

NSP Closeout Page Resources on the HUD Exchange, 7/9/19

Njeri Santana: -- and join us. We here at HUD had realized a while back that the Exchange page had grown significantly, especially since we're the ones who kind of started it to begin with and in that growth, a lot of information kind of got lost and wasn't easily able to be available, specifically, the closeout information.

So we tasked ICF to kind of help with streamlining information, making it easier, specifically for the closeout page, because we know that this is where a lot of grantees hopefully are in the process for NSP. So we are really happy with the product and I'm excited to be able to share with everyone what it looks like and how easy it is to kind of -- to follow the process and to figure out how -- where you are in the process and maybe what you need to do or don't do.

So again, I'd just like to welcome everybody to the webinar. Did you want to say anything, John?

John: That's good.

Njeri: Okay. Thank you. Back to you guys, ICF.

Kristen Cardoza: All right. So this is Kristen from ICF and I will start with a quick overview of the NSP closeout guidance information and how it's organized and navigate through the new pages. So first, from the HUD Exchange homepage, you would navigate to the NSP landing page. So you can go to hudexchange.info/nsp.

If you scroll down to the middle of the page, you'll see three boxes for NSP basics, implementation and closeout and closeout is what we are going to review today. So we'll click here. You'll see here that the closeout information is organized into three sections, prepare, complete and comply. To dive into each of these sections, you can click on any of these three graphics or you can use the navigation on the left side.

So again, you'll see prepare, complete and comply. If you expand any of these sections, you'll see in detail kind of like a table of contents what all is in each of these sections. So let's start with prepare. So the prepare section is intended to help you determine if you are ready for closeout by answering yes or no to a couple of simple questions.

For each of the questions, you'll see a green check. So if the answer is yes, you'll click on that and it says, great, move onto the next question by clicking the next button on the lower right-hand of your screen. However, if the answer is no, the page will prompt you to simply review the available resources in the learn more box at the bottom of the page.

So this might link you to available resources, guidance or training, like recorded webinars. And again, to move onto the next question, you just click next. So there are eight questions and you can proceed through them just by clicking next all the way to the last question. If you determine that you are ready for closeout, the next section would be to go to complete to actually complete the closeout steps.

And again, here we have outlined about eight steps in the closeout process and again, you would just click next to proceed to the next step. If applicable, you'll see that each step has links to relevant resources or guidance that might be helpful in that step. Once you've completed closeout, you would head over to the comply section for post-closeout requirements and this page just gives a high-level summary of the various requirements post-closeout.

You can see the summarize on the bullets here and if you need more information, you would simply click on the NSP Closeout Guide for details about each of these requirements. Next we have a page called additional resources and this just includes links to other helpful resources and information that would be helpful as you prepare and complete closeout.

You'll see, again, a mix of resources, guidance and webinars that may be helpful. If after reviewing these resources and information on this -- these pages you still need more help, just click on the get help today section, that's the very last section on the left-hand side here. If you have a policy or program related question, you can submit your question to Ask A Question or you may also submit your closeout question to your NSP field office representative.

If you'd like to request technical assistance, simply click the request TA button, which will open an email that goes to nsp-questions@hud.gov where you can request assistance with the closeout process. The last thing I'd like to highlight about this new -- these new pages on the HUD Exchange are that I showed you how you can navigate from page to page within the section, but maybe you actually are looking for something very specific.

You can use the search box here on the upper left. So let's say I want to search for 25 percent set-aside in search and that will pull up the pages within this resource that are related to the 25 percent set-aside. So this search box only searches the content within NSP closeout rather than the entire website and I can jump right to that question.

That concludes the brief demo of the new NSP closeout pages and how to navigate. So with that, I'll hand it over to Chuck for a deep dive.

Chuck: Good morning, good afternoon. So I think we want to reemphasize the clear organization that the overall website provides. It's sort of designed from the user's perspective. First, you've got to prepare for closeout and these preparatory steps I tend to use the term prerequisites. It's like when you sign up for the completion course, you have to meet all the prerequisites.

So the eight items under prepare you have to pass, you have to check yes and you have to meet the prerequisites to move to the next step, which is complete and then finally, post-closeout you have comply. So I want to emphasize that overall organization of the chronological steps that you follow. The other thing to reinforce is that either through the search item or clicking on the items along the left side you can go directly to a particular topic you're working on.

If you're trying to verify that you're okay on your affordability period, your restrictive covenants, you can go directly to that step under the prepare column and that will take you to the resources

related to long-term affordability. At the same time, starting from the homepage, if you're probably going through a survey just so you kind of familiarize yourself with the process.

There's a sequential step you can go through, you just -- on the bottom right of each page, you'll see the next column and that takes you to the start of a process. This page is -- before you actually get into the details, it's an overview and I'll come back to this in a minute. But before we dive into this, I wanted to mention, again, these additional resources that are at the bottom of the left-hand column.

Hopefully you're well organized and if you don't -- or you have somewhere on your computer a folder labeled NSP closeout and I would encourage you to, if you have not done so already, to look at these basic reference materials, the NSP Closeout Guide, the NSP notice -- the federal register notice that's sort of the official bible of the specific requirements and then the companion general instructions for closeout of Community Development Block Grant programs that's notice CPD-1402, which is here.

And you'll notice this comes up that there is, starting on Page 60, a specific section devoted to NSP and all of the NSP closeout forms are included in the general notice. Now, for your convenience, those forms are also repeated in the NSP Closeout Guide. And if you notice, we've taken a cue from the NSP Closeout Guide, because the basic sections are labeled here, preparing for closeout, completing the closeout process and complying with requirements post-closeout.

So everything is linked up to follow this logical flow. On the -- again, to reiterate the get help today section, we have the Ask A Question feature. You can submit your specific question using this form here. By the way, there are three questions waiting in queue for me. When I finish this webinar, I'll be going back to work on three questions that are pending final response.

So be sure to ask your questions. One point about the Ask A Question feature, when you're submitting your Ask A Question, think in terms of getting clarity about the NSP program requirements. If you have a very specific question about a case, I have a affordability question on a property that's in our inventory, while we can explain through the Ask A Question feature, the general requirements of the affordability period, you may want to also consider talking with your field office representative to get specific case answers to particular questions.

There are limits to what we can do through the Ask A Question feature and when it comes to specific case issues, you want to work that through your field office once you have clarity on what the rules are and what policies apply to your specific question. So that's the additional resources and the get help today. This technical assistance would allow you to get a certain number of hours of an assigned expert.

You want to identify the particular issue you have to deal with so that the appropriate expert can be matched with your issue. If you want somebody to work through some DRGR issues, you don't want somebody like me whose level of DRGR skill is not necessarily key to solving the kinds of issues you might have. So now we're at prepare.

We're looking to figure out going through these steps. Have you met all the prerequisites for your NSP closeout? And the first thing I would suggest, this sort of introductory page, before it gets in a detailed manner into the eight prerequisites, take a look at the checklist. This is the annotated version of the general closeout question.

As you see in these blank areas, you have -- the shaded areas have specific guidance that amplifies on the general statements here. This would be another item I would download into my NSP closeout file and work through this as you go through the closeout process. Again, you know, like many programs there's many ways to address and to reach the various resources. Again, here, you have a link to get to the NSP questions.

You may want to review the answered questions to see if your question has already been answered. Also, on this introductory page, you'll see videos that address the specific documents here that are part of the closeout process, the cover letter, the certification and the closeout agreement. The closeout agreement is -- provides, as you know, a financial summary of what's expended -- spent all your funds on and a recap of all that and in addition, we'll go into these particular topics in the second section when we discuss the actual closeout process.

So let's look at the first prerequisite. All the material, virtually all the funds, money for closeout from funds in the line of credit have been drawn. As a resource, you have the general expenditures report, which you want to reconcile with your own data and these DRGR micro-strategy reports. Now, you're going to -- there are going to be many links to this DRGR micro-strategy report, which will take you to the DRGR general page and then take you then to the micro-strategy guides, tools and webinars.

This is something that you'll need for a number of aspects, including the drawdown of funds. So this is where you'll end up looking through the DRGR micro-strategy reports, including a webinar on how to use those modules. Now, an important topic is programming come transfer. I think they seem somewhat intimidating. There is a process in here on this page.

You'll find a pretty comprehensive list of resources that will help you address program income transfer and you'll understand that programming come transfer is linked to the drawdown of funds, because as you know, while you have program income on-hand, that has to be used before you can draw funds from your line of credit. So for both entitlement and state grantees, you have templates and instructions and FAQs that should guide you through this process.

It's a step-by-step thing that hopefully won't intimidate you and that process, if you choose to resolve your program income issues by transferring those funds to CDBG, will help you achieve a positive response to this first item. So again, we can go to the next item on the list, clicking on the left side or use the next button on the lower right-hand of each page and now we're looking at the 25 percent set-aside.

There is a series of webinars. The two webinars that you see here are similar. The second webinar I've indicated aims more towards the NSP 2 grantees. It emphasizes some of the issues of getting with multiple partners, although, many of you, of course, who are NSP 1 and 3 grantees also have been dealing with multiple partners, especially the state grantees.

I don't know how many state participants we have in this webinar today, but you're all familiar with the challenges of working with multiple partners to get the program completed and ready for closeout. Again, we have a link to the micro-strategies and again, a link to the closeout guide and the general closeout instructions, which complements and work with the NSP Closeout Guide to give you a complete picture.

The next prerequisite recognizes here that if you have program income yet to be expended, that will count towards your compliance with the 25 percent set-aside. So using the same resources will help you assess, on a participated basis, once you expended your remaining program income, will you still be in compliance, do you have enough of a cushion?

Getting down to the page. There we go. Will anything that occurs with your expenditure of additional program income allow you to stay in compliance or reinforce compliance with the 25 percent set-aside? Moving onto the national objectives, a key issue here, you're going to be looking at your reports and you guys looking specifically at the reports which include information of both on your 25 percent set-aside and national objective and this is an issue that many jurisdictions face about units that may not be complete and occupied yet.

So when you haven't -- don't have the data in it that shows national objectives compliant, maybe you do have occupancy, but haven't entered that into your DRGR, which comparing your local data to your reports module will give you an indication of where you have discrepancies in this among other areas. At this point, I don't know if HUD wants to jump in about DRGR cleanup and subsequent follow-up or if you want to wait until we're through with this preparatory section.

Njeri: Thanks, Chuck. I have really nothing of substance to add, except for we are working on a webinar specifically for reconciliation with DRGR. We do recognize that like this is one of the biggest hurdles that are impeding a lot of the grantees from closing out their grants. So just stay tuned, we're going to probably provide some dates soon on when the webinar will be happening. Thanks, Chuck.

Chuck: Sure. And in these initial prerequisites, we've been looking at the line of credit and the need potentially to transfer funds to CDBG to clear out -- enable you to clear out the line of credit funds and the 25 percent set-aside and national objectives. This next step that we look at looks more generally at the DRGR requirements and you'll see a series of webinars and report guidance.

So as typical with a webinar, this is a webinar that's linked in here preparing QPRs for NSP closeout. You'll see the slides, you'll have a transcript and then you'll have a recording of a -- a YouTube recording of the actual webinar as it's -- as it was presented back a while ago. We were optimistic back in 2014 that closeouts would proceed.

Some specific links to fact sheets, tips and tools and for those of you wanting to review the NSP policy alerts, your item from October of last year that goes through the QPR requirements. Secondly, addresses, any issue of missed QPRs and the data. What my colleagues have told me is that making sure that the accomplishments data and the categories of accomplishments is all

consistent and linked up can be a challenge in some cases and that needs to be worked through with your CPD rep so that everyone is on the same page.

But start with these webinars and guidance and hopefully we'll get our DRGR clean as a whistle and ready for closeout. Now, that is pretty straight forward. You should know whether you have received a clearance letter on any monitoring findings your friendly HUD representative and field office have provided in their review of your NSP program.

The first link is a link to the CPD monitoring handbook chapter on Chapter 8 of the CPD monitoring handbook and whatever program you're working on knowing what HUD is looking for is one of the guides you want to have in your -- as your frame of reference in understanding what you should have in terms of organizing your documentation and how your files should be completed.

This tells you what HUD is looking for in its monitoring and would be a guide in helping understand the actions you need to do to resolve any findings. And then I did a webinar last year on cleanup. This webinar, let's see -- not sure why the only material available here appears to be the slides. So moving right along. This is addressing long-term affordability of housing.

First, a homebuyer is one of the toolkits that was prepared and will guide you through all of the issues about homebuyer programs. I know that resale can be somewhat of a challenge and that should give you some guidance on that. There's a webinar on rental oversight that gives you -- this has the complete list of slides, transcripts and recording of all the things you need to do in rental housing.

Now, jumping ahead a little bit this is -- will come into play in the next section when you're actually completing the closeout process. There's a form here for inventorying your NSP housing activities and showing the activity number and the start and end of the affordability period. This is sort of the baseline that you'll be dealing with in formulating your plan for monitoring continued affordability.

There's both the PDF version, which I just brought up and then there's a Word version where you can use to actually fill in on various charts and add additional pages as you need to to complete that. And again, with many of you working with a number of partners collecting all that data, sharing this form with your partners, having your partners complete the data so you can, like a grantee, consolidate for a closeout package that will pass much with HUD using that form, which is available here.

And a final prerequisite for those of you who are operating land banks I have a link to the land banking toolkit, another one of the many toolkits that was prepared for the NSP program and a webinar. Now, you'll note that this title talks about formal and informal property disposition strategies. You'll recall that the land that -- even if it's not in a formal land bank, that is, that acquired, but not sold yet, not in disposition status and ready for redevelopment, new construction, whatever.

There's a post-closeout requirement for getting that up and redeveloped within a 10-year period. So whether you have a formal land bank or informal issue of property yet to be disposed of and maybe having an issue about national objectives compliance, you want to make use of these resources here, both the toolkit and the webinar. So that brings us to our eight items of prerequisites for getting to the closeout process.

And if we have any questions at this point, I'll be prepared to respond to questions about the resources on the website, if there are any substantive program issues, although, we want to emphasize that this is a session about the website resources, but any kind of general questions beyond that that HUD may be prepared to give you some direction and guidance for follow-up, we can take a break at this point and see where we're at in terms of questions.

Les: Chuck, we only have one question that's come in and it's simply asking:

Q: Is HUD expecting that grantees will review all of these resources before they answer the closeout prep questions?

And that's just because there's so much information available on the web page. And I think it's really that HUD has wanted this to be well organized so that those resources were easy to be able to find and the process was clear, but I don't know that they need to review each one of these if they -- you know, all of these resources if it's not something they need to be able to verify the status of their NSP program. Chuck, do you want to add to that?

Chuck: Yeah. I think if you start with the checklist, I think that would be your overview and give you direction and certainly, if you -- for example, if you have no outstanding monitoring or audit findings, no need to address that item. If you're way out ahead of your 25 percent set-aside requirement and there are no issues and your data is properly entered in DRGR, no need to delve into that.

So I think if you're brand-new and just trying to get an understanding of the process, yeah, you'd probably want to go through, at least, at some level, step by step what all the prerequisites are, but as you're actually preparing a specific closeout package and trying to get your program ready, I'd start with the checklist, use the checklist, look at the annotations and go through each of these items and either verify that you're clear and you have a positive yes response or if you have a particular issue that you need to delve into, go to that item and delve into those resources that will help you resolve that particular item. Anything from HUD to add to that point?

Njeri: No. We have nothing to add at this time. But you know what, I do have one to add, that also the resources, I know it's overwhelming, I know it's a lot of information, I know especially for new people, they're probably wondering what the heck, because this is a lot to kind of grasp, especially with a program that's kind of dying, but the resources are also there, because you may run into specific questions, like say, for program income.

And this is an opportunity for you to, kind of on your own, you can kind of read up to understand how program income may work with not only the program you're trying to close, but how it will work out in the future. So I know it's a lot out there, but we wanted to like, again, make it easier

and kind of synthesize the information as they're proceeding with the closeout process; okay, Chuck?

Chuck: Sure. And as I said, to reiterate, start with the checklist, use that as your overall guide and to the extent that you're working on a specific closeout package, pick and choose the resources that you need to resolve a particular item and move forward to the next step, which is getting to prepare the closeout process.

Les: And Chuck, we had one additional question that's come in asking if they can use the reports that are generated in DRGR and simply attach them to the continued affordability form instead of actually filling out that form itself.

Njeri: Yes. They can. We know that especially for some grantees who have a big program, it may be easier to just go ahead and attach the form. So yes, we do accept that.

Chuck: Yeah. You'd want to make sure that all the activities are covered. You do have accurate start and end dates. I actually had a grantee who suggested that that data be moved into a spreadsheet as part of their management plan as their post-closeout. It helps them track things when they have it in a spreadsheet format. So they've imported that data into a spreadsheet and make that a part of their overall post-closeout affordability monitoring plan.

So we now have the second section. We're in the complete the process. This section gives you the resources and sort of walks you through the steps of -- there's a box at the top that sort of notes that and here's another document at the beginning of this that is this NSP overview document and this is a useful, short three-page document.

The other thing I like about this document is not only do they have a link to the closeout guide, which of course you already have downloaded in your closeout folder, but each of the actual documents is linked here. So you have a link to the cover letter certification, the closeout checklist, so skip that, again, the annotated version of the checklist and again, that actual closeout agreement.

Take a look at that if that's useful. Also, Word version and the PDF version. Here's where I have some blanks to fill in and you'll have a recap of the funding as part of that and the grantee and your field office CPD director will sign off on this before submitting it to headquarters for approval. So this three-page PDF is a useful overview, easy to use, fairly clear -- very clear, a document that you'll use.

So logically, the next step, there's no resources, just some points that you need to address as you consult with your field office. What's in your line of credit, status of activities, where program income is and the overall quality of your DRGR reports. Now, if you have devoted the time necessary to go through the prepare section diligently, look at all of those prerequisites.

This should be a short, hey, we're ready, all of our program income has been [inaudible], either transferred to CDBG or expended on an activity that now meets a national objective, our DRGR

reports are up-to-date with addresses and national objectives, accomplishments data. So we're ready to roll. So once all we've got a positive response, HUD will prepare a package.

This is just sort of telling you what's going to happen here. So using the closeout checklist, again, this is the unannotated version, will be part of your package and hopefully by now you've used the resources to get to yes on all of these items. And if you need to look further, you have their NSP Closeout Guide to refer to as sort of a reference. It's your reference document.

Les: Chuck, we have a question that's come in and they're saying, "What do I do if I can't find all of the documentation that's needed to be able to do the closeout?"

Chuck: I think you need to work with your field office to resolve those issues. If you have some housing projects that -- gee, what's the start of the affordability period and where's the agreement for the period of affordability with the homeowner or do we really record that covenant with that rental property we assisted, do we know exactly how many units are subject to NSP affordability in that 40-unit project?

So I think those substantive kinds of questions are something you're going to need to work through with your HUD CPD rep and your field office. Staff, anything additional to comment on that?

Njeri: Not really, but we agree with what you said. Honestly, it's not an uncommon problem, I hate to say that. We have worked with grantees who have come up on this problem and developed various solutions to at least try to establish the missing link to prove whether it's a national objective or affordability requirement, but it's a case by case basis and it will require them to speak with the field office and if they can't resolve it, then they usually escalate it up to us and we try our best to come up with a way to resolve the issue.

Now, if we can't and it's something that is egregious, I guess the final determination we can make is that we'll ask for repayment.

Male 1: Right. So we have seen this a lot and Njeri's [ph] seen it, particularly on that. So Marilee's [ph] working on a policy statement that hope to issue soon that would give some guidance about what the steps are. So in most cases, you're probably not going to be able to go back and put restrictive covenants on after the fact, but we think we can accept a commitment on the part of the grantee to monitor annually; you know?

So it's not going to be a small job in some cases, but if you don't -- if you never did impose restrictive covenants, then you're going to have to keep showing us, through the 5, 10, 15, 20-year period, that you are continuing to maintain those units as affordable.

Chuck: Yeah. I mean, there's only so much we can do with providing resources on a web page. You know, as our HUD colleagues have made note, at a certain point, you have to deal with the substantive issues that you may have. They're a hurdle you have to get through to get to closeout.

Male 1: Right. So we have an upcoming webinar on reconciliation. I'm going to have one on atonement.

Njeri: Game of thrones, shame, shame, shame. After you, Chuck.

Chuck: All right. Well, this whole section is reasonably straight forward. It's a process more than substance. You know, I've tried to spend time on the preparation, all the prerequisites. There's where all the meat of your work really occurs, because that's where you're resolving these kinds of issues, whether it's getting incomplete projects completed or getting your DRGR set up or resolving that project that's entered as a 25 percent set-aside but you have occupants that 80 percent of median and that needs to be fixed.

So the 25 percent set-aside is clearly segregated from the other parts of that activity. We can provide all the guidance about the steps you need to go through, but ultimately, you need to go through that process and work with your HUD field office to resolve the substance of the issues and then we'll get you to this closeout process, go through the page and get to this final closeout certification.

And ultimately, you'll -- you know, if there's some loose change remaining in your line of credit, which may be unavoidable, maybe occurred after receipted -- after your program income transfer occurred, we'll just clean that up with this final certification document and then you'll do your final performance report. There's some guidance about doing that final performance report.

Male 1: Hey, Chuck. Could I cut in here?

Chuck: Sure.

Male 1: You mentioned this earlier, it's a memo, a policy letter that Marilee put together last October, November and I think one of the big hang-ups for people, the things that they dread is going back and filling out four years of old QPRs. Well, we have a solution to that and it's very easy so you can just basically write an explanation and carry it forward into every QPR and then bring yourself current and then you can sleep at night.

Njeri: By explanation, you can write a simple sentence as please see latest QPR and then in latest QPR, you would update everything that happened within those four years or hopefully shorter. And another thing Don and I were kind of talking about here is that I hope people are not afraid to reach out. We know that there are a lot of new people, both on the grantee level and on the field office level, to be honest, and this program has been around for a long time.

And I've been around in the program for a long time where at this point, I have a high-schooler graduating and I had a child birthed during this program.

Male 1: Not the same child.

Njeri: So -- not the same child. No. Thank God, two different children. But that was just to say that this is a lot of information to try to wrap your head around, especially if you're a new person.

So what we're hoping to see is that you at least use the website as a starting point to figure out where you are in the process if you are trying to close out.

You know, reach out to your field office rep, reach out to us if you need technical assistance. We can definitely get you that to start you off with what we call DRGR Office Hours and we're also working on a pilot program. So we kind of do those type of steps and you still get to a process where you need some help but you're close to closeout.

We're working on another step where we're giving what we call, I want to say handholding but -- or dedicated one-on-one time for specific grantees in different field offices where they'll work for three months to get to closeout with a dedicated TA provider. So again, this is using this website to try to get you as far as you can in the process and then reaching out to your HUD rep is the first step, but we're here to help.

And don't feel shy or embarrassed if you don't have your documents or something's not making sense to you or you don't understand our policy question. We're definitely here to help and we have the resources available still to provide that help.

Male 1: I think we've seen everything. So you can't scare us anymore.

Njeri: Yeah. Even -- I don't want to say that part. I think we're going to the same -- we don't want to say we've seen people going to jail, but we've seen people going to jail. We know that's not going to happen, it was for different stuff, but we've seen everything in this program. Sorry, Chuck [inaudible] there.

Chuck: All right. No. I think it's useful and again, we're covering a lot of material, but I think keeping in mind the overall organization and just think of it as three steps.

And what I want to reemphasize is that prepare section is your list of prerequisites and you can start there and hopefully five or six of those prerequisites are already done and over with and maybe there's only two or three items that you need to spend some time working through your own records and files and consulting with your NSP implementation partners pulling things together and then once you've isolated a select few issues that you need to resolve working with your HUD field staff requesting DRGR TA or whatever it happens to be, finish overcoming those final prerequisites.

You know, once that's accomplished, we'll rant now getting your final performance report. You know, if you've already done your DRGR cleanup and accomplished that, this is pretty much -- you know, it's like rolling off a log, it's a piece of cake.

Les: We have a new question that's come in asking that, "If you have a rental property that is housing previously homeless individuals, whether they could simply use the presumed benefit under the national objective as opposed to what we would normally use would be housing." Sounds like a HUD question.

Male 1: So how do they get from homeless to where they are now? Are they still effectively homeless?

Njeri: Well, that's because they're [inaudible] a checkbox. So do you want us to email the question? Because he can't -- I'm going to the Q&A so we can see. Do you want us to --

Chuck: You know --

Njeri: Can you just email us directly at nsp-questions? And it would probably be easier to answer, because we would have to wait for them to respond and then --

Male 1: Yeah. At hud.gov.

Njeri: Yeah. At hud.gov.

Male 1: I mean, I would think this is the way to do it, but I'm kind of trying to figure out the steps in this process. And so that would -- we'll need a little more information.

Chuck: Haven't the homeless programs used some kind of zero income certification for homeless people? And that might be more relevant than just a blanket presumption?

Male 1: Well, we have a limited clientele in CDBG and that includes homeless people. I guess the question is if they're not homeless anymore, what are they? I mean, what status are they? Do they have jobs or are they just one step up from homelessness but not really a change in income, that sort of thing?

Les: And normally, we would use presumed benefit for a housing activity.

Chuck: Right. But limited clientele would generally not be applicable to a housing activity, as Les mentioned, but we -- but there are, I think, some simplified ways to document that, but still call it a housing activity.

Male 1: Well, I think you're just going to end up getting income information and that might not be that difficult to get, but -- okay. So they were homeless coming into this development. You know, I think there's ways to do that through LMAs. I mean, if it's a group home or something like that, it still --

Chuck: Yeah. A substantial number of homeless people are still working of various -- you know, in various ways and have some income.

Male 1: Right. I mean, I think there's a way to do it. They're saying that these people came into the project as homeless people. I mean, if it's a homeless shelter or it was a homeless shelter, then you can use LMC. So it's just not clear to me what the status of this housing is, but I think this -- it seems hard to believe you couldn't qualify them.

Chuck: Yeah. I think they're -- I think the folks are looking for a streamlined way to document that with the fact that there's a -- you know, almost certainty that a homeless person probably even meets the LH-25 category, the 50 percent of AMI but must minimize the burden of documenting that.

Male 1: Well, that's the thing. I mean, they want a streamlined process and it may not be available in this situation.

Les: So we also have two questions that have come in. "Thinking about the deadline, is there a deadline for being able to close out?" And, "Do folks need to ask for extensions, at some point, if they're not ready to be able to move forward with the closeout?"

Male 1: Well, there's not currently a deadline, but we are proposing in a notice that'll come out shortly that we can recapture funds that haven't been used for two years, but even if we do that, you still have to close out. So -- but this is what's called know your money, it doesn't expire and we've always said that, but now that we're 10 years into the program, it's starting to look like a lot of people are saying, we've got to close this program out.

So I think it makes sense to start now and to get your books in order and to get your records together. That's really the hard part and you could control that and then come to us for some TA and we'll get you through the process.

Chuck: Okay. I'd like to move on here, finish up this section, the last step in the closeout process. If there are any funds not expended, whether the automatic process that Don was referring to or the -- at the end of the closeout process, there is a procedure for HUD to cancel the remaining NSP funds that are in your line of credit.

The last step, we have a sigh of relief and you've completed the closeout process, again, we talk about post-closeout. There are some things that need to happen. Obviously, we've talked some about the -- about long-term affordability. Here we have a link to about -- you know, a number of issues that come up with when you are in your post-closeout phase.

There's -- the first link addresses income generated and that brings you back to the NSP program income webinar and those resources, land bank properties and the ultimate disposition and the 10-year maximum holding period and there's, again, the link to the webinar. DRGR, you'll have a single annual report post-closeout and again, you'll get -- here's a link to the multiplicity of DRGR tools.

Affordability, hopefully your report will say everything is in order, everybody is complying. You know, if somebody subject to recapture moved out during the affordability period, the funds were recaptured in accordance with that affordability agreement. You have some records to retain, flood insurance. Changing use is a potential issue.

There's a webinar on that. You know, in the tech world, you say there's an app for that. In the NSP world, we have a webinar for that and we've put the link on the closeout web page. So make sure you can find that kind of information readily. Environmental reviews, if you're taking any

new activities with NSP funds, you need to do an environmental review even if it's a determination of -- and it's categorically excluded or whatever or no significant effect.

And a rarely used resource, loan loss reserves and there's a policy alert on loan loss reserves, which it could linger once the closeout is actually accomplished. And so those are just the list of topics that you may encounter in the post-closeout environment. Not sure where the next [inaudible]. I'm not -- so where actually are we?

Oh, we're taken to the additional resources page next. Well, let's just wind up on the overview page. You know, hopefully you're not being overwhelmed with the range of resources that are available. Here are the topics that you need to address. You can address them sequentially with the -- by going through one at a time with the next button.

Or if you have a specific topic to address or like national objectives, you can just jump directly there, look at the resources example that -- pull up that chart. Things to -- an overview of the national objectives, both LMMA, the area benefits potential for some activities as well as primarily, of course, housing objective that you'll be using with your NSP funds or have used and are now ready to report and wrap up.

So that brings me to the end of what I have to present. I hope you found it useful. I hope that now after downloading some of the basic reference material to your closeout folder and you could begin the process using the checklist as a start and the overview as a way to get the broad brush understanding.

Les: Chuck, we have a question. You had mentioned a moment ago -- as you were talking about the post-closeout, you mentioned about environmental review and they were asking if you could briefly revisit that and give them a little more information.

Chuck: Sure. What the link provides is a link to the HUD Exchange general information on environmental review procedures and to the extent that post-closeout you undertake any new activities, the same environmental review procedures apply. Again, whether that's a categorically excluded activity or a no significant impact review that you're just subject to the same environmental review standards that applied initially to your NSP or your other HUD-funded programs, CDBG or HOME or whatever. I hope that --

Les: Great. And then I think we have a question that probably is a HUD question. They're mentioning that the DRGR 3B report is not pulling their affordability data and their TA rep has alerted DRGR on this, but I'm wondering if there were any tips that you might have on how to solve this issue.

Male 1: Yes. So we've got a workaround on the QPRs. We're doing a workaround on the affordability and the addressing and that is to -- you can upload even Excel file or possibly a PDF, but something that's not going into the system, that's just there as an attachment as a way to satisfy that requirement and I would advise you not to drive yourself crazy trying to figure out why the system is doing that.

Chuck: Yeah. There's a place -- there's a DRGR Ask A Question portal. John, is that functioning, as far as you know?

Njeri: Yes. The AAQ is still functioning.

Chuck: Okay. So as I think I mentioned, there are multiple ways and multiple areas the DRGR becomes an issue and there's a link in the overall DRGR page and in these micro-strategy guides and a link, again, to the Ask A Question feature for where you can raise your DRGR questions and there's a NSP webinar on DRGR. So there's a multiplicity of resources.

Les: Njeri, we have someone asking if they can be unmuted essentially to ask a question directly. I don't know if we have that capacity.

Njeri: I can see who the individual is asking the question and I will contact them. I know who they are and I'll contact them offline about their issue.

Male 1: But I think that's a good point, because right now we're also in -- you know, out of all the [inaudible] made, 14 of them in NSP 2 went to nonprofit consortia or nonprofit applicants and they played like somewhat different rules and once they close out, the environmental -- and Davis-Bacon and other rules do not apply.

That's -- if you're 1 of those 14, you know it. If you're not, you have to comply, this is federal money and it stays federal forever.

Njeri: Do we have anymore questions? Anymore out there?

Les: He's covered the ones that are in the -- we have one that's asking about they're not able to get into the QPR and they're wanting to know when this will be fixed and I don't know if that's an individual issue or that's something that's common.

Les: Not at this time.

Njeri: Oh, it's quiet. Okay. I know Marilee was able to join us. Is there any way that we can unmute her phone if she wanted to add anything to the webinar?

Nicole: Sure. I will unmute Marilee in one second.

Marilee: Okay. Did that unmute me?

Njeri: Yeah. Hey, how are you?

Marilee: Hey. Hi, everybody. Sorry I joined late.

Njeri: Were you able to hear any of the presentation?

Marilee: Yeah. I was and I wanted to provide a little bit of clarification going back to the homeless issue and that is either the -- you know, shelters would be a public facility under NSP. If it's housing, it would be permanent supported housing, but to qualify them now, I know that the COC program requires either shelters and/or case managers to provide documentation of eligibility and income when they transfer folks from one facility to another or they get someone or a household into housing.

So that would be the best avenue to document income, because even if folks are homeless, most of them have some kind of income. It's not enough to live off of, but they do have income, if that helps at all. So that was -- that's my two cents on what I heard. But outside I really wanted to congratulate you guys on what a slick-looking website it -- I really, really like it.

Njeri: Okay. It has a Marilee stamp of approval. [laughter]

Marilee: Not that that's worth much.

Njeri: No. It is.

Male 1: She just drove across country to relocate to Las Vegas.

Marilee: Yeah. It's only 106 today.

Njeri: It's [inaudible] here.

Male 1: Put your coat on.

Marilee: But it's not raining and there's no humidity. So I'm a happy camper.

Njeri: Thank you, Marilee.

Marilee: But that was a great webinar. I think you guys provided wonderful information. That was sorely needed.

Njeri: Thank you. Do we have any other questions?

Male 1: There's a question that was written in, but -- and I think it describes a common situation in which people are new to the program and feel overwhelmed and it's very understandable. We see this a lot and we are -- we've been trying to -- 200 webinars and all other means to get information to you, but it is overwhelming.

So what we would suggest is that you start with this page, because it is very clear, I think, and it will identify for you what the issues are. So you can check some things off and then put X's on some other ones that you need to work on and call your field office and call your -- call in for

some Office Hours, which is an offsite consulting where they share your computer and kind of walk you through some of the things you need to do.

And we've got up to 16 hours of technical assistance for that and then we also have sort of an expanded Office Hours program that Geri [ph] was talking about earlier, which is a small group of four or five grantees who will kind of work together over the course of three months with a single TA provider to hopefully bring you into the finish line.

So don't give up, do get started and let us know where you are and we'll see if we can help you get to the next step.

Njeri: I know we kind of jumped over you, ICF, I'm sorry. We read the question before you guys --

Les: No. That was perfect.

Njeri: Okay. And I just wanted to add just a tip that -- to -- for John, especially for people who have new staff and again, we know it's overwhelming, we know it's a lot of information, but it will make it easier if you can at least dedicate one or two people to kind of be the lead on trying to get to closeout. So it's just one person or two people, if somebody happens to leave, that understands what's happening and can just be that one source of contact.

It makes it a little easier. That would just be my tip if you have like a whole new staff of people who are new to NSP, at least dedicate two staff members to kind of lead the charge and again, don't -- you know, aside from this website and aside from TA, also reach out to your field office since they're there to help you as well and they may have an understanding of what happened in the past.

You know, this is an old thing, this will probably say my age, but they know who shot J.R. So I'm getting really --

Chuck: I mean, if I could throw in another aspect, there -- I know our rural jurisdictions have an issue, but [inaudible] areas your peers in the other agencies that are operating NSP programs may have somebody who will be a good source of insight for your programs. Sometimes there was some jointly-funded activities and other places.

You know, often I found very willing and very able, obviously. It's not an authoritative interpretation and resolution of a question like you can get from HUD, but certainly, they can give you a lot of background and I found that the experienced people are often more than willing to spend their time helping new folks, either new to the agency or new to the NSP, to bring people up to speed.

Male 1: Yeah, Chuck. And I would echo that advice saying that one of the features of this new program that we have is to have small cadres of similar grantees in close proximity, hopefully, to get that kind of group support and it's sometimes just as easy to -- or easier to call somebody across town or across the county and say, I'm really stuck on this and they might be able to help

you. So we've seen that in the clinics and these would kind of like be sort of like mini clinics I think.

Les: We don't have any new questions in the queue. So if any of our participants are sitting on that question they've hesitated to ask, now is the time before the end of the session today.

Njeri: Les, it looks like we have a new question.

Les: Yeah. So we have a question asking when the closeout package has been submitted, how long will it take headquarters to be able to approve that package and close that out? Do you have sort of a standard turnaround time?

Njeri: Marilee can check me on this, but I think we kind of give ourselves like 60 days to just review the package. It can be sooner than that, but I guess it depends on whatever is going on at the field office level. Can we unmute Marilee if she wants to add anything?

Njeri: Marilee, you're unmuted.

Marilee: Oh, okay. Thank you. Yeah. It really shouldn't take 60 days on our end if the field office has done everything. What we do is we will double-check that the correct documents are in DRGR on the closeout page, that the closeout date is correct, that the reporting cycle is correct. We're trying to -- if their entitlements were lining them up with their paper due dates and their program years would be the same as for their other entitlement programs to make it easier.

If they're a non-entitlement or a nonprofit, they can choose what month they want their report due in and what their operating year is. So if all of that is in order and the management plans for continued affordability checks out, then it doesn't take us very long at all, provided the rep has let us know that the stuff is in DRGR and ready for our approval.

We've been able to, at this last release of DRGR, to override the local program managers, CPD directors' approval step on the closeout page, because that has been delaying a number of closeouts. So that, again, won't take too much time. The other thing was -- what was the other thing on closeouts on the timing? No. That's about it, I guess. Yeah.

Les: We also have a new question that's come in that mentions that one of the responses was that the goal was to assist grantees to be ready as quickly as possible, wanting to know if HUD was planning on implementing a closeout deadline in the future.

Male 1: We're considering it, but it hasn't moved very far forward at this point.

Les: There are no other questions in the queue at this point.

Njeri: Okay. Well, I sincerely appreciate everyone coming and joining us for this webinar to see the exciting changes that we made to the HUD Exchange. Again, I want to pat ourselves on the back, because we kind of got the HUD Exchange started and we continue to be at the forefront of making sure it's as user-friendly as possible for those who use it.

And I want to thank ICF for doing a great job not only on the closeout page, but for the webinar. This is really helpful and we were -- I'm excited to see the number of people who are interested in joining. I was a little worried that it would be like five people and us just kind of talking to ourselves on some lonely podcast, but it seems like this is definitely a needed tool and we hope that everyone finds it useful. So I'll turn it over to ICF to finish it out.

Les: Chuck, you want to close things out?

Chuck: Do you need to add me to the list? I just want to thank everyone for the technical help in getting this webinar to function so smoothly. Appreciate your time and attention. You know, I don't think very many people get performance awards for closing out projects, but it's something that needs to get done and we're hopeful that this new website will give you the resources to make that happen in a more expedient fashion in the future.

Male 1: And we'll just mention that on this, we're projecting the last slide with the address to be able to submit questions for the NSP AAQ or of course, you can work directly with your local HUD office. Thanks, everybody.