



OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-7000

June 5, 2025

Ms. Tess Hembree
Executive Director
Council of State Community Development Agencies
630 I Street, NW
Washington, DC 20001-3736

Ms. Vicki Watson
Executive Director
National Community Development Association (NCDA)
1775 Eye Street NW, Suite 1150
Washington, DC 20006

Dear Ms. Hembree & Ms. Watson:

On behalf of Secretary Scott Turner, thank you for your letter regarding the Department of Housing and Urban Development's (HUD) Office of Community Planning and Development's (CPD) grantee consolidated plan and annual action plan submissions for Fiscal Year (FY) 2025. Your letter states that Council of State Community Development Agencies (COSDA) and National Community Development Association (NCDA) members are concerned that their submissions may be flagged for noncompliance with the Administration's executive orders. As a result, both agencies are requesting that HUD issue a memorandum like the guidance provided to Community Development Block Grant – Disaster Recovery (CDBG-DR) grantees under the Universal Notice.

CPD administers the CDBG-DR program through *Federal Register* Notice each time it receives a Congressional appropriation. This approach has been taken because the CDBG-DR program does not have its own authorization and corresponding regulations. As a result, CPD must describe the processes, procedures, timelines, waivers, and alternative requirements that HUD intends to implement with each allocation of CDBG-DR funding after a qualifying Presidential disaster declaration. Specifically, following the most recent appropriation of CDBG-DR funds for qualifying disasters, the Department published an Allocation Announcement Notice (AAN) in the *Federal Register* that incorporates, via cross-reference, the waivers and alternative requirements provided in the Universal Notice, as appropriate, along with any other new requirements imposed by the specific appropriation.

In contrast, the consolidated plan and annual action plan submission process for CPD formula grantees is governed by the regulations at 24 CFR Part 91. The January 14, 2025, notice entitled CPD-25-02, Guidance on Submitting Consolidated Plans and Annual Action Plans for FY 2025 remains in effect, including the requirements at 24 CFR 91.500(b) located on page 5. HUD has no plans at this time to update this notice as it continues to accurately document when HUD may disapprove a plan according to the regulations. 24 CFR 91.500(b) states that HUD may disapprove a plan or a portion of a plan if it is inconsistent with the purpose of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12703), if it is substantially incomplete,

or, in the case of a CDBG certification under §91.225(a) and (b) or §91.325(a) and (b), if it is not satisfactory to the Secretary in accordance with §570.304, §570.429(g), or §570.485(c). The following are examples provided in §91.500(b) of substantially incomplete plans:

1. A plan that was developed without the required citizen participation or the required consultation;
2. A plan that fails to satisfy all the required elements in this part; and
3. A plan for which a certification is rejected by HUD as inaccurate, after HUD has inspected the evidence and provided due notice and opportunity to the jurisdiction for comment; and
4. A plan that does not include a description of the manner in which the unit of general local government or state will provide financial or other assistance to a public housing agency if the public housing agency is designated as “troubled” by HUD.

Grantees are also encouraged to review the White House Executive Orders as they develop their consolidated plan and annual action plans. After submission and HUD’s review of these plans, the FY2025 grant agreement will also emphasize conformity with applicable Administration priorities and executive orders. Under the FY 2025 grant agreement, conformity means that a grantee:

1. shall not use grant funds to promote “gender ideology,” as defined in Executive Order (E.O.) 14168, Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government;
2. agrees that its compliance in all respects with all applicable Federal anti-discrimination laws is material to the U.S. Government’s payment decisions for purposes of section 3729(b)(4) of title 31, United States Code;
3. certifies that it does not operate any programs that violate any applicable Federal anti-discrimination laws, including Title VI of the Civil Rights Act of 1964;
4. shall not use any grant funds to fund or promote elective abortions, as required by E.O. 14182, Enforcing the Hyde Amendment; and that
5. notwithstanding anything in the grant or application, this Grant shall not be governed by Executive Orders revoked by E.O. 14154, including E.O. 14008, or requirements implementing Executive Orders that have been revoked.
6. The Grantee must administer its grant in accordance with all applicable immigration restrictions and requirements, including the eligibility and verification requirements that apply under title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as amended ([8 U.S.C. 1601-1646](#)) (PRWORA) and any applicable

requirements that HUD, the Attorney General, or the U.S. Citizenship and Immigration Services may establish from time to time to comply with PRWORA, [Executive Order 14218](#), or other Executive Orders or immigration laws.

7. If applicable, no state or unit of general local government that receives funding under this grant may use that funding in a manner that by design or effect facilitates the subsidization or promotion of illegal immigration or abets policies that seek to shield illegal aliens from deportation.
8. Unless excepted by PRWORA, the Grantee must use SAVE, or an equivalent verification system approved by the Federal government, to prevent any Federal public benefit from being provided to an ineligible alien who entered the United States illegally or is otherwise unlawfully present in the United States.
9. Faith-based organizations may be subrecipients for funds on the same basis as any other organization. Grantees may not, in the selection of subrecipients, discriminate against an organization based on the organization's religious character, affiliation, or exercise.

Grantees should be reminded that they must also continue to use their CPD funding in a manner that complies with applicable statutes, which include:

- Section 109 of the HCDA, 42 U.S.C. 5309;
- Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d *et seq.*;
- Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000d *et seq.*;
- Title VIII of the Civil Rights Act of 1968 (The Fair Housing Act), 42 U.S.C. 3601 – 19;
- Section 504 and 508 of the Rehabilitation Act of 1973, 29 U.S.C. 794;
- The Americans with Disabilities Act of 1990, 42 U.S.C. 12131 *et seq.*; and
- Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) (PRWORA).

Your letter also requests a 60-day extension to allow grantees time to comply with any Administration requested changes. Under 24 CFR 91.15, each jurisdiction should submit its consolidated plan to HUD at least 45 days before the start of its program year. The majority of CPD's grantees have a program year start date of July 1st, which means those grantees would submit their plan on or before May 15th. As you are aware, the Department is required to release its formula allocations within 60 days of appropriation. For FY 2025, HUD posted these allocations on May 13, 2025. Given the timing of most annual appropriations, it is not unusual for a grantee to be able to submit its plan as soon as allocations are announced and completes its citizen participation process. We are aware that many grantees begin their planning process well in advance of an allocation announcement and provide guidance on this in CPD Notice 25-02. Additionally, §91.15(a) provides HUD the ability to grant a jurisdiction an extension of the submission deadline for good cause, with the exception of the deadline of August 16. **The Department's failure to receive the plan by August 16, 2025, will automatically result in a loss of CDBG funds for the program year.**

We value our partnership with NCDA and COSCDA and the broader CDBG Coalition's efforts to assist grantees across the nation perform and achieve program outcomes. Thank you for the collaboration in guiding grantees and reminding them of the value of aligning with applicable statutes, regulations, and executive orders in developing and preparing to submit their respective consolidated plan and/or annual action plan. CPD staff, as always, are available to provide technical assistance.

We look forward to continuing our partnership with you. If you should have any questions, please reach out to me via email at Claudette.Fernandez1@hud.gov.

Sincerely,

**Claudette
Fernandez**

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Claudette Fernandez
Date: 2025.06.05
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Claudette Fernandez
General Deputy Assistant Secretary