

CODIFICATION

Sec.

Section was enacted as part of the Omnibus Insular Areas Act of 1992, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 5204 of this title.

CHAPTER 69—COMMUNITY DEVELOPMENT

Sec.

5301. Congressional findings and declaration of purpose.

- (a) Critical social, economic, and environmental problems facing Nation's urban communities.
- (b) Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies.
- (c) Decent housing, suitable living environment, and economic opportunities for persons of low and moderate income; community development activities which may be supported by Federal assistance.
- (d) Consolidation of complex and overlapping Federal assistance programs into consistent system of Federal aid.

5302. General provisions.

- (a) Definitions.
- (b) Basis and modification of definitions.
- (c) Designation of public agencies.
- (d) Local governments, inclusion in urban county population.
- (e) Exclusion of local governments from urban county population; notification of election.

5303. Grants to States, units of general local government and Indian tribes; authorizations.

5304. Statement of activities and review.

- (a) Statement of objectives and projected use of funds by grantee prerequisite to receipt of grant; publication of proposals by grantees; notice and comment; citizen participation plan.
- (b) Certification of enumerated criteria by grantee to Secretary.
- (c) Special certifications required for certain grants.
- (d) Residential antidisplacement and relocation assistance plan; certification of adherence; contents.
- (e) Submission of performance and evaluation report by grantee to Secretary; contents; availability for citizen comment; annual review and audit by Secretary of program implementation; adjustments in amount of annual grants.
- (f) Audit of grantees by General Accounting Office; access to books, accounts, records, etc., by representatives of General Accounting Office.

- (g) Environmental protection measures applicable for release of funds to applicants for projects; issuance of regulations by Secretary subsequent to consultation with Council on Environmental Quality; request and certification to Secretary for approval of release of funds; form, contents and effect of certification.
- (h) Payments; revolving loan fund; establishment in private financial institution for rehabilitation activities; standards for payments; criteria.
- (i) Metropolitan city as part of urban county.
- (j) Retention of program income; condition of distribution.
- (k) Provision of benefits to displaced persons.
- (l) Protection of individuals engaging in nonviolent civil rights demonstrations.
- (m) Community development plans.

5305.

- Activities eligible for assistance.
- (a) Enumeration of eligible activities.
 - (b) Reimbursement of Secretary for administrative services connected with rehabilitation of properties.
 - (c) Activities benefiting persons of low and moderate income.
 - (d) Training program.
 - (e) Guidelines for evaluating and selecting economic development projects.
 - (f) Assistance to for-profit entities.
 - (g) Microenterprise and small business program requirements.
 - (h) Prohibition on use of assistance for employment relocation activities.

5306.

- Allocation and distribution of funds.
- (a) Amounts allocated to Indian tribes, discretionary fund, and metropolitan cities and urban counties; limitations on amount of annual grants.
 - (b) Computation of amount allocated to metropolitan cities and urban counties.
 - (c) Reallocation of undistributed funds within same metropolitan area as original allocation; amount and calculation of reallocation grant; disaster relief.
 - (d) Allocation among States for non-entitlement areas; amount and calculation of grants; distributions by State or Secretary; certain distributions made pursuant to prior provisions; certifications required by Governor enumerated; responsibility for administration and administrative expenses; reallocation; certifications required of units of general local government in nonentitlement areas; applicability of this chapter and other law.
 - (e) Qualification or submission dates, and finality and conclusiveness of computations and determinations.
 - (f) Pro rata adjustment of entitlement amounts.

5307.

- Special purpose grants.
- (a) Set-aside.
 - (b) Permissible uses of funds.
 - (c) Assistance to economically disadvantaged and minority students participating in community development work study programs.
 - (d) Continued availability of unused funds.
 - (e) Satisfactory assurances required, special assurances required of Indian tribes.

Sec.		Sec.	
5308.	(f) Criteria for selection of recipients. Guarantee and commitment to guarantee loans for acquisition of property. (a) Authority of Secretary; issuance of obligations by eligible public entities or designated public agencies; form, denomination, maturity, and conditions of notes or other obligations; percentage allocation requirements. (b) Prerequisites. (c) Payment of principal, interest and costs. (d) Repayment contract; security; pledge by State. (e) Pledged grants for repayments. (f) Full faith and credit of United States pledged for payment; conclusiveness and validity of guarantee. (g) Issuance of obligations by Secretary to Secretary of the Treasury to satisfy authorized guarantee obligations; establishment of maturities and rates of interest and purchase of obligations by Secretary of the Treasury. (h) Federal taxation of guaranteed obligations; grants to borrowing entity or agency of taxable obligations for net interest costs, etc.; limitation on amount of grant; assistance to issuer in hardship cases. (i) Omitted. (j) Inclusion within gross income for purpose of chapter 1 of title 26 of interest paid on taxable obligations. (k) Outstanding obligations; limitation; monitoring use of guarantees under this section. (l) Purchase of guaranteed obligations by Federal Financing Bank. (m) Limitation on imposition of fee or charge. (n) State assistance in submission of applications. (o) "Eligible public entity" defined. (p) Training and information activities relating to home guarantee program. (q) Economic development grants. (r) Guarantee of obligations backed by loans.	5312.	Use of grants for settlement of outstanding urban renewal loans of units of general local government. (a) Limitation on amounts; prerequisites. (b) Approval by Secretary of financial settlement of urban renewal project.
		5313.	Reporting requirements.
		5314.	Consultation by Secretary with other Federal departments, etc.
		5315.	Interstate agreements or compacts; purposes.
		5316.	Transition provisions. (a) Prohibition on new grants or loans after January 1, 1975; exceptions. (b) Final date in fiscal year for submission of application for grant; establishment by Secretary.
		5317.	Liquidation of superseded or inactive programs.
		5318.	Urban development action grants. (a) Authorization; purpose; amount. (b) Eligibility of cities and urban counties; criteria and standards; regulations. (c) Applications; documentation of eligibility; proposed plan; assurance of notice and comment; assurance of consideration on historical landmarks. (d) Mandatory selection criteria; award of points; distribution of funds; number of competitions per year; use of distress conditions data by urban counties. (e) Limitations on power of Secretary to approve grants; waiver. (f) Permissibility of consistent but unenumerated activities; report on use of repaid grant funds for economic development activities. (g) Annual review and audit; adjustments, withdrawals and reduction permitted. (h) Limitations on grants for industrial or commercial relocations or expansions; appeal of denial or cancellation of assistance; grants to adversely affected individuals. (i) Minimum percentage of funds to be allocated to certain noncentral cities; application by consortia of cities of less than 50,000 population. (j) Grant contingent on factors related to non-Federal funds.
5309.	Nondiscrimination in programs and activities. (a) Prohibited conduct. (b) Compliance procedures available to Secretary. (c) Civil action by Attorney General. (d) Waiver of race discrimination prohibitions regarding assistance to Hawaiian Home Lands.		(k) Duty of Secretary to minimize amount. (l) Power of Secretary to waive requirement that town or township be closely settled.
5310.	Labor standards; rate of wages; exceptions; enforcement powers.		(m) Notice to State historic preservation officer and Secretary of the Interior required with regard to affected landmark property; opportunity for comment.
5311.	Remedies for noncompliance with community development requirements. (a) Notice and hearing; termination, reduction, or limitation of payments by Secretary. (b) Referral of matters to Attorney General; institution of civil action by Attorney General. (c) Petition for review of action of Secretary in Court of Appeals; filing of record of proceedings in court by Secretary; affirmance, etc., of findings of Secretary; exclusiveness of jurisdiction of court; review by Supreme Court on writ of certiorari or certification.		(n) Territories, tribes, and certain Hawaiian counties included in term "city". (o) Special provisions for years after 1983. (p) Unincorporated portions of urban counties. (q) Technical assistance grants. (r) Nondiscrimination by Secretary against type of activity or applicant. (s) Maximum grant amount for fiscal years 1988 and 1989. (t) UDAG retention program.
		5318a.	John Heinz Neighborhood Development Program.

- Sec.
- (a) Definitions.
 - (b) Duties of Secretary.
 - (c) Criteria for awarding grants.
 - (d) Consultation with informal working group.
 - (e) Matching funds for participating organizations.
 - (f) Authorization.
 - (g) Short title.
5319. Community participation in programs.
5320. Historic preservation requirements.
- (a) Regulations.
 - (b) Actions by State historic preservation officer and Secretary of the Interior.
 - (c) Regulations by Advisory Council on Historic Preservation providing for expeditious action.
5321. Suspension of requirements for disaster areas.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1437d, 1437ff, 1439, 1440, 3013, 3533, 3535, 5133, 9816, 11505 of this title; title 12 sections 1464, 1701x, 1715z, 1715z-13, 1834a; title 40 App. section 214.

§ 5301. Congressional findings and declaration of purpose

(a) Critical social, economic, and environmental problems facing Nation's urban communities

The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

- (1) the growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities;
- (2) inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment; and
- (3) increasing energy costs which have seriously undermined the quality and overall effectiveness of local community and housing development activities.

(b) Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies

The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

- (1) systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;
- (2) substantial expansion of and greater continuity in the scope and level of Federal as-

sistance, together with increased private investment in support of community development activities;

(3) continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts; and

(4) concerted action by Federal, State, and local governments to address the economic and social hardships borne by communities as a consequence of scarce fuel supplies.

(c) Decent housing, suitable living environment, and economic opportunities for persons of low and moderate income; community development activities which may be supported by Federal assistance

The primary objective of this chapter and of the community development program of each grantee under this chapter is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the Federal assistance provided to States and units of general local government under section 5306 of this title and, if applicable, the funds received as a result of a guarantee or a grant under section 5308 of this title, shall be used for the support of activities that benefit persons of low and moderate income, and the Federal assistance provided in this chapter is for the support of community development activities which are directed toward the following specific objectives—

- (1) the elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;
- (2) the elimination of conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;
- (3) the conservation and expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;
- (4) the expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;
- (5) a more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;
- (6) the reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods;