

## §511.2

## 24 CFR Ch. V (4-1-10 Edition)

grants to help support the rehabilitation of eligible real property to be used for primarily residential rental purposes, and to pay for eligible administrative costs of grantees (not to exceed 10 percent of a grantee's initial grant obligation for Fiscal Year 1988 and later years). Grants are made on a formula basis to cities having populations of 50,000 or more, urban counties, States, and qualifying consortia of geographically proximate units of general local government. States may use all or part of their grants to carry out their own rental rehabilitation programs or to distribute them to eligible units of general local government. HUD will administer a State's grant if the State chooses not to do so.

(b) The purpose of the Program is to help provide affordable, standard permanent housing for low-income families and to increase the availability of housing units for use by housing voucher and certificate holders under section 8 of the United States Housing Act of 1937. Subject to rules for the tenant-based Certificate Program (24 CFR part 882) and for the Housing Voucher Program (24 CFR part 887), certificates and housing vouchers must be allocated to ensure that sufficient resources are available for families in Rental Rehabilitation projects who are required to move out of their units because of the physical rehabilitation activities or because of overcrowding; and at the PHA's discretion, to assist eligible families whose post-rehabilitation rents would be greater than 30 percent of their adjusted incomes.

### §511.2 Definitions.

The terms *HUD* and *Public Housing Agency (PHA)* are defined in 24 CFR part 5.

*Administrative costs* means eligible administrative costs as described in §511.71.

*C/MI System* means the Cash and Management Information System for drawdown of Rental Rehabilitation grant amounts and collection of program information described in §511.75.

*Certificate* means the document issued by a PHA to a family eligible for participation in the tenant-based Section 8 Certificate Program under 24 CFR part 882.

*Chief executive officer* of a governmental entity means the elected official, or the legally designated official, who has the primary responsibility for the conduct of that entity's governmental affairs. Examples of the "chief executive officer" are: The elected mayor of a municipality; the elected county executive of a county; the chairperson of a county commission or board in a county that has no elected county executive; the official designated under law by the governing body of the unit of general local government; and the Governor of a State.

*City* means a unit of general local government that was classified as a city under section 102(a)(5) of the Housing and Community Development Act of 1974 for purposes of the Community Development Block Grant (CDBG) Entitlement Program for the fiscal year immediately preceding the fiscal year for which rental rehabilitation grant amounts are made available.

*Commit to a specific local project or commitment* means:

(a) For a project which is privately owned when the commitment is made, a written legally binding agreement between a grantee (or in the case of a State distributing rental rehabilitation grant amounts to units of general local government, a State recipient) and the project owner under which the grantee or State recipient agrees to provide rental rehabilitation grant amounts to the owner for an identifiable rehabilitation project that can reasonably be expected to start construction within 90 days of the agreement and in which the owner agrees to start construction within that period; or

(b) For a project that is publicly owned when the commitment is made, the Pre-Rehabilitation Report submitted under the C/MI System which identifies a specific rehabilitation project that will start rehabilitation within 90 days of receipt of the Pre-Rehabilitation Report. Under both paragraphs (a) and (b) of this definition, the date HUD enters into the C/MI System an acceptable Pre-Rehabilitation Report for a project is deemed to be the date of project commitment.

*Completion of rehabilitation* means all necessary rehabilitation work has been performed and the project in HUD's

judgment complies with the requirements of this part (including the rehabilitation standards adopted under §511.10(e)); the final drawdown has been disbursed for the project; for projects that were publicly owned when commitment occurred, the project has been legally transferred to a private owner; and a Project Completion Report has been submitted and processed in the C/MI System as prescribed by HUD.

*Family* means a “family” as defined at 24 CFR 812.2.

*Grantee* means—

(a) Any city, urban county, or approved consortium receiving a grant on the basis of the formula contained in subpart D of this part;

(b) Any State administering a rental rehabilitation program, as provided in §511.51; and

(c) Any unit of general local government receiving a rental rehabilitation grant from HUD, as provided in §511.52.

*Housing voucher* means the document issued by a PHA to a family eligible for participation in the Section 8 Housing Voucher Program under 24 CFR part 887.

*Low-income family* means a low-income family, as defined in 24 CFR 813.102.

*Manufactured housing* means a dwelling unit which meets the requirements of §511.11(c)(4).

*Owner* means one or more individuals, corporations, partnerships, or other privately-controlled legal entities that hold valid legal title to the project to be rehabilitated.

*Project* means an entire building (including a manufactured housing unit), or two or more contiguous buildings under common ownership and management, to be rehabilitated with a rental rehabilitation grant, under a commitment by the owner, as a single undertaking under this part.

*Rents affordable to low-income families* means that the sum of the utility allowance and the rent payable monthly to the owner with respect to a unit is at or below the applicable fair market rent published under 24 CFR part 888 for the Section 8 Certificate Program (24 CFR part 882) or at or below such higher maximum Gross Rent as approved by HUD for units of a given size or type under 24 CFR 882.106(a)(3). In

the case of cooperative or mutual housing, rent means the occupancy charges under the occupancy agreement between the members and the cooperative.

*State* includes any of the 50 States and the Commonwealth of Puerto Rico.

*State recipient* means any unit of general local government to which a State distributes rental rehabilitation grant amounts, as provided in §511.51 (a)(2) and (a)(3).

*Unit or dwelling unit* means a residential space that qualifies under the laws of the State and locality and under this part as a place of permanent habitation or abode for a family, including an apartment or house that contains a living room, kitchen area, sleeping area, and bathroom(s), or such other definition as may be proposed by a grantee and approved by HUD under this part. The HUD Field Office may approve congregate housing units meeting the requirements of 24 CFR 882.109(m) or single room occupancy units meeting the requirements of 24 CFR 882.109(p) as zero bedroom units for purposes of this part.

*Unit of general local government* means any city, county, town, township, parish, village, or other general purpose political subdivision of a State.

*Urban county* means a county that was classified as an urban county under section 102(a)(6) of the Housing and Community Development Act of 1974, as amended, for the fiscal year immediately preceding the fiscal year for which rental rehabilitation grant amounts are made available.

*Utility allowance* means the amount determined by a PHA under 24 CFR part 882 for the cost of utilities (except telephones) and other housing services that is not included in the rent payable to the owner, but is the responsibility of the family occupying the unit.

*Very low income family* means a very low income family, as defined in 24 CFR 813.102.

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