable the State to undertake the activities it has determined to be most critical for its recovery, and to ensure that LMI persons are sufficiently served and assisted, HUD is waiving section 105(c)(2)(A) of the HCDA and establishing an alternative requirement to authorize the State to use the ''upper quartile'' or ''exception criteria'' for LMI area benefit activities for non-entitlement counties for any current or future grants made under Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20.

The non-entitlement counties that qualify under this alternative requirement, and the calculated ''exception percentages'' for each, will be posted in tables on the HUD website. These tables will be updated annually by HUD. The ''exception percentage'' for each of the counties that qualify will represent the new threshold for qualifying block groups in those counties under the LMI area benefit national objective criteria. In granting this flexibility to the State of Texas, the Department will not consider any request to lower the State's requirements in regard to the overall percentage of funds that must be used for activities that benefit low- and moderate-income persons for its CDBG–DR funds for 2015 to 2019 disasters, or its CDBG–MIT funds.

III. Public Law 115–31, 115–56, 115–123, 115–254, and 116–20 Waivers and Alternative Requirements

Use of Standardized Area Median Income (State of Texas Only)

The Department has awarded $5,734,190,000 in CDBG–DR funds to the State of Texas for recovery from Hurricane Harvey from Public Laws 115–56, 115–123, and 115–31. HUD has also awarded $4,297,189,000 of CDBG–MIT funds to the State under Public Law 115–123 for mitigation activities. Additionally, the State was awarded a total of $72,913,000 from Public Laws 115–254 and 116–20 for recovery from 2018 disasters, and a total of $212,741,000 from Public Law 116–20 for recovery from 2019 disasters. This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR and CDBG–MIT funds awarded to the State of Texas under Public Laws 115–31, 115–56, 115–123, 115–254, and 116–20 for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation.

Public Laws 115–31, 115–56, 115–123, 115–254, and 116–20 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. The waiver and alternative requirement provided in this paragraph is in response to a request by the State of Texas explaining why there is good cause for the waiver and based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

The State is asking to modify requirements and coordinate recovery efforts across multiple CDBG–DR and CDBG–MIT allocations under Public Laws 115–31, 115–56, 115–123, 115–254, and 116–20 through use of a standardized area median income for purposes of meeting the low- and moderate-income national objective criteria.

42 U.S.C. 5302(a)(20)(A) defines the terms ''persons of low and moderate income'' and ''low- and moderate-income persons'' to mean families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

The State has presented data indicating a large range in area median income (AMI) in the Harvey-impacted areas of the State, ranging from $40,200 to $91,100 for a family of four. This statewide variation can have unintended consequences for participation in CDBG–DR funded activities, for example, the State affirms that ''while the cost of living varies between communities throughout the state, the cost to rebuild or reconstruct a new home does not vary on the order of magnitude evidenced by the disparity in AMI across Texas counties.'' As the State seeks to primarily serve LMI individuals and areas in the disaster-impacted counties, the variation between county-level AMI limits the participation of families and individuals in the State's recovery programs in those counties with very low AMI, because these families and individuals have incomes that are at or above the 80 percent of AMI in the respective county even though their incomes are less than 80 percent of the statewide median income.

Based on the above circumstance, the State of Texas has requested a waiver and alternative requirement to allow the State to make LMI determinations across the most impacted and distressed (MID) areas for 2017, 2018, and 2019 disasters based on a determination that the incomes of families and individuals are below 80 percent of statewide median income. In its request, the State emphasizes the importance of providing assistance to the households most in need through a housing rehabilitation and reconstruction program, through buyouts and acquisitions that remove homes from harms' way, and through other flood drainage infrastructure activities.

In the circumstances outlined in the State's request, the broadening of 42 U.S.C. 5302(a)(20)(A) is warranted given the variance in AMIs across the affected counties. Thus, the Department finds that good causes exists and waives 42 U.S.C. 5302(a)(20)(A) to the extent necessary to allow the Secretary to enable the State of Texas to make LMI determinations based on statewide median income instead of otherwise applicable AMI when local AMI is below statewide median income data (as published by HUD annually with adjustments for smaller and larger families). In areas where this waiver and alternative requirement permits the State to use statewide median income for LMI determinations, the State may also use statewide median income data (as published by HUD annually with adjustments for smaller and larger families) to calculate 120 percent of statewide median income, and to use 120 percent of statewide median income as a substitute for 120 percent of AMI. This will allow the State of Texas to standardize the median income for the counties impacted by Hurricane Harvey, and 2018 and 2019 disasters that have an AMI below the statewide median income. This alternative requirement also includes the MID areas identified by the State and HUD for its CDBG–MIT funds. However, if those counties have an AMI above the statewide median income, LMI eligibility will continue to be defined by the county's higher AMI standard.

This waiver and alternative requirement is provided for the purposes of assisting the most at-risk populations who are in need of recovery assistance in each of the MID areas identified by HUD and the State for 2017, 2018, 2019 disasters, and its CDBG–MIT funds. In granting this flexibility to the State of Texas, the Department will not consider any request to lower the State's requirement in regard to the overall percentage of funds that must be used for activities that benefit low- and moderate-income persons for its CDBG–DR funds for 2017, 2018, or 2019 disasters or its CDBG–MIT funds.

IV. Public Law 115–56 and 115–123 Waivers and Alternative Requirements

Base Flood Elevation Requirement and Reimbursement in the ''Homeowner Reimbursement Program'' (State of Texas Only)

The Department awarded $5,024,215,000 under Public Law 115–56 and $652,175,000 under Public Law 115–123 to the State of Texas for recovery from Hurricane Harvey for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation due to a qualified disaster. This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR funds awarded to the State of Texas under Public Laws 115–56 and 115–123.

Public Law 115–56 and 115–123 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. The State of Texas has submitted a request for the waiver in this section with an explanation of why the waiver is required to facilitate the use of the funds. The waiver and alternative requirement provided in this section is based upon a determination by the Secretary that good cause exists, and that the waiver and alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

The State is implementing a Homeowner Reimbursement Program designed to assist homeowners in recovering up to $50,000 in out-of-pocket expenses paid by the homeowner for residential rehabilitation due to Hurricane Harvey. To be eligible for this program, the State's rules require that the home must be the owner's primary residence and the eligible repairs must have been completed prior to the program's application launch date of February 28, 2019. Because the State's Hurricane Harvey response and recovery efforts commenced on the date of the disaster and before CDBG–DR assistance was available, some homeowners participating in the State's Homeowner Reimbursement Program may have repaired their homes to meet program requirements of the Federal Emergency Management Agency (FEMA) and local permitting requirements, rather than the CDBG–DR program requirements.

Some homeowners seeking assistance from the State's program elevated homes to meet the requirements of their municipalities but did not elevate their homes to meet HUD's requirement that residential structures be elevated to at least 2 feet above base flood elevation as required by the **Federal Register** notice governing the use of these funds. Because the homeowners did not anticipate receiving federal assistance, the State is requesting a waiver to reimburse homeowners that are otherwise eligible for assistance but elevated their homes to comply with the local jurisdiction's freeboard requirements, which may be lower than the HUD-mandated standard to elevate to base flood elevation plus 2 feet.

HUD's February 9, 2018 notice provides that: ''All structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 100-year (or 1 percent annual chance) floodplain that receive assistance for new construction, repair of substantial damage, or substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least two feet above the base flood elevation (83 FR 5861).''

HUD finds that good cause exists to waive the language in the **Federal Register** notice requiring the 2 feet above base flood elevation for homeowners seeking reimbursement in the State's Homeowner Reimbursement Program and to establish an alternative requirement to permit the State to reimburse those homeowners for costs of rehabilitation completed before the program's application launch date of February 28, 2019, subject to the following requirements:

- The homeowner's reimbursed rehabilitation costs complied with the elevation requirement of the local jurisdiction.
- The activity is eligible under title I of the HCDA or by waiver and is consistent with CPD–15–07: Guidance for Charging Pre-Application Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants.
- The activity meets a CDBG–DR national objective and otherwise complies with CDBG–DR requirements not waived by this section.
- The State uses not less than 70 percent of the aggregate CDBG–DR grant for activities that benefit low- and moderate-income persons.

The State must ensure that all costs charged to this program and to the CDBG–DR grant are necessary and reasonable expenses related to disaster recovery.

V. Public Law 115–123 Waivers and Alternative Requirements

Substantial Action Plan Amendment Requirements for CDBG–MIT Grants

Public Law 115–123 authorizes the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of

these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. As required by Public Laws 115–123, the waiver and alternative requirement provided in this paragraph is based upon a determination by the Secretary that good cause exists, and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

The Department's August 30, 2019 **Federal Register** notice (84 FR 45838) included requirements for CDBG–MIT grantees that must be followed for substantial amendments to a CDBG–MIT action plan. Section V.A.2.g.(1) of the August 30, 2019 notice requires grantees to follow the same procedures for a substantial action plan amendment as are required for the preparation and submission of the initial CDBG–MIT action plan, including multiple public hearings in various geographic locations, except that that a substantial action plan amendment shall require a 30-day public comment period. HUD, however, has generally not established a public hearing requirement for substantial amendments to a grantee's action plan for CDBG–DR grants. This alternative requirement will better align CDBG–MIT substantial amendment requirements with those established for CDBG–DR substantial amendments, with the addition of continued engagement of the public through a 30-day public comment period and through the citizen advisory committees required by the CDBG–MIT notice. For these reasons, HUD is replacing V.A.2.g. subparagraph (1) of the August 30, 2019 notice with the following:

(1) Substantial amendment. The grantee must provide a 30-day public comment period and reasonable method(s) (including electronic submission) for receiving comments on substantial amendments. In its action plan, each grantee must specify criteria for determining what changes in the grantee's plan constitute a substantial amendment to the plan. At a minimum, the following modifications will constitute a substantial amendment: The addition of a CDBG–MIT Covered Project; a change in program benefit or eligibility criteria; the addition or deletion of an activity; or the allocation or reallocation of a monetary threshold specified by the grantee in its action plan. The grantee may substantially amend the action plan if it follows the same procedures required for CDBG– MIT funds for the preparation and submission of an action plan, provided, however, that a substantial action plan amendment shall require a 30-day public comment period and is not subject to the public hearing requirements in section V.A.3.a. of this notice.

VI. Public Law 115–56, 115–123, and 116–20 Waivers and Alternative Requirements

Use of Standardized Area Medium Income (U.S. Virgin Islands Only)

Public Laws 115–56, 115–123, and 116–20 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment).

Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists, and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. For the waiver and alternative requirement described in this section of the notice, the Secretary has determined that good cause exists and that the waiver and alternative requirement is not inconsistent with the overall purposes of title I of the HCDA.

Grantees under Public Laws 115–56, 115–123, and 116–20 may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Public Laws 115–56, 115–123, and 116–20 also authorize the Department to provide waivers and establish alternative requirements absent a request from a CDBG–DR grantee.

The Department awarded the U.S. Virgin Islands (USVI) $242,684,000 of CDBG–DR funds under Public Law 115–56, $779,221,000 of CDBG–DR funds under Public Law 115–123, and $53,588,884 of CDBG–DR funds under Public Law 116–20. The Department has also awarded the USVI $774,188,000 of CDBG–MIT funds under Public Law 115–123 for mitigation activities.

The USVI has requested that HUD provide a waiver to establish higher income limits for the purposes of determining low- and moderate-income benefit, due to the USVI's extremely high cost of living. The USVI contends that ''the data used to set HUD area medium incomes (AMI) and the associated income limits for the U.S. Virgin Islands is uniquely outdated compared to other grantees due to the lack of recent American Community Survey (ACS) data from the Census Bureau. This results in compounding inaccuracies as estimates are based on data collected over eight years ago.'' The USVI contends that granting this waiver and alternative requirement will allow it to more accurately reflect the number of residents that are financially burdened and who are in greatest need of CDBG–DR assistance.

In order to establish consistent LMI income limits across all three islands of the USVI and recognizing the high cost and other unique characteristics of the USVI identified above, the Department finds that good causes exists and waives 42 U.S.C. 5302(a)(20)(A) to the extent necessary to standardize the AMI across the entire territory of the USVI by allowing the USVI to use the area median income (as published by HUD annually with adjustments for smaller and larger families) of the Island of St. John for all islands in the territory, since those LMI income limits are the highest of the three islands within the Territory. This waiver also permits the use of AMI of the Island of St. John (as published by HUD annually with adjustments for smaller and larger families) for all islands in the territory whenever grant requirements necessitate the application of AMI, including when it may be necessary to calculate 120 percent of AMI. In granting this flexibility, the Department will not consider any request to lower the USVI's requirement in regard to the overall percentage of funds that must be used for activities that benefit low- and moderate-income persons.

VII. Public Law 115–254 and 116–20 Waivers and Alternative Requirements

This section of the notice applies to certain grantees that received an allocation of funds appropriated under Public Laws 115–254 and 116–20 for major disasters and events that occurred in 2017, 2018, and 2019. Public Laws 115–254 and 116–20 authorize the Secretary to waive or specify alternative requirements for any provision of any statute or regulation that the Secretary administers in connection with HUD's obligation or use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment).

Waivers and alternative requirements are based upon a determination by the Secretary that good cause exists, and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the HCDA. Regulatory waiver authority is also provided by 24 CFR 5.110, 91.600, and 570.5. For the waivers and alternative requirements described in this section of notice, the Secretary has determined

that good cause exists and that the waivers and alternative requirements are not inconsistent with the overall purposes of title I of the HCDA.

Grantees under Public Laws 115–254 and 116–20 may request waivers and alternative requirements from the Department as needed to address specific needs related to their recovery activities. Public Laws 115–254 and 116–20 also authorize the Department to provide waivers and establish alternative requirements absent a request from a CDBG–DR grantee.

VIII.A. Authorizing Tourism and Business Marketing Assistance Activities (The Northern Mariana Islands Only)

The Department has awarded $188,652,000 of CDBG–DR funds under Public Law 115–254 and $55,294,000 under Public Law 116–20, for a combined allocation of $243,946,000 to the Commonwealth of Northern Mariana Islands (CNMI). CNMI has requested that HUD authorize the use of up to $10,000,000 of CDBG–DR funds for tourism and business marketing as activities necessary for recovery from Super Typhoon Yutu. Tourism is the primary economic contributor to CNMI's economy. The Marianas Visitors Authority (MVA), the CNMI's tourism office, is mandated to promote Saipan, Tinian, Rota, and the Northern Islands as an ideal destination to travelers from countries in Asia, Oceania and throughout the world. CNMI's current main tourism markets are Korea, China, and Japan.

The total value of tourism within the CNMI economy amounts to $1.1 billion (or 72 percent) of overall Gross Domestic Product (GDP) and the accommodations and amusement sector provides for an average of 21.5 percent of total employee compensation within the Commonwealth. Due to the influence of the tourism industry in the CNMI and the scale of Super Typhoon Yutu, the impacts of the disaster on the economy were wide-ranging and pronounced. In total, arrivals for November (after the typhoon in October) fell by 88.35 percent or 42,444, marking the sharpest year-over-year downturn in recent history. The closure of the Saipan International Airport also led to a decrease in arrivals by 30 percent (over 400,000 visitors).

Tourism and business advertising campaigns are in general ineligible for CDBG–DR assistance. HUD, however, recognizes that such support can be an important means of economic recovery in a damaged regional economy that depends on tourism and seeks to attract new business investments to generate jobs and create tax revenues.

HUD has previously granted similar waivers for other CDBG–DR grantees with tourism-dependent economies. As CNMI is proposing advertising and marketing activities rather than direct assistance to tourism-dependent and other businesses, and because the measures of long-term benefit from the proposed activities must be derived using indirect means, 42 U.S.C. 5305(a) is waived only to the extent necessary to make eligible use of no more than $10,000,000 for assistance for tourism and business marketing activities to promote travel and to attract new businesses to disaster-impacted areas. No elected officials shall appear in tourism or business marketing materials financed with CDBG–DR funds. Given the importance of tourism to the overall economy, HUD is authorizing this use of these funds without regard to unmet housing need. This waiver will expire two years after the Commonwealth first draws CDBG–DR funds under the allocation provided in the January 27, 2020 **Federal Register** notice (85 FR 4681).

In providing similar waivers for other CDBG–DR grantees, the Department has often identified issues in the procurement of tourism and business marketing services, with grantees adding CDBG–DR funds to existing tourism and business marketing contracts procured with other sources of funds. In providing this waiver, HUD advises the Commonwealth to ensure that contracts funded pursuant to this waiver with CDBG–DR funds comply with applicable procurement requirements. The grantee must also develop metrics to demonstrate the impact of CDBG–DR expenditures on the tourism and other sectors of the economy and shall identify those metrics in its action plan.

VIII.B. Financial Certification Requirements Under Public Laws 115–254 and 116–20

The Department's January 27, 2020 **Federal Register** notice (84 FR 4681) included requirements for the certification of financial controls and procurement processes and adequate procedures for grant management for Public Law 115–254 and 116–20 grantees, allowing them to use their prior 2016 or 2017 certifications for the purposes of the allocations provided by that notice. The notice, however, did not include or reference the financial certifications provided for a grantee's CDBG–MIT funds as also being a valid form of certification for the allocation. Since the Department's August 30, 2019 CDBG–MIT **Federal Register** notice (84 FR 45838) requires grantees to provide evidence of proficient financial controls and procurement processes as well as the establishment of adequate procedures to prevent any duplication of benefits as defined by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), 42 U.S.C. 5155, the Department is adding the CDBG–MIT certification as an acceptable certification that may be used for grants allocated by Public Laws 115–254 and 116–20 for 2018 and 2019 disasters. HUD is deleting and replacing the second paragraph of section IV.B.1. of the January 27, 2020 notice with the following:

A grantee that received a certification of its financial controls and procurement processes pursuant to a 2016 or 2017 disaster or for its CDBG–MIT allocation may request that HUD rely on its previous certification for purposes of this grant, provided, however, that grantees shall be required to provide updates to reflect any material changes in the submissions. This information must be submitted within 60 days of the applicability date of this notice. The grant agreement will not be executed until HUD has approved the grantee's certifications. The grantee must implement the CDBG–DR grant consistent with the controls, processes, and procedures as certified by HUD. HUD is requiring each grantee to submit (or update and resubmit, as applicable) all policies and procedures pertaining to its duplication of benefits procedures as outlined below:

HUD is also deleting and replacing the first bullet in section III of the January 27, 2020 notice with the following:

• Within 60 days of the applicability date of this notice (or when the grantee submits its action plan, whichever is earlier), submit documentation for the certification of financial controls and procurement processes and adequate procedures for grant management, as amended in section IV.B.1 of this notice. A grantee that received a certification of its financial controls and procurement processes pursuant to a 2016 or 2017 disaster or for its CDBG–MIT allocation, may request that HUD rely on its previous certification for purposes of this allocation, provided, however, that grantees shall be required to provide updates to reflect any material changes in the submissions.

VIII. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel,

Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number).

Hearing- or speech-impaired individuals may access this number through TTY by calling the Federal Relay Service at 800–877–8339 (this is a toll-free number).

Dated: September 23, 2020.

John Gibbs,

Acting Assistant Secretary for Community Planning and Development.

[FR Doc. 2020–21359 Filed 9–25–20; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

[201A2100DD/AAKC001030/A0A501010.999900]

HEARTH Act Approval of Wilton Rancheria, California Business Site Leasing Act

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice.

SUMMARY: The Bureau of Indian Affairs (BIA) approved the Wilton Rancheria, California (Tribe) leasing regulations under the Helping Expedite and Advance Responsible Tribal Homeownership Act of 2012 (HEARTH Act). With this approval, the Tribe is authorized to enter into business leases without further BIA approval.

DATES: These regulations were approved on September 23, 2020.

FOR FURTHER INFORMATION CONTACT: Ms. Sharlene Round Face, Bureau of Indian Affairs, Division of Real Estate Services, *sharelene.roundface@bia.gov,* (505) 563–3132.

SUPPLEMENTARY INFORMATION:

I. Summary of the HEARTH Act

The HEARTH Act makes a voluntary, alternative land leasing process available to Tribes, by amending the Indian Long-Term Leasing Act of 1955, 25 U.S.C. 415. The HEARTH Act authorizes Tribes to negotiate and enter into agricultural and business leases of Tribal trust lands with a primary term of 25 years, and up to two renewal terms of 25 years each, without the approval of the Secretary of the Interior (Secretary). The HEARTH Act also authorizes Tribes to enter into leases for residential, recreational, religious or educational purposes for a primary term of up to 75 years without the approval of the Secretary. Participating Tribes develop Tribal leasing regulations, including an environmental review process, and then must obtain the Secretary's approval of those regulations prior to entering into leases. The HEARTH Act requires the Secretary to approve Tribal regulations if the Tribal regulations are consistent with the Department of the Interior's (Department) leasing regulations at 25 CFR part 162 and provide for an environmental review process that meets requirements set forth in the HEARTH Act. This notice announces that the Secretary, through the Assistant Secretary—Indian Affairs, has approved the Tribal regulations for the Wilton Rancheria, California.

II. Federal Preemption of State and Local Taxes

The Department's regulations governing the surface leasing of trust and restricted Indian lands specify that, subject to applicable Federal law, permanent improvements on leased land, leasehold or possessory interests, and activities under the lease are not subject to State and local taxation and may be subject to taxation by the Indian Tribe with jurisdiction. See 25 CFR 162.017. As explained further in the preamble to the final regulations, the Federal government has a strong interest in promoting economic development, self-determination, and Tribal sovereignty. 77 FR 72440, 72447–48 (December 5, 2012). The principles supporting the Federal preemption of State law in the field of Indian leasing and the taxation of lease-related interests and activities applies with equal force to leases entered into under Tribal leasing regulations approved by the Federal government pursuant to the HEARTH Act.

Section 5 of the Indian Reorganization Act, 25 U.S.C. 5108, preempts State and local taxation of permanent improvements on trust land. *Confederated Tribes of the Chehalis Reservation* v. *Thurston County,* 724 F.3d 1153, 1157 (9th Cir. 2013) (citing *Mescalero Apache Tribe* v. *Jones,* 411 U.S. 145 (1973)). Similarly, section 5108 preempts State taxation of rent payments by a lessee for leased trust lands, because ''tax on the payment of rent is indistinguishable from an impermissible tax on the land.'' *See Seminole Tribe of Florida* v. *Stranburg,* 799 F.3d 1324, 1331, n.8 (11th Cir. 2015). In addition, as explained in the preamble to the revised leasing regulations at 25 CFR part 162, Federal courts have applied a balancing test to determine whether State and local taxation of non-Indians on the reservation is preempted. *White Mountain Apache Tribe* v. *Bracker,* 448 U.S. 136, 143 (1980). The *Bracker* balancing test, which is conducted against a backdrop of ''traditional notions of Indian self-government,'' requires a particularized examination of the relevant State, Federal, and Tribal interests. We hereby adopt the *Bracker* analysis from the preamble to the surface leasing regulations, 77 FR at 72447–48, as supplemented by the analysis below.

The strong Federal and Tribal interests against State and local taxation of improvements, leaseholds, and activities on land leased under the Department's leasing regulations apply equally to improvements, leaseholds, and activities on land leased pursuant to Tribal leasing regulations approved under the HEARTH Act. Congress's overarching intent was to ''allow Tribes to exercise greater control over their own land, support self-determination, and eliminate bureaucratic delays that stand in the way of homeownership and economic development in Tribal communities.'' 158 Cong. Rec. H. 2682 (May 15, 2012). The HEARTH Act was intended to afford Tribes ''flexibility to adapt lease terms to suit [their] business and cultural needs'' and to ''enable [Tribes] to approve leases quickly and efficiently.'' H. Rep. 112–427 at 6 (2012).

Assessment of State and local taxes would obstruct these express Federal policies supporting Tribal economic development and self-determination, and also threaten substantial Tribal interests in effective Tribal government, economic self-sufficiency, and territorial autonomy. *See Michigan* v. *Bay Mills Indian Community,* 572 U.S. 782, 810 (2014) (Sotomayor, J., concurring) (determining that ''[a] key goal of the Federal Government is to render Tribes more self-sufficient, and better positioned to fund their own sovereign functions, rather than relying on Federal funding''). The additional costs of State and local taxation have a chilling effect on potential lessees, as well as on a tribe that, as a result, might refrain from exercising its own sovereign right to impose a Tribal tax to support its infrastructure needs. *See id.* at 810–11 (finding that State and local taxes greatly discourage Tribes from raising tax revenue from the same sources because the imposition of double taxation would impede Tribal economic growth).

Similar to BIA's surface leasing regulations, Tribal regulations under the

260, Div. F). Under this provision, TSA established a pilot for public or private entities regulated by TSA to request reimbursable screening services outside of an existing primary passenger terminal screening area where screening services are currently provided or eligible to be provided under TSA's annually appropriated passenger screening program. The authority available under this section is effective for fiscal years 2022 through 2023 and currently may be used at not more than eight locations for transportation security purposes. TSA collects this information to establish an application process for public and private entities regulated by TSA to request screening services under the RSSP. For purposes of RSSP, ''screening services'' means ''the screening of passengers, flight crews, and their carry-on baggage and personal articles, and may include checked baggage screening if that type of screening is performed at an offsite location that is not part of a passenger terminal of a commercial airport.

Public or private entities regulated by TSA interested in participating in the RSSP may submit an application to the TSA Administrator requesting that TSA provide screening services outside of an existing primary passenger terminal screening area where screening services are currently provided or eligible to be provided under TSA's annually appropriated passenger screening program as a primary passenger terminal screening area. The request may only be submitted to TSA after consultation with the relevant local airport authority. The application is used to identify basic information to grant approval or denial.

The respondents to this information collection request are public or private entities regulated by TSA requesting the screening services at an airport that is a commercial service airport (as defined by 49 U.S.C. 47107(7)). TSA estimates the annual respondents for fiscal year 2022 to be no more than 15. The annual burden for the information collection related to providing screening services is estimated to be 492 hours.

Dated: June 14, 2022.

Christina A. Walsh,

TSA Paperwork Reduction Act Officer, Information Technology.

[FR Doc. 2022–13164 Filed 6–17–22; 8:45 am]

BILLING CODE 9110–05–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6316–N–01]

Waivers and Alternative Requirements for Community Development Block Grant Disaster Recovery (CDBG–DR) and Community Development Block Grant Mitigation (CDBG–MIT) Grantees

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

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) and Community Development Block Grant mitigation (CDBG–MIT) funds awarded under several appropriations acts identified in the Table of Contents. Specifically, this notice provides waivers and establishes alternative requirements for certain CDBG–DR grantees that have submitted waiver requests for grants provided under the public laws cited in this notice.

DATES: Applicability Date: June 27, 2022.

FOR FURTHER INFORMATION CONTACT: Jessie Handforth Kome, Director, Office of Block Grant Assistance, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587. Persons with hearing or speech impairments may access this number via TTY by calling the toll-free Federal Relay Service at 800–877– 8339. Facsimile inquiries may be sent to Ms. Kome at 202–708–0033. (Except for the''800'' number, these telephone numbers are not toll-free.) Email inquiries may be sent to *disaster_recovery@hud.gov*.

SUPPLEMENTARY INFORMATION:

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I. Authority To Grant Waivers

Each of the appropriations acts cited in the Table of Contents authorize the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or use by the recipient of grant funds, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment. HUD may also exercise its regulatory waiver authority under 24 CFR 5.110, 91.600, and 570.5.

All waivers and alternative requirements authorized in this notice are based upon a determination by the Secretary that good cause exists, and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA). The good cause for each waiver and alternative requirement is summarized in this notice.

II. Public Law 107–38, 107–73, 107–117, 107–206 Waivers and Alternative Requirements

Waiver to Allow the Lower Manhattan Development Corporation (LMDC) To Transfer Remaining Property Acquired and Cleared With CDBG–DR Funds in Exchange for Other Property Interests.

Provisions of four public laws (the 9/11 Appropriations Acts) govern the CDBG–DR funds provided in response to the terrorist attacks of September 11, 2001: Public Law 107–38, 107–73, 107–117, and 107–206. These 9/11 Appropriations Acts have funded three CDBG–DR grants: $700 million awarded to the New York State Development Corporation d/b/a Empire State Development (ESD); and two grants of $2.0 billion and $783 million, respectively, awarded to LMDC. ESD is a political subdivision and public benefit corporation of the State of New York and LMDC is a subsidiary of ESD. LMDC administers CDBG–DR funds allocated to the organization for emergency expenses and economic revitalization in response to the September 11, 2001, terrorist attacks in New York City. LMDC is charged with assisting New York City in recovering from the terrorist attacks on the World Trade Center (WTC), in part by working with the Port Authority of New York and New Jersey (Port Authority).

Previously, in the January 17, 2017 **Federal Register** notice (82 FR 4911), the Department granted a waiver of 24 CFR 570.489(j) for good cause and

established an alternative requirement ''to the extent necessary to allow LMDC to transfer the portions of 130 and 140 Liberty Street necessary to finalize the WTC Vehicle Security Center, Liberty Park, and the St. Nicholas National Shrine at the World Trade Center to the Port Authority without reimbursing the CDBG–DR program for the fair market value of the properties . . . [and] to permit LMDC to acquire from the Port Authority property on the World Trade Center site, via long-term lease and purchase, sufficient to carry out the memorial and cultural facilities on the World Trade Center site that are contemplated in the GPP and LMDC's applicable Action Plan, as amended.'' (82 FR 4913).

The January 2017 waiver and alternative requirement contemplated several property exchanges that were consistent with LMDC's approved CDBG–DR action plan and amendments. LMDC used CDBG–DR funds to acquire and clear real property identified in the World Trade Center Memorial and Cultural Program General Project Plan (GPP) as 130 Liberty Street and 140 Liberty Street. Specifically, to enable LMDC to fully implement its Memorial Program and to enable the Port Authority to pursue its Redevelopment Program, LMDC and the Port Authority would exchange real property interests. The Port Authority would provide LMDC or its designee with a lease (up to 99 years) and purchase option for Port Authority-owned property that would be used for memorial and cultural facilities that are part of LMDC's Memorial Program. The overall exchange would allow the LMDC to facilitate use of what was originally Port Authority property for the Memorial Museum and a performing arts center.

The January 2017 waiver and alternative requirement permitted an exchange for the portion of the 130 and 140 Liberty Street necessary for the WTC Vehicle Security Center, and it also contemplated that HUD would need to extend the waiver for additional activities. It provided that ''HUD must waive certain regulations applicable to the reuse of 130 and 140 Liberty Street to facilitate the current exchange between LMDC and the Port Authority *and future development of the rest of the 130 Liberty Street site.* The current transfer of property to the Port Authority explicitly excludes that portion of 130 Liberty Street that is labeled as ''Tower 5'' on Attachment 1 to the GPP as LMDC will retain the Tower 5 site for future transfer and redevelopment.'' (82 FR 4912).

Since January 2017, LMDC and the Port Authority have solidified their plans for the second phase of the property transfer. Therefore, for the reasons described in this notice and in the January 2017 notice, the Department has determined that good cause exists to extend the January 2017 waiver and alternative requirement modifying 24 CFR 570.489(j) to encompass the second phase of the proposed property exchanges between LMDC and the Port Authority for the remainder of 130 and 140 Liberty Street (the Tower 5 site). LMDC and its designees will receive the Port Authority-owned properties to be used for memorial and cultural facilities that are part of LMDC's Memorial Program (as described in the January 2017 waiver and alternative requirement). Specifically, LMDC's designee, the National September 11 Memorial & Museum (further known as The World Trade Center Memorial Foundation, Inc.) will obtain a lease and purchase option for the Memorial Museum site and a different LMDC designee received a similar lease (up to 99 years) and purchase option for the site of a performing arts center.

To complete the property transfer, LMDC will transfer fee title of the Tower 5 site to the ESD, and ESD will facilitate payment of compensation to the Port Authority for land that the Port Authority provided for the memorial and cultural facilities. ESD will lease the Tower 5 site to a developer. The Port Authority will receive compensation in the form of rent paid under a 99-year ground lease for the Tower 5 site by a developer (equal to the value of the originally planned commercial use of the Tower 5 site plus 25 percent of any rent paid in excess of that amount) and the remainder interest at the end of the lease term.

As outlined in the January 2017 waiver and alternative requirement, the Department finds that the properties involved in this transfer present unique valuation difficulties. A restricted appraisal report and opinion letter by an appraiser engaged by LMDC estimates that the parcels subject to the exchange are of proximate value. The restricted appraisal report and opinion letter nonetheless also notes the difficulties in establishing current fair market valuations of the various parts of this transaction. In addition, the strong desire of all parties (including HUD) to facilitate and conclude redevelopment progress on and adjacent to the World Trade Center site more than twenty years after the events of September 11, 2001, creates a situation in which this waiver and alternative requirement represent the most practical and feasible path forward.

For the reasons described in this notice and in the January 2017 notice, HUD finds that good cause exists to waive 24 CFR 570.489(j) and to expand the alternative requirement previously given to the extent necessary to permit LMDC to transfer fee title to the Tower 5 site to ESD and to permit ESD to compensate the Port Authority as described above. As a condition of this waiver and alternative requirement, if the rental income from the Tower 5 site's development exceeds the value of the originally planned commercial use of the Tower 5 site, 75 percent of the excess will be paid to LMDC and designated as program income and 25 percent of the excess will be paid to the Port Authority. Following closeout of LMDC's grant, LMDC's share will be paid to the City in accordance with 67 FR 36017. For purposes of this waiver and alternative requirement, HUD has determined that amounts paid to the Port Authority do not constitute program income to the CDBG–DR grant.

Additionally, the property acquired by LMDC or its designees on the World Trade Center site will be subject to CDBG–DR programmatic requirements upon transfer to LMDC or its designee. HUD recognizes the phased nature of the transactions contemplated by various parties pursuant to this alternative requirement. However, as part of this alternative requirement, if LMDC does not acquire property that is sufficient to carry out the memorial and cultural facilities on the World Trade Center site as contemplated in the GPP and LMDC's applicable action plan, as amended, before LMDC closes out its grants, HUD may pursue appropriate remedial actions. This expanded waiver and alternative requirement are necessary to facilitate and conclude LMDC's use of CDBG–DR funds for its Memorial Program.

III. Public Law 113–2 Waivers and Alternative Requirements

Clarification on Citizen participation waiver and alternative requirement (CDBG–DR grantees only).

This waiver applies to certain grantees that received an allocation of funds appropriated under the Disaster Relief Appropriations Act, 2013 (Pub. L. 113–2), which ultimately made available $15.2 billion in CDBG–DR funds for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013. The Department's **Federal Register** notices for Public Law 113–2 included requirements for CDBG–

DR grantees that must be followed for substantial amendments to a CDBG–DR action plan. Section VI.4. of the November 18, 2013 notice (78 FR 69104) and Section V.5 of the June 3, 2014 notice (79 FR 31964) require grantees to hold a public hearing on a substantial action plan amendment and to also publish the substantial action plan amendment for public comment for 30 days prior to submission to HUD. For recent allocations, HUD has not required grantees to hold public hearings for substantial action plan amendments, and this additional requirement adds administrative burden on grantees that have expended most of the funds allocated under Pub. L. 113–2. For these reasons, HUD has determined there is good cause to remove the requirement from both Section VI.4. of the November 18, 2013 notice and Section V.5. of the June 3, 2014 notice that requires public hearings on substantial action plan amendments. Grantees are still required to follow the remaining requirements for citizen participation and public comment for substantial action plan amendments in Section VI.4. of the November 18, 2013 notice, and Section V.5. of the June 3, 2014 notice, including posting the amendments for 30 days for public comment.

IV. Public Law 115–254 and 116–20 Waivers and Alternative Requirements

IV.A. *Base Flood Elevation Requirement and Reimbursement in the ''Homeowner Reimbursement Program'' (State of Texas only).*

The Department has awarded the State of Texas $46,400,000 of CDBG–DR funds under Public Law 115–254 and $26,513,000 of CDBG–DR funds under Public Law 116–20, for recovery from disasters occurring in 2018; and $227,510,000 of CDBG–DR funds under Public Law 116–20 for recovery from disasters occurring in 2019. These funds have been provided for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation due to a qualified disaster. This waiver and alternative requirement modifies the requirements for CDBG–DR funds awarded to the State of Texas under Public Laws 115–254 and 116–20. The State of Texas has submitted a request and justification for the waiver and alternative requirements provided herein to facilitate the use of the funds.

The state is implementing a Homeowner Reimbursement Program designed to assist homeowners in recovering up to $50,000 in out-of-pocket expenses paid by the homeowner for residential rehabilitation due to the disasters occurring in 2018 and 2019. To be eligible for this program, the state's rules require the home be the owner's primary residence and the eligible rehabilitation must have been completed prior to the program's application launch date of April 24, 2021. Because the state's response and recovery efforts commenced on the dates of the disasters and before CDBG–DR assistance was available, some homeowners participating in the state's Homeowner Reimbursement Program may have rehabilitated their homes to meet FEMA program requirements and local elevation requirements, rather than the CDBG–DR program requirements.

Some homeowners seeking assistance from the state's Homeowner Reimbursement Program elevated their homes to meet the requirements of their municipalities but did not elevate their homes to meet HUD's requirement that residential structures be elevated to at least two feet above base flood elevation . Because these homeowners did not anticipate receiving CDBG–DR assistance, the state is requesting a waiver to reimburse homeowners that are otherwise eligible for assistance but elevated their homes to comply with FEMA program requirements and the local jurisdiction's elevation requirements, which may be lower than the HUD-mandated standard to elevate to base flood elevation plus two feet.

HUD's February 9, 2018 **Federal Register** notice provides that: ''All structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 100-year (or 1 percent annual chance) floodplain that receive assistance for new construction, repair of substantial damage, or substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least two feet above the base flood elevation.'' (83 FR 5861).

Based on the reasons stated above, HUD finds that good cause exists to waive the provision of the **Federal Register** notice requiring the two feet above base flood elevation for homeowners seeking reimbursement in the state's Homeowner Reimbursement Program, and to establish an alternative requirement to permit the state to reimburse those homeowners for costs of rehabilitation completed before the program's application launch date, subject to the following requirements:

- The homeowner complied with applicable FEMA requirements and the elevation requirement of the local jurisdiction.
- The activity is eligible under title I of the HCDA or by waiver and is consistent with all other requirements of CPD notice 15–07: Guidance for Charging Pre-Application Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants.
- The activity meets a CDBG–DR national objective and otherwise complies with CDBG–DR requirements not waived by this section.
- For each grant, the state uses not less than 70 percent of the aggregate CDBG–DR grant for activities that benefit low- and moderate-income persons.

The state must ensure that all costs charged to this program and to the CDBG–DR grants are necessary and reasonable expenses related to disaster recovery.

IV.B. *Requirement to Primarily Consider and Address Unmet Housing Recovery Needs (The Northern Mariana Islands only).*

The Department has awarded $188,652,000 of CDBG–DR funds under Public Law 115–254 and $65,672,000 under Public Law 116–20, for a combined allocation of $254,324,000 to the Commonwealth of the Northern Mariana Islands (CNMI) for recovery from 2018 disasters.

The CNMI has requested that HUD ease restrictions in existing notices to allow for the use of CDBG–DR funds for the rehabilitation and reconstruction of the Northern Marianas College (NMC) by modifying the requirements in the February 9, 2018 notice at 83 FR 5844, August 14, 2018 notice at 83 FR 40314, and then re-stated in the January 27, 2020 notice at 85 FR 4682, that each grantee primarily consider and address its unmet housing recovery needs. Specifically, the January 27, 2020, notice states that, ''Pursuant to the Prior Notices, each grantee receiving an allocation for a 2018 or 2019 disaster is required to primarily consider and address its unmet housing recovery needs. These grantees may, however, propose the use of funds for unmet economic revitalization and infrastructure needs unrelated to the grantee's unmet housing needs if the grantee demonstrates in its needs assessment that there is no remaining unmet housing need or that the remaining unmet housing need will be addressed by other sources of funds.''

NMC lost 37 out of its 39 classrooms as a result of Super Typhoon Yutu in 2018. The college offers a number of degrees, as well as Adult Basic Education, Workforce Development and Certificate Training. A number of other federal agencies are also providing funding for NMC campus projects, including a Student Center funded

through the U.S. Department of Education, a Workforce Development and Training Center and a Center for Research Extension and Development funded through the Economic Development Authority, and a Gymnasium and Collateral Equipment/Content funded by FEMA. The construction of NMC's classrooms, as a public college, would otherwise be CDBG–DR eligible and is critical to the CNMI and its residents for many reasons. As the only public college on the island, the improvements will encourage enrollment growth, prevent outmigration, improve access to quality education on the island, and strengthen the position of the college for purposes of accreditation. CNMI also indicates any loss of NMC students would adversely impact the CNMI economy and community.

Based on these reasons, HUD has determined that good cause exists to modify the provisions in the February 9, 2018 notice (83 FR 5849), the August 14, 2018 notice (83 FR 40314), and re-stated in the January 27, 2020 notice at 85 FR 4682, that require a grantee to primarily consider and address its unmet housing recovery needs with its CDBG–DR funds or demonstrate there is no remaining unmet housing need or that the remaining unmet housing need will be addressed by other sources of funds. HUD is modifying those provisions for CNMI only, so that the grantee is subject to the following requirements: without regard to the housing priority identified in the notices cited above, CNMI may use amounts consistent with the amount in the CNMI's action plan and substantial amendments submitted to and approved by HUD to rehabilitate and reconstruct buildings for classrooms at NMC and complement the already significant other Federal investments in the reconstruction of the college. These amounts are subject to other applicable requirements, including the requirement that CDBG–DR funds may not be used for activities reimbursable by or for which funds are made available by FEMA or the US Army Corps of Engineers (USACE). As with other activities, the grantee must verify whether FEMA or USACE funds are available prior to awarding CDBG–DR funds to this activity. The housing priority remains in place for all other activities carried out by CNMI.

IV.C. *Extension of Waiver and Alternative Requirement Related to Tourism and Business Marketing (The Northern Marianas only).*

The Commonwealth of the Northern Marianas (CNMI) has submitted a request for an extension of HUD's previously granted waiver and alternative requirement authorizing activities related to tourism and business marketing, to revise the expiration date for the waiver and alternative requirement to December 31, 2023. The previously granted waiver and alternative requirement would expire January 11, 2023. Accordingly, HUD hereby grants the waiver and alternative requirement described in this notice for a revised expiration date of December 31, 2023.

In section VIII.A. of the **Federal Register** notice published on September 28, 2020 (85 FR 60821), the Department granted CNMI a waiver of 42 U.S.C. 5305(a) to the extent necessary to create a new eligible activity and use up to $10,000,000 of CDBG–DR funds for tourism and marketing activities to promote travel and to attract new businesses to disaster-impacted areas (without regard to housing need), consistent with the amount in CNMI's action plan and substantial amendments submitted to and approved by HUD. HUD required the waiver and alternative requirement to expire two years after CNMI's first draw of its CDBG–DR funds allocated in the **Federal Register** notice published on January 27, 2020 (85 FR 4681).

Tourism is a significant part of CNMI's economy and was severely impacted by Super Typhoon Yutu and further impacted by the COVID–19 pandemic. The current expiration date of the waiver and alternative requirements limits the ability of CNMI to use the CDBG–DR funds during its peak tourism season in 2023, interrupting economic development gains made by CNMI in its use of CDBG–DR funds for disaster recovery. As a result, the Secretary has determined that good cause exists to extend the waiver and alternative requirement described above, so that CNMI may continue to carry out tourism and marketing activities permitted by the waiver and alternative requirement until December 31, 2023. The cap on the activity costs remains unchanged. The grantee can expend no more than $10,000,000 on activities authorized by the extended waiver and alternative requirement. HUD may further extend the waiver and alternative requirements administratively, if requested by CNMI, for good cause.

V. Public Law 115–123 and 116–20 Waivers and Alternative Requirements

Amendment to the One-for-One Replacement Housing Alternative Requirements for CDBG–MIT Grants.

The Department's August 30, 2019 **Federal Register** notice (84 FR 45838) and its January 6, 2021 notice (86 FR 561) included waivers and alternative requirements for grantees that received a CDBG–MIT allocation under Public Laws 115–123 or 116–20. The August 30, 2019 notice included a one-for-one replacement housing waiver and alternative requirement for CDBG–MIT grantees and this notice modifies that requirement. Section V.A.22.a. of the notice (84 FR 45859) waives the one-for-one replacement requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) of the HCDA and 24 CFR 42.375 in connection with CDBG–MIT funds for lower income dwelling units that are damaged by the disaster and not suitable for rehabilitation, as defined by the grantee. This waiver and alternative requirement was limited to only disaster-damaged lower-income units that are demolished or converted and not suitable for rehabilitation. The Department, however, recognizes that the purposes of the CDBG–MIT grants are forward looking and are generally not for purposes of recovery from a previous disaster. CDBG–MIT funds are instead to be used to address current and future risks to lessen the impact of future disasters. With that purpose in mind, grantees are not required to demonstrate that their CDBG–MIT activities ''tie-back'' to the specific disaster and address a specific unmet recovery need for which funds were allocated. CDBG–MIT grantees therefore may be undertaking activities that remove housing units that are not damaged by a previous disaster but still constitute an eligible use of CDBG–MIT funds, because those activities must meet the requirement that they are moving people or property out of harm's way or otherwise lessening the impact of future disasters on residents of those units.

CDBG–MIT grantees are required to document how all activities funded by their CDBG–MIT grant meet the definition of mitigation activities, which as stated in the August 30, 2019 notice means those activities that increase resilience to disasters and reduce or eliminate the long-term risk of loss of life, injury, damage to and loss of property, and suffering and hardship, by lessening the impact of future disasters. Grantees are prohibited from funding activities with CDBG–MIT funds that fail to meet the definition of mitigation activities in the August 30, 2019 notice. Based on the goals and requirements of the CDBG–MIT funds and articulated in the August 30, 2019 notice, there is good cause to amend the one-for-one replacement alternative requirements for CDBG–MIT grants. Accordingly, HUD is deleting the provisions of the previous waiver and alternative

requirement and replacing the paragraph at V.A.22.a. in its entirety. This new language will not apply retroactively and will only apply to the eligible CDBG–MIT activities identified below, as of the applicability date of this notice.

V.A.22.a. Section 104(d) one-for-one replacement.

One-for-one replacement housing requirements at section 104(d)(2)(A)(i) and (ii) and (d)(3) of the Housing and Community Development Act of 1974 (HCDA) and 24 CFR 42.375 are waived for all demolished or converted lower-income dwelling units that are CDBG–MIT eligible to permanently move people and/or property out of harm's way as part of a housing mitigation activity, such as a buyout, that addresses a risk identified in a grantee's risk-based Mitigation Needs Assessment. This waiver exempts lower-income dwelling units that meet the grantee's definition of ''not suitable for replacement'' from the one-for-one replacement requirements, since CDBG–MIT grantees may be undertaking activities that remove housing units that are not damaged by a previous disaster but still are necessary to address mitigation risk. Before carrying out activities that may be subject to the one-for-one replacement requirements, the grantee must define ''not suitable for replacement'' in its action plan or in policies and procedures governing these activities. When working to move people and/or property out of harm's way, requiring replacement housing units to be located within the same neighborhood can be inconsistent with the purposes of the CDBG–MIT grants and is not always feasible because these areas have been identified to have current and future disaster risks, as described in the grantee's Mitigation Needs Assessment. HUD is providing this waiver in recognition that grantees are using CDBG–MIT funds for mitigation needs based on a Mitigation Needs Assessment that identifies and analyzes all significant current and future disaster risks as the basis for undertaking the proposed demolition or conversion activities consistent with the goals of the CDBG–MIT funds.

Even when using CDBG–MIT funds, grantees must reassess post-disaster population and housing needs relative to the Mitigation Needs Assessment to determine the appropriate type and amount of lower-income dwelling units to rehabilitate or reconstruct. Grantees must include this analysis in their program files with a description of how CDBG–MIT funds or other sources, including CDBG–DR funds, will be used to address housing and mitigation needs for residents of lower-income dwelling units. Grantees should note that the demolition and/or disposition of public housing units continue to be subject to section 18 of the United States Housing Act of 1937, as amended, and 24 CFR part 970.

VI. Public Law 115–56, 115–123, 115–254, and 116–20 Grant Requirements

Certification and Supporting Documentation for CDBG–DR and CDBG–MIT Grants for Disasters Occurring in 2015 through 2019.

Typically, appropriations acts require the Secretary to certify, in advance of signing a grant agreement, that the grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Stafford Act, 42 U.S.C. 5155, to ensure timely expenditure of funds, maintain a comprehensive website regarding all disaster recovery activities assisted with these funds, and detect and prevent waste, fraud, and abuse of funds. To enable the Secretary to make this certification, each grantee must submit to HUD the certification documentation described in the applicable **Federal Register** notice governing the funds.

Over the life of a grant, HUD expects a grantee to modify and update its policies and procedures to implement effective recovery programs. In **Federal Register** notices published on February 9, 2018 at 83 FR 5844, August 14, 2018 at 83 FR 40314, August 30, 2019 at 84 FR 47528, January 27, 2020 at 85 FR 4681, and January 6, 2021 at 86 FR 561 and 86 FR 569, HUD describes the necessary steps each grantee must complete for the Secretary's certification for CDBG–DR and CDBG–MIT funds provided in response to qualifying disasters occurring in 2015 through 2019. For all CDBG–DR funds subject to the February 9, 2018 notice, HUD requires grantees to ''adhere to the controls, processes, and procedures described in the grantee's financial controls and procurement processes documentation submitted in response to the certification, unless amended with HUD's approval'' (83 FR 5846). Additionally, the January 27, 2020 notice requires grantees to ''implement the CDBG–DR grant consistent with the controls, processes, and procedures as certified by HUD'' (85 FR 4686). For all CDBG–MIT funds subject to the August 30, 2019 notice, HUD states that ''failure to implement a CDBG–MIT grant in accordance with a grantee's approved financial certification . . . shall constitute a performance deficiency'' (84 FR 45863).

HUD has determined that it is not necessary nor prudent for the agency to approve every change made to the supporting documentation submitted to support the Secretary's certification during the life of the grant or to require the grantee to implement funds per the initial submission. Instead, HUD is now establishing a modified requirement for all CDBG–DR and CDBG–MIT grantees subject to the notices cited in the previous paragraph. In lieu of submitting all changes for approval, a grantee must notify HUD of any substantial changes made to the supporting documentation submitted to support the Secretary's certification after the grant agreement has been signed by HUD and the grantee. Over the life of the grant, HUD will monitor the grantee for compliance with its submission and any updates made by the grantee. All updates must be retained and identified in the grantee's files, together with dates of applicability, so that HUD can determine which policies and procedures the grantee was following at any point in time. The grantee is required to adhere to its supporting documentation, as amended, until the closeout of the grant. HUD finds this change to be necessary to expedite recovery once the Secretary has completed a certification based on the grantee's supporting documentation, and a grant agreement has been signed by both parties.

VII. Public Law 115–56 and 115–123 Waivers and Alternative Requirements

Base Flood Elevation Requirement and Reimbursement in the ''Homeowner Reimbursement Program'' (State of Texas—Harris County and City of Houston Only).

The Department awarded $5,024,215,000 under Public Law 115–56 and $652,175,000 under Public Law 115–123 to the State of Texas for recovery from Hurricane Harvey for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation. This section of the notice specifies waivers and alternative requirements and modifies requirements for CDBG–DR funds awarded to the State of Texas under Public Laws 115–56 and 115–123. In the **Federal Register** notice published on September 28, 2020 at 85 FR 60825, the Department provided a waiver and alternative requirement permitting the State of Texas to reimburse homeowners that are otherwise eligible for assistance but who elevated their homes to comply with the local jurisdiction's freeboard requirements, which may be lower than

the HUD-mandated standard to elevate to base flood elevation plus 2 feet (the ''September 2020 waiver''). The State of Texas has submitted a request to extend the September 2020 waiver to also include two local governments awarded funds by the state: Harris County and the City of Houston, as described below.

The state awarded funds to Harris County and the City of Houston to develop their own disaster recovery programs. Both Harris County and the City of Houston are implementing homeowner reimbursement programs: Harris County's Homeowner Reimbursement Program and the City of Houston's Reimbursement Option in their Harvey Homeowner Assistance Program. These programs are designed to assist homeowners in recovering out-of-pocket expenses paid by the homeowner for residential rehabilitation due to Hurricane Harvey. Both programs' eligibility requirements require that the home be the owner's primary residence and the eligible rehabilitation costs must have been incurred prior to the owner's application to the program or December 31, 2020, whichever is earlier. Because the state, county, and city's Hurricane Harvey response and recovery efforts commenced on the date of the disaster and before CDBG–DR assistance was available, some homeowners participating in these homeowner reimbursement programs may have repaired their homes to meet FEMA's program requirements and the local jurisdiction's elevation requirements, rather than HUD's **Federal Register** notice requirements. The elevation requirements in the **Federal Register** notice require that residential structures be elevated to at least 2 feet above base flood elevation. Because the homeowners did not anticipate receiving CDBG–DR assistance, the state is requesting that HUD extend the September 28, 2020 waiver to include its subrecipients' reimbursement programs.

Based on the reasons cited above, HUD finds that good cause exists to modify the September 2020 waiver to include homeowners seeking reimbursement in the Harris County and City of Houston's homeowner reimbursement programs and permit the city and county to reimburse those homeowners for costs of rehabilitation incurred before application of the homeowner to the program or December 31, 2020, whichever is earlier, subject to the following requirements:

- The homeowner's reimbursed rehabilitation costs complied with the elevation requirement of the local jurisdiction.
- The activity is eligible under title I of the HCDA or by waiver and is consistent with CPD–15–07: Guidance for Charging Pre-Application Costs of Homeowners, Businesses, and Other Qualifying Entities to CDBG Disaster Recovery Grants.
- The activity meets a CDBG–DR national objective and otherwise complies with CDBG–DR requirements not waived by this section.
- The state uses not less than 70 percent of the aggregate CDBG–DR grant for activities that benefit low- and moderate-income persons.

The state must ensure that all costs charged to this program and to the CDBG–DR grant are necessary and reasonable expenses related to disaster recovery.

VIII. Public Law 115–56, 115–123, and 116–20 Waivers and Alternative Requirements

Buildings for the General Conduct of Government Waiver and Alternative Requirement (Commonwealth of Puerto Rico only).

The Department awarded $1,507,179,000 of CDBG–DR funds under Public Law 115–56, $8,220,783,000 of CDBG–DR funds and $8,285,284,000 of CDBG–MIT funds under Public Law 115–123, and $277,853,230 of CDBG–DR funds under Public Law 116–20 to the Commonwealth of Puerto Rico for recovery from Hurricanes Irma and Maria for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation.

With these funds, Puerto Rico is implementing its Non-Federal Match Program (NFMP) designed to assist in the local non-Federal cost share of infrastructure projects across all 78 municipalities that are eligible under FEMA Public Assistance Category of Work E (buildings). Puerto Rico is also implementing a Community Revitalization Program (CRP) to reinvigorate its urban centers and key community programs. Included in both programs is a group of projects that are considered buildings for the general conduct of government, as defined in 42 U.S.C. 5302(a)(21). The subject buildings often function as both city halls and government centers, which provide important recovery-related services, such as permit evaluation and coordination and may also include facilities that are designed to detect public health threats and support local and regional emergency response that primarily serves low- and moderate-income areas.

To implement the above programs and to assist in the recovery of its 78 municipalities, Puerto Rico has requested a waiver of 42 U.S.C. 5305(a)(2), which prohibits acquisition, construction, reconstruction, or installation of buildings for the general conduct of government as eligible public facilities activities. The Secretary has determined that there is good cause to grant this waiver as these buildings are necessary for these municipalities to adequately address critical infrastructure needs created by the disaster, help disaster recovery by reinvigorating its urban centers and key community programs, and help coordinate resilience and mitigation efforts across Puerto Rico. Therefore, HUD is waiving the prohibition on buildings for the general conduct of government at 42 U.S.C. 5305(a)(2) and associated regulations at 24 CFR 570.207(a) to permit the Commonwealth of Puerto Rico to carry out the construction, reconstruction, and rehabilitation of public improvements or facilities on buildings for the general conduct of government within the NFMP or CRP programs, subject to the following requirements. All CDBG–DR funded activities must address a direct or indirect impact from the major disaster in a most impacted and distressed area resulting from the major disaster. The grantee is prohibited from using CDBG–DR or CDBG–MIT funds for buildings that do not provide services all year around and is prohibited from using funds for buildings that are used exclusively as emergency operations centers.

IX. Public Law 116–20 Waivers and Alternative Requirements for the Commonwealth of Puerto Rico

Aligning requirements for the Commonwealth of Puerto Rico's 2019 CDBG–DR allocation with the requirements of its 2020 CDBG–DR allocation (Commonwealth of Puerto Rico only).

The Department allocated the Commonwealth of Puerto Rico $36,424,000 under Public Law 116–20 for recovery from earthquakes (''2019 CDBG–DR Grant'') and $184,626,000 under Public Law 117–43 for recovery from earthquakes and Tropical Storm Isaias (''2020 CDBG–DR Grant'') for necessary expenses related to disaster relief, long term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation.

HUD has described the relevant statutory and regulatory requirements, including all applicable waivers and alternative requirements, that apply to Puerto Rico's 2019 CDBG–DR Grant in

the following **Federal Register** notices (''PR's Prior Notices''): February 9, 2018 at 83 FR 5844, August 14, 2018 at 83 FR 40314, February 19, 2019 at 84 FR 4836, June 20, 2019 at 84 FR 28848, January 27, 2020 at 85 FR 4681,1 August 17, 2020 at 85 FR 50041, and September 28, 2020 at 85 FR 60821, and January 6, 2021 at 86 FR 569.

Though HUD allocated some of the 2020 CDBG–DR funds for the same major disaster assisted by the 2019 CDBG–DR Grant, HUD established different requirements for the use of the 2020 CDBG–DR Grant in the February 3, 2022 **Federal Register** notice at 87 FR 6364, which includes a CDBG–DR Consolidated Notice as Appendix B (the ''Consolidated Notice''). The February 3, 2022 notice (including the Consolidated Notice) describes the waivers and alternative requirements, applicable statutory and regulatory requirements, the grant award process, criteria for action plan approval, and eligible disaster recovery activities for the use of the 2020 CDBG–DR Grant funds.

To ease the administrative burden of managing two grants that are tied to the same disaster, HUD has determined that there is good cause to allow Puerto Rico to manage these grants under a single action plan and a single set of requirements (to the extent permitted by governing appropriations acts). Implementing this change will allow the grantee to follow a single set of requirements and submit a single action plan for the uses of both the existing 2019 CDBG–DR Grant under Public Law 116–20 and the new 2020 CDBG–DR Grant under Public Law 117–43, while each grant remains separate, with separate financial controls, and some other distinctions.

To do this, HUD is imposing the following modifications of the requirements of PR's Prior Notices for the 2019 CDBG–DR grant:

1. Puerto Rico must submit its action plan for the 2020 CDBG–DR Grant in accordance with the Consolidated Notice at section III.C.1. (87 FR 6379) using the Public Action Plan in the Disaster Recovery Grant Reporting (DRGR) system. Even though section III.C.1. is written for the 2020 CDBG–DR grant, under the terms of the waiver and alternative requirement, the Grantee's Public Action Plan shall also describe the use of all grant funds for the 2019 CDBG–DR grant in its Public Action Plan required by section III.C.1. of the Consolidated Notice. Together, the description of the use of funds allocated for 2020 disasters and the use of funds under the 2019 CDBG–DR Grant shall be described in a single action plan (the Public Action Plan) that substantially amends the 2019 CDBG–DR action plan. Puerto Rico will then be able to download the single action plan and post it for public comment on its disaster recovery website to meet the public comment requirements for 2019 and 2020 disasters. The deadline for that submission is 120 days after the applicability date of the February 3, 2022 notice. Based on the requirements in the February 3, 2022 notice, Puerto Rico may submit its Public Action Plan (a single document that describes the use of 2020 CDBG–DR Grant and 2019 CDBG–DR Grant), earlier than that date or may request an extension of the submission deadline to submit at a later date, if HUD approves the request.

2. Once the Public Action Plan that contains a description of all 2019 and 2020 CDBG–DR funds is approved, Puerto Rico's use of all grant funds must be consistent with the Public Action Plan. Upon HUD's approval of the Public Action Plan, the action plan that described the use of the 2019 CDBG–DR grant shall only be relevant to costs charged to the 2019 CDBG grant before the date of approval of the Public Action Plan.

3. Once the Public Action Plan is approved, except as identified below, Puerto Rico's 2019 CDBG–DR grant will no longer be subject to any provisions in PR's Prior Notices and the use of 2019 and 2020 CDBG–DR Grants shall be subject to the requirements of February 3, 2022 notice (including the Consolidated Notice) provisions, as may be amended from time to time. The exceptions are as follows:

a. The 2019 CDBG–DR Grant is not subject to the following provisions of the February 3, 2022 Notice (including the Consolidated Notice) that implement statutory authorities specific to Public Law 117–43 or are related to requirements that were previously met: Section I (Allocations), requirements in section II (Use of Funds) related to the CDBG–DR mitigation set-aside, III. (Requirements Related to Administrative Funds), IV.A.2. (CDBG–DR mitigation set-aside), IV.A.3. (Interchangeability of Disaster Funds), and the provisions of the Consolidated Notice that direct grantees to make pre-award submissions (section III.A. ''Pre-Award Evaluation of Management and Oversight of Funds'' of the Consolidated Notice (87 FR 6376).

b. PR's Prior Notices (as modified by section VII of this notice) continue to govern all requirements for the 2017 Unmet Infrastructure Needs Grant and the following requirements for the 2019 CDBG–DR grant: HUD's allocations for 2019 disasters and allocation methodology, the requirements that governed the grantee's pre-grant submissions to support the Secretary's certifications, the grantee's submissions describing its implementation plan and capacity assessment, the identified major disasters and MID areas for the 2019 CDBG–DR Grant, and the use of administrative funds across multiple grants (section IV.B.3. of the notice published Jan. 27, 2020).

X. Flexibilities for Grants Under Recent Appropriations Acts (Affects Multiple Grantees)

Recent appropriations acts have provided CDBG–DR grantees with additional flexibilities. This section notifies grantees, the public, and oversight entities of these flexibilities. The new statutory authorities supersede any requirements to the contrary in **Federal Register** notices or grant agreements governing awards that are subject to the new statutory provisions.

Public Law 117–43 authorizes the Secretary to permit grantees that received funds under Public Law 117–43 and under prior or future appropriations for activities related to unmet recovery needs in the MID areas resulting from a major disaster to use those funds interchangeably and without limitation for the same activities related to unmet recovery needs in the MID areas resulting from another major disaster in Public Law 117–43 or in prior or future appropriation acts, when the MID areas overlap and when the use of the funds will address unmet recovery needs of both major disasters. The Secretary authorized this use of funds and implemented this requirement for all grantees that received a grant under Public Law 117–43. This authorization is published in section IV.A.3. of the **Federal Register** notice published on February 3, 2022 at 87 FR 6368 and in section IV.A.3. of the **Federal Register** notice published on May 24, 2022 at 87 FR 31643.

Under these authorizations, grantees may use CDBG–DR funds that they were awarded under Public Law 117–43 and under prior and future appropriations acts interchangeably and without limitation for eligible activities authorized by title I of the HCDA, as modified by applicable waivers and alternative requirements, if:

(a) The activities support recovery in the overlapping portions of MID areas resulting from major disasters assisted under both appropriations (if applicable **Federal Register** notices do not specify MID areas for a major disaster, the MID areas are those areas covered by the President's major disaster declaration); and

(b) The use of the funds will address unmet recovery needs of both major disasters. Consistent with Congressional intent to increase the speed of recovery and ease administrative burdens, HUD will evaluate whether the use of funds in the overlapping MID areas will address unmet recovery needs of both major disasters at the highest reasonable level. For CDBG–DR grants, this will be evaluated at the action plan level (not by evaluating unmet needs of individual beneficiaries). Accordingly, before using funds for a disaster other than the major disaster for which the funds were awarded, a CDBG–DR grantee must describe in its action plan that governs the use of the funds how the combined use of all funds under both appropriations will address unmet recovery needs of both major disasters.

Public Law 117–43 also provides flexibility for grantees receiving funds under Public Law 117–43 and under prior or future acts to use grant funds for administrative costs across multiple grants. HUD implemented this requirement for all grantees affected by the provision in section III.A.2. of the **Federal Register** notice published on February 3, 2022, at 87 FR 6367 and in section III.A.2. of the **Federal Register** notice published on May 24, 2022, at 87 FR 31642.

Public Law 116–20 authorized grantees that received grants under Public Laws 114–113, 114–223, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 or any future act to use eligible administrative funds (up to 5 percent of each grant plus up to 5 percent of program income generated by the grant) appropriated by these acts for the cost of administering any of these grants without regard to the particular disaster appropriation from which such funds originated. HUD implemented this requirement for all affected grantees in section IV.B.3. of the **Federal Register** notice published on January 27, 2020, at 85 FR 4686. This flexibility is also codified at 42 U.S.C. 5122 note.

Section 432 of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2022 (Pub. L. 117–103) extended the expenditure deadline to September 30, 2025, for grants made available under Public Law 113–2.

XI. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available online on HUD's CDBG–DR website. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number).

Adrianne Todman,

Deputy Secretary.

[FR Doc. 2022–13179 Filed 6–17–22; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[Docket No. FWS–R8–ES–2022–0019; FF08ESMF00–FXES11140800000–223]

Maricopa Sun Solar Complex Habitat Conservation Plan, Kern County, California; Environmental Assessment

AGENCY: Fish and Wildlife Service, Interior.

ACTION: Notice of availability of documents; request for public comment.

SUMMARY: We, the U.S. Fish and Wildlife Service, announce receipt of an application from Maricopa Sun, LLC to amend their existing incidental take permit for the Maricopa Sun Solar Complex. Under the Endangered Species Act and National Environmental Policy Act, we are making available the applicant's draft amended habitat conservation plan and our draft environmental assessment. We invite the public and local, State, Tribal, and Federal agencies to comment on the documents. Before issuing a requested amended permit, we will take into consideration any information that we receive during the public comment period.

DATES: We must receive your written comments on or before July 21, 2022.

ADDRESSES:

Obtaining Documents: The incidental take permit application, draft environmental assessment (EA), draft amended habitat conservation plan (HCP), and any comments and other materials that we receive are available for public inspection at *https://www.regulations.gov* in Docket No. FWS–R8–ES–2022–0019.

Submitting Comments: To send written comments, please use one of the following methods, and note that your information requests or comments are in reference to the draft EA, draft HCP, or both.

- *Internet:* Submit comments at *https://www.regulations.gov* under Docket No. FWS–R8–ES–2022–0019.
- *U.S. Mail:* Public Comments Processing, Attn: Docket No. FWS–R8–ES–2022–0019; U.S. Fish and Wildlife Service Headquarters, MS: PERMA; 5275 Leesburg Pike; Falls Church, VA 22041–3803.

For more information, see Public Comments under **SUPPLEMENTARY INFORMATION.**

FOR FURTHER INFORMATION CONTACT: Justin Sloan, Senior Wildlife Biologist, or Patricia Cole, Supervisor, San Joaquin Valley Division, Sacramento Fish and Wildlife Office, by phone at 916–414–6600. Individuals in the United States who are deaf, deafblind, hard of hearing, or have a speech disability may dial 711 (TTY, TDD, or TeleBraille) to access telecommunications relay services. Individuals outside the United States should use the relay services offered within their country to make international calls to the point-of-contact in the United States.

SUPPLEMENTARY INFORMATION: We, the U.S. Fish and Wildlife Service (Service), announce receipt of an application from Maricopa Sun, LLC to amend their existing incidental take permit (TE54164B–0) for the Maricopa Sun Solar Complex. Maricopa Sun, LLC is requesting an amendment to extend the permit term from 35 to 50 years, add Kern mallow (*Eremalche kernensis*) as a covered species, reduce the habitat conservation plan (HCP) area by removing 489.9 acres (ac) of potential solar development, and add the installation and operation of battery energy storage systems as covered activities. The amended HCP would encompass 5,318.4 ac.

We also make available the draft environmental assessment (EA), prepared pursuant to the National Environmental Policy Act of 1969, as amended (NEPA; 42 U.S.C. 4321 *et seq.*), and its implementing regulations in the Code of Federal Regulations (CFR) at 40 CFR 1506.6. The draft EA evaluates the impacts of the proposed action and the no-action alternative. The draft EA tiers from the analysis within the final environmental impact statement issued by the Service and announced via a **Federal Register** notice to the public on December 8, 2014 (79 FR 72696).

Background Information

Section 9 of the ESA (16 U.S.C. 1531–1544 *et seq.*) and Federal regulations (50 CFR 17) prohibit the taking of fish and wildlife species listed as endangered or threatened under section 4 of the ESA. The definition of ''take'' under the ESA does not apply to plant species; however, plant species can be listed on

www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.

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: CDBG–PRICE Competition Grant Program (Manufactured Housing Community Improvement Grant Program) Application Collection.

OMB Approval Number: 2506-new.

Type of Request: New Collection.

Form Number: N/A.

Description of the need for the information and proposed use: HUD is issuing this NOFO under the authority of the Consolidated Appropriations Act, 2023 (Pub. L. 117–328, enacted December 29, 2022) to collect applications for the preservation and revitalization of manufactured housing and eligible manufactured housing communities (including pre-1976 mobile homes).

Respondents: State, tribal and local governments; manufactured housing communities, cooperatives, non-profit entities, and Community Development Finance Institutions.

Estimated Number of Respondents: 100+.

Estimated Number of Responses: 100.

Frequency of Response: 1.

Average Hours per Response: 20.

Total Estimated Burdens: 2,000.

Information collection	Number of respondents	Frequency of response	Responses per annum	Burden hour per response	Annual burden hours	Hourly cost per response	Annual cost
See above	100	1	100	20	2,000	$46.58	$93,700

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.

C. Authority

Section 3507 of the Paperwork Reduction Act of 1995, 44 U.S.C. Chapter 35. Principal Deputy Assistant Secretary for Community Planning and Development, Marion McFadden, having reviewed and approved this document, is delegating the authority to electronically sign this document to submitter, Aaron Santa Anna, who is the Federal Register Liaison for HUD, for purposes of publication in the **Federal Register**.

Aaron Santa Anna,

Federal Register Liaison for the Department of Housing and Urban Development.

[FR Doc. 2023–14836 Filed 7–12–23; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6397–N–01]

Waivers and Alternative Requirements for Community Development Block Grant Disaster Recovery (CDBG–DR) and Community Development Block Grant Mitigation (CDBG–MIT) Grantees

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

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) and Community Development Block Grant mitigation (CDBG–MIT) funds awarded under several appropriations acts identified in the Table of Contents. This notice revises the period of performance and budget period for some grants and allows HUD to extend the period of performance and budget periods administratively for some grants.

DATES: Applicability Date: July 18, 2023.

FOR FURTHER INFORMATION CONTACT: Tennille Parker, Director, Office of Disaster Recovery, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.* Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

Table of Contents

I. Authority To Grant Waivers and Alternative Requirements
II. Public Law 113–2 Statutory Extensions
III. Public Law 114–113, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 Waiver and Alternative Requirements

I. Authority to Grant Waivers and Alternative Requirements

Each of the appropriations acts cited in the Table of Contents authorize the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of grant funds, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment. HUD may also exercise its regulatory waiver authority under 24 CFR 5.110, 91.600, and 570.5.

The waivers and alternative requirements in this notice are designed to create expediency for CDBG–DR and CDBG–MIT grantees related to extending expenditure deadlines. Allowing grantees the flexibility to receive extensions administratively will continue to support a swift recovery following eligible disasters, while ensuring that grantees have enough time to complete projects and that statutory requirements are met. Additionally, these waivers and alternative requirements are consistent with the in 2 CFR part 200 that Federal awards include a period of performance and a budget period. Based on these reasons, the Department has determined that good cause exists for the waiver and alternative requirement authorized in this notice, and that the waivers or alternative requirements are not

inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA).

II. Public Law 113–2 Statutory Extensions

Statutory extensions for grants made available under Public Law 113–2.

Following two short-term statutory extensions (Pub. L. 116–260 and Pub. L. 117–103), section 420(a) of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2023 (Pub. L. 117–328) provided that CDBG–DR grant obligations made before September 30, 2017 from funds made available under Public Law 113–2 are to remain available until expended. The requirements at 2 CFR 200.211(b) require all Federal awards to include a period of performance and budget period. Therefore, HUD is revising the period of performance and budget period for open Federal awards made under Public Law 113–2 with an end date of September 30, 2029, when permissible under other applicable requirements that govern the use of funds under Public Law 113–2. The projections reported by Public Law 113–2 grantees indicate that this period is sufficient to allow for the full expenditure of any remaining grant funds.

HUD may extend the time period in this alternative requirement and associated grant period of performance and budget period administratively, when permissible under other applicable requirements that govern the use of funds under Public Law 113–2, if good cause for such an extension exists at that time, as requested by the grantee, and approved by HUD. When the period of performance has ended, HUD will close out the grant and any remaining funds not expended by the grantee for appropriate programmatic purposes will be recaptured by HUD.

III. Public Law 114–113, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 Waivers and Alternative Requirements

Waiver and alternative requirement modification to allow HUD to extend certain grantee's period of performance administratively.

The **Federal Register** notices governing the use of funds for disasters occurring in 2015 and 2016 under Public Laws 114–113, 114–254, and 115–31 require each grantee to expend 100 percent of its total allocation of CDBG–DR funds on eligible activities within six years of HUD's execution of the grant agreement. The provisions governing the timely distribution of funds for these CDBG–DR appropriations can be found in the following **Federal Register** notices: June 17, 2016 (81 FR 39702) and November 21, 2016 (81 FR 83268).

Additionally, Public Laws 115–56 and 115–123, as amended, require that CDBG–DR funds for disasters occurring in 2017, 2018, and 2019 be expended within two years of the date that HUD obligates funds to a grantee, but also authorizes the Office of Management and Budget (OMB) to provide a waiver of this requirement. OMB has waived this requirement for a combined total of $35,390,000,000 of CDBG–DR funds appropriated under these acts. However, the **Federal Register** notices governing the use of those funds require each grantee to expend 100 percent of its total allocation of CDBG–DR funds on eligible activities within six years of HUD's initial obligation of funds. The provisions governing the timely distribution of funds for these CDBG–DR appropriations can be found in the February 9, 2018 (83 FR 5860) in the **Federal Register** notice.

Additionally, the **Federal Register** notices governing the use of CDBG–MIT funds require each grantee to expend fifty percent of its CDBG–MIT grant on eligible activities within six years of HUD's execution of the grant agreement and one hundred percent of its grant within twelve years of HUD's execution of the agreement absent a waiver and alternative requirement as requested by the grantee and approved by HUD. The provisions governing the timely distribution of funds for these CDBG–MIT funds can be found in the August 30, 2019 (84 FR 45862) **Federal Register** notice.

The **Federal Register** notices governing the use of CDBG–DR funds under Public Laws 114–113, 114–254, 115–31, 115–56, 115–123, 115–254, and 116–20 require each grantee to expend 100 percent of its CDBG–DR grant on eligible activities within 6 years of HUD's obligation of funds pursuant to an executed grant agreement. The provisions governing the duration of funding for these CDBG–DR appropriations can be found in the following **Federal Register** notices: June 17, 2016 (81 FR 39708); November 21, 2016 (81 FR 83274); January 18, 2017 (82 FR 5594); August 7, 2017 (82 FR 36815); February 9, 2018 (83 FR 5868); August 14, 2018 (83 FR 40323); January 27, 2020 (85 FR 4688); January 6, 2021 (86 FR 568); and January 6, 2021 (86 FR 575).

For funds appropriated under these seven appropriations acts for CDBG–DR and CDBG–MIT grants, HUD waived the timely distribution of funds requirements in 24 CFR 570.494 and 570.902 and imposed an alternative requirement. HUD is now modifying the waiver and alternative requirement that replaces 570.494 and 570.902 governing the timely distribution of CDBG–DR funds, by adding the following sentence at the end of the paragraphs at section VI.A.28. of the June 17, 2016 notice (81 FR 39702); section VI.A.24. of the November 21, 2016 notice (81 FR 83268); section V.A.28. of the February 9, 2018 notice (83 FR 5860); and section V.A.26. of the August 30, 2019 notice (84 FR 45862):

HUD may extend the time period in this alternative requirement and associated grant period of performance administratively, if good cause for such an extension exists at that time, as requested by the grantee, and approved by HUD.

HUD is also adding the following two sentences to the end of the Duration of Funding paragraphs at sections VII of the June 17, 2016 notice (81 FR 39708) and the November 21, 2016 notice (81 FR 83274); section V of the January 18, 2017 notice (82 FR 5594); section I.E. of the August 7, 2017 notice (82 FR 36815); section VII of the February 9, 2018 notice (83 FR 5868); section V of the August 14, 2018 notice (83 FR 40323); section VII of the August 30, 2019 notice (84 FR 45870); and section V of the January 27, 2020 notice (85 FR 4688):

HUD may extend the period of performance administratively, in accordance with the provisions of the waiver and alternative requirement governing the timely distribution of funds. When the period of performance has ended, HUD will close out the grant and any remaining funds not expended by the grantee on appropriate programmatic purposes will be recaptured by HUD.

Adrianne Todman,

Deputy Secretary.

[FR Doc. 2023–14826 Filed 7–12–23; 8:45 am]

BILLING CODE 4210–67–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–7070–N–39]

30-Day Notice of Proposed Information Collection: Electronic Line of Credit Control System (eLOCCS) System Access Authorization Form Collection; OMB Control No.: 2535–0102

AGENCY: Office of Policy Development and Research, Chief Data Officer, HUD.

ACTION: Notice.

c. SBA will conduct the match against the Disaster Loans Case Files system of records (SBA 20) via Disaster Lending System using the FEMA Disaster ID number, FEMA Registration ID number, Product (Home/Business), and Registration Occupant Social Security number (SSN) to create a New Pre-Application. The records SBA receives are of DHS/FEMA applicants who are referred to SBA for disaster loan assistance. Controls on the DHS/FEMA export of data are in place to ensure that SBA only receives unique and valid referral records.

d. When SBA matches its records to those provided by DHS/FEMA, two types of matches are possible: a full match and a partial match. A full match exists when an SBA record matches a DHS/FEMA record on each of the following data fields: FEMA Disaster ID number, FEMA Registration ID number, Product (Home/Business), and Registration Occupant SSN. A partial match exists when an SBA record matches a DHS/FEMA record on one or more, but not all data fields listed above. If an exact (full) match is found among SBA records for the current imported record, the current record is automatically marked as a duplicate by the system with appropriate comments inserted to indicate the corresponding record that matched. If a partial match is found during the import process, the record is routed for manual examination, investigation, and resolution to determine whether it is truly a duplicate record.

2. DHS/FEMA–SBA Duplication of Benefits Automated Match Process:

a. Both DHS/FEMA and SBA will act as the recipient (*i.e.,* matching) agencies. SBA will extract and provide to DHS/FEMA data from its Disaster Loans Case Files system of records and accessed via the Disaster Lending System. DHS/FEMA will match the data SBA provides to records in its Disaster Recovery Assistance Files system of records, accessed through NEMIS–IA System, via the FEMA Registration ID number. SBA will issue a data call to DHS/FEMA requesting that DHS/FEMA return any records for which NEMIS–IA found a match. For each match found, DHS/FEMA sends all applicant information that it collects during the registration process to SBA so that SBA may match these records with its registrant data in the Disaster Lending System. SBA's Disaster Lending System manual process triggers an automated interface to query NEMIS-IA, using the FEMA Registration ID number as the unique identifier.

b. DHS/FEMA will return the following fields for the matching DHS/FEMA record, if any: FEMA Disaster Number; FEMA Registration ID number; applicant and if applicable, co-applicant name; damaged dwelling address; phone number; SSN; damaged property data; insurance policy information; contact address (if different from damaged dwelling address); flood zone and flood insurance data; FEMA Housing Assistance and Other Needs Assistance data; program, award level, eligibility, inspection data; verification of ownership and occupancy; and approval or rejection data. DHS/FEMA will return no result when the FEMA Registration ID number is not matched.

c. For each matching record received from DHS/FEMA, SBA determines whether DHS/FEMA assistance duplicates SBA loan assistance. If SBA loan officers determine that there is a duplication of benefits, the duplicated amount is deducted from the eligible SBA loan amount.

3. DHS/FEMA–SBA Status Update Automated Match Process:

a. DHS/FEMA will act as the recipient (*i.e.,* matching) agency. DHS/FEMA will match records from its Disaster Recovery Assistance Files system of records to the records extracted and provided by SBA from its Disaster Loans Case Files system of records. The purpose of this process is to update DHS/FEMA applicant information with the status of SBA loan determinations. The records provided by SBA will be automatically imported into NEMIS–IA to update the status of existing applicant records. The records DHS/FEMA receives from SBA are of DHS/FEMA applicants who were referred to SBA for disaster loan assistance. Controls on the SBA export of data are in place to ensure that DHS/FEMA only receives unique and valid referral records.

b. SBA will provide to DHS/FEMA information and data, including but not limited to the following: personal information about SBA applicants, including name, damaged dwelling address, and SSN; application data; loss to personal property data; loss mitigation data; SBA loan data; and SBA event data. DHS/FEMA will conduct the match using FEMA Disaster Number and FEMA Registration ID number.

c. Loan data for matched records will be recorded and displayed in NEMIS–IA. Loan data will also be run through NEMIS–IA business rules; potentially duplicative categories of assistance are sent to FEMA's Program Review process for manual evaluation of any duplication of benefits. If FEMA review staff determines that there is a duplication of benefits, the duplicated amount is deducted from the e1igible award. FEMA applicants receive a letter (hardcopy or electronic) that indicates the amount of their eligible award and their ability to appeal.

SYSTEM OF RECORDS:

DHS/FEMA–008 Disaster Recovery Assistance Files (87 FR 7852, February 10, 2022) accesses records from its Disaster Recovery Assistance Files system of records, as provided by the DHS/FEMA—008 SORN, through its NEMIS–IA system, and matches them to the records that SBA provides from its SBA-20 Disaster Loans Case Files, 86 FR 64979 (November 19, 2021) system of records, as amended. SBA 20 Disaster Loans Case Files (86 FR 64979, November 19, 2021) uses its Disaster Lending System to access records from its Disaster Loan Case Files system of records and match them to the records that DHS/FEMA provides from its Disaster Recovery Assistance Files system of records.

Mason C. Clutter,

Chief Privacy Officer, Department of Homeland Security.

[FR Doc. 2024–01057 Filed 1–19–24; 8:45 am]

BILLING CODE 9110–9L–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR–6412–N–01]

Waivers and Alternative Requirements for Community Development Block Grant Disaster Recovery (CDBG–DR) and Community Development Block Grant National Disaster Resilience (CDBG–NDR) Grantees

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

ACTION: Notice.

SUMMARY: This notice governs Community Development Block Grant disaster recovery (CDBG–DR) and Community Development Block Grant National Disaster Resilience (CDBG–NDR) funds awarded under several appropriations acts identified in the Table of Contents. Specifically, this notice provides waivers and establishes alternative requirements for certain CDBG–DR and CDBG–NDR grantees that have submitted requests for waivers and alternative requirements for grants provided under the public laws cited in this notice.

DATES: *Applicability Date:* January 29, 2024.

FOR FURTHER INFORMATION CONTACT: Tennille Parker, Director, Office of Disaster Recovery, U.S. Department of

Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202–708–3587 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit: *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.* Email inquiries may be sent to *disaster_recovery@hud.gov.*

SUPPLEMENTARY INFORMATION:

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I. Authority To Grant Waivers
II. Public Law 113–2 Waivers and Alternative Requirements
III. Public Law 115–123 Waivers and Alternative Requirements
IV. Public Law 116–20 Waivers and Alternative Requirements
V. Finding of No Significant Impact (FONSI)

I. Authority To Grant Waivers

Each of the appropriations acts cited in the Table of Contents authorize the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of grant funds, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment. HUD may also exercise its regulatory waiver authority under 24 CFR 5.110, 91.600, and 570.5.

All waivers and alternative requirements authorized in this notice are based upon a determination by the Secretary that good cause exists and that the waiver or alternative requirement is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 *et seq.*) (HCDA). The good cause for each waiver and alternative requirement is summarized in this notice.

II. Public Law 113–2 Waivers and Alternative Requirements

II.A. Isle de Jean Charles Waiver and Alternative Requirement for Eligibility and National Objective Compliance and Use of Program Income (State of Louisiana Only)

The **Federal Register** notice published on June 7, 2016 (81 FR 36557) announced the allocation of approximately $1 billion of CDBG–NDR funds appropriated pursuant to Public Law 113–2 for competitive awards through the National Disaster Resilience Competition (NDRC). Through the NDRC, HUD awarded CDBG–NDR funds to 13 states and local governments to implement innovative and replicable activities to increase the resilience of communities to future disasters. HUD awarded $92.6 million in CDBG–NDR funds to the State of Louisiana, including $48.3 million to implement the Isle de Jean Charles (IDJC) Relocation. Additionally, HUD published a **Federal Register** notice on February 19, 2019 (84 FR 4836) that included a clarification of certain actions being taken by the State as part of the relocation of the IDJC community.

The State is using its CDBG–NDR funds to support the voluntary resettlement of current and former residents of the flood-prone Isle de Jean Charles to a new and more resilient inland community (the ''IDJC Resettlement Project''). In 1955, Isle de Jean Charles was a 22,400-acre island. At the time of the CDBG–NDR award, IDJC had lost 98 percent of its land due to subsidence, with only 320 acres remaining. The goals of the IDJC Resettlement Project are to move residents out of harm's way, to engage the Isle de Jean Charles community residents in the design of the new community, to identify means by which the new community can be financially sustainable, and to safeguard the preservation and continuity of IDJC's diverse cultural identities and traditions.

In the **Federal Register** notice published on February 19, 2019, HUD clarified that costs required to restrict the use of land as a primary residence are eligible costs of the State's new construction and disposition activities for relocating island residents. (84 FR at 4839). HUD also clarified that the placement of restrictions and limitations on the use of land as a primary residence is a condition of the new construction and disposition activities to relocate IDJC residents out of harm's way into more resilient housing, and not acquisition activities triggering buyout requirements. Since the award of the CDBG–NDR funds, the State has moved forward in the planning and development of the new community, New Isle, and has identified several challenges related to the eligibility of some project activities and the timeline for certain activities to meet a national objective, as provided in the CDBG–NDR notice (81 FR 36557). The State has also identified challenges associated with maintaining the affordability of New Isle for resettled residents.

II.A.1. *Background and support for the waivers and alternative requirements necessary for the IDJC Resettlement Project.*

The resettlement of the Isle de Jean Charles community and the development of the more resilient New Isle community is a unique effort by the State of Louisiana to demonstrate, with the support of CDBG–NDR funds, how communities nationwide may implement the voluntary resettlement of a community with diverse cultural identities and traditions, when confronted with repetitive disaster-related losses of land mass due to climate change. The IDJC Resettlement Project has the potential to serve as a model for other communities seeking to manage the retreat and resettlement of communities threatened by climate change.

Almost every IDJC household qualifies as low- or moderate-income, many are elderly and on fixed incomes, and nearly all will face increased overall expenses in relocating from IDJC. The State has therefore requested the following waivers and alternative requirements to address the challenges related to the eligibility and carrying out of activities, meeting of a national objective within the approved period of performance, and use of program income for the IDJC Resettlement Project.

The Department finds that there is good cause for the waivers and alternative requirements in this section because they are necessary to facilitate the IDJC Resettlement Project, which HUD anticipates will serve as a model for communities pursuing the resettlement of low- and moderate-income residents to lower-risk areas, and further the State's recovery goal of a holistic approach to resettlement of a diverse and culturally rich community.

II.A.2. *Activity eligibility of the Isle de Jean Charles Resettlement Project.*

In rare instances, when necessary to achieve recovery goals, HUD has previously granted waivers and alternative requirements to allow a grantee to treat a large complex project with multiple components that contribute to long-term recovery and resilience as a single eligible activity. HUD has determined that the components of the IDJC Resettlement Project are largely eligible CDBG–NDR activities but that the complexity of managing multiple separate eligible activities as components of the overall relocation would detrimentally delay the timeline of this critical recovery project. Therefore, based on the good cause determination described in paragraph II.A.1. and to further facilitate an efficient implementation of the IDJC Resettlement Project, HUD is waiving section 105(a) of the HCDA (42 U.S.C. 5305(a)), as amended, to the extent

necessary to create the new eligible activity of the ''IDJC Resettlement Project,'' comprised of the Residential Assistance Fund (the ''Fund'') described in the next paragraph, as well as the acquisition, infrastructure, housing, economic development, and public service activities described in the State's current, HUD-approved, amended CDBG–NDR action plan. The IDJC Resettlement Project eligible activity is subject to the alternative requirements described below.

The State indicated that one of the new activities of the IDJC Resettlement Project eligible activity will be the establishment of the Fund. The State plans to use CDBG–NDR funds, CDBG–NDR program income generated by economic development activities at New Isle, and other sources to capitalize the Fund. The State indicated that the Fund will be used to assist New Isle homeowners with certain monthly costs (*e.g.,* termite treatment, property insurance, and flood insurance) to maintain the affordability and stability of the New Isle community. HUD recognizes that the relocated residents of the New Isle community will have new expenses than those incurred while living in IDJC and may require additional short-term assistance to maintain their new homes in New Isle. The Department therefore has determined that the State's use of CDBG–NDR for the Fund advances the Department's priority to support forward-thinking solutions to help low- and moderate-income households, facing the imminent threat of sea level rise attributable to climate change, to relocate to new, more resilient, and affordable communities.

Accordingly, under the waiver provided above to establish the IDJC Resettlement Project as a single new eligible CDBG–NDR activity, the State may use CDBG–NDR funds and program income to assist low and moderate-income New Isle residents relocated from the IDJC community with allowable housing costs for up to five years, meaning no beneficiary may receive more than a total of 5 years of this type of assistance or up to a specific amount, as determined by the State, to maintain the stability and affordability of New Isle and resettlement of relocated IDJC residents. HUD is also establishing an alternative requirement that no assistance shall be provided for this purpose until the State submits a substantial action plan amendment for its CDBG–NDR grant. The substantial action plan amendment must include the following:

1. A budget for the Fund,

2. Identify eligible costs under the Fund,

3. Describe how identified costs are allowable in accordance with 2 CFR part 200, subpart E,

4. Describe the criteria that will be used to select beneficiaries and determine the amount of assistance under the Fund,

5. The mechanisms and process to provide the assistance,

6. How the State will oversee and monitor the administration and use of the Fund, and

7. How the State will ensure public transparency regarding the provision of assistance and use of the Fund.

Additionally, CDBG–NDR funds and program income, including any portion used to finance the Fund, shall not be used to compensate beneficiaries for losses from disaster-related impacts.

Finally, as an alternative requirement, and in addition to all other modifications which constitute a substantial amendment requiring HUD approval as described in the **Federal Register** notice published on August 7, 2017 (82 FR 36812 at 36819), the deletion of the Fund or any activity that is part of the ''IDJC Resettlement Project'' as described in the State's current, HUD-approved, amended CDBG–NDR action plan, or the addition of any other activities as part of the ''IDJC Resettlement Project'' constitute a substantial amendment requiring HUD approval.

II.A.3. *National objective compliance for the IDJC Resettlement Project.*

The additional regulatory waivers and alternative requirements provided in this section enable the State to accomplish its goals for the IDJC Resettlement Project. The IDJC Resettlement Project aims to foster the growth of the New Isle's residents and address their housing, economic, and service needs. The IDJC Resettlement Project is not merely replacing the relocated households' homes, but is also carrying out acquisition, infrastructure, housing, economic development, and public service activities intended to create a sustainable, long-term community for these relocated residents. For these reasons and based on the good cause provided in paragraph II.A.1., the Department waives the criteria in 24 CFR 570.483(b) for the IDJC Resettlement Project eligible activity only and establishes the following alternative requirement for the criteria as a means of addressing the objective of benefitting low- and moderate-income (LMI) persons. To demonstrate that the IDJC Resettlement Project eligible activity addresses the objective of benefitting LMI persons, the State must meet all the applicable criteria described below:

1. The State must determine the actual service area benefiting from the IDJC Resettlement Project, in accordance with the regulations. The service area must be primarily residential in character with related cultural and recreational components (*e.g.,* community centers with cultural components);

2. The State must complete the housing units for occupancy by the households that are part of the original IDJC resettlement (at least 34 units of housing) and document that at least 70 percent of those households qualify as LMI;

3. The State must complete the community center, marketplace, recreational facilities, parks, and additional site improvements, as described in its approved action plan, as part of the New Isle community;

4. That State must require its Partners (as defined in the National Disaster Resilience Competition Phase 2 Notice of Funding Availability) and subrecipients to document that any economic development activities funded through the IDJC Resettlement Project are complete and will increase economic opportunity, primarily for LMI persons, through the creation of permanent jobs. The State may presume that any jobs created are held by or made available to a low- or moderate-income person, if the economic development activities are located in the New Isle community;

5. The State must submit a sustainability plan with its substantial action plan amendment adding the Fund as an activity, that is then approved by HUD. The sustainability plan must include prominent posting on the State's official website and must afford citizens, affected local governments, and other interested parties a reasonable opportunity to examine the plan. The State must notify affected citizens through electronic mailings, press releases, statements by public officials, media advertisements, public service announcements, and/or contacts with organizations located in or serving the target area or neighborhood. At a minimum, the sustainability plan must include the following information:

a. An estimate of the amount of taxes and insurance required for each home per year;

b. A detailed description of the process and timeline for New Isle residents to pay for housing costs that were once covered by the Fund, after their assistance from the Fund has ended (*i.e.,* reaches 5 years of assistance or maximum amount set by the State)

and/or the State concludes its use of the Fund;

c. A description of other financial resources, if any, that will be available to support beneficiaries with housing costs after the State concludes use of the Fund;

d. A detailed description of how the State will inform beneficiaries about the Fund, terms and conditions for Fund assistance, and the beneficiaries' financial responsibilities after assistance from the Fund ends; and

e. How the State will detect and prevent fraud, waste, and abuse in the administration and use of the Fund.

II.A.4. *Clarification on Public Services for the Isle de Jean Charles Resettlement Project.*

Additionally, the **Federal Register** notice published on June 7, 2016 (81 FR 36557) waives 42 U.S.C. 5305(e)(3), 24 CFR 570.482(f)(1), (2), (3), (4)(i), (5), and (6), including the public benefit standards at 24 CFR 570.482(g), for economic development activities designed to create or retain jobs or businesses. This waiver continues to apply to the State's CDBG–NDR grant.

Finally, all public services carried out as part of the IDJC Resettlement Project shall be exempt from the cap on public service expenditures found in section 105(a)(8) of the HCDA (42 U.S.C. 5305(a)), as amended.

II.B. Waivers and Alternative Requirements for New Jersey's CDBG–DR Grant Under Public Law 113–2 (State of New Jersey Only)

In the **Federal Register** notices published on March 5, 2013 (78 FR 14329) (the ''March 2013 Notice''), November 18, 2013 (78 FR 69104) (the ''November 2013 Notice''), and October 16, 2014 (79 FR 62182) (the ''October 2014 Notice''), HUD awarded a total of $4,174,110,000 in CDBG–DR funds to the State of New Jersey for recovery from Superstorm Sandy from Public Law 113–2 of which $380,000,000 were for Rebuild by Design (RBD) also under Public Law 113–2.

The **Federal Register** notice published on May 24, 2022 (87 FR 31636) (the ''May 2022 Notice'') announced the allocation of $228,346,000 of CDBG–DR funds under Public Law 117–43 (the ''2022 Appropriations Act'') and the **Federal Register** notice published on January 18, 2023 (87 FR 3198) (the ''January 2023 Notice'') announced the allocation of $149,229,000 of CDBG–DR funds under Public Law 117–180 (the ''2023 Appropriations Act'') for a total of $377,575,000 in CDBG–DR funds to the State of New Jersey for recovery from Tropical Storm Ida (collectively referred to as ''the Appropriations Acts''). The 2022 Appropriations Act gives the Secretary authority to authorize grantees receiving a CDBG–DR grant under the 2022 Appropriations Acts and prior or future appropriation acts for activities authorized under title I of the HCDA for a specific qualifying disaster(s) to use these funds interchangeably and without limitation for the same activities in the most impacted and distressed (MID) areas resulting from a major disaster in prior or future appropriation acts, as long as the MID areas overlap and the activities address unmet needs of both disasters.

Based on this authority, New Jersey's CDBG–DR grants for Tropical Storm Ida and its CDBG–DR grants for Superstorm Sandy may be used interchangeably and without limitation for the same activities in MID areas resulting from Superstorm Sandy or Tropical Storm Ida, if the MID areas of both disasters overlap and the activities address unmet needs of both disasters, as described in the May 2022 Notice and the January 2023 Notice. The State has requested, and HUD is providing the following waivers and alternative requirements to the State of New Jersey to carry out activities that will benefit Tropical Storm Ida beneficiaries. Both waivers and alternative requirements provided herein will help the State to expedite the delivery of assistance through programs that address the same activities related to unmet recovery needs resulting from Superstorm Sandy and Tropical Storm Ida in the MID areas that overlap. The grantee must describe its use of funds in both its CDBG–DR action plans for Superstorm Sandy and Tropical Storm Ida.

II.B.1. *Waiver to Allow the Use of CDBG–DR Funds Provided Under Public Law 113–2 for Rental Assistance (State of New Jersey only).*

The State's request notes that after Superstorm Sandy, the State identified a significant shortage of rental housing as a result of the storm, particularly in the MID areas, with rental stock being virtually non-existent. HUD and the State have evaluated the State's program budgets and the State has forecasted expenditures to determine that the State's Superstorm Sandy related unmet needs will be satisfied with the existing programs in place, while impacts related to Tropical Storm Ida have created new unmet rental needs that have further exacerbated issues associated with the COVID–19 pandemic.

Prior to Tropical Storm Ida, New Jersey's housing conditions were already under significant strain from the ongoing national housing crisis and supply chain issues from the COVID–19 pandemic. These issues combined with the subsequent impacts of the storm drastically escalated the State's housing and homelessness crises. At the time of the State's waiver request, the risk of eviction in New Jersey was greater than anywhere else in the country as 393,000 households were delinquent on their rent. These eviction pressures are faced primarily by residents of color, households with children, and in urban areas—including those disaster-impacted urban areas—where low-income populations are particularly vulnerable. In the State, more than 25 percent of renter households are extremely low income and 73 percent of these extremely low-income renters suffer from severe housing cost burden.

Due to the impacts of Tropical Storm Ida, over 8,000 homeowners and 4,500 renters experienced major to severe damage to their homes, as defined by HUD. The State of New Jersey has prioritized housing rehabilitation that will primarily benefit LMI households, through a phased approach for its homeowner program and by limiting its rehabilitation of rental housing to housing that will be affordable to LMI households. However, these units will take several years to be fully repaired and accessible. During that time, LMI residents residing in the MID areas could face unaffordable rents on top of an affordable housing crisis. Rents in the HUD MID-areas have considerably increased since Tropical Storm Ida. From 2021 to the anticipated launch of the State's CDBG–DR programs in 2023, rents in the HUD MID areas will have increased in some counties by over 10 percent and are expected to continue to rise over the next two to three years.

The State plans to use its CDBG–DR funds under Public Law 113–2 to offer rental assistance and utility payments in the form of direct payments to homeowners or renters who are displaced and homeless or at-risk of homelessness as a result of the impacts of Tropical Storm Ida when such assistance payments are part of a homelessness prevention, intermediate housing, or rapid rehousing program activity, including intermediate housing during the repair and reconstruction of homes.

After reviewing the State's request and based on the good cause that the waiver and alternative requirements will help homeowners and renters that are displaced and impacted by Tropical Storm Ida to obtain and remain in housing that is in limited supply due to New Jersey's ongoing housing and homelessness crises, the Department is imposing an alternative requirement to waive and modify 42 U.S.C. 5305(a)(8)

to expand the definition of public service to include the following activity: provision of rental assistance (*e.g.* rent, security deposits, and utility deposits) and utility payments for up to 24 months for the State of New Jersey's funds provided under Public Law 113–2 to address unmet needs from Tropical Storm Ida, subject to the following alternative requirements.

This activity is subject to the 15 percent cap on public services, and no beneficiary may receive more than a total of 24 months of rental assistance and utility payments. A homeowner receiving any form of CDBG–DR interim mortgage assistance that may be offered by the State is not eligible for rental assistance or utility payments, as authorized by this waiver and alternative requirement.

The State must determine that the rental assistance and utility payments are needed because the household moved from their primary residence due to rehabilitation or reconstruction needs from Tropical Storm Ida, the household is experiencing or is at risk of experiencing homelessness and the assistance is part of a homelessness prevention or rapid rehousing program or activity, or other disaster-related pressures on the housing market necessitate the assistance to support the household's recovery.

While this waiver and alternative requirement will allow the State to provide rental assistance and utility payments to households impacted by Tropical Storm Ida, this does not relieve the State of the duty to comply with other applicable requirements relating to the temporary relocation or displacement of households. If a household meets the definition of a ''displaced person'' under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601 *et seq.*) (''URA'') or Section 104(d) of the HCDA (42 U.S.C. 5304(d)) (''Section 104(d)''), the State must provide the displaced person with any relocation assistance to which they are entitled under law, including but not limited to assistance authorized under the URA or Section 104(d), pursuant to those requirements in the applicable notices, as modified by the waiver of Section 414 of the Stafford Act in Section II.B.2., below.

The goals of this waiver and alternative requirement are to prevent and minimize the time households are experiencing or are at risk of experiencing homelessness as a result of the qualifying disaster and to provide additional time to stabilize persons or households in permanent housing through the use of CDBG–DR funds for rental assistance and utility payments. The use of CDBG–DR funds for each of these purposes advances the Department's priority to support forward-thinking solutions to help communities that are struggling to house and serve persons and families that are homeless or at risk of homelessness as a result of a disaster.

When providing rental assistance and utility payments to beneficiaries who are at risk of homelessness, the State must clearly demonstrate in their action plan the concrete steps they will take to prevent households from becoming homeless after the exhaustion of the CDBG–DR rental assistance. In addition, in developing their policies and procedures, the State must list services to be provided and outline a referral process that will enable the targeted households to apply to live in affordable housing units, including those that are created under other CDBG–DR funded programs.

HUD has previously certified the State's procedures to detect fraud, waste, and abuse prior to the obligation of Superstorm Sandy funding. To fortify these requirements and achieve a targeted use of funds and to safeguard against fraud, the State must amend the provisions in its policies and procedures to show how the State will verify the accuracy of information provided by applicants to its rental assistance and utility payment program, how the State will document that the applicant used the funds for only the eligible uses defined in its action plan or the program's policies and procedures, and how the State will detect and prevent fraud, waste, and abuse in its rental assistance and utility payment programs. The State must document, in its policies and procedures, how it will determine the basis of the rental assistance and utility payments award for each household assisted and that the amount of the assistance to be provided is necessary and reasonable and not duplicative of any other funding source, including insurance. To comply with the order of assistance requirements in the Appropriations Acts, any rental or temporary housing assistance provided by or made available by the Federal Emergency Management Agency (FEMA) must first be exhausted prior to providing CDBG–DR funds to a household for the uses permitted by this waiver and alternative requirement.

II.B.2. *Waiver of Section 414 of the Stafford Act (42 U.S.C. 5181 (State of New Jersey only).*

The State of New Jersey has requested a waiver of section 414 of the Stafford Act (42 U.S.C. 5181), as amended, for real property acquisition, rehabilitation, and demolition of real property for CDBG–DR activities funded by Public Law 113–2 that will address the unmet housing needs from Tropical storm Ida.

Section 414 of the Stafford Act provides that ''Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Pub. L. 91–646) [42 U.S.C. 4601 *et seq.*] [(''URA'')] shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by [the URA].'' Accordingly, homeowner occupants and tenants displaced from their homes as a result of an identified disaster and who would have otherwise been displaced as a direct result of any acquisition, rehabilitation, or demolition of real property for a federally funded program or project may become eligible for a replacement housing payment notwithstanding their inability to meet occupancy requirements prescribed in the URA.

The State has requested a waiver of section 414 of the Stafford Act to better align its CDBG–DR grants funded by Public Law 113–2 for Superstorm Sandy with its grants funded by the 2022 and 2023 Appropriations Acts. The State contends that this waiver, granted for all funds under the 2022 and 2023 Appropriations Acts, will allow it to implement its programs for Tropical storm Ida beneficiaries consistently, whether the program is being funded under Public Law 113–2 or the 2022 and 2023 Appropriations Acts.

HUD provided the waiver for grants under the 2022 and 2023 Appropriations Acts to simplify the administration of the disaster recovery process and reduce the administrative burden associated with the implementation of section 414 requirements for projects commencing more than one year after the date of the Presidentially declared disaster considering most of such persons displaced by the disaster will have returned to their dwellings or found another place of permanent residence.

Therefore, the Department has determined that good cause exists for a waiver for the State's funds under Public Law 113–2 and waives section 414 of the Stafford Act and its implementing regulation at 49 CFR 24.403(d)(1) to the extent that they would apply to real property acquisition, rehabilitation, or demolition of real property for a CDBG–DR funded project commencing more

than one year after the date of Tropical Storm Ida undertaken by the State, or its subrecipients, provided that the project was not planned, approved, or otherwise underway before the date of the disaster.

For purposes of this waiver, a CDBG–DR funded project shall be determined to have commenced on the earliest of: (1) the date of an approved Request for Release of Funds and certification; (2) the date of completion of the site-specific review when a program utilizes Tiering; or (3) the date of sign-off by the approving official when a project converts to exempt under 24 CFR 58.34(a)(12).

This waiver does not apply with respect to persons that meet the occupancy requirements to receive a replacement housing payment under the URA nor does it apply to persons displaced or relocated temporarily by other HUD-funded programs or projects. Such persons' eligibility for relocation assistance and payments under the URA is not impacted by this waiver.

III. Public Law 115–123 Waivers and Alternative Requirements

Revision of Electrical Power System Consultation Requirements (Commonwealth of Puerto Rico and U.S. Virgin Islands Only)

The **Federal Register** notice published on June 22, 2021 (86 FR 32681) (the ''June 2021 Notice'') established the requirements for the nearly $28 billion in CDBG–DR funds approved February 9, 2018 by the Further Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2018 (Pub. L. 115–123), including $2 billion for enhanced or improved electrical power systems in the Commonwealth of Puerto Rico (the Commonwealth) and the U.S. Virgin Islands (USVI) to address the impact of Hurricanes Irma and Maria on each grantee's electrical power system.

Because of the unique purpose of this $2 billion allocation of CDBG–DR funds, in recognition of the many Federal agencies that would be providing assistance to the Commonwealth and the USVI to enhance and improve each jurisdiction's electrical power system, and because of the historical and on-going fiscal and operational challenges of each of the public utilities that operate the Commonwealth and USVI systems, the June 2021 Noticeestablished a number of on-going coordination requirements unique to this allocation.

In February 2020, FEMA and the U.S. Department of Energy (DOE) established Energy Technical Coordination Teams (''TCT'') at each jurisdiction as a formal mechanism for coordination among the numerous local and Federal entities involved in electricity grid recovery to facilitate decision making and ensure the best use of expertise, solutions, and funds in the implementation of energy recovery activities. Section V.A.2.e. of the June 2021 Notice requires each grantee to consult at least quarterly with its respective TCT on one or more of the following areas: on the action plan required by the June 2021 Notice for the use of the CDBG–DR funds and any substantial amendments to that plan; the evaluation of the capacity of any public utility that will receive CDBG–DR funds to carry out improvements; the identification of opportunities to sequence and coordinate on permits and approvals necessary to carry out CDBG–DR funded electrical power system improvement activities, including environmental reviews; the technical evaluation of proposed electrical power system improvements; and implementation of applicable electrical power system industry standards and the commercial availability of system components that the grantee proposed to fund.

To ensure the coordination of electrical power system improvements that may be funded from each grantee's other allocations of CDBG–DR and CDBG mitigation (CDBG–MIT) funds provided in response to Hurricanes Irma and Maria, the June 2021 Notice also prohibits the use of other CDBG–DR and CDBG–MIT funds for electrical power system improvements until HUD consults and coordinates with its Federal members through the TCTs. The June 2021 Notice also provides that HUD shall determine when the required consultations previously noted shall be deemed complete.

Since the publication of the June 2021 Notice, each grantee has proactively engaged with its respective TCT on a wide range of issues associated with its planned and on-going electrical power system improvements. In January 2022, HUD, FEMA, and DOE also executed a memorandum of understanding establishing a framework outside of the TCT for coordination and providing technical assistance to the Commonwealth. Additionally, following Hurricane Fiona, the Administration announced the formation of a Puerto Rico Grid Recovery and Modernization Team, to be led by DOE, to coordinate Federal grid recovery and modernization efforts.

In recognition of these developments and the critical importance of accelerating electrical power system improvements following the devastating impact of Hurricane Fiona in September 2022, HUD finds good cause to waive and revise the consultation requirements of its June 2021 Notice as follows:

Upon approval by HUD of an action plan providing for the use of a grantee's total allocation of funds for electrical power system improvements as provided by the June 2021 Notice:

(1) Paragraph V.A.2.e of the June 2021 Notice, and as referenced elsewhere in the June 2021 Notice, with respect to TCT consultation shall no longer apply; provided that, at the request of HUD, each grantee shall engage with its TCT to provide updates on its implementation of CDBG–DR, CDBG–MIT, and other Federal funding for electrical power system improvements until grant closeout; and

(2) The consultation requirements at paragraph V.B.4 of the June 2021 Notice that prohibits grantees from using other CDBG–DR and CDBG–MIT funds provided in response to Hurricanes Irma and Maria for activities to enhance or improve electrical power systems until HUD consults and coordinates with its Federal members through the TCT shall no longer apply.

HUD will continue to engage its Federal partners directly in providing ongoing technical assistance to each grantee and in monitoring each grantee's use of all CDBG–DR and CDBG–MIT funds used for electrical power system improvements. HUD will also continue to engage its Federal partners through the TCTs, the Recovery Support Function Leadership Group (RSFLG) energy subgroup, and other forums.

IV. Public Law 116–20 Waivers and Alternative Requirements

Waiver and Alternative Requirement for 70 Percent Overall Low- and Moderate-Income Benefit Requirement (State of California Only)

The **Federal Register** notice published on January 27, 2020 (85 FR 4681) (''January 2020 Notice'') included an allocation of $38,057,527 appropriated under the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Pub. L. 116–20) to the State of California for recovery from 2017 wildfires and 2017–2018 wildfires, flooding, mudflows, and debris flows. These funds have been provided to meet the unmet infrastructure recovery needs in the HUD-defined MID areas. Prior to this award, HUD also allocated $124,155,000 under Public Law 115–123 to the State for recovery from the same disasters in the **Federal Register** notice published on August 14, 2018 (83 FR 40314).

The overall benefit requirement established by the HCDA requires that 70 percent of the aggregate of a grantee's

CDBG–DR fund expenditures shall be used to support activities benefiting LMI persons. Under certain circumstances, it can be difficult for grantees working in disaster recovery to meet this overall benefit test because the MID areas resulting from a disaster may not be low- and moderate-income areas, and this requirement can therefore (in some exceptional cases) limit a grantee's ability to assist those affected by the disaster. The January 2020 Notice maintained the 70 percent overall benefit requirement for all CDBG–DR grantees receiving funds under Public Law 116–20 and the notice imposed the requirements of the February 9, 2018 notice (83 FR 5844) (''February 2018 Notice''), which provides grantees with the option of submitting a request to HUD for a lower overall benefit requirement. Specifically, the February 2018 Notice allows a grantee to request to further reduce its overall benefit requirement if it submitted a justification that, at a minimum: (a) identifies the planned activities that meet the needs of its low- and moderate-income population; (b) describes proposed activity(ies) and/or program(s) that will be affected by the alternative requirement, including their proposed location(s) and role(s) in the grantee's long-term disaster recovery plan; (c) describes how the activities/programs identified in (b) prevent the grantee from meeting the 70 percent requirement; and (d) demonstrates that low- and moderate-income persons' disaster-related needs have been sufficiently met and that the needs of non-LMI persons or areas are disproportionately greater, and that the jurisdiction lacks other resources to serve them.

The State submitted a request to establish a lower overall benefit requirement based on the above criteria. In its request, the State contends that its two established programs: Owner-Occupied Rehabilitation and Reconstruction Program (OOR) and Multifamily Housing Program funded under Public Law 115–123 will meet the unmet needs of its LMI populations. Specifically, in its OOR program, the State has prioritized the needs of LMI persons and estimates that the program will expend at least 90 percent of funds for the benefit of LMI households. The Multifamily Housing Program is limited to projects that meet the LMI National Objective criteria, and the State estimates the program will expend 100 percent of funds for the benefit of LMI households. Based on these estimates, the total projected LMI benefit percentage for the State's allocation under Public Law 115–123 will be 96 percent, which demonstrates the State's commitment to meeting the needs of its LMI populations. While the Department evaluates overall benefit for each grant separately, the allocations from Public Laws 115–123 and 116–20 support recovery from the same disasters in the same MID areas, and the total projected LMI benefit percentage when combining the allocations would be 82 percent.

The State's allocation under Public Law 116–20 was limited to allow the State to only address its unmet infrastructure recovery needs. For this allocation, the State expanded its original Infrastructure Program proposed in its initial action plan to include standalone infrastructure projects and FEMA Hazard Mitigation Grant Program Non-Federal match activities in addition to FEMA Public Assistance non-federal match projects.

When considering its unmet infrastructure needs, the State indicated in its request that the total LMI percentage of the population in the HUD-identified MID areas is 42 percent, and the City of Clearlake is the only jurisdiction that is a MID area and would also qualify as an eligible LMI area. To address the needs of LMI households throughout the MID areas, the State prioritized infrastructure projects in MID areas that would benefit LMI areas through its Notice of Intent (NOI) process where eligible applicants submitted proposed infrastructure projects to meet the unmet infrastructure need in their community. The State also conducted extensive outreach to potential applicants by hosting multiple webinars and holding office hours for months during and after the NOI process. Despite these efforts, the State's CDBG–DR funded infrastructure program only received nine project applications from four eligible applicants: City of Clearlake, City of Santa Rosa, Santa Barbara County, and Sonoma County. Of the nine applications, three projects qualify for the LMI national objective, and all LMI projects will derive from a single eligible applicant, the City of Clearlake, leading to the allocation's total projected LMI benefit percentage being 38 percent.

To enable the State to undertake the activities it has determined to be the most critical for its recovery and LMI households in the MID areas, HUD is granting a waiver and alternative requirement to reduce the overall benefit requirement from 70 percent to not less than 38 percent of the State's total allocation of CDBG–DR funds for its unmet infrastructure recovery needs. This is a limited waiver modifying sections 101(c) and 104(b)(3)(A) of the HCDA and 24 CFR 570.200(a)(3) only to the extent necessary to reduce the LMI overall benefit requirement that the State must meet when carrying out activities identified in its approved action plan from 70 percent to not less than 38 percent of the grantee's allocation of CDBG–DR funds under Public Law 116–20 for its unmet infrastructure recovery needs. Based on the analysis submitted by the State, the Secretary finds good cause for this waiver and alternative requirement due to the circumstances outlined in the State's request. In particular, HUD notes that the State had demonstrated that it has sufficiently addressed LMI unmet recovery needs through both its CDBG–DR allocations awarded under Public Laws 115–123 and 116–20, conducted significant amounts of public outreach when determining LMI unmet infrastructure needs, and prioritized and selected infrastructure projects serving LMI areas, even though the LMI percentage of the MID areas was only 42 percent.

V. Finding of No Significant Impact

A Finding of No Significant Impact (FONSI) with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The FONSI is available online on HUD's CDBG–DR website at *https://www.hud.gov/program_offices/comm_planning/cdbg-dr* and for public inspection between 8 a.m. and 5 p.m. weekdays in the Regulations Division, Office of General Counsel, Department of Housing and Urban Development, 451 7th Street SW, Room 10276, Washington, DC 20410–0500. Due to security measures at the HUD Headquarters building, an advance appointment to review the docket file must be scheduled by calling the Regulations Division at 202–708–3055 (this is not a toll-free number). HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech or communication disabilities. To learn more about how to make an accessible telephone call, please visit *https://www.fcc.gov/consumers/guides/telecommunications-relay-service-trs.*

Adrianne Todman,

Deputy Secretary.

[FR Doc. 2024–01116 Filed 1–19–24; 8:45 am]

BILLING CODE 4210–67–P

DISASTER RELIEF APPROPRIATIONS

Public Law 113–2
113th Congress

An Act

Jan. 29, 2013
[H.R. 152]

Making supplemental appropriations for the fiscal year ending September 30, 2013, to improve and streamline disaster assistance for Hurricane Sandy, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2013, and for other purposes, namely:

Disaster Relief Appropriations Act, 2013.

DIVISION A—DISASTER RELIEF APPROPRIATIONS ACT, 2013

TITLE I

DEPARTMENT OF AGRICULTURE

DOMESTIC FOOD PROGRAMS

FOOD AND NUTRITION SERVICE

COMMODITY ASSISTANCE PROGRAM

For an additional amount for "Commodity Assistance Program" for the emergency food assistance program as authorized by section 27(a) of the Food and Nutrition Act of 2008 (7 U.S.C. 2036(a)) and section 204(a)(1) of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7508(a)(1)), $6,000,000: *Provided*, That notwithstanding any other provisions of the Emergency Food Assistance Act of 1983, the Secretary of Agriculture may allocate additional foods and funds for administrative expenses from resources specifically appropriated, transferred, or reprogrammed to restore to States resources used to assist families and individuals displaced by Hurricane Sandy among the States without regard to sections 204 and 214 of such Act (7 U.S.C. 7508, 7515): *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE II

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

INVESTIGATIONS

For an additional amount for "Investigations" for necessary expenses related to the consequences of Hurricane Sandy, $20,000,000, to remain available until expended to conduct studies of flood and storm damage reduction related to natural disasters: *Provided,* That using $19,500,000 of the funds provided herein, the Secretary of the Army shall conduct, at full Federal expense, a comprehensive study to address the flood risks of vulnerable coastal populations in areas impacted by Hurricane Sandy within the boundaries of the North Atlantic Division of the United States Army Corps of Engineers: *Provided further,* That an interim report with an assessment of authorized Corps projects for reducing flooding and storm risks in the affected area that have been constructed or are under construction, including construction cost estimates, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate not later than March 1, 2013: *Provided further,* That an interim report identifying any previously authorized but unconstructed Corps project and any project under study by the Corps for reducing flooding and storm damage risks in the affected area, including updated construction cost estimates, that are, or would be, consistent with the comprehensive study shall be submitted to the appropriate congressional committees not later than May 1, 2013: *Provided further,* That a final report shall be submitted to the appropriate congressional committees not later than 24 months after the date of enactment of this division: *Provided further,* That as a part of the study, the Secretary shall identify those activities that warrant additional analysis by the Corps, as well as institutional and other barriers to providing protection to the affected coastal areas: *Provided further,* That the Secretary shall conduct the study in coordination with other Federal agencies, and State, local, and Tribal officials to ensure consistency with other plans to be developed, as appropriate: *Provided further,* That using $500,000 of the funds provided herein, the Secretary shall conduct, at full Federal expense, an evaluation of the performance of existing projects constructed by the Corps and damaged as a consequence of Hurricane Sandy for the purposes of determining their effectiveness and making recommendations for improvements to such projects: *Provided further,* That the amounts in this paragraph are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after the date of enactment of this division.

Study.

Reports.
Assessment.
Cost estimates.
Deadline.

Reports.
Deadline.

Reports.
Deadline.

Evaluation.
Recommendations.

Deadlines.
Reports.

CONSTRUCTION

For an additional amount for "Construction" for necessary expenses related to the consequences of Hurricane Sandy, $9,000,000, to remain available until expended for repairs to projects that were under construction and damaged as a consequence of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines.
Reports.

OPERATION AND MAINTENANCE

For an additional amount for "Operation and Maintenance" for necessary expenses related to the consequences of Hurricane Sandy, $742,000,000, to remain available until expended to dredge Federal navigation channels, and repair damage to Corps projects: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines.
Reports.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies" for necessary expenses related to the consequences of Hurricane Sandy, $582,000,000, to remain available until expended to support emergency operations, repairs, and other activities, as authorized by law: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines.
Reports.

TITLE III

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $10,000,000 for grants to or cooperative agreements with organizations to provide technical assistance related to disaster recovery, response, and long term resiliency to small businesses that are

recovering from Hurricane Sandy: *Provided,* That the Small Business Administration shall expedite the delivery of assistance in disaster-affected areas: *Provided further,* That the Administrator of the Small Business Administration may waive the matching requirements under section 21(a)(4)(A) and 29(c) of the Small Business Act for any grant made using funds made available under this heading: *Provided further,* That no later than 30 days after the date of enactment of this division, or no less than 7 days prior to obligation of funds, whichever occurs earlier, the Administrator of the Small Business Administration shall submit to the Committees on Appropriations of the House of Representatives and the Senate a detailed expenditure plan for funds provided under this heading: *Provided further,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Waiver authority. Grants.

Deadlines. Expenditure plan.

OFFICE OF INSPECTOR GENERAL

For an additional amount for "Office of Inspector General" for necessary expenses related to the consequences of Hurricane Sandy, $1,000,000, to remain available until September 30, 2014: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Disaster Loans Program Account" for the cost of direct loans authorized by section 7(b) of the Small Business Act, for necessary expenses related to the consequences of Hurricane Sandy, $100,000,000, to remain available until expended: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That in addition, for direct administrative expenses of loan making and servicing to carry out the direct loan program authorized by section 7(b) of the Small Business Act in response to Hurricane Sandy, an additional $50,000,000, to remain available until expended, which may be transferred to and merged with the appropriations for Salaries and Expenses: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE IV

DEPARTMENT OF HOMELAND SECURITY

COAST GUARD

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Acquisition, Construction, and Improvements" for necessary expenses related to the consequences of Hurricane Sandy, $143,899,000, to remain available until September 30, 2014: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That notwithstanding the transfer limitation contained in section 503 of division D of Public Law 112–74, such funding may be transferred to other Coast Guard appropriations after notification as required in accordance with such section: *Provided further*, That a description of all facilities and property to be reconstructed and restored, with associated costs and time lines, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate no later than 90 days after the date of enactment of this division.

Submission.
Deadline.

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Disaster Relief Fund" for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $5,379,000,000, to remain available until expended, of which $3,000,000 shall be transferred to the Department of Homeland Security Office of Inspector General for audits and investigations related to disasters: *Provided*, That such amount is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Administrator of the Federal Emergency Management Agency shall publish on the Agency's website not later than 24 hours after an award of a public assistance grant under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) that is in excess of $1,000,000, the specifics of each such grant award: *Provided further*, That for any mission assignment or mission assignment task order to another Federal department or agency regarding a major disaster, not later than 24 hours after the issuance of a mission assignment or task order in excess of $1,000,000, the Administrator shall publish on the Agency's website the following: the name of the impacted State and the disaster declaration for such State, the assigned agency, the assistance requested, a description of the disaster, the total cost estimate, and the amount obligated: *Provided further*, That not later than 10 days after the last day of each month until the mission assignment or task order

Web posting.
Deadline.

Deadline.
Web posting.

Deadline.

is completed and closed out, the Administrator shall update any changes to the total cost estimate and the amount obligated: *Provided further*, That for a disaster declaration related to Hurricane Sandy, the Administrator shall submit to the Committees on Appropriations of the House of Representatives and the Senate, not later than 5 days after the first day of each month beginning after the date of enactment of this division, and shall publish on the Agency's website not later than 10 days after the first day of each such month, an estimate or actual amount, if available, for the current fiscal year of the cost of the following categories of spending: public assistance, individual assistance, operations, mitigation, administrative, and any other relevant category (including emergency measures and disaster resources): *Provided further*, That not later than 10 days after the first day of each month beginning after the date of enactment of this division, the Administrator shall publish on the Agency's website the report (referred to as the Disaster Relief Monthly Report) as required by Public Law 112–74.

Deadlines.
Effective date.
Web posting.
Cost estimate.

Deadline.
Effective date.
Web posting.
Reports.

SCIENCE AND TECHNOLOGY

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

For an additional amount for "Research, Development, Acquisition, and Operations", for necessary expenses related to the consequences of Hurricane Sandy, $585,000, to remain available until September 30, 2013: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DOMESTIC NUCLEAR DETECTION OFFICE

SYSTEMS ACQUISITION

For an additional amount for "Systems Acquisition", for necessary expenses related to the consequences of Hurricane Sandy, $3,869,000, to remain available until September 30, 2014: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

GENERAL PROVISION—THIS TITLE

SEC. 401. Funds made available by Public Law 109–88 for carrying out activities authorized under section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184) may be used until expended to provide assistance under section 417 of that Act to local governments in areas eligible to receive such assistance pursuant to a major disaster declaration by the President for Hurricane Sandy.

TITLE V

DEPARTMENT OF THE INTERIOR

FISH AND WILDLIFE SERVICE

CONSTRUCTION

For an additional amount for "Construction" for necessary expenses related to the consequences of Hurricane Sandy, $49,875,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

NATIONAL PARK SERVICE

CONSTRUCTION

For an additional amount for "Construction" for necessary expenses related to the consequences of Hurricane Sandy, $234,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

BUREAU OF SAFETY AND ENVIRONMENTAL ENFORCEMENT

OIL SPILL RESEARCH

For an additional amount for "Oil Spill Research" for necessary expenses related to the consequences of Hurricane Sandy, $3,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE VI

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Public Health and Social Services Emergency Fund" for disaster response and recovery, and other expenses directly related to Hurricane Sandy, including making payments under the Head Start Act and additional payments for distribution as provided for under the "Social Services Block Grant Program", $100,000,000, to remain available until September 30, 2014: *Provided,* That not less than $25,000,000 shall be transferred to "Children and Families Services Programs" for the Head Start program for the purposes provided herein: *Provided further,* That not less than $25,000,000 shall be transferred to "Social Services Block Grant" for the purposes provided herein: *Provided further,*

That not less than $2,000,000 shall be transferred to the Department of Health and Human Services ("HHS") "Office of Inspector General" to perform oversight, accountability, and evaluation of programs, projects, or activities supported with the funds provided for the purposes provided herein: *Provided further,* That notwithstanding any other provision of law, the distribution of any amount shall be limited to the States of New York and New Jersey, except that funds provided to "Substance Abuse and Mental Health Services Administration" may be distributed to other States, but only if such funds are for grants, contracts, and cooperative agreements for behavioral health treatment, crisis counseling, and other related helplines, and for other similar programs to provide support to dislocated residents of New York and New Jersey: *Provided further,* That none of the funds appropriated in this paragraph shall be included in the calculation of the "base grant" in subsequent fiscal years, as such term is defined in sections 640(a)(7)(A), 641A(h)(1)(B), or 644(d)(3) of the Head Start Act: *Provided further,* That funds appropriated in this paragraph are not subject to the allocation requirements of section 640(a) of the Head Start Act: *Provided further,* That funds appropriated in this paragraph are in addition to the entitlement grants authorized by section 2002(a)(1) of the Social Security Act and shall not be available for such entitlement grants: *Provided further,* That funds appropriated in this paragraph may be transferred by the Secretary of HHS ("Secretary") to accounts within HHS, and shall be available only for the purposes provided in this paragraph: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority available in this or any other Act for fiscal year 2013: *Provided further,* That 15 days prior to the transfer of funds appropriated in this paragraph, the Secretary shall notify the Committees on Appropriations of the House of Representatives and the Senate of any such transfer and the planned uses of the funds: *Provided further,* That obligations incurred for the purposes provided herein prior to the date of enactment of this division may be charged to funds appropriated by this paragraph: *Provided further,* That funds appropriated in this paragraph and transferred to the National Institutes of Health for the purpose of supporting the repair or rebuilding of non-Federal biomedical or behavioral research facilities damaged as a result of Hurricane Sandy shall be used to award grants or contracts for such purpose under section 404I of the Public Health Service Act: *Provided further,* That section 481A(c)(2) of such Act does not apply to the use of funds described in the preceding proviso: *Provided further,* That funds appropriated in this paragraph shall not be available for costs that are reimbursed by the Federal Emergency Management Agency, under a contract for insurance, or by self-insurance: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

New York.
New Jersey.

Time period.
Notification.

Grants.
Contracts.

RELATED AGENCIES

SOCIAL SECURITY ADMINISTRATION

LIMITATION ON ADMINISTRATIVE EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Limitation on Administrative Expenses", $2,000,000, for expenses directly related to Hurricane Sandy, which shall be derived from the unobligated balances that remain available under such heading for the Social Security Administration for information technology and telecommunications hardware and software infrastructure: *Provided,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

TITLE VII

DEPARTMENT OF DEFENSE

MILITARY CONSTRUCTION

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For an additional amount for "Military Construction, Army National Guard" for necessary expenses related to the consequences of Hurricane Sandy, $24,235,000, to remain available until September 30, 2017: *Provided*, That none of the funds made available to the Army National Guard for recovery efforts related to Hurricane Sandy in this division shall be available for obligation until the Committees on Appropriations of the House of Representatives and the Senate receive form 1391 for each specific request: *Provided further*, That notwithstanding any other provision of law, such funds may be obligated to carry out military construction projects not otherwise authorized by law: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Obligation availability.

DEPARTMENT OF VETERANS AFFAIRS

VETERANS HEALTH ADMINISTRATION

MEDICAL SERVICES

For an additional amount for "Medical Services" for necessary expenses related to the consequences of Hurricane Sandy, $21,000,000, to remain available until September 30, 2014: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

MEDICAL FACILITIES

For an additional amount for "Medical Facilities" for necessary expenses related to the consequences of Hurricane Sandy,

$6,000,000, to remain available until September 30, 2014: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

NATIONAL CEMETERY ADMINISTRATION

For an additional amount for "National Cemetery Administration" for necessary expenses related to the consequences of Hurricane Sandy, $1,100,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DEPARTMENTAL ADMINISTRATION

INFORMATION TECHNOLOGY SYSTEMS

For an additional amount for "Information Technology Systems" for necessary expenses related to the consequences of Hurricane Sandy, $531,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

CONSTRUCTION, MAJOR PROJECTS

For an additional amount for "Construction, Major Projects", $207,000,000, to remain available until September 30, 2017, for renovations and repairs as a consequence of damage caused by Hurricane Sandy: *Provided*, That none of these funds shall be available for obligation until the Secretary of Veterans Affairs submits to the Committees on Appropriations of the House of Representatives and the Senate a detailed expenditure plan for funds provided under this heading: *Provided further*, That notwithstanding any other provision of law, such funds may be obligated and expended to carry out planning and design and major medical facility construction not otherwise authorized by law: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Obligation availability. Expenditure plan.

TITLE VIII

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For an additional amount for "Facilities and Equipment", $14,600,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section

251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL RAILROAD ADMINISTRATION

OPERATING SUBSIDY GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Operating Subsidy Grants to the National Railroad Passenger Corporation" for the Secretary of Transportation to make grants to the National Railroad Passenger Corporation for necessary expenses related to the consequences of Hurricane Sandy, $32,000,000, to remain available until expended: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL TRANSIT ADMINISTRATION

PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the "Public Transportation Emergency Relief Program" as authorized under section 5324 of title 49, United States Code, $5,400,000,000, to remain available until expended, for transit systems affected by Hurricane Sandy: *Provided*, That not more than $2,000,000,000 shall be made available not later than 60 days after the date of enactment of this division: *Provided further,* That the remainder of the funds shall be made available only after the Federal Transit Administration and the Federal Emergency Management Agency sign the memorandum of agreement required by section 20017(b) of the Moving Ahead for Progress in the 21st Century Act (Public Law 112–141) and the Federal Transit Administration publishes interim regulations for the Public Transportation Emergency Relief Program: *Provided further,* That not more than three-quarters of 1 percent of the funds for public transportation emergency relief shall be available for administrative expenses and ongoing program management oversight as authorized under 49 U.S.C. 5334 and 5338(i)(2) and shall be in addition to any other appropriations for such purpose: *Provided further,* That of the funds made available under this heading, $3,000,000 shall be transferred to the Office of Inspector General to support the oversight of activities under this heading: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Deadline.

Memorandum. Publication. Regulations.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Community Development Fund", $3,850,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): *Provided*, That funds shall be allocated directly to States and units of general local government at the discretion of the Secretary of Housing and Urban Development: *Provided further,* That within 60 days after the enactment of this division, the Secretary shall allocate to grantees all funds provided under this heading based on the best available data: *Provided further,* That as a condition of eligibility for receipt of such funds, a grantee shall submit a plan to the Secretary detailing the proposed use of all funds, including criteria for eligibility and how the use of such funds will address long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas: *Provided further,* That the Secretary shall, by notice issued within 45 days of enactment of this division, specify criteria for approval of plans, and, if the Secretary determines that a plan does not meet such criteria, the Secretary shall disapprove the plan: *Provided further,* That as a condition of making any grant, the Secretary shall certify in advance that such grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds: *Provided further,* That funds provided under this heading may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further,* That funds allocated under this heading shall not be considered relevant to the non-disaster formula allocations made pursuant to section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306): *Provided further*, That a grantee may use up to 5 percent of its overall allocation for administrative costs: *Provided further,* That a grantee shall administer grant funds provided under this heading in accordance with all applicable laws and regulations and may not delegate, by contract or otherwise, the responsibility for administering such grant funds: *Provided further,* That the Secretary shall provide grantees with technical assistance on contracting and procurement processes and shall require grantees, in contracting or procuring these funds, to incorporate performance

Deadline.
Grants.
Plans.
Criteria.
Notice.
Deadline.
Criteria.
Plans.
Determination.
Grants.
Certification.
Contracts.

Public information. Web posting. Grants. Contracts. Waiver authority. Determination.

requirements and penalties into any such contracts or agreements: *Provided further,* That the Secretary shall require grantees to maintain on a public website information accounting for how all grant funds are used, including details of all contracts and ongoing procurement processes: *Provided further,* That, in administering the funds under this heading, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use of these funds by a grantee (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) upon a request by a grantee explaining why such waiver is required to facilitate the use of such funds and pursuant to a determination by the Secretary that good cause exists for the waiver or alternative requirement and that such action is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) or this heading: *Provided further,* That, notwithstanding the preceding proviso, recipients of funds provided under this heading that use such funds to supplement Federal assistance provided under section 402, 403, 404, 406, 407, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval or permit under section 104(g)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(g)(1)): *Provided further,* That, notwithstanding section 104(g)(2) of such Act (42 U.S.C. 5304(g)(2)), the Secretary may, upon receipt of a request for release of funds and certification, immediately approve the release of funds for an activity or project assisted under this heading if the recipient has adopted an environmental review, approval or permit under the preceding proviso or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): *Provided further,* That a waiver granted by the Secretary may not reduce the percentage of funds that must be used for activities that benefit persons of low and moderate income to less than 50 percent, unless the Secretary specifically finds that there is compelling need to further reduce the percentage requirement: *Provided further,* That the Secretary shall publish in the Federal Register any waiver or alternative requirement made by the Secretary with respect to any statute or regulation no later than 5 days before the effective date of such waiver or alternative requirement: *Provided further,* That, of the funds made available under this heading, up to $4,000,000 may be transferred to Program Office Salaries and Expenses, Community Planning and Development for necessary costs, including information technology costs, of administering and overseeing funds made available under this heading: *Provided further,* That, of the funds made available under this heading, $4,000,000 shall be transferred to Office of the Inspector General for necessary costs of overseeing and auditing funds made available under this heading: *Provided further,* That funds provided under this heading are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Federal Register, publication. Waiver. Requirement. Deadline.

ADMINISTRATIVE PROVISION—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 801. For fiscal year 2013, upon request by a public housing agency and supported by documentation as required by the Secretary of Housing and Urban Development that demonstrates that the need for the adjustment is due to the disaster, the Secretary may make temporary adjustments to the Section 8 housing choice voucher annual renewal funding allocations and administrative fee eligibility determinations for public housing agencies in an area for which the President declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.), to avoid significant adverse funding impacts that would otherwise result from the disaster.

TITLE IX

GENERAL PROVISIONS—THIS DIVISION

SEC. 901. Each amount appropriated or made available in this division is in addition to amounts otherwise appropriated for the fiscal year involved.

SEC. 902. Each amount designated in this division by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be available only if the President subsequently so designates all such amounts and transmits such designations to the Congress. President. Designations.

SEC. 903. No part of any appropriation contained in this division shall remain available for obligation beyond the current fiscal year unless expressly so provided herein. Obligation availability.

SEC. 904. (a)(1) Not later than March 31, 2013, in accordance with criteria to be established by the Director of the Office of Management and Budget (referred to in this section as "OMB"), each Federal agency shall submit to OMB, the Government Accountability Office, the respective Inspector General of each agency, and the Committees on Appropriations of the House of Representatives and the Senate internal control plans for funds provided by this division. Deadlines. Criteria. Plans.

(2) Not later than June 30, 2013, the Government Accountability Office shall review for the Committees on Appropriations of the House of Representatives and the Senate the design of the internal control plans required by paragraph (1). Review.

(b) All programs and activities receiving funds under this division shall be deemed to be "susceptible to significant improper payments" for purposes of the Improper Payments Information Act of 2002 (31 U.S.C. 3321 note), notwithstanding section 2(a) of such Act.

(c) Funds for grants provided by this division shall be expended by the grantees within the 24-month period following the agency's obligation of funds for the grant, unless, in accordance with guidance to be issued by the Director of OMB, the Director waives this requirement for a particular grant program and submits a written justification for such waiver to the Committees on Appropriations of the House of Representatives and the Senate. In the case of such grants, the agency shall include a term in the grant that requires the grantee to return to the agency any funds not expended within the 24-month period. Grants. Time period. Guidance. Waiver authority. Submission.

Time period.

(d) Through September 30, 2015, the Recovery Accountability and Transparency Board shall develop and use information technology resources and oversight mechanisms to detect and remediate waste, fraud, and abuse in the obligation and expenditure of funds appropriated in this or any other Act for any fiscal year of such period for purposes related to the impact of Hurricane Sandy: *Provided*, That the Board shall coordinate its oversight efforts with the Director of OMB, the head of each Federal agency receiving appropriations related to the impact of Hurricane Sandy, and the respective Inspector General of each such agency: *Provided further*, That the Board shall submit quarterly reports to the Committees on Appropriations of the House of Representatives and the Senate on its activities related to funds appropriated for the impact of Hurricane Sandy.

Deadline.
Reports.

TITLE X

ADDITIONAL DISASTER ASSISTANCE

CHAPTER 1

DEPARTMENT OF AGRICULTURE

OFFICE OF THE SECRETARY

EMERGENCY CONSERVATION ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount, to remain available until expended, for the Emergency Conservation Program under title IV of the Agriculture Credit Act of 1978 (16 U.S.C. 2201 et seq.) for necessary expenses related to the consequences of Hurricane Sandy and resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $218,000,000, of which $15,000,000 shall be available for payments under sections 401 and 402 of the Agriculture Credit Act of 1978 (16 U.S.C. 2201, 2202), $180,000,000 shall be available for activities under section 403 of such Act (Emergency Watershed Protection Program; 16 U.S.C. 2203), and $23,000,000 shall be available for activities under section 407 of such Act (Emergency Forest Restoration Program; 16 U.S.C. 2206): *Provided*, That the Secretary of Agriculture shall transfer these funds to the Farm Service Agency and the Natural Resources Conservation Service: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

GENERAL PROVISION—THIS CHAPTER

SEC. 1011. The Office of Inspector General of the Department of Agriculture shall use unobligated disaster assistance oversight funds provided to such office in division B of Public Law 110–329 (122 Stat. 3585) for continued oversight of Department of Agriculture disaster- and emergency-related activities.

CHAPTER 2

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

For an additional amount for "Operations, Research, and Facilities", $290,000,000 (reduced by $150,000,000) to remain available until September 30, 2014, as follows:

(1) $50,000,000 for mapping, charting, geodesy services and marine debris surveys for coastal States impacted by Hurricane Sandy;

(2) $7,000,000 to repair and replace ocean observing and coastal monitoring assets damaged by Hurricane Sandy;

(3) $3,000,000 to provide technical assistance to support State assessments of coastal impacts of Hurricane Sandy;

(4) $25,000,000 to improve weather forecasting and hurricane intensity forecasting capabilities, to include data assimilation from ocean observing platforms and satellites;

(5) $50,000,000 for laboratories and cooperative institutes research activities associated with sustained observations weather research programs, and ocean and coastal research; and

(6) $5,000,000 for necessary expenses related to fishery disasters during calendar year 2012 that were declared by the Secretary of Commerce as a direct result of impacts from Hurricane Sandy:

Provided, That the National Oceanic and Atmospheric Administration shall submit a spending plan to the Committees on Appropriations of the House of Representatives and the Senate within 45 days after the date of enactment of this division: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Spending plan. Deadline.

PROCUREMENT, ACQUISITION AND CONSTRUCTION

For an additional amount for "Procurement, Acquisition and Construction", $186,000,000, to remain available until September 30, 2015, as follows:

(1) $9,000,000 to repair National Oceanic and Atmospheric Administration (NOAA) facilities damaged by Hurricane Sandy;

(2) $44,500,000 for repairs and upgrades to NOAA hurricane reconnaissance aircraft;

(3) $8,500,000 for improvements to weather forecasting equipment and supercomputer infrastructure;

(4) $13,000,000 to accelerate the National Weather Service ground readiness project; and

(5) $111,000,000 for a weather satellite data mitigation gap reserve fund:

Provided, That NOAA shall submit a spending plan to the Committees on Appropriations of the House of Representatives and the Senate within 45 days after the date of enactment of this division: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section

Spending plan. Deadline.

251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DEPARTMENT OF JUSTICE

FEDERAL BUREAU OF INVESTIGATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $10,020,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DRUG ENFORCEMENT ADMINISTRATION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $1,000,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

BUREAU OF ALCOHOL, TOBACCO, FIREARMS AND EXPLOSIVES

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $230,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL PRISON SYSTEM

BUILDINGS AND FACILITIES

For an additional amount for "Buildings and Facilities" for necessary expenses related to the consequences of Hurricane Sandy, $10,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SCIENCE

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

CONSTRUCTION AND ENVIRONMENTAL COMPLIANCE AND RESTORATION

For an additional amount for "Construction and Environmental Compliance and Restoration" for repair at National Aeronautics and Space Administration facilities damaged by Hurricane Sandy,

$15,000,000, to remain available until September 30, 2014: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

RELATED AGENCIES

LEGAL SERVICES CORPORATION

PAYMENT TO THE LEGAL SERVICES CORPORATION

For an additional amount for "Payment to the Legal Services Corporation" to carry out the purposes of the Legal Services Corporation Act by providing for necessary expenses related to the consequences of Hurricane Sandy, $1,000,000: *Provided*, That the amount made available under this heading shall be used only to provide the mobile resources, technology, and disaster coordinators necessary to provide storm-related services to the Legal Services Corporation client population and only in the areas significantly affected by Hurricane Sandy: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That none of the funds appropriated in this division to the Legal Services Corporation shall be expended for any purpose prohibited or limited by, or contrary to any of the provisions of, sections 501, 502, 503, 504, 505, and 506 of Public Law 105–119, and all funds appropriated in this division to the Legal Services Corporation shall be subject to the same terms and conditions set forth in such sections, except that all references in sections 502 and 503 to 1997 and 1998 shall be deemed to refer instead to 2012 and 2013, respectively, and except that sections 501 and 503 of Public Law 104–134 (referenced by Public Law 105–119) shall not apply to the amount made available under this heading: *Provided further*, That, for the purposes of this division, the Legal Services Corporation shall be considered an agency of the United States Government.

CHAPTER 3

DEPARTMENT OF DEFENSE

DEPARTMENT OF DEFENSE—MILITARY

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

For an additional amount for "Operation and Maintenance, Army", $5,370,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

OPERATION AND MAINTENANCE, NAVY

For an additional amount for "Operation and Maintenance, Navy", $40,015,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

OPERATION AND MAINTENANCE, AIR FORCE

For an additional amount for "Operation and Maintenance, Air Force", $8,500,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Army National Guard", $3,165,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For an additional amount for "Operation and Maintenance, Air National Guard", $5,775,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

PROCUREMENT

PROCUREMENT OF AMMUNITION, ARMY

For an additional amount for "Procurement of Ammunition, Army", $1,310,000, to remain available until September 30, 2015, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For an additional amount for "Defense Working Capital Funds", $24,200,000, to remain available until September 30, 2013, for necessary expenses related to the consequences of Hurricane Sandy:

Provided, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

CHAPTER 4

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

INVESTIGATIONS

For an additional amount for "Investigations" for necessary expenses related to the consequences of Hurricane Sandy, $50,000,000, to remain available until expended to expedite at full Federal expense studies of flood and storm damage reduction: *Provided,* That using $29,500,000 of the funds provided herein, the Secretary of the Army shall expedite and complete ongoing flood and storm damage reduction studies in areas that were impacted by Hurricane Sandy in the North Atlantic Division of the United States Army Corps of Engineers: *Provided further,* That using up to $20,000,000 of the funds provided herein, the Secretary shall conduct a comprehensive study to address the flood risks of vulnerable coastal populations in areas that were affected by Hurricane Sandy within the boundaries of the North Atlantic Division of the Corps: *Provided further,* That an interim report with an assessment of authorized Corps projects for reducing flooding and storm risks in the affected area that have been constructed or are under construction, including construction cost estimates, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate not later than March 1, 2013: *Provided further,* That an interim report identifying any previously authorized but unconstructed Corps project and any project under study by the Corps for reducing flooding and storm damage risks in the affected area, including updated construction cost estimates, that are, or would be, consistent with the comprehensive study shall be submitted to the appropriate congressional committees by May 1, 2013: *Provided further,* That a final report shall be submitted to the appropriate congressional committees within 24 months of the date of enactment of this division: *Provided further,* That as a part of the study, the Secretary shall identify those activities warranting additional analysis by the Corps, as well as institutional and other barriers to providing protection to the affected coastal areas: *Provided further,* That the Secretary shall conduct the study in coordination with other Federal agencies, and State, local and Tribal officials to ensure consistency with other plans to be developed, as appropriate: *Provided further,* That using $500,000 of the funds provided herein, the Secretary shall conduct an evaluation of the performance of existing projects constructed by the Corps and impacted by Hurricane Sandy for the purposes of determining their effectiveness and making recommendations for improvements thereto: *Provided further,* That as a part of the study, the Secretary shall identify institutional and other barriers to providing comprehensive protection to affected coastal areas and shall provide this report to the Committees on Appropriations of the House of Representatives and the Senate within 120 days of enactment of this division: *Provided further,*

Study.

Reports.
Assessment.
Cost estimate.
Deadline.

Reports.
Cost estimates.
Deadline.

Reports.
Deadline.

Evaluation.
Determination.
Recommendations.

Reports.
Deadline.

That the amounts in this paragraph are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines.
Reports.

CONSTRUCTION

For an additional amount for "Construction" for necessary expenses related to the consequences of Hurricane Sandy, $3,461,000,000, to remain available until expended to rehabilitate, repair and construct United States Army Corps of Engineers projects: *Provided,* That $2,902,000,000 of the funds provided under this heading shall be used to reduce future flood risk in ways that will support the long-term sustainability of the coastal ecosystem and communities and reduce the economic costs and risks associated with large-scale flood and storm events in areas along the Atlantic Coast within the boundaries of the North Atlantic Division of the Corps that were affected by Hurricane Sandy: *Provided further,* That $858,000,000 of such funds shall be made available not earlier than 14 days after the Secretary of the Army submits the report required under the heading "Investigations" to be submitted not later than March 1, 2013, and $2,044,000,000 shall be made available not earlier than 14 days after the Secretary submits the report required under the heading "Investigations" to be submitted not later than May 1, 2013: *Provided further,* That efforts using these funds shall incorporate current science and engineering standards in constructing previously authorized Corps projects designed to reduce flood and storm damage risks and modifying existing Corps projects that do not meet these standards, with such modifications as the Secretary determines are necessary to incorporate these standards or to meet the goal of providing sustainable reduction to flooding and storm damage risks: *Provided further,* That upon approval of the Committees on Appropriations of the House of Representatives and the Senate these funds may be used to construct any project under study by the Corps for reducing flooding and storm damage risks in areas along the Atlantic Coast within the North Atlantic Division of the Corps that were affected by Hurricane Sandy that the Secretary determines is technically feasible, economically justified, and environmentally acceptable: *Provided further,* That the completion of ongoing construction projects receiving funds provided by this division shall be at full Federal expense with respect to such funds: *Provided further,* That the non-Federal cash contribution for projects using these funds shall be financed in accordance with the provisions of section 103(k) of Public Law 99–662 over a period of 30 years from the date of completion of the project or separable element: *Provided further,* That for these projects, the provisions of section 902 of the Water Resources Development Act of 1986 shall not apply to these funds: *Provided further,* That up to $51,000,000 of the funds provided under this heading shall be used to expedite continuing authorities projects to reduce the risk of flooding along the coastal areas in States impacted by Hurricane

Time period.
Reports.
Deadlines.

Determination.

Time period.

Sandy within the boundaries of the North Atlantic Division of the Corps: *Provided further,* That $9,000,000 of the funds provided under this heading shall be used for repairs to projects that were under construction and damaged by the impacts of Hurricane Sandy: *Provided further,* That any projects using funds appropriated under this heading shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary requiring the non-Federal interests to pay 100 percent of the operation, maintenance, repair, replacement, and rehabilitation costs of the project and to hold and save the United States free from damages due to the construction or operation and maintenance of the project, except for damages due to the fault or negligence of the United States or its contractors: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall submit to the Committees on Appropriations of the House of Representatives and the Senate a monthly report detailing the allocation and obligation of these funds, beginning not later than 60 days after the date of the enactment of this division.

Contracts.

Deadlines.
Reports.

OPERATION AND MAINTENANCE

For an additional amount for "Operation and Maintenance" for necessary expenses related to the consequences of Hurricane Sandy, $821,000,000, to remain available until expended to dredge Federal navigation channels and repair damage to United States Army Corps of Engineers projects: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines.
Reports.

FLOOD CONTROL AND COASTAL EMERGENCIES

For an additional amount for "Flood Control and Coastal Emergencies" for necessary expenses related to the consequences of Hurricane Sandy, $1,008,000,000, to remain available until expended to prepare for flood, hurricane, and other natural disasters and support emergency operations, repairs and other activities as authorized by law: *Provided,* That $430,000,000 of the funds provided herein shall be made available not earlier than 14 days after the Secretary of the Army submits the report required under the heading "Investigations" to be submitted not later than March 1, 2013, and shall be utilized by the United States Army Corps of Engineers to restore projects impacted by Hurricane Sandy in the North Atlantic Division of the Corps to design profiles of the authorized projects: *Provided further,* That the provisions of section 902 of the Water Resources Development Act of 1986 shall not apply to funds provided under this heading: *Provided further,* That the amounts in this paragraph are designated by the Congress as being for an emergency requirement pursuant section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives

Time period.
Reports.
Deadlines.

Deadlines.
Reports.

and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

EXPENSES

For an additional amount for "Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $10,000,000, to remain available until expended to oversee emergency response and recovery activities: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further,* That the Assistant Secretary of the Army for Civil Works shall provide a monthly report to the Committees on Appropriations of the House of Representatives and the Senate detailing the allocation and obligation of these funds, beginning not later than 60 days after enactment of this division.

Deadlines. Reports.

GENERAL PROVISION—THIS CHAPTER

Applicability.

SEC. 1041. This chapter shall apply in place of title II of this division, and such title shall have no force or effect.

CHAPTER 5

GENERAL SERVICES ADMINISTRATION

REAL PROPERTY ACTIVITIES

FEDERAL BUILDINGS FUND

For an additional amount to be deposited in the "Federal Buildings Fund", $7,000,000, to remain available until September 30, 2015, for necessary expenses related to the consequences of Hurricane Sandy, for basic repair and alteration of buildings under the custody and control of the Administrator of General Services, and real property management and related activities not otherwise provided for: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

Applicability.

The provisions under this heading in title III of this division shall be applied by substituting "$20,000,000" for "$10,000,000".

OFFICE OF INSPECTOR GENERAL

For an additional amount for "Office of Inspector General", $5,000,000, to remain available until expended: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That this paragraph shall apply in place of the previous

Applicability.

provisions under this heading in title III of this division, and such previous provisions shall have no force or effect.

DISASTER LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Disaster Loans Program Account" for the cost of direct loans authorized by section 7(b) of the Small Business Act, $520,000,000, to remain available until expended: *Provided,* That such costs, including the cost of modifying such loans, shall be defined in section 502 of the Congressional Budget Act of 1974: *Provided further,* That in addition, for administrative expenses to carry out the direct loan program authorized by section 7(b) of the Small Business Act, an additional $260,000,000 to remain available until expended, of which $250,000,000 is for direct administrative expenses of loan making and servicing to carry out the direct loan program, which may be transferred to and merged with the appropriations for Salaries and Expenses, and of which $10,000,000 is for indirect administrative expenses for the direct loan program, which may to be transferred to and merged with appropriations for Salaries and Expenses: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That this paragraph shall apply in place of the previous provisions under this heading in title III of this division, and such previous provisions shall have no force or effect. Applicability.

CHAPTER 6

DEPARTMENT OF HOMELAND SECURITY

UNITED STATES CUSTOMS AND BORDER PROTECTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $1,667,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That a description of all property to be replaced, with associated costs, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate no later than 90 days after the date of enactment of this division. Submission. Deadline.

UNITED STATES IMMIGRATION AND CUSTOMS ENFORCEMENT

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $855,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That a description of all property Submission. Deadline.

to be replaced, with associated costs, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate no later than 90 days after the date of enactment of this division.

UNITED STATES SECRET SERVICE

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $300,000: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That a description of all property to be replaced, with associated costs, shall be submitted to the Committees on Appropriations of the House of Representatives and the Senate no later than 90 days after the date of enactment of this division.

Submission. Deadline.

COAST GUARD

ACQUISITION, CONSTRUCTION, AND IMPROVEMENTS

(INCLUDING TRANSFER OF FUNDS)

Applicability.

The provisions under this heading in title IV of this division shall be applied by substituting "$274,233,000" for "$143,899,000".

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF FUND

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for the "Disaster Relief Fund" in carrying out the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), $11,487,735,000, to remain available until expended: *Provided*, That of the total amount provided, $5,379,000,000 shall be for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided further*, That the amount in the preceding proviso is designated by the Congress as being for disaster relief pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That of the total amount provided, $6,108,735,000 is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985 which shall be for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided further*, That of the total amount provided, $3,000,000 shall be transferred to the Department of Homeland Security "Office of Inspector General" for audits and investigations related to disasters: *Provided further*, That the Administrator of the Federal Emergency Management Agency shall publish on the Agency's website not later than 24 hours after an award of a public assistance grant under section 406 of the Robert T. Stafford Disaster Relief and

Web posting. Deadline. Grants.

Emergency Assistance Act (42 U.S.C. 5172) the specifics of the grant award: *Provided further*, That for any mission assignment or mission assignment task order to another Federal department or agency regarding a major disaster, not later than 24 hours after the issuance of the mission assignment or task order, the Administrator shall publish on the Agency's website the following: the name of the impacted state and the disaster declaration for such State, the assigned agency, the assistance requested, a description of the disaster, the total cost estimate, and the amount obligated: *Provided further*, That not later than 10 days after the last day of each month until the mission assignment or task order is completed and closed out, the Administrator shall update any changes to the total cost estimate and the amount obligated: *Provided further*, That for a disaster declaration related to Hurricane Sandy, the Administrator shall submit to the Committees on Appropriations of the House of Representatives and the Senate, not later than 5 days after the first day of each month beginning after the date of enactment of this division, and shall publish on the Agency's website not later than 10 days after the first day of each such month, an estimate or actual amount, if available, for the current fiscal year of the cost of the following categories of spending: public assistance, individual assistance, operations, mitigation, administrative, and any other relevant category (including emergency measures and disaster resources): *Provided further*, That not later than 10 days after the first day of each month beginning after the date of enactment of this division, the Administrator shall publish on the Agency's website the report (referred to as the Disaster Relief Monthly Report) as required by Public Law 112–74: *Provided further*, That this paragraph shall apply in place of the previous provisions under this heading in title IV of this division, and such previous provisions shall have no force or effect.

Deadline.
Web posting.

Deadline.
Cost estimate.

Deadlines.
Effective date.
Web posting.
Cost estimate.

Deadline.
Effective date.
Web posting.
Reports.

Applicability.

DISASTER ASSISTANCE DIRECT LOAN PROGRAM ACCOUNT

For an additional amount for "Disaster Assistance Direct Loan Program Account" for the cost of direct loans, $300,000,000, to remain available until expended, as authorized by section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184), of which up to $4,000,000 is for administrative expenses to carry out the direct loan program: *Provided,* That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize gross obligations for the principal amount of direct loans not to exceed $400,000,000: *Provided further*, That these amounts are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SCIENCE AND TECHNOLOGY

RESEARCH, DEVELOPMENT, ACQUISITION, AND OPERATIONS

The provisions under this heading in title IV of this division shall be applied by substituting "$3,249,000" and "September 30, 2014" for "$585,000" and "September 30, 2013", respectively.

Applicability.

CHAPTER 7

DEPARTMENT OF THE INTERIOR

FISH AND WILDLIFE SERVICE

CONSTRUCTION

Applicability.

The provisions under this heading in title V of this division shall be applied by substituting "$78,000,000 (reduced by $9,800,000)" for "$49,875,000": *Provided*, That none of the funds made available under such heading in title V may be used to repair seawalls or buildings on islands in the Stewart B. McKinney National Wildlife Refuge.

NATIONAL PARK SERVICE

HISTORIC PRESERVATION FUND

For an additional amount for the "Historic Preservation Fund" for necessary expenses related to the consequences of Hurricane Sandy, $50,000,000, to remain available until September 30, 2015, including costs to States necessary to complete compliance activities required by section 106 of the National Historic Preservation Act and costs needed to administer the program: *Provided*, That grants shall only be available for areas that have received a major disaster declaration pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.): *Provided further*, That individual grants shall not be subject to a non-Federal matching requirement: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

CONSTRUCTION

Applicability.

The provisions under this heading in title V of this division shall be applied by substituting "$348,000,000" for "$234,000,000".

DEPARTMENTAL OPERATIONS

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Departmental Operations" and any Department of the Interior component bureau or office for necessary expenses related to the consequences of Hurricane Sandy, $360,000,000, to remain available until expended: *Provided*, That funds appropriated herein shall be used to restore and rebuild national parks, national wildlife refuges, and other Federal public assets; increase the resiliency and capacity of coastal habitat and infrastructure to withstand storms and reduce the amount of damage caused by such storms: *Provided further*, That the Secretary of the Interior may transfer these funds to any other account in the Department and may expend such funds by direct expenditure, grants, or cooperative agreements, including grants to or cooperative agreements with States, Tribes, and municipalities, to

carry out the purposes provided herein: *Provided further*, That the Secretary shall submit to the Committees on Appropriations of the House of Representatives and the Senate a detailed spending plan for the amounts provided herein within 60 days of enactment of this division: *Provided further*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Spending plan. Deadline.

ENVIRONMENTAL PROTECTION AGENCY

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For an additional amount for "Environmental Programs and Management" for necessary expenses related to the consequences of Hurricane Sandy, $725,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

HAZARDOUS SUBSTANCE SUPERFUND

For an additional amount for "Hazardous Substance Superfund" for necessary expenses related to the consequences of Hurricane Sandy, $2,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

LEAKING UNDERGROUND STORAGE TANK FUND

For an additional amount for "Leaking Underground Storage Tank Fund" for necessary expenses related to the consequences of Hurricane Sandy, $5,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

STATE AND TRIBAL ASSISTANCE GRANTS

For an additional amount for "State and Tribal Assistance Grants", $600,000,000, to remain available until expended, of which $500,000,000 shall be for capitalization grants for the Clean Water State Revolving Funds under title VI of the Federal Water Pollution Control Act, and of which $100,000,000 shall be for capitalization grants under section 1452 of the Safe Drinking Water Act: *Provided*, That notwithstanding section 604(a) of the Federal Water Pollution Control Act and section 1452(a)(1)(D) of the Safe Drinking Water Act, funds appropriated herein shall be provided to States in EPA Region 2 for wastewater and drinking water treatment works and facilities impacted by Hurricane Sandy: *Provided further*, That notwithstanding the requirements of section 603(d) of the Federal Water Pollution Control Act, for the funds appropriated herein, each State shall use not less than 20 percent but not more than 30 percent of the amount of its capitalization grants to provide

additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans or grants or any combination of these: *Provided further*, That the funds appropriated herein shall only be used for eligible projects whose purpose is to reduce flood damage risk and vulnerability or to enhance resiliency to rapid hydrologic change or a natural disaster at treatment works as defined by section 212 of the Federal Water Pollution Control Act or any eligible facilities under section 1452 of the Safe Drinking Water Act, and for other eligible tasks at such treatment works or facilities necessary to further such purposes: *Provided further*, That the Administrator of the Environmental Protection Agency may retain up to $1,000,000 of the funds appropriated herein for management and oversight: *Provided further*, That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

CAPITAL IMPROVEMENT AND MAINTENANCE

For an additional amount for "Capital Improvement and Maintenance" for necessary expenses related to the consequences of Hurricane Sandy, $4,400,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

OTHER RELATED AGENCY

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses" for necessary expenses related to the consequences of Hurricane Sandy, $2,000,000, to remain available until expended: *Provided*, That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

CHAPTER 8

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

(INCLUDING TRANSFERS OF FUNDS)

Time period.

For an additional amount for "Training and Employment Services", $25,000,000, for the dislocated workers assistance national

reserve for necessary expenses directly related to Hurricane Sandy, which shall be available from the date of enactment of this division through September 30, 2013: *Provided,* That the Secretary of Labor may transfer up to $3,500,000 of such funds to any other Department of Labor account for other Hurricane Sandy reconstruction and recovery needs, including worker protection activities: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

OFFICE OF THE SECRETARY

PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Public Health and Social Services Emergency Fund" for disaster response and recovery, and other expenses directly related to Hurricane Sandy, including making payments under the Head Start Act and additional payments for distribution as provided for under the "Social Services Block Grant Program", $800,000,000, to remain available until September 30, 2015: *Provided,* That $100,000,000 shall be transferred to "Children and Families Services Programs" for the Head Start program for the purposes provided herein: *Provided further,* That $500,000,000 shall be transferred to "Social Services Block Grant" for the purposes provided herein: *Provided further,* That section 2002(c) of the Social Security Act shall be applied to funds appropriated in the preceding proviso by substituting "succeeding 2 fiscal years" for "succeeding fiscal year": *Provided further,* That not less than $5,000,000 shall be transferred to the Department of Health and Human Services ("HHS") "Office of Inspector General" to perform oversight, accountability, and evaluation of programs, projects, or activities supported with the funds provided for the purposes provided herein: *Provided further,* That notwithstanding any other provision of law, the distribution of any amount shall be limited to the States directly affected by Hurricane Sandy and which have been declared by the President as a major disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act for Hurricane Sandy: *Provided further,* That none of the funds appropriated in this paragraph shall be included in the calculation of the "base grant" in subsequent fiscal years, as such term is defined in sections 640(a)(7)(A), 641A(h)(1)(B), or 644(d)(3) of the Head Start Act: *Provided further,* That funds appropriated in this paragraph are not subject to the allocation requirements of section 640(a) of the Head Start Act: *Provided further,* That funds appropriated in this paragraph for the Social Services Block Grant are in addition to the entitlement grants authorized by section 2002(a)(1) of the Social Security Act and shall not be available for such entitlement grants: *Provided further,* That in addition to other uses permitted by title XX of the Social Security Act, funds appropriated in this paragraph for the Social Services Block Grant may be used for health services (including mental health services), and for costs of renovating, repairing, or rebuilding health care facilities, child care facilities, or other social services facilities:

Applicability.

Provided further, That the remaining $195,000,000 appropriated in this paragraph may be transferred by the Secretary of HHS ("Secretary") to accounts within HHS, and shall be available only for the purposes provided in this paragraph: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority available in this or any other Act: *Provided further,* That 15 days prior to the transfer of funds appropriated in this paragraph, the Secretary shall notify the Committees on Appropriations of the House of Representatives and the Senate of any such transfer and the planned uses of the funds: *Provided further,* That obligations incurred for the purposes provided herein prior to the date of enactment of this division may be charged to funds appropriated by this paragraph: *Provided further,* That funds appropriated in this paragraph and transferred to the National Institutes of Health for the purpose of supporting the repair or rebuilding of non-Federal biomedical or behavioral research facilities damaged as a result of Hurricane Sandy shall be used to award grants or contracts for such purpose under section 404I of the Public Health Service Act: *Provided further,* That section 481A(c)(2) of such Act does not apply to the use of funds described in the preceding proviso: *Provided further,* That funds appropriated in this paragraph shall not be available for costs that are reimbursed by the Federal Emergency Management Agency, under a contract for insurance, or by self-insurance: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985: *Provided further*, That this paragraph shall apply in place of the previous provisions under this heading in title VI of this division, and such previous provisions shall have no force or effect.

Time period. Notification.

Grants. Contracts.

Applicability.

CHAPTER 9

DEPARTMENT OF TRANSPORTATION

FEDERAL AVIATION ADMINISTRATION

FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For an additional amount for "Facilities and Equipment", $30,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until expended, for necessary expenses related to the consequences of Hurricane Sandy: *Provided,* That such amount is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL HIGHWAY ADMINISTRATION

FEDERAL-AID HIGHWAYS

EMERGENCY RELIEF PROGRAM

For an additional amount for the "Emergency Relief Program" as authorized under section 125 of title 23, United States Code, $2,022,000,000, to remain available until expended: *Provided*, That

the obligations for projects under this section resulting from a single natural disaster or a single catastrophic failure in a State shall not exceed $100,000,000, and the total obligations for projects under this section in any fiscal year in the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands shall not exceed $20,000,000: *Provided further,* That notwithstanding the preceding proviso, the Secretary of Transportation may obligate more than $100,000,000, but not more than $500,000,000, for a single natural disaster event in a State for emergency relief projects arising from damage caused in calendar year 2012 by Hurricane Sandy: *Provided further,* That no funds provided in this division shall be used for section 125(g) of such title: *Provided further,* That the amount provided under this heading is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL RAILROAD ADMINISTRATION

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation" for the Secretary of Transportation to make capital and debt service grants to the National Railroad Passenger Corporation to advance capital projects that address Northeast Corridor infrastructure recovery and resiliency in the affected areas, $86,000,000, to remain available until expended: *Provided*, That none of the funds may be used to subsidize operating losses of the Corporation: *Provided further,* That as a condition of eligibility for receipt of such funds, the Corporation shall not, after the enactment of this division, use any funds provided for Capital and Debt Service Grants to the National Railroad Passenger Corporation in this division or any other Act for operating expenses, which includes temporary transfers of such funds: *Provided further*, That the Administrator of the Federal Railroad Administration may retain up to one-half of 1 percent of the funds provided under this heading to fund the award and oversight by the Administrator of grants made under this heading: *Provided further,* That for an additional amount for the Secretary to make operating subsidy grants to the National Railroad Passenger Corporation for necessary repairs related to the consequences of Hurricane Sandy, $32,000,000, to remain available until expended: *Provided further,* That each amount under this heading is designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

FEDERAL TRANSIT ADMINISTRATION

PUBLIC TRANSPORTATION EMERGENCY RELIEF PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For the "Public Transportation Emergency Relief Program" as authorized under section 5324 of title 49, United States Code, $10,900,000,000, to remain available until expended, for recovery and relief efforts in the areas most affected by Hurricane Sandy:

Deadline.

Memorandum.
Publication.
Regulations.

Notification.
Time period.

Provided, That not more than $2,000,000,000 shall be made available not later than 60 days after the enactment of this division: *Provided further,* That the remainder of the funds shall be made available only after the Federal Transit Administration and the Federal Emergency Management Agency sign the Memorandum of Agreement required by section 20017(b) of the Moving Ahead for Progress in the 21st Century Act (Public Law 112–141) and the Federal Transit Administration publishes interim regulations for the Public Transportation Emergency Relief Program: *Provided further,* That of the funds provided under this heading, the Secretary of Transportation may transfer up to $5,383,000,000 to the appropriate agencies to fund programs authorized under titles 23 and 49, United States Code, in order to carry out projects related to reducing risk of damage from future disasters in areas impacted by Hurricane Sandy: *Provided further,* That the Committees on Appropriations of the House of Representatives and the Senate shall be notified at least 15 days in advance of any such transfer: *Provided further,* That up to three-quarters of 1 percent of the funds retained for public transportation emergency relief shall be available for the purposes of administrative expenses and ongoing program management oversight as authorized under 49 U.S.C. 5334 and 5338(i)(2) and shall be in addition to any other appropriations for such purposes: *Provided further,* That, of the funds made available under this heading, $6,000,000 shall be transferred to the Office of Inspector General to support the oversight of activities funded under this heading: *Provided further,* That such amounts are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

COMMUNITY PLANNING AND DEVELOPMENT

COMMUNITY DEVELOPMENT FUND

(INCLUDING TRANSFERS OF FUNDS)

For an additional amount for "Community Development Fund", $16,000,000,000, to remain available until September 30, 2017, for necessary expenses related to disaster relief, long-term recovery, restoration of infrastructure and housing, and economic revitalization in the most impacted and distressed areas resulting from a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) due to Hurricane Sandy and other eligible events in calendar years 2011, 2012, and 2013, for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): *Provided,* That funds shall be awarded directly to the State or unit of general local government as a grantee at the discretion of the Secretary of Housing and Urban Development: *Provided further,* That the Secretary shall allocate to grantees not less than 33 percent of the funds provided under this heading within 60 days after the enactment of this division based on the best available data: *Provided further,* That prior to the obligation of funds, a grantee shall submit a plan to the Secretary for approval detailing the proposed use of all funds, including criteria for eligibility and how the use of these funds will address long-term recovery

Grants.

Grants.
Deadline.

Plans.
Criteria.

and restoration of infrastructure and housing and economic revitalization in the most impacted and distressed areas: *Provided further,* That the Secretary shall by notice specify the criteria for approval of such plans within 45 days of enactment of this division: *Provided further,* That if the Secretary determines that a plan does not meet such criteria, the Secretary shall disapprove the plan: *Provided further,* That funds provided under this heading may not be used for activities reimbursable by or for which funds are made available by the Federal Emergency Management Agency or the Army Corps of Engineers: *Provided further,* That funds allocated under this heading shall not be considered relevant to the non-disaster formula allocations made pursuant to section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306): *Provided further,* That a grantee may use up to 5 percent of its allocation for administrative costs: *Provided further,* That a grantee shall administer grant funds provided under this heading in accordance with all applicable laws and regulations and may not delegate, by contract or otherwise, the responsibility for administering such grant funds: *Provided further,* That as a condition of making any grant, the Secretary shall certify in advance that such grantee has in place proficient financial controls and procurement processes and has established adequate procedures to prevent any duplication of benefits as defined by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), to ensure timely expenditure of funds, to maintain comprehensive websites regarding all disaster recovery activities assisted with these funds, and to detect and prevent waste, fraud, and abuse of funds: *Provided further,* That the Secretary shall provide grantees with technical assistance on contracting and procurement processes and shall require grantees, in contracting or procuring these funds, to incorporate performance requirements and penalties into any such contracts or agreements: *Provided further,* That the Secretary shall require grantees to maintain on a public website information accounting for how all grant funds are used, including details of all contracts and ongoing procurement processes: *Provided further,* That, in administering the funds under this heading, the Secretary may waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the obligation by the Secretary or the use by the recipient of these funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) pursuant to a determination by the Secretary that good cause exists for the waiver or alternative requirement and that such action is not inconsistent with the overall purposes of title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.): *Provided further,* That, notwithstanding the preceding proviso, recipients of funds provided under this heading that use such funds to supplement Federal assistance provided under section 402, 403, 404, 406, 407, or 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) may adopt, without review or public comment, any environmental review, approval, or permit performed by a Federal agency, and such adoption shall satisfy the responsibilities of the recipient with respect to such environmental review, approval or permit: *Provided further,* That, notwithstanding section 104(g)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(g)(2)), the Secretary may, upon receipt of a request for release

Notice.
Deadline.
Determination.
Grants.
Grants.
Certification.
Contracts.
Public information.
Web posting.
Grants.
Contracts.
Waiver authority.

of funds and certification, immediately approve the release of funds for an activity or project assisted under this heading if the recipient has adopted an environmental review, approval or permit under the preceding proviso or the activity or project is categorically excluded from review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.): *Provided further,* That a waiver granted by the Secretary may not reduce the percentage of funds that must be used for activities that benefit persons of low and moderate income to less than 50 percent, unless the Secretary specifically finds that there is a compelling need to further reduce or eliminate the percentage requirement: *Provided further,* That the Secretary shall publish in the Federal Register any waiver of any statute or regulation that the Secretary administers pursuant to title I of the Housing and Community Development Act of 1974 no later than 5 days before the effective date of such waiver: *Provided further,* That, of the funds made available under this heading, up to $10,000,000 may be transferred to "Program Office Salaries and Expenses, Community Planning and Development" for necessary costs, including information technology costs, of administering and overseeing funds made available under this heading: *Provided further,* That of the funds made available under this heading, $10,000,000 shall be transferred to "Office of the Inspector General" for necessary costs of overseeing and auditing funds made available under this heading: *Provided further,* That the amounts provided under this heading are designated by the Congress as being for an emergency requirement pursuant to section 251(b)(2)(A)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985.

Federal Register, publication. Waiver. Deadline.

GENERAL PROVISIONS—THIS CHAPTER

SEC. 1091. For fiscal year 2013, upon request by a public housing agency and supported by documentation as required by the Secretary of Housing and Urban Development that demonstrates that the need for the adjustment is due to the disaster, the Secretary may make temporary adjustments to the section 8 housing choice voucher annual renewal funding allocations and administrative fee eligibility determinations for public housing agencies in an area for which the President declared a disaster during such fiscal year under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170 et seq.), to avoid significant adverse funding impacts that would otherwise result from the disaster.

SEC. 1092. The Departments of Transportation and Housing and Urban Development shall submit to the Committees on Appropriations of the House of Representatives and the Senate within 45 days after the date of the enactment of this division a plan for implementing the provisions in this chapter, and updates to such plan on a biannual basis thereafter.

Deadlines. Plan.

SEC. 1093. None of the funds provided in this chapter to the Department of Transportation or the Department of Housing and Urban Development may be used to make a grant unless the Secretary of such Department notifies the Committees on Appropriations of the House of Representatives and the Senate not less than 3 full business days before any project, State or locality is selected to receive a grant award totaling $1,000,000 or more is announced by either Department or a modal administration.

Grants. Notification. Time period.

SEC. 1094. This chapter shall apply in place of title VIII of this division, and such title shall have no force or effect. Applicability.

SEC. 1095. The amounts otherwise provided by this division are revised by reducing the amount made available for "Small Business Administration—Disaster Loans Program Account" for administrative expenses to carry out the direct loan program authorized by section 7(b) of the Small Business Act (and within such amount, the amount made available for direct administrative expenses of loan making and servicing to carry out such program), and increasing the amount made available for "Department of Veterans Affairs—National Cemetery Administration", by $1,000,000.

SEC. 1096. None of the funds provided in this division shall be used for land acquisition by the Secretary of the Interior or the Secretary of Agriculture.

This division may be cited as the "Disaster Relief Appropriations Act, 2013".

DIVISION B—SANDY RECOVERY IMPROVEMENT ACT OF 2013

Sandy Recovery Improvement Act of 2013.

SEC. 1101. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the "Sandy Recovery Improvement Act of 2013". 42 USC 5121 note.

(b) TABLE OF CONTENTS.—The table of contents for this division is as follows:

Sec. 1101. Short title; table of contents.
Sec. 1102. Public assistance program alternative procedures.
Sec. 1103. Federal assistance to individuals and households.
Sec. 1104. Hazard mitigation.
Sec. 1105. Dispute resolution pilot program.
Sec. 1106. Unified Federal review.
Sec. 1107. Simplified procedures.
Sec. 1108. Essential assistance.
Sec. 1109. Individual assistance factors.
Sec. 1110. Tribal requests for a major disaster or emergency declaration under the Stafford Act.
Sec. 1111. Recommendations for reducing costs of future disasters.

SEC. 1102. PUBLIC ASSISTANCE PROGRAM ALTERNATIVE PROCEDURES.

Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) is amended—

(1) by redesignating the second section 425 (relating to essential service providers) as section 427; and 42 USC 5189e.

(2) by adding at the end the following:

"SEC. 428. PUBLIC ASSISTANCE PROGRAM ALTERNATIVE PROCEDURES. 42 USC 5189f.

"(a) APPROVAL OF PROJECTS.—The President, acting through the Administrator of the Federal Emergency Management Agency, may approve projects under the alternative procedures adopted under this section for any major disaster or emergency declared on or after the date of enactment of this section. The Administrator may also apply the alternate procedures adopted under this section to a major disaster or emergency declared before enactment of this Act for which construction has not begun as of the date of enactment of this Act.

"(b) ADOPTION.—The Administrator, in coordination with States, tribal and local governments, and owners or operators of private nonprofit facilities, may adopt alternative procedures to administer assistance provided under sections 403(a)(3)(A), 406, 407, and 502(a)(5).

"(c) GOALS OF PROCEDURES.—The alternative procedures adopted under subsection (a) shall further the goals of—

"(1) reducing the costs to the Federal Government of providing such assistance;

"(2) increasing flexibility in the administration of such assistance;

"(3) expediting the provision of such assistance to a State, tribal or local government, or owner or operator of a private nonprofit facility; and

"(4) providing financial incentives and disincentives for a State, tribal or local government, or owner or operator of a private nonprofit facility for the timely and cost-effective completion of projects with such assistance.

"(d) PARTICIPATION.—Participation in the alternative procedures adopted under this section shall be at the election of a State, tribal or local government, or owner or operator of a private nonprofit facility consistent with procedures determined by the Administrator.

"(e) MINIMUM PROCEDURES.—The alternative procedures adopted under this section shall include the following:

"(1) For repair, restoration, and replacement of damaged facilities under section 406—

"(A) making grants on the basis of fixed estimates, if the State, tribal or local government, or owner or operator of the private nonprofit facility agrees to be responsible for any actual costs that exceed the estimate;

"(B) providing an option for a State, tribal or local government, or owner or operator of a private nonprofit facility to elect to receive an in-lieu contribution, without reduction, on the basis of estimates of—

"(i) the cost of repair, restoration, reconstruction, or replacement of a public facility owned or controlled by the State, tribal or local government or owner or operator of a private nonprofit facility; and

"(ii) management expenses;

"(C) consolidating, to the extent determined appropriate by the Administrator, the facilities of a State, tribal or local government, or owner or operator of a private nonprofit facility as a single project based upon the estimates adopted under the procedures;

"(D) if the actual costs of a project completed under the procedures are less than the estimated costs thereof, the Administrator may permit a grantee or subgrantee to use all or part of the excess funds for—

"(i) cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster; and

"(ii) other activities to improve future Public Assistance operations or planning;

"(E) in determining eligible costs under section 406, the Administrator shall make available, at an applicant's request and where the Administrator or the certified cost

estimate prepared by the applicant's professionally licensed engineers has estimated an eligible Federal share for a project of at least $5,000,000, an independent expert panel to validate the estimated eligible cost consistent with applicable regulations and policies implementing this section; and

"(F) in determining eligible costs under section 406, the Administrator shall, at the applicant's request, consider properly conducted and certified cost estimates prepared by professionally licensed engineers (mutually agreed upon by the Administrator and the applicant), to the extent that such estimates comply with applicable regulations, policy, and guidance.

"(2) For debris removal under sections 403(a)(3)(A), 407, and 502(a)(5)—

"(A) making grants on the basis of fixed estimates to provide financial incentives and disincentives for the timely or cost-effective completion if the State, tribal or local government, or owner or operator of the private nonprofit facility agrees to be responsible to pay for any actual costs that exceed the estimate;

"(B) using a sliding scale for determining the Federal share for removal of debris and wreckage based on the time it takes to complete debris and wreckage removal;

"(C) allowing use of program income from recycled debris without offset to the grant amount;

"(D) reimbursing base and overtime wages for employees and extra hires of a State, tribal or local government, or owner or operator of a private nonprofit facility performing or administering debris and wreckage removal;

"(E) providing incentives to a State or tribal or local government to have a debris management plan approved by the Administrator and have pre-qualified 1 or more debris and wreckage removal contractors before the date of declaration of the major disaster; and

"(F) if the actual costs of projects under subparagraph (A) are less than the estimated costs of the project, the Administrator may permit a grantee or subgrantee to use all or part of the excess funds for—

"(i) debris management planning;

"(ii) acquisition of debris management equipment for current or future use; and

"(iii) other activities to improve future debris removal operations, as determined by the Administrator.

"(f) WAIVER AUTHORITY.—Until such time as the Administrator promulgates regulations to implement this section, the Administrator may—

"(1) waive notice and comment rulemaking, if the Administrator determines the waiver is necessary to expeditiously implement this section; and Determination.

"(2) carry out the alternative procedures under this section as a pilot program.

"(g) OVERTIME PAYMENTS.—The guidelines for reimbursement for costs under subsection (e)(2)(D) shall ensure that no State or local government is denied reimbursement for overtime payments Guidelines.

that are required pursuant to the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

"(h) REPORT.—

"(1) IN GENERAL.—Not earlier than 3 years, and not later than 5 years, after the date of enactment of this section, the Inspector General of the Department of Homeland Security shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the alternative procedures for the repair, restoration, and replacement of damaged facilities under section 406 authorized under this section.

"(2) CONTENTS.—The report shall contain an assessment of the effectiveness of the alternative procedures, including—

"(A) whether the alternative procedures helped to improve the general speed of disaster recovery;

"(B) the accuracy of the estimates relied upon;

"(C) whether the financial incentives and disincentives were effective;

"(D) whether the alternative procedures were cost effective;

"(E) whether the independent expert panel described in subsection (e)(1)(E) was effective; and

"(F) recommendations for whether the alternative procedures should be continued and any recommendations for changes to the alternative procedures.".

SEC. 1103. FEDERAL ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS.

Section 408(c)(1)(B) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174(c)(1)(B)) is amended—

(1) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively;

(2) by inserting after clause (i) the following:

"(ii) LEASE AND REPAIR OF RENTAL UNITS FOR TEMPORARY HOUSING.—

President. Determination.

"(I) IN GENERAL.—The President, to the extent the President determines it would be a cost-effective alternative to other temporary housing options, may—

"(aa) enter into lease agreements with owners of multifamily rental property located in areas covered by a major disaster declaration to house individuals and households eligible for assistance under this section; and

"(bb) make repairs or improvements to properties under such lease agreements, to the extent necessary to serve as safe and adequate temporary housing.

"(II) IMPROVEMENTS OR REPAIRS.—Under the terms of any lease agreement for property entered into under this subsection, the value of the improvements or repairs—

"(aa) shall be deducted from the value of the lease agreement; and

"(bb) may not exceed the value of the lease agreement."; and

(3) in clause (iv) (as so redesignated) by striking "clause (ii)" and inserting "clause (iii)".

SEC. 1104. HAZARD MITIGATION.

(a) STREAMLINED PROCEDURES; ADVANCE ASSISTANCE.—Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) is amended by adding at the end the following:

"(d) STREAMLINED PROCEDURES.—

"(1) IN GENERAL.—For the purpose of providing assistance under this section, the President shall ensure that— President.

"(A) adequate resources are devoted to ensure that applicable environmental reviews under the National Environmental Policy Act of 1969 and historic preservation reviews under the National Historic Preservation Act are completed on an expeditious basis; and

"(B) the shortest existing applicable process under the National Environmental Policy Act of 1969 and the National Historic Preservation Act is utilized.

"(2) AUTHORITY FOR OTHER EXPEDITED PROCEDURES.—The President may utilize expedited procedures in addition to those required under paragraph (1) for the purpose of providing assistance under this section, such as procedures under the Prototype Programmatic Agreement of the Federal Emergency Management Agency, for the consideration of multiple structures as a group and for an analysis of the cost-effectiveness and fulfillment of cost-share requirements for proposed hazard mitigation measures.

"(e) ADVANCE ASSISTANCE.—The President may provide not more than 25 percent of the amount of the estimated cost of hazard mitigation measures to a State grantee eligible for a grant under this section before eligible costs are incurred.".

(b) ESTABLISHMENT OF CRITERIA RELATING TO ADMINISTRATION OF HAZARD MITIGATION ASSISTANCE BY STATES.—Section 404(c)(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(c)(2)) is amended by inserting after "applications submitted under paragraph (1)." the following: "Until such time as the Administrator promulgates regulations to implement this paragraph, the Administrator may waive notice and comment rulemaking, if the Administrator determines doing so is necessary to expeditiously implement this section, and may carry out this section as a pilot program.". Regulations. Waiver authority. Determination.

(c) APPLICABILITY.—The authority under the amendments made by this section shall apply to— 42 USC 5170c note.

(1) any major disaster or emergency declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) on or after the date of enactment of this division; and

(2) a major disaster or emergency declared under that Act before the date of enactment of this division for which the period for processing requests for assistance has not ended as of the date of enactment of this division.

SEC. 1105. DISPUTE RESOLUTION PILOT PROGRAM.

(a) DEFINITIONS.—In this section, the following definitions apply: 42 USC 5189a note.

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Federal Emergency Management Agency.

(2) ELIGIBLE ASSISTANCE.—The term "eligible assistance" means assistance—

(A) under section 403, 406, or 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173);

(B) for which the legitimate amount in dispute is not less than $1,000,000, which sum the Administrator shall adjust annually to reflect changes in the Consumer Price Index for all Urban Consumers published by the Department of Labor;

(C) for which the applicant has a non-Federal share; and

(D) for which the applicant has received a decision on a first appeal.

(b) PROCEDURES.—

Deadline.

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section, and in order to facilitate an efficient recovery from major disasters, the Administrator shall establish procedures under which an applicant may request the use of alternative dispute resolution, including arbitration by an independent review panel, to resolve disputes relating to eligible assistance.

(2) BINDING EFFECT.—A decision by an independent review panel under this section shall be binding upon the parties to the dispute.

(3) CONSIDERATIONS.—The procedures established under this section shall—

(A) allow a party of a dispute relating to eligible assistance to request an independent review panel for the review;

(B) require a party requesting an independent review panel as described in subparagraph (A) to agree to forgo rights to any further appeal of the dispute relating to any eligible assistance;

(C) require that the sponsor of an independent review panel for any alternative dispute resolution under this section be—

(i) an individual or entity unaffiliated with the dispute (which may include a Federal agency, an administrative law judge, or a reemployed annuitant who was an employee of the Federal Government) selected by the Administrator; and

(ii) responsible for identifying and maintaining an adequate number of independent experts qualified to review and resolve disputes under this section;

(D) require an independent review panel to—

(i) resolve any remaining disputed issue in accordance with all applicable laws, regulations, and Agency interpretations of those laws through its published policies and guidance;

(ii) consider only evidence contained in the administrative record, as it existed at the time at which the Agency made its initial decision;

(iii) only set aside a decision of the Agency found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; and

(iv) in the case of a finding of material fact adverse to the claimant made on first appeal, only set aside

or reverse such finding if the finding is clearly erroneous;

(E) require an independent review panel to expeditiously issue a written decision for any alternative dispute resolution under this section; and

(F) direct that if an independent review panel for any alternative dispute resolution under this section determines that the basis upon which a party submits a request for alternative dispute resolution is frivolous, the independent review panel shall direct the party to pay the reasonable costs to the Federal Emergency Management Agency relating to the review by the independent review panel. Any funds received by the Federal Emergency Management Agency under the authority of this section shall be deposited to the credit of the appropriation or appropriations available for the eligible assistance in dispute on the date on which the funds are received.

(c) SUNSET.—A request for review by an independent review panel under this section may not be made after December 31, 2015.

(d) REPORT.—

(1) IN GENERAL.—Not later than 270 days after the termination of authority under this section under subsection (c), the Comptroller General of the United States shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report analyzing the effectiveness of the program under this section.

(2) CONTENTS.—The report submitted under paragraph (1) shall include—

(A) a determination of the availability of data required to complete the report;

(B) an assessment of the effectiveness of the program under this section, including an assessment of whether the program expedited or delayed the disaster recovery process;

(C) an assessment of whether the program increased or decreased costs to administer section 403, 406, or 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act;

(D) an assessment of the procedures and safeguards that the independent review panels established to ensure objectivity and accuracy, and the extent to which they followed those procedures and safeguards;

(E) a recommendation as to whether any aspect of the program under this section should be made a permanent authority; and

(F) recommendations for any modifications to the authority or the administration of the authority under this section in order to improve the disaster recovery process.

SEC. 1106. UNIFIED FEDERAL REVIEW.

Title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as amended by this division) is further amended by adding at the end the following:

42 USC 5189g.

"SEC. 429. UNIFIED FEDERAL REVIEW.

Deadline. Consultation. President.

"(a) IN GENERAL.—Not later than 18 months after the date of enactment of this section, and in consultation with the Council on Environmental Quality and the Advisory Council on Historic Preservation, the President shall establish an expedited and unified interagency review process to ensure compliance with environmental and historic requirements under Federal law relating to disaster recovery projects, in order to expedite the recovery process, consistent with applicable law.

"(b) CONTENTS.—The review process established under this section shall include mechanisms to expeditiously address delays that may occur during the recovery from a major disaster and be updated, as appropriate, consistent with applicable law.".

SEC. 1107. SIMPLIFIED PROCEDURES.

Section 422 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5189) is amended—

(1) by striking "If the Federal estimate" and inserting "(a) IN GENERAL.—If the Federal estimate";

(2) by inserting "(or, if the Administrator has established a threshold under subsection (b), the amount established under subsection (b))" after "$35,000" the first place it appears;

(3) by inserting "or, if applicable, the amount established under subsection (b)," after "$35,000 amount" the second place it appears; and

(4) by adding at the end the following:

President.

"(b) THRESHOLD.—

"(1) REPORT.—Not later than 1 year after the date of enactment of this subsection, the President, acting through the Administrator of the Federal Emergency Management Agency (in this section referred to as the 'Administrator'), shall—

Analysis.

"(A) complete an analysis to determine whether an increase in the threshold for eligibility under subsection (a) is appropriate, which shall include consideration of cost-effectiveness, speed of recovery, capacity of grantees, past performance, and accountability measures; and

"(B) submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding the analysis conducted under subparagraph (A).

Deadlines.

"(2) AMOUNT.—After the Administrator submits the report required under paragraph (1), the President shall direct the Administrator to—

"(A) immediately establish a threshold for eligibility under this section in an appropriate amount, without regard to chapter 5 of title 5, United States Code; and

"(B) adjust the threshold annually to reflect changes in the Consumer Price Index for all Urban Consumers published by the Department of Labor.

"(3) REVIEW.—Not later than 3 years after the date on which the Administrator establishes a threshold under paragraph (2), and every 3 years thereafter, the President, acting through the Administrator, shall review the threshold for eligibility under this section.".

SEC. 1108. ESSENTIAL ASSISTANCE.

(a) OTHER NEEDS ASSISTANCE.—Section 408(e)(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174(e)(1)) is amended—

(1) in the paragraph heading by inserting "CHILD CARE," after "DENTAL,"; and

(2) by inserting "child care," after "dental,".

(b) SALARIES AND BENEFITS.—Section 403 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b) is amended by adding at the end the following:

"(d) SALARIES AND BENEFITS.—

"(1) IN GENERAL.—If the President declares a major disaster or emergency for an area within the jurisdiction of a State, tribal, or local government, the President may reimburse the State, tribal, or local government for costs relating to—

"(A) basic pay and benefits for permanent employees of the State, tribal, or local government conducting emergency protective measures under this section, if—

"(i) the work is not typically performed by the employees; and

"(ii) the type of work may otherwise be carried out by contract or agreement with private organizations, firms, or individuals.; or

"(B) overtime and hazardous duty compensation for permanent employees of the State, tribal, or local government conducting emergency protective measures under this section.

"(2) OVERTIME.—The guidelines for reimbursement for costs under paragraph (1) shall ensure that no State, tribal, or local government is denied reimbursement for overtime payments that are required pursuant to the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.). Guidelines.

"(3) NO EFFECT ON MUTUAL AID PACTS.—Nothing in this subsection shall affect the ability of the President to reimburse labor force expenses provided pursuant to an authorized mutual aid pact.".

SEC. 1109. INDIVIDUAL ASSISTANCE FACTORS.

Deadline. Review. Regulations. 42 USC 5170 note.

In order to provide more objective criteria for evaluating the need for assistance to individuals, to clarify the threshold for eligibility and to speed a declaration of a major disaster or emergency under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), not later than 1 year after the date of enactment of this division, the Administrator of the Federal Emergency Management Agency, in cooperation with representatives of State, tribal, and local emergency management agencies, shall review, update, and revise through rulemaking the factors considered under section 206.48 of title 44, Code of Federal Regulations (including section 206.48(b)(2) of such title relating to trauma and the specific conditions or losses that contribute to trauma), to measure the severity, magnitude, and impact of a disaster.

SEC. 1110. TRIBAL REQUESTS FOR A MAJOR DISASTER OR EMERGENCY DECLARATION UNDER THE STAFFORD ACT.

(a) MAJOR DISASTER REQUESTS.—Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170) is amended—

(1) by striking "All requests for a declaration" and inserting "(a) IN GENERAL.—All requests for a declaration"; and

(2) by adding at the end the following:

"(b) INDIAN TRIBAL GOVERNMENT REQUESTS.—

"(1) IN GENERAL.—The Chief Executive of an affected Indian tribal government may submit a request for a declaration by the President that a major disaster exists consistent with the requirements of subsection (a).

"(2) REFERENCES.—In implementing assistance authorized by the President under this Act in response to a request of the Chief Executive of an affected Indian tribal government for a major disaster declaration, any reference in this title or title III (except sections 310 and 326) to a State or the Governor of a State is deemed to refer to an affected Indian tribal government or the Chief Executive of an affected Indian tribal government, as appropriate.

"(3) SAVINGS PROVISION.—Nothing in this subsection shall prohibit an Indian tribal government from receiving assistance under this title through a declaration made by the President at the request of a State under subsection (a) if the President does not make a declaration under this subsection for the same incident.

President.

"(c) COST SHARE ADJUSTMENTS FOR INDIAN TRIBAL GOVERNMENTS.—

Waiver authority.

"(1) IN GENERAL.—In providing assistance to an Indian tribal government under this title, the President may waive or adjust any payment of a non-Federal contribution with respect to the assistance if—

"(A) the President has the authority to waive or adjust the payment under another provision of this title; and

"(B) the President determines that the waiver or adjustment is necessary and appropriate.

"(2) CRITERIA FOR MAKING DETERMINATIONS.—The President shall establish criteria for making determinations under paragraph (1)(B).".

(b) EMERGENCY REQUESTS.—Section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191) is amended by adding at the end the following:

"(c) INDIAN TRIBAL GOVERNMENT REQUESTS.—

"(1) IN GENERAL.—The Chief Executive of an affected Indian tribal government may submit a request for a declaration by the President that an emergency exists consistent with the requirements of subsection (a).

"(2) REFERENCES.—In implementing assistance authorized by the President under this title in response to a request of the Chief Executive of an affected Indian tribal government for an emergency declaration, any reference in this title or title III (except sections 310 and 326) to a State or the Governor of a State is deemed to refer to an affected Indian tribal government or the Chief Executive of an affected Indian tribal government, as appropriate.

"(3) SAVINGS PROVISION.—Nothing in this subsection shall prohibit an Indian tribal government from receiving assistance under this title through a declaration made by the President at the request of a State under subsection (a) if the President does not make a declaration under this subsection for the same incident.".

(c) DEFINITIONS.—Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) is amended—

(1) in paragraph (7)(B) by striking "; and" and inserting ", that is not an Indian tribal government as defined in paragraph (6); and";

(2) by redesignating paragraphs (6) through (10) as paragraphs (7) through (11), respectively;

(3) by inserting after paragraph (5) the following:

"(6) INDIAN TRIBAL GOVERNMENT.—The term 'Indian tribal government' means the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe under the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a et seq.).''; and

(4) by adding at the end the following:

"(12) CHIEF EXECUTIVE.—The term 'Chief Executive' means the person who is the Chief, Chairman, Governor, President, or similar executive official of an Indian tribal government.".

(d) REFERENCES.—Title I of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) is amended by adding after section 102 the following:

"SEC. 103. REFERENCES. 42 USC 5123.

"Except as otherwise specifically provided, any reference in this Act to 'State and local', 'State or local', 'State, and local', 'State, or local', or 'State, local' (including plurals) with respect to governments or officials and any reference to a 'local government' in sections 406(d)(3) and 417 is deemed to refer also to Indian tribal governments and officials, as appropriate.".

(e) REGULATIONS.— President. 42 USC 5122 note.

(1) ISSUANCE.—The President shall issue regulations to carry out the amendments made by this section.

(2) FACTORS.—In issuing the regulations, the President shall consider the unique conditions that affect the general welfare of Indian tribal governments.

SEC. 1111. RECOMMENDATIONS FOR REDUCING COSTS OF FUTURE DISASTERS.

(a) REPORT TO CONGRESS.—Not later than 180 days after the date of enactment of this division, the Administrator of the Federal Emergency Management Agency shall submit to Congress recommendations for the development of a national strategy for reducing future costs, loss of life, and injuries associated with extreme disaster events in vulnerable areas of the United States.

(b) NATIONAL STRATEGY.—The national strategy should—

(1) respect the constitutional role and responsibilities of Federal, State, and local governments and the private sector;

(2) consider the vulnerability of the United States to damage from flooding, severe weather events, and other hazards;

(3) analyze gaps and duplication of emergency preparedness, response, recovery, and mitigation measures provided by Federal, State, and local entities; and

(4) include recommendations on how to improve the resiliency of local communities and States for the purpose of lowering future costs of disaster response and recovery.

Approved January 29, 2013.

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