



Lead Hazard Reduction Demonstration Grant Program: Frequently Asked Questions Fiscal Year 2009



For more information please contact:

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Introduction

The Department of Housing and Urban Development's (HUD's) Office of Healthy Homes and Lead Hazard Control (OHHLHC) established the Lead Hazard Reduction Demonstration (LHRD) grant program in FY 2003 to target urban jurisdictions, such as cities, counties or other units of government with the highest lead-based paint hazard control needs. The grant is available to identify and control lead-based paint hazards in eligible privately owned housing for rental or owner-occupants. States may apply on behalf of units of local government within their jurisdiction if the local government designates the state as their applicant.

The following pages contain important topics, frequently asked questions and answers, and supplementary information pertaining to LHRD grant requirements and other information potentially needed to prepare and then apply for a LHRD grant.

Disclaimer: Information provided here is believed to be correct, however, definitive information is found in the General Section and the Lead Hazard Reduction Demonstration Grant Program Section of the Notice of Funding Availability, and documents cited there.

Application Submission Snapshot

Deadline date: Must be received by 5:00 pm Eastern Time on July 20, 2009, by Christine Freeman, HUD Office of Healthy Homes and Lead Hazard Control, 451 7th St. SW, Room 8236, Washington, DC 20410-3000. Her phone number is 202-402-3257. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 1-800-877-8339.

Application submission documents:

- One paper signed original
- Three complete paper copies
- One CD-ROM with only the following electronic files: SF 424, Applicant Abstract, and Forms HUD 424-CBW, 96008, 96010, 96012, 96013, 96014, and 96015.
- 20 page maximum limit for Rating Factor Narrative Response (excluding budget and budget narrative)

Application submission procedures:

- Only FedEx, United Parcel Service (UPS) or overnight express delivery service from the US Postal Service are acceptable delivery methods
- Hand delivered applications are not acceptable and will not be reviewed
- Applications are not to be submitted via grants.gov as in prior years

Additional resources are available to assist applicants in grant preparation and implementation:

- For general information about lead hazard control programs, visit the OHHLHC website at www.hud.gov/offices/lead.
- For specific information about the LHRD Notice of Funding Availability (NOFA) [*Spell out abbreviations at first use.*]: www.hud.gov/offices/lead/09NOFA/leadcombo.cfm.

- For work plan and start-up guidance: www.hud.gov/offices/lead/lbp/startup/index.cfm.
- For questions about the grant application and program implementation, or to obtain information about regional workshops and webinars, contact the Children's Health Forum at (202) 347-6143 or visit the following websites for more information: www.healthyhousingsolutions.com and www.chf4kids.org

Eligible Applicants

How do I know if my city or county is an eligible applicant for the LHRD?

The short answer is that your jurisdiction must be on the revised list of eligible applicants published in Appendix A of the NOFA announcing the LHRD grant program. You can find that information at www.hud.gov/offices/lead/09NOFA/leadcombo.cfm.

Are there any threshold requirements to be eligible for LHRD?

Yes, your jurisdiction must have at least 3,500 pre-1940 occupied rental housing units. HUD makes this determination based on the 2000 Census. In addition, a jurisdiction that received a LHRD grant in FY 2008 is not eligible for a LHRD grant in FY 2009.

My county has more than 3,500 pre-1940 occupied rental housing units but it is not on the list. Why is that?

In calculating the number of pre-1940 occupied rental housing units in a county, HUD subtracts the number of such units in any city with more than 3,500 pre-1940 units from the total for the county. For instance, County X has a total of 6,000 pre-1940 occupied rental housing units, of which 4,000 are located in City A. City A is an eligible applicant because it has more than 3,500 units within its jurisdiction. County X, however, is not eligible because it has only 2,000 units after the units in City A are deducted. City A may submit an application on behalf of itself and County X if both are in the same metropolitan area (formally, the same Metropolitan Statistical Area designated by the Office of Management and Budget). See the questions on consortia, below.

Can two or more local jurisdictions form a consortium to apply?

Yes they can, provided that at least one member of the consortium is an eligible applicant in its own right. In other words, at least one member of the consortium must have at least 3,500 pre-1940 occupied rental units within its jurisdiction. Consortium members must all be located in the same metropolitan area. Part B of Appendix A lists the metropolitan areas with at least one eligible jurisdiction. One member of the consortium must be identified as the lead agency that will be administratively responsible for compliance with all program requirements.

What are the benefits of forming a consortium to apply?

There may be many benefits depending on unique local circumstances. One benefit is that jurisdictions that can't apply in their own right can participate as a member of a consortium. Different members of a consortium bring different skills and capabilities to the program. For instance, a city that is an eligible applicant may want to draw on the skills and experience of the surrounding county that is not eligible but that administers a childhood lead testing program and provides case management services for the whole county.

Can states apply?

States with an EPA-authorized lead-based paint training and certification program may apply on behalf of one or more eligible local jurisdictions. The same pertains to Federally-recognized Tribes. Eligible states and tribes are listed in Part A of Appendix A of the NOFA.

Identifying Local Lead Hazard Control Needs

How do I identify the scope and extent of the local lead problem?

The place to start is with the local health department, which will likely have records of the number of children with elevated blood lead levels over the last several years. LHRD grant applicants must provide the actual number and percentage of children with documented elevated blood lead levels residing within their jurisdictions. In the case of state applications, the data must be provided for the local jurisdiction(s) on whose behalf the state is applying. For the fiscal year 2009 NOFA, data prior to Calendar Year 2006 will not be accepted.

The state health department may also have information of value in preparing a LHRD application, especially if the local health department does not have an active lead testing program.

State, county, and, in some cases, city level data for lead levels can be obtained from the Centers for Disease Control and Prevention (CDC) at www.cdc.gov/nceh/lead/surv/stats.htm.

Do children have to be tested for lead poisoning?

While the LHRD program recommends that children under the age of six residing in units enrolled in the program for lead hazard reduction be tested for lead poisoning within six months of initiation of lead hazard control work, the children's parents or guardians may decline to have their children tested, such as for religious reasons. *[See LHC NOFA page 30, section III.C.4m.]*

Who tests children for lead poisoning?

Most testing of children for lead poisoning is performed by private physicians and at clinics, both public and private. Testing is done in accordance with protocols established by the CDC and is required by the Department of Health and Human Services for children covered by Medicaid. Children with elevated blood levels are identified and referred to the state or local health department for additional follow-up.

What happens if a child has an elevated blood lead level (EBL)?

The child's blood lead level determines the course of action by the health department. Most states and cities use the CDC's definition of an EBL as 10 µg/dL (micrograms of lead per deciliter of blood). The following are the most common courses of action, although there are

many variations by states and cities; contact the health department for information on their approach:

- 10 µg/dL and above: the health department sends a letter with educational material to the parent(s) or caregiver(s), and may examine community-wide conditions to identify a cause of the EBL.
- Two readings of 15 µg/dL and above, or 20 µg/dL and above, or at least three months apart: the health department performs a case management home visit and a lead-based paint hazard risk assessment. Additional case management and follow up is provided by the child's medical care provider or health department. If the child's housing was built before 1978 and is covered by HUD housing assistance, an environmental investigation is generally required. Any lead-based paint hazards identified by the risk assessment must be controlled in accordance with HUD's Lead Safe Housing Rule. For more information, see the rule's Web page, www.hud.gov/offices/lead/enforcement/lshr.cfm.
- Depending on the results of the risk assessment, the health department may issue a violation notice (often called an abatement order) to the owner to correct identified lead hazards.

How do I find out about housing conditions in my jurisdiction?

The first step is to check with the local community development and/or housing agency. Local jurisdictions that receive Community Development Block Grant (CDBG) or HOME funds or manage a Section 8 Housing Choice Voucher program have extensive knowledge about housing conditions that can be helpful in designing and targeting a lead hazard control program. While you do not need to submit extensive information to OHHLHC in your application, you might want to check it out for yourself. The following website address will lead you to one appropriate data source: factfinder.census.gov/servlet/SAFFHousing?_sse=on. *[Replaced the undelined text with an actual hotlink.]* After entering your city or county name in the upper right hand corner, click on "Year Structure Built." This will give you the data for both owners and renters on the age of housing. Because the LHRD program requires that the applicant must have at least 3,500 pre-1940 occupied rental housing units, in the "Tenure By Year Structure Built" portion of the table, look for the "Renter-occupied housing units" section, and that section's "Built 1939 or earlier" row. The middle column of this row tells you the number of pre-1940 renter-occupied housing units in the jurisdiction.

What is a Consolidated Plan and can it be helpful?

All jurisdictions that are eligible for the LHRD program already have a HUD-approved Consolidated Plan. The Consolidated Plan includes extensive information about housing conditions in the community. One component of the Consolidated Plan is the lead-based paint element, which outlines actions proposed or being taken to evaluate and reduce lead-based paint hazards. According to the LHRD NOFA, there must be a direct and substantial relationship between the proposed lead hazard control activities, the Consolidated Plan's lead-based paint element, and documented community needs.

What do I need to submit to OHHLHC about housing conditions?

The good news is that you don't need to submit much. Rating Factor 2 requires basic information on form HUD-96013. You identify the target areas where lead hazard control work will be done and HUD will do the hard work of digging out the Census data. A separate narrative does not need to be provided regarding these data. You do need to provide the link to the website address for the lead-based paint element of the Consolidated Plan; the link must be specific to that element and not just to the Plan as a whole. As necessary, provide the chapter, section and page numbers of the element.

Where do I get data for very low- and low-income families?

Same as above. You provide the information on form HUD-96013 about where lead hazard control work will be done and HUD will do the rest.

Eligibility and Targeting

One of the most important questions to be addressed prior to preparing a LHRD grant application is to determine where or to whom the program will be targeted.

Should the program be targeted to properties with EBL children?

One strategy is to target properties with EBL children. This has been effective when there are a large number of EBL cases. Many other communities, however, have encountered problems, including resistance from property owners, and high lead hazard control treatment costs. A more common approach is to establish other eligibility and targeting objectives, and to give priority to EBL cases. For instance, a grantee may target a low-income neighborhood with large numbers of deteriorated houses and still assist EBL cases wherever they may occur. *[Need to be careful about “wherever;” applicant’s can’t ignore the target area that qualifies them for a grant. Clarify.]*

What is “primary prevention,” and does it apply to LHRD?

A common strategy that has emerged as more experience is gained with reducing the incidence of childhood lead poisoning is to develop a “primary prevention” approach to lead hazard control. This means identifying those neighborhoods and/or properties most likely to be the source of childhood lead poisoning and removing the lead hazards before children get poisoned. The greatest need for primary prevention programs is generally in older (pre-1940) deteriorated rental properties in communities with a history of high childhood lead poisoning incidence rates. In other words, properties most likely to poison children are targeted for lead hazard control activities.

Can a LHRD grant be administered in conjunction with Community Development Block Grant (CDBG), HOME, or Weatherization Programs?

Using funds from other home repair and improvement programs in conjunction with LHRD grant funds can expand the scope and effectiveness of all the programs. CDBG, HOME and many other HUD programs are already subject to the federal Lead-Safe Housing Rule (24 CFR 35, subparts B through R). The LHRD NOFA’s Appendix B, “Eligibility of HUD-Assisted Housing,” list types of HUD assistance for which work on the housing can also be covered by LHRD funds. Program administrators should already be familiar with the Lead Safe Housing Rule’s requirements, including risk assessments, use of certified or trained contractors and workers, clearance testing, etc. The biggest impediment is that housing rehabilitation and weatherization programs often move slowly. Rehabilitation and weatherization often take months from intake to clearance. Also, many rehabilitation properties primarily serve elderly owner-occupants or other households that are be eligible for the LHRD program. Careful planning by the grant- administering agencies during the application stage, and close coordination during grant implementation are necessary if more than one funding stream is to be used.

Do we have to change the way we do business?

Health departments and community development agencies all have their traditions, protocols and policies. A LHRD grant program is more likely to get started quickly if the program builds on established policies and procedures. In the case of primary prevention programs, both the grantee and the local community will have certain expectations regarding grants versus loans, title searches, current property taxes or water and sewer bills, roles of faith-based and community-based organizations, etc. A policy of going with what already works will generally serve the LHRD grant program well, and provide the basis for making changes needed for implementing a LHRD grant successfully.

In the case of properties where children with EBLs reside, the experience of the health department will be more instructive. A community development agency that incorporates EBL cases into a LHRD grant program that it manages will be well advised to consult with the local health department to fully understand its protocols. Traditional rehabilitation program policies may need to be modified to successfully address properties occupied by EBL children, since such families frequently have other social and financial problems and may require more assistance to keep them in the program. Partnerships between Health Departments and Community Development programs can be more productive in recruiting clients than either agency working alone, as these agencies will frequently have their own outreach programs and different community partners.

Do I need more than one source of referrals to the program?

The LHRD grant has strict production standards. Firm benchmarks and timelines are a central feature of the program. A local LHRD grant program should have more than a single source for referrals and intake. A program based solely on EBL referrals will not likely be effective except in a jurisdiction with a large volume of EBL cases. If the program proposed for a LHRD grant is based solely on existing CDBG or other rehabilitation programs, an applicant should carefully analyze the program's history, including the annual production rate of units that will meet LHRD grant requirements.

Multiple referral sources will strengthen the likelihood of a continuing source of new cases. An active outreach and education program is generally needed since most property owners are not typically motivated to apply for lead hazard reduction assistance alone.

Are there other Title X requirements?

For rental units:

- At least 50% of the units in the LHRD grant program must be occupied by or made available to families with incomes at or below 50% of the area median income (AMI)
- The remaining units must be occupied by or made available to families with income at or below 80% of AMI.
- The landlord must give priority in renting units for not less than 3 years to families with a child under the age of six years.

For owner-occupied units:

- All units shall be the principal residence of families at or below 80% of AMI.
- At least 90% of the units shall be occupied by a child under the age of six years.

For all units:

- All lead hazard control activities must be conducted in compliance with HUD's Lead-Safe Housing Rule (24 CFR Part 35, subparts B through R).
- All properties shall receive a combination lead-based paint inspection/ risk assessment.
- All lead-based paint hazards must be controlled or eliminated through interim controls or lead-based paint hazard abatement.
- Properties shall pass a clearance examination following rehabilitation. The clearance exam includes a visual inspection for deteriorated paint, residual dust and debris, and, for soil, completion of soil treatments, followed, in interiors, by a dust wipe test that has a qualified laboratory determine how much lead dust remains on floors, window sills and window troughs.

Contractors and Contracting

Establishing and maintaining a cadre of certified and trained contractors who will work with the LHRD grant program is a challenge to most LHRD grant program managers. There are costs and obligations associated with becoming a certified lead abatement contractor. There are also certain risks or perceived risks, such as greater liability for the work completed.

What are the most important factors in attracting and retaining qualified contractors?

The most important factor is to assure contractors a steady flow of work. The second most important factor is to pay them promptly when they have completed their work properly. If there is no steady work, or if they are not paid promptly, contractors may work on other jobs, drop their lead licenses or certifications, or go into other lines of business. Sometimes, unpaid contractors are forced to go out of business, leaving their workers unemployed.

Must all contractors be certified lead abatement contractors?

This depends on state certification requirements and, in many cases, the scope of work. The answer turns on whether routine lead hazard control work, such as replacement of windows, can be performed under state or local rules by personnel trained in lead-safe work practices or if use of certified abatement contractors is required. In other cases, the determination hinges on whether the “intent” of the project is lead hazard control or whether the activity is part of a rehabilitation program that has as its intent the repair and remodeling of the housing unit.

Starting April 22, 2010, firms conducting lead hazard control and other renovation, repair, and painting (RRP) work in pre-1978 housing will be covered by the EPA’s RRP Rule. The firms will need State- or EPA-certification as certified renovation firms, and at least one worker (typically a supervisor) will have to be trained and certified by the State or EPA as a certified renovator. See the EPA’s RRP website, www.epa.gov/lead/pubs/renovation.htm.

What are some things that can be done to increase the supply of contractors?

- Pay all or part of the fee for contractors and workers to attend and complete an EPA- or state-accredited course to become certified in the lead abatement disciplines, or the certified renovator discipline, as applicable.
- Provide free lead-safe work practices training, including training for the certified renovator discipline.
- Develop and post a pool of qualified contractors.
- Simplify the bidding process.
- Have another job waiting when the contractor finishes the current job.
- Pay promptly. Small contractors cannot carry a lot of debt. Make every effort to pay within 30 days and sooner if possible.

What are some of the ways that grantees have simplified the bidding process?

One way is to develop a pre-approved list of contractors, if this is allowed by State or local procurement laws and regulations. The opportunity to get on the list must be advertised with a clear statement of qualifications needed and a description of anticipated programs, workload or activities. It should be reopened periodically to new contractors. Once a pre-approved list of contractors is established, the LHRD grantee need only offer contracting opportunities to firms on that list

Many grantees develop standard scopes of work in-house, which makes it easier for the contractors when preparing bids. Once contractors become familiar with the grantee's construction standards and acceptable methods, it is easier to bid the project.

Some grantees have developed fixed price lists or price caps for common building components, such as replacement of a certain sized window. Bid lists can be prepared in-house or in consultation with contractors. These lists will likely need to be updated from time to time to acknowledge changes in prices [*Prices often drop, such as now.*] and to bring them in line with changing prices in the private market.

What are some of the other things that can be done to maintain an adequate supply of contractors?

- Invite contractors with high-quality experience in as partners in the process as you plan and implement the grant. This will also help avoid unrealistic expectations in your work plan as you start production.
- Maintain ongoing personal contacts with contractors. Keep them in the loop. Let them know when new projects are anticipated and what work may be available for them. Similarly, let them know if delays are anticipated.
- Work with under-performing contractors and offer recommendations to improve their performance, including the timeliness and quality of their work.
- Conduct a walk-through prior to the start of construction, at least until the contractors are fully familiar with your expectations about scoping the work.
- Monitor the contractors' work on site. Head off problems before they are out of control. [*Move this "during" item to between the "before" and "after" items.*]
- Conduct a walk-through after completion of construction to develop a "punch list" of deficiencies.
- Have an established plan for temporary relocation and/or other protective measures for occupants, including timing and contractor obligations.
- Monitor the construction market to keep current on changing prices, supplies and materials
- Routinely reopen the process for pre-approving contractors, to accommodate high-quality contractors who have come on the scene or are newly interested in this work.

Temporary Relocation

Is temporary relocation required in the LHRD grant program?

Yes, temporary relocation is required unless:

- Lead hazard control work will not disturb lead-based paint, or create dust-lead hazards or soil-lead hazards;
- Only the exterior is treated, openings in or near the worksite are sealed during hazard control work and cleaned afterward, and a lead-safe entry is provided; and
- Treatment can be completed, including clearance, within five calendar days; the worksite is contained and is cleaned at the end of each work day; and there is safe access to sleeping areas, bathrooms and kitchen facilities.

See 24 CFR 35.1345 for more detail.

Most certified contractors do not like to work or will not work unless the client family is relocated because of concerns over increased liability.

Is the LHRD grant program subject to HUD Relocation Handbook 1378?

Yes it is. LHRD grantees need to be aware of HUD policy regarding temporary relocation. In most cases, tenants that are temporarily relocated while lead hazard control work is underway are both expected and entitled to return to their dwelling unit. HUD policy requires that they be provided with a Notice of Nondisplacement. If a person moves permanently from the property while work is underway, and did not receive a Notice of Nondisplacement, HUD's view is that the person will usually qualify as a "displaced person." A displaced person is generally entitled to considerable financial assistance. A copy of the Relocation Handbook, including a sample Notice of Nondisplacement form, can be obtained at

www.hud.gov/offices/cpd/library/relocation/policyandguidance/handbook1378.cfm.

Is there a difference between the requirements of the LHRD grant program and the CDBG and HOME program regarding temporary relocation?

The LHRD, CDBG and HOME programs are all subject to the Lead-Safe Housing Rule (24 CFR 35) and the HUD Relocation Handbook. What the Lead-Safe Housing Rule added that CDBG and HOME grantees were not accustomed to was the requirement for temporary relocation of owner-occupants whose homes are being rehabilitated. CDBG and HOME grantees have historically provided protections to tenants, but have generally required owner-occupants to either remain in the property or arrange for their own temporary displacement as a condition of receiving the federal assistance. This is no longer acceptable for LHRD projects.

CDBG relocation requirements are found at 24 CFR 570.606 and may be viewed at edocket.access.gpo.gov/cfr_2009/aprqr/pdf/24cfr570.606.pdf HOME relocation requirements are found at 24 CFR 92.353 and may be viewed at http://edocket.access.gpo.gov/cfr_2009/aprqr/pdf/24cfr92.353.pdf.

What are common relocation resources?

- Lead-safe units or apartments. These may be owned and/or managed by the owner of the property being worked on, or another entity, usually a nonprofit organization. A grantee should not enter into the property management business unless it has experience and capability in this area.
- Hotel or motel units. Some grantees sign an agreement with a hotel or motel to house families while work is underway. The advantage is that responsibility for managing the temporary housing rests with the hotel/motel management. The disadvantage is that it may be costly unless a long term agreement can be made. Many hotels have historically been willing to do so, in order to ensure a steady flow of rental income.
- Local emergency shelter service agencies often provide relocation sites and assist families.
- Self-relocation by the displaced family, subject to an inspection of the temporary residential property by the grantee. This includes relocation by owner occupants and relocation provided by landlords as part of the requirement for getting the work done. If you can quantify the cost, this can be part of your match.

What are some of the keys to a successful temporary relocation program?

- Good planning is essential to successful relocation. Anticipate relocation before any work begins. Be sure to allow enough time for the family to pack and secure their belongings.
- Assign staff responsibility for this function. Make sure the person assigned has appropriate training and experience. A social worker may be more appropriate than a construction manager or rehabilitation specialist.
- Sign agreements with all parties responsible for relocation. This includes agreements with lead-safe housing operators, hotels, motels, moving/storage companies, etc.
- Inspect the property and any belongings or furnishings to be left on site and covered, for pre-existing damage and have the family sign off on the inspection. Some grantees videotape the unit prior to lead hazard control to document the presence and condition of the belongings.
- Sign an agreement with the family setting forth each party's responsibilities regarding the relocation, just as you have a signed agreement regarding the lead hazard control work.
- Offer incentives to facilitate cooperation, such as bus tokens for getting around, grocery vouchers, stipends, etc.
- Be creative in helping parents transport their children to school while temporarily relocated. Whenever possible, relocate families within or near their communities to avoid causing added stress on the family as a result of being in an unfamiliar neighborhood or having to use a different school temporarily.
- Make contractors responsible for added relocation costs if they fail to complete their work on time. Consider bonuses for early successful completion.
- Reduce relocation time as much as possible.

LHRD Grant Program Management

HUD has established strict requirements for production and performance in the LHRD grant program. Each grantee must set specific goals and quarterly benchmarks for major tasks, especially related to unit production. The key to maintaining unit production is effective and efficient program management.

Where can I get guidance on starting up a new LHRD grant program?

OHHLHC has extensive grant start-up guidance including information on preparing a Work Plan, benchmarks (Form HUD 96008), and policy guidance on its website at www.hud.gov/offices/lead/lbp/startup/index.cfm. The website also has sample documents.

What are benchmarks and who prepares them?

Benchmarks are quarterly targets for performance related to the major tasks for successfully implementing and completing the LHRD grant program. The standard LHRD benchmarks are:

- Paint inspections/risk assessments;
- Units completed and cleared;
- Funds drawn down; and
- Community outreach and education/training.

Applicants initially develop the benchmarks as part of their application to HUD. They may be revised or refined by HUD or the grantee (upon HUD's approval) subsequent to a grant award. Grantees report each quarter on progress against these benchmarks. HUD evaluates grantee performance largely based on progress in meeting the benchmarks. HUD also uses grantee performance in evaluating applications for subsequent grants.

What happens if a grantee has performance deficiencies?

In addition to monitoring grantee performance on an ongoing basis, OHHLHC formally reviews grantee performance each calendar quarter. Grantees receive training on the performance benchmarks at new grantee orientation. If a grantee fails to meet its benchmarks, OHHLHC will assist the grantee in developing a workout strategy. OHHLHC's Government Technical Representatives will provide technical assistance and work with the grantee to improve performance.

If a grantee does not return to having satisfactory performance, it can be placed on "pre-high risk" status, involving more intensive monitoring and assistance, "high-risk status," and, in the most problematic cases, even partial or complete suspension or even termination of the grant.

What kind of database and tracking system should I have?

Each grantee will need to design and create a database that captures not only information required by HUD, but also information needed by its program managers, its contractors and subgrantees, its match and leveraging partners, city, county and/or state officials, and others.

Grantees are encouraged to develop a process related to the completion of a unit from outreach, referral and intake all the way to clearance and contractor payment. This includes such things as application receipt, eligibility determination, enrollment, risk assessment/paint inspection, preparation of work specifications, start of construction, clearance, invoicing and paying subs, and invoicing and receiving payment from HUD, etc. The tracking system must capture information on all of the major steps in completing a unit and record the completion of each task with a date. An example of an MS Excel tracking system is among the sample documents referred to above.

What if I don't get enough applications to meet my benchmarks?

This is a common problem and must be addressed immediately in order to avoid falling behind schedule. There are several things that can be done to prevent this from happening, including:

- Conduct an aggressive initial outreach campaign in the target areas. (This should be started as soon as the grant is executed, and should continue afterwards – some property owners who enroll will drop out before their properties are treated.) This includes publicity through local media and enlisting other local agencies and community-based and faith-based organizations to promote enrollment in the program. Conduct ongoing outreach, working with partner organizations and referral agencies to ensure additional enrollees for the program.
- Don't set too many constraints on eligibility or make applying for assistance too complicated. For instance, some grantees help applicants complete forms in their homes and bring portable scanners to copy personal documents such as income tax forms or employment verification.
- Work fast. People are busy tend to have a short attention span. Minimize the time between when a person signs up for the program and when work starts. You may need to provide assistance for packing.
- Don't make the target areas too small. If there are not enough applications, it may be necessary to expand the target area. You will need to obtain approval from your HUD Government Technical Representative (GTR) for the grant to do so, so coordinate with your GTR early.
- Make the financing package attractive to applicants. It is not always necessary to offer grants to get owners to participate, especially if there is a history in the community of making deferred or amortizing loans. Many LHRD grant programs offer a combination of grants and loans designed to reflect the specific market and history of their housing programs.
- Engage rental property owners in the initial design of the LHRD grant program in order to gain their support and participation. Most lead-poisoned children live in rental units rather than owner-occupied units and many communities have no history of providing assistance for rental properties in their CDBG and HOME programs. The financial assistance for rental properties will generally be different from that offered to homeowners.
- Monitor the program from Day One. Understand your production process and timeline to complete units. It is important to identify emerging problems as early as possible and take actions to correct them.

Program Match

The LHRD grant requires a matching contribution of at least 25% of the federal grant request. The match may be either an in-kind or cash contribution. Applicants may leverage additional contributions beyond the required match in order to be rated more highly.

For FY 2009 applicants which can demonstrate continuing financial hardship may request a waiver to reduce the match required to 10%. (See the next question for more information.) The deadline to submit this waiver request is June 23, 2009. Applicants considering requesting a waiver should recognize that the application must still show that the applicant has sufficient capacity to administer the grant; if it does not, the applicant will get a low score and will not receive a grant.

What constitutes financial hardship?

You must be able to demonstrate two things: that your jurisdiction's financial condition is such that providing a 25% match presents a financial hardship, and that the financial hardship is highly likely to continue throughout the period of the grant.

You must provide supporting information, not just general statements. In particular, you must:

- Document current financial condition is such that providing a 25% match presents a financial hardship.
- Document how your financial hardship is highly likely to continue throughout the period of the grant.
- Document at least one specific significant element about the jurisdiction's financial or economic problems that supports the claim.
- Identify specific pages in the supporting documentation that supports the claim of financial or economic hardship.

What is the difference between match and leverage?

Match and leverage are very similar, but there are some important differences. According to the FY 2009 NOFA for the Lead-Based Paint Hazard Control and LHRD programs, match funds or contributions must be used specifically "for allowable program costs." In other words, match activities or contributions must be eligible, just as if they were funded by LHRD grant funds.

Leverage funds, on the other hand, must be specifically "dedicated to or integrated into supporting the program." Certain costs or contributions that are not eligible match may be eligible as leverage. For instance, some federal funds are not eligible as match but they may be eligible as leverage. CDBG funds are specifically eligible as match by virtue of the statute authorizing the CDBG program (which treats CDBG funds as local funds); HOME funds are not eligible as match but they are eligible as leverage if the activities are integrated into the lead hazard control program. Centers for Disease Control and Prevention-funded activities are generally eligible as leverage, provided they are dedicated to and integrated into the lead hazard control program, but are not eligible as match. State-funded programs that pay for allowable activities are eligible as match.

Consider the example of a house that is rehabilitated: \$5,000 is for eligible lead hazard control activities and is paid for with LHRD funds, and \$7,000 is for other rehab-related work, such as electrical and plumbing and is paid for with CDBG funds. The \$7,000 counts as match. If the \$7,000 were paid with HOME funds, it would not count as match but would count as leverage. Rehabilitation of a property “enrolled” in the program would generally be considered as match or leverage.

Another example is CDC funds that support personnel in the health department who administer a county-wide lead hazard control program of outreach, education, investigation and case management. The CDC funds would be eligible as leverage if these efforts assist the LHRD program in efforts to reduce childhood lead poisoning and make units lead safe.

Match contributions from you or a partner in excess of the requirement are considered to be leveraged resources.

Does each housing unit have to have 25% match (or 10%, if I received a waiver)?

No; the match percentage requirement is for the LHRD grant as a whole. For example, if you have a 24% match for working on one property, you would want to have at least a 26% match on another similar property.

Can my partners provide part of the match or leverage?

Yes, they can. In fact, you will receive points for match or leverage from organizations other than your own, provided that you include a letter of firm commitment, Memorandum of Understanding or other signed agreement with the application. The number of points is based on the percentage of the match and leveraged resources compared to the requested federal amount; see the next answer for tables that show how the points are determined.

How are points awarded for match and leverage?

The table below shows how points are awarded for applicants without a match waiver (on the left) and with a match waiver (on the right). In awarding points, HUD rounds fractional percentages down to whole number percentages, and not up.

Match and Leveraged Resources Point Table			
Without Match Waiver		With Match Waiver	
Match & Leveraged Resources as Percent of Requested Federal Amount	Points Awarded	Match & Leveraged Resources as Percent of Requested Federal Amount	Points Awarded
26 %	1	11 %	1
27 %	2	12 %	2
28 %	3	13 %	3
29 %	4	14 %	4
30 %	5	15 %	5
31 %	6	16 %	6
32 %	7	17 %	7
33 %	8	18 - 19 %	8
34 %	9	20 - 21 %	9
35 % or greater	10	22 % or greater	10

My city administers a CDBG-funded rehabilitation program which fully complies with the Lead Safe Housing Rule (24CFR Part 35); can those expenditures be used for match or leverage?

Applicants are encouraged to integrate their LHRD program with other programs like CDBG rehabilitation and Weatherization. Rehabilitation expenditures can generally be considered as match or leverage if the property is enrolled in the program. Rehabilitation programs that are administered separately from the LHRD program are not, however, eligible as either match or leverage.

Can contributions by the homeowner or landlord be counted as match?

Yes, but there are some constraints to consider. You must obtain a written commitment from individual homeowners or landlords whose properties are to be treated in order to count as match. That is often difficult to obtain at the time the application is submitted. In lieu of written commitments from property owners, you would need to commit to provide the match from your own resources, in case the owners do not agree to commitments you expect to get, or fulfill the commitments they make. The signature of the authorized official on the Form SF-424 commits the applicant to provide matching resources from the applicant and other sources.

What are some examples of program match?

The following activities are eligible if they are a part of cost sharing with the LHRD grant program:

1. CDBG expenditures that pay for rehabilitation, housing-related health hazard interventions, and energy conservation costs for properties that are enrolled in the LHRD program and are being made lead-safe.
2. Other grant funds from federal programs that permit their funds to be considered local funds, such as Maternal and Child Health Block Grant and Community Service Block Grant funds.
3. State and local funds for LHRD grant eligible activities.
4. Contributions by owner occupants and landlords.
5. Contributions of cash or materials by building material suppliers, building component manufacturers and retail stores.
6. Free delivery of lead-safe work practices training for contractors, homeowners, maintenance workers, etc.
7. Outreach activities to enroll properties in the LHRD grant program.
8. Education activities in support of the LHRD grant program to increase awareness of childhood lead poisoning, including educating owners of rental properties and tenants on the dangers of lead-based paint.
9. Providing a lead-safe temporary relocation unit and/or administering a temporary relocation program.
10. Local funding of salaries and other costs for administering the LHRD grant program.

Examples of Strategies/Approaches to Obtain Commitments for Match and Leveraging

The applicant is encouraged to employ creativity and initiative in achieving the objectives of the program. Some examples of possible strategies/approaches include the following:

- (a) Enlisting the support and resource commitment of financial institutions, foundations, private industry, the general public, property owners, and others to make residential housing lead safe and eliminate lead poisoning as a public health threat to children;
- (b) Soliciting the support of national building materials providers, building component manufacturers, and housing related national retail outlets to donate money and/or materials to lead hazard control programs in housing and health departments, landlords and owner occupants to eliminate lead-based paint hazards in privately owned low-income dwellings. For example, a window, wallboard, or paint manufacturer/ retailer could donate or coordinate the donation and distribution of windows, wallboard, or paint to lead-based paint hazard control and/or lead hazard control elements of rehabilitation projects throughout the country. This strategy could also include the distribution of discount coupons for purchases of paint or other materials from national suppliers for lead-based paint hazard control projects;
- (c) Forming teams with banks or other mortgage or financial institutions willing to provide no- or low-interest home improvement loans to finance lead hazard control activities and abatement measures among low-income recipients who would not otherwise be served. By participating, banks could fulfill a major element of their responsibilities under the Community Reinvestment Act;
- (d) Forming teams to facilitate the coordination and distribution of donated building materials, such as windows, trim molding, or paint, etc. to local projects involved in lead hazard control programs;
- (e) Identifying and facilitating the availability and use of temporary relocation facilities for families who need to move out of their dwellings while lead hazard control work is being undertaken. For example, hotel chains, colleges, and other lead-safe sites could be contacted to make housing available for the temporary relocation of families during lead hazard control;
- (f) Working with landlords, tenant groups and others to form consortia or otherwise engage landlords and owner occupants to enroll their eligible housing units in local lead hazard control or rehabilitation programs. The applicant should obtain commitments from landlords to provide matching resources for work to be done on their units. For example, the lead hazard control program could offer landlords grant funds for replacement windows if the landlords contribute the cost of additional repairs (such as basic system upgrades, or other rehabilitation work including painting and maintenance) that is associated with lead hazard control. To encourage such commitments, efforts should be made to educate landlords about the primary benefits (effect on children's health) and supplementary benefits that can result from lead hazard reduction work such as improving an apartment's physical condition and marketability;
- (g) Expanding dust testing and clearance testing, especially in high-risk communities;
- (h) Promoting homebuilder, remodeler, or contractor associations to coordinate efforts to reduce lead hazards by contributing technical assistance, training, presentations and materials and/or labor to lead hazard control efforts;

- (i) Encouraging landscaping firms, nurseries, and landscape architects to contribute lead-safe soil, mulch, and other forms of vegetation cover and shrubbery designed to mitigate lead contamination of soil around the exterior/perimeter and play areas of affected housing units;
- (j) Working with health, housing, and community development organizations or other entities to conduct lead poisoning prevention activities, including efforts to plan, participate in, and/or facilitate strategic planning to eliminate lead poisoning as a public health threat to young children by 2010. As part of this effort, the applicant should describe the process for considering enrolling housing units (or multi-family buildings) in which one or more children under age 6 years have EBLs, with priority to housing where repeated and/or severe cases of childhood lead poisoning have occurred. (Because of the presence of a variety of priorities, it is not a requirement that units with lead poisoned children be enrolled, but the process for giving such units high priority should be described and implemented.);
- (k) Working with grassroots nonprofit community organizations, including faith-based or other community-based organizations, that are committed to improving the quality of life of young children in high risk housing; and
- (l) Providing training for significant numbers of trades people to implement lead-safe work practices, such as window replacement and weatherization work

Comparison of Lead Hazard Reduction Demonstration Grant Program and CDBG Rehabilitation Program Requirements

	LHRD	CDBG Rehabilitation
HUD Office administration	Office of Healthy Homes & Lead Hazard Control	HUD Field Office
Applicable Regulations		
Program regulations	NOFA and program regulations mentioned in the NOFA	24 CFR Part 570
Lead-based paint regulations	24 CFR Part 35	24 CFR Part 35
Temporary Relocation	<p>24 CFR Part 35 and HUD Relocation Handbook 1378: Temporary relocation of both tenants and owner-occupants is required unless:</p> <ul style="list-style-type: none"> • LBP will not be disturbed • Exterior work only, and openings in or near the worksite are sealed during hazard control work and cleaned afterward • Complete work within 8 hours w/clearance • Complete work within 5 days w/daily cleanup <p>If tenants temporarily relocate, they are entitled to:</p> <ul style="list-style-type: none"> • Notice of Nondisplacement • Reimbursement of reasonable out-of-pocket expenses • Appropriate advisory services 	<p>HUD Relocation Handbook 1378: If tenants are required to move due to rehabilitation, they are accorded certain rights:</p> <ul style="list-style-type: none"> • Notice of Nondisplacement • Reimbursement of reasonable out-of-pocket expenses • Appropriate advisory services <p>Owners are discouraged from temporary relocation and are not entitled to above assistance. Grantees may adopt optional relocation assistance plan to pay costs above that required by regulation.</p>
Environmental regulations	24 CFR Part 58	24 CFR Part 58
Historic preservation	Section 106 of National Historic Preservation Act and State historic preservation requirements	Section 106 of National Historic Preservation Act and State historic preservation requirements
Flood insurance	Flood insurance required for properties located in special flood hazard areas	Flood insurance required for properties located in special flood hazard areas
Davis-Bacon Act	Does not apply, unless other federal funds covered by Davis-Bacon are used in conjunction with LHRD grant funds; if so, those programs' Davis-Bacon requirements apply to the joint work under this grant.	Applies to construction/ rehabilitation of properties with 8 or more units

General Program Requirements

Consolidated Plan	Yes	Yes
Program match	Normally 25%; CDBG funds spent on eligible LHC activities count as match and/or leverage. 10% if waiver is approved	None
Administrative costs	Maximum of 10% of HUD funds	Maximum of 20% of grant
Program income	Must be used for eligible lead hazard reduction activities	Must be used for eligible CDBG activities
Work Plan	Required after application approval	No requirement
Performance standards	Quarterly performance benchmarks in Work Plan	Performance measurement system

Income and Occupancy

Incomes—home owners	All units must be occupied by families with income <80% area median income (AMI)	All units must be occupied by families with income <80% AMI
Incomes—rental	At least 50% of units must be occupied by families with income < 50% AMI; balance must have incomes < 80% AMI	At least 51% of units must be occupied by families with income < 80% AMI
Occupancy requirements—homeowners	At least 90% of families have a child < 6 years of age	None
Occupancy requirements—rental	Must be family with a child < 6 years or preference must be given in renting to family with child < 6 years	None
Rental priorities	Landlord must give priority for 3 years after lead hazard control clearance to families with child < 6 years	None

Inspections, Treatment, Contracting

LBP inspections/risk assessments	Combined LBP inspection & risk assessment required for all units and common areas	<= \$5,000 of federal rehab assistance per unit—paint testing of surfaces to be disturbed. > \$5,000 of federal rehab assistance per unit—risk assessment
Controlling LBP hazards	All LBP hazards must be controlled	<= \$5,000 per unit—control lead hazards in all surfaces to be disturbed. > \$5,000 per unit—all LBP hazards in unit must be controlled
Lead-safe work practices	Required	Required
Lead-safe work practices training	Eligible activity as part of Other Direct Costs	Eligible activity as part of 20% admin costs

Abatement & interim controls	Interim controls preferred; complete abatement authorized only where State law requires it or if authorized by HUD GTR.	<= \$25,000 per unit—either interim controls or abatement permitted. > \$25,000 per unit—abatement of all lead hazards required.
Clearance testing	Required	Required
Blood lead testing of children < 6 years of age	Required (unless parent or guardian declines)	Not required
Contractors and workers	Must meet 24 CFR 35 and, after April 22, 2010, EPA or State requirements for contractors & workers	Must meet 24 CFR 35 and, after April 22, 2010, EPA or State requirements for contractors & workers