



STATE OF VERMONT
JOINT FISCAL OFFICE

MEMORANDUM

To: Joint Fiscal Committee members
From: Sorsha Anderson, Staff Associate
Date: June 2, 2021
Subject: Grant Request – JFO #3054

Enclosed please find one (1) item, which the Joint Fiscal Office has received from the Administration.

JFO #3054 – (1) one limited-service position, Grants Management Specialists, for the Agency of Commerce and Community Development, Housing and Community Development to manage allocations from the CARES Act and Recovery Housing Program totaling \$10,424,945.00. Funding for the position is included in the \$745,192.00 allowance for administrative costs. The position is expected to be renewed for two to four years.
{JFO received 6/1/2021}

Please review the enclosed materials and notify the Joint Fiscal Office (Sorsha Anderson: sanderson@leg.state.vt.us) if you have questions or would like this item held for legislative review. Unless we hear from you to the contrary by June 20, 2021, we will assume that you agree to consider as final the Governor's acceptance of this request.

**STATE OF VERMONT
Joint Fiscal Committee Review
Limited Service - Grant Funded
Position Request Form**

Print Form

This form is to be used by agencies and departments when additional grant funded positions are being requested. Review and approval by the Department of Human Resources must be obtained prior to review by the Department of Finance and Management. The Department of Finance will forward requests to the Joint Fiscal Office for JFC review. A Request for Classification Review Form (RFR) and an updated organizational chart showing to whom the new position(s) would report must be attached to this form. Please attach additional pages as necessary to provide enough detail.

Agency/Department: ACCD\Department of Housing and Community Development Date: 4/30/2021

Name and Phone (of the person completing this request): Ann Karlene Kroll; 802-505-1338

Request is for:

- Positions funded and attached to a new grant.
- Positions funded and attached to an existing grant approved by JFO # N/A – Old Grant

1. Name of Granting Agency, Title of Grant, Grant Funding Detail (attach grant documents):

U.S. Department of Housing and Urban Development (HUD), HUD CARES Act - CDBG-CV, 3 allocations
\$8,880,293
U.S. Department of Housing and Urban Development (HUD), Recovery Housing Program, 2 allocations \$1,544,652

2. List below titles, number of positions in each title, program area, and limited service end date (information should be based on grant award and should match information provided on the RFR) position(s) will be established only after JFC final approval:

<u>Title* of Position(s) Requested</u>	<u># of Positions</u>	<u>Division/Program</u>	<u>Grant Funding Period/Anticipated End Date</u>
Grants Management Specialist Housing and Community Development	one(1)	Grants Management	May 22, 2020 to September 30, 2025

*Final determination of title and pay grade to be made by the Department of Human Resources Classification Division upon submission and review of Request for Classification Review.

3. Justification for this request as an essential grant program need:

To ensure the State has the demonstrated capacity to meet all the HUD requirements of these new programs and to be fully compliant, with HUD. In addition, to provide the necessary technical assistance to our customer base of municipalities and nonprofit organizations many of whom have no knowledge of the HUD basic CDBG Regulations let alone all the new regulations that have come with both of these New Grant Programs.

I certify that this information is correct and that necessary funding, space and equipment for the above position(s) are available (required by 32 VSA Sec. 5(b)).

Josh Hanford Commissioner, Department of Housing and Community Development 4/30/2021
Signature of Agency or Department Head Date

Aimee Pope Digitally signed by Aimee Pope Date: 2021.05.14 14:43:45 -04'00'
Approved/Denied by Department of Human Resources Date

Adam Greshin Digitally signed by Adam Greshin Date: 2021.05.14 17:36:36 -04'00'

Approved/Denied by Finance and Management Date

Kristin Clouser Digitally signed by Kristin Clouser Date: 2021.05.17 09:12:12 -04'00'

Approved/Denied by Secretary of Administration Date

[Signature] Date: 5/28/21
Approved/Denied by Governor (required as amended by 2019 Leg Session) Date

Comments:

Jason Aronowitz Digitally signed by Jason Aronowitz Date: 2021.05.14 16:21:32 -04'00'

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor [phone] 802-828-3211
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

TO: Suzanne Young, Secretary – Agency of Administration

FROM: Josh Hanford, Commissioner – Department of Housing and Community Development



DATE: April 30, 2021

SUBJECT: Limited-Service Position, Grants Management Specialist Housing and Community Development, PG 23

The Position is needed to meet the Federal mandates and requirements from HUD for two new Grant Programs. CARES Act funding to Respond, Prepare for, and Prevent COVID-19 and Recovery Housing Program for housing individuals in recovery with substance use disorders. Each Program has numerous new regulations from our core CDBG Program and brings over \$10.4M in funding to an already lean staffing level managing over \$7.4M annually with over \$24.9M in open grants.

The 3 allocations of CDBG-CV funding totals \$8,880,293 and brings with it \$621,620 for administration.

The 2 allocations of Recovery Housing totals \$1,544,652 and brings with it \$123,572 for administration.

We expect to have this Limited Service Position for a period of two to four years.

The funding for CDBG-CV and RHP goes until September 1, 2027 with the possibility of additional allocation of RHP (due to the continued high mortality rate from opioid overdose) that would go until September 1, 2028.

However, there are some expenditure deadlines associated with the programs that will require close oversight monitoring to ensure meeting these deadlines. The CDBG-CV must expend 80% of the funds within 3 years or by May 2022, and the Recovery Housing Program must expend 30% within one year or by July 2022.

The Position will assist with Financial Management of the open grants; assist with oversight monitoring of open grants; assist in the review and data entry of progress reports and final program reports; and provide technical assistance to grantees, administrators, developers and contractors regarding the HUD requirements and regulations, along with the overarching federal requirements and State requirements.

If not approved, we are potentially jeopardizing the core CDBG Program with a long-valued history with our federal funder, HUD, and putting the new Programs at risk due to lack of capacity to manage all the new requirements and regulations to be fully compliant with HUD.

Thank you for your consideration.



VERMONT DEPARTMENT OF PERSONNEL
Request for Classification Review
Position Description Form A

- **This form is to be used by managers and supervisors to request classification of a position (filled or vacant) when the duties have changed, and by managers and supervisors to request the creation of a new job class/title (for a filled, vacant, or new position), and by employees to request classification of their position.**
- This form was designed in Microsoft Word to download and complete on your computer. This is a form-protected document, so information can only be entered in the shaded areas of the form.
- If you prefer to fill out a hard copy of the form, contact your Personnel Officer.
- To move from field to field use your mouse, the arrow keys or press Tab. Each form field has a limited number of characters. Use your mouse or the spacebar to mark and unmark a checkbox.
- Where additional space is needed to respond to a question, you might need to attach a separate page, and number the responses to correspond with the numbers of the questions on the form. Please contact your Personnel Officer if you have difficulty completing the form.
- The form must be complete, including required attachments and signatures or it will be returned to the department's personnel office. All sections of this form are required to be completed unless otherwise stated.

INSTRUCTIONS: Tell us about the job. The information you provide will be used to evaluate the position. It will not be used in any way to evaluate an employee's performance or qualifications.

Answer the questions carefully. The information you give will help ensure that the position is fairly evaluated. Here are some suggestions to consider in completing this questionnaire:

- Tell the **facts** about what an employee in this position is actually expected to do.
- Give **specific examples** to make it clear.
- Write in a way so a person unfamiliar with the job will be able to understand it.
- Describe the job **as it is now**; not the way it was or will become.
- Before answering each question, read it carefully.

To Submit this Request for Classification Review: If this is a filled position, the employee must sign the original* and forward to the supervisor for the supervisor's review and signature. The Personnel Officer and the Appointing Authority must also review and sign this request before it is considered complete. The effective date of review is the beginning of the first pay period following the date the complete Request for Classification Review is date stamped by the Classification Division of the Department of Personnel.

*An employee may choose to sign the form, make a copy, submit original to supervisor as noted above, while concurrently sending the copy to the Classification Division, 144 State Street, Montpelier, with a cover note indicating that the employee has submitted the original to the supervisor and is submitting the copy as a **Concurrent** filing.

If this is a request (initiated by employees, VSEA, or management) for review of all positions in a class/title please contact the appropriate Classification Analyst or the Classification Manager to discuss the request prior to submitting.

Request for Classification Review Position Description Form A

For Department of Personnel Use Only

Notice of Action # _____	Date Received (Stamp)
Action Taken: _____	
New Job Title _____	
Current Class Code _____	New Class Code _____
Current Pay Grade _____	New Pay Grade _____
Current Mgt Level _____ B/U _____ OT Cat. _____ EEO Cat. _____ FLSA _____	
New Mgt Level _____ B/U _____ OT Cat. _____ EEO Cat. _____ FLSA _____	
Classification Analyst _____ Date _____	Effective Date: _____
Comments: _____	Date Processed: _____
Willis Rating/Components: Knowledge & Skills: _____ Mental Demands: _____ Accountability: _____ Working Conditions: _____ Total: _____	

Incumbent Information:

Employee Name: Employee Number:
Position Number: Current Job/Class Title:
Agency/Department/Unit: Work Station: Zip Code:
Supervisor's Name, Title, and Phone Number:
How should the notification to the employee be sent: employee's work location or other address, please provide mailing address:

New Position/Vacant Position Information:

New Position Authorization: Request Job/Class Title:
Position Type: Permanent or Limited / Funding Source: Core, Partnership, or Sponsored
Vacant Position Number: Current Job/Class Title:
Agency/Department/Unit: Work Station: Zip Code:
Supervisor's Name, Title and Phone Number:

Type of Request:

- Management:** A management request to review the classification of an existing position, class, or create a new job class.
- Employee:** An employee's request to review the classification of his/her current position.

1. Job Duties

This is the **most critical** part of the form. Describe the activities and duties required in your job, **noting changes (new duties, duties no longer required, etc.) since the last review**. Place them in order of importance, beginning with the single most important activity or responsibility required in your job. The importance of the duties and expected end results should be clear, including the tolerance that may be permitted for error. Describe each job duty or activity as follows:

- **What** it is: The nature of the activity.
- **How** you do it: The steps you go through to perform the activity. Be specific so the reader can understand the steps.
- **Why** it is done: What you are attempting to accomplish and the end result of the activity.

For example a Tax Examiner might respond as follows: **(What)** *Audits tax returns and/or taxpayer records.* **(How)** *By developing investigation strategy; reviewing materials submitted; when appropriate interviewing people, other than the taxpayer, who have information about the taxpayer's business or residency.* **(Why)** *To determine actual tax liabilities.*

Provide oversight and financial analyses at a professional level with a focus on grants management;

Ability to analyze and interpret complex laws, rules and regulations, to disseminate to grantees and staff with varying levels of experience

Develop written materials for guidance and policies, and templates to assist the Grantees

Financial Management and in-depth review of Requisitions for accuracy, reviewing all the supporting back-up documentation, invoices, cancelled checks, analysis of spreadsheet details in comparison to Grant Agreement budgets;

Working knowledge of construction standards and management, with an emphasis on multi-family residential buildings; Labor Standards – Davis-Bacon, ensuring compliance with certified payrolls; Procurement Standards under the Uniform Guidance; Contracting – System for Award Management (www.SAMS); On-site Monitoring; Conduct construction inspections to ensure meeting Housing Quality Standards;

Assist with Single Audit Report reviews;

Interim Quarterly Progress Report Reviews, to ensure projects are on track to meet proposed beneficiaries and completion dates, and entering any available data into HUD systems;

Final Program Report Reviews of projects, capturing the data for the beneficiaries to ensure meeting the National Objective; Strong attention to vast amounts of details;

Ability to operate various technology systems for reporting to HUD and Requisitioning funds;

Ability to write summaries and solutions in instances on non-compliance for monitoring reports;

Ability to be a team player, with the patience and skill to train and mentor others;

Strong leadership and interpersonal skills, public involvement skills, and oral communication skills;

Conduct Statewide Compliance Symposiums, record trainings for virtual presentations; and

Specific Strengths needed to be successful in the position:

- Willingness to take initiative
- Thinking and analyzing what is next, what can I do?
- Reduce the stress of others, Team and colleagues
- Work independently, but still take direction when offered
- Work well in a collaborative environment – team player
- Maintain the utmost of professionalism at all times

2. Key Contacts

This question deals with the personal contacts and interactions that occur in this job. Provide brief typical examples indicating your primary contacts (**not** an exhaustive or all-inclusive list of contacts) other than those persons to whom you report or who report to you. If you work as part of a team, or if your primary contacts are with other agencies or groups outside State government describe those interactions, and what your role is. For example: you may *collaborate, monitor, guide, or facilitate change*.

The incumbent will have daily contact with Grantees, Municipal Officials, Developers, Construction contractors, Administrators, Regional Development Corps., other State Agencies, Federal Officials, U.S. Department of Labor, when providing technical assistance, monitoring projects onsite, researching questions, especially on Davis-Bacon Wage Rate Categories

3. Are there licensing, registration, or certification requirements; or special or unusual skills necessary to perform this job?

Include any special licenses, registrations, certifications, skills; (such as counseling, engineering, computer programming, graphic design, strategic planning, keyboarding) including skills with specific equipment, tools, technology, etc. (such as mainframe computers, power tools, trucks, road equipment, specific software packages). Be specific, if you must be able to drive a commercial vehicle, or must know Visual Basic, indicate so.

The majority of the work is conducted in the online Grants Management system - Grants Electronic Application Reporting System (GEARS) which is web-based; strong spreadsheet skills helpful; additionally basic construction knowledge helpful for review of bids, contracts, wage rates, rehabilitation inspection reports; and strong financial management skills necessary for the review and approval of requisitions, and/or assisting in the tracking of the requisitions for the draw of the funds. The Federal Funder, HUD has its own systems, Integrated Disbursement Information System (IDIS) and Disaster Relief Grant Reporting (DRGR) for drawing funds and recording beneficiary data that must be maintained very accurately as it is the tool by which we report to HUD quarterly and ultimately annually. Further, the incumbent needs to be able to use the State system, VISION, to enter Grantee info for tracking.

4. Do you supervise?

In this question "supervise" means if you direct the work of others where you are held **directly** responsible for assigning work; performance ratings; training; reward and discipline or effectively recommend such action; and other personnel matters. List the names, titles, and position numbers of the classified employees reporting to you:

N/A

5. In what way does your supervisor provide you with work assignments and review your work?

This question deals with how you are supervised. Explain how you receive work assignments, how priorities are determined, and how your work is reviewed. There are a wide variety of ways a job can be supervised, so there may not be just one answer to this question. For example, some aspects of your work may be reviewed on a regular basis and in others you may operate within general guidelines with much independence in determining how you accomplish tasks.

Many of the tasks are driven by the Grantees and applicants as their questions take priority; however, there are specific deadlines for requisition processing that must be met, as well as reviewing and clearing interim and final program reports. The monitoring reports are prepared by the incumbent for the review and signature of the Director. Likewise, the clearance letters of the Final Program reports. The Director may assign tasks or shift priorities as needed due to workload.

6. Mental Effort

This section addresses the mental demands associated with this job. Describe the most mentally challenging part of your job or the most difficult typical problems you are expected to solve. Be sure to give a specific response and describe the situation(s) by example.

- For example, a purchasing clerk might respond: *In pricing purchase orders, I frequently must find the cost of materials not listed in the pricing guides. This involves locating vendors or other sources of pricing information for a great variety of materials.*
- Or, a systems developer might say: *Understanding the ways in which a database or program will be used, and what the users must accomplish and then developing a system to meet their needs, often with limited time and resources.*

The incumbent is required to have knowledge and stay current with a vast array of federal and state regulations. The position will be required to keep track of all the CDBG-CV and Recovery Housing Program (RHP) open grants. The diversity of the requirements of the two programs is vast as the CDBG-CV program is in response to COVID and RHP is in response to substance use disorders. Working with various project partners and interfacing with multiple state and federal funding agencies and processes involves considerable mental demands including concurrent reviews of diverse projects under tight time constraints.

Other mental effort associated with the position is constant changes in the Federal Regulations that affect the projects. The incumbent must be aware of these changes and provide training and technical assistance to recipients in order for the projects to be fully compliant with the Federal Regulations.

7. Accountability

This section evaluates the job's expected results. In weighing the importance of results, consideration should be given to responsibility for the safety and well-being of people, protection of confidential information and protection of resources.

What is needed here is information not already presented about the job's scope of responsibility. What is the job's most significant influence upon the organization, or in what way does the job contribute to the organization's mission?

Provide annualized dollar figures if it makes sense to do so, explaining what the amount(s) represent.

For example:

- A social worker might respond: *To promote permanence for children through coordination and delivery of services;*
- A financial officer might state: *Overseeing preparation and ongoing management of division budget: \$2M Operating/Personal Services, \$1.5M Federal Grants.*

This position is responsible for critical compliance requirements of the CDBG-CV and Recovery Housing Programs. The enforcement of the Federal Labor Standards and Davis-Bacon compliance requirements which could result in violations involving restitution, legal action and debarment of contractors from federally funded projects and may jeopardize HUD's funding to the State of Vermont for the CDBG-CV Program in the amount of \$8.8M and the RHP of \$1.5M, in addition to the CDBG annual allocation of approximately \$7.3M.

8. Working Conditions

The intent of this question is to describe any adverse conditions that are routine and expected in your job. It is not to identify special situations such as overcrowded conditions or understaffing.

- a) What significant mental stress are you exposed to? All jobs contain some amount of stress. If your job stands out as having a significant degree of mental or emotional pressure or tension associated with it, this should be described.

Type	How Much of the Time?
Stress factors associated with this position are due to maintaining the correct interpretation of the Federal Laws and Regulations as they relate to eligibility of Federal funding. Any misinterpretation of these laws may have severe consequences and jeopardize the project and funding.	daily

- b) What hazards, special conditions or discomfort are you exposed to? (Clarification of terms: **hazards** include such things as potential accidents, illness, chronic health conditions or other harm. Typical examples might involve exposure to dangerous persons, including potentially violent customers and clients, fumes, toxic waste, contaminated materials, vehicle accident, disease, cuts, falls, etc.; and **discomfort** includes exposure to such things as cold, dirt, dust, rain or snow, heat, etc.)

Type	How Much of the Time?
This position requires onsite monitoring visits of construction projects that include exposure to hazardous materials, dust, noise, and falling debris and material. In addition, driving in hazardous road conditions occasionally to onsite monitoring.	2-3 times a month
This will be limited due to COVID restrictions and is done predominantly virtually	

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c) What weights do you lift; how much do they weigh and how much time per day/week do you spend lifting?

Type	How Heavy?	How Much of the Time?
N/A		

d) What working positions (sitting, standing, bending, reaching) or types of effort (hiking, walking, driving) are required?

Type	How Much of the Time?
sitting	65%

Additional Information:

Carefully review your job description responses so far. If there is anything that you feel is important in understanding your job that you haven't clearly described, use this space for that purpose. Perhaps your job has some unique aspects or characteristics that weren't brought out by your answers to the previous questions. In this space, add any additional comments that you feel will add to a clear understanding of the requirements of your job.

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Employee's Signature (required): _____ Date: _____

Supervisor's Section:

Carefully review this completed job description, but **do not** alter or eliminate any portion of the original response. Please answer the questions listed below.

1. What do you consider the most important duties of this job and why?

Financial analysis and attention to detail for the review and approval of requisitions and/or the preparation of the draws out of the online grants management system GEARS; working knowledge of construction standards and management to assist with understanding the more complex construction management contracts, bidding, and procurement, and the associated Labor Standards/Davis-Bacon requirements; overall monitoring of subrecipients; and basic single audit review to ensure the Programs are compliant with HUD standards and State standards and that our Grantees/Partners are provided with the best possible support.

2. What do you consider the most important knowledge, skills, and abilities of an employee in this job (not necessarily the qualifications of the present employee) and why?

Ability to analyze and disseminate complex laws, rules and regulations to meet all levels of experience and understanding and learning capabilities; ability to be a Team player and support others on the team; and ability to establish and maintain effective working relationships both externally and internally.

3. Comment on the accuracy and completeness of the responses by the employee. List below any missing items and/or differences where appropriate.

N/A - Management request

4. Suggested Title and/or Pay Grade:

Per the Appointing Authority, Pay Grade 23/Grants Management Specialist Housing and Community Development

Supervisor's Signature (required): Ann Karlene Kroll Date: April 28, 2021

Personnel Administrator's Section:

Please complete any missing information on the front page of this form before submitting it for review.

Are there other changes to this position, for example: Change of supervisor, GUC, work station?

Yes No If yes, please provide detailed information.

Attachments:

Organizational charts are **required** and must indicate where the position reports.

Draft job specification is **required** for proposed new job classes.

Will this change affect other positions within the organization? If so, describe how, (for example, have duties been shifted within the unit requiring review of other positions; or are there other issues relevant to the classification review process).

Suggested Title and/or Pay Grade:

Personnel Administrator's Signature (required): _____ Date: _____

Appointing Authority's Section:

Please review this completed job description but **do not alter** or eliminate any of the entries. Add any clarifying information and/or additional comments (if necessary) in the space below.

Suggested Title and/or Pay Grade:

Grants Management Specialist Housing and Community Development / PG 23

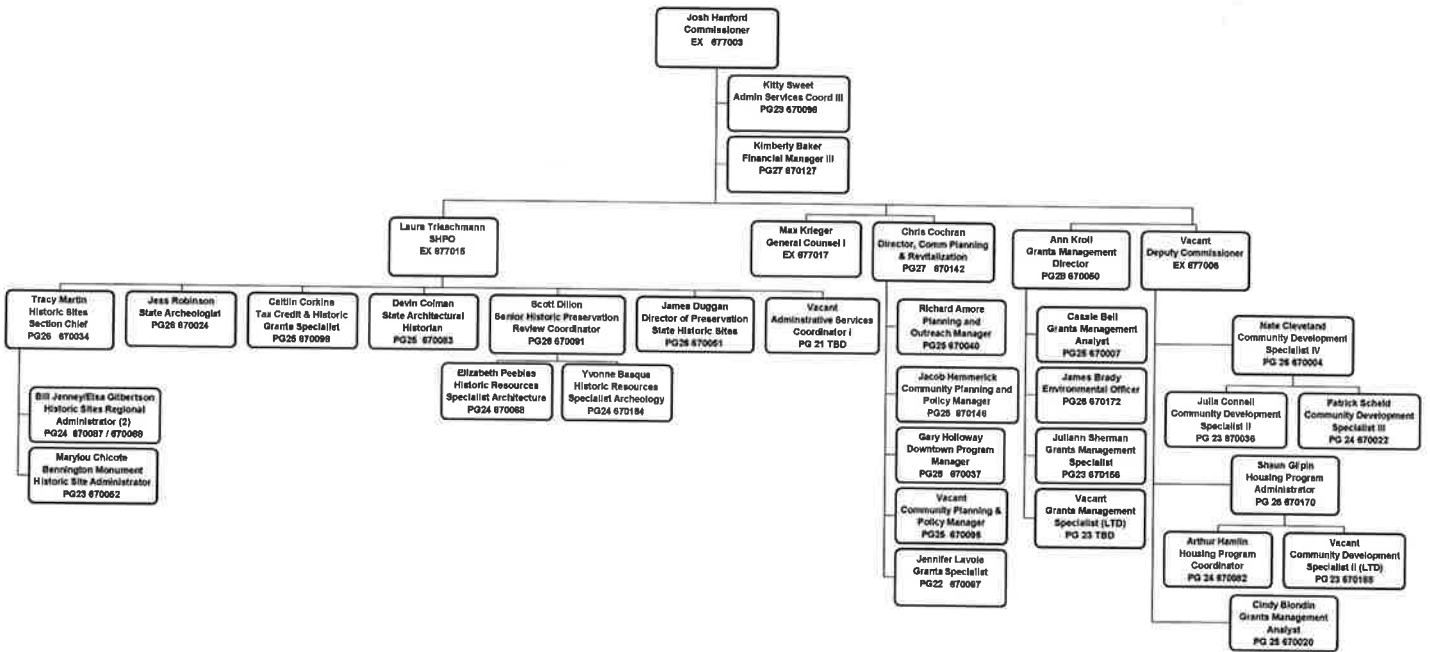
Josh Hanford

Appointing Authority or Authorized Representative Signature (required)


4/30/2021

Date

AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT
ORGANIZATION CHART
FISCAL 2021 BUDGET
DEPT OF HOUSING AND COMMUNITY DEVELOPMENT



subject to the requirements of section III.B.6.(b)(vi) below. Requiring states to match administrative funds may considerably slow down the expenditure of CDBG-CV funds in states struggling to accurately project and adjust their budgets given the challenges caused by coronavirus. The requirements at 42 U.S.C. 5306(d)(3)(A) and 24 CFR 570.489(a) are waived to the extent necessary to eliminate the state match requirement for general administrative costs.

 *III.B.6.(b)(vi) Cap on State Administrative Costs and Technical Assistance.*

Pursuant to 24 CFR 570.489(a)(3)(iii), a state and its funded units of general local government and subrecipients are, in aggregate, permitted to expend no more than 20 percent of the CDBG-CV grant for planning, management, and administrative costs. Under 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) a state may not directly use more than \$100,000 plus 3 percent of its annual grant for administrative and technical assistance costs combined. IIUD is waiving 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) and establishing an alternative requirement that a state may use up to 7 percent of its CDBG-CV grant combined for general administration and technical assistance costs; of that 7 percent, a state may use up to 5 percent of CDBG-CV funds for general administration costs and up to 2 percent of the grant for technical assistance activities. The remainder of the amount may be used by units of general local government for administrative and technical assistance costs, provided that a state and its funded units of general local government and subrecipients expend no more than 20 percent of the CDBG-CV grant for planning, management, and administrative costs. A grantee must meet this alternative requirement over the life of its grant, as amended to incorporate additional allocations of CDBG-CV funds.

CDBG-CV grant funds shall not be used to pay planning and program administrative costs allocable to another grant under the CDBG annual formula program; however, CDBG-CV

activities directly that all RHP grants remain subject to the provisions of 2 CFR part 200 that are incorporated by state CDBG regulations at 24 CFR part 570, subpart I, including the cost principles in 2 CFR part 200, subpart E. As a reminder, the cost principles require that costs be necessary and reasonable for the performance of the grantee's RHP grant. This requirement applies to all costs charged to the grant, including residential rehabilitation and reconstruction costs.

- ix. *Environmental Review.* According to the environmental review regulations at 24 CFR 58.4(b), when a state carries out activities directly, the state must submit the certification and Request for Release of Funds (RROF) to HUD for approval. While a state usually distributes CDBG funds to a unit of general local government and takes on HUD's role as the responsible entity in receiving certifications from grant recipients and approving RROFs, for RHP activities carried out directly by the state, the state must submit the certification and RROF to HUD for approval.

E. Administrative Costs Cap, Elimination of State Matching Funds, and Related Provisions.

~~320000~~ ADMIN

The SUPPORT Act contains two requirements that modify existing CDBG requirements. Pursuant to Section 8071(c)(3), up to 5 percent of any RHP grant may be used for administrative costs by the grantee. Therefore, the total of all costs classified as administrative for a state, unit of general local government, and subrecipient(s) must be less than or equal to the 5 percent cap. Secondly, Section 8071(d)(2) provides that no matching funds are required for grantees to receive RHP grants.

In addition, to implement the requirements of the SUPPORT Act, HUD is limiting the eligible activities that grantees may carry out with RHP funds to those activities described in

section II.L. For example, although allowed in the state CDBG program, a planning-only grant is not an eligible RHP activity.

HUD is also clarifying the inapplicability of CDBG requirements that conflict with the SUPPORT Act and imposing waivers and alternative requirements to modify the applicability of requirements related to administrative, management, planning, and technical assistance costs.

- i. *Administrative Cost Cap 5 percent.* The requirements at section 106(d)(3) and (d)(6)(A) of the HCD Act (42 U.S.C. 5306(d)(3) and (d)(6)(A)) and the regulations at 24 CFR 570.200(g) and 570.489(a) are waived to the extent that they conflict with the Section 8071 provisions which establish a 5 percent cap on administrative costs with no match requirement, and section II.E of this notice which precludes planning-only grants. RHP grantees may expend up to 5 percent of the RHP grant and up to 5 percent of program income received for administrative costs. A nonfederal match for administrative costs is not required.
- ii. *Technical Assistance Cost Cap 3 percent.* Section 106(d)(5) and (d)(6) of the HCD Act (42 U.S.C. 5306(d)(5) and (6)) and 24 CFR 570.489(a) are waived to the extent necessary to establish the following alternative requirement. In addition to the 5 percent of its RHP grant that a grantee may use for administrative costs, a grantee may use up to an additional 3 percent of the grant for technical assistance activities. Additionally, RHP grantees may expend up to 3 percent of program income received for technical assistance activities.