

City of Albuquerque Citizen Participation Plan

I. OVERVIEW

The Citizen Participation Plan (CPP) provides a guide for citizens and citizen organizations to participate in an advisory role in assisting in developing and reviewing on behalf of the public the *Consolidated Plan*. The *Consolidated Plan (Plan)* establishes the City of Albuquerque's long range strategy and five-year investment plan for community development, housing and homeless services. The *Plan* allocates federal resources from the Community Development Block Grant Program (CDBG), HOME Investment Partnerships Program (HOME) and Emergency Shelter Grant Program (ESGP).

Through the procedures outlines in the CPP, the City provides mechanisms to ensure that interested citizens are informed about the *Plan* and have the opportunity to comment on the programs that this *Plan* establishes. Nothing in the CPP, however, shall be construed to restrict the responsibility and authority of the City, through the Mayor, for development of the *Consolidated Plan*.

The CPP provides information that shows how citizens may become involved in the *Plan* program. Citizens shall have the opportunity to provide input about the program by submitting comments:

1. Directly to the Department of Family and Community Services
2. During public hearings
3. Through other venues such as community charettes, focus groups, or other means that may be determined occasionally.

Copies of the CPP are available on the City of Albuquerque Department of Family and Community Service's website under the "Publications" heading. Copies are also available at no charge at the Department of Family and Community Services, Old City Hall Building, 5th Floor, Suite 504, 400 Marquette NW, Albuquerque, NM.

II. CITIZEN PARTICIPATION STRUCTURE

The Albuquerque Citizen Team (ACT) will serve as the committee that facilitates citizen participation in the *Plan* development process. This committee will be instrumental and advisory in not only developing the five-year *Plan* but in reviewing project progress funded in the *Plan* and making recommendations to the Department of Family and Community Services. Because it does not set policy, ACT is not subject to the Public Board, Commissions and Committee Ordinance (City of Albuquerque, Article 6). However, the committee shall follow the general guidelines of the Open Meetings Act and shall strive to meet the following performance criteria:

A. Representation – Each of the nine City Councilors will be asked to submit three recommendations for a representative from their Council District. One of the recommendations may serve as an alternate and the alternate shall assume the responsibilities of the primary representative in their absence. Three additional members of the ACT shall include a representative from the Mayor's office, the Planning Department, and the City's Affordable Housing Committee.

An ACT representative from a City Council district must live within the same district she/ he represents. In addition to the twelve voting members, technical advisors who are not

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voting members will be asked to participate in the planning process. The advisors will represent the following areas:

1. Assisted Housing
2. Health Services
3. Social Services
4. Fair Housing
5. Local and Regional Institutions
6. Business
7. Developers
8. Community and Faith Based Organizations

B. Input – The ACT will strive to receive input via public forums such as focus groups and town hall meetings to help identify needs and set priorities for programs that are administered to meet those needs. In particular, outreach for participants in the public forums will seek input from the following populations:

1. Immigrants
2. Senior citizens
3. Low income
4. Disabled
5. Children and youth
6. Homeless persons

C. Term - Members of the ACT may serve no more than five consecutive years.

D. Election of Chair and Vice Chair – A Chair and Vice Chair will be elected at the first meeting of the calendar year. Thereafter, a Vice Chair will be elected annually and will assume the role as Chair in the subsequent year.

E. Attendance – Because it is important to get informed public comment, ACT members should strive to attend meetings regularly. Although this committee is not subject to City of Albuquerque Public Boards, Commissions, and Committees’ rules regarding attendance, attendance is still critical. Unless there are extreme circumstances, any member of ACT will be removed from the committee after due notice if such member has missed three consecutive

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meetings or have been absent from more than 50% of the meetings held during any twelve consecutive months.

F. Conflict of Interest – No member of the ACT may obtain a personal or financial interest or benefit from an agency activity or project that is specified in the *Plan*, either for themselves or from those with whom they have family or business ties during their tenure, or for one year thereafter.

III. CITIZEN PARTICIPATION

ACT is responsible for formally recommending a five-year plan (*Plan*) for the allocation of Community Development, HOME and ESGP resources. The *Plan* must be completed in a timely manner for submission to the U. S. Department of Housing and Urban Development.

The *Plan* is submitted to the Mayor and Council for formal approval.

A. Consolidated Plan Development

1. The first stage of Plan development is the determination of needs based upon input from the general public, neighborhood associations, and other interested parties as well as technical assistance from City staff.

The City's Affordable Housing Committee will provide the ACT with recommendations for a Workforce Housing Plan, as defined in F/S93) O-06-08 to be included in the *Plan*.

2. During this process, a minimum of one public hearing will be held for overall community needs and three public hearings for the draft Workforce Housing Plan.
3. The second stage of CP development is the review of all input. Staff will conduct a preliminary review to assess feasibility and eligibility. Staff shall then prepare a listing of needs by subprogram area. ACT will use this listing to recommend a broad range of targeted (area) programs by category based upon identified needs and input at the public hearing(s) and other forums. ACT will incorporate the recommendations for housing generated from the Affordable Housing Committee.
4. The third stage of CP development is the period during which ACT is given an estimate of funds to be received for the upcoming program year. In this stage the ACT recommends the range of subprograms and the appropriate percentage of the estimated total funds to be allocated to each eligible subprogram (for example, public facilities and improvements, housing, public services, and economic development). This document becomes the *Proposed Consolidated Plan*, which is approved by the ACT in a public meeting. A summary of proposed projects and funding allocations from the proposed CP will be published in a newspaper of general circulation. After a 30-day public comment period and review of the plan, the full committee recommends the final *Consolidated Plan*.

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5. Following ACT's recommendation, the final *Consolidated Plan* is sent to the Department of Family and Community Services, then to the Mayor for full review and then to the City Council for approval.

B. Annual Modification to Investment Summary of the *Plan*

The *Plan* sets out the funding priorities for a five year span. However, there are occasions when it is necessary to modify the annual investment summary of the *Plan* because of changes in funding levels, projects completed ahead of schedule, and so forth. The following steps apply only to the annual investment summary.

1. The first step for handling modifications is for the ACT to examine the annual investment summary for the *Plan*. ACT members will review and discuss any changes to spending levels, timing of projects, changes to community needs and priorities, etc., to determine if any modifications to that year's investment summary need to be made. During this time, staff will also review any modifications to the investment summary to ensure project eligibility per HOME, ESG and CDBG regulations.
2. A notice of the proposed modifications to projects and funding allocations in the annual investment summary will be published in a newspaper of general circulation. After a 30-day public comment period and review of modifications to the annual investment summary, ACT may recommend, if necessary, changes to the annual investment summary.
3. Following ACT's recommendations, changes to the annual investment summary are sent to the Department of Family and Community Services, then the Mayor for full review and then to City Council for final approval.

C. Amendments to Consolidated Plan/Action Plan

Substantial amendments are funding adjustments or reallocations that involve adding, deleting or shifting 20% or more of the approved funds from one eligible activity to another. An eligible activity is defined in 24 CFR Parts 201 through 206. Substantial amendments will be subject to a 30-day comment period following publication of the proposed amendment in a newspaper of general circulation and posting on the City web site. A summary of comments or views, and a summary of comments and views not accepted and the reasons therefore, will be attached to the substantial amendment.

IV. PROGRAM EVALUATION

The ACT shall assist the City in reviewing the degree to which projects and activities achieve their objective.

A. Performance Reporting

The Community Development Section of the Department of Family and Community Services annually prepares a Consolidated Annual Performance Evaluation Report (CAPER) for the U. S. Department of Housing and Urban Development within 90 days following the end of the program year. This report includes:

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1. Cumulative project progress
2. Cumulative status of funds
3. Direct benefit activities
4. Actions to affirmatively further fair housing objectives
5. Displacement of established residents from their neighborhoods
6. Other HUD-required information

In conjunction with the Department of Family and Community Services, ACT will hold a public hearing to distribute and discuss the cumulative accomplishments of *Plan* projects and programs. Copies of the performance report shall be made available to citizens upon request.

B. Comments

Individuals or groups may submit comments on all aspects of the CAPER, including the performance of contractors. Comments should be submitted in writing or in email (fcsdsk@cabq.gov) to the Department of Family and Community Services, *Consolidated Plan* program.

C. Complaints

Complaints should be submitted in writing or email (fcsdsk@cabq.gov) to the Department of Family and Community Services, *Consolidated Plan* program. Individuals or groups filing complaints shall receive a written response from the Department within 15 working days of receipt of the complaint. The Department shall maintain a file on all complaints and responses.

V. PUBLIC HEARINGS

Public hearings held by the ACT shall be held at times and locations which permit broad participation by citizens, elected and other government officials, organizations and other groups eligible for projects and activities funded by the *Consolidated Plan* program.

A. The ACT shall hold at least one public hearing to obtain citizens' views on housing, homeless services and community development needs. Another public hearing will be held to present and discuss the progress towards achieving the goals of the *Consolidated Plan*.

B. The needs of non-English speaking residents who desire to participate in public hearings shall be provided for on a reasonable basis.

C. Notice for Public Hearings – At a minimum, notice for all public hearings will include (1) legal advertisement in a newspaper of general circulation, and (2) the City's web page. Notices shall be issued at least 14 days prior to the date of the hearing and shall contain at a minimum the date, time, location, topics for consideration, procedures of the hearing, and a location where additional information may be obtained.

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VI. ACCESSIBILITY OF INFORMATION

The Department of Family and Community Services, *Consolidated Plan* Program, shall ensure full public access to program information provided such information does not infringe upon any individual rights. Upon request, information will be available during working hours, 8:00 a.m. to 5:00 p.m., Monday through Friday, at the Department of Family and Community Services office.

A. When the City, through ACT, begins planning for the five-year program, the following information shall be available:

1. The total estimated amount of Community Development Block Grant, HOME and ESGP funds available for community development, homeless services and housing activities, including planning and administrative activities.
2. The range of activities that may be undertaken with these funds and the kind of activities previously funded in the community
3. The Citizen Participation Plan and schedule of ACT meetings and hearings
4. The role of citizens in the program
5. A summary of other program requirements.

B. The following information will be made available upon request in compliance with the New Mexico Inspection of Public Records Act (NMSA 14-2-1 to 14-2-12) and City Ordinance (2-6-4-3; 2-7-6-1 to 2-7-6-6) and City Administrative Instruction:

1. All mailings and promotional material
2. Records of meetings and hearings
3. All key documents, including all prior applications, letters of approval, grant agreements, the Citizen Participation Plan, performance reports, evaluation reports, audit and other reports required by HUD and the City and the proposed and approved application for the current year.
4. Copies of federal regulations and issuances governing the program along with City Council resolutions and ordinances.

VII. AMENDMENTS TO THE CITIZENS PARTICIPATION PLAN

The Citizen Participation Plan shall remain in effect until all projects and activities funded under Title I of the Housing and Community Development Act of 1987, as amended, are completed, or until it is amended or superseded by a new plan. This Citizen Participation Plan may be amended at any time, but amendments must be adopted by the Committee at a public meeting.

APPENDICES

APPENDIX A. DESCRIPTION OF PROGRAMS

1. ANNUAL INVESTMENT SUMMARY

This statement reflects proposed annual spending by program area and amount.

2. CONSOLIDATED PLAN (CP)

This plan establishes Albuquerque's long-range strategy and five-year investment plan for community development, housing and homeless services. It allocates federal resources from the Community Development Block Grant, HOME Investment Partnerships Program and Emergency Shelter Grant Program. The plan also identifies other local and federal resources that will be used to carry out this strategy.

The Consolidated Plan targets resources to specific geographic areas and is linked to the ongoing planning and implementation efforts of the City Department of Family and Community Services. In addition, the Consolidated Plan is closely coordinated with the Capital Improvements Program (CIP) and other funding sources.

3. COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

This HUD-administered federal program provides an annual grant on a formula basis to entitled cities and counties to carry out a wide range of community development activities within four broad categories: economic development, housing, public facilities and improvements, and public services. Entitlement communities develop their own programs and funding priorities. Grant recipients, however, must give maximum feasible priority to activities that meet one or more of the three national objectives:

- Benefiting low- and moderate-income persons
- Addressing slums or blight
- Meeting a particularly urgent community development need

4. HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)

This federal grant program was enacted in 1990. HOME is designed to increase the supply of affordable housing for low-income persons. Funds are allocated by formula to state and local governments (these are known as Participating Jurisdictions) that operate the program.

HOME allows for flexibility by allowing local design, implementation and monitoring. Participating jurisdictions are required to add matching resources and are mandated to develop partnerships with nonprofit developers, sponsors and owners. In Albuquerque, HOME funds have supported grants and loans to lower-income homeowners for housing rehabilitation and construction of multifamily rental and single family owner-occupied housing.

5. EMERGENCY SHELTER GRANT (ESG)

This HUD entitlement program provides funds for services to homeless families and individuals.

APPENDIX B. DEFINITION OF TERMS

1. BLIGHTED AREA

An area other than a slum area, which is designated by the City Council due to (1) the presence of a substantial number of deteriorated or deteriorating structures, (2) the predominance of defective streets or inadequate street layout, (3) inadequate lot layout in relation to the lot size or present use or restrictions to the accessibility of the lot, (4) unsanitary or unsafe environmental conditions, (5) deterioration of site or other improvements, (6) tax or special assessment delinquency exceeding the fair value of the land, (7) defective or unusual conditions of title, (8) improper subdivisions or obsolete platting or (9) the existence of conditions that endanger life or property, or any combination of such factors which substantially impair or arrest the sound growth of Albuquerque, retard the provision of housing accommodations or constitute an economic or social liability that is a menace to the public health, safety, morals, or welfare of the community.

2. ALBUQUERQUE CITIZEN TEAM (ACT)

This advisory body represents the beneficiaries of projects defined in the Consolidated Plan. ACT recommends funding priorities in the Consolidated Plan.

3. METROPOLITAN REDEVELOPMENT AREA (MRA)

A project funded by the City of Albuquerque, either directly or through a sub-recipient, for the purpose of eliminating slum or blight or for the prevention or spread of slum or blight including, but not limited to, clearance and redevelopment, rehabilitation and conservation, economic development, public services, planning, and administration activities as defined herein:

- a. acquisition of real property and improvements in a slum or blighted area, making that property available for development or redevelopment by private enterprise or public agencies, including the sale, lease, or retention by the municipality itself of that property for uses in accordance with the Consolidated Plan, including historic properties;
- b. demolition and removal of buildings and improvements;
- c. acquisition, installation, construction, reconstruction, maintenance, and operation of neighborhood facilities, senior citizen centers, parks, playgrounds, streets and related installations and utilities including but not limited to community multi-purpose centers, transportation centers, public housing improvements and other public facilities and improvements necessary for carrying out provisions of the Community Development Law in accordance with the community development plan;

- d. rehabilitation, including the restoration and renewal of a slum or blighted area or a portion thereof, in accordance with a community development plan, by one or more of the following:
- 1) a program of voluntary repair and rehabilitation of buildings or related improvements including the provision of loans and grants to property owners for the rehabilitation and repair of residential buildings in designated CD areas, provided such loans and grants shall be sufficient to bring the buildings up to minimum residential property standards as established by the local housing code. Loans and grants may also be provided to private organizations for the repair or rehabilitation of buildings that are found to serve a public purpose by the Albuquerque City Council;
 - 2) rehabilitation grants for partial repairs may be made in cases of emergency or extreme hardship where there is danger to health or life regardless of the requirement that all such loans or grants must be sufficient to bring the building up to minimum property standards;
 - 3) repair or rehabilitation of residential structures owned by the City may also be conducted so that the property may be resold or used for public housing;
 - 4) systematic code enforcement activities with provisions for mandatory compliance may also be conducted in certain areas defined by the City Council;
- e. economic development activities, including the alleviation of physical and economic distress through the stimulation of private investment, community revitalization and expansion of economic opportunities for low- and moderate-income persons;
- f. provision of public services, including labor, supplies, and materials which are directed towards improving the communities' public services and facilities, including those concerned with employment, crime prevention, child care, health, drug abuse, education, welfare, or recreational needs and which are directed toward coordinating public and private development programs; and
- g. planning and administrative activities related to execution of the community development program including salaries, wages, and related costs, travel, administrative services performed under third-party contract, including rental maintenance of office space, insurance, utilities, office supplies, and rental or purchase of office equipment and other related costs.

4. **CONSOLIDATED ANNUAL PERFORMANCE EVALUATION REPORT (CAPER)** Cumulative performance reports required by HUD from January through December of Program Year for CDBG, HOME and ESG-funded agencies. Reports outline the progress that funded agencies have made in meeting the community development program objectives.

5. **NEIGHBORHOOD STRATEGY AREA (NSA)**

An area that is selected by the City and designated in the five year *Consolidated Plan* in the grant application for a program of concentrated *Consolidated Plan* development projects. Projects in each NSA shall be guided by that area's neighborhood or sector development plan that includes a comprehensive strategy for stabilizing and upgrading the area to:

- a. provide for a combination of developmental projects such as physical improvements, necessary public facilities and services, housing programs, private investment, and citizen self-help activities appropriate to the needs of the area;
- b. coordinate public and private development efforts; and
- c. provide sufficient resources to produce substantial long-term improvements in the area within a reasonable period of time. In determining the size of the area the City shall take into account the severity of its problems and the resources available to solve those problems.

6. **SLUM AREA**

An area where there is a predominance of buildings or other improvements that are found to be hazardous by the City Council by reason of (1) dilapidation, (2) deterioration, (3) age, or (4) obsolescence, (5) inadequate provision for ventilation, light, air, sanitation or open spaces, (6) overcrowding, (7) the existence of conditions that endanger life or property, or (8) any combination of such factors, which constitute a severe health hazard or contribute to infant mortality, juvenile delinquency or crime, and to be detrimental to the public health, safety, morals, or welfare.

7. **PUBLIC HEARING**

A meeting publicly advertised and open to the public, specifically to solicit input from citizens.

8. **PUBLIC MEETING**

A meeting open for attendance by the public that is subject to the New Mexico Open Meetings Act (nmsa1978). Agendas for such meetings shall be posted a minimum of 72 hours in advance.

APPENDIX E.

GLOSSARY OF ABBREVIATIONS

ACT	Albuquerque Citizen Team
CD	Community Development
CDBG	Community Development Block Grant
CPP	Citizen Participation Plan
DF&CS	City Department of Family and Community Services
ESGP	Emergency Shelter Grant Program
HOME	HOME Investment Partnership Programs
HUD	U.S. Department of Housing and Urban Development
NSA	Neighborhood Strategy Area

APPENDIX F. Definitions of Terms/ Abbreviations Commonly Referred to in Planning Documents

The purpose of providing the following definitions is to describe in detail terms commonly found in planning documents and the criteria that must be met in order for an activity to be considered to have met a national objective of the CDBG program.

Basic Requirement

To be eligible for funding, every CDBG-funded activity must qualify as meeting one of the three national objectives of the program. This requires that each activity, except Program Administration and Planning, meet specific tests for either:

Benefiting low and moderate (L/M) income persons;

Aiding in the prevention or elimination of slums or blight; or,

Meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

An activity that fails to meet the applicable tests is in noncompliance with CDBG rules.

1. L/M Income Area Benefit Activities

An *area benefit activity* is an activity that meets the identified needs of L/M income persons residing in an area where at least 51% of the residents (or less if the exception criteria are applicable) are L/M income persons. The benefits of this type of activity are available to all persons in the area regardless of income. Such an area need not be coterminous with census tracts or other officially recognized boundaries but must be the entire area served by the activity. Activities of the same type that serve different areas must be considered separately on the basis of their individual service area.

2. L/M Income Limited Clientele Activities

A *limited clientele activity* is an activity that benefits a specific group of people (rather than all the residents in a particular area) at least 51% of whom are L/M persons. However, the following kinds of activities may not qualify under this category:

- a. Activities where the benefits are available to all the residents of an area;
- b. Activities involving the acquisition, construction, or rehabilitation of property for housing; or

c. Activities where the benefit to L/M persons is the creation or retention of jobs.

To qualify under this category, the activity must meet one of the following tests:

a. Benefit a clientele who are presently presumed to be principally L/M income persons. The following groups are currently presumed by HUD to meet this criterion:

Abused Children	Elderly Persons
Battered Spouses	Homeless Persons
Handicapped Persons	Illiterate Persons
Migrant Farm Workers	

Or,

- b. Require information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the L/M limit; or,
- c. Have income eligibility requirements that limit the activity exclusively to L/M income persons; or,
- d. Be of such nature and location that it may be concluded the activity's clientele will primarily be L/M income persons.

Limited clientele activities also include special projects directed to removal of material and architectural barriers that restrict the mobility and accessibility of elderly or handicapped persons to publicly owned and privately owned non-residential buildings, facilities and improvements and the common areas of residential structures containing more than one dwelling unit.

3. **L/M Income Housing**

A *L/M Housing activity* is an activity that adds or improves permanent, residential structures that will be occupied by L/M income households upon completion. The housing can be either owner or renter occupied units in either one family or multi-family structures. Rental units occupied by L/M income persons must be occupied at affordable rents and the grantee must have criteria that it has made public for determining affordable rents for this purpose.

Occupancy of housing shall be determined using the following rules:

Residential rehabilitation: Compliance is based on household income of occupants following rehabilitation.

- a. One-unit structures must be occupied by L/M households.

- b. Two unit structures must have at least one unit occupied after rehabilitation by L/M households.
- c. More than two unit structures must have at least 51% of the units occupied by L/M persons after rehabilitation.
- d. Rental buildings under common ownership and management that are located on the same or contiguous properties may be considered as a single structure.
- e. Activity delivery and rehabilitation costs of the Rental Rehabilitation Program qualify as L/M benefit when at least 51% of all units in the grantee's Rental Rehabilitation Program are occupied by L/M households.

New housing construction: Compliance is based on the same rules for residential rehabilitation with the following exception:

- a. Non-elderly, multi-family rental structures must have at least 20% of the units occupied by L/M households. Where L/M occupancy is between 20 and 50%, the CDBG portion of total development costs may not be greater than the portion of units occupied by L/M households. Total development costs include the cost of all work from design and engineering through completion of the physical improvements and, if integral to the project, the cost of acquisition.

Acquisition of property or conversion of buildings for permanent housing:

Compliance is based on household income of the occupants in the structures, according to the applicable rules listed above for residential rehabilitation and new housing construction.

4. **L/M Income Jobs**

A *L/M job activity* is one that creates or retains permanent jobs, at least 51% of which are either taken by L/M income persons or considered to be available to L/M income persons.

Jobs are considered to be "available to" L/M persons only when both:

- a. Special skills that can only be acquired with substantial (i.e., one year or more) training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business nevertheless agrees to hire unqualified persons and train them; and
- b. Local government or the assisted business takes actions that would ensure that L/M income persons receive "first consideration" for filling such jobs.

Principles involved in providing "first consideration":

- a. The business must use a hiring practice that in all likelihood will result in over 51% of persons hired being L/M persons;
- b. The business must seriously consider a sufficient number of L/M job applicants to meet this intent; and,
- c. The distance from residence and availability of transportation to job site must be considered in determining whether a particular L/M person can be seriously considered an applicant for the job.

In counting jobs, the following policies apply:

- a. Part-time jobs must be converted to full-time equivalents;
- b. Only permanent jobs count- temporary jobs may not be included;
- c. Seasonal jobs may be counted only if the season is long enough for the job to be considered as the employee's principal occupation;
- d. All permanent jobs created by the activity must be counted even if the activity has multiple sources of funding;
- e. Jobs indirectly created by an assisted activity (i.e., trickle-down or secondary jobs) may not be counted; and,
- f. As a general rule, jobs from different businesses may not be aggregated. However, in certain cases such as where CDBG funds are used to acquire, develop, or improve real property (e.g., a business incubator or an industrial park) jobs may be aggregated for all of the businesses that locate on the property, provided the businesses are not otherwise assisted with CDBG funds. Additionally, where CDBG funds are used to pay for the staff and overhead costs of a s570.204 subrecipient making loans to businesses from non-CDBG funds, jobs created by all of the businesses receiving loans during any one year may be aggregated.

5. **Activities to Address Slums or Blight on an Area Basis**

To qualify under the national objective of slums/ blight on an area basis, an activity must meet all of the following criteria:

- a. The area must be designated by the grantee and must meet the definition of a slum, blighted, deteriorated or deteriorating area under State or local law.

- 1) For the purpose of meeting this criterion, it is not necessary to follow the formal procedures under State law for designating a slum or blighted area. However, the definition of slum, blighted, etc. must be incorporated in State or local law.
- b. There must be a substantial number of deteriorated or deteriorating buildings or public improvements throughout the area. As a “safe harbor”, HUD will consider this criterion to have been met if either of the following conditions prevail in the area:
 - 1) If State law does not specifically indicate the percentage of deteriorated or deteriorating buildings required to qualify the area, then at least one quarter of all the buildings in the area must be in a state of deterioration; or,
 - 2) Public improvements throughout the area are in a general state of deterioration. It is insufficient for only one type of public improvement, such as a sewer system, to be in a state of deterioration. Rather, the public improvements taken as a whole must clearly exhibit signs of deterioration.
- c. Documentation must be maintained by the grantee on the boundaries of the area and the condition that qualified the area at the time of its designation.
- d. The activity must address one or more of the conditions that contributed to the deterioration of the area.

If the activity is *residential rehabilitation of structures* not occupied by L/M persons, two additional criteria must be met:

- e. Each such building must be considered substandard under local definition. (At a minimum, the local definition must be at least as stringent as the housing quality standards used in the Section 8 Housing Assistance Payment Program – Existing Housing.)
- f. All deficiencies making such a building substandard must be corrected before less critical work on the building may be undertaken.

These two criteria do not apply to nonresidential rehabilitation (i.e., “Commercial or Industrial Rehabilitation”).

6. **Elimination of Slums or Blight on a Spot Basis**

To comply with the national objective of elimination or prevention of slums or blight outside a slum or blighted area, an activity must meet the following criteria:

- a. The activity must be designed to eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area; and,
- b. The activity must be limited to:

- 1) Acquisition
- 2) Clearance
- 3) Relocation
- 4) Historic Preservation; and
- 5) Rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety.

7. Elimination of Slums/Blight in an Urban Renewal Area

To qualify under the national objective of addressing slums/blight on the basis of urban renewal completion, an activity must:

- a. Be located with an urban renewal project area or NDP action area; i.e., an area in which funded activities were authorized under an urban renewal Loan and Grant Agreement or an annual NDP Funding Agreement, pursuant to Title I of the Housing Act of 1949; and
- b. Be necessary to complete the urban renewal plan, as then in effect, including initial land redevelopment permitted by the plan.

8. Urgent Needs

To comply with the national objective of meeting community development needs having a particular urgency an activity must be designed to alleviate existing conditions that the grantee certifies:

- a. Pose a serious and immediate threat to the health or welfare of the community;
- b. Are of recent origin or recently became urgent;
- c. The grantee is unable to finance on its own; and,
- d. Other resources of funds are not available.

A condition will generally be considered to be of recent origin if it developed or became critical within 18 months preceding the grantee's certification.