

CHAPTER 1. INTRODUCTION.

1-1. Purpose

- a. This Handbook provides guidance and basic procedures for handling complaints pertaining to the Community Development Block Grant (CDBG) Entitlement, HUD Administered Small Cities, State Community Development Block Grant, Urban Development Action Grant (UDAG), Section 312 Rehabilitation Loans, Urban Homesteading, Emergency Shelter Grant (ESGP), Rental Rehabilitation, and categorical programs. The programs covered by this Handbook are not subject to the Administrative Procedures Act (5 U.S.C. 551, et seq.).
- b. This Handbook does not cover those environmental complaints (such as objections to the release of grant conditions) for which procedures have been established in 24 CFR Part 58, Environmental Review Procedures for the Community Development Block Grant Program.
- c. This Handbook does not cover complaints intended for or received by the Inspector General unless referred to the Office of Community Planning and Development (CPD) for processing.

1-2. Responsibilities for Processing Complaints. It is the responsibility of the grantee (State or local government) to explain its decisions in planning and administering its CPD program. Therefore, to the fullest extent possible, complaints made to the Department of Housing and Urban Development (HUD) are to be referred to the grantee for response.

1-3. Approach to Various Types of Complaints.

- a. This Handbook addresses separately those complaints alleging grantee deficiencies and those complaints alleging improper HUD management of CPD programs. In addition, this Handbook includes separate Chapters on handling complaints involving the State CDBG program, those alleging violations of civil rights statutes (e.g., Title VI of the Civil Rights Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Title VIII of the Civil Rights Act of 1968, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and Section 3 of the Housing and Urban Development Act of 1968), and complaints alleging criminal wrongdoing or other violations requiring the attention of the Office of Inspector General.
- b. Although it is recognized that complaints may be against an applicant or recipient in the case of the UDAG or other competitive programs, the term "grantee" will be used throughout this Handbook to denote any participant in the program award process.

c. Except for complaints alleging violation of Title VI or Title VIII and Section 109 requirements; or any form of discrimination based on age, race, color, sex, religion, handicap, or national origin; or complaints concerning the State CDBG, Emergency Shelter Grant, and Rental Rehabilitation programs, the lead responsibility for coordinating the resolution of all complaints concerning programs funded by CPD, whether

alleging grantee or HUD deficiencies, rests with Community Planning and Development.

d. The Regional or Field Office of CPD, as applicable, shall assess the nature of the complaint and it's potential effect on pending grants. Where civil rights issues are raised, a copy of the complaint will be forwarded to the Field Office Fair Housing and Equal Opportunity (FH&EO) Division. Every attempt should be made to resolve the complaint before the grant is made. If the complaint contains information which challenges in a substantial manner a certification made by the grantee, HUD may require the grantee to submit such additional information or assurances as CPD may deem necessary to accept the certification.

1-4. Technical Assistance. In processing complaints, HUD staff should be alert for indications that technical assistance may be needed by the grantees. This is especially true where a series of complaints in a similar area indicate specific program management or administrative problems. HUD should have a positive approach in assisting the grantee in improving its program management capacity in such instances.