

statement as to how its proposed HPG financial assistance program shall keep to a minimum the displacement of homeowners and/or tenants.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.668 Term of grant.

HPG projects may be funded under the terms of a grant agreement for a period of up to 2 years commencing on the date of execution of the grant agreement by the FmHA or its successor agency under Public Law 103-354 approval official. Term of the project will be based upon HPG resources available for the proposed project and the accomplishability of the applicant's proposal within 1 or 2 years. Applicants requesting a 2 year term may be asked to develop a feasible 1 year program if sufficient funds are not available for a 2 year program.

§ 1944.669 [Reserved]

§ 1944.670 Project income.

(a) Project income during the grant period from loans made to homeowners, owners of rental properties, and co-ops is governed by 7 CFR parts 3015 and 3016. All income during the grant period, including amounts recovered by the grantee due to breach of agreements between the grantee and the HPG recipient, must be used under (and in accordance with) the requirements of the HPG program.

(b) Grantees are encouraged to establish a program which reuses income from loans after the grant period for continuing repair and rehabilitation activities, as well as for individual housing replaced.

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.671 Equal opportunity requirements and outreach efforts.

The policies and regulations contained in subpart E of part 1901 of this chapter apply to grantees under this subpart.

(a) *Fair housing.* The Fair Housing Act prohibits any person or entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making loans, grants, or

other financial assistance for a unit or dwelling, or which will be secured by a unit or dwelling, because of race, color, religion, sex, national origin, age, familial status, or handicap/disability. Prohibited practices under this section include:

(1) Failing to provide any person in connection with a residential real estate-related transaction, information regarding the availability of loans, grants, or other financial assistance, or providing information that is inaccurate or different from that provided others; and

(2) The term *residential and real estate-related transaction* includes the making or purchasing of loans, grants, or other financial assistance for purchasing, constructing, improving, repairing, or rehabilitating a unit or dwelling, as well as for replacement housing for individual homeowners.

(b) *Outreach.* In addition, the HPG grantee is required to address an outreach effort in their program. The amount of outreach should sufficiently reach the entire service area. As a measure of compliance, the percentages of the individuals served by the HPG grantee should be in proportion to the percentages of the population of the service area by race/national origin. If the percentages are not proportional, then adequate justification is to be made. Exhibit E-1 of this subpart (available in any FmHA or its successor agency under Public Law 103-354 office) will be used to monitor these requirements. (Further explanation and guidance of exhibit E-1 can be found in exhibit E-2 of this subpart which is available in any FmHA or its successor agency under Public Law 103-354 office). A separate file will be maintained by the grantee that will include the following outreach activities:

(1) Community contacts to community organizations, community leaders, including minority leaders, by name, race, and date contacted;

(2) Copies of all advertising in local newspapers, and through other media. Any advertising must reach the entire service area. FmHA or its successor agency under Public Law 103-354 encourages the use of minority-owned radio stations and other types of media, if available, in the service area.

§ 1944.672

7 CFR Ch. XVIII (1-1-05 Edition)

The grantee's file shall also include the name of the media used, and the percentage of its patronage by race/national origin; and

(3) Copies of any other advertising or other printed material, including the application form used. The application form shall include the nondiscrimination slogan: "This is an equal opportunity program. Discrimination is prohibited by Federal Law."

(c) *Additional requirements.* In order to meet the Fair Housing requirements and the nondiscrimination requirements of Title VI of the Civil rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, the HPG grantee will need to adhere to the recommendations of exhibit H of this subpart (available in any FmHA or its successor agency under Public Law 103-354 office).

[58 FR 21894, Apr. 26, 1993, as amended at 62 FR 26210, May 13, 1997]

§ 1944.672 Environmental requirements.

Subpart G of part 1940 of this chapter will be followed regarding environmental requirements. The following is additional information on how to approach HPG projects under those requirements:

(a) The approval of an HPG grant for the repair, rehabilitation, or replacement of dwellings shall be a Class I action. As part of their preapplication materials, applicants shall submit Form RD 1940-20, "Request for Environmental Information," for the geographical areas proposed to be served by the program. The applicant shall refer to exhibit F-1 of this subpart (available in any Rural Development State or District Office) when completing Form RD 1940-20. Further guidance on completing this form is available from the Agency office servicing the program.

(b) The use of HPG funds by the grantee to repair, rehabilitate, or replace on the same site, specific dwellings is generally exempt from an RHS environmental review. However, if such dwellings are located in a floodplain, wetland, or the proposed work is not concurred in by the Advisory Council on Historic Preservation under the re-

quirements of §1944.673, an RHS environmental review is required. Dwellings within the Coastal Barrier Resources System are not eligible for HPG assistance. Applicants must include in their preapplication a process for identifying dwellings that may receive housing preservation or replacement housing assistance that will require an environmental assessment. This may be accomplished through use of exhibit F-2 of this subpart (available in any Rural Development State or District Office) or another process supplying similar information acceptable to RHS.

(c) If a specific dwelling is not located in a floodplain, wetland, or the proposed work is concurred in by the Advisory Council on Historic Preservation under the requirements of §1944.673 of this subpart, no environmental review is required by FmHA or its successor agency under Public Law 103-354. The grantee only needs to indicate its review and compliance with this subpart, indicating such in each recipient's file in accordance with paragraph (e) of this section.

(d) When a dwelling requiring an environmental assessment is proposed for HPG assistance, the grantee will immediately contact the RHS office designated to service the HPG grant. Prior to approval of HPG assistance to the recipient by the grantee, RHS will prepare the environmental assessment in accordance with part 1940, subpart G, of this chapter with the assistance of the grantee, as necessary. Paragraph VIII of exhibit C of this subpart (available in any Rural Development State or District Office) provides further guidance in this area.

(e) If FmHA or its successor agency under Public Law 103-354 is required to make an environmental assessment, the grantee will be provided with a copy of the assessment which will be made part of the recipient's file. The grantee must also include in each recipient's file:

(1) Documentation on how the process for historic preservation review under §1944.673 of this subpart has been complied with, including all relevant reviews and correspondence; and