

§ 1006.210

(13) Other related activities, such as environmental review and architectural and engineering plans for the affordable housing project.

(b) *Multi-unit projects.* NHHBG funds may be used to assist one or more housing units in a multi-unit project. Only the actual NHHBG eligible development costs of the assisted units may be charged to the NHHBG Program. If the assisted and unassisted units are not comparable, the actual costs may be determined based upon a method of cost allocation. If the assisted and unassisted units are comparable in terms of size, features, and number of bedrooms, the actual cost of the NHHBG-assisted units can be determined by pro-rating the total NHHBG eligible development costs of the project so that the proportion of the total development costs charged to the NHHBG Program does not exceed the proportion of the NHHBG-assisted units in the project.

§ 1006.210 Housing services.

NHHBG funds may be used for the provision of housing-related services for affordable housing, including:

- (a) Housing counseling in connection with rental or homeownership assistance;
- (b) The establishment and support of resident organizations and resident management corporations;
- (c) Energy auditing;
- (d) Activities related to the provisions of self-sufficiency and other services;
- (e) Homelessness prevention activities, which may include short term subsidies to defray rent and utility bills of an eligible family;
- (f) Payments to prevent foreclosure on a home;
- (g) Tenant-based rental assistance, which may include security deposits and/or first month's rent; and
- (h) Other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in other housing activities assisted pursuant to the Act and this part.

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§ 1006.215 Housing management services.

NHHBG funds may be used for the provision of management services for affordable housing, including:

- (a) The preparation of work specifications;
- (b) Loan processing;
- (c) Inspections;
- (d) Tenant selection;
- (e) Management of tenant-based rental assistance; and
- (f) Management of affordable housing projects.

§ 1006.220 Crime prevention and safety activities.

NHHBG funds may be used for the provision of safety, security, and law enforcement measures and activities appropriate to protect residents of affordable housing from crime, including the costs of:

- (a) Physical improvements for affordable housing to enhance security, such as, fences, monitors, locks, and additional lighting;
- (b) Security personnel for affordable housing; and
- (c) Equipment for patrols.

§ 1006.225 Model activities.

NHHBG funds may be used for housing activities under model programs that are:

- (a) Designed to carry out the purposes of the Act and this part; and
- (b) Specifically approved by HUD as appropriate for those purposes.

§ 1006.230 Administrative and planning costs.

Up to such amount as HUD may authorize, or such other limit as may be specified by statute, of each grant received under the Act may be used for any reasonable administrative and planning expenses of the DHHL relating to carrying out the Act and this part and activities assisted with NHHBG funds, including:

- (a) *General management, oversight and coordination.* Reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include, but are not limited to, necessary expenditures for the following:

(1) Salaries, wages, and related costs of the DHHL's staff. In charging costs to this category the DHHL may either include the entire salary, wages, and related costs allocable to the NHHBG Program of each person whose *primary* responsibilities with regard to the program involves program administration assignments, or the prorated share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments. The DHHL may use only one of these methods. Program administration includes the following types of assignments:

- (i) Developing systems and schedules for ensuring compliance with program requirements;
- (ii) Developing interagency agreements and agreements with entities receiving NHHBG funds;
- (iii) Monitoring NHHBG-assisted housing for progress and compliance with program requirements;
- (iv) Preparing reports and other documents related to the program for submission to HUD;
- (v) Coordinating the resolution of audit and monitoring findings;
- (vi) Evaluating program results against stated objectives; and
- (vii) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraphs (a)(1)(i) through (vi) of this section;

(2) Travel costs incurred for official business in carrying out the program;

(3) Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services; and

(4) Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.

(b) *Staff and overhead.* Staff and overhead costs directly related to carrying out a project or service, such as work specifications preparation, loan processing, inspections, and other services related to assisting potential owners, tenants, and homebuyers (*e.g.*, housing

counseling); and staff and overhead costs directly related to providing advisory and other relocation services to persons displaced by the a project, including timely written notices to occupants, referrals to comparable and suitable replacement property, property inspections, counseling, and other assistance necessary to minimize hardship. These costs may be charged as administrative costs or as project costs under §1006.205 or service costs under §§1006.210 or 1006.215, at the discretion of the DHHL.

(c) *Public information.* The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of projects being assisted with NHHBG funds.

(d) *Indirect costs.* Indirect costs may be charged to the NHHBG Program under a cost allocation plan prepared in accordance with OMB Circulars A-87 or A-122 as applicable.

(e) *Preparation of the housing plan and reports.* Preparation of the housing plan under §1006.101 and performance reports under §1006.410. Preparation includes the costs of public hearings, consultations, and publication.

(f) *Other Federal requirements.* Costs of complying with the Federal requirements in §§1006.370 and 1006.375 of this part. Project-specific environmental review costs may be charged as administrative costs or as project costs, at the discretion of the DHHL.

§ 1006.235 Types of investments.

Subject to the requirements of this part and to the DHHL's housing plan, the DHHL has the discretion to use NHHBG funds for affordable housing activities in the form of equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies, the leveraging of private investments, and other forms of assistance that HUD determines to be consistent with the purposes of the Act. The DHHL has the right to establish the terms of assistance provided with NHHBG funds.