



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5990-N-01]

Disabled and Low-Income Veterans Housing Rehabilitation and Modification Pilot Program Solicitation of Comments on Program Design

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Advance Notice and Request for Comments.

SUMMARY: This notice announces HUD's intention to develop a Notice of Funding Availability (NOFA) for the Disabled and Low-Income Veterans Housing Rehabilitation and Modification Pilot Program (Program), which was authorized by the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 and funded by the Consolidated Appropriations Act, 2016. The NOFA will announce the availability of up to \$5.7 million to be competitively awarded through grants of up to \$1 million each. The NOFA will also establish the applicable program requirements and selection criteria. HUD is seeking input from interested parties and stakeholders to inform its development of the Program so that the funds are used efficiently and fulfill the statutory purpose of addressing the housing needs of veterans who have disabilities and/or are low-income. This notice is not a solicitation of applications for the Program.

DATES: Comments Due Date: [Insert date 60 days from the date of publication in the **Federal Register**].

ADDRESSES: Electronic responses are preferred and should be addressed to: rhed@hud.gov.

Written comments may also be submitted to the Office of Rural Housing and Economic

Development, U.S. Department of Housing and Urban Development, 451 Seventh St., S.W. Room 7240, Washington, DC 20410.

FOR FURTHER INFORMATION CONTACT: Sylvia Y. Purvis, Senior Community Planning and Development Specialist, Office of Rural Housing and Economic Development, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7240, Washington, DC 20410-7000; telephone 1-877-787-2526 (this is a toll-free number) or 1-202-708-2290 (this is not a toll-free number). Persons with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Information Service at 1-800-877-8339.

SUPPLEMENTARY INFORMATION:

The Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (Pub. L. 113-291, approved December 19, 2014) (Program Statute), as amended, requires HUD to work in consultation with the U.S. Department of Veterans Affairs (VA) to establish and oversee a pilot program to award grants to qualified organizations to rehabilitate and modify the primary residences of disabled and/or low-income veterans. Funding for the program was provided by the Consolidated Appropriations Act, 2016 (Pub. L. 114-113, approved December 18, 2015). Grants under the program will be competitively awarded in accordance with statutory criteria and program requirements included in the NOFA.

As part of HUD’s continued efforts for transparency in government operations and to expand opportunities for stakeholders to engage in decision-making, HUD is seeking comments to inform the NOFA. Feedback received through this process will assist HUD and the VA in developing a NOFA that will best serve disabled and/or low-income veterans whose homes must be rehabilitated or modified to meet their needs.

To be considered, suggestions for program design must be consistent with the requirements in the Program Statute and other applicable laws. The goal of the program is to address the housing needs of veterans, as defined by 38 U.S.C. 101, who have a disability, as defined by 42 U.S.C. 12102, and/or are low-income, meaning their income does not exceed 80 percent of the median income for the area as determined by the Secretary. For Fiscal Year (FY) 2017, the income limits are available at:

<https://www.huduser.gov/portal/datasets/il/il17/Section8-IncomeLimits-FY17.pdf>. Eligible grantees are nonprofit organizations that provide nationwide or statewide programs that primarily serve veterans or low-income individuals. The grants may be used to modify or rehabilitate eligible veterans' primary residences or to provide grantees' affiliates with technical, administrative, and training support in connection with those services. Further details on the eligible use of funds under the Program may be found in section 1079(b)(3) of the Program Statute.

Grantees will be required to modify or rehabilitate the primary residences of eligible veterans either at no cost to the veterans (including application fees) or at a cost such that the veterans pay no more than 30 percent of their incomes on housing costs during any month. However, these services can only be provided if the veteran or a member of the veteran's family certifies that the veteran intends to continue residing in the primary residence for a sufficient period of time, which HUD will establish in the NOFA. In addition, section 1079(a)(6) of the Program Statute specifically defines what is considered a "primary residence."

Section 1079(b)(2) of Program Statute specifies minimum contents for grant applications and allows HUD to require additional information, if reasonable. The minimum contents include:

1. A plan of action detailing outreach initiatives;
2. The approximate number of veterans the qualified organization intends to serve using grant funds;
3. A description of the type of work that will be conducted, such as interior home modifications, energy efficiency improvements, and other similar categories of work; and
4. A plan for working with the VA and veterans service organizations to identify veterans who are not eligible for programs under 38 U.S.C. 2101 et seq. and meet their needs.

Grantees will be required to provide matching funds and/or in-kind contributions as provided under section 1079(b)(6) of the Program Statute. Specifically, at least 50 percent of each grant must be matched by non-Federal funding contributions and in-kind contributions to the housing modification and rehabilitation services provided under the Program.

The Program will also include detailed reporting requirements for both HUD and grantees, as provided under section 1079(b)(8) of the Program Statute.

In addition to the Program Statute, the Program will also be subject to laws and regulations that apply across HUD's programs. For example, program grantees will be required to follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards at 2 CFR part 200, and program grantees will be subject to the Federal laws and regulations identified in 24 CFR 5.105. Grantees will also be subject to the requirements described by HUD's FY 2017 General Section to its NOFAs, which is available at: <https://www.hudexchange.info/resources/documents/FY-2017-NOFA-Policy-Requirements-and-General-Section.pdf>.

Maximum grant amount per organization is \$1,000,000. Total funds available are \$5,700,000.

To assist HUD in developing a NOFA that makes maximum use of the assistance appropriated for this program, HUD seeks comments on the following questions:

A. Criteria for Veterans

—What considerations should HUD make in determining veteran eligibility? Should HUD limit eligibility to veterans who have a disability *and* are low-income in order to provide the most benefit to veterans with the limited funding available under the program?

B. Criteria for Grantees

—What criteria should be used to evaluate an eligible organization's capacity? Should HUD consider the organization size? Should HUD consider the regions the organizations serve? Should HUD consider how long the organization has existed? Should HUD consider the capacity of the organization to provide housing rehabilitation and modification and the organization's past performance? If so, how should HUD measure capacity and past performance?

—Should HUD provide a preference for qualified nationwide or statewide organizations that serve veterans, low-income individuals, or both? Are there thresholds that HUD should use to ensure that the organization primarily serves disabled and low-income veterans?

C. Use of Funds

—Given the limited funding, how should HUD structure the program or NOFA to minimize duplication or overlap and maximize coordination with other existing programs for veterans?

—Given the limited funding for the program, should HUD structure the program to take into account the severity of eligible veteran's disability-related need for a modification or rehabilitation of the home? If so, how?

—Should HUD aim to fund more extensive housing modification and rehabilitation services, which may serve fewer disabled and low-income veterans, or less extensive housing modification and rehabilitation services, which may reach a larger number of disabled and low-income veterans? What considerations should HUD take into account to ensure that property rehabilitation costs are not unreasonably high?

—Are there rehabilitation services that HUD should consider an eligible use of funds beyond those listed in section 1079(b)(3) of the Program Statute?

—In determining whether the veteran currently resides and reasonably intends to continue residing in a primary residence owned by the veteran or a family member of the veteran, what criteria should HUD consider? Should HUD require that the veteran or family member own the home for a specific period of time before qualifying for the program? How long should HUD require the veteran to continue residing in the home after the housing modification or rehabilitation services are provided? How can HUD ensure that the veteran remains in his or her home after the housing modification or rehabilitation services are provided?

—What criteria and metrics should be used by HUD to evaluate the impact and effectiveness of the use of funds by qualified organizations?

D. Matching Grant Funds

—Should HUD require grantees to provide matching funds that are more than 50 percent of the grant award received by that organization? Should HUD provide a preference for grantees that contribute more than 50 percent? What types of in-kind contributions should HUD permit to assist a qualified organization meet its match? Should HUD limit the amount of in-kind contributions permissible to meet the 50 percent match requirement?

While HUD specifically seeks comment on the foregoing questions, HUD welcomes additional information that will help inform the Program.

Dated: June 29, 2017.

Clifford Taffet,
General Deputy Assistant Secretary for Community
Planning and Development

[FR-5990-N-01]

[FR Doc. 2017-14630 Filed: 7/11/2017 8:45 am; Publication Date: 7/12/2017]