



**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
WASHINGTON, DC 20410-3000

OFFICE OF HEALTHY HOMES AND  
LEAD HAZARD CONTROL

<b>Policy Guidance Number:</b> 2008-02	<b>Date:</b> November 6, 2008
<b>Subject:</b> Undertaking Minimal Rehabilitation using OHHLHC grant funds	
<b>Status:</b> Current	
<b>Applicability:</b> Lead-Based Paint Hazard Control, Lead Hazard Reduction Demonstration, and Operation Lead Elimination Action Program grantees	
<b>Related Guidance:</b> PG 1997-01	
<b>Comments:</b>	

Dear Grantees,

Several grantees have contacted us regarding the use of OHHLHC grant funds in undertaking minimal rehabilitation (rehab) as a requirement for the treatment of identified lead based paint hazards. This guidance clarifies OHHLHC grants policy on what constitutes minimal rehab. Lead-Based Paint Hazard Control, Lead Hazard Reduction Demonstration, and Operation Lead Elimination Action Program grants are not substitutes for housing rehabilitation programs. OHHLHC grant funds have restrictions established in Title X (42 U.S.C. 4852), Notices of Funding Availability, the grant agreements, HUD regulations (especially 24 CFR parts 84 and 85), OMB circulars, and OHHLHC grant policies.

OHHLHC has historically permitted grantees to undertake minimal housing rehab using federal grant funds. “Minimal rehabilitation” is understood to mean “activities that are specifically required to carry out effective hazard control, and without which the hazard control could not be completed and maintained.” OHHLHC recognizes that providing flexibility is preferable to prescriptive guidance, such as trying to describe every activity that would constitute minimal rehabilitation, which we feel would be counterproductive. Grantees should be able to provide a justification, if needed, on their cost allocations and be able to demonstrate the basis for such costs during an audit.

The extent to which minimal housing rehabilitation is required in order to carry out effective lead hazard control is often determined by several factors. Primarily, the grantee must determine whether the lead hazard control work can be completed and maintained based on, at a minimum, the risk assessment report and associated work specification. In general, any rehabilitation conducted must be directly related to the recommended treatments prescribed in the risk assessment. Some examples of minimal rehab include: repairing leaking plumbing, reduction of moisture intrusion, repairing flashing on a leaking chimney, installation of deadbolts/locks for site protection, and repairing or replacing defective gutters and downspouts. Typically, OHHLHC considers replacement of entire building systems (e.g., HVAC, electrical, siding), or major portions of such systems, to fall beyond the scope of minimal rehab and should not be paid for using OHHLHC grant funds without clear justification and approval from the assigned OHHLHC representative.

Policy Guidance 1997-01 states “there are two factors that require special consideration when evaluating the cost of making a unit lead-safe: 1) the condition of the unit; and, 2) the loan/grant to value ratio. If the structure is in very poor condition and requires major rehabilitation before LBP hazard control can take place, other sources of funding must be found to bring this structure up to code.” As always, contact your OHHLHC representative should you have any questions before proceeding with contractual commitments.