

Dear Friend:

For many years, local citizens and organizations have worked hard to build strong and healthy communities, and the U.S. Department of Housing and Urban Development (HUD) has often been an important partner in those efforts. Under the direction of President Clinton, HUD has streamlined operations and redesigned programs to make our programs more effective and to make it easier for people to work with the agency. HUD's reinvention is well underway, and we continue to make substantial reforms so that HUD will truly be one department with one mission – empowering people to create viable communities for all Americans.

The key elements of viable and sustainable American communities are good homes and supportive living environments for people of all income groups. The HOPE VI Revitalization program and the Comprehensive Improvement Assistance Program help make these possible. HOPE VI provides funds that help public housing agencies implement locally-designed plans to transform the physical site and social dynamics of severely distressed public housing communities or obsolete sites. We are already beginning to see the positive effects of HOPE VI projects in cities across the country. The Comprehensive Improvement Assistance Program (CIAP) helps smaller public housing agencies keep units safe and desirable by providing them modernization funding.

We know that HOPE VI and CIAP can have an even greater impact on a community when they work in tandem with other HUD programs. As part of HUD's continuing management reforms, we have streamlined our competitive grant funding process for Fiscal Year 1998 to make it easier for citizens to do just that. Instead of 40 separate, hard-to-track Notices of Funding Availability (NOFAs), we are using three consolidated "SuperNOFAs" to provide information on the array of HUD's competitive programs. Because we use a standardized format, the application and selection process is simplified. Our SuperNOFAs will give those interested in the health and vitality of our communities greater opportunities to create and implement successful, comprehensive local plans. When designing your proposed HOPE VI Revitalization or CIAP strategies, we urge you to use the new SuperNOFA process as an opportunity to create truly holistic, coordinated strategies by combining your HOPE VI or CIAP efforts with other efforts designed to effectively address your community's housing and development needs.

Good luck! We look forward to working with you in addressing the needs and interests of our nation's communities and of the people who live and work within them.

Andrew Cuomo,
Secretary of Housing and Urban Development

Dear Colleague:

I am pleased to announce the availability of \$441 million in HOPE VI funds and approximately \$304 million in Comprehensive Improvement Assistance Program (CIAP) funds for FY 1998. Both of these programs play important roles as we continue the Department's goal of providing safe, livable housing to low and middle-income families. This application kit will provide you with information on how to apply for one or both of these programs.

This is the third year that the HOPE VI Program is open to all 3,400 public housing agencies (PHAs) across the nation. The response to last year's HOPE VI Notice of Funding Availability (NOFA) was overwhelming proving, yet again, the necessity and importance of this program. We anticipate another exciting and highly competitive selection process this year. The creativity and excellence demonstrated in the proposals we have received in the past two rounds illustrates how far the industry has come in raising the standards that define a quality revitalization plan.

The CIAP program will maintain its core mission to help small housing authorities with their rehabilitation and modernization needs. Eligibility for this program is still limited to housing agencies that own or operate less than 250 units. In addition to physical improvements, agencies can use these funds to improve management, provide economic development and resident management services and implement anti-drug activities.

Besides the general differences related to the Department's NOFA streamlining efforts this year, both NOFAs vary somewhat from those published last year. The HOPE VI NOFA is less prescriptive and eliminates certain requirements. New funding controls are introduced, and a strong focus is placed on the quality, financial soundness, and capability of the PHA to expeditiously implement its revitalization plan. Even with these changes, comprehensive community revitalization and resident self-sufficiency remain the primary goals of the HOPE VI Program.

While the CIAP NOFA and processing procedures are substantially similar to those of last year, there is a significant change with regard to eligible activities. For FY 1998, the following activities can no longer be carried out with CIAP funds: new construction or acquisition of additional public housing units, and the use of up to 10 percent of an approved grant as operating subsidy.

Good luck to each of you during this funding round. My staff and I look forward to receiving your applications and working with you as we continue to transform public housing and the lives of its residents.

Sincerely,

Deborah Vincent
Acting Assistant Secretary

TABLE OF CONTENTS
FY 1998 HOPE VI REVITALIZATION AND CIAP
APPLICATION KIT

I. HOPE VI REVITALIZATION APPLICATION

GENERAL INFORMATION

A.	HOPE VI Revitalization Program Objectives	H.1
B.	Applicant Eligibility	H.2
C.	Changes in the FY 1998 HOPE VI NOFA	H.2
D.	Application Submission Instructions	H.3
E.	Application for Federal Assistance	H.5
F.	HOPE VI Revitalization Application Checklist	H.6
G.	Glossary of Terms	H.10

REVITALIZATION PLAN

A.	Executive Summary	H.14
B.	Existing Site Conditions	H.15
C.	Predevelopment Activities	H.18
D.	Physical Revitalization Plan	H.20
E.	Self-Sufficiency Programs	H.23
F.	Elderly and/or Disabled Programs	H.26
G.	Community Consultation and Coordination	H.27
H.	Management, Partnerships, and Capacity	H.30
I.	Program Resources and Financing	H.36
J.	Program Implementation Schedule	H.42
K.	Innovation	H.43
L.	Homeownership	H.44
M.	HOPE VI Revitalization Certifications	H.45

II. CIAP APPLICATION

GENERAL INFORMATION

A.	CIAP Program Objectives	C.1
B.	Applicant Eligibility	C.1
C.	Changes in the FY 1998 CIAP NOFA	C.1
D.	Application Submission Instructions	C.2
E.	Application for Federal Assistance	C.3
F.	CIAP Application Checklist	C.4

CIAP APPLICATION REQUIREMENTS

A.	CIAP Application Form (HUD-52822)	C.5
B.	Narrative Statement	C.6
C.	PHA Approval of CIAP Applicant Certifications	C.12

CIAP REVIEW AND FUNDING PROCEDURES C.13

CIAP REVIEW AND FUNDING APPENDICIES C.24

III. REQUIRED CERTIFICATIONS AND ASSURANCES

IV. AFFIRMATIVELY FURTHERING FAIR HOUSING INFORMATION

V. FY 1998 HUD SUPERNOFA

VI. HOPE VI REVITALIZATION NOFA

VII. CIAP NOFA

GENERAL INSTRUCTIONS FY 1998 HOPE VI REVITALIZATION AND CIAP APPLICATION KIT

This HOPE VI Revitalization and CIAP Application Kit provides information for Public Housing Agencies (PHAs) about two of the Department of Housing and Urban Development's most critical programs for improving the public housing inventory and the quality of life for residents. The HOPE VI Revitalization Program and the Comprehensive Improvement Assistance Program (CIAP) both provide funding via a competitive process to PHAs to improve the physical appearance of public housing and make management improvements.

The similarities in the programs have enabled HUD to combine the application requirements into a single application kit, thereby reducing PHAs' workloads when applying for funding. Requirements have been made consistent between the two programs as much as possible. The rating factors are the same for both programs, although the descriptions of those factors and the information required to respond to the factors differ between the programs.

A PHA must comply with the requirements for the program for which it is requesting funding. An applicant for HOPE VI Revitalization funding must comply with the instructions in Section I of this Application Kit. An applicant for CIAP funding must comply with instructions in Section II of this Kit. Applicants for either program must submit the certifications and assurances in Section III of this Kit.

Although the two programs have similarities, there are also some important differences. The applicant eligibility requirements for the two programs are different. While any PHA that owns public housing units may apply for HOPE VI funds, only PHAs with less than 250 units of public housing are eligible to apply for CIAP funds. (PHAs that only administer the Section 8 program are not eligible to apply for either program.)

In addition, the instructions as to where to send the completed applications differ between the two programs.

It is very important that applicants read the material in this Kit carefully, understand its organization, and respond to the correct program requirements.

I. FY 1998 HOPE VI REVITALIZATION APPLICATION

GENERAL INFORMATION

A. HOPE VI REVITALIZATION PROGRAM OBJECTIVES

HOPE VI is the key ingredient in the efforts by the Department of Housing and Urban Development to transform severely distressed public housing. The fundamental goals of HOPE VI public housing transformation are to:

1. Change the physical shape of public housing. This includes substantial rehabilitation of existing public housing and/or tearing down severely distressed public housing and replacing it with units that blend with the surrounding neighborhoods and are attractive and marketable, meeting contemporary standards of modest comfort and liveability. HOPE VI funds must be used to create physical structures that serve the needs of public housing residents over the long term in a cost-effective manner.
2. Achieve resident self-sufficiency and provide comprehensive services that enable residents to move into employment and productivity. Self-sufficiency programs must be results-based and result in residents moving into jobs and out of public housing, except where this is not possible due to physical, mental or emotional disability.
3. Achieve high quality management of public housing and enforce strict occupancy and eviction rules such as "One Strike and You're Out." The goal of these rules is to improve the quality of life for residents, create safer, family-friendly environments conducive to learning, promote stabilization, and make areas around public housing attractive to higher income residents and businesses that can provide well-paying jobs.
4. Lessen concentrations of poverty by reducing density, placing replacement public housing in nonpoverty neighborhoods, and/or by promoting mixed-income communities in and around sites where public housing once stood alone. The goal is to end the social and economic isolation of public housing residents, increase access to quality municipal services, educational facilities, transportation, job information, and mentoring opportunities.
5. Forge meaningful, results-based partnerships with other agencies, local governments, foundations, nonprofit organizations, and private businesses to leverage support and resources, whether financial or in-kind.
6. Promote homeownership for households with a range of incomes to achieve social and economic empowerment of residents and as broad an income mix as possible.
7. Promote economic development by locating businesses in former public housing communities, improving transportation to jobs, and forging relationships with Empowerment Zone Boards and businesses.

8. Achieve high educational standards from day care through higher education through relationships with public and private educational institutions.
9. Integrate senior citizens into the fabric of the community and achieve a high quality of life by creatively addressing the physical, social, and medical needs of the elderly.
10. Promote innovative designs for housing that meet the special needs of disabled people while maintaining marketability and appeal to persons who are not disabled.

B. APPLICANT ELIGIBILITY

Any PHA that owns public housing units may apply for HOPE VI funds. Indian Housing Authorities are not eligible to apply, and PHAs that only administer the Section 8 program are not eligible to apply.

C. CHANGES IN THE FY 1998 HOPE VI REVITALIZATION NOFA

1. While FY 1997 applicants were required to demonstrate that targeted developments or portions of targeted developments were *obsolete*, FY 1998 applicants must demonstrate that targeted units are *severely distressed*, in keeping with the language of the FY 1998 appropriation. The indicators of distressed public housing can be found in Section II.A of the HOPE VI Revitalization NOFA.
2. Congress mandated that HUD set aside up to \$26 million for projects proposing revitalization of severely distressed elderly public housing projects as new communities designed to meet the special needs and physical requirements of the elderly. Grants targeted specifically to developments for the elderly, persons with disabilities, or mixed populations are limited to \$5 million.
3. HUD has developed an application form for PHAs to use in responding to the HOPE VI Revitalization NOFA. Instead of responding to application requirements listed in the NOFA, applicants are required to use the form to determine the narratives, documents, and charts required for a complete application. Use of the application kit is mandatory for all FY 1998 applications.
4. The NOFA places an increased emphasis on PHA capacity and partnerships. Strong linkages with non-profit organizations, local, Federal, and state agencies, and the private sector in the community and supportive service area are urged.
5. Development partners and program managers, if any, may be selected prior to or after the award. PHAs need not identify development partners prior to application submission and they are advised not to enter into such relationships precipitously. If PHAs elect to choose *program managers* or other consultants prior to application submission, PHAs must adhere to Federal procurement regulations at 24 CFR part 85 using Requests for Proposals with price as a factor. Procurement of *development partners* must be done in accordance with 24 CFR 941 subpart F, which allows for procurement based on qualifications, where price may be negotiated separately.

D. APPLICATION SUBMISSION INSTRUCTIONS

1. Application Preparation

Applicants are cautioned that the preparation of an approvable HOPE VI Revitalization application is time-consuming and can involve significant costs. Only a fraction of the FY 1997 applicants were funded. Although changes have been made in the program to widen eligibility to elderly developments, only applicants with strong showings of need, capability, and vision can be selected. It is critical that the application is complete and that all items are presented in a manner which is succinct and clear, and responds to *every requirement and question posed*.

Applicants are also advised to immediately contact agencies and organizations from which application materials or documents will be required. Applicable local and state governments, EZ/EC governing bodies, and other similar groups should be given as much time as possible to provide their certifications and other input. Also note the requirement to hold at least one public meeting to discuss the plan with public housing residents and members of the surrounding community.

2. Application Content

Each application will consist of an SF-424, a Table of Contents, and Exhibits A-M containing the narratives and attachments in the precise order given by the HOPE VI Revitalization Application Checklist provided on Page 6 below. Each exhibit constitutes a specific aspect of the Revitalization Plan.

Narratives describe the Revitalization Plan and respond to the rating criteria in the HOPE VI Revitalization NOFA. All narrative pages must be numbered sequentially, and may not exceed 75 pages. Adherence to the page limit is mandatory. In reviewing an application, HUD will not read any pages in excess of the 75-page limit.

Attachments, interspersed within the narratives as appropriate, include such documents as letters of support, budgets, certifications, forms, maps, and illustrations. Attachments are not counted in the page limit given above for narratives. Videos and resumes are specifically prohibited. Please include in your application only the pages of this application kit necessary for the submission of your application, such as forms and certifications. Forms are located within this Section II of the HOPE VI Revitalization/CIAP Application Kit, except that the final eight attachments, Items 3 - 10 of the Required Certifications and Assurances in Exhibit M, are located in Section III of this Application Kit. Data Forms should be filled in completely, using best estimates if necessary. Do not fill in fields blocked in gray.

Glossary of Terms. Throughout, please refer to the Glossary of Terms to ensure that you are interpreting all terms consistently.

3. Application Organization and Format

To help expedite review of your application, after the entire application is assembled, please mark each exhibit with an appropriately labeled tab. If an exhibit is not applicable for any reason, provide a brief explanation of its inapplicability under the appropriate tab. Pages must be double spaced, on 8-1/2 by 11" paper, and all margins should be 1 inch, but may be no smaller than 1/2 inch. HUD requests that applicants use at least an 11 point font. Package the application as securely and simply as possible. Please two-hole punch the pages at the top with a 2-3/4" center.

4. Application Submission

The deadline date for receipt of HOPE VI applications is June 29, 1998. Send an original copy to:

U.S. Department of Housing and Urban Development
Office of Public Housing Investments
451 Seventh Street SW, Room 4138
Washington, DC 20410

It is **CRITICAL** that the room number is on your package.

Also send two copies to the appropriate HUD Field Office HUB, to the attention of the Director of the Office of Public Housing. A list of field Office addresses is included as Appendix A of the SuperNOFA, which is included as Section V of this Application Kit.

See the General Section of the SuperNOFA for specific instructions regarding procedures governing the form of application of submission (e.g., mailed applications, express mail, overnight delivery, or hand carried). It is recommended that applications be placed with an overnight delivery carrier on the Friday before the due date to ensure timely delivery. Experience has shown that attempts to hand-carry applications often result in late deliveries.

5. Technical Assistance and Training

HUD will hold video conferences on HOPE VI application requirements and encourages PHAs to participate. Notification of such video conferences will be posted on the HUD Home Page at www.HUD.GOV.

E. INSTRUCTIONS FOR COMPLETING THE SF-424: APPLICATION FOR FEDERAL ASSISTANCE

The SF-424 provides HUD with essential information about the applicant and the proposed activities. It is imperative that the completed form is placed on the top of your application.

IT IS VERY IMPORTANT THAT YOU FOLLOW THE FOLLOWING SPECIFIC INSTRUCTIONS WHEN COMPLETING THE SF-424; DO NOT RELY ON THE INSTRUCTIONS ON THE BACK OF THE FORM OR COMMON SENSE. The following instructions are those particular to the HOPE VI Revitalization Program.

1. Pre-filled.
2. Enter the date the PHA is submitting the application to HUD. Enter the Housing Authority Code as the Applicant Identifier. The code has a state abbreviation and three digits: e.g., FL-003.
- 3, 4. Leave blank.
5. Enter the legal name of the Housing Authority. Leave the Organizational Unit box blank, unless the PHA is a division of a municipal government or other agency. Provide the street address of the PHA and the requested information for the person who is most familiar with the application. Be sure to include the fax number.
6. Enter the Taxpayer Identification Number assigned by the Internal Revenue Service.
- 7-9. Pre-filled.
10. The HOPE VI CFDA Number is 14.866. [The CFDA number listed on the FY 1997 HOPE VI application kit was incorrect.]
11. Enter the name of the public housing development targeted in the application (e.g., "Barry Homes") and the HUD-assigned number for the development (e.g., DC-002).
12. Enter the name of the unit of general local government in which the development(s) is located and the name of the neighborhood or area of town.
13. Leave Blank.
- 14a. Enter the *number* of the Congressional District in which the *PHA offices* are located. If unsure, call your Member of Congress.
- 14b. Enter the *number* of the Congressional District in which the *affected development* is located.
15. Leave Blank.

- 16 & 17. See instruction page on back of form.
18. An authorized representative of the PHA must sign and date the SF-424 at the bottom. A copy of the governing body's authorization to sign this application as official representative must be on file in the applicant's office.

F. HOPE VI REVITALIZATION APPLICATION CHECKLIST

This list of application narratives and attachments is provided to assist applicants in ensuring that all required elements of an application are included. Applicants are encouraged to use it as a Table of Contents for their completed applications. All items listed are *narratives* unless specifically labeled as *attachments*.

Please note that, per the HOPE VI Revitalization NOFA, separate competitions will be held for "Revitalization" applications and "Elderly" applications. "Revitalization" applications must include Exhibit E, Self-Sufficiency Programs. "Elderly" applications must include Exhibit F, Elderly and/or Disabled Programs. All other application requirements are the same for all applicants.

- SF-424: Application for Federal Assistance
- Table of Contents
- Exhibit A: Executive Summary
- Attachment: Application Data Cover Sheet
- Exhibit B: Existing Site Conditions
- B.1 Evidence of Severe Distress
- Attachment: Application Data: Existing Units, Occupancy, Vacancy
- Attachment: Photographs (optional)
- B.2 Neighborhood Distress
- Attachment: City map
- Attachment: Site map
- B.3 Need for Funding
- Exhibit C: Predevelopment Activities
- C.1 Site Control
- C.2 Zoning
- C.3 Relocation
- C.4 Hazard Abatement
- C.5 Demolition
- C.6 Disposition
- C.7 Acquisition
- C.8 Site Improvements
- Attachment: Relocation Plan - only for relocation not described in a demolition application
- Attachment: Application Data: Relocation, Income & Non-dwelling Structures

HUD FY 1998 SuperNOFA

Exhibit D: Physical Revitalization Plan

- D.1 Description of Revitalization Plan
- D.2 Design
- D.3 Security
- D.4 Healthy Homes
- D.5 Affirmatively Furthering Fair Housing
- D.6 Lessening Concentration
- D.7 Off-site Housing Plan
- D.8 New Construction
- D.9 Non-dwelling Space
- Attachment: City map
- Attachment: Site map
- Attachment: Design illustrations and photographs (as available)
- Attachment: Proposed Unit Mix Post-Revitalization
- Attachment: Application Data: Units, Accessibility, Concentration, Partners & Programs

Exhibit E: Self-Sufficiency Programs - Required for Revitalization Applications Only

- E.1 Self-Sufficiency Programs
- E.2 Section 3
- Attachment: Application Data: Self-Sufficiency

Exhibit F: Elderly and/or Disabled Programs - Required for Elderly Applications Only

- F.1-5: Elderly and/or Disabled Programs
- Attachment: Application Data: Self-Sufficiency

Exhibit G: Community Consultation and Coordination

- G.1 Consultation and Participation
- Attachment: Evidence of public meeting
- Attachment: Documentation in support or objection to plan
- G.2 Coordination
- G.3 EZ/EC Involvement
- Attachment: Written Agreements

HUD FY 1998 SuperNOFA

Exhibit H: Management, Partnerships, and Capacity

- H.1 Property Management Plan
- H.2 Operation and Management Principles
- H.3 Affirmatively Furthering Fair Housing
- H.4 PHA Staffing
- Attachment: Staffing and Time Allocation Plan
- Attachment: Organizational Chart
- H.5 Development Team
- Attachment: Commitments from potential partners
- Attachment: Commitment by the developer, if applicable

Exhibit I: Program Resources and Financing

- I.1 Program Costs
- Attachment: HOPE VI Budget
- Attachment: Grant Limitations Worksheet
- I.2 Feasibility and Reasonableness
- Attachment: Section 8 Cost Comparison Spreadsheet (Optional)
- I.3: Attachment Market Analysis
- I.4 Program Resources
- Attachment: Documentation of Resources
- Attachment: Application Data: Sources and Uses

Exhibit J: Program Implementation Schedule

- Attachment: Program Implementation Schedule

Exhibit K: Innovation and Replication

- K.1 Innovation
- K.2 Replication

Exhibit M: HOPE VI Revitalization Certifications - All items are Attachments

1. 213 Letter
2. PHA Board Resolution for Submission of HOPE VI Revitalization Application (Form HUD 52820-A)
3. Assurances - Construction Programs (SF 424D)
4. Certification of Consistency with the EZ/EC Strategic Plan
5. Certification of Consistency with the Consolidated Plan
6. Certification Regarding Debarment and Suspension
7. Certification for a Drug-Free Workplace (Form HUD-50070)
8. Certification of Payments to Influence Federal Transactions (HUD-50071)
9. Disclosure of Lobbying Activities (Form SF-LLL)
10. Recipient Disclosure/Update Report (Form HUD 2880)

Acknowledgement of Receipt

G. GLOSSARY OF TERMS

Accessibility: All new construction of covered multifamily buildings must include certain features of accessible and adaptable design. Units covered are all those in buildings with four or more units and one or more elevators, and all ground floor units in buildings without elevators. The accessible design requirements are:

1. Accessible entrance on an accessible route
2. Accessible public and common use areas
3. Accessible doorways
4. Accessible routes into and through the unit
5. Accessible light switches, electrical outlets, and environmental controls
6. Reinforced walls in bathrooms
7. Usable kitchens and bathrooms.

More information on accessibility and visitability may be obtained by calling HUD on (202) 708-2333 or the TTY telephone number, 1-800-877 8399 (Federal Information Relay Service).

Annual Contributions Contract (ACC): A contract (in the form prescribed by HUD) for loans and contributions, which may be in the form of grants, whereby HUD agrees to provide financial assistance and the PHA agrees to comply with HUD requirements for the development and operation of a public housing project.

CDBG funds: Community Development Block Grant funds. Funds awarded by HUD by formula to units of general local government and to states, which may then award a grant or loan to a PHA, partnership, or other entity for revitalization activities. CDBG funds may be granted to a non-profit and then loaned to a project's for-profit partnership. Information about the CDBG Program can be accessed at www.hud.gov/cpd/cpdhome.html.

CIAP: The Comprehensive Improvement Assistance Program, which provides HUD funds to PHAs with less than 250 units for rehabilitation of housing developments.

CGP: The Comprehensive Grant Program, which provides HUD funds to PHAs with 250 or more units for rehabilitation of housing developments.

Consolidated Plan: Developed by local and state governments with the input of citizens and community groups, the Consolidated Plan serves four functions. It is a planning document for each state and community, built upon public participation and input. It is the application for funds under HUD's formula grant programs: the Community Development Block Grant Program, the HOME Program, Emergency Shelter Grants, and Housing for People With AIDS. It lays out local priorities and a 3-to-5-year strategy the jurisdiction will follow in implementing HUD programs.

Each HOPE VI revitalization application must include a certification from the applicable State or local government official responsible for submitting the appropriate Consolidated Plan under 24 CFR part 91 that the proposed activities are consistent with the approved Consolidated Plan of the State or unit of general local government within which the development is located. If the local jurisdiction in which revitalized units will be located does not have a Consolidated Plan or an Abbreviated Consolidated Plan, a certification from the State must be submitted. To find out who to contact regarding your locality's Consolidated Plan, access HUD's home page at www.hud.gov/states.html. This requirement does not apply to CIAP applicants.

Development: A public housing project under an ACC. In accordance with the HOPE VI Revitalization NOFA, developments that are contiguous, immediately adjacent to one another, or within four city blocks from each other will be considered one development.

Development Funds: Funds awarded by HUD to PHAs under the Public Housing Development Program consistent with Regulations at 24 CFR part 941. Funds must be used for the development of public housing. May also include funds originally awarded to PHAs under CGP, or CIAP and subsequently approved by HUD for conversion to Development funds.

Disabled Family: A family whose head, spouse, or sole member is of any age and who:

- Has a disability as defined in section 223 of the Social Security Act (42 U.S.C 423), or
- Is determined to have a physical, mental, or emotional impairment that:
 - is expected to be of long-continued and indefinite duration,
 - substantially impedes his or her ability to live independently, and
 - is of such a nature that such ability could be improved by more suitable housing conditions, or
 - has a developmental disability as defined in section 102 of the Developmental disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5)).

Elderly or Elderly Family: A family whose head, spouse, or sole member is a person 62 years of age or older. An elderly family may include elderly persons with disabilities and other family members who are not elderly and who may or may not have disabilities.

Empowerment Zone/Enterprise Community (EZ/EC): An urban area designated by the Secretary of HUD pursuant to 24 CFR part 597 or a rural area designated by the Secretary of Agriculture pursuant to 7 CFR part 25, subpart B. www.hud.gov/ezeclist.html

Existing conditions: Conditions at the time of the HOPE VI Revitalization application submission. If some or all of the original development has been demolished as of the time of HOPE VI application, conditions as of the date the demolition application was approved.

Family: See household.

Household: Occupant(s) of one dwelling unit.

Housing Authority Funds: Funds under the control of the Housing Authority such as operating reserves, Section 8 administrative fees, and non-HUD resources.

HOME funds: Housing funds distributed from HUD to units of general local governments and States for new construction, rehabilitation, acquisition of standard housing, assistance to homebuyers, and tenant-based rental assistance. Information about the HOME Program can be accessed at www.hud.gov/cpd/cpdhome.html.

LIHTC equity funds: Private funds raised as equity from the sale of low-income housing tax credits.

Low-income: Income that does not exceed 80 percent of area median income.

Market Rate units: Units for which renters or homeowners do not have income restrictions and rental units do not receive project-based subsidies. Capital costs may be written down with public funds.

Mixed-Finance: The combined use of publicly and privately financed sources of funds for the development of public housing units under this subpart.

Mixed-Income: Projects that contain a variety of public housing, tax credit, or market rate units, occupied by residents with a range of incomes.

Modernization funds: HUD funds provided under section 14 of the Act, including the Comprehensive Grant Program (for PHAs with 250 or more units) or the CIAP Program (for PHAs with less than 250 units), which PHAs use for rehabilitation of housing developments.

MROP funds: Major Reconstruction of Obsolete Project Funds awarded by HUD to PHAs for rehabilitation of public housing developments. MROP funds may be used in mixed-finance projects provided such use has been approved by HUD.

NOFA: Notice of Funding Availability, published in the Federal Register to announce available funds and application requirements.

OMB Circulars and Administrative Requirements: Documents that provide recipients of Federal funds with the administrative requirements related to the expenditure of funds. Administrative requirements applicable to PHAs are:

24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments)

OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments): published in the Federal Register on May 4, 1995.

Administrative requirements applicable to nonprofit organizations are:

24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations)

OMB Circular A-122 (Cost Principles for Non-Profit Organizations): published in the Federal Register on 5/8/97

Audit requirements applicable to all recipients:

OMB Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations): published in the Federal Register on June 24, 1997

Partner: A third party entity with whom the PHA has entered into a partnership or other contractual arrangement to provide for the mixed-finance development of public housing units, and that has primary responsibility with the PHA for the development of the housing units under the terms of the approved proposal.

Person with a disability: see "Disabled Family"

Public housing unit: A unit that is eligible to receive operating subsidy pursuant to section 9 of the Act (42 U.S.C. 1437g).

100 percent Public Housing units: Dwelling units where 100 percent of the rehabilitation or new construction is financed with HOPE VI or other sources of public housing Development funds only. These units are under ACC and receive operating subsidy, must serve persons who are public housing eligible, and must comply with public housing regulations.

Public Housing/Low-Income Housing Tax Credit Units: Units that are funded with PH funds (HOPE VI, Development, CGP, CIAP, and/or MROP funds) and with equity from the Low-Income Housing Tax Credits (LIHTC). These units are under ACC and receive operating subsidy; however, they also must comply with requirements of the LIHTC program.

Replacement Units: Public housing units, funded with or without other sources of funds, on- or off-site, that will be placed under ACC, or that will be sold to homeowners under section 5(H), Nehemiah, HOPE I, II, or III, or other eligible homeownership programs. The number of replacement public housing units may not exceed the number of original units in the development.

Reconfiguration: Altering the physical structure of a unit during the course of rehabilitation. (e.g., creating 5 2-bedroom units from 10 1-bedroom units or converting dwelling units to non-dwelling units.)

Section 3: The purpose of section 3 of the Housing and Urban Development Act of 1968 is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal State, and local laws and regulations, be directed to low- and very low-income person, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income persons. Program regulations are at 24 CFR part 135.

Severely Distressed: In order to be eligible for HOPE VI funding, a public housing development, or portion of the development must be severely distressed as to physical condition, location, or other factors, making it unusable for housing purposes. Major problems indicative of severe distress are listed in Section II.A of the HOPE VI Revitalization NOFA.

Total Development Cost Limits (TDC): The amount of public housing funds that may be spent for development of new public housing. The TDC limit is established by the HUD-published TDC Cost Tables, which are issued for each fiscal year for the building type and bedroom distribution for public housing replacement units. Duplicative funding is prohibited for any replacement units previously funded by HOPE VI or other public housing development funds. This requirement does not prohibit any non-HUD funds to be used to supplement HUD funds for any project cost.

TDC is limited to the sum of:

- (a) TDCs up to, but not to exceed 100 percent of, HUD's published TDC limits for the costs of demolition and new construction multiplied by the number of public housing Replacement Units; and/or
- (b) 90 percent of such TDC limits multiplied by the number of public housing units to be substantially rehabilitated.

The Department has developed a new TDC policy and cost control which applies to 1998 HOPE VI Revitalization grants. A HUD Notice describing this policy will be issued in the near future.

Unit: Residential dwelling that houses one household.

Very Low Income: income that does not exceed 50 percent of area median income.

Visitability: Applicants are encouraged to incorporate visitability standards where feasible in new construction and substantial rehabilitation projects. Visitability standards allow a person with mobility impairments access into the home, but does not require that all features be made accessible. The two standards of visitability are:

1. at least one entrance to the home is at grade (no steps), approached by an accessible route such as a sidewalk; and
2. the entrance door and all interior passage doors are at least 2 feet 10 inches wide, allowing 32 inches of clear passage space.

More information on accessibility and visitability may be obtained by calling HUD on (202) 708-2333 or the TTY telephone number, 1-800-877 8399 (Federal Information Relay Service).

HOPE VI REVITALIZATION PLAN

H. Executive Summary

Provide an Executive Summary, *not to exceed one page*, that generally describes the Revitalization Plan. Demonstrate why this plan is urgently needed and how it is the most innovative plan possible for the locality. Address leverage, degree of income mix, creativity of community and supportive service plan, ability to implement expeditiously, projected impact, etc.

ATTACHMENT: **Application Data Cover Sheet**

I. Existing Site Conditions

The HOPE VI Revitalization NOFA states that the level of need for the proposed activity and the urgency in meeting the need will be evaluated by taking into consideration the extent to which they are documented with statistics and analyses contained in a data source(s) that is sound and reliable. To the extent that the applicant's community's Consolidated Plan and/or analysis of Impediments to Fair Housing Choice (AI) identify the level of the problem and the urgency in meeting the need, references to these documents should be included in the response. The Department will review more favorably those applicants who use these documents to identify need, when applicable.

If the proposed activity is not covered under the scope of the Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice (AI), applicants should indicate such, and use other sound data sources to identify the level of need and the urgency in meeting the need. Types of other sources include, but are not limited to, Census reports, law enforcement agency crime reports, the PHA's Five Year Comprehensive Plan, and other sound and reliable sources appropriate to the HOPE VI Revitalization Program.

1. Describe the **existing physical condition** of the severely distressed public housing buildings and site, as supported by information and data which shows the extent of physical problems.
 - a. Demonstrate that there is a significant level of physical deterioration of buildings including both dwelling and non-dwelling structures such as:
 - (1) major structural deficiencies such as:
 - settlement of earth below the building caused by inadequate structural fills;
 - settlement of floors;
 - severe termite damage;
 - damage caused by extreme weather conditions, severe erosion or flooding;
 - leaking roofs;
 - electrical systems not meeting local code;
 - levels of lead based paint; and
 - high levels of deferred maintenance and units that do not meet Housing Quality Standards.

- (2) major site deficiencies and deteriorated infrastructure, such as:
 - lack of reliable and reasonably efficient heat and hot water;
 - deteriorated laterals and sewers;
 - poor soil conditions;
 - inadequate drainage; and
 - inappropriate topography.
 - (3) design deficiencies such as:
 - high density;
 - isolation; or
 - indefensible space.
 - (4) environmental conditions that may jeopardize the suitability of the current site or a portion of the site and its housing structures for residential use. These conditions may be determined by either a HUD-related environmental review, in accordance with 24 CFR part 50 or part 58, which was previously conducted in connection with earlier assistance, or another assessment of conditions that, in the opinion of the applicant, may jeopardize suitability of the site; and
 - (5) deficiencies with respect to accessibility for persons with disabilities with regard to individual units, entranceways and/or common areas.
- b. Indicate the extent to which the distress at the site was caused or exacerbated by factors within the applicant's control.
 - c. Indicate whether the PHA agrees that they are subject to the provisions found at 24 CFR Part 971 and that they are required to submit a conversion plan, i.e., a plan for removal of the distressed development from the public housing inventory, in accordance with the requirements at 24 CFR 971.7(b). Do not include a copy of the conversion plan with the HOPE VI Revitalization application.

ATTACHMENT: **Application Data: Existing Units, Occupancy, Vacancy**

ATTACHMENT: Provide **photographs** illustrating existing conditions.

2. Describe the level of **distress in the neighborhood**:

- a. Describe the physical condition and characteristics of the neighborhood, including housing density, housing deterioration, lack of adequate infrastructure or utilities, etc.
- b. Describe neighborhood conditions, such as land use and economic activity, density, and structure types as compared to the targeted development.
- c. Discuss demographic factors such as vacancy rate, rates of housing turnover, truancy and unemployment, rent collection rates, high school graduation statistics, and other objective, measurable indicators.
- d. Provide statistical information on the incidence of crime, including the following: frequency of criminal acts of various types per 1,000 persons (including drug-related activities), number of lease terminations or evictions for criminal activity, average number of police calls to the development per month, and the average monthly incidence of vandalism to PHA property in dollars.
- e. Describe the availability and adequacy of existing facilities and services for the prospective occupants of the project, such as shopping centers, transportation, and health services.
- f. If applicable, describe the extent of the minority enrollment and capacity of the school system to absorb the number of school-aged children expected to reside in the project after revitalization.
- g. Describe how the physical, neighborhood, and demographic conditions of the severely distressed development, or portions thereof, affect the residents of the surrounding neighborhood, the greater community, and the locality.

ATTACHMENT: Provide a **city map**, to scale, which clearly identifies the existing development in the context of existing city streets, the central business district, and other key city sites.

ATTACHMENT: Provide a **site map** which shows the various buildings of the development and identifies which buildings are to be demolished.

3. **Need for Funding:**

- a. State whether the level of distress at the site is urgent, and whether it threatens to become imminently greater without immediate intervention.
- b. Describe how the PHA lacks the funds to revitalize the development to provide decent, safe, and sanitary housing at the site.

J. Predevelopment Activities

In a narrative, describe all predevelopment activities necessary before development begins. Specifically describe each item listed below.

1. **Site control.** If any portion of the revitalized development, including any off-site replacement housing, is not currently owned by the applicant, describe and/or provide evidence that the applicant has or will have control of the site at least 60 days after approval of the application. (Assume a September 30 approval date.)
2. **Zoning.** Provide assurance that construction or rehabilitation is permitted by current zoning ordinances or regulations or that any needed rezoning will not delay the project.
3. **Relocation.**
 - a. **Section 8 Relocation.**
 - (1) Describe self-sufficiency programs, counseling, and/or other assistance that will be provided to Section 8 certificate or voucher holders to find housing in non-poor areas and prepare residents for self sufficiency.
 - (2) Describe the expected impact such relocation will make on the neighborhood(s) into which relocatees are expected to move.
 - (3) Describe methods the applicant will use to track families receiving Section 8 assistance and keep them informed of services available to them.
 - (4) Indicate whether families accepting Section 8 assistance will be offered the opportunity to move back into revitalized units. Estimate the number of current residents expected to return to the site.
 - b. **Other Relocation.** Describe any other methods of relocation and describe steps the applicant will take to ensure a smooth transition for relocatees.
4. **Hazard Abatement.** For units to be rehabilitated or demolished, describe the extent of any asbestos, lead-based paint, or any other contaminant and proposed abatement activities.
5. **Demolition.** Describe which dwelling and non-dwelling units, buildings, and structures are proposed to be demolished, the purpose of the demolition, and the use of the site after demolition. If applicable, state the date the demolition application was submitted to HUD and the date approved. Attach site maps illustrating which structures will be demolished and which will remain and be rehabilitated.

6. **Disposition.** Describe the extent of disposition of any portion of the site. Cite the number of units or acreage to be disposed, the method of disposition (sale, lease, trade), and the status of any disposition application made to HUD.
7. **Acquisition.** Describe any site acquisition necessary or proposed, the purpose of the acquisition, and how that acquisition is proposed to be financed. Before Grantees may acquire a site or property with HOPE VI or other funds after award, they must provide HUD with an appraisal of the proposed site or property, prepared by an independent, state-certified appraiser.
8. **Site improvements.** Describe any proposed on-site improvements, including infrastructure requirements, changes in streets, etc. Describe all public improvements needed to ensure the viability of the proposed project with a narrative description of the sources of funds available to carry out such improvements.

ATTACHMENT: Provide a **Relocation Plan** in accordance with the requirements of 24 CFR 968.108 for relocation *not described in a demolition application*.

[For relocation related to demolition, the relocation plan will be included in the demolition application, and that relocation plan will be reviewed and approved by the Demolition/Disposition Processing Center. No new submission is required.]

ATTACHMENT: **Application Data: Relocation, Income & Non-dwelling Structures**

K. Physical Revitalization Plan

1. Provide a **narrative description** of the planned physical revitalization activities. This description should describe how the completed development will look. Describe the interior and exterior of the units, the overall design of the development, and how the surrounding neighborhood relates to the revitalized site.
2. Describe how the **design** of the revitalized development will blend into and enrich the urban landscape and how new units will incorporate design elements of houses in the broader community.
3. Describe proposed activities that will improve, where applicable, the **safety and security** of residents through the implementation of defensible space principles, anti-crime measures, and the installation of physical security systems such as surveillance equipment, control engineering systems, etc.
4. Describe activities to be undertaken that will promote **healthy homes**, or will promote education on what is a healthy home. These activities may include, but are not limited to:
 - a. educating homeowners or renters about the need to protect children in their home from dangers that can arise from items such as curtain cords, electrical outlets, hot water, poisons, fire, and sharp table edges, among others; and
 - b. incorporating child safety measures in the construction of housing, which include but are not limited to:
 - (1) child safety latches on cabinets;
 - (2) hot water protection devices;
 - (3) properly ventilated windows to protect from mold;
 - (4) window guards to protect children from falling; and
 - (5) proper pest management to prevent cockroaches which can cause asthma.

5. Describe how the Revitalization Plan will **affirmatively further fair housing**.

a. **Accessibility**

Developments constructed or rehabilitated with HOPE VI funds must meet the accessibility requirements contained in various civil rights statutes and regulations. In addition, PHAs are encouraged to promote greater opportunities for housing choice by making at least 5 percent of for-sale units accessible to individuals with mobility disabilities and 2 percent of for-sale units accessible to individuals who have visual or hearing disabilities. HUD encourages innovative designs, particularly with respect to for-sale house configurations which simultaneously meet accessibility requirements and achieve marketability for non-disabled households. Describe how the proposal promotes the provision of public housing opportunities for disabled persons. *See Glossary.*

b. **Visitability**

HUD strongly encourages PHAs to develop housing that is "visitable" by persons with mobility impairments. For any rehabilitation, community space alterations or improvements, or housing construction, describe how the revitalization plan meets the visitability standards adopted by the Department that apply to those units not otherwise covered by the accessibility requirements. *See Glossary.*

6. Describe how the proposed revitalization will **lessen concentration** of low-income residents and create desegregation opportunities by actively ensuring that locations of housing will encourage natural integration and discourage inappropriate concentrations of minorities in undesirable neighborhoods. Specifically, describe how the plan will:

- a. Significantly reduce the isolation of low-income residents and/or significantly promote mixed-income communities in well-functioning neighborhoods through the physical design of the proposed housing;
- b. Increase access to municipal services, job information, mentoring opportunities, transportation, and educational facilities;

7. Describe any plans for **off-site** replacement housing. If specific neighborhoods have been targeted for off-site public housing units, describe those neighborhoods and plans for integrating the public housing units into the surrounding community.

8. **New Construction**

In accordance with section 6(h) of the U.S. Housing Act of 1937 (42 U.S.C. 1437d), the PHA may engage in new construction only if the PHA demonstrates to the satisfaction of the Secretary that the cost of new construction in the neighborhood where the PHA determines the housing is needed is less than the cost of acquisition or acquisition and rehabilitation in such neighborhood. Therefore, every application that proposes to carry out new construction with HOPE VI funds, or construct units that will be under ACC, regardless of funding source, must include a narrative that contains the information described in either paragraphs a or b below. If the application involves new construction, provide evidence of compliance with section 6(h) of the 1937 Act in one of the following two ways:

- a. Compare the cost of new construction in the neighborhood where the applicant proposes to construct the housing and the cost of acquisition and rehabilitation of existing housing in the same neighborhood; or
- b. State that there is insufficient existing housing in the neighborhood to develop public housing through acquisition and/or acquisition and rehabilitation where such cost would be less than new construction. Describe how you came to that conclusion.

9. Describe any alterations, improvements, additions, and/or new construction proposed for **non-dwelling space**, including:

- a. the type and amount of such space and
- b. how facilities will be used in self-sufficiency program delivery or other activities.

ATTACHMENT: Provide a **city map**, to scale, which clearly identifies the planned development and any off-site housing in the context of existing city streets, the central business district, and census tracts. Indicate the location of activities and resources identified in the city's or State's Consolidated Plan or Federally designated Empowerment Zone or Enterprise Community Strategy (if applicable) in relationship to the development.

ATTACHMENT: Provide a **site map**, which indicates where proposed construction and rehabilitation activities will take place and any planned acquisition or disposition.

ATTACHMENT: Provide **design illustrations** and photographs as available.

ATTACHMENT: **Proposed Unit Mix Post-Revitalization**

ATTACHMENT: **Application Data: Units, Accessibility, Concentration, Partners & Programs**

L. Self-Sufficiency Programs [This section is not applicable for Elderly Housing applications]

Public housing revitalization must be implemented in tandem with the principles of welfare reform. Not only must the physical environment meet the needs of residents, but the social environment must encourage and enable low-income residents to achieve long-term self-sufficiency, particularly for persons enrolled in welfare-to-work programs. It is critical that PHAs form partnerships to accomplish self-sufficiency goals and that scarce HOPE VI self-sufficiency funds are leveraged with other funds. PHAs are encouraged to be innovative and create programs which break new ground and can serve as national models.

PHAs are encouraged to create public/private partnerships with hard commitments from and accountability to local businesses, foundations, and other self-sufficiency partners. It is particularly important that partnerships are created with local Boards of Education which will provide the foundation for young people from infancy through high school graduation to succeed in academia, the professional world, and mainstream society.

It is also very important that local welfare agencies are part of the HOPE VI partnership. Many HOPE VI residents are directly affected by Temporary Assistance to Needy Families (TANF), making these self-sufficiency efforts crucial to their success.

HUD is seeking self-sufficiency programs which result in job and educational advancements which are quantifiable and long-lasting. Self-sufficiency programs may include, but are not limited to:

- child care that provides sufficient hours of operation and serves appropriate ages as needed to facilitate parental access to education and job opportunities and which stimulates children to learn to be responsible citizens
- employment training and counseling, such as the Step-Up and Youthbuild Programs, that includes job training, preparation, counseling, development, placement, and follow-up assistance after job placement
- motivational and self-empowerment training
- computer skills training
- education, including remedial education, literacy training, completion of secondary or postsecondary education, assistance in the attainment of certificates of high school equivalency, and the integration of modern computer technology into the education program
- strong partnerships with public and private educational institutions to provide the foundation for learning for children from infancy
- mentoring for children, non-literate adults, potential entrepreneurs
- transportation as necessary to enable any participating family member to receive available services or to commute to his or her place of employment

- partnerships with local businesses that provide job placements for residents who complete adult education and job training programs
 - results-oriented partnerships with Empowerment Zones and Enterprise Community Boards and economic development agencies and non-profit organizations
 - substance/alcohol abuse treatment and counseling
 - health care services
 - business development training, with the goal of establishing resident-owned businesses
 - on-site credit unions
1. **Describe your plan** for giving residents opportunities to achieve economic self-sufficiency. Provide a convincing argument that the self-sufficiency plan:
- a. demonstrates objectives that are results-oriented, with measurable goals and outcomes;
 - b. demonstrates consistency with state and local welfare reform goals;
 - c. is financially and programmatically sustainable over the long run;
 - d. is well integrated with the development process;
 - e. proposes a program that is of an appropriate scale, type, and variety of services to meet the needs of residents;
 - f. proposes resident training, self-motivation, employment, and education;
 - g. includes opportunities for economic and retail development at or near the public housing site, as appropriate;
 - h. provides commitments by service providers to provide services and/or funding;
 - i. demonstrates that relationships have been forged with local Boards of Education, institutions of higher learning, non-profit or for-profit educational institutions and public/private mentoring programs that will lead to new or improved educational facilities and improved educational achievement of children of PHA residents from birth through higher education;
 - j. identifies employers and potential employment opportunities for residents who complete self-sufficiency training: **and**
 - k. demonstrates an effective use of technology.

2. Describe the efforts you will make to ensure that **Section 3** will be enforced, both in the area of hiring residents from the HOPE VI site, and in contracting with Section 3 firms. *See Glossary.*

ATTACHMENT: **Application Data: Self-Sufficiency**

M. **Elderly and/or Disabled Programs**

This section is not applicable for Revitalization (non-Elderly) applications.

Describe how programs and activities proposed to meet the needs of elderly persons and younger individuals with disabilities will:

1. create new communities designed to meet the special needs and physical requirements of elderly persons and younger individuals with disabilities;
2. complement the overall HOPE VI revitalization strategy, if applicable;
3. address the issues of transportation, access to health care, education, security, and affordability with innovative approaches;
4. propose demonstration programs based on recent research and program innovations. Applicants are free, however, to propose programs that address the needs of elderly persons and younger individuals with disabilities in the manner most appropriate for their locality; and
5. include provisions for sustainability beyond the proposed program period.

ATTACHMENT: **Application Data: Self-Sufficiency**

N. Community Consultation and Coordination

1. Consultation and Participation

- a. Describe efforts made to ensure that residents and members of the broader community to be affected by the proposed activities have had and will continue to have full and meaningful involvement in the planning and implementation of the revitalization. Describe how residents and non-resident members of the surrounding community:
 - (1) have had the opportunity to participate in the shaping of the application;
 - (2) support the activities proposed in the submitted application,
 - (3) will have opportunities for continued involvement and participation as program activities proceed.

- b. Describe actions to:
 - (1) provide clear information about the application;
 - (2) prominently post information about the application and scheduled meetings in locations likely to attract notice; and
 - (3) post the information in adequate time to allow participants to plan to attend meetings.

ATTACHMENT: Provide evidence that at least one public meeting was held to notify residents **and members of the broader community** of the proposed activities described in this application. The meeting may be a special meeting for this purpose, or a regularly scheduled PHA board meeting. The meeting must take place subsequent to the publication of the FY 1998 HOPE VI Revitalization NOFA. Evidence must include:

- the notice announcing the meeting. In addition to other means of notification, notice must be placed in a commercial newspaper or journal which serves both the public housing project and the broader community,
- a copy of the sign-in sheet, and
- a signed and notarized copy of the meeting minutes, describing in detail the discussion regarding the proposed plan.

ATTACHMENT: Provide any letters, resolutions, or other available **documentation in support** of, or objection to, the physical component of the proposed demolition, and the revitalization and/or replacement of units.

2. **Coordination**

- a. Describe the applicants efforts to **coordinate** its proposed activities with those of other groups or organizations prior to submission in order to best complement, support, and coordinate all known activities. Discuss any changes underway or planned in the neighborhood(s) that the revitalization plan would affect. Consider any changes in:
 - (1) transportation;
 - (2) zoning;
 - (3) other revitalization activities; and
 - (4) land use.
- b. Describe the specific steps it will take to **share information** on solutions and outcomes with others if the proposed revitalization plan is funded.
- c. Describe specific steps taken or that will be taken to become active in the community's **Consolidated Planning** process (including the Analysis of Impediments to Fair Housing Choice) established to identify and address a need/problem that is related to the Revitalization Plan.
 - (1) Identify the lead/facilitating agency that organizes/administers the process.
 - (2) Identify the Consolidated Plan issue areas in which the PHA participates.
 - (3) Describe the PHA's level of participation, including active involvement in any committees.

If the PHA is not currently active in the Consolidated Planning process, describe the specific steps the PHA will take to become active. The process is comprehensive and inclusive, and the scope of activities it covers is broad enough to have links, in whole or part, directly or indirectly with public housing revitalization activities. The Department is working towards addressing needs in a holistic and comprehensive manner. *See Glossary.*

- d. Describe specific steps taken or that will be taken to **develop linkages** to coordinate comprehensive solutions through meetings, information networks, planning processes or other mechanisms. Describe your involvement in information networks, planning processes, meetings or other mechanisms with other organizations to coordinate, minimize duplication, and develop holistic solutions with:
- (1) other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan;
 - (2) civil rights organizations;
 - (3) local area agency on aging, if applicable;
 - (4) local agency serving persons with disabilities, if applicable;
 - (5) local Weed and Seed task force, if the targeted development is located in a designated Weed and Seed area;
 - (6) other Federal, State or locally-funded activities, including those proposed or on-going in the community; and
 - (7) local law enforcement agencies and the local United States Attorney.
- e. Describe any **agreements or memoranda of understanding** that are expected to be executed after award.
3. Briefly indicate any relationship between the proposed activities and a Federally-designated **Empowerment Zone**, Enterprise Community, or Urban Enhanced Enterprise Community. The SuperNOFA provides for the award of two bonus points for eligible activities/projects that are proposed to be located in an EZ or EC, serve the EZ/EC residents, and are certified to be consistent with the strategic plan of the EZs and ECs. *See Glossary.*

A Certification of Consistency with the EZ/EC Strategic Plan must be included as one of the Required Certifications and Assurances in Exhibit M.

ATTACHMENT: Provide copies of any **written agreements** or memoranda of understanding that are currently in place.

O. **Management, Partnerships, and Capacity**

1. **Property Management Plan**

- a. Describe the plan for **interim property management** of the development during the revitalization period (including plans for maintenance and security).
- b. Describe the plan for ongoing property management and operation including the proposed **type of management entity** (PHA, private, or other) to be responsible for property management, and the relationship between the applicant and the management entity.
- c. Describe **how the proposed property management will operate**, including roles and responsibilities, resident selection, rent collection, maintenance, decentralization of activities, etc. Describe functions that will be maintained on a centralized or site-based level.
- d. Describe any predicted **additional or reduced management and maintenance costs** that will result from the revitalization of the development and any off-site units.
- e. Describe how management and security plans will be **integrated** for the revitalized portions of the development, the remaining portions of the development, and off-site units, as applicable. Describe efforts to ensure that management of the development and off-site units will be **sustainable** over the long term.
- f. Describe the PHA's experience in **management and marketing**.
 - (1) Describe and evaluate the obstacles, if any, that prevented good management, as well as other problems that contributed to the severe distress of the targeted development.
 - (2) Describe how the new management plan will protect against such obstacles and problems and improve the efficiency and economy of management.
 - (3) Demonstrate a high level of capacity by describing the past experience of the PHA or a private manager in successfully managing public housing.

2. Describe the applicant's existing and proposed **operation and management principles** for the public housing units, including on-site and any off-site units. Include any assumptions made when formulating such policies. Describe how the proposed principles will accomplish all of the following goals:
 - a. achieve efficient and effective property management and maintenance through private or PHA management;
 - b. lead to a range of incomes in the targeted development including substantial numbers of working residents through effective self-sufficiency programs;
 - c. reward work and promote family stability through positive incentives such as income disregards and ceiling rents. PHAs may establish ceiling rents and may institute earned income disregards for FY 1998;
 - d. provide greater **safety and security** by:
 - (1) instituting tough screening requirements;
 - (2) enforcing tough lease and eviction provisions;
 - (3) enhancing on-going efforts to eliminate drugs and crime from neighborhoods through collaborative efforts with local law enforcement agencies and local United States Attorneys and program policy efforts such as "One Strike and You're Out," the "Officer Next Door" initiative, or the Department of Justice's "Weed and Seed" programs;
 - (4) promoting economic and demographic diversity through a system of local preferences; **and**
 - (5) encouraging self-sufficiency by including lease requirements that promote resident involvement in the tenants association, community service, self-sufficiency, self-motivation, and transition from public housing.
 - e. Describe admission and occupancy standards and practices for any **non-public housing units** to be developed, specifying differences between public housing, tax credit, and market rate units.

3. **Affirmatively Furthering Fair Housing**

See Section IV of the HOPE VI Revitalization/CIAP Application Kit for guidance in Affirmatively Furthering Fair Housing.

- a. Describe how proposed management practices will affirmatively further fair housing by:
 - (1) actively ensuring that the marketing of housing will encourage natural integration and discourage inappropriate concentrations of minorities in undesirable neighborhoods; and
 - (2) providing program activities that aid a broad diversity of eligible residents, including those that have been traditionally underserved. Describe efforts to increase community awareness in a culturally sensitive manner through education and outreach.

- b. Describe the specific steps that will be taken to:
 - (1) address the elimination of impediments to fair housing that were identified in the jurisdiction's Analysis of Impediments (AI) to Fair Housing Choice;
 - (2) remedy discrimination in housing; or
 - (3) promote fair housing rights and fair housing choice.

4. **PHA Staffing**

Describe how the PHA intends to manage the redevelopment process.

- a. Identify and describe the qualifications of the PHA staff member that is designated or qualifications of person expected to be hired as **HOPE VI Coordinator**. The HOPE VI Coordinator will be the official contact person for the HUD Grant Manager, and will coordinate all parties involved in program activities, including the PHA's financial office and the resident self-sufficiency program. DO NOT submit resumes.
- b. Demonstrate that the applicant has **sufficient personnel**, or has a solid plan to procure partners expeditiously to implement the revitalization plan in a timely and effective fashion after grant award. If the PHA's PHMAP score has been low during the past five years, describe how capacity will be enhanced to support a major undertaking through increased staff and/or public private partnerships.
- c. Describe the proposed **balance of oversight and autonomy** in the use of partners and/or contractors.
- d. For any HOPE VI **funding received in previous years**, describe progress made through the grant's expenditure rate and achievement of program objectives:
 - (1) State any previously-awarded HOPE VI grant, date of award, amount of award, and detail project status. Explain the cause of any and all delays in implementation and describe efforts to get back on schedule. Indicate the amount of any unspent funds and explain why those funds have not been disbursed.
 - (2) Summarize the PHA's most recent fiscal audit and any outstanding HUD monitoring findings.
- e. Describe the applicant's managerial experience with **resident initiatives**.

ATTACHMENT: Submit a **Staffing and Time Allocation Plan** that sets forth the PHA staff positions (and names, to the extent available) responsible for implementing each aspect of the Revitalization Plan and the percentage of each staff member's time to be spent administering the program. The staffing plan also must indicate roles, and responsibilities of each staff member.

ATTACHMENT: Provide an **organizational chart** that indicates the relationships among PHA staff and between the PHA and its prospective partners.

5. **Development Team**

HUD does not require that the applicant have its program manager and/or developer selected prior to submission of the application, although the PHA may elect to do so. Rather, the PHA must demonstrate its capacity or its ability to identify needs in its current staffing to successfully implement its program, and/or describe in detail its proposed method for securing a program manager and/or development partner to implement the plan.

a. **Development Team Capacity**

Describe the extent to which the applicant and/or its proposed partners have knowledge and recent successful experience in planning, implementing, adapting, and managing:

- (1) revitalization activities;
- (2) self-sufficiency programs, both during the multi-year period of the grant and after all grant funds have been expended;
- (3) supportive services for the elderly, if applicable; and
- (4) other programs similar in scope to the proposed activities.

b. **Program Manager**

Describe how the applicant has begun to assemble a competent implementation team by initiating procedures to form a partnership with (for mixed finance developments) or procure a qualified program manager who will assist the applicant in implementing the grant. The program manager will negotiate with the applicant's partners and collaborators and coordinate all phases of the development process. Program management services must be provided by an independent private entity unless otherwise authorized in writing by HUD. If PHAs elect to choose program managers prior to application submission, PHAs must adhere to Federal procurement regulations at 24 CFR 85.36 using Requests for Proposals with price as a factor.

c. **Partners**

PHAs need not identify development partners prior to application submission and they are advised not to enter into such relationships precipitously. Procurement of development partners must be done in accordance with 24 CFR 941 subpart F, which allows for procurement based on qualifications, where price may be negotiated separately. If any partners have already been procured, describe them fully, including:

- (1) the nature of the organization;
- (2) qualifications of key staff;
- (3) the respective responsibilities and obligations of each party;
- (4) the proposed financial relationship (i.e., the basis and source of compensation to nonapplicant parties and their compensation); and
- (5) the procurement process used to select the partner or provider.

d. **Other Professional Consultants**

Identify any Professional Consultant entity that is proposed to provide technical assistance, and describe proposed method of procurement. If PHAs elect to choose other consultants prior to application submission, PHAs must adhere to Federal procurement regulations at 24 CFR 85.36 using Requests for Proposals with price as a factor.

ATTACHMENT: Identify and provide any **commitments from potential partners** to participate in the revitalization.

ATTACHMENT: If a developer has been selected in accordance with proper procurement procedures, include a written **commitment by the developer** stating his or her experience in developing, constructing, and managing the proposed activities in this application.

P. Program Resources and Financing

1. Program Costs

Describe how the cost estimates of program activities:

- a. are **sustainable**, i.e., plans to maintain programs on a long term basis, given the resources projected to be available for the development;
- b. were developed through the use of technically competent methodologies;
- c. represent a cost-effective plan for designing, organizing, and carrying out the proposed activities; and
- d. are reasonable for the work to be performed and consistent with rates established for the level of expertise required to perform the work in the proposed geographic area.

ATTACHMENT: **HOPE VI Budget:** Provide the proposed HOPE VI budget on form HUD-52825-A, parts I and II.

ATTACHMENT: **Grant Limitations Worksheet**

2. **Feasibility and Reasonableness**

Applicants must demonstrate that the cost of the proposed activities are reasonable relative to the cost of providing section 8 tenant-based assistance. To make this demonstration, provide the cost analysis by submitting the calculation and supporting narrative following the format below. A spreadsheet has been developed to assist in the calculation of these costs. (Use of this spreadsheet is optional.) Attached is an example of the cost comparison and a blank spreadsheet for your use. Although you may attach your completed spreadsheet, it is not required.

- a. **Modernization/Development Costs.** What is the full capital cost of the proposed revitalization plan? (Show demolition costs separately). What is the source of the estimate used? The proposed cost must be amortized over twenty years, unless the revitalization would be equivalent to new construction, in which case the proposed cost can be amortized over thirty years.
- b. **Accrual Costs.** What are the estimated accrual costs associated with this property? Estimate the monthly per occupied unit cost of accrual (i.e., replacement needs) by using the latest published HUD unit TDC limits for the area and applying them to the development's structure type and bedroom distribution after modernization, then subtracting from that figure half the per-unit cost of modernization, then multiplying that figure by .02 (representing a fifty year replacement cycle), and dividing this product by 12 to get a monthly cost.
- c. **Operating Cost.**
 - (1) Show the projected operating costs (PUM) for the revitalized property. Estimates should reflect post-revitalization structure types, condition, occupancy, and management structure. Costs must include PILOT or some comparable payment, and an allowance for any utilities paid directly by tenants.
 - (2) Justify the cost elements identified above. Use comparisons to comparable properties where appropriate.
 - (3) Compare projected costs to current costs using:
 - (a) development level costs if the PHA has reliable operating costs and the overall vacancy rate is less than twenty percent, or
 - (b) PHA wide data if the development currently lacks reliable cost data or has an overall vacancy rate twenty percent or higher.

(See the sample spreadsheet for the formula). If projected costs are more than 10 percent below current costs, provide a detailed justification for this difference.

- d. **Voucher Cost.** Estimate voucher costs based on current FMRs, proposed bedroom distribution, administrative fee, and the amortized cost of demolition and relocation. Demolition and relocation costs are capped at 10 percent of TDC and are amortized by dividing by 180.
- e. **Cost Comparison Result.** Do public housing costs (sum of development, accrual, and operating) exceed the costs of a housing voucher?

OPTIONAL
ATTACHMENT

Section 8 Cost Comparison Spreadsheet

COST COMPARISON EXAMPLE

A revitalized development has 1000 occupied units. All of the units are in walkup buildings. The 1000 occupied units will consist of 500 two-bedroom units and 500 three-bedroom units. The total current operating costs attributable to the development are \$300,000 per month in non-utility costs, \$100,000 in utility costs paid by the PHA, and \$50,000 in utility allowance expenses for utilities paid directly by the tenants to the utility company. Also, the modernization cost for revitalization is \$60,000,000, or \$60,000 per occupied unit. This will provide standards for viability but not standards for new construction. The cost of demolition of the 1000 occupied units is \$5 million, or \$5000 per unit, based on recent experience.

Key Data, Area: The unit total development cost limit is \$70,000 for two-bedroom walkups and \$92,000 for three-bedroom walkups. The two-bedroom Fair Market Rent is \$600 and the three-bedroom Fair Market Rent is \$800. The applicable monthly administrative fee amount, in column C of the January 24, 1995 Federal Register Notice, is \$46.

Preliminary Computation of the Per-Unit Average Total Development Cost of the Development:

This results from applying the location's unit total development cost by structure type and number of bedrooms to the occupied units of the development. In this example, five hundred units are valued at \$70,000 and five hundred units are valued at \$92,000 and the unit-weighted average is \$81,000.

CURRENT PER UNIT MONTHLY OCCUPIED COSTS OF PUBLIC HOUSING

\$333 Amortized Modernization Cost (\$60,000 per unit divided by 180 for standards less than those of new construction)

85 Estimated Accrual Cost (the per-unit average total development cost minus half of the modernization cost per unit, times .02 divided by 12 months: in this example, \$51,000 times .02 and then divided by 12)

450 Operating Cost (total monthly costs divided by occupied units: in this example, the sum of \$300,000 and \$100,000 and \$50,000 -- divided by 1,000 units)

\$868 Total per unit Public Housing Costs

CURRENT PER UNIT MONTHLY OCCUPIED COSTS OF SECTION 8

\$700 Unit-weighted Fair Market Rents (the unit-weighted average of the Fair Market Rents of occupied bedrooms: in this example, 500 times \$600 plus 500 times \$800, divided by 1000)

46 Administrative Fee

28 Amortized Demolition Cost (\$5000 per unit divided by 180)

\$774 TOTAL PER UNIT SECTION 8 COSTS

3. **Market Analysis**

ATTACHMENT: Provide a **Market Analysis** which demonstrates that there is a demonstrated considerable market for the revitalized and/or replacement units of the type and size proposed. It should describe the marketability and long term feasibility of the proposed development and its compatibility with the surrounding community(ies). Ideally, and particularly where the feasibility may reasonably be in doubt (e.g. where middle-income homeownership is proposed in a currently low-income neighborhood), the analysis should be prepared by an arm's length third party with acknowledged expertise and experience in the field, and should include anticipated costs of units, compatibility of unit types, market conditions and demand, market values of homes and rental rates by type and bedroom size, and services immediately available (or proposed to be available) to public housing residents and the community at large. The analysis should be covered with a one-page summary written in such a way that residents and community members are able to understand its conclusions.

4. **Program Resources**

Although not a HOPE VI program requirement, to be competitive an applicant must secure additional resources for the proposed activities which can be combined with HUD's program resources to carry out program purposes. Resources may include financial contributions such as grants, loans, equity, and/or other types of financing. Resources may also include in-kind contributions such as staff, supplies, or municipal or county government services and infrastructure. PHAs should actively enlist other stakeholders who are vested in the revitalization effort. Such organizations may include:

- public and private non-profit and for-profit entities with experience in the development and/or management of low- and moderate-income housing
- organizations skilled in the delivery of services to residents of public housing
- educational institutions
- foundations
- banks
- low-income housing tax credit syndicators
- State housing finance agencies
- Welfare departments, Private Industry Councils, Departments of Transportation, Police, Boards of education, etc.
- charitable, fraternal, and business organizations
- individual employers

If a PHA is also a redevelopment agency or otherwise has citywide responsibilities, HUD will consider the city's redevelopment or other functional area to be a separate partner with which the housing authority function is partnering, where appropriate.

Program Resources Narrative:

- a. Describe how the proposed revitalization activities will be financed, taking into account the HOPE VI grant and all other sources of funds that will be made available to the applicant.
- b. Describe how the infusion of HOPE VI dollars will leverage additional resources after grant award, including municipal or county funds, charitable contributions, private debt and equity, and other resources which may not have a dollar value but are critical to the successful transformation of the development and the lives of its residents.

ATTACHMENT: Provide, as evidence of leveraging and partnerships, letters of commitment, memoranda of understanding, agreements to participate, or letters of support. Commitments should be as firm as possible. Where firm commitments are not possible, describe the reasons for the limitations and steps necessary to secure firm commitments.

All such documentation must include the organization's name, proposed level of commitment, and proposed responsibilities as they relate to the revitalization plan. Each commitment must be signed by an official of the organization legally authorized to make commitments on behalf of the organization.

ATTACHMENT: **Application Data: Sources and Uses**

Q. Program Implementation Schedule

No narrative is required for this exhibit.

Each Grantee will be held to strict schedules and performance measures. HUD requires Grantees to secure partners, execute construction contracts, and complete construction within the specified period listed below. Once the revitalization has commenced, each Grantee will also be held to interim performance goals. Failure to obligate construction funds within the timeframes designated in the Grant Agreement may result in the withdrawal of grant funds. HUD will take into consideration those delays caused by factors beyond the control of the Grantee when enforcing these schedules.

ATTACHMENT:

Provide a detailed program implementation schedule for the HOPE VI grant. To assist applicants in the completion of the schedule, the following is a list of time limits as provided in the HOPE VI Grant Agreement:

1. A Grantee must enter into a binding General Contractor (GC) Contract within 18 months from the date of HUD's execution of the Grant Agreement. In no event may this time period exceed 24 months from the date the Grant Agreement is executed.
2. A Grantee must complete construction under the GC Contract within 48 months from the date of HUD's execution of the Grant Agreement. In no event may the time period for completion exceed 54 months from the date the Grant Agreement is executed.

R. Innovation and Replication

1. Innovation

Describe the extent to which the revitalization plan proposes innovative approaches to public housing transformation. Conventional approaches should be reserved for HUD's formula-based capital programs. Describe efforts to design forward-thinking programs that incorporate the most current, sound research on:

- a. planning;
- b. implementation;
- c. financing;
- d. partnerships;
- e. property management;
- f. operation of public housing;
- g. self-sufficiency and education programs (if applicable);
- h. programs for the elderly and disabled (if applicable);

2. Replication

Describe the potential of the proposed plan to yield innovative strategies or "best practices" that can be replicated and disseminated to other organizations, including nonprofit organizations, State and local governments.

S. Homeownership

For homeownership units included in the Revitalization Plan, after award Grantees will be required to submit a Homeownership Plan meeting the requirements:

1. of Section 5(h) of the 1937 Act and the implementing regulations at 24 CFR part 906 (or as otherwise approved by HUD);
2. which are essentially the same as the eligibility requirements established for the Nehemiah Program under sections 603-607 of the Housing and Community Development Act of 1987, to be approved by HUD; or
3. under the HOPE III (24 CFR part 572) Program.

If a Grantee intends to offer replacement housing payments to HOPE VI affected residents so they can purchase a private home on the open market, with or without a HOME grant, it will describe this option in detail in its Relocation Plan.

If a Grantee intends to use Public Housing funds to provide silent/soft second mortgages in order to help public housing-eligible families achieve homeownership, it must describe how the program will work, the financing, future repayment of the PH funds, and how many families will be assisted in its Homeownership Plan.

Describe plans for any homeownership units to be included in the Revitalization plan, and delineate the number of units planned to be sold under the Section 5(h), Nehemiah, and/or HOPE III Programs. Also describe any market-rate homeownership units planned, sources and uses of funds. Describe the relationship between the HOPE VI activities and costs and the development of homeownership units, both public housing and market rate.

T. HOPE VI REVITALIZATION CERTIFICATIONS

THE FOLLOWING SUBMISSIONS ARE ALL ATTACHMENTS:

1. 213 Letter

The law requires applicants to submit a **letter from the Chief Executive Officer (CEO)** of the unit of general local government in which the project is located, stating that the CEO has reviewed the application and whether there are any objections to the application. This requirement is based on Section 213 of the Housing and Community Development Act of 1974 (see 24 CFR 791.303 for specific requirements). If the CEO has no objections to the applications, submit the following letter:

(Date)

I, (name), CEO for (unit of local government) have reviewed the HOPE VI Revitalization application submitted by (applicant name) and have no objections to the application.

(signature of CEO)

If the CEO has objections the letter must specify the objections.

2. PHA Board Resolution for Submission of HOPE VI Revitalization Application

Form HUD-52820-A must be signed by the Chairman of the Board of the PHA just as it appears in the application kit. **DO NOT RETYPE THIS FORM.**

THE FOLLOWING CERTIFICATIONS AND ASSURANCES ARE LOCATED IN SECTION III OF THE HOPE VI REVITALIZATION/CIAP APPLICATION KIT:

3. Assurances - Construction Programs (SF 424D)
4. Certification of Consistency with the EZ/EC Strategic Plan
5. Certification of Consistency with the Consolidated Plan
6. Certification Regarding Debarment and Suspension
7. Certification for a Drug-Free Workplace (Form HUD-50070)
8. Certification of Payments to Influence Federal Transactions (HUD-50071)
9. Disclosure of Lobbying Activities (Form SF-LLL)
10. Recipient Disclosure/Update Report (Form HUD 2880)

HOPE VI REVITALIZATION GRANT LIMITATIONS WORKSHEET

1. Maximum dollar amount for demolition and new construction, calculated separately for Replacement Units and for existing public housing units to be substantially rehabilitated (including reconfigurations):

A. Calculation of maximum grant for Replacement Public Housing Units (On- or off-site)

- (1) Total number of proposed PH Replacement Units _____
- (2) Sum of TDCs (**at 100%** w/o 6% trend) for these units \$ _____
- (3) Amount requested by PHA for Replacement Units \$ _____

B. Calculation of maximum grant for Substantially Rehabilitated Units

- (1) Total number of proposed rehab units (Use number of "after rehab" units rather than pre-rehab, if different) _____
- (2) Sum of TDCs (**at 90%** w/o 6% trend) for these units \$ _____
- (3) Amount requested by PHA for Rehabilitated Units \$ _____

C. Calculation of maximum grant for Demolition and Construction

- (1) Limit for Replacement units (lesser of 1.A(2) or 1.A(3)) \$ _____
- (2) Limit for Rehabilitated units (lesser of 1.B(2) or 1.B (3)) \$ _____
- (3) Sum of two Limits \$ _____

2. Maximum amount that a PHA can request for community and supportive services programs or services to assist the elderly and persons with disabilities. The limit is **\$5,000 per unit**.

- A. Number of currently occupied units _____ x \$5,000 = \$ _____
- B. Number of new households that are expected to occupy public housing units after revitalization _____ x \$5,000 = \$ _____
- C. Sum of lines A and B \$ _____
- D. Amount requested by PHA \$ _____
- E. Limit for Community and Supportive Services Programs (Lesser of lines 2.C or 2.D) \$ _____

3. A PHA may not request more than \$35 million for one or two Revitalization applications. While PHAs may receive Revitalization grants of up to \$35 million, that amount plus any previously-received HOPE VI funds may not violate the per unit limitations.

A. Revitalization application for: _____

(1)	Demolition and Construction cost (Amount on line 1.C(3))	\$ _____
(2)	Community and Supportive Services cost (Amount on line 2.E)	\$ _____
(3)	Total of allowable costs for this application	\$ _____

B. If applicant is submitting two separate Revitalization applications under this NOFA:

Revitalization application for: _____

(1)	Demolition and Construction cost (Amount on line 1.C(3))	\$ _____
(2)	Community and Supportive Services cost (Amount on line 2.E)	\$ _____
(3)	Total of allowable costs for this application	\$ _____

C. DETERMINATION OF MAXIMUM FUNDABLE REVITALIZATION GRANT AMOUNTS

(1)	Total allowable costs for applicant (Lines 3.A(3) + 3.B(3))	\$ _____
(2)	Maximum Revitalization amount possible under the NOFA	\$35,000,000
(3)	MAXIMUM FUNDABLE REVITALIZATION AMOUNT (Lesser of lines 3.C(1) or 3.C(2))	\$ _____

4. An application for an Elderly Housing grant cannot exceed \$5 million.

II. FY 1998 CIAP APPLICATION

GENERAL INFORMATION

A. CIAP PROGRAM OBJECTIVES

The Comprehensive Improvement Assistance Program (CIAP) provides funds to Public Housing Agencies (PHAs) to enable them to improve the physical condition and to upgrade the management and operations of existing public housing developments to assure their continued availability for low-income families.

B. APPLICANT ELIGIBILITY

PHAs with less than 250 units are eligible to compete for the funds assigned to the Field Office in their jurisdiction.

C. CHANGES IN THE FY 1998 CIAP NOFA

1. The FY 1998 Appropriations Act did not continue the expanded eligible activities that could be funded under Section 14(q), with prior HUD approval. These activities include: new construction or acquisition of additional public housing units, including replacement units; modernization activities related to the public housing portion of housing developments held in partnership or cooperation with non-public housing entities; other activities related to public housing, including activities eligible under the Urban Revitalization Demonstration (HOPE VI), such as community services; and operating subsidy purposes (not to exceed 10 percent of the grant amount). Therefore, funds approved under this NOFA, i.e., FY 98 funds, may not be used for the above purposes.
2. In order to ensure consistency among HUD's various competitive programs, the Technical Review Factors have been modified so that similar factors are applicable to all programs.
3. The bonus points previously provided if a PHA demonstrated that it had, over the past 12 months, displayed creative approaches for providing visitability throughout its housing inventory, has been eliminated. However, this information should be provided in the PHA's narrative description under Factor 3: Soundness of Approach.
4. The maximum number of points to be awarded for factors used to evaluate and rate applications is 102.
5. Two bonus points will be awarded for eligible activities that are proposed to be located in federally designated Empowerment Zones, Supplemental Empowerment Zones, Enterprise Communities and Enhanced Enterprise Communities, and which activities contribute to, and are consistent with, the implementation of the strategic plan of these EZs and ECs.

6. PHAs must obligate approved funds within two years and expend all funds within three years of program approval (Annual Contributions Contract (ACC) Amendment execution) unless a longer implementation schedule (Part III of the CIAP Budget) is approved by the Field Office due to the size or complexity of the program. However, HUD strongly encourages the minimum amount of time feasible for program completion and contends that an 18 month timeframe for fund obligation is generally reasonable for most experienced PHAs. A strong justification must be presented to go beyond the 18 month timeframe.

D. APPLICATION SUBMISSION INSTRUCTIONS

1. Application Organization

The CIAP application is made up of a series of narratives and attachments that address each of the five technical review factors in Section III(B) of the CIAP NOFA. The thoroughness in which you address each factor will impact your score for that factor and increase the competitiveness of your application. All narrative pages must be numbered sequentially. The Attachments will include such documents as letters of support, certifications, photographs, and other illustrative materials.

2. Application Submission

The deadline date for receipt of HOPE VI applications is June 29, 1998. Send an original copy to the appropriate HUD Field Office HUB, to the attention of the Director of the Office of Public Housing. No copies are to be sent to HUD Headquarters. See the General Section of the SuperNOFA for specific instructions regarding procedures governing the form of application of submission (e.g., mailed applications, express mail, overnight delivery, or hand carried). It is recommended that applications be placed with an overnight delivery carrier on the Friday before the due date to ensure timely delivery.

E. INSTRUCTIONS FOR COMPLETING THE SF-424

The SF-424 provides HUD with essential information about the applicant and the proposed activities. It is imperative that the completed form is placed on the top of your application.

IT IS VERY IMPORTANT THAT YOU FOLLOW THE FOLLOWING SPECIFIC INSTRUCTIONS WHEN COMPLETING THE SF-424; DO NOT RELY ON THE INSTRUCTIONS ON THE BACK OF THE FORM OR COMMON SENSE. The following instructions are those particular to the CIAP Program.

1. Pre-filled.
2. Enter the date the PHA is submitting the application to HUD. Enter the Housing Authority Code as the Applicant Identifier. The code has a state abbreviation and three digits: e.g., FL-003.
- 3, 4. Leave blank.
5. Enter the legal name of the Housing Authority. Leave the Organizational Unit box blank, unless the PHA is a division of a municipal government or other agency. Provide the street address of the PHA and the requested information for the person who is most familiar with the application. Be sure to include the fax number.
6. Enter the Taxpayer Identification Number assigned by the Internal Revenue Service.
- 7-9. Pre-filled.
10. The CIAP CFDA Number is 14.852.
11. Enter a brief description of proposed activities.
12. Enter the name of the unit of general local government in which the development(s) is located and the name of the neighborhood or area of town.
13. Leave Blank.
- 14a. Enter the number of the Congressional District in which the PHA offices are located.
- 14b. Enter the number of the Congressional District in which the affected development is located.
15. Leave Blank.
- 16 & 17. See instruction page on back of form.
18. An authorized representative of the PHA must sign and date the SF-424 at the bottom. A copy of the governing body's authorization to sign this application as official representative must be on file in the applicant's office.

F. CIAP APPLICATION CHECKLIST

This list of application narratives and attachments is provided to assist applicants in ensuring that all required elements of an application are included. Applicants are encouraged to use it as a Table of Contents for their completed applications.

SF-424

Exhibit A: CIAP Application (Form HUD-52822)

Exhibit B: Narrative Statement Addressing Rating Factors

Factor 1: Capability of the Applicant and Relevant Organizational Experience

Attachment: Organizational Chart

Factor 2: Need/Extent of the Problem

Optional

Attachment: Photographs or video cassettes showing the physical condition of the developments.

Factor 3: Soundness of Approach

Factor 4: Leveraging Resources

Attachment: Letters of Commitment

Factor 5: Comprehensiveness and Coordination

Exhibit C: PHA Approval of CIAP Applicant Certifications (Form HUD-52820-C)

Exhibit D: Required Certifications and Assurances:

Assurances - Construction Programs (SF 424D)

Certification of Consistency with the EZ/EC Strategic Plan

Certification Regarding Debarment and Suspension

Certification for a Drug-Free Workplace (Form HUD-50070)

Certification of Payments to Influence Influence Federal Transactions (HUD-50071)

Disclosure of Lobbying Activities (Form SF-LLL)

Recipient Disclosure/Update Report (Form HUD 2880)

Acknowledgement of Receipt

CIAP APPLICATION REQUIREMENTS

G. CIAP APPLICATION (FORM HUD-52822)

H. NARRATIVE STATEMENT

Carefully read and thoroughly address each of the five rating factors as described in Section III.B of the CIAP NOFA. Suggestions are given below for information that may be provided to address each factor. However, the thoroughness with which you address each factor will impact your score for that factor and increase the competitiveness of your application.

1. Capability of the Applicant and Relevant Organizational Experience (20 Points)

- a. Describe the status of open CIAPs, including the amount of the original grant(s), the amount of that grant(s) currently obligated and expended.
- b. Provide the PHA's most recent overall PHMAP score and its score on Indicator #2-Modernization.
- c. If the PHA has been issued a Corrective Action Order (CAO), provide a status report on its progress in addressing the concerns that necessitated the CAO.
- d. Summarize any outstanding audit findings or HUD monitoring findings, where applicable, and the PHA' action taken or proposed to resolve those findings.
- e. If the application is solely for emergency work items, describe the PHA's methodology for ensuring that the work will be completed within one year of funding.

ATTACHMENT Provide an organizational chart describing the staffing for carrying out the proposed activities.

2. **Need/Extent of the Problem** (20 Points)

The PHA must thoroughly evaluate its physical and management improvement needs and maintain adequate documentation on file, for HUD review upon request. In evaluating the physical needs of a development, the PHA is encouraged to consider design changes that facilitate the integration of the public housing development into the broader community. (Refer to Section II(B) of the CIAP NOFA).

- a. If your proposed activities are covered under the Consolidate Plan and Analysis of impediments, identify these documents as a data source for determining need.
- b. If the above does not apply, identify sources used to document/support the need for the proposed activities. Examples of such sources include but are not limited to: work order request, HUD and/or Corp of Engineers physical inspection reports, citations for code violations, energy audits, resident surveys etc.
- c. Describe major problems as to physical condition, as indicated by such factors unit uninhabitability, design deficiencies.
- d. Describe work required to correct emergency conditions, such as structural deficiencies, major systems deficiencies.

NOTE: Emergency work is defined as physical work items of an emergency nature, posing an immediate threat to the health or safety of residents, which must be completed within one year of funding. Management improvements are not eligible as emergency work.

- e. Describe work necessary for compliance with 504 and/or ADA and to meet statutory mandates or compliance with a court order or voluntary compliance agreement.
- f. Provide the dollar amount of CIAP funding spent at a development for which funding is being requested, over the preceding three years. Explain why the additional funding is necessary and provide assurances that the funding requested in the application will not duplicate work items already funded.
- g. Provide the overall PHA vacancy rate and the rate of vacancies for the development(s) for which funding is being requested.
- h. Describe any proposed energy conservation measures. Are the items supported by data in a recent energy audit.
- i. Identify management deficiencies identified on the basis of a PHMAP review and how the dollars/management improvement work item in this application will address those deficiencies.

- j. Describe resident initiatives activities that will promote the goal of "welfare to work."
- k. If management improvements are proposed to combat crime at a development or PHA-wide, provide crime statistics for the surrounding area and a comparison with the crime level in the development(s).

ATTACHMENT:
(OPTIONAL) The PHA may submit photographs or video cassettes showing the physical condition of the developments and/or management improvement needs.

3. **Soundness of Approach** (40 Points)

- a. Describe any design changes that promote integrating the public housing development, for which funding is being requested, into the broader community.
- b. Describe the PHA's actions over the past 12 months for providing visitability throughout its inventory.
- c. Describe the PHA's methodology for completing the proposed work items, i.e., by bidding a general contract, use of a construction manager, by force account, etc.
- d. Describe the method used to determine cost estimates, e.g., past construction experience, Marshall Swift, etc.
- e. Where more than one work item will be completed at a development, provide assurance that the work will be sequenced and coordinated in a manner that will maximize dollars and avoid waste.
- f. Describe any innovative work proposed that could be transferrable to other PHAs.
- g. Describe any activities that will affirmatively further fair housing for protected classes under the Fair Housing Act and assist or result in a community taking appropriate action to overcome the effects of any impediments in the Analysis of Impediments to Fair Housing Choice.
- h. Describe how the PHA will meet the desired goal of obligating approved funds within 18 months. If a longer timeframe is required, provide justification to support additional time.
- i. Describe how the activity will support and further one or more of the following Departmental policy priority areas:
 - (1) promoting healthy homes;
 - (2) providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs;
 - (3) enhancing on-going efforts to eliminate drugs and crime from neighborhoods through program policy efforts such as "One Strike and Your Out" or the "Officer Next Door" initiative;
 - (4) providing educational and job training opportunities through such initiatives as Neighborhood Networks, Campus of Learners and linking to AmeriCorps activities.

4. **Leveraging Resources** (10 Points)

Describe other resources that will supplement the activities in the proposed request, either funding resources or in-kind contributions, if any.

ATTACHMENT: Provide letters of commitment, as applicable, from individuals or organizations that will provide additional resources to compliment or supplement the work being requested, if applicable.

5. **Comprehensiveness and Coordination** (10 Points)

Consultation with residents and local government officials is a requirement under the CIAP. The PHA must establish a Partnership Process to ensure that residents are afforded the opportunity to participate in the planning, implementation and monitoring of the activities proposed in the application. Consultation with local officials is required to coordinate the PHA's proposed activities with any local plans for neighborhood revitalization. (Refer to Section II(F) of the CIAP NOFA).

- a. Describe the involvement of residents in the CIAP and the overall PHA operation.
- b. Describe in a narrative the specific steps the PHA took to identify and coordinate with other organizations to complement and/or support your proposed activities, e.g., supportive services agencies, resident groups.
- c. Describe the PHA's involvement in your community's Consolidated Planning process, if applicable. Include in your narrative:
 - (1) an identification of the lead/facilitating agency that organizes/administers the process;
 - (2) an identification of the Consolidated Plan issue areas in which the PHA participates;
 - (3) the PHA's level of participation, including active involvement in any committees.
 - (4) If your organization is not currently active, consult your local HUD State or Area Office for the identification of the Consolidated Plan community process for your area. The process is comprehensive and inclusive, and the scope of activities it covers is broad enough to have links, in whole or part, directly or indirectly with your organization's proposed NOFA activities. The Department is working towards addressing needs in a holistic and comprehensive manner. To include your organization:
 - (a) Describe the specific steps your organization will take to become active in the process.
 - (b) Describe the role of the residents and/or local government in planning the work items proposed in the application.
 - (c) Provide residents' and/or local government's comments on the proposed modernization and the PHA's response, if applicable.
 - (d) Describe the role of residents in implementing the program.

I. PHA APPROVAL OF CIAP APPLICANT CERTIFICATIONS

ATTACHMENT: Form HUD-52820-C must be signed by the Executive Director of the PHA, just as it appears in the application kit. **DO NOT RETYPE THIS FORM.**

CIAP REVIEW AND FUNDING PROCEDURES

J. COMPLETENESS REVIEW/PHA CORRECTIONS TO DEFICIENT APPLICATIONS

Upon receipt of the application, the FO will perform a completeness review to determine that the application is complete, responsive to the NOFA and acceptable for technical processing.

1. An application that does not contain Form HUD-52822, CIAP Application, or a narrative statement on each of the five technical review factors, will be ineligible for further processing. The FO shall immediately notify the PHA in writing that it is ineligible for further processing.
2. Certain deficiencies, such as a missing signature, which are not of such a nature as to improve the competitive position of the application, are considered curable, and the PHA will be given an opportunity to correct the deficiency. The FO shall immediately notify the PHA in writing of the deficiencies and provide a deadline for submission of additional information to correct the specified deficiency.
3. Refer to Section V of the SuperNOFA for more details.

K. HUD ELIGIBILITY REVIEW

1. After the CIAP Application has been determined to be complete and accepted for review, the OPH shall immediately request the Office of Fair Housing and Equal Opportunity (FHEO) to identify whether any PHAs submitting CIAP Applications have equal opportunity-related problems. After appropriate consultation with staff and review of its files, FHEO shall identify each PHA by the following categories and provide any other relevant information to the OPH within the requested time frame:
 - a. There are no known equal opportunity-related problems; or
 - b. There are known equal opportunity-related problems.
 - c. Where the PHA has not complied with FHEO requirements as evidenced by an enforcement action, finding or determination, the PHA is eligible for processing only for Emergency Modernization or work needed to remedy civil rights deficiencies -- unless the PHA is implementing a voluntary compliance agreement or settlement agreement designed to correct the area(s) of noncompliance. The enforcement actions, findings or determinations that trigger limited eligibility are described in paragraphs (1) through (5) below:

- (1) A pending proceeding against the PHA based upon a Charge of Discrimination issued under the Fair Housing Act. A Charge of Discrimination is a charge under section 810(g)(2) of the Fair Housing Act, issued by the Department's Assistant Secretary for FHEO or legally authorized designee;
 - (2) A pending civil rights suit against the PHA, referred by the Department's Assistant Secretary for FHEO and instituted by the Department of Justice;
 - (3) Outstanding HUD findings of PHA noncompliance with civil rights statutes and executive orders under 24 CFR part 5 and 24 CFR 968.110, or implementing regulations, as a result of formal administrative proceedings;
 - (4) A deferral of the processing of applications from the PHA imposed by HUD under Title VI of the Civil Rights Act of 1964 and HUD implementing regulations (24 CFR 1.8), the Attorney General's Guidelines (28 CFR 50.3), and procedures (HUD Handbook 8040.1), or under section 504 of the Rehabilitation Act of 1973 and HUD implementing regulations (24 CFR 8.57); or
 - (5) An adjudication of a violation under any of the authorities specified in 24 CFR part 5 and 24 CFR 968.110 or In a civil action filed against the PHA by a private individual.
- d. If a PHA is in noncompliance with FHEO requirements, the OPH shall inform Headquarters and request a final eligibility determination.
2. a. After all CIAP applications have been reviewed to determine eligibility for further processing, the FO shall then determine an application's eligibility for Group 1, Emergency Modernization or for Group 2, Other Modernization.

GROUP 1- Emergency Modernization: Applications that request funds for work items of an emergency nature to correct conditions that pose an immediate threat to the health or safety of residents or are related to fire safety that must be corrected within one year of CIAP funding, are grouped in this category.

GROUP 2 - Other Modernization: Applications that request funding for physical work items that the FO determines are necessary and sufficient to extend substantially the useful life of a development and/or management improvements, are grouped in this category.

- b. A PHA that has been designated as Troubled under 24 CFR part 901, Public Housing Management Assessment Program (PHMAP) is eligible for Emergency Modernization only, unless it is making reasonable progress toward meeting the performance targets established in its memorandum of agreement or equivalent under 24 CFR 901.140 or has obtained alternative oversight of its management functions. The FO shall make this determination and document its files.
- c. A PHA that has been designated as Modernization Troubled under 24 CFR part 901, PHMAP is eligible for Emergency Modernization only, unless it is making reasonable progress toward meeting the performance targets established in its memorandum of agreement or equivalent under 24 CFR 901.140 or has obtained alternative oversight of its modernization functions. Where an PHA does not have a funded modernization program in progress, the Field Office shall determine whether the PHA has a reasonable prospect of acquiring modernization capability through hiring staff or contracting for assistance. The FO shall this determination and document its files.

L. HUD TECHNICAL REVIEW

- 1. After categorizing the eligible PHAs and their developments into Group 1 and Group 2, the Field Office shall forward a list of all PHAs in Group 2 and the narrative statement for Factor 5: Comprehension and Coordination, to the Secretary's Representative, who shall score technical review Factor 5.
- 2. The Field OPH shall review and rate each Group 2 PHA on each of the remaining technical review factors in Section III(B) of the CIAP NOFA. With the exception of the technical review factor of "extent and urgency of need," a Group 2 PHA is rated on its overall PHA application and not on each development. For the technical review factor # 2 "need/extent of the problem", each development for which funding is requested in the CIAP Application by a Group 2 PHA is scored; the development with the highest priority needs is scored the highest number of points, which are then used for the overall PHA score on that factor.
- 3. The Field Office shall document the technical review, as follows:
 - a. For each PHA/development in Group 1, a brief justification of the emergency work item, the PHA-requested amount, the Field Office-recommended amount, and the cumulative Field Office-recommended amount; and
 - b. A listing of each PHA in Group 2 in descending order by total score. For each PHA, a brief explanation of the work, the PHA-requested amount, the Field Office-recommended amount, and the cumulative Field Office-recommended amount. PHAs with lower ranking applications, but with high priority needs and PHAs in FHEO noncompliance affect the selection process and, therefore, should be identified.

M. HUD SELECTIONS FOR JOINT REVIEW

1. Determination of On-Site/Off-Site: For each PHA, the Field Office shall determine whether the Joint Review will be conducted on-site or off-site (e.g., by telephone or in-office meeting), based on its knowledge of the PHA and the proposed physical and management improvements.
2. Scheduling: The OPH shall designate a staff person to be responsible for coordinating the scheduling of the Joint Reviews (either on-site or off-site) and for notifying FHEO and, where relocation is involved, Community Planning and Development (CPD), of the specific dates of the Joint Reviews. If FHEO and CPD are unable to participate in the Joint Reviews, they may inform the OPH Director in writing of their specific concerns.

N. HUD NOTIFICATION TO PHA

After the selections for Joint Review, the Field Office shall send a letter to the PHA, advising whether the PHA will be considered for further processing in the current FY, as follows:

1. Where the PHA will be considered for further processing in the current FY, the letter shall:
 - a. specify whether the Joint Review will be on-site or off-site and confirm the date of the Joint Review, if already scheduled, or indicate an intent to schedule the Joint Review as soon as possible;
 - b. indicate which developments will be included in the Joint Review;
 - c. specify required PHA activities to prepare for the Joint Review,
 - d. list open audit/monitoring findings or management concerns which must be resolved or addressed as management improvements either before or after funding approval.
2. Where the PHA will not be considered for further processing in the current FY, the letter shall state the reasons, such as the low priority of its physical improvement needs relative to available funding. Where the reason is lack of management or modernization capability, the letter shall state the specific deficiencies, offer technical assistance to correct the deficiencies, and indicate that any future CIAP Application must address the deficiencies.

O. HUD NOTIFICATION TO STATE

1. Under Executive Order 12372 on Intergovernmental Review of Federal Programs, where the State has established a review process and has selected the CIAP to review, the OPH shall provide the State with an opportunity to comment on all CIAP Applications proposing substantial rehabilitation, but only if the development being substantially rehabilitated involves:
 - a. a change in the use of the land;
 - b. an increase in development density; or
 - c. a change from rental to homeownership.

CIAP Applications proposing Emergency Modernization are excluded from the State notification requirements.

2. The OPH shall prepare one Standard Form (SF) 424, Federal Assistance, Section I only, for each covered CIAP Application. The OPH shall batch and forward copies of the covered CIAP Applications and SF 424's to the State single point of contact (SPOC) for review. The comment period begins on the day after the CIAP Applications are mailed. The comment period is 60 calendar days, plus an additional 5 calendar days for mailing, for a total of 65 calendar days.
3. In response to an official State process recommendation (comments submitted by a State, but not as an official State process recommendation, need not be addressed), the OPH shall either:
 - a. accept the recommendation;
 - b. reach a mutually agreeable solution with the parties preparing the recommendation; or
 - c. provide the State SPOC with a written explanation for not accepting the recommendation or reaching a mutually agreeable solution; i.e., nonaccommodation. If there is a nonaccommodation, including not funding PHAs/developments prioritized by the State, the OPH shall wait 15 calendar days after sending an explanation of the nonaccommodation to the State SPOC before making any funding decisions.

P. PHA PREPARATION FOR JOINT REVIEW

The PHA shall prepare for Joint Review by taking the actions described below. The PHA that lacks the in-house capability to take these actions should contact the Field Office. In such case, the Field Office may advise the PHA to hire an outside architect/engineer (A/E), **subject to reimbursement only if the modernization is approved**, or encourage small PHAs to group together for hiring outside assistance. In hiring an A/E, the PHA shall adhere to the required procurement procedures, as set forth in the Procurement Handbook 7460.8 REV-1 and Part 85.36.

1. Consult with residents/homebuyers and prepare a written evaluation of resident/homebuyer recommendations;
2. Prepare draft CIAP Budget. A Form HUD-52825, CIAP Budget, included as Appendix A of this Application Kit.
 - a. Physical Needs. The PHA shall review the proposed physical work items against the mandatory standards for those items set forth in the Modernization Standards Handbook 7485.2 REV-1, including updating the energy audit for proposed energy conservation measures (ECMs) where necessary. For each development being reviewed, the PHA shall develop a draft implementation schedule (Part III of the CIAP Budget).
 - b. Management Needs. Where proposed by the PHA or recommended by the Field Office, the PHA shall review any proposed management work items, identify needed actions, and develop a draft implementation schedule (Part III of the CIAP Budget). It is noted that some management deficiencies require little or no additional funds to correct. For a designated Troubled or Modernization Troubled PHA, management improvements shall be consistent with those identified in its Memorandum of Agreement or equivalent.

Q. HUD PREPARATION FOR JOINT REVIEW

1. Field Office Participation. Based upon prior knowledge of the PHA, the OPH Director shall determine which staff person(s) shall represent HUD at the Joint Review, regardless of whether it is conducted on-site or off-site.
2. Review of Files. In preparing for the Joint Review, Field Office representatives shall review the PHA's files for the latest Public Housing Management Assessment Program (PHMAP), open HUD monitoring or audit findings, resident/community complaint letters, and general correspondence. Field Office representatives should be thoroughly familiar with the status of all previously approved modernization programs and the overall operation of the PHA.
3. Confirmation with PHA. Before the Joint Review, the Field Office shall check with the PHA to confirm that the PHA has taken all of the actions required in [Paragraph G](#) above, and is ready for the Joint Review. If the PHA is not ready, the Field Office may cancel the Joint Review and reschedule only if time permits.

R. CONDUCT AND DURATION OF ON-SITE JOINT REVIEW

1. Initial Meeting. Field Office and PHA representatives should meet briefly to discuss the prearranged agreements concerning the scope of the Joint Review, PHA staff availability and other logistical matters. They also should review the CIAP Application and discuss the need for and appropriateness and cost-effectiveness of the proposed work.
2. Duration. The duration of the Joint Review will vary, depending upon such factors as PHA size and management/modernization capability, type and complexity of the proposed modernization, Field Office knowledge of and familiarity with the PHA's operations and management practices, status of any previously approved modernization programs, and extent to which the Joint Review would duplicate any open HUD monitoring or audit findings.
3. Close-Out Meeting. Field Office and PHA representatives should meet to discuss HUD's findings and recommendations on the proposed modernization program. The close-out meeting should include specific treatment of previously approved modernization programs where revisions to the implementation schedule(s) may be warranted. Where appropriate, Field Office representatives also may meet with the PHA Board of Commissioners.

S. JOINT REVIEW COVERAGE

The purpose of the Joint Review is for the Field Office to discuss with the PHA the proposed modernization program, as set forth in the CIAP Application, and determine the size of the grant, if any, to be awarded. Where on-site, the Joint Review will include an inspection of the proposed physical work. **Where the PHA has not included some of its developments in the CIAP Application, HUD may not, as a result of the Joint Review, consider any non-emergency work at excluded developments or subsequently approve use of leftover funds at excluded developments.** Whether on-site or off-site, the Joint Review shall cover the following points and the Field Office shall document the Joint Review.

1. Based on the PHA's physical needs assessment(s), the Field Office shall review the following:
 - a. Eligibility, need and appropriateness of the physical work items, as measured against the Modernization Standards, including any necessary updating of the energy audit(s) for proposed Energy Conservation Measures (ECMs).
 - b. Accuracy of cost estimates and any required contingencies; reasonableness of PHA's proposed implementation schedule for each development; and adequacy of method of PHA inspection of the physical work.
 - c. Where demolition or disposition is proposed, refer to the regulations: for Public Housing, at 24 CFR Part 970.

2. Appropriateness of method of accomplishment (contract or force account labor).

The OPH shall approve the use of force account labor on an individual development basis only where: it is cost-effective and appropriate to the scope and type of physical improvements; and the PHA has the capacity to serve as its own main contractor and to maintain an adequate level of routine maintenance during force account activity. However, no prior approval is required where the PHA is designated as both an overall high performer and a Modernization high performer under the PHMAP. Since the method of accomplishment is set forth on Form HUD-52825, CIAP Budget, OPH approval is given at the time of budget approval. If the PHA wishes to use force account labor after original budget approval of contract labor, the PHA shall request a budget revision or the force account labor costs will be disallowed.

3. Based on the PHA's management needs assessment, the Field Office shall review the following:
 - a. Eligibility, need and appropriateness of the management work items and the status of PHA actions taken to correct any previously identified management deficiencies; any open monitoring/audit findings or management concerns previously identified by the Field Office.
 - b. Accuracy of cost estimates and reasonableness of PHA's proposed implementation schedule for each management work item.

Note: The Field Office may discuss management improvement needs with the PHA during the Joint Review and subsequently require the PHA to address those needs without CIAP funding, as a condition of funding the physical improvements.

4. Long-term physical and social viability and reasonableness of estimated costs.
5. Duplication of funding.
6. PHA need for the professional services of an A/E and/or a management consultant in further planning, designing and implementing all or part of the proposed physical and management improvements.
7. PHA plan for organizing and staffing the modernization program, including PHA need for a full-time or part-time modernization coordinator or contract administrator/construction manager, assignment of regular PHA staff, and hiring of additional personnel.
8. PHA performance in administering previously approved modernization programs, if applicable, including the current status of any open program(s).
9. PHA need for additional modernization funds to complete previously funded work items.

10. PHA compliance with requirements for consultation with local officials and residents/homebuyers. The PHA shall provide a copy of the PHA's written response to residents, reflecting acceptance or rejection of resident recommendations.
11. PHA compliance with civil rights statutes, executive orders and regulations, as applicable. Where there is an outstanding finding of noncompliance, FHEO shall keep the OPH informed of any change in status, as previously reported during technical review of the CIAP Application.
12. PHA plans to hire residents and provide minority and women's business enterprise opportunity.
13. PHA compliance with requirements to provide physical accessibility and to not discriminate based on disability.
14. PHA compliance with requirements to inspect, test for and eliminate lead-based paint hazards.
15. PHA compliance with relocation and acquisition requirements.
16. Information related to environmental and historic preservation requirements, required by the Field Office under Part 50 or the responsible entity under Part 50.
17. PHA compliance with administrative, including procurement, requirements.
18. PHA compliance with flood insurance, lead-based paint insurance, and other insurance requirements.

T. HUD FUNDING DECISIONS

1. Adjustments: After all Joint Reviews are completed, the OPH Director shall adjust the PHA's developments and work items to be funded, and the amounts to be awarded on the basis of information obtained from the Joint reviews, FHEO review, and environmental reviews. Such adjustments are necessary where the FO determines that actual Group 1 emergencies and Group 2 high priority needs, PHA priorities or cost estimates vary from the PHA's application. Such adjustments may preclude the FO from funding all of the applications selected for Joint Review in order to accommodate the funding of high priority needs. Where the information obtained from the Joint Reviews, FHEO review, and environmental reviews confirm the information used to establish the rankings before Joint Review, the FO shall make funding decisions in accordance with its rankings. Even if the information obtained from Joint Reviews, FHEO review, and environmental does not confirm the information used to establish the ranking before Joint review, only the funding amount awarded will be adjusted accordingly; the scores will not be affected. The OPH Director shall select all bona fide emergencies in Group 1 before funding Group 2 applications. The total of all approved amounts shall equal the fund assignment amount.

2. Termination of Processing/Letter to PHA: Where the PHA is not approved for funding in the current FY, the disapproval letter shall state the reasons, such as the low priority of its physical improvement needs relative to available funding. Where the reason is lack of management or modernization capability, the letter shall state the specific deficiencies and what actions the PHA will have to take or what level of management or modernization capability the PHA will have to achieve by a specified time to be considered for funding in a subsequent FY.

U. HUD ENVIRONMENTAL REVIEW

Refer to Section II(G) of the CIAP NOFA and Appendix B of this Application Kit for additional guidance on expediting the review process.

1. No Environmental Review. No environmental assessment or review is required for the following activities when they constitute the only work items in the modernization program: planning costs, such as developing plans and specifications or carrying out a feasibility study; and management improvements.
2. File Maintenance. Since developments may be proposed for modernization work on an annual basis, the Field Office should maintain a separate environmental review file for each PHA.

V. TRANSMITTAL OF HUD NOTIFICATION

1. Preparation. The Field Office shall prepare the HUD Notification in the required format, stating that the grant award is subject to PHA submission of an approvable program budget and other required documents.
2. Transmittal. The Field Office shall transmit the HUD Notification to the Office of Congressional and Intergovernmental Relations (OCIR) by facsimile machine. The Field Office shall arrange for copies of the HUD Notification to be sent to the Field Office Public Affairs Officer, where requested.
3. Announcement. The Field Office shall announce the grant award only after OCIR has provided a release date. Where the Field Office has not been provided a release date within three working days, the Field Office shall contact OCIR to determine the status.

W. PHA SUBMISSION OF ADDITIONAL DOCUMENTS

After OCIR has provided release date, the Field Office shall provide written notification to the PHA of CIAP funding approval, subject to PHA submission of the following documents within the time frame prescribed by the Field Office. **Note:** To expedite subsequent fund obligation by HUD, the Field Office may forward the CIAP Amendment, with the written notification, to the PHA and request that the PHA sign and return the CIAP Amendment with the CIAP Budget and other forms.

1. Form HUD-52825, CIAP Budget, as provided as Appendix A of this Application Kit, in an original and two copies (or any lesser number of copies as specified by the Field Office). Where the modernization will result in relocation and real property acquisition activities, the PHA shall identify on the CIAP Budget: the number of households, businesses and nonprofit organizations occupying the property; the number to be displaced (forced to move permanently from the development/site); the number to remain on-site during the modernization; the number to relocate temporarily and return to the development/site; and the estimated cost of the planned relocation and real property acquisition activities.
2. Form HUD-52820, PHA Board Resolution Approving CIAP Budget, as provided as Appendix C of this Application Kit, in an original only.

X. HUD FINAL PROCESSING

1. Upon receipt of the PHA's additional documents, the Field Office shall review the documents and make any corrections to the CIAP Budget as necessary.
2. Where funds for demolition or disposition are approved, such funding approval **does not constitute** approval of the demolition or disposition itself. The PHA is required to submit a separate application for HUD approval of a demolition or disposition in accordance with the requirements set forth in the demolition or disposition regulations, at 24 CFR Part 970.
3. After the CIAP Budget is approved, the Field Office shall prepare a budget approval letter to the PHA for the signature of the OPH Director.
4. Where the PHA fails to submit the required additional documents or the documents are otherwise not approvable, the Field Office shall notify the PHA in writing of disapproval. The Field Office shall then select, from the Joint Review pool, another PHA for funding and, after HUD Notification (refer to Paragraph M above) invite that PHA to submit the additional documents under Paragraph N.

CIAP REVIEW AND FUNDING APPENDICES

- A. CIAP Budget, form HUD-52825
- B. Environmental Review Guidance
- C. PHA Board Resolution Approving CIAP Budget (Form HUD-52820)

III. REQUIRED CERTIFICATIONS AND ASSURANCES

- ATTACHMENT **Assurances - Construction Programs** (SF 424D). Each applicant must sign this Standard Assurances form just as it appears in the application kit. **DO NOT RETYPE THIS FORM.**
- ATTACHMENT **Certification of Consistency with the Consolidated Plan.** This certification is required for each HOPE VI Revitalization application; it does not apply to CIAP applicants. *See Glossary.*
- ATTACHMENT **Certification of Consistency with the EZ/EC Strategic Plan.** If proposed activities are to be located in a Federally-designated Empowerment Zone, Enterprise Community, or Urban Enhanced Enterprise Community, the Certifying Official of the EZ or EC must complete this form in order to receive the two bonus points provided in accordance with Section III(C)(1) of the SuperNOFA. *See Glossary.*
- ATTACHMENT **Certification Regarding Debarment and Suspension.** In accordance with Section II.G(8) of the SuperNOFA, each applicant must submit a certification with regard to the employment, engagement of services, awarding of contracts, subgrants, or funding of any recipients, or contractors or subcontractors, during any period of debarment, suspension, or placement in ineligibility status.
- ATTACHMENT Complete a **Certification for a Drug-Free Workplace** (Form HUD-50070) in accordance with 24 CFR 24.630.
- ATTACHMENT **Certification of Payments to Influence Federal Transactions** (Form HUD-50071). In accordance with section 319 of the Department of Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 61352) (the Byrd Amendment) and the implementing regulations in 24 CFR part 87, the PHA must complete Form HUD-50071.
- ATTACHMENT **Disclosure of Lobbying Activities** (Form SF-LLL). Submission of this form is required only if any funds will be or have been used to influence Federal workers, Members of Congress or their staff regarding specific grants or contracts. The applicant determines if the submission of SF-LLL is applicable.

ATTACHMENT

Recipient Disclosure/Update Report (Form HUD 2880). These disclosures are required by section 102 of the HUD Reform Act of 1989 (Pub. L. 101-235; approved December 15, 1989). Implementing regulations in 24 CFR part 4 require applicants seeking assistance from HUD for a specific activity to make the disclosures required under 24 CFR 4.9.

If, after reading the instructions, you have questions regarding the form, please do not spend an inordinate amount of time on it. If HUD has questions on it at a later date, you will be contacted. The form must be submitted in order to have a complete application, but it can be refined at a later date if necessary, since it does not affect the rating of the application.

ATTACHMENT

Acknowledgement of Receipt. The very last page of your application must be the Acknowledgement of Receipt form. Print or type your name and address inside the box provided. When HUD receives your application, this receipt will be detached from your application and mailed to you to indicate that your application was received.

AFFIRMATIVELY FURTHERING FAIR HOUSING

Section II.D of the SuperNOFA requires that each successful applicant will have a duty to affirmatively further fair housing. In addition, Item 12 under Rating Factor 3 (Soundness of Approach) awards 5 Points to an application whose Revitalization Plan will **affirmatively further fair housing**. The NOFA provides that points will be awarded to applications that affirmatively further fair housing:

by actively ensuring that marketing, locations of housing, and structural accessibility of housing will encourage natural integration and discourage inappropriate concentrations of minorities in undesirable neighborhoods.

(a) Developments constructed or rehabilitated with HOPE VI funds must meet the accessibility requirements contained in various civil rights statutes and regulations, and may receive points under this factor if they meet the visitability standards adopted by the Department that apply to those units not otherwise covered by the accessibility requirements.

(b) PHAs are encouraged to promote greater opportunities for housing choice by making at least 5% of for-sale units accessible to individuals with mobility disabilities and 2% of for-sale units accessible to individuals who have visual or hearing disabilities.

(c) Innovative designs are encouraged, particularly with respect to for-sale house configurations, which simultaneously meet accessibility requirements and achieve marketability for non-disabled households.

(d) Program activities should aid a broad diversity of eligible residents, including those that have been traditionally underserved. Efforts to increase community awareness in a culturally sensitive manner through education and outreach will also be evaluated, if applicable.

In order to assist applicants in understanding HUD's concept of Affirmatively Furthering Fair Housing, this Application Kit includes two excerpts from the Fair Housing Planning Guide published by HUD's Office of Fair Housing and Equal Opportunity (FHEO). Volumes 1 and 2 of this document are available from your local HUD Field Office. Any requests for clarification of information in the Planning Guide may be directed to FHEO by calling (202) 708-0288.

