

U.S. Department of Housing and Urban Development
Community Planning and Development

Special Attention of: Transmittal Handbook No.: 6510.2 REV-2

Regional Administrators Issued: July 20, 1993
Category A Field Office Managers
ATTN: CPD Directors
Entitlement Grantees

1. This Transmits

Handbook 6510.2, REV-2, Community Development Block Grant
Program: Entitlement Grantee Performance Report
Instructions.

2. Purpose:

This Handbook provides guidance to Community Development
Block Grant (CDBG) entitlement communities on how to
complete the annual Grantee Performance Report (GPR).

3. Background:

During FY 1991, the Department began an assessment of
program regulations and other requirements to minimize
paperwork burdens. Eight task force working groups composed
of persons representing grantees, national public interest
groups and HUD field staff were established as a part of
this Paperwork Reduction Initiative for the following
program areas: Final Statements, Rehabilitation, Economic
Development, Environment, State and Small Cities, Financial
Management/Miscellaneous, Grantee Performance Reports, and
the Housing Assistance Plan (which later converted to the
Comprehensive Housing Affordability Strategy as a result of
changes made by the National Affordable Housing Act). Many
of the changes that are reflected in this GPR are in
response to the recommendations made by these groups. The
recommendations which HUD accepted that relate to the GPR
are:

- . Consolidate all reports into as few as possible,
principally the GPR and the CHAS performance report.
 - . Make the GPR an annual activity report rather than
cumulative for each activity.
 - . Consolidate as much essential information as possible
on each activity onto the Activity Summary form.
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- . Modify forms to be more understandable and meaningful
to the recipient, the general public, and the
reviewers.

- . Eliminate some narratives and report the information on the appropriate forms.
- . Revise the GPR Form on Rehabilitation Activities.
- . Clarify the GPR instructions as to the length of time activities should be reported on, so it is clear when the three-year period for record retention begins.
- . Modify the GPR to indicate the method by which a grantee's level of obligations for public service activities is calculated.
- . Broaden and improve the utility of the computerized system for GPR preparation.

All these recommendations have been addressed in the attached revised GPR with the exception of the recommendation on computerization. Efforts to computerize the entire GPR as well as Final Statements are currently underway and grantees are currently being trained on the new system.

4. Significant Changes:

a. GPR Cover sheet, form HUD-4949.1:

- (1) Provides for the name and address of the director of the CDBG entitlement program in addition to the name and address of the grantee.
- (2) Requires the grantee to identify the person to contact concerning disclosures required by the HUD Reform Act of 1989.
- (3) Requires a narrative pertaining to the grantee's use of CDBG funds in relation to its community development objectives only under certain circumstances.
- (4) Requires the grantee to identify how the GPR was made available to the public.

b. Activity Summary, form HUD-4949.2/2a:

Two versions of the Activity Summary form are to be used for reporting activity information. Form 4949.2, Summary of Activities Not Having Direct Benefits, is to be used to report all activities, except public service activities and activities subject to the direct benefit

reporting requirement. Form 4949.2a, Summary of Activities Having Direct Benefits, is to be used to report public service activities and activities that

are subject to the direct benefit reporting requirement. The second version of the form was developed to accommodate the recommendation to include direct benefit information on the Activity Summary form.

- (1) Direct benefit information currently reported on form 4949.5 has been incorporated into a window box on the Activity Summary form (HUD 4949.2a) to be completed following each applicable activity entry. Direct benefit data is to reflect actual numbers rather than percentages.
 - (2) The appropriate regulatory eligibility citation must be provided for each CDBG-assisted activity (Direct Homeownership Assistance is identified as a separate activity title).
 - (3) The appropriate code from the National Objective Matrix (Exhibit 2a) is to be provided for each CDBG-assisted activity.
 - (4) The terms "single-family and multi-family" have been changed to "single-unit and multi-unit" because of the special requirement in the CDBG regulations applying to structures having more than one dwelling unit.
 - (5) The "month/year activity funded" column has been changed to "date initially funded."
 - (6) The national objective code column has been condensed into one column and the codes appear in a box at the bottom of the Activity Summary form.
 - (7) The following activity codes have been added: Float Funded Activity (FFA); Other HUD Funds in Activity (HUD); Program Income (PI); Revolving Fund (RF); and One-for-One Replacement (REP). The codes appear in a box at the bottom of the Activity Summary form.
 - (8) The amount of CDBG funds expended for each multi-unit housing activity that may be credited as benefiting low- and moderate-income persons for purposes of meeting the overall benefit certification is to be reported under the "Accomplishments/Status" column on the Activity Summary form.
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- (9) The reporting of financial data for each activity has been condensed into two columns, "Budgeted" and "Expended This Reporting Period." The definition of expenditures has been revised to be consistent with the definition in the Common Rule.

When reporting public service activities on form 4949.2a, a separate block is provided for use in reporting the amount of any unliquidated obligations.

- (10) The GPR instructions have been revised to reflect that activity information should be reported for the "reporting period only" except in those instances where it is necessary to show compliance with a national objective, such as multi-unit housing and job creation/retention activities.

c. Financial Summary, form 4949.3:

Combines the former Status of Funds Parts I & II, form 4949.3, and Status of Funds Part III, form 4949.4 into a new redesigned form.

- (1) Program income received from revolving funds and from other sources is to be reported separately for the grantee and subrecipient(s).
- (2) A new section has been added for the calculation of the planning/program administration and public service statutory caps.
- (3) An attachment is required to provide additional information when there is program income returned to revolving funds; program income from float funded activities; income from the sale of real property; other loan repayments; prior period adjustments; loans outstanding; loans deferred or written off; parcels of CDBG-acquired property available for sale; or lump sum drawdown agreements.
- (4) Each grantee is required to complete a reconciliation of the unexpended balance of CDBG funds to the funds in the line-of-credit and cash on hand, and calculate the balance of unprogrammed funds.

d. One-for-One Replacement Summary, form 4949.4:

A new form has been designed to report the status of activities subject to the one-for-one replacement requirement.

e. Rehabilitation Activities, form 4949.5:

The Rehabilitation Activities form (formerly number 4949.2a) has been redesigned and renumbered 4949.5. A brief narrative description of each type of rehabilitation program for which projects/units were completed during the reporting period must be included

with the GPR.

f. Displacement Summary, form 4949.6:

The Displacement Summary (formerly form number 4949.7) has been renumbered 4949.6.

The Displacement narrative has been revised and renamed the Displacement/Tenant Assistance/Relocation Narrative. When required, this narrative is to be submitted as an attachment to the Activity Summary form.

5. Deletions:

The following forms have been deleted:

a. Low/Mod Benefit Worksheet, form 4949.3a:

The reporting of this information has been transferred to the "Accomplishments/Status" column on the Activity Summary form.

b. Actions to Affirmatively Further Fair Housing, form 4949.6:

The reporting of this information has been deleted from the GPR and will be covered as part of the Comprehensive Housing Affordability Strategy (CHAS) Annual Performance Report.

6. Distribution to Recipients:

Each Field Office shall ensure that a copy of this handbook has been received by each CDBG entitlement recipient.

7. Filing Instructions:

Insert: Handbook 6510.2, REV-2, issued 7/93.

Remove: Handbook 6510.2, REV-1, issued 4/88.

Handbook

6510.2 Rev-2

U.S. Department of Housing and Urban Development
Washington, D.C. 20410

Program Participants

and Departmental Staff

Community

Development Block

Grant Program

Entitlement Grantee

Performance Report

Instructions

CGBE : Distribution : W-3-1, W-1, R-1, R-6,
Special (CPD Regional and Field
Directors), CDBG Entitlement Grantees
