U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-7000



MEMORANDUM FOR: City of Detroit, Michigan for a Disaster Occurring in 2021

(Allocation announced in the May 2022 Notice) and St. Clair County, Illinois for a Disaster Occurring in 2022 (Allocation announced in the May 2023 Notice); Community Planning and Development Field Office Directors, Deputy Directors, Regional

Directors, and Program Managers.

FROM: Bryan W. Horn, Acting Principal Deputy Assistant Secretary for

Community Planning and Development, D BRYAN HORN Devalue of the United States and Development of D BRYAN HORN Devalue of U S D

SUBJECT: Application of the Universal Notice (City of Detroit, Michigan,

and St. Clair County, Illinois Only)

APPLICABILITY DATE: September 29, 2025

PURPOSE

This memorandum provides waivers and alternative requirements allowing the City of Detroit, Michigan, and St. Clair County, Illinois, to apply the requirements in the Universal Notice to Detroit's CDBG-DR grant for a disaster occurring in 2021 and St. Clair County's CDBG-DR grant for a disaster occurring in 2022. This memorandum applies to the following CDBG-DR grants allocated to these grantees:

- 1) CDBG-DR allocation for Detroit for a disaster occurring in 2021 funded by Pub. L. 117-43 and subject to the requirements published in the *Federal Register* at 87 FR 31636 on May 24, 2022 (the "May 2022 Notice"), as modified by an alternative requirement in Memorandum 22-01 published on December 7, 2022, and clarifications in the *Federal Register* notice at 88 FR 32046 published on May 18, 2023 (the "May 2023 Notice"). The May 2022 Notice included the Consolidated Notice as Appendix B and made the Consolidated Notice applicable to the grants announced in the May 2022 Notice.
- 2) CDBG-DR allocation for St. Clair County for a disaster occurring in 2022 funded by Pub. L. 117-328 and subject to the requirements in the May 2023 Notice. The May 2023 Notice included the Consolidated Notice as Appendix B and made the Consolidated Notice applicable to the grants announced in the May 2023 Notice.

WAIVER AND ALTERNATIVE REQUIREMENT AUTHORITY

With certain exceptions, Public Laws 117-43 and 117-328 ("the Appropriations Acts") authorize the Secretary to waive or specify alternative requirements for any provision of any

statute or regulation that the Secretary administers in connection with the obligation by the Secretary, or use by the recipient, of grant funds. In particular, the Appropriations Acts waiver and alternative requirement authority does not extend to requirements related to fair housing, nondiscrimination, labor standards, and the environment. The Department of Housing and Urban Development (HUD) (the "Department") may also exercise its regulatory waiver authority under 24 CFR 5.110, 91.600, and 570.5.

The Appropriations Acts require the Secretary to publish any waiver or alternative requirement either via the *Federal Register* or the Department's website no later than five days before the effective date of such waiver or alternative requirement. HUD is exercising its authority to publish this memorandum on the Department's website. <u>Click here to access: CDBG-DR Laws, Regulations, and Federal Register Notices.</u>

All waivers and alternative requirements authorized in this memorandum are based upon a determination by the Secretary that good cause exists, and a determination by the Secretary that the waiver or alternative requirement is not inconsistent with the overall purposes of Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) (HCDA). The basis for each waiver and alternative requirement is summarized in this memorandum.

Waiver and Alternative Requirement to Apply the Universal Notice (City of Detroit, Michigan and St. Clair County, Illinois only)

Background

All CDBG-DR funds are governed by the requirements outlined in the applicable *Federal Register* notice(s) that allocated the CDBG-DR funding. However, HUD permits grantees to request waivers and alternative requirements to better align requirements across grants, as long as good cause is provided.

City of Detroit, Michigan

The Department received a request and justification of good cause from the City of Detroit, Michigan, to waive the requirements of the Consolidated Notice and the May 2022 Notice for its 2021 disaster funds to the extent necessary, and adopt as an alternative the requirements in the notice titled, *Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice*, published on January 8, 2025, at 90 FR 1754, as amended by Memorandums 25-02¹ and 25-03²

¹ Memorandum 25-02, "Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754) and Clarifications to the Allocations for Community Development Block Grant Disaster Recovery and Implementation of the CDBG–DR Consolidated Waivers and Alternative Requirements Notice Published in the Federal Register (90 FR 4759)," published on March 19, 2025. Found at https://www.hud.gov/sites/dfiles/CPD/documents/CPDUniversalnotice.pdf

² Memorandum 25-03, "Revisions made to the Common Application, Waivers, and Alternative Requirements for Community Development Block Grant Disaster Recovery Grantees: The Universal Notice published in the Federal Register (90 FR 1754)," published on March 31, 2025. Found at

https://www.hud.gov/sites/default/files/CPD/documents/CDBG-DR/3-31-2025UniversalNoticeChangesMemo.pdf

(the "Universal Notice").

As noted in the City of Detroit's request, this waiver and alternative requirement will reduce administrative burden by aligning the requirements applicable to the City's CDBG-DR funds for a disaster occurring in 2021 with the Universal Notice's requirements that apply to the City's CDBG-DR allocation for a disaster occurring in 2023.

In May 2022, the City of Detroit was awarded CDBG-DR funds through Pub. L. 117-43 for a 2021 presidentially declared disaster. The City of Detroit was impacted by a second presidentially declared disaster in August 2023 and subsequently received a CDBG-DR award through Pub. L. 118-158. HUD announced the availability of the funds for the City of Detroit's 2023 disaster in the *Federal Register* notice published on January 16, 2025, at 90 FR 4759 and made the funds subject to the requirements of the Universal Notice, including sections I through V and appendices A through C.

According to the City of Detroit, the application of the Universal Notice to the CDBG-DR funds provided for its 2021 disaster will ensure fair treatment of subrecipients and program beneficiaries, simplify compliance for jointly funded projects, and enhance the long-term viability of disaster recovery projects by allowing the City to use flexibilities offered under the Universal Notice across both its 2021 and 2023 CDBG-DR allocations.

St. Clair County, Illinois

The Department received a request and justification of good cause from St. Clair County, Illinois, to waive the requirements of the Consolidated Notice and the May 2023 Notice for its 2022 disaster funds to the extent necessary, and adopt as an alternative the requirements in the Universal Notice.

As noted in the County's request, this waiver and alternative requirement will reduce administrative burden by aligning the requirements applicable to the County's CDBG-DR funds for a disaster occurring in 2022 with the Universal Notice's requirements that apply to the County's CDBG-DR allocation for a disaster occurring in 2024.

In May 2023, St. Clair County was awarded CDBG-DR funds through Pub. L. 117-328 for a 2022 presidentially declared disaster. The County was impacted by a second presidentially declared disaster in July 2024 and subsequently received a CDBG-DR award through Pub. L. 118-158. HUD announced the availability of the funds for the County's 2024 disaster in the *Federal Register* notice published on January 16, 2025, at 90 FR 4759 and made the funds subject to the requirements of the Universal Notice, including sections I through V and appendices A through C.

According to the County, the application of the Universal Notice to the CDBG-DR funds provided for its 2022 disaster will enhance the quality of the County's services and expedite recovery by allowing the County to use the new CDBG-DR activities and flexibilities offered under the Universal Notice across both its 2022 and 2024 disaster recovery efforts.

HUD's Determination

After reviewing the grantees' requests and based on the good cause provided above, the Department finds there is good cause to waive the requirements of sections II, III, and IV of the May 2022 Notice and the Consolidated Notice at Appendix B, as modified by Memorandum 22-01 and the May 2023 Notice, and the requirements of sections II, III, and IV of the May 2023 Notice and the Consolidated Notice at Appendix B, and to create an alternative requirement to apply the requirements of sections I, II, and III and appendices A, B, and C of the Universal Notice, as may be amended, for all funds provided under the Appropriations Acts for the City of Detroit, Michigan, and St. Clair County, Illinois, *only*.

Under this alternative requirement, the City of Detroit and St. Clair County must comply with the Universal Notice by revising or further developing their Action Plans to align with the criteria outlined in section I.C.1. Additionally, the City and County must ensure that their program-specific policies and procedures are consistent with the requirements set forth in section III.A., as appropriate.

Before implementing any provisions from the Universal Notice that were not previously included in the City of Detroit's or St. Clair County's applicable grant requirements the City and County must submit substantial amendments to their Action Plans and post updated programspecific policies and procedures on their official disaster recovery websites.

Because the City of Detroit and St. Clair County submitted certifications with their initial Action Plan submissions that complied with section III.F.7. of the Consolidated Notice and satisfied the requirements at section II of the Universal Notice and the Secretary has already certified that the City and County have adequate financial controls and procurement processes, and procedures for proper grant management, the grantees do not need to resubmit any documentation for those specific requirements.

FOR FURTHER INFORMATION CONTACT

Gerilee W. Bennett, Acting Director, Office of Disaster Recovery, U.S. Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202-708-3587. HUD welcomes and is prepared to receive calls from individuals who are deaf or hard of hearing, as well as individuals with speech and communication disabilities. Email inquiries may be sent to Disaster_Recovery@hud.gov.