MEMORANDUM FOR: All Community Planning and Development Field Office Division Directors

FROM: Clifford Tarfel, General Deputy Assistant Secretary, D

SUBJECT: Waiver of 24 CFR 91.105(b)(4) and 24 CFR 91.115(b)(4) for FY 2017 Action Plans for Community Planning and Development Program Funds

With the enactment of a FY 2017 appropriations act, HUD is issuing revised procedures to govern the submission and review of action plans for FY 2017 funding. Pursuant to Community Planning and Development (CPD) Notice 16-18, any grantee with a program year start date prior to, or up to 60 days after, the Department’s announcement of the FY 2017 formula program funding allocations was advised not to submit its consolidated plan or action plan until the FY 2017 formula allocations have been announced. Given the delay in the enactment of HUD’s annual appropriations, implementation of this policy for FY 2017 may have negative consequences for CPD formula grantees: Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), Emergency Solutions Grant (ESG) and Housing Opportunities for Persons with AIDS (HOPWA) grantees. Under 24 CFR 91.15(a)(2), HUD cannot accept a submission later than August 16, 2017. If HUD does not receive a consolidated plan or action plan by August 16, 2017, a grantee automatically loses its FY 2017 CDBG funding.

Section 104(a)(2) of the Housing and Community Development Act of 1974, as amended (the Act), requires that grantees implement a citizen participation process as a prelude to the allocation and expenditure of funds. A grantee’s citizen participation plan and proposed allocation of funds to eligible activities are components of its consolidated plan required pursuant to 24 CFR Part 91. The regulations at 24 CFR 91.105 and 91.115 describe the standards for citizen participation plans applicable to the programs administered by the Office of Community Planning and Development. Of immediate concern are the provisions in 24 CFR 91.105(a)(4) and 91.115(a)(4) requiring that grantees provide a period of not less than 30 days during which affected citizens may review and comment on the FY 2017 consolidated plan or action plan prior to its implementation. The timing of the enactment of the FY 2017 appropriations act leaves insufficient time for grantees to complete the pre-submission or pre-amendment citizen participation publication and comment process before the August 16, 2017, deadline.
While grantees must still provide citizens with a public comment period, the Department can provide significant relief from the 30-day minimum public comment standard in 24 CFR 91.105(a)(4) and 91.115(a)(4). Rather than a 30-day public comment period, HUD has determined that a minimum 14 calendar day public comment period is acceptable under the circumstances. Given the delay in appropriations, and the need for HUD to award funds so that grantees may begin to address their housing and community development needs, I hereby find that there is good cause pursuant to 24 CFR 91.600 to waive the 30-day public comment standard in 24 CFR 91.105(b)(4) and 24 CFR 91.115(b)(4) and institute a minimum 14 calendar day comment period. This waiver ensures grantees do not lose their FY 2017 funding, while also affording citizens a meaningful public comment period.

Any affected grantee taking advantage of this waiver must document in writing the conditions for the need to utilize this waiver and must maintain such documentation for HUD’s review. This waiver authority is in effect until August 16, 2017.