
CHAPTER 1. INTRODUCTION

1-1. PURPOSE.

This Handbook establishes procedures and provides guidance for Fair Housing and Equal Opportunity (FHEO) staff in carrying out their responsibilities with respect to the State Community Development Block Grant (CDBG) Program. The Handbook outlines the applicable civil rights and equal opportunity requirements and describes the roles and responsibilities of FHEO staff in ensuring their implementation in the State CDBG program. The Handbook:

- a. provides an approach for carrying out the Department's mandate to enforce civil rights requirements in the context of reduced Federal presence and greater State flexibility and control over Federal grant assistance.
- b. establishes policies and procedures to be followed in assisting States to understand and carry out these requirements monitoring the State's performance under the civil rights certifications, and conducting civil rights complaint investigations and compliance reviews.

1-2. AUDIENCE.

This Handbook is for the use primarily of Fair Housing and Equal Opportunity (FHEO) staff in the Category A and the Regional Offices. Staff of the Office of Community Planning and Development (CPD) will also find the information useful in carrying out their overall management responsibilities in this program.

1-3. DESIGN OF THE STATE CDBG PROGRAM.

States assume many of the functions carried out by the Department of Housing and Urban Development (HUD) under the HUD-administered CDBG programs: grants are awarded to the State; local governments apply to the State to fund community development activities. The State may adopt its own policies and procedures to administer the program consistent with the requirements of Title I of the Housing and Community Development Act of 1974, as amended (Title I) and all other applicable laws and regulations.

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- (1-3) a. HUD's oversight activities are directed at the State rather than at the local level where activities

are actually carried out. States assume oversight responsibilities with respect to funded units of general local government, defined in this handbook as recipients.

- b. States review recipients performance under Title I and applicable laws, including civil rights and equal opportunity laws. However, States do NOT have the authority to investigate complaints of discrimination or conduct compliance reviews under the authority of Federal civil rights laws.
- c. As a grantee of HUD funds, the State must:
 - (1) develop and submit the necessary documents to HUD prior to grant award. Such documents include certifications and a final statement;
 - (2) develop a community development plan; and
 - (3) comply with HUD requirements for records and reports as set forth in HUD regulations at 24 CFR 570 Subpart I.
- d. As administrator of CDBG program for local government recipients, the State must:
 - (1) develop a method of distributing funds; including defining State objectives;
 - (2) establish recordkeeping requirements for recipients;
 - (3) review recipients' performance; and
 - (4) keep adequate records sufficient to demonstrate compliance by the State with Title I requirements and other applicable laws.