

\$350,000,000 for the fiscal year 1978 (of which not more than \$175,000,000 may be used under such section), \$265,000,000 for the fiscal year 1979 (of which not more than \$25,000,000 may be used under such section), and \$275,000,000 for the fiscal year 1980 (none of which may be used under such section) shall be added to the amount available for allocation under section 5306(d) of this title”.

Subsec. (c). Pub. L. 96-399, §106(c), substituted “amounts aggregating not to exceed \$1,475,000,000 for fiscal years prior to the fiscal year 1981, and an additional amount not to exceed \$675,000,000 for each of the fiscal years 1981, 1982, and 1983.” for “a sum not to exceed \$400,000,000 for each of the fiscal years 1978 and 1979, and not to exceed \$675,000,000 for the fiscal year 1980, except that no funds shall be made available for such purpose (1) for fiscal year 1978 unless the amount appropriated under subsections (a) and (b) of this section for fiscal year 1978 is at least \$3,600,000,000; (2) for fiscal year 1979 unless the amount appropriated under subsections (a) and (b) of this section for fiscal year 1979 is at least \$3,750,000,000; or (3) for fiscal year 1980 unless the amount appropriated under subsections (a) and (b) of this section for fiscal year 1980 is at least \$3,900,000,000”.

Subsec. (e). Pub. L. 96-399, §111(b), struck out subsec. (e) which related to submission to Congress of timely requests for additional appropriations for fiscal years 1978 through 1980.

1979—Subsec. (a)(2). Pub. L. 96-153, §103(b), increased authorization of appropriation from \$250,000,000 to \$275,000,000 for fiscal year 1980.

Subsec. (c). Pub. L. 96-153, §103(a), increased authorization of appropriation for fiscal year 1980 from \$400,000,000 to \$675,000,000.

1977—Subsec. (a)(1). Pub. L. 95-128, §103(a), (b), authorized: grants to Indian tribes, appropriation authorizations for fiscal years 1978 through 1980, and unappropriated funds to be appropriated for any succeeding fiscal year; and deleted provisions which: prescribed \$8,400,000,000 as the limitation on amount of obligations incurred, authorized appropriation of \$2,500,000,000 for fiscal year 1975, increased to \$5,450,000,000 and \$8,400,000,000 for fiscal years 1976 and 1977 for liquidation of obligations, and made available for liquidation of contracts entered into hereunder appropriations for grants under title VII of the Housing Act of 1961 and sections 3102 and 3103 of this title, and supplemental grants under title I of the Demonstration Cities and Metropolitan Development Act of 1966, not otherwise obligated prior to Jan. 1, 1975.

Subsec. (a)(2). Pub. L. 95-128, §103(c), inserted use of additional money authorization provisions for fiscal years 1978 through 1980.

Subsec. (b). Pub. L. 95-128, §103(d), authorized appropriations for fiscal years 1978 through 1980, substituted “for the financial settlement and, to the extent feasible, the completion of projects and programs assisted under the categorical programs terminated in section 5316(a) of this title, primarily urban renewal projects assisted under the Housing Act of 1949, to units of general local government which require supplemental assistance which cannot be provided” for “to units of general local government having urgent community development needs which cannot be met” and inserted provision respecting requirement of prior appropriation of a minimum amount.

Subsecs. (c) to (e). Pub. L. 95-128, §103(e), added subsec. (c) and redesignated existing subsecs. (c) and (d) as (d) and (e), respectively.

1976—Subsec. (a)(2). Pub. L. 94-375 inserted “, and \$200,000,000 for the fiscal year 1977, not more than 50 per centum of which amount may be used under section 5306(d)(1) of this title,” after “1976”.

#### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-181 applicable only to funds available for fiscal year 1984 and thereafter, see section 110(b) of Pub. L. 98-181, as amended, set out as a note under section 5316 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as an Effective Date note under section 3701 of Title 12, Banks and Banking.

#### EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-128 effective Oct. 1, 1977, see section 114 of Pub. L. 95-128, set out as a note under section 5301 of this title.

### § 5304. Statement of activities and review

#### (a) Statement of objectives and projected use of funds by grantee prerequisite to receipt of grant; publication of proposals by grantees; notice and comment; citizen participation plan

(1) Prior to the receipt in any fiscal year of a grant under section 5306(b) of this title by any metropolitan city or urban county, under section 5306(d) of this title by any State, under section 5306(d)(2)(B) of this title by any unit of general local government, or under section 5306(a)(3) of this title by any insular area, the grantee shall have prepared a final statement of community development objectives and projected use of funds and shall have provided the Secretary with the certifications required in subsection (b) of this section and, where appropriate, subsection (c) of this section. In the case of metropolitan cities and urban counties receiving grants pursuant to section 5306(b) of this title, units of general local government receiving grants pursuant to section 5306(d)(2)(B) of this title, and insular areas receiving grants pursuant to section 5306(a)(3) of this title, the statement of projected use of funds shall consist of proposed community development activities. In the case of States receiving grants pursuant to section 5306(d) of this title, the statement of projected use of funds shall consist of the method by which the States will distribute funds to units of general local government.

(2) In order to permit public examination and appraisal of such statements, to enhance the public accountability of grantees, and to facilitate coordination of activities with different levels of government, the grantee shall in a timely manner—

(A) furnish citizens or, as appropriate, units of general local government information concerning the amount of funds available for proposed community development and housing activities and the range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income and the plans of the grantee for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced as a result of such activities;

(B) publish a proposed statement in such manner to afford affected citizens or, as appropriate, units of general local government an opportunity to examine its content and to submit comments on the proposed statement and on the community development performance of the grantee;

(C) hold one or more public hearings to obtain the views of citizens on community development and housing needs;

(D) provide citizens or, as appropriate, units of general local government with reasonable access to records regarding the past use of funds received under section 5306 of this title by the grantee; and

(E) provide citizens or, as appropriate, units of general local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of funds received under section 5306 of this title from one eligible activity to another or in the method of distribution of such funds.

In preparing the final statement, the grantee shall consider any such comments and views and may, if deemed appropriate by the grantee, modify the proposed statement. The final statement shall be made available to the public, and a copy shall be furnished to the Secretary together with the certifications required under subsection (b) of this section and, where appropriate, subsection (c) of this section. Any final statement of activities may be modified or amended from time to time by the grantee in accordance with the same procedures required in this paragraph for the preparation and submission of such statement.

(3) A grant under section 5306 of this title may be made only if the grantee certifies that it is following a detailed citizen participation plan which—

(A) provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which section 106 [42 U.S.C. 5306] funds are proposed to be used, and in the case of a grantee described in section 5306(a) of this title, provides for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;

(B) provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by regulations of the Secretary, and relating to the actual use of funds under this chapter;

(C) provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

(D) provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

(E) provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and

(F) identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

This paragraph may not be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.

**(b) Certification of enumerated criteria by grantee to Secretary**

Any grant under section 5306 of this title shall be made only if the grantee certifies to the satisfaction of the Secretary that—

(1) the grantee is in full compliance with the requirements of subsection (a)(2)(A), (B), and (C) of this section and has made the final statement available to the public;

(2) the grant will be conducted and administered in conformity with the Civil Rights Act of 1964 [42 U.S.C. 2000a et seq.] and the Fair Housing Act [42 U.S.C. 3601 et seq.], and the grantee will affirmatively further fair housing;

(3) the projected use of funds has been developed so as to give maximum feasible priority to activities which will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight, and the projected use of funds may also include activities which the grantee certifies are designed to meet 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 where other financial resources are not available to meet such needs, except that (A) the aggregate use of funds received under section 5306 of this title and, if applicable, as a result of a guarantee or a grant under section 5308 of this title, during a period specified by the grantee of not more than 3 years, shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit such persons during such period; and (B) a grantee that borders on the Great Lakes and that experiences significant adverse financial and physical effects due to lakefront erosion or flooding may include in the projected use of funds activities that are clearly designed to alleviate the threat posed, and rectify the damage caused, by such erosion or flooding if such activities will principally benefit persons of low and moderate income and the grantee certifies that such activities are necessary to meet other needs having a particular urgency;

(4) it has developed a community development plan pursuant to subsection (m) of this section, for the period specified by the grantee under paragraph (3), that identifies community development needs and specifies both short- and long-term community development objectives that have been developed in accordance with the primary objective and requirements of this chapter;

(5) the grantee will not attempt to recover any capital costs of public improvements assisted in whole or part under section 5306 of this title or with amounts resulting from a guarantee under section 5308 of this title by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or

assessment made as a condition of obtaining access to such public improvements, unless (A) funds received under section 5306 of this title are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this chapter; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under section 5306 of this title to comply with the requirements of subparagraph (A); and

(6) the grantee will comply with the other provisions of this chapter and with other applicable laws.

**(c) Special certifications required for certain grants**

A grant may be made under section 5306(b) of this title only if the unit of general local government certifies that it is following—

(1) a current housing affordability strategy which has been approved by the Secretary in accordance with section 12705 of this title, or

(2) a housing assistance plan which was approved by the Secretary during the 180-day period beginning on November 28, 1990, or during such longer period as may be prescribed by the Secretary in any case for good cause.

**(d) Residential antidisplacement and relocation assistance plan; certification of adherence; contents**

(1) A grant under section 5306 or 5318 of this title may be made only if the grantee certifies that it is following a residential antidisplacement and relocation assistance plan. A grantee receiving a grant under section 5306(a) of this title or section 5318 of this title shall so certify to the Secretary. A unit of general local government receiving amounts from a State under section 5306(d) of this title shall so certify to the State, and a unit of general local government receiving amounts from the Secretary under section 5306(d) of this title shall so certify to the Secretary.

(2) The residential antidisplacement and relocation assistance plan shall in connection with a development project assisted under section 5306 or 5318 of this title—

(A) in the event of such displacement, provide that—

(i) governmental agencies or private developers shall provide within the same community comparable replacement dwellings for the same number of occupants as could have been housed in the occupied and vacant occupiable low and moderate income dwelling units demolished or converted to a use other than for housing for low and moderate income persons, and provide that such replacement housing may include existing housing assisted with project based assistance provided under section 1437f of this title;

(ii) such comparable replacement dwellings shall be designed to remain affordable to persons of low and moderate income for 10 years from the time of initial occupancy;

(iii) relocation benefits shall be provided for all low or moderate income persons who

occupied housing demolished or converted to a use other than for low or moderate income housing, including reimbursement for actual and reasonable moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs; and in the case of displaced persons of low and moderate income, provide either—

(I) compensation sufficient to ensure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; or

(II) if elected by a family, a lump-sum payment equal to the capitalized value of the benefits available under subclause (I) to permit the household to secure participation in a housing cooperative or mutual housing association; and

(iv) persons displaced shall be relocated into comparable replacement housing that is—

(I) decent, safe, and sanitary;

(II) adequate in size to accommodate the occupants;

(III) functionally equivalent; and

(IV) in an area not subject to unreasonably adverse environmental conditions;

(B) provide that persons displaced shall have the right to elect, as an alternative to the benefits under this subsection, to receive benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) if such persons determine that it is in their best interest to do so; and

(C) provide that where a claim for assistance under subparagraph (A)(iv) is denied by a grantee, the claimant may appeal to the Secretary in the case of a grant under section 5306 or 5318 of this title or to the appropriate State official in the case of a grant under section 5306(d) of this title, and that the decision of the Secretary or the State official shall be final unless a court determines the decision was arbitrary and capricious.

(3) Paragraphs (2)(A)(i) and (2)(A)(ii) shall not apply in any case in which the Secretary finds, on the basis of objective data, that there is available in the area an adequate supply of habitable affordable housing for low and moderate income persons. A determination under this paragraph is final and nonreviewable.

**(e) Submission of performance and evaluation report by grantee to Secretary; contents; availability for citizen comment; annual review and audit by Secretary of program implementation; adjustments in amount of annual grants**

Each grantee shall submit to the Secretary, at a time determined by the Secretary, a performance and evaluation report concerning the use of funds made available under section 5306 of this title, together with an assessment by the grantee of the relationship of such use to the objectives identified in the grantee's statement under subsection (a) of this section and to the requirements of subsection (b)(3) of this section. Such report shall also be made available to the citi-

zens in each grantee's jurisdiction in sufficient time to permit such citizens to comment on such report prior to its submission, and in such manner and at such times as the grantee may determine. The grantee's report shall indicate its programmatic accomplishments, the nature of and reasons for changes in the grantee's program objectives, indications of how the grantee would change its programs as a result of its experiences, and an evaluation of the extent to which its funds were used for activities that benefited low- and moderate-income persons. The report shall include a summary of any comments received by the grantee from citizens in its jurisdiction respecting its program. The Secretary shall encourage and assist national associations of grantees eligible under section 5306(d)(2)(B) of this title, national associations of States, and national associations of units of general local government in nonentitlement areas to develop and recommend to the Secretary, within one year after November 30, 1983, uniform recordkeeping, performance reporting, and evaluation reporting, and auditing requirements for such grantees, States, and units of general local government, respectively. Based on the Secretary's approval of these recommendations, the Secretary shall establish such requirements for use by such grantees, States, and units of general local government. The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) in the case of grants made under subsection (a)(3), (b), or (d)(2)(B) of section 5306 of this title, whether the grantee has carried out its activities and, where applicable, its housing assistance plan in a timely manner, whether the grantee has carried out those activities and its certifications in accordance with the requirements and the primary objectives of this chapter and with other applicable laws, and whether the grantee has a continuing capacity to carry out those activities in a timely manner; and

(2) in the case of grants to States made under section 5306(d) of this title, whether the State has distributed funds to units of general local government in a timely manner and in conformance to the method of distribution described in its statement, whether the State has carried out its certifications in compliance with the requirements of this chapter and other applicable laws, and whether the State has made such reviews and audits of the units of general local government as may be necessary or appropriate to determine whether they have satisfied the applicable performance criteria described in paragraph (1) of this subsection.

The Secretary may make appropriate adjustments in the amount of the annual grants in accordance with the Secretary's findings under this subsection. With respect to assistance made available to units of general local government under section 5306(d) of this title, the Secretary may adjust, reduce, or withdraw such assistance, or take other action as appropriate in accordance with the Secretary's reviews and audits under this subsection, except that funds already expended on eligible activities under this

chapter shall not be recaptured or deducted from future assistance to such units of general local government.

**(f) Audit of grantees by Government Accountability Office; access to books, accounts, records, etc., by representatives of Government Accountability Office**

Insofar as they relate to funds provided under this chapter, the financial transactions of recipients of such funds may be audited by the Government Accountability Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the Government Accountability Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

**(g) Environmental protection measures applicable for release of funds to applicants for projects; issuance of regulations by Secretary subsequent to consultation with Council on Environmental Quality; request and certification to Secretary for approval of release of funds; form, contents and effect of certification**

(1) In order to assure that the policies of the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this chapter, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to recipients of assistance under this chapter who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were he to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this subsection only after consultation with the Council on Environmental Quality.

(2) The Secretary shall approve the release of funds for projects subject to the procedures authorized by this subsection only if, at least fifteen days prior to such approval and prior to any commitment of funds to such projects other than for purposes authorized by section 5305(a)(12) of this title or for environmental studies, the recipient of assistance under this chapter has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of paragraph (3). The Secretary's approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(3) A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary,

(B) be executed by the chief executive officer or other officer of the recipient of assistance under this chapter qualified under regulations of the Secretary,

(C) specify that the recipient of assistance under this chapter has fully carried out its responsibilities as described under paragraph (1) of this subsection, and

(D) specify that the certifying officer (i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to paragraph (1) of this subsection, and (ii) is authorized and consents on behalf of the recipient of assistance under this chapter and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

(4) In the case of grants made to States pursuant to section 5306(d) of this title, the State shall perform those actions of the Secretary described in paragraph (2) and the performance of such actions shall be deemed to satisfy the Secretary's responsibilities referred to in the second sentence of such paragraph.

**(h) Payments; revolving loan fund; establishment in private financial institution for rehabilitation activities; standards for payments; criteria**

(1) Units of general local government receiving assistance under this chapter may receive funds, in one payment, in an amount not to exceed the total amount designated in the grant (or, in the case of a unit of general local government receiving a distribution from a State pursuant to section 5306(d) of this title, not to exceed the total amount of such distribution) for use in establishing a revolving loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities assisted under this chapter. Rehabilitation activities authorized under this section shall begin within 45 days after receipt of such payment and substantial disbursements from such fund must begin within 180 days after receipt of such payment.

(2) The Secretary shall establish standards for such cash payments which will insure that the deposits result in appropriate benefits in support of the recipient's rehabilitation program. These standards shall be designed to assure that the benefits to be derived from the local program include, at a minimum, one or more of the following elements, or such other criteria as determined by the Secretary—

(A) leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in amounts substantially in excess of deposit of community development funds;

(B) commitment of private funds for rehabilitation loans at below-market interest rates

or with repayment periods lengthened or at higher risk than would normally be taken;

(C) provision of administrative services in support of the rehabilitation program by the participating lending institutions; and

(D) interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program.

**(i) Metropolitan city as part of urban county**

In any case in which a metropolitan city is located, in whole or in part, within an urban county, the Secretary may, upon the joint request of such city and county, approve the inclusion of the metropolitan city as part of the urban county for purposes of submitting a statement under subsection (a) of this section and carrying out activities under this chapter.

**(j) Retention of program income; condition of distribution**

Notwithstanding any other provision of law, any unit of general local government may retain any program income that is realized from any grant made by the Secretary, or any amount distributed by a State, under section 5306 of this title if (1) such income was realized after the initial disbursement of the funds received by such unit of general local government under such section; and (2) such unit of general local government has agreed that it will utilize the program income for eligible community development activities in accordance with the provisions of this chapter; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government. A State may require as a condition of any amount distributed by such State under section 5306(d) of this title that a unit of general local government shall pay to such State any such income to be used by such State to fund additional eligible community development activities, except that such State shall waive such condition to the extent such income is applied to continue the activity from which such income was derived.

**(k) Provision of benefits to displaced persons**

Each grantee shall provide for reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance received under this chapter to acquire or substantially rehabilitate property.

**(l) Protection of individuals engaging in non-violent civil rights demonstrations**

No funds authorized to be appropriated under section 5303 of this title may be obligated or expended to any unit of general local government that—

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

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

**(m) Community development plans****(1) In general**

Prior to the receipt in any fiscal year of a grant from the Secretary under subsection (a)(2)(b), (d)(1), or (d)(2)(B) of section 5306 of this title, each recipient shall have prepared and submitted in accordance with this subsection and in such standardized form as the Secretary shall, by regulation, prescribe a description of its priority nonhousing community development needs eligible for assistance under this chapter.

**(2) Local governments**

In the case of a recipient that is a unit of general local government other than an insular area—

(A) prior to the submission required by paragraph (1), the recipient shall, to the extent practicable, notify adjacent units of general local government and solicit the views of citizens on priority nonhousing community development needs; and

(B) the description required under paragraph (1) shall be submitted to the Secretary, the State, and any other unit of general local government within which the recipient is located, in such standardized form as the Secretary shall, by regulation, prescribe.

**(3) States**

In the case of a recipient that is a State, the description required by paragraph (1)—

(A) shall include only the needs within the State that affect more than one unit of general local government and involve activities typically funded by such States under this chapter; and

(B) shall be submitted to the Secretary in such standard form as the Secretary, by regulation, shall prescribe.

**(4) Effect of submission**

A submission under this subsection shall not be binding with respect to the use or distribution of amounts received under section 5306 of this title.

(Pub. L. 93-383, title I, §104, Aug. 22, 1974, 88 Stat. 638; Pub. L. 95-128, title I, §§104, 110(a), Oct. 12, 1977, 91 Stat. 1114, 1125; Pub. L. 95-557, title I, §103(a)-(d), Oct. 31, 1978, 92 Stat. 2083; Pub. L. 96-153, title I, §§103(c), (g), 109(a), Dec. 21, 1979, 93 Stat. 1102, 1105; Pub. L. 96-399, title I, §§101(d), 104(b), 105(a), 109, 111(c), Oct. 8, 1980, 94 Stat. 1615, 1616, 1618, 1619, 1621; Pub. L. 97-35, title III, §§302(b), (c)(1), (d)-(f), 309(d), Aug. 13, 1981, 95 Stat. 384, 386, 387, 396; Pub. L. 98-181, title I [title I, §§101(b)], 104, Nov. 30, 1983, 97 Stat. 1159, 1161; Pub. L. 98-479, title I, §101(a)(5)-(7), Oct. 17, 1984, 98 Stat. 2219; Pub. L. 100-242, title V, §§502(c), 505-509(a), Feb. 5, 1988, 101 Stat. 1923, 1926, 1927; Pub. L. 100-628, title X, §1083, Nov. 7, 1988, 102 Stat. 3277; Pub. L. 101-625, title IX, §§902(b), 905, 906, 922, Nov. 28, 1990, 104 Stat. 4385, 4387, 4402; Pub. L. 102-550, title VIII, §§804, 808, 812, Oct. 28, 1992, 106 Stat. 3845, 3850; Pub. L. 103-233, title II, §232(a)(2)(B), Apr. 11, 1994, 108 Stat. 367; Pub. L. 108-186, title V, §501(c), Dec. 16, 2003, 117 Stat. 2697; Pub. L. 108-271, §8(b), July 7, 2004, 118 Stat. 814.)

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title I of Pub. L. 93-383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

The Civil Rights Act of 1964, referred to in subsec. (b)(2), is Pub. L. 88-352, July 2, 1964, 78 Stat. 241, which is classified principally to subchapters II to IX (§2000a et seq.) of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

The Fair Housing Act, referred to in subsec. (b)(2), is title VIII of Pub. L. 90-284, Apr. 11, 1968, 82 Stat. 81, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, referred to in subsec. (d)(2)(B), is Pub. L. 91-646, Jan. 2, 1971, 84 Stat. 1894, which is classified principally to chapter 61 (§4601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

The National Environmental Policy Act of 1969, referred to in subsec. (g)(1), (2), (3)(D), is Pub. L. 91-190, Jan. 1, 1970, 83 Stat. 852, which is classified generally to chapter 55 (§4321 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of this title and Tables.

## AMENDMENTS

2004—Subsec. (f). Pub. L. 108-271 substituted “Government Accountability Office” for “General Accounting Office” in two places.

2003—Subsec. (a)(1). Pub. L. 108-186, §501(c)(1), in first sentence, struck out “or” after “State,” and inserted “or under section 5306(a)(3) of this title by any insular area,” after “government,” and, in second sentence, substituted a comma for “and in the case of” before “units” and inserted “and insular areas receiving grants pursuant to section 5306(a)(3) of this title,” after “section 5306(d)(2)(B) of this title.”

Subsec. (e)(1). Pub. L. 108-186, §501(c)(2), substituted “subsection (a)(3), (b), or (d)(2)(B) of section 5306 of this title” for “section 5306(b) or section 5306(d)(2)(B) of this title”.

Subsec. (m)(1). Pub. L. 108-186, §501(c)(3)(A), inserted “(a)(2),” after “under subsection”.

Subsec. (m)(2). Pub. L. 108-186, §501(c)(3)(B), substituted “government other than an insular area” for “government” in introductory provisions.

1994—Subsec. (b)(3)(A). Pub. L. 103-233 inserted “or a grant” after “guarantee”.

1992—Subsec. (b)(2). Pub. L. 102-550, §808, substituted “the Civil Rights Act of 1964 and the Fair Housing Act” for “Public Law 88-352 and Public Law 90-284”.

Subsec. (b)(4). Pub. L. 102-550, §812(b), inserted “pursuant to subsection (m) of this section” after “plan” and struck out “and housing” before “needs and”.

Subsec. (j). Pub. L. 102-550, §804, in first sentence, struck out “while the unit of general local government is participating in a community development program under this chapter” after “has agreed that” and inserted before period at end “; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government”.

Subsecs. (l), (m). Pub. L. 102-550, §812(a), redesignated subsec. (l), relating to community development plans, as (m) and amended it generally, substituting present provisions for provisions requiring recipients to have submitted a description of its nonhousing community development needs and strategies for meeting those needs, providing for special requirements for such plans where the recipient was a State or a unit of general

local government, and providing that a submission of a plan would not be binding with respect to the use or distribution of amounts received under section 5306 of this title.

1990—Subsec. (b)(3). Pub. L. 101-625, §902(b), substituted “70 percent” for “60 percent”.

Subsec. (c). Pub. L. 101-625, §905, amended subsec. (c) generally, substituting present provisions for provisions authorizing grants under section 5306(b) of this title only if the unit of local government certified that it followed a current housing assistance plan approved by the Secretary which (1) accurately surveyed the condition of the housing stock in the community, (2) specified a realistic annual goal for the number of dwelling units or persons of low and moderate income to be assisted, (3) indicated the general locations of proposed low and moderate income housing, and (4) specified activities that would be undertaken annually to minimize displacement and preserve or expand the availability of low and moderate income housing, and which required the establishment of dates and manner for the submission of housing assistance plans.

Subsec. (l). Pub. L. 101-625, §922, added subsec. (l) relating to community development plans.

Pub. L. 101-625, §906, added subsec. (l) relating to protection of individuals engaging in nonviolent civil rights demonstrations.

1988—Subsec. (a)(1). Pub. L. 100-242, §505, struck out at end “In all cases, beginning in fiscal year 1984, the statement required in this subsection shall include a description of the use of funds made available under section 5306 of this title in fiscal year 1982 and thereafter (or, beginning in fiscal year 1985, such use since preparation of the last statement prepared pursuant to this subsection) together with an assessment of the relationship of such use to the community development objectives identified in the statement prepared pursuant to this subsection for such previous fiscal years and to the requirements of subsection (b)(3) of this section.”

Subsec. (a)(3). Pub. L. 100-242, §508, added par. (3).

Subsec. (b)(3). Pub. L. 100-242, §506, designated provision after “except that” as cl. (A) and added cl. (B).

Pub. L. 100-242, §502(c), substituted “60” for “51”.

Subsec. (c)(1)(A), (B). Pub. L. 100-242, §507(b)(1), substituted “persons of low and moderate income” for “lower income persons” wherever appearing.

Subsec. (c)(1)(C). Pub. L. 100-242, §507(b), substituted “persons of low and moderate income” for “lower income persons” and “low-income persons”.

Subsec. (c)(1)(D). Pub. L. 100-242, §507(a), added subpar. (D).

Subsec. (d). Pub. L. 100-242, §509(a)(2), added subsec. (d). Former subsec. (d) redesignated (e).

Subsec. (d)(1). Pub. L. 100-628, §1083(a), amended third sentence generally. Prior to amendment, third sentence read as follows: “A grantee receiving a grant under section 5306(d) of this title shall so certify to the State”.

Subsec. (d)(2)(A)(iii)(II). Pub. L. 100-628, §1083(b), inserted “and” after “mutual housing association;”.

Subsecs. (e) to (k). Pub. L. 100-242, §509(a)(1), redesignated subsecs. (d) to (j) as (e) to (k), respectively.

1984—Subsec. (a)(2)(E). Pub. L. 98-479, §101(a)(5), inserted “or in the method of distribution of such funds”.

Subsec. (b)(5)(B). Pub. L. 98-479, §101(a)(6), substituted “moderate” for “low and moderate income who are not persons of very low” before “income, the grantee certifies”.

Subsec. (d). Pub. L. 98-479, §101(a)(7), struck out the comma between “which” and “its funds” in third sentence, and inserted “general” before “local” after “and units of” in fifth sentence, and before “local” in sixth sentence.

1983—Subsec. (a)(1). Pub. L. 98-181, §104(a), inserted sentence at end that the statement must include a description of the use of funds made available under section 5306 of this title in fiscal year 1982 and thereafter (or, beginning with fiscal year 1985, such use since preparation of the last statement under this subsection) to-

gether with an assessment of the relationship of such use to the community development objectives identified in the statement prepared pursuant to this subsection for previous fiscal years and to the requirements of subsec. (b)(3) of this section.

Subsec. (a)(2). Pub. L. 98-181, §104(b)(1), in provisions preceding subpar. (A) substituted “shall in a timely manner” for “shall”.

Pub. L. 98-181, §104(b)(6), inserted at end “Any final statement of activities may be modified or amended from time to time by the grantee in accordance with the same procedures required in this paragraph for the preparation and submission of such statement.”

Subsec. (a)(2)(A). Pub. L. 98-181, §104(b)(2), substituted “citizens or, as appropriate, units of general local government” for “citizens”, and inserted “, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income and the plans of the grantee for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced as a result of such activities”.

Subsec. (a)(2)(D), (E). Pub. L. 98-181, §104(b)(3)-(5), added subpars. (D) and (E).

Subsec. (b)(2). Pub. L. 98-181, §104(c)(1), inserted requirement that the grantee affirmatively further fair housing.

Subsec. (b)(3). Pub. L. 98-181, §101(b), inserted provision that the aggregate use of funds received under section 5306 of this title and, if applicable, as a result of a guarantee under section 5308 of this title, during a period specified by the grantee of not more than 3 years, shall principally benefit persons of low and moderate income in a manner that ensures that not less than 51 percent of such funds are used for activities that benefit such persons during such period.

Subsec. (b)(4) to (6). Pub. L. 98-181, §104(c)(2)-(4), added pars. (4) and (5) and redesignated former par. (4) as (6).

Subsec. (c)(1)(A). Pub. L. 98-181, §104(d), inserted “(including the number of vacant and abandoned dwelling units)”.

Subsec. (d). Pub. L. 98-181, §104(e), in provisions preceding par. (1), substituted “performance and evaluation report” for “performance report”; substituted “subsection (a) of this section and to the requirements of subsection (b)(3) of this section” for “subsection (a) of this section”; and inserted provision requiring that the report be made available for citizen comment prior to submission, that the report summarize such comments and indicate programmatic accomplishments, changes in programs and objectives, and an evaluation of the extent to which funds were used to benefit low- and moderate-income persons, and requiring the Secretary to establish uniform recordkeeping, performance and evaluation reporting, and requirements for grantees, States, and local governments, based on the Secretary’s approval of recommendations made by such grantees and State and local governments.

Subsec. (g)(1). Pub. L. 98-181, §104(f), inserted “and substantial disbursements from such fund must begin within 180 days after receipt of such payment”.

Subsecs. (i), (j). Pub. L. 98-181, §104(g), added subsecs. (i) and (j).

1981—Subsec. (a). Pub. L. 97-35, §302(b), substituted provisions relating to statement of objectives and projected use of funds by grantee, publication of proposals by grantees, and procedures applicable for provisions relating to contents and statements required in application.

Subsec. (b). Pub. L. 97-35, §302(b), substituted provisions relating to certifications of enumerated criteria by grantee to Secretary for provisions relating to additional requirements for application, certifications to Secretary, and waiver of required program contents.

Subsec. (c). Pub. L. 97-35, §302(b), substituted provisions relating to certifications by the unit of general local government respecting enumerated grants for provisions relating to approval of applications.

Subsec. (d). Pub. L. 97-35, §302(c)(1), substituted provisions relating to performance and assessment reports

by grantee to the Secretary concerning use of funds under section 5306 of this title, and reviews, audits and adjustments by the Secretary, for provisions relating to performance and assessment reports by grantee to the Secretary concerning activities carried out under this chapter, and reviews, audits, and adjustments by Secretary.

Subsec. (e). Pub. L. 97-35, §302(d), redesignated subsec. (g) as (e). Former subsec. (e), which related to review and comment on application by areawide agency under procedures established by President, was struck out.

Subsec. (f). Pub. L. 97-35, §302(d), (e), redesignated subsec. (h) as (f), in par. (1) substituted "recipients of assistance under this chapter" for "applicants", in par. (2) "recipient of assistance under this chapter" for "applicant" and "the releases of funds" for "the applications and releases of funds" and in par. (3)(B) to (D) "recipient of assistance under this chapter" for "applicant", and added par. (4). Former subsec. (f), which related to approval date of application and adjustment of grant subsequent to approval of application, was struck out.

Subsec. (g). Pub. L. 97-35, §302(d), (f), redesignated subsec. (i) as (g), in par. (1) substituted provision relating to units of general local government as recipients for provision relating to recipients of funds and in par. (2) struck out provision relating to review and approval of agreements. Former subsec. (g) redesignated (e).

Subsec. (h). Pub. L. 97-35, §§302(d), 309(d), redesignated subsec. (j) as (h) and substituted provisions relating to submission of a statement and carrying out activities for provisions relating to program planning, meeting application requirements, and program implementation. Former subsec. (h) redesignated (f).

Subsecs. (i), (j). Pub. L. 97-35, §302(d), redesignated subsecs. (i) and (j) as (g) and (h), respectively.

1980—Subsec. (a). Pub. L. 96-399, §104(b), inserted provision following par. (6) relating to discretionary inclusion in program summary comparable information with respect to applicant's energy conservation and renewable energy resource needs and objectives.

Subsec. (a)(2). Pub. L. 96-399, §105(a), in cl. (B) substituted "activities, and objectives, including activities" for "including activities", struck out "and objectives" after "moderate-income persons", and in cl. (C) inserted provisions respecting activities on the involuntary displacement of low- and moderate-income persons.

Subsec. (c). Pub. L. 96-399, §111(c)(1), substituted "5306(b)" for "5306(a)".

Subsec. (d). Pub. L. 96-399, §§109, 111(c)(2), substituted "Each" for "Prior to the beginning of fiscal year 1977 and each fiscal year thereafter, each", inserted provision relating to the annual submission of the performance report, prior to the beginning of each fiscal year, and less frequently for a grantee receiving a grant not funding a comprehensive development program, inserted provisions respecting determinations by the Secretary in the case of a grant for which a report is submitted less frequently than annually in accordance with the second sentence of this paragraph, and substituted "5306(c)" for "5306(d)(2)" and "5306(e)" for "5306(f)(1)(B)".

Subsec. (e). Pub. L. 96-399, §111(c)(2), substituted "5306(c)" for "5306(d)(2)" and "5306(e)" for "5306(f)(1)(B)".

Subsec. (j). Pub. L. 96-399, §101(d), added subsec. (j).

1979—Subsec. (a)(4)(A). Pub. L. 96-153, §109(a), inserted reference to impact of conversion of rental housing to condominium or cooperative ownership on housing needs.

Subsec. (b)(3). Pub. L. 96-153, §103(c), struck out cl. (A) and redesignated cls. (B) and (C) as (A) and (B), respectively.

Subsec. (h)(1). Pub. L. 96-153, §103(g)(1), substituted "Act of 1969 and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most" for "Act of 1969 are most", and "such Act, and such other provisions of law

as the regulations of the Secretary specify that would apply" for "such Act that would apply".

Subsec. (h)(2). Pub. L. 96-153, §103(g)(2), substituted "National Environmental Policy Act of 1969 and such other provisions of law as the regulations of the Secretary specify" for "National Environmental Policy Act".

Subsec. (h)(3)(D). Pub. L. 96-153, §103(g)(3), substituted "Act of 1969 and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other provision of law" for "Act of 1969 insofar as the provisions of such Act" in cl. (i).

1978—Subsec. (a)(3)(C). Pub. L. 95-557, §103(c), inserted "as a result of existing or projected employment opportunities in the community (and those elderly persons residing in or expected to reside in the community), or as estimated in a community accepted State or regional housing opportunity plan approved by the Secretary" after "expected to reside in the community".

Subsec. (a)(4)(A). Pub. L. 95-557, §103(a), (c), inserted "owners of homes requiring rehabilitation assistance" after "large families" and inserted "as a result of existing or projected employment opportunities in the community (and those elderly persons residing in or expected to reside in the community), or as estimated in a community accepted State or regional housing opportunity plan approved by the Secretary" after "expected to reside in the community".

Subsec. (a)(4)(B)(i). Pub. L. 95-557, §103(b), inserted "including existing rental and owner occupied dwelling units to be upgraded and thereby preserved" after "existing dwelling units".

Subsec. (c). Pub. L. 95-557, §103(d), inserted provisions relating to approval or disapproval of any application on the basis that such application addresses any one of the primary purposes described in par. (3) to a greater or lesser extent than any other, unless such purpose is plainly inappropriate, in which case the application may be disapproved.

1977—Subsec. (a). Pub. L. 95-128, §110(a), inserted reference to section 5318 of this title.

Subsec. (a)(1). Pub. L. 95-128, §104(a)(1), inserted "and housing" before "needs".

Subsec. (a)(2)(B). Pub. L. 95-128, §104(a)(2), included provision activities designed to revitalize neighborhoods for benefit of low- and moderate-income persons.

Subsec. (a)(3). Pub. L. 95-128, §104(a)(3), inserted subpar. (B) requirement for a program designed to insure fully opportunity for participation by, and benefits to, the handicapped and added subpar. (C).

Subsec. (a)(4). Pub. L. 95-128, §104(a)(4), inserted subpar. (A) provision for identification of housing stock in a deteriorated condition; inserted in subpar. (B) "lower-income" before "persons" and added cl. (iii); and inserted subpar. (C)(i) provision respecting reclamation of housing stock where feasible through use of a broad range of techniques for housing restoration by local government, the private sector, or community organizations, including provision of a reasonable opportunity for tenants displaced as a result of such activities to relocate in their immediate neighborhood.

Subsec. (a)(6). Pub. L. 95-128, §104(a)(5), added cl. (A), redesignated former cls. (A) and (B) as (B) and (C), and redesignated former cl. (C) as (D) and substituted "with an opportunity to submit comments concerning the community development performance of the applicant; but nothing in this paragraph" for "an adequate opportunity to participate in the development of the application; but no part of this paragraph".

Subsec. (b)(2). Pub. L. 95-128, §104(b), substituted in first sentence "low- and moderate-income" for "low- or moderate-income" and in second sentence after "urgency" the clause "because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available" for "as specifically described in the application".

Subsec. (b)(3). Pub. L. 95-128, §104(c), added cl. (B), struck out former cl. "(B) the application relates to the



first community development activity to be carried out by such locality with assistance under this chapter”, redesignated cl. (D) as (C) and struck out former cl. “(C) the assistance requested is for a single development activity under this chapter of a type eligible for assistance under title VII of the Housing Act of 1961 or title VII of the Housing and Urban Development Act of 1965”.

Subsec. (c)(3). Pub. L. 95-128, §104(d), inserted “, with specific regard to the primary purposes of principally benefiting persons of low- and moderate-income or aiding in the prevention or elimination of slums or blight or meeting other community development needs having a particular urgency,” before “or other applicable law”.

Subsec. (d). Pub. L. 95-128, §104(e), inserted requirement for inclusion of citizen comments in the performance reports and Secretary’s consideration of the comments and inserted provision for adjustment of grants under section 5306(d)(2) and (f)(1)(B) of this title without recapture of expended funds or deduction from future grants.

Subsec. (e). Pub. L. 95-128, §104(f), inserted provisions respecting State participation in selection process for funding the grants.

Subsec. (i). Pub. L. 95-128, §104(g), added subsec. (i).

#### EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103-233 applicable with respect to any amounts made available to carry out subchapter II (§12721 et seq.) of chapter 130 of this title after Apr. 11, 1994, and any amounts made available to carry out that subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103-233, set out as a note under section 5301 of this title.

#### EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-242, title V, §509(b), Feb. 5, 1988, 101 Stat. 1929, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on October 1, 1988.”

#### EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98-181 applicable only to funds available for fiscal year 1984 and thereafter, see section 110(b) of Pub. L. 98-181, as amended, set out as a note under section 5316 of this title.

#### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by sections 302(b), (d)-(f) and 309(d) of Pub. L. 97-35 effective Oct. 1, 1981, see section 371 of Pub. L. 97-35, set out as an Effective Date note under section 3701 of Title 12, Banks and Banking.

Pub. L. 97-35, title III, §302(c)(2), Aug. 13, 1981, 95 Stat. 386, provided that: “The amendment made by paragraph (1) [amending this section] shall take effect on October 1, 1982.”

#### EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-557 effective Oct. 1, 1978, see section 104 of Pub. L. 95-557, set out as a note under section 1709 of Title 12, Banks and Banking.

#### EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95-128 effective Oct. 1, 1977, see section 114 of Pub. L. 95-128, set out as a note under section 5301 of this title.

#### COMPUTERIZED DATABASE OF COMMUNITY DEVELOPMENT NEEDS

Pub. L. 102-550, title VIII, §852, Oct. 28, 1992, 106 Stat. 3858, provided that:

“(a) ESTABLISHMENT OF DEMONSTRATION PROGRAM.—Not later than the expiration of the 1-year period beginning on the date appropriations for the purposes of

this section are made available, the Secretary of Housing and Urban Development (hereafter in this section referred to as the ‘Secretary’) shall establish and implement a demonstration program to determine the feasibility of assisting States and units of general local government to develop methods, utilizing contemporary computer technology, to—

“(1) monitor, inventory, and maintain current listings of the community development needs of the States and units of general local government; and

“(2) coordinate strategies within States (especially among various units of general local government) for meeting such needs.

“(b) INTEGRATED DATABASE SYSTEM AND COMPUTER MAPPING TOOL.—

“(1) DEVELOPMENT AND PURPOSES.—In carrying out the program under this section, the Secretary shall provide for the development of an integrated database system and computer mapping tool designed to efficiently (A) collect, store, process, and retrieve information relating to priority nonhousing community development needs within States, and (B) coordinate strategies for meeting such needs. The integrated database system and computer mapping tool shall be designed in a manner to coordinate and facilitate the preparation of community development plans under section 104(m)(1) of the Housing and Community Development Act of 1974 [42 U.S.C. 5304(m)(1)] and to process any information necessary for such plans.

“(2) AVAILABILITY TO STATES.—The Secretary shall make the integrated database system and computer mapping tool developed pursuant to this subsection available to States without charge.

“(3) COORDINATION WITH EXISTING TECHNOLOGY.—The Secretary shall, to the extent practicable, utilize existing technologies and coordinate such activities with existing data systems to prevent duplication.

“(c) TECHNICAL ASSISTANCE.—Under the program under this section, the Secretary shall provide consultation and advice to States and units of general local government regarding the capabilities and advantages of the integrated database system and computer mapping tool developed pursuant to subsection (b) and assistance in installing and using the database system and mapping tool.

“(d) GRANTS.—

“(1) AUTHORITY AND PURPOSE.—The Secretary shall, to the extent amounts are made available under appropriation Acts pursuant to subsection (g), make grants to States for capital costs relating to installation and use of the integrated database system and computer mapping tool developed pursuant to subsection (b).

“(2) LIMITATIONS.—The Secretary may not make more than one grant under this subsection to any single State. The Secretary may not make a grant under this subsection to any single State in an amount exceeding \$1,000,000.

“(3) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection. The Secretary shall establish criteria for the selection of States which have submitted applications to receive grants under this section and shall select recipients according to such criteria, which shall give priority to States having, on a long-term basis (as determined by the Secretary), levels of unemployment above the national average level.

“(e) STATE COORDINATION OF LOCAL NEEDS.—Each State that receives a grant under subsection (d) shall annually submit to the Secretary a report containing a summary of the priority nonhousing community development needs within the State.

“(f) REPORTS BY SECRETARY.—The Secretary shall annually submit to the Committees on Banking, Finance and Urban Affairs [now Committee on Financial Services] of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate, a report containing a summary of the information submitted for

the year by States pursuant to subsection (e), which shall describe the priority nonhousing community development needs within such States.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of the fiscal years 1993 and 1994, \$10,000,000 to carry out the program established under this section.”

AUTHORITY TO PROVIDE LUMP-SUM PAYMENTS TO  
REVOLVING LOAN FUNDS

Pub. L. 101-625, title IX, §909, Nov. 28, 1990, 104 Stat. 4389, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law, units of general local government receiving assistance under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.] may receive funds in one payment for use in establishing or supplementing revolving loan funds in the manner provided under section 104(h) of such Act (42 U.S.C. 5304(h)).

“(b) APPLICABILITY.—This section shall apply to funds approved in appropriations Acts for use under title I of the Housing and Community Development Act of 1974 for fiscal year 1992 and any fiscal year thereafter.”

REVOLVING LOAN FUNDS

Pub. L. 102-139, title II, Oct. 28, 1991, 105 Stat. 752, provided: “That after September 30, 1991, notwithstanding section 909 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101-625) [set out above], no funds provided or heretofore provided in this or any other appropriations Act shall be used to establish or supplement a revolving fund under section 104(h) of the Housing and Community Development Act of 1974 [42 U.S.C. 5304(h)], as amended.”

Similar provisions were contained in the following prior appropriation acts:

Pub. L. 101-507, title II, Nov. 5, 1990, 104 Stat. 1365.

Pub. L. 101-144, title II, Nov. 9, 1989, 103 Stat. 850.

REPORT TO CONGRESS CONCERNING CONVERSION OF  
RENTAL HOUSING TO CONDOMINIUM OR COOPERATIVE  
OWNERSHIP

Pub. L. 96-153, title I, §109(b), Dec. 21, 1979, 93 Stat. 1105, directed Secretary of Housing and Urban Development, not later than six months after Dec. 12, 1979, to submit a report to Congress concerning conversion of rental housing to condominium or cooperative ownership, which report was to include an estimate of number of such conversions which have occurred since 1970, a projection of number of such conversions estimated to occur during period 1980 through 1985, an assessment of impact that such conversions have had or are likely to have on availability of housing to lower income persons, an assessment of extent to which such conversions are concentrated in certain areas or types of areas of country, and an assessment of factors contributing to increase in such conversions, and which report was also to include recommendations concerning alternative means to minimize the adverse impact that such conversions may have on lower income persons.

FLOODPLAIN MANAGEMENT

For provisions relating to reduction of risk of flood loss, minimization of impact of floods on human safety, health and welfare, and management of floodplains, see Ex. Ord. No. 11988, May 24, 1977, 42 F.R. 26951, set out as a note under section 4321 of this title.

PROTECTION OF WETLANDS

For provisions relating to protection of wetlands, see Ex. Ord. No. 11990, May 24, 1977, 42 F.R. 26961, set out as a note under section 4321 of this title.

**§ 5305. Activities eligible for assistance**

**(a) Enumeration of eligible activities**

Activities assisted under this chapter may include only—

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or (E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this chapter;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this chapter or its retention for public purposes;

(8) provision of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this chapter, and which are to be used for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 per centum of the amount of any assistance to a unit of general