

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-3864-N-06]

Office of the Secretary; Notice of Regulatory Waiver Requests Granted

AGENCY: Office of the Secretary, HUD.

ACTION: Public Notice of the Granting of Regulatory Waivers. Request: October 1, 1995 through December 31, 1995.

SUMMARY: Under the Department of Housing and Urban Development Reform Act of 1989 (Reform Act), the Department (HUD) is required to make public all approval actions taken on waivers of regulations. This notice is the twentieth in a series, being published on a quarterly basis, providing notification of waivers granted during the preceding reporting period. The purpose of this notice is to comply with the requirements of section 106 of the Reform Act.

FOR FURTHER INFORMATION CONTACT: For general information about this Notice, contact Camille E. Acevedo, Assistant General Counsel for Regulations, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410; telephone 202-708-3055; TDD: (202) 708-3259. (These are not toll-free numbers.) For information concerning a particular waiver action, about which public notice is provided in this document, contact the person whose name and address is set out, for the particular item, in the accompanying list of waiver-grant actions.

SUPPLEMENTARY INFORMATION: As part of the Housing and Urban Development Reform Act of 1989, the Congress adopted, at HUD's request, legislation to limit and control the granting of regulatory waivers by the Department. Section 106 of the Act (Section 7(q)(3)) of the Department of Housing and Urban Development Act, 42 U.S.C. 3535(q)(3), provides that:

1. Any waiver of a regulation must be in writing and must specify the grounds for approving the waiver;

2. Authority to approve a waiver of a regulation may be delegated by the Secretary only to an individual of Assistant Secretary rank or equivalent rank, and the person to whom authority to waive is delegated must also have authority to *issue* the particular regulation to be waived;

3. Not less than quarterly, the Secretary must notify the public of all waivers of regulations that the Department has approved, by publishing a notice in the Federal Register. These notices (each covering

the period since the most recent previous notification) shall:

a. Identify the project, activity, or undertaking involved;

b. Describe the nature of the provision waived, and the designation of the provision;

c. Indicate the name and title of the person who granted the waiver request;

d. Describe briefly the grounds for approval of the request;

e. State how additional information about a particular waiver grant action may be obtained.

Section 106 also contains requirements applicable to waivers of HUD handbook provisions that are not relevant to the purposes of today's document.

Today's document follows publication of HUD's Statement of Policy on Waiver of Regulations and Directives issued by HUD (56 FR 16337, April 22, 1991). This is the twentieth notice of its kind to be published under Section 106. It updates HUD's waiver-grant activity from October 1, 1995 through December 31, 1995. It also includes waivers granted from July 1, 1995 to September 30, 1995 that were inadvertently omitted from the last report.

For ease of reference, waiver requests granted by departmental officials authorized to grant waivers are listed in a sequence keyed to the section number of the HUD regulation involved in the waiver action. For example, a waiver-grant action involving exercise of authority under 24 CFR 24.200 (involving the waiver of a provision in part 24) would come early in the sequence, while waivers in the Section 8 and Section 202 programs (24 CFR Chapter VIII) would be among the last matters listed. Where more than one regulatory provision is involved in the grant of a particular waiver request, the action is listed under the section number of the first regulatory requirement in title 24 that is being waived as part of the waiver-grant action. (For example, a waiver of both § 811.105(b) and § 811.107(a) would appear sequentially in the listing under § 811.105(b).) Waiver-grant actions involving the same initial regulatory citation are in time sequence beginning with the earliest-dated waiver grant action.

Should the Department receive additional reports of waiver actions taken during the period covered by this report before the next report is published, the next updated report will include these earlier actions, as well as those that occur between January 1, 1996 through March 31, 1996.

Accordingly, information about approved waiver requests pertaining to regulations of the Department is provided in the Appendix that follows this notice.

Dated: May 31, 1996.

Henry G. Cisneros,

Secretary.

Appendix—Listing of Waivers of Regulatory Requirements Granted by Officers of the Department of Housing and Urban Development October 1, 1995 Through December 31, 1995

Note to Reader: The person to be contacted for additional information about these waiver-grant items in this listing is: Mr. James B. Mitchell, Director, Financial Services Division, U.S. Department of Housing and Urban Development, 470 L'Enfant Plaza East, Suite 3119, Washington, D.C. 20024, Phone: (202) 755-7450 x125.

1. Regulation: 24 CFR 811.106(d), 811.107(d), of 1977 regulations, 24 CFR 811.107(a)(2), 811.107(b), 811.108(b), and 811.114(b)(3) of 1979 regulations.

Project/Activity: The Greene Metropolitan (Ohio) Housing Authority refunding of bonds which financed a Section 8 assisted uninsured project, Xenia Towers Apartments, No. OH10-0001-043.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: November 30, 1995.

Reasons Waived: The Part 811 regulations cited above prohibited refundings and restricted use of excess reserve balances to project purposes only. The 1978 Bond reserves will be used to help pay transactions costs. The tax-exempt refunding bond issue of \$2,380,000 at a yield of 6.05 percent will result in debt service savings for deposit into the Project Reserve for Replacements. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 7.75 percent at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding serves the important public purpose of increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

2. Regulation: 24 CFR 811.106(d) and 811.107(d) of 1977 regulations, and 24 CFR 811.107(b), 811.108(a)(1), 811.109(a)(2), 811.114(b)(3), 811.114(d), and 811.115(b) of 1979 regulations.

Project/Activity: The Los Angeles CRA refunding of bonds which financed an uninsured Section 8 assisted project, Angelus Plaza, Phase 1, HUD Project No. CA16-8021-053.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing—Federal Housing Commissioner.

Date Granted: November 9, 1995.

Reasons Waived: The Part 811 regulations cited above prohibited refundings and required that excess reserve balances be used for project purposes. The issuer has requested HUD permission to release excess reserve balances from the 1978 Trust Indenture for use in providing affordable community services and reimbursing previous partnership contributions to capital costs. Issuance of 1995 refunding bonds of \$33,020,000 will accomplish that. The Project Owner has agreed to extend low-income occupancy in this project for 10 years after expiration of the Housing Assistance Payments Contract and to pay HUD 25 percent of its annual distributions from surplus.

3. Regulation: 24 CFR 811.106(d) and 811.107(d) of 1977 regulations.

Project/Activity: Burlington, North Carolina HA refunding of bonds issued in 1978, which financed an uninsured Section 8 assisted project: Burlington Homes, HUD Project Number NC19-0003-019.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing—FHA Commissioner.

Date Granted: December 4, 1995.

Reasons Waived: The Part 811 regulations cited above prohibited refundings and required that excess reserve balances be used for project purposes. The issuer has requested HUD permission to release excess reserve balances from the 1978 Trust Indenture for use in construction or acquisition of affordable housing. Issuance of 1995 refunding bonds under Section 103 of the Tax Code will not reduce project debt service nor generate Section 8 savings. The Housing Authority has agreed to extend low-income occupancy in this project for 10 years after expiration of the Housing Assistance Payments Contract in August, 2019.

4. Regulation: 24 CFR 811.106(d) and 811.107(d) of 1977 regulations.

Project/Activity: Madison County, Illinois HA refunding of bonds which financed two uninsured Section 8 assisted projects: Wood River and Edwardsville Elderly Apartments, HUD Project Numbers IL06-0007-002 and 003.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing—FHA Commissioner.

Date Granted: December 13, 1995.

Reasons Waived: The Part 811 regulations cited above prohibited refundings and required that excess reserve balances be used for project purposes. The issuer has requested HUD permission to release excess reserve balances from the 1977 and 1978 Trust Indentures for use in providing housing for low-income families. Issuance of 1995 refunding bonds under Section 103 of the Tax Code will reduce project debt service and generate Section 8 savings to be used by the Issuer to provide for project repairs and maintenance and correct a revenue shortfall in the Edwardsville project. The Housing Authority has agreed to extend low-income occupancy in this project for 10 years after expiration of the Housing Assistance Payments Contract.

5. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The Springfield, Massachusetts Housing Authority refunding of bonds which financed a Section 8 assisted project, Garand Court Apartments, FHA No. 023-35241.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: October 12, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures

prior to maturity. This refunding proposal was approved by HUD on August 22, 1995. Refunding bonds have been priced to an average yield of 6.75%. The tax-exempt refunding bond issue of \$4,285,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 9.75% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

6. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The LaFollette Housing Development Corporation refunding of bonds which financed a Section 8 assisted project, Westgate Towers Apartments, FHA No. 087-35114.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: November 7, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. This refunding proposal was approved by HUD on November 6, 1995. Refunding bonds have been priced to an average yield of 6.36%. The tax-exempt refunding bond issue of \$1,320,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 10% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, from 10% to 7.25%, thus reducing FHA mortgage insurance risk. The refunding serves the important

public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

7. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The Los Angeles CRA refunding of bonds which financed a Section 8 assisted project, Angelus Plaza, Phase 2, FHA No. 122-35520.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: November 9, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on October 27, 1995. Refunding bonds have been priced to an average yield of 6.40%. The tax-exempt refunding bond issue of \$15,470,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 11% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, from 10.55% to 6.77%, and fund a partial mortgage prepayment of \$953,200, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

8. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.114(b)(3), 811.114(d), 811.115(b).

Project/Activity: The Atlanta, Georgia Housing Authority refunding of bonds

which financed a Section 8 assisted project, the Capitol Avenue School Conversion Project, FHA No. 061-57001.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: November 30, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. This refunding proposal was approved by HUD on November 2, 1995. Refunding bonds have been priced to an average yield of 5.99%. The tax-exempt refunding bond issue of \$1,355,000 at current low-interest rates will make possible reamortization of the bonds concurrent with the FHA mortgage term to prevent a default. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 8.0% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate.

9. Regulation: 24 CFR 811.107(a)(2), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The Hoboken, New Jersey Housing Authority refunding of bonds which financed a Section 8 assisted project, Project Uplift, FHA No. 031-35220.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: December 13, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on October 31, 1995. Refunding bonds have been priced to an average yield of 6.25%. The tax-exempt refunding bond issue of \$2,408,447 at current low-interest rates will save Section 8

subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 10.25% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

10. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The South Delta, Mississippi Regional Housing Authority refunding of bonds which financed a Section 8 assisted project, Eastover Apartments, FHA No. 065-35308.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: December 15, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on December 8, 1995. Refunding bonds have been priced to an average yield of 6.0%. The tax-exempt refunding bond issue of \$1,310,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 10.43% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce

the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

11. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The Jackson, Mississippi Housing Authority refunding of bonds which financed a Section 8 assisted project, Apple Manor Apartments, FHA No. 065-35307.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: December 15, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on December 11, 1995. Refunding bonds have been priced to an average yield of 6.37%. The tax-exempt refunding bond issue of \$1,680,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 10% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

12. Regulation: 24 CFR 811.107(a)(2), 811.107(b), 811.108(a)(1), 811.108(a)(3), 811.114(b)(3), 811.114(d), and 811.115(b).

Project/Activity: The South Delta, Mississippi Regional Housing Authority refunding of bonds which financed a Section 8 assisted project, Moorhead Manor Apartments, FHA No. 065-35334.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: December 15, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions. To credit enhance refunding bonds not fully secured by the FHA mortgage amount, HUD also agrees not to exercise its option under 24 CFR 207.259(e) to call debentures prior to maturity. This refunding proposal was approved by HUD on December 11, 1995. Refunding bonds have been priced to an average yield of 6.25%. The tax-exempt refunding bond issue of \$1,375,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 10.5% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding will also substantially reduce the FHA mortgage interest rate at expiration of the HAP contract, thus reducing FHA mortgage insurance risk. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for low-income families after subsidies expire, a priority HUD objective.

13. Regulation: 24 CFR 811.114(d), 811.115(b), 811.117.

Project/Activity: The D.C. Housing Finance Agency refunding of bonds which financed a Section 8 assisted project, Capitol Hill Towers, FHA No. 000-35208.

Nature of Requirement: The regulations set conditions under which HUD may grant a Section 11(b) letter of exemption of multifamily housing revenue bonds from Federal income taxation and authorize call of debentures prior to maturity.

Granted By: Nicolas P. Retsinas, Assistant Secretary for Housing-Federal Housing Commissioner.

Date Granted: November 9, 1995.

Reasons Waived: The Part 811 regulations cited above were intended for original bond financing transactions and do not fit the terms of refunding transactions under § 103 of the Tax

Code. This refunding proposal was approved by HUD on September 18, 1995. Refunding bonds have been priced to an average yield of 6.13%. The tax-exempt refunding bond issue of \$7,360,000 at current low-interest rates will save Section 8 subsidy. The Treasury also gains long-term tax revenue benefits through replacement of outstanding tax-exempt coupons of 8.5% at the call date in 1995 with tax-exempt bonds at a substantially lower interest rate. The refunding serves the important public purposes of reducing HUD's Section 8 program costs, improving Treasury tax revenues, (helping reduce the budget deficit), and increasing the likelihood that projects will continue to provide housing for lower-income families after subsidies expire, a priority HUD objective.

Note to Reader: The person to be contacted for additional information about these waiver-grant items in this listing is: Debbie Ann Wills, Field Management Officer, U.S. Department of Housing and Urban Development, Office of Community Planning and Development, 451 7th Street, S.W., Washington, D.C. 20410-7000, Telephone: (202) 708-2565.

14. Regulation: 24 CFR 92.219(b)(1).

Project/Activity: The State of Maryland requested a waiver of the match requirements cited at 24 CFR 92.219(b)(1).

Nature of Requirement: The regulations at 24 CFR 92.219(b)(1) cite specific requirements for how match is determined in the HOME program.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 28, 1995.

Reasons Waived: It was determined that the proposed matching contribution, the State's Rental Allowance Program, was substantially equivalent to HOME match requirements and good cause was found to grant the waiver.

15. Regulation: 24 CFR 92.251(a) & 24 CFR 92.206(a)(2)(i).

Project/Activity: The State of Oklahoma requested a waiver, on behalf of Okfuskee County, to permit rehabilitation which utilizes HOME funds, to not bring a unit into compliance with HQS.

Nature of Requirement: 24 CFR 92.251(a) provides that housing assisted with HOME funds meet, at a minimum, HUD housing quality standards (HQS), and provides other minimum standards for substantial rehabilitation and new construction. 24 CFR 92.206(a)(2)(i) of the HOME regulations requires that properties rehabilitated with HOME Program funds minimally meet the

housing quality standards at 24 CFR 882.109.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 18, 1995.

Reasons Waived: The waiver was granted because the State and the County had outlined their extensive efforts to complete the rehabilitation of a specific unit. The owner of the unit would not grant either entity access to the property to complete the rehabilitation. Therefore, it was determined that there was good cause to grant the waiver.

16. Regulation: 24 CFR 92.252(a)(2)(i).

Project/Activity: Mercer County a HOME recipient, on behalf of Lawrence Township New Jersey, requested a waiver of the HOME program regulations at 24 CFR 92.252(a)(2)(i) to permit Section 811 project rents, which exceed the low HOME rents, to prevail for a project partially assisted with HOME funds.

Nature of Requirement: The regulations at 24 CFR 92.252(a)(2)(i) state, "to obtain the maximum monthly rent that may be charged for a unit that is subject to this limitation, the owner or participating jurisdiction multiplies the annual adjusted income of the tenant family by 30 percent and divides by 12, and if applicable, subtracts a monthly allowance for any utilities and services to be paid by the tenant."

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 18, 1995.

Reasons Waived: The application of § 92.252(a)(2)(i) of the HOME regulations for the Section 811 project would create an undue hardship for the Township because a handicapped housing project would not be developed in the jurisdiction, and thus adversely affect the purposes of the Housing and Community Development Act.

17. Regulation: 24 CFR 92.254(a)(3).

Project/Activity: The Kentucky Housing Authority requested a waiver of 24 CFR 92.254(a)(3) of the HOME regulations to increase the rental period from three to five years.

Nature of Requirement: 24 CFR 92.254(a)(3) which requires a home to be purchased within 36 months if a lease-purchase agreement is used in conjunction with a homebuyer program.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reason Waived: HUD determined that increasing the rental period in this case from three to five years will provide tenants the necessary time to succeed in

the required life skills program and become responsible and reliable homeowners.

18. Regulation: 24 CFR 92.258.

Project/Activity: The State of North Dakota requested a waiver of 24 CFR 92.258 of the HOME regulations to waive the 30 year affordability period for low-income homebuyers receiving HOME assistance.

Nature of Requirement: 24 CFR 92.258 provides a limitation on the use of HOME funds with FHA mortgage insurance for a period of time equal to the term of the HUD insured mortgage.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 28, 1995.

Reasons Waived: The application of § 92.258 of the HOME regulations to the State's program would create an undue hardship for North Dakota and its potential homeowners, and adversely affect the purposes of the Act.

19. Regulation: 24 CFR 92.258.

Project/Activity: Suffolk County, New York requested a waiver of 24 CFR 92.258 of the HOME regulations to waive the 30 year affordability period for low-income homebuyers receiving HOME assistance.

Nature of Requirement: 24 CFR 92.258 provides a limitation on the use of HOME funds with FHA mortgage insurance for a period of time equal to the term of the HUD insured mortgage.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reasons Waived: The application of § 92.258 of the HOME regulations to the county program would create an undue hardship for Suffolk County and its potential homeowners, and adversely affect the purposes of the Act.

20. Regulation: 24 CFR 291.400.

Project/Activity: The Anoka County Community Action Program requested a waiver of the 24 month residency for a tenant in a single family property leased under the single family property disposition homeless program.

Nature of Requirement: The regulations at 24 CFR 291.400 prohibit a non-profit organization or a community participating in the Single Family Property Disposition Leasing Program from extending a lease to the same tenant for a period beyond 24 months.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 16, 1995.

Reasons Waived: The waiver will allow a formerly homeless family more time to find permanent housing.

21. Regulation: 24 CFR 291.400.

Project/Activity: The Anoka County Community Action Program requested a waiver of the 24 month residency for three tenants in single family properties leased under the single family property disposition homeless program.

Nature of Requirement: The regulations at 24 CFR 291.400 prohibit a non-profit organization or a community participating in the Single Family Property Disposition Leasing Program from extending a lease to the same tenant for a period beyond 24 months.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reasons Waived: The waiver will allow three formerly homeless families more time to find permanent housing.

22. Regulation: 24 CFR 511.76(h).

Project/Activity: The City of Salisbury, North Carolina requested a waiver of program closeout requirements of the Rental Rehabilitation program.

Nature of Requirement: The regulations at 24 CFR 511.76(h) cite when proceeds received from Rental Rehabilitation loans become program income.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 3, 1995.

Reasons Waived: The North Carolina Housing Finance Agency (NCHFA), the Rental Rehabilitation grantee, had not yet met the requirements for program closeout. However, the City of Salisbury, as a subrecipient of the State, had closed out all of its RRP grants and was receiving program income from them. The waiver allowed the City to use its program income to provide affordable rental housing to low income residents.

23. Regulation: 24 CFR 570.200(h) & 570.200(a)(5).

Project/Activity: The City of San Angelo, Texas requested a waiver of 24 CFR 570.200(h) & 570.200(a)(5) regarding reimbursement of pre-agreement costs for the renovation of a building to be used as a one-stop public health facility.

Nature of Requirement: Under the regulations a locality is precluded from obligating CDBG funds before grant award.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 28, 1995.

Reasons Waived: HUD determined that failure to grant the waiver would cause hardship and adversely affect the

purposes of the Act. The waiver of the limitations on pre-agreement costs at 24 CFR 570.200(h) & 570.200(a)(5) will permit the renovation of the building which will be used for a public health facility.

24. Regulation: 24 CFR 570.200(h) & 570.200(a)(5) 24 CFR 570.207(b)(4).

Project/Activity: The City of Albany Georgia requested a waiver of 24 CFR 570.200(h) & 570.200(a)(5) to facilitate the obligation of disaster recovery funds by permitting the City to reimburse real property owners for expenses incurred on or after the disaster date. The City of Albany Georgia also requested a waiver of 24 CFR 570.207(b)(4) to permit it to carry out a household assistance program for victims of the disaster.

Nature of Requirement: Under the regulations a locality is precluded from obligating CDBG funds before grant award. Also 24 CFR 570.207(b)(4) prohibits income payments to households or individuals.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 31, 1995.

Reasons Waived: HUD determined that failure to grant the waiver would cause hardship and adversely affect the purposes of the Act. The waiver of the limitations on pre-agreement costs at 24 CFR 570.200(h) & 570.200(a)(5) will permit the City to implement a plan to reimburse property owners for expenses incurred prior to the effective date of its CDBG emergency supplemental grant. The second waiver will allow a household assistance program for those suffering personal property damage caused by the tropical storm Alberto.

25. Regulation: 24 CFR 570.200(h) & 570.200(a)(5).

Project/Activity: The City of Davenport, Iowa requested a waiver of 24 CFR 570.200(h) & 570.200(a)(5) regarding reimbursement of pre-agreement costs to permit the City to complete an acquisition activity.

Nature of Requirement: Under the regulations a locality is precluded from obligating CDBG funds before grant award.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 18, 1995.

Reasons Waived: HUD determined that failure to grant the waiver would cause hardship and adversely affect the purposes of the Act. The waiver of the limitations on pre-agreement costs at 24 CFR 570.200(h) & 570.200(a)(5) will permit the city to fund the acquisition, by a non-profit organization, of a youth center to serve local youth and function as a community policing outpost, with

FY 1996, FY 1997 and FY 1998 CDBG funds.

26. Regulation: 24 CFR 570.200(h) & 570.200(a)(5).

Project/Activity: Sacramento, California requested a waiver of 24 CFR 570.200(h) & 570.200(a)(5) regarding reimbursement of pre-agreement costs to permit the City to carry out street improvements in a low and moderate income area in one year instead of in two phases.

Nature of Requirement: Under the regulations a locality is precluded from obligating CDBG funds before grant award.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reasons Waived: HUD determined that failure to grant the waiver would cause hardship and adversely affect the purposes of the Act. The waiver of the limitations on pre-agreement costs at 24 CFR 570.200(h) & 570.200(a)(5) will permit the reimbursement of local funds, for street improvements to a low and moderate income area, with FY 1996 and FY 1997 CDBG funds.

27. Regulation: 24 CFR 570.200(h) & 570.200(a)(5).

Project/Activity: Clark County, Nevada requested a waiver of 24 CFR 570.200(h) & 570.200(a)(5) regarding reimbursement of pre-agreement costs for the development of a public facility to provide recreational facilities for at-risk youth.

Nature of Requirement: Under the regulations a locality is precluded from obligating CDBG funds before grant award.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 18, 1995.

Reasons Waived: HUD determined that failure to grant the waiver would cause hardship and adversely affect the purposes of the Act. The waiver of the limitations on pre-agreement costs at 24 CFR 570.200(h) & 570.200(a)(5) will permit the City to develop a facility that will provide recreational programs to neighborhood youth. In addition, the Police Department has a neighborhood office there as do various county social service agencies.

28. Regulation: 24 CFR 576.21.

Project/Activity: Monmouth County, New Jersey requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The County requested a waiver of the expenditure limitation of ESG funds on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 10, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The County provided a letter that demonstrated that other categories of ESG activities will be carried out locally with other resources, therefore, it was determined that the waiver was appropriate.

29. Regulation: 24 CFR 576.21.

Project/Activity: The State of Michigan requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The State requested a waiver of the expenditure limitation of ESG funds on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 10, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act, the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The State demonstrated that other eligible activities will be carried out with other funds.

30. Regulation: 24 CFR 576.21.

Project/Activity: The municipality of Caguas, Puerto Rico requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The municipality requested a waiver of the ESG expenditure limitation on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 10, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act, the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The municipality provided a letter that demonstrated that other categories of ESG activities will be carried out locally with other resources,

therefore, it was determined that the waiver was appropriate.

31. Regulation: 24 CFR 576.21.

Project/Activity: The State of Massachusetts requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The State requested a waiver of the ESG expenditure limitation on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 21, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act, the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The State provided a letter that demonstrated that other categories of ESG activities will be carried out locally with other resources, therefore, it was determined that the waiver was appropriate.

32. Regulation: 24 CFR 576.21.

Project/Activity: Mt. Vernon City, New York requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The City requested a waiver of the ESG expenditure limitation on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 28, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act, the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The City provided a letter that demonstrated that other categories of ESG activities will be carried out locally with other resources, therefore, it was determined that the waiver was appropriate.

33. Regulation: 24 CFR 576.21.

Project/Activity: The City of Ft. Wayne, Indiana requested a waiver of the Emergency Shelter Grants regulations at 24 CFR 576.21.

Nature of Requirement: The City requested a waiver of the ESG expenditure limitation on essential services.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reasons Waived: Under the Stewart B. McKinney Homeless Assistance Act, amended by the National Affordable Housing Act, the 30 cap percent cap on essential services may be waived if the grantee "demonstrates that the other eligible activities under the program are already being carried out in the locality with other resources". The City provided a letter that demonstrated that other categories of ESG activities will be carried out locally with other resources, therefore, it was determined that the waiver was appropriate.

34. Regulation: 24 CFR 578.335(e).

Project/Activity: The State of California on behalf of the California Department of Housing and Community Development requested a waiver of 24 CFR 578.335(e) of the conflict of interest regulations to allow two board members on a homeless advisory board to perform work for a permanent housing project.

Nature of Requirement: 24 CFR 578.335(e) provides the regulations on conflict of interest for program participants.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: August 14, 1995.

Reasons Waived: A determination was made that undue hardship would result from applying the requirement and would adversely affect the purposes of the permanent housing for the handicapped homeless program.

35. Regulation: 24 CFR 582.803(a)(i).

Project/Activity: The Fort Collins Housing Authority requested a waiver to accept as residents, three persons who were assisted under the Section 8 Certificate program, into a 12 unit SRO projects.

Nature of Requirement: The regulations at 24 CFR 582.803(a)(i) state that housing is not eligible for SRO assistance if it is, or has been within 12 months before the owner submits a proposal to the public housing agency, (PHA), subsidized under any Federal Housing program.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: September 6, 1995.

Reasons Waived: It was determined that the financial feasibility of the project was based on twelve units receiving rental assistance. The Assistant Secretary determined that granting the waiver was the most effective way of developing the project.

36. Regulation: 24 CFR 882.408(b).

Project/Activity: The Housing Authority of the City of San Francisco requested a waiver which would allow the Housing Authority to utilize a gross

rent for one of its Shelter Plus Care projects that would exceed the applicable Fair Market Rent (FMR) by 12 percent.

Nature of Requirement: The SRO regulations at 24 CFR 882.408(b) state that, a public housing agency may approve initial gross rents which exceed the applicable FMR by up to 10 percent for all units of a given size in specified areas. The Department is waiving the provisions of 24 CFR 882.408(b) which only allow pre-agreement exception rents to be approved on an area-wide basis and which only allow the exception rent to exceed the moderate rehabilitation FMR by 10 percent.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 28, 1995.

Reasons Waived: It was determined that the City had taken all reasonable actions to reduce the gross rents to within the applicable FMR. So in order for project development to proceed the gross rent was increased beyond the FMR by 12 percent.

37. Regulation: 24 CFR 882.808(a)(3)(4) & (b)(2).

Project/Activity: The Housing Authority of Portland Oregon requested a waiver which would allow the owners of four SRO structures to maintain separate waiting lists rather than receive tenant referrals from the Housing Authority's waiting list for SRO projects.

Nature of Requirement: The SRO regulations at 24 CFR 882.808(a)(3)(4) & (b)(2) state that, a public housing agency waiting list must be used for tenant referrals to SRO projects.

Granted By: Andrew Cuomo, Assistant Secretary for Community Planning & Development.

Date Granted: July 20, 1995.

Reasons Waived: The March 15, 1993, Interim Rule for the SRO program stated that the PHA waiting list requirement was being eliminated. Due to a technical error this new policy was not implemented. Since the Department plans on publishing a technical amendment which includes this policy, the waiver was granted.

Note to Reader: The person to be contacted for additional information about these waiver-grant items in this listing is: Linda Campbell, Director, Marketing and Leasing Management, U.S. Department of Housing and Urban Development, Office of Public and Assisted Housing Operations, Room 4206, 451 7th Street, S.W., Washington, D.C. 20410-7000, Telephone: (202) 708-0744 X4020.

38. Regulation: 24 CFR 913.105.

Project/Activity: A request was made by the Houston, TX, Housing Authority

(HHA), to admit Low-Income families other than Very Low Income families in two post 10/1/81 scattered site projects.

Nature of Requirement: No Low-Income Family other than a Very Low-Income Family shall, after July 1, 1984, be approved for admission to any unit in a Public Housing program for which initial occupancy began on or after October 1, 1981, except with the prior approval of HUD.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: October 30, 1995.

Reason Waived: The authorization to admit Low-Income Families who are not Very Low-Income Families was granted to address the HHA's need to achieve occupancy by a broad range of income families throughout the housing administered by the Authority.

39. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Housing Authority of the City of Robert Lee, TX (HARL), to permit the establishment of ceiling rents at the statutory minimum for its entire inventory of 42 units.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: October 27, 1995.

Reason Waived: The HARL has a long history of vacancy problems. The HARL has experienced frequent turnover and refusals by applicants as 30% of their adjusted monthly income would be higher than the rents in the private market. In order to prevent turnovers due to rent increases and to attract applicants to vacant units, the HARL was allowed to establish ceiling rents.

40. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Housing Authority of Warren, MN (HAW), to permit the establishment of ceiling rents at the statutory minimum for its 34 0-bedroom and 36 1-bedroom units.

Nature of Requirement: The total tenant payment a public housing agency

(PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: October 30, 1995.

Reason Waived: The HAW has experienced frequent turnover and refusals by applicants as 30% of their adjusted monthly income would be higher than the rents in the private markets. The waiver was granted to enable HAW to address this problem and to assist HAW in achieving a broad range of income in its developments by allowing them to attract persons in the higher "income limit" bracket.

41. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Vermilion County, IL, Housing Authority (VCHA), to permit the establishment of ceiling rents at all of its family developments.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: November 13, 1995.

Reason Waived: The establishment of ceiling rents for VCHA will assist families living in VCHA's developments who work or desire to work to better themselves without being penalized by having to pay rents which are higher than those on the private market. This waiver will allow working families to be examples to other residents.

42. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Nelson, Nebraska, Housing Authority to permit the establishment of

ceiling rents for its 20 one-bedroom units.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: November 15, 1995.

Reason Waived: The NHA has had a sustained vacancy problem for several years. Seven of the 20 one-bedroom rooms are typically vacant at one time. The waiver was granted to enable NHA to address its vacancy problem by improving its marketability to potential applicants and to retain more wage-earning, low-income applicants who might otherwise choose to obtain housing on the private market.

43. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Quincy, IL, Housing Authority (QHA), to permit the establishment of ceiling rents at the Section 8 FMR for all of their family developments.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: December 1, 1995.

Reason Waived: The establishment of ceiling rents at QHA will encourage more residents to seek employment without the penalty of an increase in rent. It will aid residents making the transition from welfare to employment, or who have obtained higher-paying jobs. These residents can then serve as role models to others in the development.

44. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Housing Authority of Green Bay, Wisconsin (HAGB), to permit the establishment of ceiling rents at the Section 8 FMR for all of its developments.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: December 1, 1995.

Reason Waived: The HAGB has experienced turnover due to families moving out when their rents began to exceed those on the private market. The establishment of ceiling rents would aid residents who are making the transition from welfare to employment, or who have obtained higher-paying jobs. In order to prevent turnovers due to rent increases and to attract applicants to vacant units, the HAGB was allowed to establish ceiling rents.

45. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Housing Authority of Granite City, Illinois (HAGC), to permit the establishment of ceiling rents authority-wide at the statutory minimum.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: December 4, 1995.

Reason Waived: The HAGC has experienced vacancy problems due to families moving out when they become employed and rents begin to exceed

those on the private market. The establishment of ceiling rents will prevent turnovers due to rent increases and encourage working families to remain in public housing and become role models for other residents. It will aid in the transition from welfare to employment.

46. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Cuyahoga Metropolitan Housing Authority (CMHA), Cleveland, OH, to permit the establishment of authority-wide ceiling rents at the statutory minimum as part of its Hope VI Revitalization Plan.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: December 7, 1995.

Reason Waived: Consistent with the latitude established in Article X of the HOPE VI agreement, CMHA was allowed to establish ceiling rents to address problems associated with severely distressed public housing developments. CMHA has experienced vacancy problems caused by an exodus of working families who leave when their rents exceed those on the private market. These residents make excellent role models for others in the development. The waiver will also assist CMHA to achieve a broad range of income and improve its marketability to potential applicants.

47. Regulation: 24 CFR 913.107(a).

Project/Activity: A request was made by the Winona, MN, Housing and Redevelopment Authority (WHRA) to permit the establishment of ceiling rents at the FMR for two of its developments.

Nature of Requirement: The total tenant payment a public housing agency (PHA) must charge shall be the highest of the following, rounded to the nearest dollar: (1) 30 percent of monthly adjusted income; (2) 10 percent of monthly income; or (3) if the family receives welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is

specifically designated by such agency to meet the Family's housing costs, the monthly portion of such payments which is so designated.

Granted By: Kevin Emmanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery.

Date Granted: December 13, 1995.

Reason Waived: The WHRA has experienced vacancy problems due to families moving out when their rents exceed those on the private market. Ceiling rents will permit WHRA to give higher income residents the opportunity to transition from welfare to employment and to plan for homeownership in the future. Working families will also serve as role models in the development.

Note to Reader: The person to be contacted for additional information about these waiver-grant items in this listing is: Sonia L. Burgos, Crime Prevention and Security Division, Office of Community Relations and Involvement, U.S. Department of Housing and Urban Development, Room 4116, 451 7th Street, S.W., Washington, D.C. 20410-7000, Telephone: (202) 708-1197.

48. Regulation: 24 CFR 961.10(b)(6).

Project/Activity: Kingsport Housing Authority (KHA), Kingsport, Tennessee.

Nature of Requirement: 24 CFR 961.10(b)(6), prohibits the use of Public Housing Drug Elimination Program (PHDEP) grant funds for the purchase of a vehicle.

Granted By: Kevin Emanuel Marchman, Deputy Assistant Secretary, Distressed and Troubled Housing.

Date Granted: October 20, 1995.

Reason Waived: The housing authority stated it intends to use a vehicle to support a variety of drug elimination activities. The authority has shown good cause and demonstrated compliance with applicable regulatory requirements and it was found there was good cause to grant a waiver of 24 CFR 961 to purchase a vehicle.

49. Regulation: 24 CFR 961.10(b)(6).

Project/Activity: Housing Authority of the City of Bainbridge, Georgia.

Nature of Requirement: 24 CFR 961.10(b)(6), prohibits the local Field Office from granting a waiver of a regulation.

Granted By: Michael B. Janis, General Deputy Assistant Secretary.

Date Granted: December 1, 1995.

Reason Waived: To extend PHDEP grant #GA06DEP0640192 and reprogram PHDEP funds. The authority has shown good cause and demonstrated compliance with applicable regulatory requirements and it was found there was good cause to grant a waiver of 24 CFR 961.

50. Regulation: 24 CFR 961.10(b)(6).

Project/Activity: Richmond, Virginia Redevelopment and Housing Authority.

Nature of Requirement: CFR 961.10(b)(6), limits drugs prevention, intervention and treatment programs to reduce the use of drugs.

Granted By: Michael B. Janis, General Deputy Assistant Secretary.

Date Granted: October 5, 1995.

Reason Waived: To facilitate drug prevention, intervention and treatment efforts, to include outreach to community resources and youth activities, and facilitate bringing these resources onto the premises, or providing resident referrals to treatment programs or transportation to out-

patient treatment programs away from the premises.

51. Regulation: 24 CFR 990.108(b)(2)(iv).

Project/Activity: Mobile Housing Board, Mobile, AL. In determining the operating subsidy eligibility, a request was made for funding more than one site in a project approved for non-dwelling use to promote an anti-drug program.

Nature of Requirement: The operating subsidy calculation limits funding for units removed from the dwelling rental inventory for economic self-sufficiency or anti-drug programs to one site per project.

Granted By: Kevin Emanuel Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery

Date Granted: December 18, 1995.

Reason Waived: To take into account the size of developments in a housing authority when determining the number of sites funded in a project. Because this was a large project, a second site was approved to be used as office space for probation officers carrying out contract services under Drug Elimination Program grants.

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