



Thursday
April 30, 1998

Part III

**Department of
Housing and Urban
Development**

**Super Notice of Funding Availability
(SuperNOFA) for Economic Development
and Empowerment Programs; Notice**

**DEPARTMENT OF HOUSING AND
URBAN DEVELOPMENT**

[Docket No. FR-4363-N-01]

**Super Notice of Funding Availability
(SuperNOFA) for Economic
Development and Empowerment
Programs**

AGENCY: Office of the Secretary, HUD.

ACTION: Super Notice of Funding Availability (SuperNOFA) for Economic Development and Empowerment Programs.

SUMMARY: This Super Notice of Funding Availability (SuperNOFA) announces the availability of approximately \$176,000,000 in HUD program funds covering ten (10) Economic Development and Empowerment Programs operated and managed by the following HUD Offices: Community Planning and Development (CPD), Housing-Federal Housing Administration (FHA), Public and Indian Housing (PIH), and the Office of Lead Hazard Control (OLHC). The General Section of this SuperNOFA contains the procedures and requirements applicable to all programs. The applications for funding for these programs have been consolidated into four applications. The Programs Section of this SuperNOFA contains a description of the specific programs for which funding is made available under this SuperNOFA and additional procedures and requirements that are applicable to each.

APPLICATION DUE DATES: *The information contained in this "APPLICATION DUE DATES" section applies to all programs contained in this SuperNOFA.*

Completed applications must be submitted to HUD no later than the deadline established for the program for which you are seeking funding. Applications may not be sent by facsimile (FAX). See the Program Chart for specific application due dates.

ADDRESSES AND APPLICATION SUBMISSION PROCEDURES: *Addresses.* Completed applications must be submitted to the location specified in the Programs Section of this SuperNOFA. When submitting your application, please refer to the program name for which you are seeking funding.

For Applications to HUD Headquarters. Applications to be submitted to HUD Headquarters are due at: Department of Housing and Urban Development, 451 Seventh Street, SW, Room _____ (See Program Chart or Programs Section for room location), Washington DC 20410.

For Applications to HUD Field Offices. For those programs for which

applications are due to the HUD Field Offices, please see the Programs Section for the locations for submission.

Applications Procedures—Mailed Applications. Applications will be considered timely filed if postmarked on or before 12:00 midnight on the application due date and received by the designated HUD Office on or within ten (10) days of the application due date.

Applications Sent by Overnight/Express Mail Delivery. Applications sent by overnight delivery or express mail will be considered timely filed if received before or on the application due date, or upon submission of documentary evidence that they were placed in transit with the overnight delivery service by no later than the specified application due date.

Hand Carried Applications. For applications submitted to HUD Headquarters, hand carried applications delivered before and on the application due date must be brought to the specified location and room number between the hours of 8:45 am to 5:15 pm, Eastern time. Applications hand carried on the application due date will be accepted in the South Lobby of the HUD Headquarters Building at the above address from 5:15 pm until 12:00 midnight, Eastern time. Applications due to HUD Field Office or Area Office of Native American Programs locations must be delivered to the appropriate HUD Field Office or Area Office of Native American Programs in accordance with the instructions specified in the Programs Section of the SuperNOFA.

For applications submitted to the HUD Field Offices or Area Offices of Native American Programs, hand carried applications will be accepted during normal business hours before the application due date. On the application due date, business hours will be extended to 6:00 pm. (Please see the Appendix A to this SuperNOFA listing the hours of operations for the HUD Field Offices.) COPIES OF APPLICATIONS TO HUD OFFICES. The Programs Section of this SuperNOFA may specify that, to facilitate processing and review of your submission, a copy of the application also be sent to an additional HUD location (for example, a copy to the HUD Field Office or Area Office of Native American Programs if the original application is to be submitted to HUD Headquarters, or a copy to HUD Headquarters, if the original application is to be submitted to a HUD Field Office or Area Office of Native American Programs). Please follow the requirements of the Programs Section to ensure that you submit your

application to the proper location. HUD requests additional copies in order to expeditiously review your application and appreciates your assistance in providing the copies. Please note that for those applications for which copies are being submitted to the local HUD Offices and HUD Headquarters, timeliness of submission will be based on the time the application is received at HUD Headquarters.

FOR APPLICATION KITS, FURTHER INFORMATION AND TECHNICAL ASSISTANCE: The information contained in this section is applicable to all programs contained in this SuperNOFA, unless otherwise specifically provided in the applicable programs section.

For Application Kits and SuperNOFA User Guide. HUD is pleased to provide you with application kits and/or a guidebook to all HUD programs. When requesting an application kit, please refer to the program name of the application kit you are interested in receiving. Please be sure to provide your name, address (including zip code), and telephone number (including area code).

Requests for application kits should be made immediately to ensure sufficient time for application preparation. We will distribute application kits as soon as they become available.

The SuperNOFA Information Center (1-800-HUD-8929) can provide you with assistance, application kits, and guidance in determining which HUD Office(s) should receive a copy of your application. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209.

Consolidated Application Submissions. Where an applicant can apply for funding under more than one program in this SuperNOFA, the applicant need only submit one originally signed SF-424 and one set of original signatures for the other required assurances and certifications, accompanied by the matrix contained in each application kit (provided that the required assurances and certifications are identical). As long as the applicant submits one originally signed set of these documents with an application, only copies of these documents are required to be submitted with any additional application submitted by the applicant. The application should identify the program for which the original signatures for assurances and certifications is being submitted.

For Further Information. For answers to your questions about this

SuperNOFA, you have several options. You may call the HUD Office or Processing Center serving your area at the telephone number listed in your program area section to this SuperNOFA, or you may contact the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. Information on this SuperNOFA also may be obtained through the HUD web site on the Internet at <http://www.HUD.gov>.

For Technical Assistance. Before the application due date, HUD staff will be available to provide general guidance and technical assistance about this SuperNOFA. Current law does not permit HUD staff to assist in preparing the application. Following selection of applicants, but prior to award, HUD staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of an award or Annual Contributions Contract (ACC) by HUD.

Introduction To The SuperNOFA Process

To further HUD's objective, under the direction of Secretary Andrew Cuomo, of improving customer service and providing the necessary tools for revitalizing communities and improving the lives of people within those communities, HUD will publish three SuperNOFAs in 1998, which coordinate program funding for 40 competitive programs and cut across traditional program lines.

(1) The first is the SuperNOFA and consolidated application process for Housing and Community Development Programs, covering 19 Housing and Community Development Programs. This SuperNOFA was published in the **Federal Register** on March 31, 1998.

(2) The second is the SuperNOFA and consolidated application process for Economic Development and Empowerment Programs, published in today's **Federal Register**. This second SuperNOFA includes funding for the following programs and initiatives: Brownfields; Economic Development Initiative; Youthbuild; three Tenant Opportunity Programs; Economic Development and Supportive Services; Mark to Market Outreach and Training; Mark to Market Technical Assistance Intermediaries Grant Administration; and the Local Lead Hazard Awareness Campaign.

(3) The third is the SuperNOFA and consolidated application process for Targeted Housing and Homeless Assistance Programs. This third SuperNOFA includes the following

programs and initiatives: Housing Opportunities for Persons with AIDS; Continuum of Care Homeless Assistance Programs; Section 202 Supportive Housing for the Elderly; and Section 811 Supportive Housing for Persons with Disabilities. This third SuperNOFA is published elsewhere in today's **Federal Register**.

All three SuperNOFAs and all consolidated applications, to the greatest extent possible, given statutory, regulatory and program policy distinctions, will have one set of rules that, together, offer a "menu" of approximately 40 programs. From this menu, communities will be made aware of funding available for their jurisdictions. Nonprofits, public housing agencies, local and State governments, tribal governments and tribally designated housing entities, veterans service organizations, faith-based organizations and others will be able to identify the programs for which they are eligible for funding.

The National Competition NOFA

In addition to the three SuperNOFAs, HUD is publishing elsewhere in today's **Federal Register** a single NOFA for three national competitions: the Fair Housing Initiatives Program National Competition; the National Lead Hazard Awareness Campaign; and the Housing Counseling National Competition.

Assisting Communities To Make Better Use of Available Resources

These SuperNOFAs represent a marked departure from, and HUD believes a significant improvement over, HUD's past approach to the funding process. In the past, HUD has issued as many as 40 separate NOFAs, all with widely varying rules and application processing requirements. This individual program approach to funding, with NOFAs published at various times throughout the fiscal year, did not encourage and, at times, unintentionally impeded local efforts directed at comprehensive planning and development of comprehensive local solutions. Additionally, the old approach seemed to require communities to respond to HUD's needs rather than HUD responding to local needs. Secretary Cuomo brings to the leadership of HUD the experience of successfully implementing a consolidated planning process in HUD's community development programs. As Assistant Secretary for Community Planning and Development, Secretary Cuomo consolidated the planning, application, and reporting requirements of several community development programs. The Consolidated Plan rule,

published in 1995, established a renewed partnership among HUD, State, and local governments, public and private agencies, tribal governments, and the general citizenry by empowering field staff to work with other entities in fashioning creative solutions to community problems.

The SuperNOFA approach builds upon Consolidated Planning implemented by Secretary Cuomo in HUD's community development programs, and also reflects the Secretary's organizational changes for HUD, as described in the Secretary's management reform plan. On June 26, 1997, Secretary Cuomo released the HUD 2020 Management Reform Plan, which calls for significant consolidation of like programs to maximize efficiency and dramatically improve customer service. The plan also calls for HUD to improve customer service by adopting a principle of "menus not mandates."

By announcing the funding of these ten programs in one NOFA, HUD hopes to assist communities in making better use of available resources to address their economic development needs and the needs of those living within the communities in a holistic and effective fashion. These funds are available for eligible applicants to support individual program objectives, as well as cross-cutting and coordinated approaches to improving the overall effective use of available HUD program funds.

To date, HUD has been consolidating and simplifying the submission requirements of many of its formula grant and discretionary grant programs to offer local communities a better opportunity to shape available resources into effective and coordinated neighborhood housing and community development strategies that will help revitalize and strengthen their communities, physically, socially and economically. To complement this overall consolidation and simplification effort, HUD designed this process to increase the ability of applicants to consider and apply for funding under a wide variety of HUD programs in response to a single NOFA. Everyone interested in HUD's grant programs can benefit from having this information made available in one NOFA.

Coordination, Flexibility, and Simplicity in the HUD Funding Process

The SuperNOFA approach places heavy emphasis on the coordination of activities to provide (1) greater flexibility and responsiveness in meeting local housing and community development needs, and (2) greater flexibility to eligible applicants to determine what HUD program resources

best fit the community's needs, as identified in local Consolidated Plans and Analysis of Impediments to Fair Housing Choice ("Analysis of Impediments" (AI)).

The SuperNOFA approach is designed to simplify the application process; promote effective and coordinated use of program funds in communities; reduce duplication in the delivery of services and economic development and empowerment programs; allow interested applicants to seek to deliver a wider, more integrated array of services; and improve the system for potential grantees to be aware of, and compete for program funds.

HUD encourages applicants to work together to coordinate and, to the maximum extent possible, join their activities to form a seamless and comprehensive program of assistance to meet identified needs in their communities, and address barriers to fair housing and equal opportunity that have been identified in the community's Consolidated Plan and Analysis of Impediments in the geographic area(s) in which they are seeking assistance.

As part of the simplification of this funding process, and to avoid duplication of effort, the SuperNOFA provides for consolidated applications for several of the programs for which funding is available under this NOFA. HUD programs that provide assistance for, or complement similar activities, for example, the economic development

initiative (EDI) and the brownfields economic development initiative (BEDI), or the tenant opportunity and economic development supportive services programs, have consolidated applications that reduce the administrative and paperwork burden applicants may otherwise encounter in submitting an application for each program.

The funding of these ten programs through this SuperNOFA will not affect the ability of eligible applicants to seek HUD funding. *Eligible applicants are able, as they have been in the past, to apply for funding under as few as one or as many as all programs for which they are eligible.*

The specific statutory and regulatory requirements of each of the ten separate programs continue to apply to each program. The SuperNOFA reflects, where necessary, the statutory requirements and differences applicable to the specific programs. *Please pay careful attention to the individual program requirements that are identified for each program. Also, you will note that not all applicants are eligible to receive assistance under all ten programs identified in this SuperNOFA.*

The SuperNOFA contains two major sections. The General Section of the SuperNOFA contains the procedures and requirements applicable to all applications. The Programs Section of the SuperNOFA describes each program

for which funding is made available in the NOFA. As in the past, each program provides a description of eligible applicants, eligible activities, factors for award, and any additional requirements or limitations that apply to the program. Please read carefully both the General Section and the Programs Section of the SuperNOFA for the program(s) to which you are applying. This will ensure that you apply for program funding for which your organization is eligible to receive funds and you fulfill all the requirements for that program(s).

The Programs of This SuperNOFA and the Amount of Funds Allocated

The ten programs for which funding availability is announced in this SuperNOFA are identified in the following chart. The approximate available funds for each program are listed as expected funding levels based on appropriated funds. Should recaptured or other funds become available for any program, HUD reserves the right to increase the available program funding amounts by the amount available.

The chart also includes the application due date for each program, the OMB approval number for the information collection requirements contained in the specific program, and the Catalog of Federal Domestic Assistance (CFDA) number.

BILLING CODE 4210-32-P

Program Name	Funding Available	Due Date	Submission Location and Room
ECONOMIC DEVELOPMENT INITIATIVES			
Brownfields Initiative CFDA No.:14.246 OMB Approval No.:2506-0153	\$ 25,000,000	August 10, 1998	Headquarters, Processing and Control Unit, Room 7255
Economic Development Initiative CFDA No.:14.246 OMB Approval No.:2506-0153	\$ 38,000,000	July 30, 1998	Headquarters, Processing and Control Unit, Room 7255
Program Name	Funding Available	Due Date	Submission Location and Room
TENANT OPPORTUNITY AND SUPPORTIVE SERVICES			
Economic Development and Supportive Services CFDA No.:14.863 OMB Approval No.:2577-0211	\$ 47,211,223	July 31, 1998	Appropriate Local HUD Field Office, or Area ONAP Administrator, as noted in the Programs Section
Tenant Opportunity Program CFDA No.:14.853 OMB Approval No.:2577-0877	\$ 16,884,530	July 31, 1998	Appropriate Local HUD Field Office, as noted in the Programs Section
TOP Economic Self-Sufficiency Grant (ESSG) CFDA No.:14.853 OMB Approval No.:2577-0877	\$ 10,884,530		
TOP Organizational Development Grant (ODG) CFDA No.:14.853 OMB Approval No.:2577-0877	\$ 3,000,000		
TOP Mediation Grant CFDA No.:14.853 OMB Approval No.:2577-0877	\$ 3,000,000		

Program Name	Funding Available	Due Date	Submission Location and Room
YOUTHBUILD CFDA No.:14.243 OMB Approval No.:2506-0142	\$ 33,000,000	July 14, 1998	HUD Headquarters, Room 7255

Program Name	Funding Available	Due Date	Submission Location and Room
MARK-TO-MARKET PROGRAMS			
Intermediaries Technical Assistance Grant Program CFDA No.:14.194 OMB Approval No.:pending	\$ 9,000,000	July 21, 1998	Headquarters, Office of Portfolio Reengineering, Room 6130
Outreach and Training Grants for Technical Assistance Program CFDA No.:14.194 OMB Approval No.:pending	\$ 6,000,000	June 30, 1998	Headquarters, Office of Portfolio Reengineering, Room 6130

LEAD HAZARD CONTROL PROGRAM	Funding Available	Due Date	Submission Location and Room
LOCAL LEAD HAZARD AWARENESS CAMPAIGN CFDA No: 14.900 OMB Approval No: Pending	\$ 700,000	June 26, 1998	Postal Service: HUD Headquarters, Office of Lead Hazard Control, Room B-133 Courier Service or Hand Carried: HUD Office of Lead Hazard Control, 490 East L'Enfant Plaza, S.W., Suite 3206, Washington, DC 20024

Paperwork Reduction Act Statement

For those programs listed in the chart above which have OMB approval numbers, the information collection requirements contained in this SuperNOFA for those programs have been approved by the Office of Management and Budget (OMB) in accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). For those programs listed in the chart for which an OMB approval number is pending, the approval number when received will be announced by HUD in the **Federal Register**. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

General Section of the SuperNOFA*I. Authority; Purpose; Amount Allocated; Eligible Applicants and Eligible Activities*

(A) Authorities

Unless otherwise specified in the Programs Section of the SuperNOFA, the authority for Fiscal Year 1998 funding availability under this SuperNOFA is the Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1998 (Pub.L. 105-65, approved October 27, 1997) (FY 1998 HUD Appropriations Act). Where applicable, additional authority for each program in this SuperNOFA is identified in the Programs Section.

(B) Purpose

The purpose of this SuperNOFA is to:

(1) Make funding available through a variety of programs to empower communities and their residents, particularly the poor and disadvantaged, to develop viable communities, provide decent housing and a suitable living environment for all citizens, without discrimination in order to improve themselves both as individuals and as a community.

(2) Simplify and streamline the application process for funding under HUD programs. By making available to State and local governments, public housing agencies, tribal governments, non-profit organizations and others, the application requirements for HUD housing and community development programs in one NOFA, HUD hopes that the result will be a less time consuming and less complicated application process. This new process also allows an applicant to submit one application for funds for several programs. Except where statutory or regulatory

requirements or program policy mandate differences, the SuperNOFA strives to provide for one set of rules, standardized rating factors, and uniform and consolidated application procedures.

(3) Enhance the ability of applicants to make more effective and efficient use of housing and community development funding when addressing community needs and implementing coordinated housing and community development strategies established in local Consolidated Plans, which is the single application for HUD housing and community development and other formula funds submitted by the local or State government. Through this SuperNOFA process, applicants are encouraged to: (i) create opportunities for strategic planning and citizen participation in a comprehensive context at the local level in order to establish a full continuum of housing and services; and (ii) promote methods for developing more coordinated and effective approaches to dealing with urban, suburban, and rural problems by recognizing the interconnections among the underlying problems and ways to address them through layering of available HUD programs;

(4) Promote the ability of eligible non-profit organizations to participate in many of the programs contained in this SuperNOFA; provide an increased opportunity to assist communities in developing job training, economic development and empowerment programs, directed at revitalizing neighborhoods and obtaining self-sufficiency for low and moderate income families; and

(5) Recognize and make better use of the expertise that each of the programs, and organizations eligible for funding under this SuperNOFA, can contribute when developing and implementing local housing and community development plans, the Consolidated Plan, and the HUD required Analysis of Impediments to Fair Housing Choice.

(C) Amounts Allocated

The amounts allocated to specific programs in this SuperNOFA are based on appropriated funds. Should recaptured funds become available in any program, HUD reserves the right to increase the available funding amounts by the amount of funds recaptured.

(D) Eligible Applicants and Eligible Activities

The eligible applicants and eligible activities for each program are identified and described for the program in the Programs Section of the SuperNOFA.

II. Requirements and Procedures Applicable to all Programs

Except as may be modified in the Programs Section of this Super NOFA, or as noted within the specific provisions of this Section II, the following principles apply to all programs. Please be sure to read the program area section of the SuperNOFA for additional requirements or information.

(A) Statutory Requirements

All applicants must meet and comply with all statutory and regulatory requirements applicable to the program for which they are seeking funding in order to be awarded funds. Copies of the regulations are available from the SuperNOFA Information Center or through the Internet at <http://www.HUD.gov>. HUD may reject an application from further funding consideration if the activities or projects proposed are ineligible, or HUD may eliminate the ineligible activities from funding consideration and reduce the grant amount accordingly.

(B) Threshold Requirements—Compliance With Fair Housing and Civil Rights Laws

All applicants, with the exception of Federally recognized Indian tribes, must comply with all Fair Housing and civil rights laws, statutes, regulations and executive orders as enumerated in 24 CFR 5.105(a). Federally recognized Indian tribes must comply with the Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, and the Indian Civil Rights Act. If an applicant (1) has been charged with a violation of the Fair Housing Act by the Secretary; (2) is the defendant in a Fair Housing Act lawsuit filed by the Department of Justice; or (3) has received a letter of noncompliance findings under Title VI of the Civil Rights Act, Section 504 of the Rehabilitation Act, or Section 109 of the Housing and Community Development Act, the applicant is not eligible to apply for funding under this SuperNOFA until the applicant resolves such charge, lawsuit, or letter of findings to the satisfaction of the Department.

(C) Additional Nondiscrimination Requirements

Applicants must comply with the Americans with Disabilities Act, and Title IX of the Education Amendments Act of 1972.

(D) Affirmatively Furthering Fair Housing

Unless otherwise specified in the Programs Section of this SuperNOFA, each successful applicant will have a duty to affirmatively further fair housing. Where directed by the applicable program section, applicants should include in their work plans the specific steps that they will take 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. Further, applicants have a duty to carry out the specific activities cited in their responses to the rating factors that address affirmatively furthering fair housing in the Programs Section of this SuperNOFA.

(E) Economic Opportunities for Low and Very Low-Income Persons (Section 3).

Certain programs in this SuperNOFA require recipients of HUD assistance to comply with section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u (Economic Opportunities for Low and Very Low-Income Persons) and the HUD regulations at 24 CFR part 135, including the reporting requirements subpart E. Section 3 provides that recipients shall ensure that training, employment and other economic opportunities, to the greatest extent feasible, be directed to (1) low and very low income persons, particularly those who are recipients of government assistance for housing and (2) business concerns which provide economic opportunities to low and very low income persons. Section 3 is applicable to the following programs in this SuperNOFA: Brownfields Economic Development; Economic Development Initiative; Economic Development and Supportive Services; Tenant Opportunity Program; and Youthbuild.

(F) Relocation

Any person (including individuals, partnerships, corporations or associations) who moves from real property or moves personal property from real property as a direct result of a written notice to acquire or the acquisition of the real property, in whole or in part, for a HUD-assisted activity is covered by acquisition policies and procedures and the relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and the implementing governmentwide regulation at 49 CFR

part 24. Any person who moves permanently from real property or moves personal property from real property as a direct result of rehabilitation or demolition for an activity undertaken with HUD assistance is covered by the relocation requirements of the URA and the governmentwide regulation.

(G) Forms, Certifications and Assurances

Each applicant is required to submit signed copies of the standard forms, certifications, and assurances, listed in this section, unless the Programs Section specifies otherwise. Additionally, the Programs Section may specify additional forms, certifications, assurances, or other information, that may be required for a particular program in this SuperNOFA.

(1) Standard Form for Application for Federal Assistance (SF-424);

(2) Standard Form for Budget Information—Non-Construction Programs (SF-424A) or Standard Form for Budget Information—Construction Programs (SF-424C), as applicable;

(3) Standard Form for Assurances—Non-Construction Programs (SF-424B) or Standard Form for Assurances—Construction Programs (SF-424D), as applicable;

(4) Drug-Free Workplace Certification (HUD-50070);

(5) Certification and Disclosure Form Regarding Lobbying (SF-LLL); (Tribes and tribally designated housing entities (THDEs) established by an Indian tribe as a result of the exercise of the tribe's sovereign power are not required to submit this certification. Tribes and TDHEs established under State law are required to submit this certification.)

(6) Applicant/Recipient Disclosure Update Report (HUD-2880);

(7) Certification that the applicant will comply with the requirements of the Fair Housing Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and will affirmatively further fair housing. CDBG recipients also must certify to compliance with section 109 of the Housing and Community Development Act. Federally recognized Indian tribes must certify that they will comply with the requirements of the Age Discrimination Act of 1975, section 504 of the Rehabilitation Act of 1973, and the Indian Civil Rights Act.

(8) Certification required by 24 CFR 24.510. (The provisions of 24 CFR part 24 apply 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, and a certification is required.)

(H) OMB Circulars

The policies, guidances, and requirements of OMB Circular No. A-87 (Cost Principles Applicable to Grants, Contracts and Other Agreements with State and Local Governments), OMB Circular No. A-122 (Cost Principles for Nonprofit Organizations), 24 CFR part 84 (Grants and Agreements with Institutions of Higher Education, Hospitals, and other Non-Profit Organizations) and 24 CFR part 85 (Administrative Requirements for Grants and Cooperative Agreements to State, Local, and Federally recognized Indian tribal governments) apply to the award, acceptance and use of assistance under the programs of this SuperNOFA, and to the remedies for noncompliance, except when inconsistent with the provisions of the FY 1998 HUD Appropriations Act, other Federal statutes or the provisions of this SuperNOFA. Compliance with additional OMB Circulars may be specified for a particular program in the Programs Section of the SuperNOFA. Copies of the OMB Circulars may be obtained from EOP Publications, Room 2200, New Executive Office Building, Washington, DC 10503, telephone (202) 395-7332 (this is not a toll free number).

(I) Environmental Requirements

For programs under this SuperNOFA that assist physical development activities or property acquisition, grantees are generally prohibited from acquiring, rehabilitating, converting, leasing, repairing or constructing property, or committing or expending HUD or non-HUD funds for these program activities, until one of the following has occurred: (1) HUD has completed an environmental review in accordance with 24 CFR part 50; or (2) for programs subject to 24 CFR part 58, HUD has approved a grantee's Request for Release of Funds (HUD Form 7015.15) following a Responsible Entity's completion of an environmental review. Applicants should consult the Programs Section for the applicable program to determine the procedures for, timing of, and any exclusions from environmental review under a particular program.

(J) Conflicts of Interest

Consultants or experts assisting HUD in rating and ranking applicants for funding under this SuperNOFA are subject to 18 U.S.C. 208, the Federal criminal conflict of interest statute, and

to the Standards of Ethical Conduct for Employees of the Executive Branch regulation published at 5 CFR part 2635. As a result, individuals who have assisted or plan to assist applicants with preparing applications for this SuperNOFA may not serve on a selection panel or as a technical advisor to HUD for this SuperNOFA. All individuals involved in rating and ranking this SuperNOFA, including experts and consultants, must avoid conflicts of interest or the appearance of conflicts. If the selection or non-selection of any applicant under this NOFA affects the individual's financial interests set forth in 18 U.S.C. 208 or involves any party with whom the individual has a covered relationship under 5 CFR 2635.502, that individual must, prior to participating in any matter regarding this NOFA, disclose this fact to the General Counsel or the Ethics Law Division.

III. Application Selection Process

(A) General

To review and rate applications, HUD may establish panels including persons not currently employed by HUD to obtain certain expertise and outside points of view, including views from other Federal agencies.

(1) *Rating.* All applications for funding in each program listed in this SuperNOFA will be evaluated and rated against the criteria in this SuperNOFA. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any sub-contractors, consultants, sub-recipients, and members of consortia which are firmly committed to the project.

(2) *Ranking.* Applicants will be ranked within each program. Applicants will be ranked only against others that applied for the same program funding and where there are set-asides within the competition, the applicant would only compete against applicants in the same set-aside competition.

(B) Threshold Requirements

HUD will review each application to determine whether the application meets all of the threshold criteria described for program funding made available under this SuperNOFA. Applications that meet all of the threshold criteria will be eligible to be rated and ranked, based on the criteria described, and the total number of points to be awarded.

(C) Factors for Award Used To Evaluate and Rate Applications

For all of the programs for which funding is available under this SuperNOFA, the points awarded for the factors total 100. Where applicable (as provided in the Programs Section of the SuperNOFA), applicants may be eligible for additional points as discussed in this Section III(C).

(1) *Bonus Points.* The SuperNOFA provides for the award of up to two bonus points for eligible activities/projects that are proposed to be located in federally designated Empowerment Zones, Enterprise Communities, or Urban Enhanced Enterprise Communities, and serve the EZ/EC residents, and are certified to be consistent with the strategic plan of the EZs and ECs. The application kit contains a certification which must be completed for the applicant to be considered for EZ/EC bonus points. In the BEDI competition, two bonus points are available for federally designated Brownfields Showcase Communities. (Please see BEDI section of this SuperNOFA for additional information). A listing of the federally designated EZs, ECs, Enhanced ECs and Brownfields Showcase Communities are available from the SuperNOFA Information Center, or through the HUD web site on the Internet at <http://www.HUD.gov>.

(2) *Court-Ordered Consideration.* Due to an order of the U.S. District Court for the Northern District of Texas, Dallas, Division, with respect to any application by the City of Dallas, Texas, for HUD funds, HUD shall consider the extent to which the strategies or plans in an application or applications submitted by the City of Dallas for any program under this SuperNOFA will be used to eradicate the vestiges of segregation in the Dallas Housing Authority's low income housing programs. The City of Dallas should address the effect, if any, that vestiges of racial segregation in Dallas Housing Authority's low income housing programs have on potential participants in the programs covered by this NOFA, and identify proposed actions for remedying those vestiges. HUD may add up to 2 points to the score for any program based on this consideration, as provided in Factor 3 by the individual programs in the Programs Section of this SuperNOFA. (The points provided in this Section III(C)(2) is limited to applications submitted by the City of Dallas.)

(3) *The Five Standard Rating Factors.* The factors for rating and ranking applicants are listed in this Section III(c)(2) and maximum points for each

factor, are provided in the Programs Section of the SuperNOFA. Each applicant should carefully read the factors for award as described in the program area section that they are seeking funding. While HUD has established the following basic factors for award, these may have been modified or adjusted to take into account specific program needs, or statutory or regulatory limitations imposed on a program. The standard factors for award, except as modified in the program area section are:

Factor 1: Capacity of the Applicant and Relevant Organizational Staff
 Factor 2: Need/Extent of the Problem
 Factor 3: Soundness of Approach
 Factor 4: Leveraging Resources
 Factor 5: Comprehensiveness and Coordination

(D) Negotiation

After all applications have been rated and ranked and a selection has been made HUD may require that all winners participate in negotiations to determine the specific terms of the grant agreement and budget. In cases where HUD cannot successfully conclude negotiations or a selected applicant fails to provide HUD with requested information, awards will not be made. In such instances, HUD may offer an award to the next highest ranking applicant, and proceed with negotiations with the next highest ranking applicant.

(E) Adjustments to Funding

HUD reserves the right to fund less than the full amount requested in any application to ensure the fair distribution of the funds and to ensure the purposes of the programs contained in this SuperNOFA are met. HUD may choose not to fund portions of the applications that are ineligible for funding under applicable program statutory or regulatory requirements, or which do not meet the requirements of this General Section of this SuperNOFA or the requirements in the Programs Section for the specific program, and fund eligible portions of the applications.

If funds remain after funding the highest ranking applications, HUD may fund part of the next highest ranking application in a given program area. If the applicant turns down the award offer, HUD will make the same determination for the next highest ranking application. If funds remain after all selections have been made, remaining funds may be available for other competitions for each program area where there is a balance of funds.

Additionally, in the event of a HUD procedural error that, when corrected,

would result in selection of an otherwise eligible applicant during the funding round of this SuperNOFA, HUD may select that applicant when sufficient funds become available.

(F) Performance and Compliance Actions of Grantees

Performance and compliance actions of grantees will be measured and addressed in accordance with applicable standards and sanctions of their respective programs.

IV. Application Submission Requirements

As discussed earlier in the introductory section of this SuperNOFA, part of the simplification of this funding process, is to reduce the duplication of effort involved in completing and submitting similar applications for HUD funded programs. This SuperNOFA provides for consolidated applications for several of the programs for which funding is available under this SuperNOFA.

V. Corrections to Deficient Applications

After the application due date, HUD may not, consistent with 24 CFR part 4, subpart B, consider unsolicited information from an applicant. HUD may contact an applicant, however, to clarify an item in the application or to correct technical deficiencies. Applicants should note, however, that HUD may not seek clarification of items or responses that improve the substantive quality of the applicant's response to any eligibility or selection criterion. Examples of curable technical deficiencies include failure to submit the proper certifications or failure to submit an application containing an original signature by an authorized official. In each case, HUD will notify the applicant in writing by describing the clarification or technical deficiency. HUD will notify applicants by facsimile or by return receipt requested. Applicants must submit clarifications or corrections of technical deficiencies in accordance with the information provided by HUD within 14 calendar days of the date of receipt of the HUD notification. If the deficiency is not corrected within this time period, HUD will reject the application as incomplete.

VI. Promoting Comprehensive Approaches to Housing and Community Development

(A) General

HUD believes the best approach for addressing community problems is through a community-based process that provides a comprehensive response to

identified needs. By making HUD's Economic Development and Empowerment funding available in one NOFA, applicants may be able to relate the activities proposed for funding under this SuperNOFA to the recent and upcoming NOFAs and the community's Consolidated Plan and Analysis of Impediments to Fair Housing Choice. A complete schedule of NOFAs to be published during the fiscal year and those already published appears under the HUD Homepage on the Internet, which can be accessed at <http://www.hud.gov/nofas.html>.

(B) Linking Program Activities With AmeriCorps

Applicants are encouraged to link their proposed activities with AmeriCorps, a national service program engaging thousands of Americans on a full or part-time basis to help communities address their toughest challenges, while earning support for college, graduate school, or job training. For information about AmeriCorps, call the Corporation for National Service at (202) 606-5000.

(C) Encouraging Visitability in New Construction and Substantial Rehabilitation Activities

In addition to applicable accessible design and construction requirements, applicants are encouraged to incorporate visitability standards where feasible in new construction and substantial rehabilitation projects involving housing. Visitability standards allow a person with mobility impairments access into the home, but does not require that all features be made accessible. Visitability means at least one entrance at grade (no steps), approached by an accessible route such as a sidewalk; the entrance door and all interior passage doors are at least 2 feet 10 inches wide, allowing 32 inches of clear passage space. Allowing use of 2'10" doors is consistent with the Fair Housing Act (at least for the interior doors), and may be more acceptable than requiring the 3 foot doors that are required in fully accessible areas under the Uniform Federal Accessibility Standards for a small percentage of units. A visitable home also serves persons without disabilities, such as a mother pushing a stroller, or a person delivering a large appliance. Copies of the UFAS are available from the Office of Fair Housing and Equal Opportunity, U.S. Department of Housing and Urban Development, Room 5230, 451 Seventh Street, SW, Washington, DC 20410, telephone (202) 755-5404 or the TTY telephone number, 1-800-877-8399 (Federal Information Relay Service).

(D) Developing Healthy Homes

HUD's Healthy Homes Initiative is one of the initiatives developed by the White House Task Force on Environmental Health Risks and Safety Risks to Children that was established under Executive Order 13045 ("Protection of Children from Environmental Health Risks and Safety Risks"). HUD encourages the funding of activities (to the extent eligible under specific programs) that promote healthy homes, or that promote education on what is a healthy home. These activities may include, but are not limited to the following: 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; incorporating child safety measures in the construction, rehabilitation or maintenance of housing, which include but are not limited to: child safety latches on cabinets, hot water protection devices, properly ventilated windows to protect from mold, window guards to protect children from falling, proper pest management to prevent cockroaches which can cause asthma, and activities directed to control of lead-based paint hazards. The National Lead Information Hotline is 1-800-424-5323.

VII. Findings and Certifications

(A) Environmental Impact

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332). The Finding of No Significant Impact is available for public inspection during regular business hours in the Office of the General Counsel, Regulations Division, Room 10276, U.S. Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410-0500.

(B) Federalism, Executive Order 12612

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, *Federalism*, has determined that the policies contained in this SuperNOFA will not have substantial direct effects on States or their political subdivisions, or on the relationship between the Federal Government and the States, or on the distribution of power and responsibilities among the various levels of government. Specifically, the SuperNOFA solicits applicants to

expand their role in addressing community development needs in their localities, and does not impinge upon the relationships between the Federal government and State and local governments. As a result, the SuperNOFA is not subject to review under the Order.

(C) Prohibition Against Lobbying Activities

Applicants for funding under this SuperNOFA are subject to the provisions of section 319 of the Department of Interior and Related Agencies Appropriation Act for Fiscal Year 1991, 31 U.S.C. 1352 (the Byrd Amendment), which prohibits recipients of Federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the Federal Government in connection with a specific contract, grant, or loan. Applicants are required to certify, using the certification found at Appendix A to 24 CFR part 87, that they will not, and have not, used appropriated funds for any prohibited lobbying activities. In addition, applicants must disclose, using Standard Form LLL, "Disclosure of Lobbying Activities," any funds, other than Federally appropriated funds, that will be or have been used to influence Federal employees, members of Congress, and congressional staff regarding specific grants or contracts. Tribes and tribally designated housing entities (THDEs) established by an Indian tribe as a result of the exercise of the tribe's sovereign power are excluded from coverage of the Byrd Amendment, but tribes and TDHES established under State law are not excluded from the statute's coverage.

(D) Section 102 of the HUD Reform Act; Documentation and Public Access Requirements

Section 102 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545) (HUD Reform Act) and the regulations codified in 24 CFR part 4, subpart A, contain a number of provisions that are designed to ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. On January 14, 1992 (57 FR 1942), HUD published a notice that also provides information on the implementation of section 102. The documentation, public access, and

disclosure requirements of section 102 apply to assistance awarded under this SuperNOFA as follows:

(1) *Documentation and public access requirements.* HUD will ensure that documentation and other information regarding each application submitted pursuant to this SuperNOFA are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a 5-year period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations in 24 CFR part 15.

(2) *Disclosures.* HUD will make available to the public for 5 years all applicant disclosure reports (HUD Form 2880) submitted in connection with this SuperNOFA. Update reports (also Form 2880) will be made available along with the applicant disclosure reports, but in no case for a period less than 3 years. All reports—both applicant disclosures and updates—will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15.

(3) *Publication of Recipients of HUD Funding.* HUD's regulations at 24 CFR 4.7 provide that HUD will publish a notice in the **Federal Register** on at least a quarterly basis to notify the public of all decisions made by the Department to provide:

- (i) Assistance subject to section 102(a) of the HUD Reform Act; or
- (ii) Assistance that is provided through grants or cooperative agreements on a discretionary (non-formula, non-demand) basis, but that is not provided on the basis of a competition.

(E) Section 103 HUD Reform Act

HUD's regulations implementing section 103 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3537a), codified in 24 CFR part 4, apply to this funding competition. The regulations continue to apply until the announcement of the selection of successful applicants. HUD employees involved in the review of applications and in the making of funding decisions are limited by the regulations from

providing advance information to any person (other than an authorized employee of HUD) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage. Persons who apply for assistance in this competition should confine their inquiries to the subject areas permitted under 24 CFR part 4.

Applicants or employees who have ethics related questions should contact the HUD Ethics Law Division at (202) 708-3815. (This is not a toll-free number.) For HUD employees who have specific program questions, the employee should contact the appropriate field office counsel, or Headquarters counsel for the program to which the question pertains.

VIII. The FY 1998 SuperNOFA Process and Future HUD Funding Processes

In FY 1997, Secretary Cuomo took the first step at changing HUD's funding process to better promote comprehensive, coordinated approaches to housing and community development. In FY 1997, the Department published related NOFAs on the same day or within a few days of each other. In the individual NOFAs published in FY 1997, HUD advised that additional steps on NOFA coordination may be considered for FY 1998. The three SuperNOFAs to be published for FY 1998 represent the additional step taken by HUD to improve HUD's funding process and assist communities to make better use of available resources through a coordinated approach. This new SuperNOFA process was developed based on comments received from HUD clients and the Department believes it represents a significant improvement over HUD's approach to the funding process in prior years. For FY 1999, HUD may take even further steps to enhance this process. HUD welcomes comments from applicants and other members of the public on this process, and how it may be improved in future years.

The description of program funding available under this second SuperNOFA for Economic Development and Empowerment Programs follows.

Dated: April 23, 1998.

Saul N. Ramirez, Jr.,
Acting Deputy Secretary.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**BROWNFIELDS ECONOMIC
DEVELOPMENT INITIATIVE
(BEDI)**

BILLING CODE 4210-22-C

Funding Availability for the Brownfields Economic Development Initiative (BEDI)

Program Description: Approximately \$25 million is available for Brownfields Economic Development Initiative (BEDI) grants under Section 108(q) of the Housing and Community Development Act of 1974, as amended. BEDI funds are used to enhance the security of the Section 108 guaranteed loan for the same project or to improve the viability of a project financed with a Section 108-guaranteed loan. A BEDI grant is required to be used in conjunction with a new Section 108 guaranteed loan commitment.

Application Due Date: Completed applications (one original and two copies) must be submitted no later than 12:00 midnight, Eastern time, on August 10, 1998 to the addresses shown below. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Addresses for Submitting Applications

To HUD Headquarters. The completed application (an original and one copy) must be submitted to: Processing and Control Unit, Room 7255, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, D.C. 20410, Attention: BEDI Grant, by mail or hand delivery.

To the Appropriate CPD Field Office. An additional copy should be submitted to the Community Planning and Development Division of the appropriate HUD Field Office for the applicant's jurisdiction.

When submitting your application, please refer to BEDI, and include your name, mailing address (including zip code) and telephone number (include area code).

For Application Kits, Further Information, and Technical Assistance

For Application Kits. For an application kit and any supplemental information, please call HUD's SuperNOFA Information line toll free at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209 to obtain an application kit. The application kit will also be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to BEDI. Please be sure to provide your name, address (including zip

code), and telephone number (including area code).

For Further Information and Technical Assistance. Contact either Stan Gimont or Paul Webster, Financial Management Division, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7178, Washington, DC 20410, telephone (202) 708-1871 (this is not a toll-free number). Persons with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

See the General Section of this SuperNOFA for guidance on technical assistance. With respect to the Section 108 Loan Guarantee program, which is not a competitive program and thus not subject to those provisions of the HUD Reform Act pertaining to competitions, HUD staff will be available to provide advice and assistance to develop Section 108 loan applications.

Additional Information

I. Authority; Definitions; Purpose; Amount Allocated; and Eligibility

(A) Authority

Section 108(q), Title I, Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301-5320) (the Act); 24 CFR part 570.

(B) Definitions

Unless otherwise defined herein, terms defined in 24 CFR part 570 and used in this program section of this SuperNOFA shall have the respective meanings given thereto in that part.

Brownfield means abandoned, idled, or under-used real property (including industrial and commercial facilities) where expansion or redevelopment is complicated by real or suspected contamination.

Brownfields Economic Development Initiative (BEDI) means the competitive award of up to \$25 million, as appropriated in the FY 1998 HUD Appropriations Act, for economic development grant assistance under section 108(q) of the Act for the purpose of assisting public entities in the redevelopment of brownfields.

CDBG funds means those funds as defined at 24 CFR 570.3, including grant funds received pursuant to section 108(q) and this program section of this SuperNOFA.

Economic Development Initiative (EDI) means the provision of economic development grant assistance under section 108(q) of the Act, as authorized by Section 232 of the Multifamily Housing Property Disposition Reform

Act of 1994 (Pub. L. 103-233, approved April 11, 1994).

Economic development project means an activity or activities (including mixed use projects with housing components) that are eligible under the Act and under 24 CFR 570.703, and that increase economic opportunity for persons of low- and moderate-income or that stimulate or retain businesses or jobs or that otherwise lead to economic revitalization in connection with brownfields.

Empowerment Zone or Enterprise Community means an urban area so designated by the Secretary of HUD pursuant to 24 CFR part 597, or a rural area so designated by the Secretary of Agriculture pursuant to 7 CFR part 25, subpart B.

EPA means the U.S. Environmental Protection Agency.

Showcase Community means an applicant chosen by the Federal Government's Brownfields National Partnership for inclusion in Federal Government's Brownfields Showcase Communities program.

Strategic Plan means a strategy developed and agreed to by the nominating local government(s) and State(s) and submitted in partial fulfillment of the application requirements for an Empowerment Zone or Enterprise Community designated pursuant to 24 CFR part 597.

(C) Purpose

(1) **Background.** HUD has multiple programs which are intended to stimulate and promote economic and community development and can be effectively employed to address and remedy brownfield conditions. Primary among HUD's resources are the Community Development Block Grant (CDBG) program and the Section 108 loan guarantee program.

The CDBG program provides grant funds (\$4.195 billion in FY 1998) to local governments (either directly or through States) to carry out community and economic development activities. The Section 108 loan guarantee program provides local governments with a source of financing for economic development, housing rehabilitation, and other eligible large scale physical development projects. HUD is authorized pursuant to Section 108 to guarantee notes issued by CDBG entitlement communities and non-entitlement units of general local government eligible to receive funds under the State CDBG program. Regulations governing the Section 108 program are found at 24 CFR part 570, subpart M. It must be noted that the Section 108 program is subject to the

regulations of 24 CFR part 570 applicable to the CDBG program with the exception of changes embodied in 24 CFR part 570, subpart M.

For FY 1998, the Section 108 program is authorized at \$1.261 billion in loan guarantee authority. The full faith and credit of the United States is pledged to the payment of all guarantees made under Section 108. Under this program, communities (and States, if applicable) pledge their future years' CDBG allocations as security for loans guaranteed by HUD. The Section 108 program, however, does *not* require CDBG funds to be escrowed for loan repayment (unless such an arrangement is specifically negotiated as loan security). This means that a community can continue to spend its existing allocation for other CDBG purposes, unless needed for loan repayment.

(2) *EDI Program.* The EDI program was enacted in 1994 and is intended to complement and enhance the Section 108 Loan Guarantee program. The purpose of EDI (and BEDI) grant funds is to further minimize the potential loss of future CDBG allocations:

(a) By strengthening the economic feasibility of the projects financed with Section 108 funds (and thereby increasing the probability that the project will generate enough cash to repay the guaranteed loan);

(b) By directly enhancing the security of the guaranteed loan; or

(c) Through a combination of these or other risk mitigation techniques.

(3) *BEDI Program.* For FY 1998, the Congress made a specific appropriation of approximately \$25 million for the EDI program to assist in financing "brownfields" redevelopment. HUD intends the \$25 million in Brownfields EDI (BEDI) funds available pursuant to this program section of this SuperNOFA to be used with a particular emphasis upon the redevelopment of brownfield sites consistent with the statutory purpose of the FY 1998 HUD Appropriations Act. Accordingly, BEDI funds shall be used as the stimulus for local governments and private sector parties to commence redevelopment or continue phased redevelopment efforts on brownfield sites where contamination is known or suspected and redevelopment plans exist. HUD desires to see BEDI and Section 108 funds used to finance projects and activities that will provide near-term results and demonstrable economic benefits, such as job creation and increases in the local tax base. HUD does not encourage applications whose scope is limited only to site acquisition and/or remediation (i.e., land banking).

(4) *Redevelopment Focus.* The redevelopment focus for BEDI-assisted projects is also prompted by the need to provide additional security for the Section 108 loan guarantee pursuant to 24 CFR 570.705(b)(3). While public entities are required by the Act to pledge their current and future CDBG funds as a source of security for the Section 108 loan guarantee, the public entity will usually be required to furnish additional collateral which, ideally, will be the assets financed with the Section 108 loan funds. Clearly, a redevelopment focus for the BEDI funds will help achieve this goal by enhancing the value and improving the viability of projects assisted with Section 108 financing.

(5) *Integration of Other Government Brownfield Programs.* HUD expects and encourages local governments which are designated through the Federal Government's Brownfields Showcase Community program or other brownfields programs (i.e., EPA's Assessment Pilot or Revolving Loan Fund programs) or a State-supported brownfields program or related economic development program to integrate efforts arising from those programs in developing projects for assistance under HUD's BEDI and Section 108 programs. Such applicants should elaborate upon these ties in their response to the rating factors, where appropriate (e.g. "Capacity of the Applicant," "Soundness of Approach," or "Leveraging Resources,"—Rating Factors 1, 3, and 4 respectively.)

(6) *Typical Project Structures.* Provided that proposals are consistent with other CDBG requirements, including national objectives, HUD envisions that the following project structures could be typical:

(a) *Land Writedowns.* Local governments may use a combination of Section 108 and BEDI funds to acquire a brownfield site for purposes of reconveying the site to a private developer at a discount from its purchase price. This approach would provide the developer with an asset of enhanced value which could be used as collateral for other sources of funding. Such other sources of financing could be used to finance environmental remediation or other development costs. In theory, the level of BEDI assistance would approximate the difference between the original cost of the site and its remediation in comparison to the market value of the remediated property.

(b) *Site Remediation Costs.* Local governments may use BEDI funds in any of several ways to address site remediation costs. If the local

government used Section 108 funds to acquire real property, BEDI funds could be used to address assessment and site remediation costs as part of demolition, clearance, or site preparation activities. If the local government used Section 108 funds to make a loan to a developer, BEDI funds could be granted to the developer for the purpose of addressing remediation costs as part of an economic development activity.

(c) *Funding Reserves.* The cash flow generated by an economic development project may be expected to be relatively "thin" in the early stages of the project, i.e. potentially insufficient cash flows to meet operating expenses and debt service obligations. The BEDI grant can make it possible for reserves to be established in a way that enhances the economic feasibility of the project.

(d) *Over-Collateralizing the Section 108 Loan.*

(i) The use of BEDI grant funds may be structured in appropriate cases so as to improve the likelihood that project-generated cash flow will be sufficient to cover debt service on the Section 108 loan and directly to enhance the guaranteed loan. One technique for accomplishing this approach is over-collateralization of the Section 108 loan.

(ii) An example is the creation of a loan pool made up of Section 108 and BEDI grant funds. The community would make loans to various businesses from the combined pool at an interest rate equal to or greater than the rate on the Section 108 loan. The total loan portfolio would be pledged to the repayment of the Section 108 loan.

(e) *Direct Enhancement of the Security of the Section 108 Loan.* The BEDI grant can be used to cover the cost of providing enhanced security. An example of how the BEDI grant can be used for this purpose is by using the grant funds to cover the cost of a standby letter of credit, issued in favor of HUD. This letter of credit will be available to fund amounts due on the Section 108 loan if other sources fail to materialize and will, thus, serve to protect the public entity's future CDBG funds.

(f) *Provision of Financing to For-Profit Businesses at a Below Market Interest Rate.*

(i) While the rates on loans guaranteed under Section 108 are only slightly above the rates on comparable U.S. Treasury obligations, they may nonetheless be higher than can be afforded by businesses in severely economically distressed neighborhoods. The BEDI grant can be used to make Section 108 financing affordable.

(ii) BEDI grant funds could serve to "buy down" the interest rate up front,

or make full or partial interest payments, allowing the businesses to be financially viable in the early start-up period not otherwise possible with Section 108 alone. This strategy would be particularly useful where a community was undertaking a large commercial/retail project in a distressed neighborhood to act as a catalyst for other development in the area.

(g) *Combination of Techniques.* An applicant could employ a combination of these or other techniques in order to implement a strategy that carries out an economic development project.

(D) Amount Allocated

HUD has available a maximum of \$25 million for the BEDI program, as appropriated in the FY 1998 HUD Appropriations Act for the purpose of assisting public entities in the redevelopment of brownfields.

(E) Eligibility to Apply for Grant Assistance

Any public entity eligible to apply for Section 108 loan guarantee assistance in accordance with 24 CFR 570.702 may apply for BEDI grant assistance under section 108(q). *Eligible applicants are CDBG entitlement units of general local government and non-entitlement units of general local government eligible to receive loan guarantees under 24 CFR part 570, subpart M.* Note that effective January 25, 1995, non-entitlement public entities in the states of New York and Hawaii were authorized to apply to HUD for Section 108 loans (see 59 FR 47510, December 27, 1994). Thus non-entitlement public entities in all 50 states and Puerto Rico are eligible to participate in the Section 108 and BEDI programs.

(F) Related Section 108 Loan Guarantee Application

(1) Each BEDI application must be accompanied by a request for new Section 108 loan guarantee assistance. Both the BEDI and Section 108 funds must be used in conjunction with the same economic development project. This request may take any of several forms as defined below.

(a) A formal application for new Section 108 loan guarantee(s), including the documents listed at 24 CFR 570.704(b);

(b) A brief description (not to exceed three pages) of a new Section 108 loan guarantee application(s). Such 108 application(s) will be submitted within 60 days, with HUD reserving the right to extend such period for good cause on a case-by-case basis, of a notice of BEDI selection. BEDI awards will be conditioned on approval of actual

Section 108 loan commitments. This description must be sufficient to support the basic eligibility of the proposed project or activities for Section 108 assistance. (See Section I(G) of this program section of this SuperNOFA.);

(c) If applicable, a copy of a Section 108 loan guarantee approval document with grant number and date of approval (which was approved *after* the date of this SuperNOFA, except in conjunction with a previous EDI award); or

(d) A request for a Section 108 loan guarantee amendment (analogous to Section I(F)(1) (a) or (b) of this BEDI section of the SuperNOFA) that proposes to increase the amount of a previously approved application. However, any amount of Section 108 loan guarantee authority approved *before* the date of this SuperNOFA is not eligible to be used in conjunction with a BEDI grant under this SuperNOFA.

(2) Further, a Section 108 loan guarantee amount that is required to be used in conjunction with a prior EDI grant award, whether or not the Section 108 loan guarantee has been approved as of the date of this SuperNOFA, is not eligible for a BEDI award under this SuperNOFA. For example, if a public entity has a previously approved Section 108 loan guarantee commitment of \$12 million, even if none of the funds have been utilized, or if the public entity had previously been awarded an EDI grant of \$1 million and had certified that it will submit a Section 108 loan application for \$10 million in support of that EDI grant, the public entity's application under this program section of this SuperNOFA must propose to increase the amount of its total Section 108 loan guarantee commitments beyond those amounts (the \$12 million or \$10 million in this example) to which it has previously agreed.

(G) Eligible Activities and National Objectives

BEDI grant funds may be used for activities listed at 24 CFR 570.703, provided such activities are carried out as part of an economic development project as defined in Section I(B) of this BEDI section of this SuperNOFA. Each activity assisted with Section 108 loan guarantee or BEDI funds must meet a national objective of the CDBG program as described in 24 CFR 570.208. In the aggregate, a grantee's use of CDBG funds, including any Section 108 loan guarantee proceeds and section 108(q) (EDI) funds provided pursuant to this program section of this SuperNOFA, must comply with the CDBG primary objectives requirements as described in section 101(c) of the Housing and

Community Development Act of 1974, as amended, and 24 CFR 570.200(c)(3) or 570.484 in the case of State grantees. The foregoing eligible activities may also include:

(1) Payment of costs of private financial guaranty insurance policies, letters of credit, or other credit enhancements for the notes or other obligations guaranteed by HUD pursuant to Section 108, provided that the proceeds of such notes or obligations are used to finance an economic development project. Such enhancements shall be specified in the contract required by 24 CFR 570.705(b)(1), and shall be satisfactory in form and substance to HUD for security purposes; and

(2) The payment of interest due (and other costs such as servicing, underwriting, or other costs as may be authorized by HUD) on the notes or other obligations guaranteed by HUD pursuant to the Section 108 loan guarantee program.

(H) Limitations on Use of BEDI and Section 108 Funds

Certain restrictions shall apply to the use of BEDI and Section 108 funds:

(1) BEDI grants shall not be used as a resource to immediately repay the principal of a loan guaranteed under Section 108. Repayment of principal is only permissible with BEDI grant funds as a matter of security if other sources projected for repayment of principal prove to be unavailable.

(2) BEDI grant funds shall not be used in any manner by grantees to provide public or private sector entities with funding to remediate conditions caused by their actions, where the public entity (or other known prospective beneficiary of the proposed BEDI grant) has been determined responsible for causation and remediation by order of a court or a Federal, State, or local regulatory agency, or is responsible for the remediation as part of a settlement approved by such a court or agency.

(3) Applicants may not propose projects on sites which are listed or proposed to be listed on EPA's National Priority List (NPL). Further, applicants are cautioned against proposing projects on sites where the nature and degree of environmental contamination is not well quantified or which are the subject of on-going litigation or environmental enforcement action.

(4) Applicants are cautioned against using Section 108 funds to finance activities which also include financing generated through the issuance of federally tax exempt obligations. Pursuant to Office of Management and Budget (OMB) Circular A-129 (Policies

for Federal Credit Programs and Non-Tax Receivables), Section 108 guaranteed loan funds may not directly or indirectly support federally tax-exempt obligations.

(I) Limitations on Grant Amounts

(1) HUD expects to approve BEDI grant amounts for approvable applications at a range of ratios of BEDI grant funds awarded to new Section 108 loan guarantee commitments but the minimum ratio will be \$1 of Section 108 loan guarantee commitments for every \$1 of BEDI grant funds. However, applicants that propose a leverage ratio of 1:1 will not receive any points under the Rating Subfactor 4(1): "Leverage of Section 108 Funds."

For example, an applicant requesting a BEDI grant of \$1 million will be required to leverage a minimum of at least \$1 million in new Section 108 loan guarantee commitments. This will be a special condition of the BEDI grant award. Of course, even though there is a minimum ratio of 1:1, applications with higher ratios will receive more points under Rating Factor 4, "Leveraging Resources/Financial Need" and, all other things being equal, will be more competitive. Applicants are encouraged to propose projects with a greater leverage ratio of new Section 108 to BEDI grant funds (assuming such projects are financially viable). For example \$1 million of BEDI could leverage \$12 million of new Section 108 loan commitments. HUD intends that the BEDI funds will be used for projects which leverage the greatest possible amount of Section 108 loan guarantee commitments.

(2) HUD expects that the average grant size will be approximately \$1 million.

(3) In the event the applicant is awarded a BEDI grant that has been reduced below the original request (e.g. the application contained some activities that were ineligible or there were insufficient funds to fund the last competitive application at the full amount requested), the applicant will be required to modify its project plans and application to conform to the terms of HUD approval before execution of a grant agreement. HUD reserves the right to reduce or de-obligate the BEDI award if approvable Section 108 loan guarantee applications are not submitted by the grantee in the required amounts on a timely basis. Any requested modifications must be within the scope of the original BEDI application.

(4) In the case of requested amendments to a previously approved Section 108 loan guarantee commitment (as further discussed in section I(F)(1)(d)

above), the BEDI assistance approved will be based on the increased amount of Section 108 loan guarantee assistance.

(J) Timing of Grant Awards

(1) To the extent a full Section 108 application is submitted with the BEDI grant application, the Section 108 application will be evaluated concurrently with the request for BEDI grant funds. Note that BEDI grant assistance cannot be used to support a Section 108 loan guarantee approved prior to the date of the publication of this SuperNOFA. However, the BEDI grant may be awarded prior to HUD approval of the Section 108 commitment if HUD determines that such award will further the purposes of the Act.

(2) HUD notification to the grantee of the amount and conditions (if any) of BEDI funds awarded based upon review of the BEDI application shall constitute an obligation of grant funds, subject to compliance with the conditions of award and execution of a grant agreement. BEDI funds shall not be disbursed to the public entity before the issuance of the related Section 108 guaranteed obligations.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, applicants are subject to the following requirements.

(A) CDBG Program Regulations

The requirements of 24 CFR part 570, including subpart K (Other Program Requirements).

(B) Environmental Review

After the completion of this competition and after HUD's award of BEDI grant funds, pursuant to 24 CFR 570.604, each project or activity assisted under this program is subject to the provisions of 24 CFR part 58, including limitations on the EDI grant and Section 108 public entity's commitment of HUD and non-HUD funds prior to the completion of environmental review, notification and release of funds. No such assistance will be released by HUD until a request for release of funds is submitted and the requirements of 24 CFR part 58 have been met. All public entities, including nonentitlement public entities, shall submit the request for release of funds and related certification, pursuant to 24 CFR part 58, to the appropriate HUD field office for each project to be assisted.

(C) Environmental Justice

(1) Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations directs Federal agencies to develop strategies to address environmental justice. Environmental justice seeks to rectify the disproportionately high burden of environmental pollution that is often borne by low-income, minority, and other disadvantaged communities, and to ensure community involvement in policies and programs addressing this issue.

(2) Brownfields are often located in distressed neighborhoods, contribute to neighborhood blight, and lower the quality of social, economic, and environmental health of communities. The BEDI program is intended to promote the clean up and redevelopment of brownfield sites and, to this end, HUD expects that projects presented for BEDI funding will integrate environmental justice concerns and provide demonstrable benefits for affected communities and their residents.

(D) Compliance With Applicable Laws

Applicants are advised that an award of BEDI funding does not in any way relieve the applicant or third parties users of BEDI funds from compliance with all applicable Federal, State and local laws, particularly those addressing the environment. Applicants are further advised that HUD may require evidence that any project involving remediation has been or will be carried out in accordance with State law, including voluntary clean up programs.

III. The Application Selection Process

(A) Rating and Ranking

(1) Each rating factor and the maximum number of points is provided below. The maximum number of points to be awarded is 102. This includes two EZ/EC bonus points as described in the General Section of the SuperNOFA, or two bonus points for having received a federal designation as a Brownfields Showcase Community.

(2) Once scores are assigned, all applications will be ranked in order of points assigned, with the applications receiving more points ranking above those receiving fewer points. Applications will be funded in rank order.

(3) If HUD determines that an application rated, ranked and fundable could be funded at a lesser BEDI grant amount than requested consistent with feasibility of the funded project or activities and the purposes of the Act,

HUD reserves the right to reduce the amount of the BEDI award and/or increase the Section 108 loan guarantee commitment, if necessary, in accordance with such determination. An application in excess of \$1 million may be reduced below the amount requested by the applicant if HUD determines that such a reduction is appropriate.

(4) HUD may decide not to award the full amount of BEDI grant funds available under this program section of this SuperNOFA and may make any remaining amounts available under a future SuperNOFA.

(B) Narrative Statement

Each applicant shall provide a narrative statement describing the activities that will be carried out with the BEDI grant funds and explaining the nature and extent of the Brownfield's problems(s) affecting the project. The narrative statement shall not exceed three (3) 8.5" by 11" pages for the description of the activities to be carried out with the BEDI grant funds. The description of activities should include a statement of how the proposed uses of BEDI funds will meet the national objectives for the CDBG program under 24 CFR 570.208 and qualify as eligible activities under 24 CFR 570.703. Citations to the specific regulatory subsections supporting eligibility are recommended, but a narrative description will be accepted. See Section I(G) of this program section of this SuperNOFA. The applicant shall also provide a narrative response to the rating factors below. Each of the listed rating factors (or, where applicable, each subfactor) below also has a separate page limitation specified. Narrative statements must be printed in 12 point type/font, and have sequentially numbered pages.

(C) Factors for Award Used to Evaluate and Rate Applications

All applications will be considered for selection based on the following factors that demonstrate the quality of the proposed project or activities, and the applicant's creativity, capacity and commitment to obtain maximum benefit from the BEDI funds, in accordance with the purposes of the Act.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (15 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed

activities in a timely manner. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any faculty, subcontractors, consultants, subrecipients, and members of consortia which are firmly committed (i.e. has a written agreement or a signed letter of understanding with the applicant agreeing in principle to its participation and role in the project). In rating this factor, HUD will consider the following:

(1) With regard to the BEDI/Section 108 project proposed by the applicant, the applicant should demonstrate that it has the capacity to implement the specific steps required to successfully carry out the proposed BEDI/Section 108 project. This includes factors such as the applicant's:

(a) Performance in the administration of its CDBG, HOME or other programs;

(b) Previous experience, if any, in administering a Section 108 loan guarantee;

(c) Performance and capacity in carrying out economic development projects;

(d) Performance and capacity to carry out Brownfields redevelopment projects;

(e) Ability to conduct prudent underwriting;

(f) Capacity to manage and service loans made with the guaranteed loan funds or previous EDI grant funds;

(g) Capacity to carry out its projects and programs in a timely manner; and,

(h) If applicable, the applicant's capacity to manage projects under this program section of this SuperNOFA along with any federal funds awarded as a result of a federal urban Empowerment Zone/Enterprise Community designation.

(2) If an applicant has previously received an EDI grant award(s), the applicant must describe the status of the implementation of that EDI-assisted project(s), any delays that have been encountered and the actions the applicant is taking to overcome any such delays in order to carry out the project in a timely manner. For such previously funded EDI grant projects, HUD will consider the extent to which the awarded EDI grant funds and the associated Section 108-guaranteed loan funds have been utilized.

(3) The capacity of subrecipients, nonprofit organizations and other entities that have a role in implementing the proposed program will be included in this review. HUD may also rely on information from performance reports, financial status information, monitoring reports, audit reports and other

information available to HUD in making its determination under this factor.

Rating Factor 2: Distress/Extent of the Problem (15 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the extent to which there is need for funding the proposed activities based on levels of distress, and an indication of the urgency of meeting the need/distress in the target area.

(1) In applying this factor, HUD will consider current levels of distress in the immediate community to be served by the project and the jurisdiction applying for assistance. Applicants who are able to indicate a level of distress in the immediate project area that is greater than the level of distress in the applicant's jurisdiction as a whole will receive a higher score under this factor than those who do not. HUD requires that applicants use sound and reliable data that is verifiable to support the level of distress claimed in the application. The applicant shall provide a source for the information it uses.

(2) In previous EDI competitions, the poverty rate was often considered the best indicator of distress; however, the applicant may demonstrate the level of distress with other factors such as income levels and unemployment rates.

(3) HUD will consider a project to have maximum distress if the project(s) is located within the boundaries of a federally-designated Empowerment Zone or Enterprise Community (Applicants will be responsible for demonstrating that the project site is within the boundaries of the applicant's EZ/EC area).

(4) To the extent that the applicant's Consolidated Plan and its Analysis of Impediments to Fair Housing choice (AI) identifies the level of distress in the community and the neighborhood in which the project is being carried out, the applicant should include references to such documents in preparing its response to this factor.

Rating Factor 3: Soundness of Approach (25 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the quality and cost-effectiveness of the applicant's proposed plan. There must be a clear relationship between the proposed activities, community needs and purposes of the program funding for an applicant to receive points for this factor. In rating this factor, HUD will consider the following:

(1) HUD will consider the quality of the applicant's plan/proposal for the use

of BEDI funds and Section 108 loan funds, including the extent to which the applicant's proposed plan for the effective use of BEDI grant/Section 108 loan guarantee will address the needs described in Rating Factor 2 above regarding the distress and extent of the problem in the applicant's immediate community and/or its jurisdiction.

(2) HUD will consider the extent to which the plan is logically, feasibly, and substantially likely to achieve its stated purpose. HUD's desire is to fund projects and activities which will quickly produce demonstrable results and advance the public interest including the number of jobs to be created by the project. An applicant should demonstrate that it has a clear understanding of the steps required to implement its project, the actions that it and others responsible for implementing the project must complete and shall include a reasonable time schedule for carrying out the project.

(3) The applicant's response to this factor should take into account certain site selection, planning, and environmental issues. Further, applicants are cautioned against proposing projects on sites where the nature and degree of environmental contamination is not well quantified or which are the subject of on-going litigation or environmental enforcement. To reiterate, HUD's desire is to fund projects and activities which will quickly produce demonstrable results and advance the public interest. Sites with unknown or exceptionally expensive contamination problems may be beyond the scope of the BEDI program's financial resources and sites subject to pending and current litigation may not be available for remediation and development in a timeframe consistent with HUD's desire for rapid progress in the use of BEDI and Section 108 funds.

(4) The BEDI program is intended to promote the clean up and redevelopment of brownfield sites and, to this end, HUD expects that projects presented for BEDI funding will integrate environmental justice concerns and provide demonstrable benefits for affected communities and their residents.

(5) HUD will evaluate the extent to which the applicant's project incorporates one or more elements that facilitate a successful transition of welfare recipients from welfare to work. Such an element could include, for example, linking the proposed project or loan fund to social and/or other services needed to enable welfare recipients to successfully secure and carry out full-time jobs in the private sector; provision

of job training to welfare recipients who might be hired by businesses financed through the proposal; and/or incentives for businesses financed with BEDI/section 108 funds to hire and train welfare recipients.

(6) Up to two (2) additional points will be awarded to any application submitted by the City of Dallas, Texas, to the extent this subfactor is addressed. Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application submitted by the City of Dallas, Texas, HUD's consideration of the applicant's response to this factor, "Soundness of Approach" will include the extent to which the applicant's plan for the use of BEDI funds and Section 108 loans will be used to eradicate the vestiges of racial segregation in the Dallas Housing Authority's programs consistent with the Court's order.

Rating Factor 4: Leveraging Resources/ Financial Need (35 Points)

[Page limits for the response to this factor are listed separately for each subfactor under this factor.]

In evaluating this factor, HUD will consider the extent to which the applicant's response demonstrates the financial need and feasibility of the project and the leverage ratio of Section 108 loan proceeds to BEDI grant funds. This factor has three subfactors, each with its own maximum point total:

(1) *Leverage of Section 108 funds* (20 points). [Your response to this subfactor is limited to one (1) page.] The minimum ratio of Section 108 funds to BEDI funds in any project may not be less than 1:1. The extent to which the proposed project leverages an amount of Section 108 funds beyond the 1:1 ratio will be considered a positive factor. Applicants that have a ratio of 1:1 will not receive any points under this subfactor. Applicants that use their BEDI grant to leverage more Section 108 commitments will receive more points under this subfactor.

(2) *Financial feasibility* (10 points). [Your response to this subfactor is limited to three (3) pages.] HUD will consider the extent to which the applicant demonstrates that the project is financially feasible. This may include factors such as:

(a) Project costs and financial requirements. Applicants should provide a funding sources and uses statement (not included in 5 page narrative limit) as well as justifications for project costs.

(b) The amount of any debt service or operating reserve accounts to be established in connection with the economic development project.

(c) The reasonableness of the costs of any credit enhancement paid with BEDI grant funds.

(d) The amount of program income (if any) to be received each year during the repayment period for the guaranteed loan.

(e) Interest rates on those loans to third parties (other than subrecipients) (either as an absolute rate or as a plus/minus spread to the Section 108 rate).

(f) Underwriting criteria that will be used in determining project feasibility.

(3) *Leverage of other financial resources* (5 points). [Your response to this subfactor is limited to one (1) page plus supporting documentation evidencing third party commitment (written and signed) of funds.] HUD will evaluate the extent to which the applicant leverages other funds (public or private) with BEDI grant funds and section 108 guaranteed loan funds and the extent to which such other funds are firmly pledged to the project. This could include the use of CDBG funds, other Federal or state grants or loans, a grantee's general funds, project equity or commercial financing provided by private sources or funds from non-profits or other sources. Funds will be considered pledged to the project if there is evidence of the third party's written commitment to make the funds available for the BEDI/108 project, subject to approval of the BEDI and Section 108 assistance and completion of any environmental clearance required under 24 CFR part 58 for the project. Note that with respect to CDBG funds, the applicant's pledge of its CDBG funds will be considered sufficient commitment.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

[Your response to this factor is limited to two (2) pages.]

This factor addresses the extent to which the applicant coordinated its activities with other known organizations, participates or promotes participation in the applicant's or a State's Consolidated Planning process, and is working towards addressing a need in a comprehensive manner through linkages with other activities in the community.

In evaluating this factor, HUD will consider the extent to which the applicant demonstrates it has:

(1) Coordinated its proposed activities with those of other groups or organizations prior to submission in order to best complement, support and coordinate all known activities and if funded, the specific steps it will take to share information on solutions and outcomes with others. Any written

agreements, memoranda of understanding in place, or that will be in place after award should be described.

(2) Developed linkages, or the specific steps it will take to develop linkages with other activities, programs or projects through meetings, information networks, planning processes or other mechanisms to coordinate its activities so solutions are holistic and comprehensive, including linkages with other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan.

(3) Coordinated its efforts with other Federal, State or locally supported activities, including EPA's various Brownfields initiatives, and those proposed or on-going in the community.

IV. Application Submission Requirements

(A) Public entities seeking BEDI assistance must make a specific request for that assistance, in accordance with the requirements of this program section of this SuperNOFA.

(B) The application should include an original and one copy of the items listed below submitted to HUD Headquarters (see the section "Addresses For Submitting Applications in this program section of this SuperNOFA), with one additional copy submitted directly to the Community Planning and Development Division of the cognizant HUD Field Office for the applicant's jurisdiction.

(C) A BEDI application shall consist of the following items:

(1) Transmittal letter from applicant;

(2) Table of contents;

(3) Application check list (supplied in application kit);

(4) A request for loan guarantee assistance under Section 108, as further described in Section I(F) of this program section of this SuperNOFA. Application guidelines for the Section 108 program are found at 24 CFR 570.704;

(5) As described in Section III(B) of this program section of this SuperNOFA, a narrative statement (3 page limit) describing the activities that

will be carried out with the BEDI grant funds;

(6) Responses to each of the rating factors (within the page limits provided for each factor or subfactor as applicable);

(7) Completion of a funding sources and uses statement and a BEDI and Section 108 eligibility statement (see the application kit);

(8) Written agreements or signed letters of understanding in support of Rating Factor 1: "Capacity of the Applicant and Relevant Organizational Experience";

(9) Signed third party commitment letters pledging funds in support of subfactor 4(2): "Leverage of other financial resources";

(10) Required certifications; and

(11) Acknowledgement of Application Receipt form.

V. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**ECONOMIC DEVELOPMENT
INITIATIVE (EDI)**

BILLING CODE 4210-32-C

Funding Availability for the Economic Development Initiative (EDI)

Program Description: Approximately \$38 million is available for Economic Development Initiative (EDI) grants under Section 108(q) of the Housing and Community Development Act of 1974, as amended. (Please see Section I(D) of this EDI section of the SuperNOFA for possible set-aside.) EDI funds are used to enhance the security of the Section 108 guaranteed loan for the same project or to improve the viability of a project financed with a Section 108-guaranteed loan. An EDI grant is required to be used in conjunction with a new Section 108 guaranteed loan commitment.

Application Due Date: Completed applications (one original and two copies) must be submitted no later than 12:00 midnight, Eastern time, on July 30, 1998 to the addresses shown below. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications

To HUD Headquarters. The completed application (an original and one copy) must be submitted to: Processing and Control Unit, Room 7255, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC 20410, Attention: EDI Grant, by mail or hand delivery.

To the Appropriate CPD Field Office. An additional copy should be submitted to the Community Planning and Development Division of the appropriate HUD Field Office for the applicant's jurisdiction.

When submitting your application, please refer to EDI, and include your name, mailing address (including zip code) and telephone number (including area code).

For Application Kits, Further Information, and Technical Assistance

For Application Kits. For an application kit and any supplemental information, please call HUD's SuperNOFA Information line toll free at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209 to obtain an application kit. The application kit will also be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting the application kit, please refer to EDI. Please make sure to provide your name, address (including zip

code), and telephone number (including area code).

For Further Information and Technical Assistance. Contact either Stan Gimont or Paul Webster, Financial Management Division, Office of Block Grant Assistance, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7178, Washington, DC 20410; telephone (202) 708-1871 (this is not a toll-free number). Persons with speech or hearing impairments may access this number via TTY by calling the toll-free Federal Information Relay Service at 1-800-877-8339.

See the General Section of this SuperNOFA for guidance on technical assistance. With respect to the Section 108 Loan Guarantee program, which is not a competitive program and thus not subject to those provisions of the HUD Reform Act pertaining to competitions, HUD staff will be available to provide advice and assistance to develop Section 108 loan applications.

Additional Information

I. Authority; Definitions; Purpose; Amount Allocated; and Eligibility

(A) Authority

Section 108(q), Title I, Housing and Community Development Act of 1974, as amended (42 U.S.C. 5301-5320) (the Act); 24 CFR part 570.

(B) Definitions

Unless otherwise defined herein, terms defined in 24 CFR part 570 and used in this program section of this SuperNOFA shall have the respective meanings given thereto in that part.

CDBG funds means those funds as defined at 24 CFR 570.3, including grant funds received pursuant to section 108(q) of the Act and this program section of this SuperNOFA.

Economic Development Initiative (EDI) means the provision of economic development grant assistance under section 108(q) of the Act, as authorized by Section 232 of the Multifamily Housing Property Disposition Reform Act of 1994 (Pub.L. 103-233, approved April 11, 1994).

Economic development project means an activity or activities (including mixed use projects with housing components) that are eligible under the Act and under 24 CFR 570.703, and that increase economic opportunity for persons of low- and moderate-income or that stimulate or retain businesses or jobs or that otherwise lead to economic revitalization.

Empowerment Zone or Enterprise Community means an urban area so designated by the Secretary of HUD

pursuant to 24 CFR part 597, or a rural area so designated by the Secretary of Agriculture pursuant to 7 CFR part 25, subpart B.

Strategic Plan means a strategy developed and agreed to by the nominating local government(s) and State(s) and submitted in partial fulfillment of the application requirements for an Empowerment Zone or Enterprise Community designated pursuant to 24 CFR part 597.

(C) Purpose

(1) *Background.* HUD has multiple programs which are intended to stimulate and promote economic and community development. Primary among HUD's resources are the Community Development Block Grant (CDBG) program and the Section 108 loan guarantee program.

The CDBG program provides grant funds (\$4.195 billion in FY 1998) to local governments (either directly or through States) to carry out community and economic development activities. The Section 108 loan guarantee program provides local governments with a source of financing for economic development, housing rehabilitation and other eligible large scale physical development projects. HUD is authorized pursuant to Section 108 to guarantee notes issued by CDBG entitlement communities and non-entitlement units of general local government eligible to receive funds under the State CDBG program. Regulations governing the Section 108 program are found at 24 CFR part 570, subpart M. It must be noted that the Section 108 program is subject to the regulations of 24 CFR part 570 applicable to the CDBG program with the exception of changes embodied in 24 CFR part 570, subpart M.

For FY 1998, the Section 108 program is authorized at \$1.261 billion in loan guarantee authority. The full faith and credit of the United States is pledged to the payment of all guarantees made under Section 108. Under this program, communities (and States, if applicable) pledge their future years' CDBG allocations as security for loans guaranteed by HUD. The Section 108 program, however, does not require CDBG funds to be escrowed for loan repayment (unless such an arrangement is specifically negotiated as loan security). This means that a community can continue to spend its existing allocation for other CDBG purposes, unless needed for loan repayment.

(2) *EDI Program.* The EDI program was enacted in 1994 and is intended to complement and enhance the Section 108 Loan Guarantee program. The

purpose of EDI grant funds is to further minimize the potential loss of future CDBG allocations:

(a) By strengthening the economic feasibility of the projects financed with Section 108 funds (and thereby increasing the probability that the project will generate enough cash to repay the guaranteed loan);

(b) By directly enhancing the security of the guaranteed loan; or

(c) Through a combination of these or other risk mitigation techniques.

(3) *Purpose of EDI Funding.* HUD intends the approximately \$38 million in EDI funds to stimulate economic development by local governments and private sector parties. HUD desires to see EDI and Section 108 funds used to finance projects and activities that will provide near-term results and demonstrable economic benefits, such as job creation and increases in the local tax base.

(4) *Additional Security for Section 108 Loan Guarantee.* Public entities should be mindful of the need to provide additional security for the Section 108 loan guarantee pursuant to 24 CFR 570.705(b)(3). Although a public entity is required by the Act to pledge its current and future CDBG funds as security for the Section 108 loan guarantee, the public entity will usually be required to furnish additional collateral. In most cases, the additional collateral consists (in whole or in part) of the asset financed with the Section 108 loan funds (e.g., a loan made to a business as part of an economic development project). Applications proposing uses for EDI funding that enhance the viability of projects will help ensure that the project-based asset(s) will satisfy the additional collateral requirements.

(5) *Typical Project Structures.* Provided that proposals are consistent with other CDBG requirements, including national objectives, HUD envisions that the following project structures could be typical:

(a) *Funding Reserves.* The cash flow generated by an economic development project may be expected to be relatively "thin" in the early stages of the project, i.e. potentially insufficient cash flows to meet operating expenses and debt service obligations. The EDI grant can make it possible for reserves to be established in a way that enhances the economic feasibility of the project.

(b) *Over-Collateralizing the Section 108 Loan.*

(i) The use of EDI grant funds may be structured in appropriate cases so as to improve the likelihood that project-generated cash flow will be sufficient to cover debt service on the Section 108

loan and directly to enhance the guaranteed loan. One technique for accomplishing this approach is over-collateralization of the Section 108 loan.

(ii) An example is the creation of a loan pool funded with Section 108 and EDI grant funds. The community would make loans to various businesses from the combined pool at an interest rate equal to or greater than the rate on the Section 108 loan. The total loan portfolio would be pledged to the repayment of the Section 108 loan.

(c) *Direct Enhancement of the Security of the Section 108 Loan.* The EDI grant can be used to cover the cost of providing credit enhancements. An example of how the EDI grant can be used for this purpose is by using the grant funds to cover the cost of a standby letter of credit, issued in favor of HUD. This letter of credit will be available to fund amounts due on the Section 108 loan if other sources fail to materialize and will, thus, serve to protect the public entity's future CDBG funds.

(d) *Provision of Financing to For-Profit Businesses at a Below Market Interest Rate.*

(i) While the rates on loans guaranteed under Section 108 are only slightly above the rates on comparable U.S. Treasury obligations, they may nonetheless be higher than can be afforded by businesses in severely economically distressed neighborhoods. The EDI grant can be used to make Section 108 financing affordable.

(ii) EDI grant funds could serve to "buy down" the interest rate up front, or make full or partial interest payments, allowing the businesses to be financially viable in the early start-up period not otherwise possible with Section 108 alone. This strategy would be particularly useful where a community was undertaking a large commercial/retail project in a distressed neighborhood to act as a catalyst for other development in the area.

(e) *Combination of Techniques.* An applicant could employ a combination of these or other techniques in order to implement a strategy that carries out an economic development project.

(D) *Amount Allocated*

HUD has available a maximum of approximately \$38 million for the EDI program, as appropriated in the FY 1998 HUD Appropriations Act. If any additional EDI grant monies for this SuperNOFA become available, HUD may either fund additional applicants in accordance with this SuperNOFA during Fiscal Year 1998 or may add any funds that become available to funds

available for any future EDI competitions.

As part of EDI, HUD is developing a program enhancement designed to reduce the risk that CDBG funds will have to be used to repay Section 108 loans that finance economic development projects. This mechanism will allow public entities to pool economic development loans and related reserves. The diversification created by the pooling of loans and reserves will reduce the risk that a public entity will incur a catastrophic loss to its CDBG program if a business defaults on an economic development loan made with Section 108 funds. The CDBG Risk Reduction Pool will also assist public entities in satisfying the collateral requirements for Section 108 loans. The pool's reserves and incremental cash flows will provide an additional credit enhancement for the Section 108 loan and thereby satisfy Section 108 additional collateral requirements. The HUD budget for FY 1999 has requested \$400 million for an enhanced EDI program that includes features of this mechanism.

HUD is developing this pooling mechanism in consultation with other Federal agencies and outside experts. HUD is considering a \$10 million demonstration in FY 1998. If the demonstration occurs, then \$28 million will be available for the EDI competition announced in this SuperNOFA. In this event, HUD will publish a supplementary notice to the EDI program section of this SuperNOFA announcing the availability of the \$10 million for an FY 1998 demonstration of this mechanism. Should there be no demonstration in FY 1998, then HUD reserves the right to utilize the \$10 million for the EDI competition announced in this SuperNOFA, making the total amount available \$38 million.

(E) *Eligibility to Apply for Grant Assistance*

Any public entity eligible to apply for Section 108 loan guarantee assistance pursuant to 24 CFR 570.702 may apply for EDI grant assistance under Section 108(q). *Eligible applicants are CDBG entitlement units of general local government and non-entitlement units of general local government eligible to receive loan guarantees under 24 CFR part 570, subpart M.* Note that effective January 25, 1995, non-entitlement public entities in the states of New York and Hawaii were authorized to apply to HUD for Section 108 loans (see 59 FR 47510, December 27, 1994). Thus, non-entitlement public entities in all 50 states and Puerto Rico are eligible to

participate in the Section 108 and EDI programs.

(F) Related Section 108 Loan Guarantee Application

(1) Each EDI application must be accompanied by a request for new Section 108 loan guarantee assistance. Both the EDI and Section 108 funds must be used in conjunction with the same economic development project. This request may take any of several forms as defined below.

(a) A formal application for new Section 108 loan guarantee(s), including the documents listed at 24 CFR 570.704(b);

(b) A brief description (not to exceed three pages) of a new Section 108 loan guarantee application(s). Such 108 application(s) will be submitted within 60 days, with HUD reserving the right to extend such period for good cause on a case-by-case basis, of a notice of EDI selection. EDI awards will be conditioned on approval of actual Section 108 loan commitments. This description must be sufficient to support the basic eligibility of the proposed project or activities for Section 108 assistance. (See Section I(G) of this program section of this SuperNOFA.);

(c) If applicable, a copy of a Section 108 loan guarantee approval document with grant number and date of approval (which was approved *after* the date of this SuperNOFA, except in conjunction with a previous EDI award); or

(d) A request for a Section 108 loan guarantee amendment (analogous to Section I(G)(1)(a) or (b) above) that proposes to increase the amount of a previously approved application. However, any amount of Section 108 loan guarantee authority approved *before* the date of this SuperNOFA is not eligible to be used in conjunction with a EDI grant under this SuperNOFA.

(2) Further, a Section 108 loan guarantee amount that is required to be used in conjunction with a prior EDI grant award, whether or not the Section 108 loan guarantee has been approved as of the date of this SuperNOFA, is not eligible for an EDI award under this SuperNOFA. For example, if a public entity has a previously approved Section 108 loan guarantee commitment of \$12 million, even if none of the funds have been utilized, or if the public entity had previously been awarded an EDI grant of \$1 million and had certified that it will submit a Section 108 loan application for \$10 million in support of that EDI grant, the public entity's EDI application under this SuperNOFA must propose to increase the amount of its total Section 108 loan guarantee commitments beyond those amounts

(the \$12 million or \$10 million in this example) to which it has previously agreed.

(G) Eligible Activities and National Objectives

EDI grant funds may be used for activities listed at 24 CFR 570.703, provided such activities are carried out as part of an economic development project as defined in Section I(B) of this EDI section of this SuperNOFA. Each activity assisted with Section 108 loan guarantee or EDI funds must meet a national objective of the CDBG program (see 24 CFR 570.208). In the aggregate, a grantee's use of CDBG funds, including any Section 108 loan guarantee proceeds and section 108(q) (EDI) funds provided pursuant to this program section of this SuperNOFA, must comply with the CDBG primary objectives requirement as described in section 101(c) of the Housing and Community Development Act of 1974, as amended, and 24 CFR 570.200(c)(3) or 24 CFR 570.484 in the case of State grantees. The foregoing eligible activities may also include:

(1) Payment of costs of private financial guaranty insurance policies, letters of credit, or other credit enhancements for the notes or other obligations guaranteed by HUD pursuant to Section 108, provided that the proceeds of such notes or obligations are used to finance an economic development project. Such enhancements shall be specified in the contract required by 24 CFR 570.705(b)(1), and shall be satisfactory in form and substance to HUD for security purposes; and

(2) The payment of interest due (and other costs such as servicing, underwriting, or other costs as may be authorized by HUD) on the notes or other obligations guaranteed by HUD pursuant to the Section 108 loan guarantee program.

(H) Limitations on Use of EDI and Section 108 Funds

Certain restrictions shall apply to the use of EDI and Section 108 funds:

(1) EDI grants shall not be used as a resource to immediately repay the principal of a loan guaranteed under Section 108. Repayment of principal is only permissible with EDI grant funds as a matter of security if other sources projected for repayment of principal prove to be unavailable.

(2) Applicants are cautioned against using Section 108 funds to finance activities which also include financing generated through the issuance of federally tax exempt obligations. Pursuant to Office of Management and

Budget (OMB) Circular A-129 (Policies for Federal Credit Programs and Non-Tax Receivables), Section 108 guaranteed loan funds may not directly or indirectly support federally tax-exempt obligations.

(I) Limitations on Grant Amounts

(1) HUD expects to approve EDI grant amounts for approvable applications at a range of ratios of EDI grant funds awarded to new Section 108 loan guarantee commitments, but the minimum ratio will be \$1 of Section 108 loan guarantee commitments for every \$1 of EDI grant funds. However, applicants that propose a leverage ratio of 1:1 will not receive any points under Rating Subfactor 4(1): "Leverage of Section 108 Funds." For example, an applicant requesting a EDI grant of \$1 million will be required to leverage a minimum of at least \$1 million in new Section 108 loan guarantee commitments. This will be a special condition of the EDI grant award. Of course, even though there is a minimum ratio of 1:1, applications with higher ratios will receive more points under Rating Factor 4, "Leveraging Resources/ Financial Need" and, all other things being equal, will be more competitive. Applicants are encouraged to propose projects with a greater leverage ratio of new Section 108 to EDI grant funds (assuming such projects are financially viable). For example, \$1 million of EDI could leverage \$12 million of new Section 108 loan commitments. HUD intends that the EDI funds will be used for projects which leverage the greatest possible amount of Section 108 loan guarantee commitments.

(2) HUD expects that the average grant size will be approximately \$1 million.

(3) If additional EDI grant funds become available to HUD as the result of recaptures prior to the date of this NOFA, HUD reserves the right to award grants under this SuperNOFA whose aggregate total may exceed the \$38 million announced in this SuperNOFA, up to the maximum amount authorized by law.

(4) In the event the applicant is awarded an EDI grant that has been reduced below the original request (e.g. the application contained some activities that were ineligible or there were insufficient funds to fund the last competitive application at the full amount requested), the applicant will be required to modify its project plans and application to conform to the terms of HUD's approval before execution of a grant agreement. HUD reserves the right to reduce or de-obligate the EDI award if approvable Section 108 loan guarantee applications are not

submitted by the grantee in the required amounts on a timely basis. Any requested modifications must be within the scope of the original EDI application.

(5) In the case of requested amendments to a previously approved Section 108 loan guarantee commitment (as further discussed in Section I(F)(1)(d), above), the EDI assistance approved will be based on the increased amount of Section 108 loan guarantee assistance.

(J) Timing of Grant Awards

(1) To the extent a full Section 108 application is submitted with the EDI grant application, the Section 108 application will be evaluated concurrently with the request for EDI grant funds. Note that EDI grant assistance cannot be used to support a Section 108 loan guarantee approved prior to the date of the publication of this SuperNOFA. However, the EDI grant may be awarded prior to HUD approval of the Section 108 commitment if HUD determines that such award will further the purposes of the Act.

(2) HUD notification to the grantee of the amount and conditions (if any) of EDI funds awarded based upon review of the EDI application shall constitute an obligation of grant funds, subject to compliance with the conditions of award and execution of a grant agreement. EDI funds shall not be disbursed to the public entity before the issuance of the related Section 108 guaranteed obligations.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, applicants are subject to the following requirements.

(A) CDBG Program Regulations

The requirements of 24 CFR part 570, including subpart K (Other Program Requirements).

(B) Environmental Review

After the completion of this competition and after HUD's award of EDI grant funds, pursuant to 24 CFR 570.604, each project or activity assisted under this program is subject to the provisions of 24 CFR part 58, including limitations on the EDI grant and Section 108 public entity's commitment of HUD and non-HUD funds prior to the completion of environmental review, notification and release of funds. No such assistance will be released by HUD until a request for release of funds is submitted and the requirements of 24

CFR part 58 have been met. All public entities, including nonentitlement public entities, shall submit the request for release of funds and related certification, required pursuant to 24 CFR part 58, to the appropriate HUD field office for each project to be assisted.

(C) Environmental Justice

Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations) directs Federal agencies to develop strategies to address environmental justice. Environmental justice seeks to rectify the disproportionately high burden of environmental pollution that is often borne by low-income, minority, and other disadvantaged communities, and to ensure community involvement in policies and programs addressing this issue.

III. Application Selection Process

(A) Rating and Ranking

(1) Each rating factor and the maximum number of points is provided below. The maximum number of points to be awarded is 102. This includes two EZ/EC bonus points as described in the General Section of this SuperNOFA.

(2) Once scores are assigned, all applications will be ranked in order of points assigned, with the applications receiving more points ranking above those receiving fewer points. Applications will be funded in rank order.

(3) If HUD determines that an application rated, ranked and fundable could be funded at a lesser EDI grant amount than requested consistent with feasibility of the funded project or activities and the purposes of the Act, HUD reserves the right to reduce the amount of the EDI award and/or increase the Section 108 loan guarantee commitment, if necessary, in accordance with such determination. An application in excess of \$1 million may be reduced below the amount requested by the applicant if HUD determines that such a reduction is appropriate.

(4) HUD may decide not to award the full amount of EDI grant funds available under this program section of this SuperNOFA and may make any remaining amounts available under a future SuperNOFA, or under a supplementary notice.

(B) Narrative Statement

Each applicant shall provide a narrative statement describing the activities that will be carried out with

the EDI grant funds and explaining how the use of EDI grant funds meets the rating factor identified below. The narrative statement shall not exceed three (3) 8.5" by 11" pages for the description of the activities to be carried out with the EDI grant funds. The description of activities should include a statement of how the proposed uses of EDI funds will meet the national objectives under 24 CFR 570.208 for the CDBG program and qualify as eligible activities under 24 CFR 570.703. Citations to the specific regulatory subsections supporting eligibility are recommended, but a narrative description will be accepted. See Section I(G) of this program section of this SuperNOFA. Each of the listed rating factors (or, where applicable, each subfactor) below also has a separate page limitation specified. Narrative statements must be printed in 12 point type/font, and have sequentially numbered pages.

(C) Factors for Award Used to Evaluate and Rate Applications

All applications will be considered for selection based on the following factors that demonstrate the quality of the proposed project or activities, and the applicant's creativity, capacity and commitment to obtain maximum benefit from the EDI funds, in accordance with the purposes of the Act.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (15 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any faculty, subcontractors, consultants, subrecipients, and members of consortia which are firmly committed (i.e., has a written agreement or a signed letter of understanding with the applicant agreeing in principle to its participation and role in the project). In rating this factor, HUD will consider the following:

(1) With regard to the EDI/Section 108 project proposed by the applicant, the applicant should demonstrate that it has the capacity to implement the specific steps required to successfully carry out the proposed EDI/Section 108 project. This includes factors such as the applicant's:

(a) Performance in the administration of its CDBG, HOME or other programs;

(b) Previous experience, if any, in administering a Section 108 loan guarantee;

(c) Performance and capacity in carrying out economic development projects;

(d) Ability to conduct prudent underwriting;

(e) Capacity to manage and service loans made with the guaranteed loan funds or previous EDI grant funds;

(f) Capacity to carry out its projects and programs in a timely manner; and,

(g) If applicable, the applicant's capacity to manage projects under this program section of this SuperNOFA along with any federal funds awarded as a result of a federal urban Empowerment Zone/Enterprise Community designation.

(2) If an applicant has previously received an EDI grant award(s), the applicant must describe the status of the implementation of that EDI-assisted project(s), any delays that have been encountered and the actions the applicant is taking to overcome any such delays in order to carry out the project in a timely manner. For such previously funded EDI grant projects, HUD will consider the extent to which the awarded EDI grant funds and the associated Section 108 guaranteed loan funds have been utilized.

(3) The capacity of subrecipients, nonprofit organizations and other entities that have a role in implementing the proposed program will be included in this review. HUD may also rely on information from performance reports, financial status information, monitoring reports, audit reports and other information available to HUD in making its determination under this factor.

Rating Factor 2: Distress/Extent of the Problem (15 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the extent to which there is need for funding the proposed activities based on levels of distress, and an indication of the urgency of meeting the need/distress in the target area.

(1) In applying this factor, HUD will consider current levels of distress in the immediate community to be served by the project and the jurisdiction applying for assistance. Applicants who are able to indicate a level of distress in the immediate project area that is greater than the level of distress in the applicant's jurisdiction as a whole will receive a higher score under this factor than those who do not. HUD requires that applicants use sound and reliable data that is verifiable to support the level of distress claimed in the

application. The applicant shall provide a source for the information it uses.

(2) In previous EDI competitions, the poverty rate was often considered the best indicator of distress; however, the applicant may demonstrate the level of distress with other factors such as income levels and unemployment rates.

(3) HUD will consider a project to have maximum distress if the project(s) is located within the boundaries of a federally-designated Empowerment Zone or Enterprise Community (Applicants will be responsible for demonstrating that the project site is within the boundaries of the applicant's EZ/EC area).

(4) To the extent that the applicant's Consolidated Plan and its Analysis of Impediments to Fair Housing choice (AI) identifies the level of distress in the community and the neighborhood in which the project is being carried out, the applicant should include references to such documents in preparing its response to this factor.

Rating Factor 3: Soundness of Approach (25 Points)

[Your response to this factor is limited to three (3) pages.]

This factor addresses the quality and cost-effectiveness of the applicant's proposed plan. There must be a clear relationship between the proposed activities, community needs and purposes of the program funding for an applicant to receive points for this factor. In rating this factor, HUD will consider the following:

(1) HUD will consider the quality of the applicant's plan/proposal for the use of EDI funds and Section 108 loan funds, including the extent to which the applicant's proposed plan for the effective use of EDI grant/Section 108 loan guarantee will address the needs described in Rating Factor 2 above regarding the distress and extent of the problem in the applicant's immediate community and/or its jurisdiction.

(2) HUD will consider the extent to which the plan is logically, feasibly, and substantially likely to achieve its stated purpose. HUD's desire is to fund projects and activities which will quickly produce demonstrable results and advance the public interest including the number of jobs to be created by the project and the impact of the project on job creation that will benefit individuals on or previously on welfare. An applicant should demonstrate that it has a clear understanding of the steps required to implement its project, the actions that it and others responsible for implementing the project must complete and shall

include a reasonable time schedule for carrying out the project.

(3) HUD will consider the extent to which the applicant's proposed project addresses the applicant's Analysis of Impediments and the needs identified in Factor 2 and the extent to which such project activities will result in the physical and economic improvement for the residents in the neighborhood in which the project will be carried out.

(4) HUD will evaluate the extent to which the applicant's project incorporates one or more elements that facilitate a successful transition of welfare recipients from welfare to work. Such an element could include, for example, linking the proposed project or loan fund to social and/or other services needed to enable welfare recipients to successfully secure and carry out full-time jobs in the private sector; provision of job training to welfare recipients who might be hired by businesses financed through the proposal; and/or incentives for businesses financed with EDI/section 108 funds to hire and train welfare recipients.

(5) Up to two (2) additional points will be awarded to any application submitted by the City of Dallas, Texas, to the extent this subfactor is addressed. Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application submitted by the City of Dallas, Texas, HUD's consideration of the applicant's response to this factor, "Soundness of Approach," will include the extent to which the applicant's plan for the use of EDI funds and Section 108 loans will be used to eradicate the vestiges of racial segregation in the Dallas Housing Authority's programs consistent with the Court's order.

Rating Factor 4: Leveraging Resources/Financial Need (35 Points)

[Page limits for the response to this factor are listed separately for each subfactor under this factor.]

In evaluating this factor, HUD will consider the extent to which the applicant's response demonstrates the financial need and feasibility of the project and the leverage ratio of Section 108 loan proceeds to EDI grant funds. This factor has three subfactors, each with its own maximum point total:

(1) *Leverage of Section 108 funds* (20 points). Your response to this subfactor is limited to one (1) page. The minimum ratio of Section 108 funds to EDI funds in any project may not be less than 1:1. The extent to which the proposed project leverages an amount of Section 108 funds beyond the 1:1 ratio will be considered a positive factor. Applicants that have a ratio of 1:1 will not receive

any points under this subfactor. Applicants that use their EDI grant to leverage more Section 108 commitments will receive more points under this subfactor.

(2) *Financial feasibility* (10 points). [Your response to this subfactor is limited to five (5) pages.] HUD will consider the extent to which the applicant demonstrates that the project is financially feasible. This may include factors such as:

(a) Project costs and financial requirements. Applicants should provide a funding sources and uses statement (not included in 5 page narrative limit) as well as justifications for project costs.

(b) The amount of any debt service or operating reserve accounts to be established in connection with the economic development project.

(c) The reasonableness of the costs of any credit enhancement paid with EDI grant funds.

(d) The amount of program income (if any) to be received each year during the repayment period for the guaranteed loan.

(e) Interest rates on those loans to third parties (other than subrecipients) (either as an absolute rate or as a plus/minus spread to the Section 108 rate).

(f) Underwriting criteria that will be used in determining project feasibility.

(3) *Leverage of other financial resources* (5 points). [Your response to this subfactor is limited to one (1) page plus supporting documentation evidencing third party commitment (written and signed) of funds.] HUD will evaluate the extent to which the applicant leverages other funds (public or private) with EDI grant funds and Section 108 guaranteed loan funds and the extent to which such other funds are firmly pledged to the project. This could include the use of CDBG funds, other Federal or state grants or loans, a grantee's general funds, project equity or commercial financing provided by private sources or funds from non-profits or other sources. Funds will be considered pledged to the project if there is evidence of the third party's

written commitment to make the funds available for the EDI/108 project, subject to approval of the EDI and Section 108 assistance and completion of any environmental review required under 24 CFR part 50 for the project. Note, that with respect to CDBG funds, the applicant's pledge of its CDBG funds will be considered sufficient commitment.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

[Your response to this factor is limited to two (2) pages.]

This factor addresses the extent to which the applicant coordinated its activities with other known organizations, participates or promotes participation in the applicant's or a State's Consolidated Planning process, and is working towards addressing a need in a comprehensive manner through linkages with other activities in the community.

In evaluating this factor, HUD will consider the extent to which the applicant demonstrates it has:

(1) Coordinated its proposed activities with those of other groups or organizations prior to submission in order to best complement, support and coordinate all known activities and if funded, the specific steps it will take to share information on solutions and outcomes with others. Any written agreements, memoranda of understanding in place, or that will be in place after award should be described.

(2) Developed linkages, or the specific steps it will take to develop linkages with other activities, programs or projects through meetings, information networks, planning processes or other mechanisms to coordinate its activities so solutions are holistic and comprehensive, including linkages with other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan.

IV. Application Submission Requirements

(A) Public entities seeking EDI assistance must make a specific request

for that assistance, in accordance with the requirements of this program section of this SuperNOFA.

(B) The application should include an original and one copy of the items listed below, with one additional copy submitted directly to the Community Planning and Development Division of the cognizant HUD Field Office for the applicant's jurisdiction.

(C) An EDI application shall consist of the following items:

- (1) Transmittal letter from applicant;
- (2) Table of contents;
- (3) Application check list (supplied in application kit);
- (4) A request for loan guarantee assistance under Section 108 as further described in Section I(F) of this program section of the SuperNOFA. Application guidelines for the Section 108 program are found at 24 CFR 570.704;
- (5) A described in Section III(B) of this program section of this SuperNOFA, a narrative statement (3 page limit) describing the activities that will be carried out with the EDI grant funds;
- (6) Responses to each of the rating factors (within the page limits provided for each factor or subfactor as applicable);
- (7) Completion of a funding sources and uses statement and a EDI and Section 108 eligibility statement (see the application kit);
- (8) Written agreements or signed letters of understanding in support of Rating Factor 1: "Capacity of the Applicant and Relevant Organizational Experience;"
- (9) Signed third party commitment letters pledging funds in support of subfactor 4(2): "Leverage of other financial resources;"
- (10) Required certifications; and
- (11) Acknowledgement of Application Receipt form.

V. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**CONSOLIDATED ECONOMIC
DEVELOPMENT AND SUPPORTIVE
SERVICES AND TENANT
OPPORTUNITIES PROGRAM**

BILLING CODE 4210-32-C

Consolidated Economic Development and Supportive Services and Tenant Opportunities Programs

Program Description: Approximately \$64.1 million in funding is made available for two programs: Public and Indian Housing Economic Development and Supportive Services Program (EDSS) and the Tenant Opportunities Program (TOP). In general, although both programs fund similar activities, Housing Authorities, Indian tribes, and Tribally Designated Housing Entities are the recipients under EDSS while resident associations are the recipients under TOP. Therefore, although the funding availability announcements for these two programs have been combined, the application processes will remain separate.

This program section of the SuperNOFA combines TOP and EDSS to highlight HUD's parallel restructuring of these complementary programs. The restructuring represents a major HUD initiative to improve the targeting and management of limited resources for resident self-sufficiency. The goal is to most effectively focus these resources on "welfare to work" and on independent living for the elderly and persons with disabilities. HUD believes that it is imperative that housing authorities and residents work together to meet the challenge of welfare reform.

Application Due Date: Completed applications (one original and two copies) must be submitted, at the address shown below, no later than 6:00 pm local time on:

July 31, 1998 for the EDSS Program; and

July 31, 1998 for the TOP Program.

Please see the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried) and the time by which the application must be received by HUD and/or postmarked in order to meet the deadline for submission.

Address for Submitting Applications: An original and two copies of the application must be received by the application due date at the local Field Office with delegated public or assisted housing responsibilities attention: Director, Office of Public or Assisted Housing, or, in the case of the Native American population, to the Administrator, Area Office of Native American Programs (AONAP), as appropriate.

For Application Kits, Further Information and Technical Assistance

For Application Kits. For an application kit and any supplemental

information please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to EDSS/TOP and provide your name, address (including zip code), and telephone number (including area code).

For Further Information and Technical Assistance. For answers to your questions, you have several options. You may call the local HUD field office with delegated responsibilities over the pertinent housing agency/authority, or in the case of an Indian tribe or a Tribally Designated Housing Entity (TDHE) applying for EDSS grants, the AONAP with jurisdiction over the tribe/TDHE. Answers may also be obtained by calling the Public and Indian Housing Information and Resource Center at 1-800-955-2232. Information on this SuperNOFA may also be obtained through the HUD web site on the Internet at <http://www.HUD.gov>.

Additional Information

I. Authority; Purpose; Amount Allocated; and Eligibility

The Authority, Purpose of the Program, Amount Allocated, Program Award Period, Eligible Applicants; Grants Amounts; Eligible and Ineligible Activities, and *Additional Program Requirements*, as applicable, are delineated under each technical assistance program area for which funding is being made available. Applicants should take care in reviewing this section to ensure they are eligible to apply for funds and that they meet the additional program requirements and limitations described for each program.

(A) Authority

(1) *For the EDSS Program*, the Community Development Block Grant section of the FY 1998 HUD Appropriations Act.

(2) *For TOP*, section 20 of the U.S. Housing Act of 1937. The TOP regulations are found in 24 CFR part 964.

(3) *Common Definitions.* Please see Appendix A to this EDSS/TOP section of the SuperNOFA for common definitions.

(B) Purpose

The purposes of the two programs are as follows:

(1) *EDSS.* The purpose of the EDSS program is to provide grants to Public

Housing Authorities (PHAs), Tribes or their Tribally Designated Housing Entities (TDHEs) to enable them to establish and implement programs that increase resident self-sufficiency, and support continued independent living for elderly and disabled residents.

(2) *TOP.* TOP provides grants to public housing Site-Based Resident Councils, Resident Management Corporations and Intermediary Resident Organizations to provide resident training such as improving resident educational, professional, and economic levels by providing skills to make them more employable in the local community; organizational capacity-building for newly created resident associations; and training residents to resolve disputes in public housing.

(C) Amount Allocated for EDSS

(1) *Amount Allocated.* For EDSS, \$47,211,223 is available in funds for eligible PHAs, Tribes/TDHEs. This amount includes the FY 98 EDSS appropriation of \$30 million and FY 97 carryover funds of \$17,211,223. HUD is setting aside \$5 million of this amount to fund applications from Tribes/TDHEs with the remaining available to fund applications from PHAs.

(a) Both the amount for Tribes/TDHEs and PHAs will be allocated as follows: 60% will be allocated to Family Economic Development and Supportive Services category grants; and the remaining 40% will be allocated to Elderly and Disabled Supportive Services category grants.

(b) A PHA, Tribe/TDHE may submit one application under the Family Economic Development and Supportive Services grant category and/or one application under the Elderly and Disabled Supportive Services grant category.

The maximum number of applications that a HA may submit is two. If an applicant is applying for both funding categories, then it must submit two separate applications in which the total amount requested must not exceed the maximum grant amount available for its size under the Family Economic Development and Supportive Services category.

(2) *Maximum Grant Awards.* The maximum grant awards are limited as follows:

(a) For Family Economic Development and Supportive Services category—no more than \$250 per unit up to the below listed maximums:

(i) For PHAs, Tribes/TDHEs with 1 to 780 units, the maximum grant award is \$150,000.

(ii) For PHAs, Tribes/TDHEs with 781 to 7,300 units, the maximum grant award is \$500,000.

(iii) For PHAs, Tribes/TDHEs with 7,301 or more units, the maximum grant award is \$1,000,000.

(b) For elderly or Disabled Supportive Services category—no more than \$250 per unit up to the below listed maximums:

(i) For PHAs, Tribes/TDHEs with 1 to 217 units occupied by Elderly residents or persons with disabilities, the maximum grant award is \$54,250.

(ii) For PHAs, Tribes/TDHEs with 218 to 1,155 units occupied by Elderly residents or persons with disabilities, the maximum grant award is \$200,000.

(iii) For PHAs, Tribes/TDHEs with 1,156 or more units occupied by Elderly residents or persons with disabilities, the maximum grant award is \$300,000.

(3) Tribes/TDHEs should use the number of units counted as Formula Current Assisted Stock for Fiscal Year 1998 as defined in 24 CFR 1000.316. Tribes who have not previously received funds from the Department under the 1937 Act should count housing units under management that are owned and operated by the tribe and are identified in their housing inventory as of September 30, 1997.

(D) Amount Allocated for TOP

\$16,884,530 (\$5 million in FY 98 appropriations and \$11,884,530 in carry over funds) is available for awards to qualified applicants to provide technical assistance and training activities under the TOP program. The TOP funding will be distributed to the three grant categories as follows: Economic Self-Sufficiency Grants—\$10.9 million, Organizational Development Grants—\$3 million, and Mediation Grants—\$3 million. If all funds are not awarded in one category, funds are transferable to the other grant categories for use by qualified applicants.

(1) *TOP Grant Categories.* TOP funding is allocated to the following grant categories:

(a) *Economic Self-Sufficiency Grant (ESSG)* provides assistance to Site-Based Resident Associations (RAs) and Intermediary Resident Organizations (IROs), to move welfare dependent families to work. The applicant must provide evidence that at least 51% of those served are households affected by welfare reform. The funds can be used for training and technical assistance which will provide educational, job, business, and life skills to enable residents to move towards self-sufficiency and consistent with a needs assessment. For elderly/disabled developments, TOP funds can be used

for stipends and training (including business development training, if appropriate) for residents to: engage in day care for children, provide professional and personal mentoring, raise grandchildren, and provide other intergenerational service. When TOP funds are utilized in this manner, the elderly residents providing these services need not be affected by welfare reform; however, at least 51 percent of those to be assisted by the services to be provided by elderly residents must be affected by welfare reform.

(b) *Organizational Development Grants (ODG)* provide assistance to Site-Based Resident Associations who do not yet have the capacity to administer a welfare-to-work program or conduct management activities. The funds will be targeted to help establish new resident organizations or enhance the capacity of existing organizations to assist residents, participate in Housing Authority decision-making, manage all or a portion of their developments, and/or apply for and administer grants. An additional grant applicant is not eligible to apply for this grant.

(c) *Mediation Grant* provides assistance to Intermediary Resident Organizations (IROs) partnering with professional mediators to resolve conflicts involving public housing residents and/or Site-Based Resident Associations. The skilled mediator/partners, under the auspices of an IRO, will bridge impasses between residents and/or factions within specific developments, among active participants of a Site-Based Resident Association (RA), or between an RA and its partners, especially local Housing Authorities. The grant applicant must apply in partnership with a recognized professional mediation organization. All applicants must have entered into at least one referral agreement with judicial, law enforcement or social services agencies to mediate for public housing residents served by the agency. After awarding the grants, HUD would refer cases requiring mediation to the grantee. Also conflicting parties, on their own initiative, could request mediation services directly to the grantee. While mediating for residents and their partners, the professional mediators would also train IRO grantee staff in mediation principles and skills for mediation in the future.

(2) *TOP Grant Categories' Amounts.*

(a) *Basic Grants.* Any eligible Site-Based RA in the development that has not previously received up to the following amount for an ESS grant or Organizational Development grant.

(i) ESS grant—Site-Based RAs may receive up to \$100,000 less the value of

any TOP assistance previously received by the development from an IRO.

(ii) Organizational Development grant—Site-Based RA may receive up to \$40,000.

(b) *Additional Grants (ESS Grant Only).* Any eligible RA selected for a Resident Management (RM) or a TOP grant in FYs 1988–1997 (including a mini grant for start-up activities) that received less than a total of \$100,000 may apply for an Additional Grant for economic self sufficiency, provided that the total cumulative RM/TOP funding for a project site, including Citywide or Intermediary Grant funds benefiting the project does not exceed (including previous grants) the total statutory maximum of \$100,000. Additional Grant applicants may not apply for an Organizational Development grant.

(c) *Intermediary Grants.* (i) Any eligible NRO, RRO, or SRO may apply for a single ESS, Organizational Development or Mediation grant for up to \$250,000. These organizations may also apply for one grant each in two or more of the grant categories provided that the combined amount requested by the IRO this year does not exceed \$350,000.

(ii) A Jurisdiction-wide Resident Organization may apply for an ESS, OD or Mediation grant for an amount of up to \$100,000. A Jurisdiction-wide Organization may not apply in more than one grant category.

(iii) An IRO cannot assist RAs that have already received RM/TOP grants totaling \$100,000 and cannot propose to provide assistance to a given project that would result in the project exceeding its statutory maximum for RM/TOP funding.

(d) *Housing Authority Jurisdiction Maximum.* The amount of funding available for all applicants that are not Intermediary Resident Organizations, that are located within the jurisdiction of a single housing authority is limited to the following amounts based on the size of the housing authority.

(i) For Housing Authorities with one to 780 units the maximum funding amount is \$700,000.

(ii) For Housing Authorities with 781 to 7,300 units the maximum funding amount is \$1,400,000.

(iii) For Housing Authorities with more than 7,301 units the maximum funding amount is \$2,100,000.

(E) Eligible Applicants

(1) *EDSS Eligible Applicants.* PHAs, Tribes or their TDHEs that have not received a previous EDSS grant are eligible applicants.

(2) *TOP Eligible Applicants.* (a) Public housing Site-Based Resident Councils,

Resident Management Corporations and Intermediary Resident Organizations which include National Resident Organizations, Statewide Resident Organizations, Regional Resident Organizations, and Jurisdiction wide Resident Organizations.

(b) Please see Appendix A to this TOP/EDSS section of the SuperNOFA for the definition of Intermediary Resident Organization. Additionally, Intermediary Resident Organizations must be registered with the state as non-profit corporations and have applied for or received 501(c) status with the U.S. Internal Revenue Service. Eligible Intermediary Resident Organizations must list in their application the name of the RAs that will receive training or technical assistance, and submit letters of support from each entity identified in the application.

(3) Indian Housing Resident Organizations are now ineligible to apply for TOP funding. The President signed into law the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) on October 26, 1996, which terminated Indian Housing Assistance under the U.S. Housing Act of 1937.

(F) EDSS Eligible Activities

EDSS Program funds may be used for the activities as described below. At least 75 percent of the persons participating and receiving benefits from these activities must be residents of conventional Public or Indian Housing. Any other persons (up to 25 percent per grantee) participating or receiving benefits from these programs must be recipients of Section 8 assistance.

(1) Family Economic Development and Supportive Services category.

(a) *Economic Development activities.* Activities essential to facilitate economic uplift and provide access to the skills and resources needed for self-development and business development. Economic development activities may include:

(i) *Entrepreneurship Training* (literacy training, computer skills training, business development planning).

(ii) *Entrepreneurship Development* (entrepreneurship training curriculum, entrepreneurship courses).

(iii) *Micro/Loan Fund.* Developing a strategy for establishing a revolving micro/loan fund and/or capitalizing a loan fund.

(iv) *Developing credit unions.* Developing a strategy to establish and/or create onsite credit union(s) to provide financial and economic development initiatives to PHA/Tribal/TDHE residents. (EDSS grant funds

cannot be used to capitalize a credit union.) The credit union could support the normal financial management needs of the community (i.e., check cashing, savings, consumer loans, micro-businesses and other revolving loans).

(v) *Employment training and counseling* (e.g., job training (such as Step-Up programs), preparation and counseling, job search assistance, job development and placement, and continued follow-up assistance).

(vi) *Employer linkage and job placement.*

(b) *Supportive Services.* The provision of services to assist eligible residents to become economically self-sufficient, particularly families with children where the head of household would benefit from the receipt of supportive services and is working, seeking work, or is preparing for work by participating in job-training or educational programs. Supportive services may include:

(i) Child care, of a type that provides sufficient hours of operation and serves appropriate ages as needed to facilitate parental access to education and job opportunities.

(ii) Computer based educational opportunities, skills training, and entrepreneurial activities.

(iii) Homeownership training and counseling, development of feasibility studies and preparation of homeownership plans/proposals.

(iv) Education including but not limited to: Remedial education; Literacy training; Assistance in the attainment of certificates of high school equivalency; Two-year college tuition assistance; Trade school assistance; Youth leadership skills and related activities (activities may include peer leadership roles training for youth counselors, peer pressure reversal, life skills, goal planning).

(v) Youth mentoring of a type that mobilizes a potential pool of role models to serve as mentors to public or Indian housing youth. Mentor activities may include after-school tutoring, help with problem resolution issues, illegal drugs avoidance, job counseling or mental health counseling.

(vi) Transportation costs, as necessary to enable any participating family member to receive available services to commute to his or her training or supportive services activities or place of employment.

(viii) Personal wellbeing (e.g., family/parental development counseling, parenting skills training for adult and teenage parents, and self-development counseling, etc.).

(ix) Supportive health care services (e.g., outreach and referral services to substance and alcohol abuse treatment

and counseling, for example, mental health).

(x) Contracting for case management services contracts or employment of case managers, either of which must ensure confidentiality about resident's disabilities.

(2) *Elderly or Disabled Supportive Services category.* Supportive Services for the elderly and for persons with disabilities include:

(a) Meal service adequate to meet nutritional need;

(b) Assistance with daily activities;

(c) Housekeeping aid;

(d) Transportation services;

(e) Wellness programs, preventive health education, referral to community resources;

(f) Personal emergency response; and

(g) Congregate services—includes supportive services that are provided in a congregate setting at a conventional HA development.

(3) *For both Family Economic Development and Supportive Services category and Elderly or Disabled Supportive Services category grants:*

(a) The employment of or contracting for service coordinators. For the purposes of this program section of the SuperNOFA, a service coordinator is any person who is responsible for one or more of the following functions:

(i) Assessing the training and supportive service needs of eligible residents (for Family Economic Development and Supportive Service category grants);

(ii) Working with community service providers to coordinate the provision of services and to tailor the services to the needs and characteristics of eligible residents;

(iii) Establishing a system to monitor and evaluate the delivery, impact, effectiveness and outcomes of supportive services under this program;

(iv) Coordinating this program with other independent living or self-sufficiency, education and employment programs;

(v) Performing other duties and functions that are appropriate to assist eligible public and Indian housing residents to become economically self-sufficient;

(vi) Performing other duties and functions to assist residents to remain independent, and to prevent unnecessary institutionalization; and

(vii) Mobilizing other national and local public/private resources and partnerships.

(viii) Any other services and resources, proposed by the applicant and approved by HUD and authorized by the 1998 Appropriations Act that are determined to be appropriate in assisting eligible residents.

(b) Administrative costs not to exceed 15% of the grant amount.

(c) Stipends. No more than \$200 per participant per month of the grant award may be used for stipends for active trainees and EDSS program participants to cover the reasonable costs related to participation in training and other EDSS activities.

(G) EDSS Ineligible Activities

Activities for which costs are ineligible for funding under the EDSS Program include:

(1) Payment of wages and/or salaries to participants receiving supportive services and/or training programs, except that grant funds may be used to hire a resident(s) to coordinate/provide training program activities.

(2) Purchase or rental of land of buildings or any improvements to land or buildings.

(3) Building materials and construction costs.

(4) The hiring of service coordinators under the Elderly/Disabled EDSS category if applicant is also applying for a Service Coordinators program grant.

(H) TOP Eligible Activities

The following activities have been categorized based on their general appropriateness for the requirements of each grant category. Activities for which funding under TOP may be provided to an eligible Site-Based RA or Intermediary include any combination of, but are not limited to, the following:

(1) Economic Self-Sufficiency Grant Applicants.

(a) Social Support Needs (such as Self-Sufficiency and Youth Initiatives) including:

(i) Feasibility studies to determine training and social services needs;

(ii) Training in management-related trade skills, computer skills, and similar skills;

(iii) Management-related employment training and counseling including job search assistance, job development assistance, job placement assistance and follow up assistance;

(iv) Coordination of support services including: child care services; educational services remedial education, literacy training, assistance in attaining a GED; vocational training including computer training; health care outreach and referral services; meal services for the elderly or persons with disabilities; personal assistance to maintain hygiene/appearance for the elderly or persons with disabilities; housekeeping assistance for the elderly or persons with disabilities; transportation services; congregate services for the elderly or persons with disabilities; and case management;

(v) Training for programs such as child care, early childhood development, parent involvement, volunteer services, parenting skills, before and after school programs;

(vi) Training programs on health, nutrition, safety and substance abuse;

(vii) Workshops for youth services including: child abuse and neglect prevention, tutorial services, youth leadership skills, youth mentoring, peer pressure reversal, life skills, and goal planning. The workshops could be held in partnership with community-based organizations such as local Boys and Girls Clubs, YMCA/YWCA, Boy/Girl Scouts, Campfire and Big Brother/Big Sisters, etc.

(viii) Training in the development of strategies to successfully implement a youth program. For example, assessing the needs and problems of the youth, improving youth initiatives that are currently active, and training youth, housing authority staff, resident management corporations and resident councils on youth initiatives and program activities; and

(b) Resident Management Business Development including:

(i) Training related to resident-owned business development and technical assistance for job training and placement in RMC developments;

(ii) Technical assistance and training in resident managed business development through: Feasibility and market studies; Development of business plans; Outreach activities; and Innovative financing methods including revolving loan funds and the development of credit unions; and Legal advice in establishing a resident managed business entity.

(iii) Training residents, as potential employees of an RMC, in skills directly related to the operation, management, maintenance and financial systems of a project;

(iv) Training residents with respect to fair housing requirements; and

(v) Gaining assistance in negotiating management contracts, and designing a long-range planning system.

(2) ESS/Organizational Development Applicants.

(a) Training Board members in community organizing, Board development, and leadership training;

(b) Determining the feasibility of and training existing resident groups for resident management or for a specific resident management project or projects; and

(c) Assisting in the creation of an RMC, such as consulting and legal assistance to incorporate, preparing by-laws and drafting a corporate charter.

(d) Develop the management capabilities of existing resident organizations.

(e) Homeownership Opportunity (Determining feasibility for homeownership by residents, including assessing the feasibility of other housing (including HUD owned or held single or multi-family) affordable for purchase by residents).

(f) Resident Capacity Building.

(3) Mediation Applicants.

(a) Training programs on mediation and communication skills;

(b) Training programs on dispute resolution and reconciliation, including training addressing racial, ethnic and other forms of diversity;

(c) Workshops for youth services including: child abuse and neglect prevention, tutorial services, youth leadership skills, youth mentoring, peer pressure reversal, life skills, and goal planning. The workshops could be held in partnership with community-based organizations such as local Boys and Girls Clubs, YMCA/YWCA, Boy/Girl Scouts, Campfire and Big Brother/Big Sisters, etc.

(d) Training in the development of strategies to successfully implement a youth program. For example, assessing the needs and problems of the youth, improving youth initiatives that are currently active, and training youth, housing authority staff, resident management corporations and resident councils on youth initiatives and program activities; and

(4) General (All TOP Applicants).

(a) Training on HUD regulations and policies governing the operation of low-income public housing including contracting/procurement regulations, financial management, capacity building to develop the necessary skills to assume management responsibilities at the project and property management; and training in accessing other funding sources;

(b) Hiring trainers or other experts. By law, resident grantees must ensure that all training is provided by a qualified public or management specialist (Consultant/Trainer), HUD Headquarters or Field staff or the local HA. To ensure the successful implementation of the TOP Work Plan activities, the RAs are required to determine the need to contract for outside consulting/training services. The RA and the HA must jointly select and approve the consultant/trainer. Each RA should make maximum use of its HA, nonprofits, or other Federal, State or local government resources for technical assistance and training needs. The amount allowed for hiring an individual consultant for this purpose shall not

exceed 30% of the total grant award or \$30,000, whichever is less. The amount available for all individual consultants (not including training firms) and contracts shall not exceed 50% of the grant or \$50,000 whichever is less. HUD Field Offices will monitor this process to ensure compliance with program and OMB requirements, and particularly the requirement for competitive bidding.

(c) Stipends, as follows: Trainees and TOP program participants of a RA may only receive stipends for participating in or receiving training under the TOP to cover the reasonable costs related to participation in training and other activities in the TOP program, subject to the availability of funds. The stipends should be used for additional costs incurred during the training programs, such as child care and transportation costs. The cost of stipends may not exceed \$200 per month per trainee without written HUD authorization.

(d) Reimbursement of reasonable expenses incurred by Officers and Board members in the performance of their fiduciary duties and/or training related to the performance of their official duties.

(e) Travel directly related to the successful completion of the required TOP Work Plan. All grantees must adhere to the travel policy established by HUD. The policy sets travel costs at a maximum amount of \$5,000 per RA (not applicable to intermediaries) without special HUD approval.

(f) Child care expenses for individual staff, board members, or residents in cases where those who need child care are involved in training-related activities associated with grant activities. No more than two percent of the grant amount may pay for child care expenses.

(g) Costs directly related to establishing an RA as a nonprofit corporation or 501(c) tax exempt status.

(5) *Administrative Costs.* These costs are necessary for the implementation of grant activities. Administrative costs are not to exceed 25% of the grant unless the grantee is unable to obtain the services of a Contract Administrator without cost in which case administrative costs are not to exceed 30% of the grant. Appropriate administrative costs include, but are not limited to, the following items or activities:

(a) Purchase or lease of telephone, computer, printing, copying, and sundry non-dwelling equipment (such as office supplies, software, and furniture). A grantee must justify the need for this equipment in relationship to implementing its approved grant activities. Every effort must be made to

acquire discounted or donated hardware.

(b) Grant contract and financial management audit. If a grantee is unable to obtain the services of a Contract Administrator or accountant without charge, the cost for a Contract Administrator and or accountant is eligible. The grantee is required to maintain documentation on file showing what efforts it made to obtain the services of a Contract Administrator cost-free. The cost for an independent audit should be budgeted separately from this item.

(c) Technical assistance regarding any other service and/or resource, including case management that are proposed by applicants and approved by HUD.

(d) Rental or lease of a car, van, or bus by resident grantees to attend training;

(I) TOP Ineligible Activities

Ineligible activities include, but are not limited to, the following:

(1) Entertainment, including associated costs such as food and beverages, except normal per diem for meals related to travel performed in connection with implementing the TOP Work Plan. (See TOP Travel Notice for more specific guidance.)

(2) Purchase or rental of land or buildings (including the community facility) or any improvements to land or buildings.

(3) Activities not directly related to the welfare-to-work initiatives (e.g., lead-based paint testing and abatement and operating capital for economic development activities).

(4) Purchase of any vehicle (car, van, bus, etc.) or any other property, other than as described under Section VII(e)(1) (Eligible Activities) of this program section of the SuperNOFA, unless approved by HUD Headquarters or the local HUD Field Office.

(5) Architectural and engineering fees.

(6) Payment of salaries for routine project operations, such as security and maintenance, or for RA staff, except that a reasonable amount of grant funds may be used to hire a person to coordinate the TOP grant activities or coordinate on-site social services.

(7) Payment of fees for lobbying services.

(8) Any expenditures that are fraudulent, wasteful or otherwise incurred contrary to HUD or OMB directives.

(9) Any cost otherwise eligible under this program section of the SuperNOFA for which funds are being provided from any other source.

(10) Entertainment equipment such as televisions, radios, stereos, and VCRs. A waiver of this item may be granted by

the HUD Field Office or if funding is being utilized specifically and explicitly for the purposes of establishing a business directly related to radio, television or film or some other form or technical communication, and equipment is being utilized for training of residents or RAs. All such waivers must be authorized in writing by the HUD Field Office before purchases may be made.

(11) *For Intermediaries Only.* In addition to the other ineligible activities listed in this EDSS/TOP section of the SuperNOFA, intermediaries cannot provide training and technical assistance to RAs that have received TOP funds of \$100,000 or that would result in exceeding the statutory ceiling by providing more than \$100,000 of training or technical assistance to a given project site.

(J) Grant Term

For both TOP and EDSS, the grantee must complete its grant activities within two years of the execution of the grant agreement.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, grantees must meet the following program requirements:

(A) Compliance With Civil Rights Requirements

In addition to compliance with the civil rights requirements at 24 CFR 5.105, each successful applicant must comply with the nondiscrimination in employment requirements of Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e *et seq.*; the Equal Pay Act, 29 U.S.C. 206(d); the Age Discrimination in Employment Act of 1967, 29 U.S.C. 621 *et seq.*, and Titles I and V of the Americans with Disabilities Act, 42 U.S.C. 12101 *et seq.*

(B) Adhere to the Grant Agreement

After an application has been approved, HUD and the applicant shall enter into a grant agreement (Form 1044 and attachments) incorporating the entire application except as modified by HUD and setting forth the amount of the grant and its applicable terms, conditions, financial controls, payment mechanism (which except under extraordinary conditions will operate under HUD's Line of Credit Control System (LOCCS)) and special conditions, including requiring adherence to the appropriate OMB circulars and other government wide requirements and specifying sanctions for violation of the agreement. The grant

agreement will include additional information regarding Insurance/Indemnification, Freedom of Information Act, grant staff personnel, exclusion period, earning and benefits, reports, closeouts, and treatment of income.

(C) Prior to the initial draw down, all TOP and EDSS grantees shall have secured online access to the internet as a means to communicate with HUD on grant matters, and EDSS grantees shall have provided 75% of the required MTCS data to HUD.

(D) Within three months of HUD grant approval, successful TOP applicants who are site-based RAs must have applied for 501(c) status with the United States Internal Revenue Service.

(E) Risk Management

Grantees and subgrantees are required to implement, administer and monitor programs so as to minimize the risk of fraud, waste, abuse, and liability for losses from adversarial legal action.

III. Application Selection Process

Three types of reviews will be conducted: a screening to determine if the application submission is complete and on time (see General Section of the SuperNOFA and Section IV of this TOP/EDSS section of the SuperNOFA); a threshold review to determine applicant eligibility; and a technical review to rate the application based on the rating factors in this Section III.

(A) Additional Threshold Criteria for Funding Consideration

Under the threshold review, the applicant will be rejected from the competition if the applicant is not in compliance with the threshold requirements of the General Section of the SuperNOFA and if the following additional standards are not met:

EDSS

(1) *Focus on Residents Affected by Welfare Reform.* The family EDSS application must demonstrate evidence from the HA that at least 51% or more of the public or Indian housing residents to be included in the proposed program are affected by the welfare reform legislation, including Temporary Assistance for Needy Families (TANF) recipients, legal immigrants, and disabled SSI recipients.

(2) *Accessible Community Facility.* The application must provide evidence (e.g. through an executed use agreement) if the facility is to be provided by an entity other than the PHA/Tribe/TDHE) that a majority of the proposed activities will be administered at community facilities within easy transportation

access (i.e., walking or by direct (no transfers required), convenient, inexpensive and reliable transport), of the property represented by the HA. The community facilities must also meet the structural accessibility requirements of Section 504 of the Rehabilitation Act and the Americans With Disabilities Act.

(3) *Leveraging Other Resources.* The budget, the work plan, and commitments from resources and services other than the grant for which the applicant is applying to support the grant (including Comprehensive Grant, other governmental units/agencies of any type and/or private sources, whether for-profit or not-for-profit) must clearly evidence that these resources are firmly committed, will support the proposed grant activities and will, in combined amount (including in-kind contributions of personnel, space and/or equipment, and monetary contributions) equal the ED/SS grant amount proposed in this application. Firmly committed means there must be a written agreement to provide the resources. The written agreement may be contingent upon an applicant receiving a grant award. At least 25% of the match amount must consist of monetary contribution of funds and the remaining 75% in in-kind or other types of contributions. Salaries paid for with ED/SS funds do not qualify as funds from sources outside HUD. The following are guidelines for valuing certain types of contributions:

(i) The value of volunteer time and services shall be computed at a rate of six dollars per hour except that the value of volunteer time and service involving professional and other special skills shall be computed on the basis of the usual and customary hourly rate paid for the service in the community where the EDSS activity is located.

(ii) The value of any donated material, equipment, building, or lease shall be computed based on the fair market value at time of donation. Such value shall be documented by bills of sales, advertised prices, appraisals, or other information for comparable property similarly situated not more than one-year old taken from the community where the item or ED/SS activity is located, as appropriate.

(4) *Compliance with Current Programs.* The applicant must provide certification in the format provided in the application kit that it is not in default at the time of application submission with respect to grants for the following programs: The Family Investment Center Program; the Youth Development Initiative under the Family Investment Center Program; The

Youth Apprenticeship Program; The Apprenticeship Demonstration in the Construction Trades Program; The Urban Youth Corps Program; The HOPE 1 Program; The Public Housing Service Coordinator Program; The Public Housing Drug Elimination Program; and The Youth Sports Program.

(5) In the case of an HA that is designated as "troubled" as a result of its PHMAP score the HA must provide documentation that a Contract Administrator (or equivalent organization that is qualified to administer federal grants; contracts; or cooperative agreements as evidence by information submitted in this document) will be deployed in the administration of this proposed grant.

(6) *PHMAP Score.* An applicant cannot have a PHMAP score less than a C for either Indicator #6, Financial Management or Indicator #8, Resident Initiatives on its most recent PHMAP.

TOP

(1) Economic Self-Sufficiency Grant

(a) *Focus on Residents Affected by Welfare Reform.* The application must contain written evidence provided by the HA to the RA that at least 51% or more of the public housing residents to be included in the proposed program are affected by the welfare reform legislation, including TANF recipients and, if affected, legal immigrants and SSI recipients. Elderly or disabled residents not otherwise affected by welfare reform may be included towards meeting the fifty one percent requirement if, under the grant, they will provide services such as child care or mentoring to persons affected by welfare reform.

(b) Partnership between the Resident Association and the Housing Authority.

(i) The application must contain a signed MOU between the RA and the HA which describes the specific roles, responsibilities and activities to be undertaken between the two entities.

(ii) The MOU, at a minimum must identify the principal parties (i.e. the name of the HA and RA), the terms of the agreement (expectations or terms for each party), and an indication that the agreement pertains to the support of the RA TOP grant application. This document is the basis for foundation of the relationship between the RA and HA. It must be precise and outline the specific duties and objectives to be accomplished under the grant. All MOUs must be finalized, dated and signed by duly authorized officials of both the RA and HA upon submission of the application. A sample MOU will be provided in the application kit.

This threshold requirement is not applicable to Intermediary Resident Organization applicants.

(c) *Accessible Community Facility*—The applicant must provide evidence (e.g. through an executed use agreement and/or in the MOU with the HA) that a majority of the proposed activities will be administered at community facilities within easy access (i.e., walking or by direct (no transfers required), convenient, inexpensive and reliable transport), of the property represented by the RA. The community facility must also meet the structural accessibility requirements of section 504 of the Rehabilitation Act and the Americans with Disabilities Act.

(d) *Contract Administrator*. Unless HUD or an Independent Public Accountant have determined that the applicant's financial management system and procurement procedures fully comply with 24 CFR part 84, the application must contain evidence that the RA will use the services of a Contract Administrator in administering the grant. Troubled HAs are not eligible to be Contract Administrators. In cases where the Contract Administrator is the HA, the contract administration responsibilities can be incorporated into the MOU discussed in paragraph (g)(3) above. This requirement does not apply to Intermediary Resident Organization applicants.

(e) *Applicant Non-Profit Status*

(i) *RCs/RMCs*—Applicant must submit evidence that the applicant is registered with the State as a nonprofit corporation.

(ii) *Intermediary Resident Organizations* must submit evidence of being registered with the State as a nonprofit corporation; and having applied for 501(c) status with the United States Internal Revenue Services.

(f) *Certification of Elections*—

Applicant must submit certification of the RA board election as required by HUD, signed by the local HA and/or an independent third-party monitor and notarized. (Not applicable to IROs)

(g) *Compliance with Current Programs*. The applicant must provide a valid certification on the format provided in the application kit that it is not the subject of unresolved HUD Office of Inspector General findings and that it and the contract administrator are not in default at the time of application submission with respect to any previous HUD funded grant programs the applicant or another party has received.

(h) Applicants which are Intermediary Resident Organizations must list in the application the name of the RAs that will receive training, technical assistance and/or coordinated

supportive services and must provide letters of support from each entity identified in the application. The intermediary can not list RAs that have been previously awarded Resident Management and/or TOP funds at the maximum limit of \$100,000.

(2) *Organizational Development Grant*.

(a) *Certification of Elections*—Applicant must submit certification of the RA board election as required by HUD, signed by the local HA and/or an independent third-party monitor and notarized. (Not applicable to IROs)

(b) *Contract Administrator* Unless HUD or an Independent Public Accountant have determined that the applicant's financial management system and procurement procedures comply with 24 CFR part 84, the application must contain evidence that the RA will use the services of a Contract Administrator in administering the grant. Troubled HAs are not eligible to be Contract Administrators. In cases where the Contract Administrator is the HA, the contract administration responsibilities can be incorporated into the MOU discussed in paragraph (g)(3) above. This requirement does not apply to Intermediary Resident Organization applicants.

(c) *Compliance with Current Programs*. The applicant must provide certification on the format provided in the application kit that it and the contract administrator are not in default at the time of application submission with respect to any previous HUD funded grant programs the applicant or any other party has received and that there are no unresolved Office of Inspector General findings against the applicant or contract administrator.

(d) Applicants which are Intermediary Resident Organizations must list in the application the name of the RAs that will receive training, technical assistance and/or coordinated supportive services and must provide letters of support from each entity identified in the application. The intermediary can not list RAs that have been previously awarded Resident Management and/or TOP funds at the maximum limit of \$100,000.

(3) *Mediation Grant*. For mediation grants, the applicant must meet the following requirements:

(a) *Written Agreement with Mediator*. Have a written agreement with professional mediator or mediation organization (mediator/partner) with roles and responsibilities of each party, as well as any compensation to the mediator/partner (which must be reasonable and based on the work to be performed) defined. The written

agreement must specify, consistent with the work plan, that the mediator/partner will train IRO staff and/or volunteers such that the IRO will be capable of providing mediation assistance independently by the end of the grant term;

(b) *Mediation Experience/Referral Agreement*. Provide evidence that its mediator/partner have at least three years of experience in providing mediation services and at least two years of experience in mediation training; and include one referral agreement with a judicial, law enforcement or social service agency such as the court system or Welfare Department for mediation referral of public housing residents.

(c) *Applicant Non-Profit Status*. Intermediary Resident Organizations must be registered with the State as a nonprofit corporation; and have applied for 501(c) status with the United States Internal Revenue Services.

(d) *Compliance with Current Programs*. The applicant must provide certification on the format provided in the application kit that it and the mediation partner are not in default at the time of application submission with respect to any previous HUD funded grant programs the applicant has received and that there are no unresolved Office of Inspector General findings against the applicant or mediation partner.

(B) *Factors for Award Used to Evaluate and Rate EDSS and TOP Applications*

The following information does not apply to TOP organizational development applicants which will be selected by lottery.

The factors for rating and ranking applicants and maximum points for each factor are provided below. The points awarded for the factors total 100. Applicants are eligible two EZ/EC bonus points, as described in the General Section of the SuperNOFA. An EDSS application must receive a total of 75 points out of 100 and a TOP application must receive a total of 65 points out of 100 in order to be eligible for funding.

EDSS Selection Factors

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. In rating this factor HUD will consider the extent to which the proposal demonstrates:

(1) *Proposed Program Staffing* (7 Points)

(a) *Experience*. (4 Points): The knowledge and experience of the overall proposed project director and staff, including the day-to-day program manager, sub-recipients and partners in planning and managing programs for which funding is being requested. Experience will be judged in terms of recent, relevant and successful experience of the applicant's staff to undertake eligible program activities.

(b) *Sufficiency*. (3 Points): The applicant, its sub-recipients, and partners have sufficient personnel or will be able to quickly access qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including the readiness and ability of the applicant to immediately begin the proposed work program. To demonstrate that the applicant must submit the proposed number of staff years by the employees and experts to be allocated to the project, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to the project and the roles to be performed by each identified employee and expert.

(2) *Program Administration and Fiscal Management* (7 Points)

(a) *Program Administration*. (4 Points): The soundness of the proposed management of the proposed ED/SS program. In order to receive a high score an applicant must provide a comprehensive description of the project management structure, including the use of a contract administrator, if applicable. The narrative must provide a description of how any co-applicants, subgrantees and other partner agencies relate to the program administrator as well as the lines of authority and accountability among all components of the proposed program.

(b) *Fiscal Management*. (3 Points): The soundness of the applicant's proposed fiscal management. In order to receive a high score an applicant must provide comprehensive description of the fiscal management structure, including but not limited to budgeting, fiscal controls and accounting. The application must identify the staff responsible for fiscal management, and the processes and timetable for implementation during the proposed period.

(3) *Applicant/Administrator Track Record* (6 Points): Based on the applicant's or if a Contract Administrator is proposed, the Administrator's prior performance in successfully carrying out grant programs designed to assist residents in increasing their self-sufficiency, security or independence. In order to receive a

high score the applicant must demonstrate its (or the proposed Administrator's) program compliance and successful implementation of any of resident self-sufficiency, security or independence oriented grants (including those listed below) awarded to the applicant or overseen by the Administrator. Applicants or Administrators with no prior experience in operating programs that foster resident self-sufficiency, security or independence will receive a score of 0 on this factor. The applicant's past experience may include but is not limited to administering the following grants: The Family Investment Center Program; The Youth Development Initiative under the Family Investment Center Program; The Youth Apprenticeship Program; The Apprenticeship Demonstration in the Construction Trades Program; The Urban Youth Corps Program; The HOPE 1 Program; The Public Housing Service Coordinator Program; The Public Housing Drug Elimination Program; and The Youth Sports Program.

Rating Factor 2: Need/Extent of the Family (20 Points)

Family EDSS applicants will be rated on (1) (a)(i)—(a)(vi). Elderly/Disabled applicants will be rated on (2)(a)-(c).

This factor addresses the extent to which there is a need for funding the proposed program activities to address a documented problem in the target area. Applicants will be evaluated on the extent to which they document a critical level of need in the development or the proposed activities in the area where activities will be carried out. In responding to this factor, applicants will be evaluated on:

(1) *A Needs Assessment Document* (18 Points): HUD will award up to 18 points based on the quality and comprehensiveness of the needs assessment document. In order to obtain maximum points for Family Economic Development and Supportive Services Category applications, this document must contain statistical data which provides:

(a) A thorough socioeconomic profile of the eligible residents in relationship to HA-wide and national public and Indian housing data on residents:

- (i) Who are on TANF, SSI benefits, or other fixed income arrangements;
- (ii) In job training, entrepreneurship, or community service programs; and
- (iii) Who are employed.

(iv) Specific information should be provided on training, contracting and employment through the HA.

(v) An assessment of the current service delivery system as it relates to

the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use,

(vi) A description of the goals, objectives, and program strategies that will result in successful transition of residents from welfare-to-work.

(2) In order to obtain maximum points for Elderly and Disabled Supportive Services Category applications, this document should contain statistical data which provides:

(a) The numbers of residents indicating need for assistance for activities of daily living.

(b) An assessment of the current service delivery system as it relates to the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use.

(c) A description of the goals, objectives, and program strategies that will result in increased independence for proposed program participants.

(2) *Level of Priority in Consolidated Plan*. (2 Points): Documentation of the level of priority the locality's, or in the case of small cities, the State's Consolidated Plan has placed on addressing the needs. Applicants may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing choice (AI) to further fair housing. Applicants that address needs that are in the community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, will receive a greater number points than applicants which do not relate their proposed program to the approved Consolidated Plan or Analysis of Impediments to Fair Housing Choice or court action. There must be a clear relationship between the proposed activities, community needs and the purpose of the program funding for an applicant to receive points for this factor. For Tribes/TDHEs, the Indian Housing Plan would be the document to review for this information.

Rating Factor 3: Soundness of Approach (40 Points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed work plan. In rating this factor HUD will consider: the viability and comprehensiveness of strategies to address the needs of residents; budget appropriateness/efficient use of grant; the speed at which the applicant can realistically accomplish the goals of the proposed EDSS program; the soundness of the applicant's plan to evaluate the

success of its proposed EDSS program at completion and during program implementation; and resident and other partnerships; and policy priorities.

(1) *Viability and comprehensiveness of the strategies to address the needs of residents* (19 Points): The score in this factor will be based on the viability and comprehensiveness of strategies to address the needs of residents. HUD will award up to 19 points based on the following:

(a) *Services* (13 Points for Family EDSS applicants and 19 Points for Elderly/Disabled applicants; more points are awarded in the Elderly/Disabled application in order to balance other sections of the rating criteria where points are not applicable to an Elderly/Disabled applicant): The score in this factor will be based on the following:

(i) For Family Economic Development and Supportive Services Category applications, applicant provides a comprehensive description of how the applicant's plan provides services that specifically address the successful transition from welfare to work of non-elderly families. To receive a high score, the applicant should include case management/counseling, job training/development/placement (and/or business training/development/startup), child care and transportation. Also, in order to receive maximum points, goals, and objectives of the proposed plan, the plan must represent significant achievements related to welfare-to-work and other self-sufficiency/independence goals. Specifically for those residents affected by welfare reform, the number of residents employed or resident businesses started are preferable to the number of residents receiving training.

(ii) For Elderly and Disabled Supportive Services Category applications, applicant could include case management, health care, congregate services and transportation. To obtain maximum points the services must be located in a community facility and be available on a 12 hour basis or as needed by the eligible residents.

(b) *Resident Contracting and Employment* (3 Points): The score in this factor will be based on the extent to which residents will achieve self-sufficiency through the applicant contracting with resident owned businesses and through resident employment. A high score will be awarded where there is documentation (letter or resolution) describing the HA's commitment to hire at least 15% of residents or contract at least 15% of residents and a narrative describing the reasonable number of jobs or contracts, as well as the training processes related

to the comprehensive plan. Elderly and Disabled Supportive Services Category applications will not be scored on this criterion.

(c) *Rent Reform and Occupancy Incentives* (3 Points): The score in this factor will be based on the degree to which the applicant has implemented, proposes to implement or collaborates with a public welfare department to implement incentives designed to promote resident self-sufficiency including but not limited to: ceiling rents, rent exclusions, rent escrows, occupancy preferences for applicants who work or who are in a self-sufficiency program, stipends, or income disregards. A high score is received if the applicant can show how the incentives complement the purposes of the program activities for which the applicant is seeking funding. Elderly and Disabled Supportive Services Category applications will not be scored on this criterion.

(2) *Budget appropriateness/efficient use of grant* (5 Points): Up to 5 points based on the extent to which the proposed ED/SS program will result in a lower total ED/SS program cost per dwelling unit to be served in the program in comparison to other applications under ED/SS. For the purposes of this selection factor, applicants may only count dwelling units currently under an annual contributions contract at the time of application submission.

Tribes/TDHEs should use the number of units counted as Formula Current Assisted Stock for Fiscal Year 1998 as defined in 24 CFR 1000.316. Tribes who have not previously received funds from the Department under the 1937 Act should count housing units under management that are owned and operated by the tribe and are identified in their housing inventory as of September 30, 1997. The procedure for determining the score is outlined below.

(a) HUD will combine all of the per-unit amounts, rounded to the nearest whole dollar, into a single nationwide list in order from the lowest cost per unit to the highest cost per unit. HUD will take the total number of grant applications that have met the prerequisites to be scored and divide them by the score for this factor (i.e. 5) to establish a scoring increment.

(b) HUD will start at the lowest per-unit amount and count one scoring increment into the list (i.e. 1/5th of the way into the list). The per-unit amount at that location will constitute a breakpoint. HUD will count the next scoring increment into the list and establish another breakpoint. The process will be repeated to establish 5

segments of per-unit costs. In the event that multiple applications share the same per-unit cost at a breakpoint, the breakpoint will be adjusted by \$1 higher or lower than that of the initial breakpoint to achieve as close as possible a 1/5th segment.

(c) Once all of the breakpoints have been established as outlined, HUD will enter the score. All applications with a cost per unit below that of the first breakpoint will receive a score of 5; those with a cost per unit lower than the second breakpoint will receive a score of 4; etc.

(3) *Reasonableness of the timetable* (2 Points for Family EDSS applicants and 4 Points for Elderly/Disabled applicants); (more points are awarded in the Elderly/Disabled application in order to balance other sections of the rating criteria where points are not applicable to Elderly/Disabled applicant):

The score in this factor will be based on the speed at which the applicant can realistically accomplish the goals of the proposed ED/SS program. To receive a high score, the applicant must demonstrate that it will make substantial progress within the first six months after grant execution including putting staff in place, finalizing partnership arrangements, completing the development of requests for proposals and achieving other milestones that are prerequisites for implementation of the program. In addition the applicant must demonstrate that the proposed timetable for all components of the proposed program is reasonable considering the size of the grant and its activities and that it can accomplish its objectives within the 24 month time limit.

(4) *Program Assessment*. (3 Points): The score in this factor will be based on the soundness of the applicant's plan to evaluate the success of its proposed EDSS program both at the completion of the program and during program implementation. At a minimum, the applicant must track the goals and objectives of the proposed work plan program. HUD will rate more favorably applicants which can track specific measurable achievements for the use of program funds, such as number of residents employed, salary scales of jobs obtained, persons removed from welfare roles 12 months or longer, and number of persons receiving certificates for successful completion of training in careers such as computer technology.

(5) *Resident and Other Partnerships* (11 Points for Family EDSS applicants and 9 Points for Elderly/Disabled applicants)

(a) *Resident Involvement in ED/SS Activities* (3 Points for Family EDSS applicants and 4 Points for Elderly/Disabled applicants); more points are awarded in the Elderly/Disabled application in order to balance other sections of the rating criteria where points are not applicable to Elderly/Disabled applicants): The score in this factor will be based on the extent of resident involvement in developing the proposed EDSS program as well as the extent of proposed resident involvement in implementing the proposed EDSS program. In order to receive a high score on this factor the applicant must provide documentation that describes the involvement of residents in the planning phase for this program, and a commitment to provide continued involvement in grant implementation. In order to receive maximum points a memorandum of understanding or other written agreement between the applicant and the appropriate Resident Associations must be included.

(b) *Other Partnerships* (3 Points): The score in this factor will be based on the successful integration of partners into implementation of the proposed EDSS program. In order to receive a high score an applicant must provide a signed Memorandum of Understanding (MOU) (or other equivalent signed documentation provided that it delineates the roles, responsibilities of each of the parties and the benefits they will receive) that delineates specific partnerships related to the components in the comprehensive plan. In assessing this factor HUD will examine a number of aspects of the proposed partnership including:

(i) The division of responsibilities/management structure of the proposed partnership relative to the expertise and resources of the partners;

(ii) The extent to which the partnership as a whole addresses a broader level of unmet resident needs; the extent to which the addition of the partners provides the ability to meet needs that the applicant could not otherwise meet without the partner(s).

(c) *Overall Relationship/TOP Coordination* (3 Points): For Family EDSS applicants, the score in this factor will be based on the extent of coordination between the applicant's proposed EDSS program and any/all existing or proposed TOP programs sponsored by RAs within the applicant's jurisdiction. In order to receive a high score the application must contain an MOU that describes collaboration between HA staff and residents on all of the specific components related to the work plan of both the proposed or current TOP and EDSS programs. If

there are no existing and no proposed TOP grants within the jurisdiction of the applicant, the score for this factor will be 0. Elderly/Disabled applications will not be scored on this criterion. In addition, if all of the resident groups eligible to apply for TOP within the applicant's jurisdiction have already received TOP grants and will have completed the activities, the applicant will not be scored on this criterion.

(6) *Policy Priorities* (2 Points): Documentation of the extent to which policy priorities of the Department are furthered by the proposed activities. Such Department policy priorities are: (1) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for minorities and the disabled; (2) Promoting healthy homes; (3) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs; (4) Providing enhanced economic, social and/or living environments in Empowerment Zones or Enterprise communities; and (5) Providing educational and job training opportunities through such initiatives as Neighborhood Networks, Campus of Learners and linking programs to AmeriCorps activities. To obtain the full two points in this category, at least three of these five policy priorities must be addressed.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the ability of the applicant to secure community resources (note: financing is a community resource) which can be combined with HUD's program resources to achieve program purposes. In evaluating this factor HUD will consider:

The extent to which the applicant has partnered with other entities to secure additional resources to increase the effectiveness of the proposed program activities. Resources may include funding or in-kind contributions, such as services or equipment, allocated to the purpose(s) of the award the applicant is seeking. Resources may be provided by governmental entities, public or private nonprofit organizations, for-profit private organizations, or other entities willing to partner with the applicant. Applicants may also partner with other program funding recipients to coordinate the use of resources in the target area.

For programs which have a matching requirement, rating points for this factor will be allocated based upon the extent to which an applicant has exceeded the program's minimum match requirement.

If the applicant meets the match requirement they will receive up to an additional 5 points; depending on the extent to which the match requirement is exceeded.

Applicants must provide evidence of leveraging/partnerships by including in the application letters of firm commitments, memoranda of understanding, or agreements to participate from those entities identified as partners in the application. To be firmly committed there must be a written agreement to provide the resources. The written agreement may be contingent upon an applicant receiving a grant award. Each letter of commitment, memorandum of understanding, or agreement to participate should include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor HUD will consider:

(1) *Coordination with the Consolidated Plan* (2 Points for Family EDSS applicants and 6 points for Elderly/Disabled applicants; more points are awarded in the Elderly/Disabled application in order to balance other sections of the rating criteria where points are not applicable to an Elderly/Disabled application.)

The extent to which the application demonstrates the applicant has reviewed the community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice, and has proposed activities that address the priorities, needs, goals or objectives in those documents; or substantially further fair housing choice in the community. For tribes/TDHEs the Indian Housing Plan would be the document to review for information.

(2) *For Family EDSS Applications, Coordination with the State or Tribal Welfare Plan* (4 Points): Provide evidence that the proposed EDSS program has been coordinated with and supports the housing authority's efforts to increase resident self-sufficiency and

is coordinated and consistent with the State or Tribal Welfare Plan.

(3) *Coordination with Other Activities* (4 Points): The extent to which the application demonstrates that the applicant in carrying out program activities will develop linkages with: other HUD funded program activities proposed or on-going in the community; or other State, Federal or locally funded activities proposed or on-going in the community which, taken as a whole, support and sustain a comprehensive system to address the needs.

TOP Selection Factors for Economic Self-Sufficiency Grants

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 points)

This factor addresses the extent to which the applicant has assembled the organizational resources necessary to successfully implement the proposed activities in a timely manner. Since TOP grantees are generally prohibited from hiring staff with TOP funds, Site-Based Resident Association applicants will be rated based largely on the capacity of the Contract Administrator and partners contributing additional resources. In rating this factor HUD will consider the applicant's:

(1) *Staffing*. (7 Points)

(a) *Experience*. (4 Points): The knowledge and experience of the overall proposed applicant's, Contract Administrator's and/or partners' project director and staff, including the day-to-day program manager, in planning and managing programs for which funding is being requested. Experience will be judged in terms of recent, relevant and successful experience of the applicant's staff to undertake eligible program activities.

(b) *Sufficiency*. (3 Points): The applicant, Contract Administrator (if any) and partners have sufficient personnel or will be able to access quickly qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including the readiness and ability of the applicant to immediately begin the proposed work program. To demonstrate that, the applicant must submit the proposed number of staff years by the employees and experts to be allocated to the project, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to the project and the roles to be performed by each identified employee and expert.

(2) *Program Administration and Fiscal Management* (7 points)

(a) *Program Administration* (4 Points): The soundness of the proposed management of the proposed TOP program. In order to receive a high score an applicant must provide a comprehensive description of the project management structure, including the use of a contract administrator, if applicable. The narrative must provide a description of how any co-applicants, subgrantees and other partner agencies relate to the program administrator as well as the lines of authority and accountability among all components of the proposed program.

(b) *Fiscal Management* (3 Points): The soundness of the applicant's proposed fiscal management. In order to receive a high score an applicant must provide comprehensive description of the fiscal management structure, including but not limited to budgeting, fiscal controls and accounting. The application must explain the staff responsible for fiscal management, and the processes and timetable for implementation during the proposed grant period.

(3) *Applicant/Administrator Track Record/Capability* (6 Points): In assessing this factor, HUD will consider the soundness of the prior experience of the Applicant and the Contract Administrator (if applicable) in successfully carrying out resident services programs designed to assist residents in increasing their self-sufficiency, security or independence. A high score is received if the Applicant or Administrator can demonstrate compliance and successful implementation (i.e., completion of grant implementation plan tasks) of prior resident services programs. Applicants and Contract Administrators with no prior experience in operating programs that foster resident self-sufficiency, security or independence will receive a score of 0 on this factor.

Rating Factor 2: Need/Extent of the Problem (20 Points)

This factor addresses the extent to which there is a need for funding the proposed program activities to address a documented problem in the target area. Applicants will be evaluated on the extent to which they document a well specified and critical need in the development of the proposed activities in the area where activities will be carried out. In responding to this factor, applicants will be evaluated on:

(1) *Needs Assessment Document* (18 Points): HUD will award up to 18 points based on the quality and comprehensiveness of the needs assessment document. In order to obtain maximum points this document must contain statistical data which provides:

(a) A thorough socioeconomic profile of the eligible residents in relationship to HA-wide and national public housing data on residents. The profile should include residents: on TANF, SSI benefits, or other fixed income arrangements; in job training, entrepreneurship, or community service programs; and employed;

(b) Specific information should be provided on training, contracting and employment through the HA;

(c) An assessment of the current service delivery system as it relates to the needs of the target population, including the number and type of services, the location of services, and community facilities currently in use.

(2) *Level of Priority in Consolidated Plan* (2 Points): Documentation of the level of priority the locality's, or in the case of small cities, the State's Consolidated Plan has placed on addressing the needs. Applicants may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing choice (AI) to further fair housing. Applicants that address needs that are in the community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, will receive a greater number points than applicants which do not relate their proposed program to the approved Consolidated Plan or Analysis of impediments to Fair Housing Choice or court action. There must be a clear relationship between the proposed activities, community needs and the purpose of the program funding for an applicant to receive points for this factor.

Rating Factor 3: Soundness of Approach (40 Points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed work plan. In rating this factor HUD will consider: the viability and comprehensiveness of strategies to address the needs of residents; budget appropriateness/efficient use of grant; the speed at which the applicant can realistically accomplish the goals of the proposed TOP program; the soundness of the applicant's plan to evaluate the success of its proposed TOP program at completion and during program implementation; and resident and other partnerships. Tribes/TDHEs should use the number of units counted as Formula Current Assisted Stock for Fiscal Year 1998 as defined in 24 CFR 1000.316. Tribes that have not previously received funds from the Department under the 1937 Act should count housing units

under management that are owned and operated by the tribe and are identified in their housing inventory as of September 30, 1997.

(1) *Viability and comprehensiveness of the strategies to address the needs of residents* (11 Points): The score in this factor will be based on the extent and comprehensiveness of the training and related services that will be provided as well as the extent that the proposed training and related services will contribute to providing for unmet resident needs identified in the required Needs Assessment Report.

To receive a high score applicants must provide a comprehensive description of how the proposed plan provides training and related services that specifically address the successful transition from welfare to work and/or maintaining independence of elderly families and persons with disabilities by avoiding institutionalization. To obtain maximum points the training and related services must be located in the community facility and be available as needed by the eligible residents. Also, in order to receive maximum points, goals and objectives of the proposed plan must represent significant achievements related to welfare-to-work and other self-sufficiency/independence goals. Specifically, for residents affected by welfare reform, the number of residents employed or resident businesses started are preferable to the number of residents receiving training.

Intermediary Resident Organizations will receive points under this Viability and Comprehensiveness factor (as outlined above) based on the training and related services for each of the project sites the Intermediary Resident Organization proposes to assist.

(2) *Budget Appropriateness/Efficient Use of Grant Funds* (6 Points): The score in this factor will be based on the following:

(a) *Detailed Budget Break-Out*: The extent to which the application includes a detailed budget break-out for each budget category in the SF-424A.

(b) *Reasonable administrative costs*. The extent to which the application includes reasonable administrative costs within the 25%-30% administrative cost ceiling.

(c) *Budget Efficiency*. The extent to which the application requests funds commensurate with the level of effort necessary to accomplish the goals and objectives and the estimated costs to the government are reasonable in relationship to the anticipated results.

(3) *Reasonableness of the timetable* (1 Point): The score in this factor will be based on the speed at which the applicant can realistically accomplish

the goals of the proposed TOP program. To receive a high score, the applicant must demonstrate that the proposed timetable for all components of the proposed program is reasonable (i.e., a given task is allotted the amount of time it would normally take to accomplish such a task) and that the applicant can accomplish the proposed implementation plan objectives within the 24 month time limit. The applicant must also demonstrate that it will make substantial progress within the first six months after grant execution.

(4) *Policy Priorities* (2 Points): Documentation of the extent to which policy priorities of the Department are furthered by the proposed activities. Such Department policy priorities are: (1) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for minorities and the disabled; (2) Promoting healthy homes; (3) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs; (4) Providing enhanced economic, social and/or living environments in Empowerment Zones or Enterprise communities; and (5) Providing educational and job training opportunities through such initiatives as Neighborhood Networks, Campus of Learners and linking programs to AmeriCorps activities. To obtain the full two points in this category, at least three of these five policy priorities must be addressed.

(5) *Housing Authority-Resident Association Partnership* (8 Points)

(a) The score in this factor will be based on the extent of coordination between the applicant's proposed TOP program and any/all existing or proposed HA resident services programs that assist residents in increasing their self-sufficiency, security or maintaining their independence by avoiding institutionalization. In order to receive a high score the application must contain an MOU (between the HA and the RA) which describes collaboration between HA staff and residents on all of the specific components related to the implementation plans of both the proposed TOP program and the resident services programs of the housing authority.

(b) Intermediary Resident Organizations will receive points under this Housing Authority-Resident Association Program Partnership factor based on the extent to which the Intermediary Resident Organization can demonstrate that the housing authorities for each of the project sites the Intermediary Resident Organization proposes to assist have agreed to support and coordinate their efforts

with those of the Intermediary Resident Organization in assisting the project sites.

(6) *Other Partnerships* (4 Points): The score in this factor will be based on the successful integration of partners into implementation of the proposed TOP program. In order to receive a high score an applicant must provide an MOU or other equivalent documentation that delineates specific partnerships related to the components in the comprehensive plan. In assessing this factor HUD will examine a number of aspects of the proposed partnership including:

(a) The soundness of the division of responsibilities/management structure of the proposed partnership relative to the expertise and resources of the partners;

(b) The extent to which the partnership as a whole addresses a broader range of resident needs: the extent to which the addition of the partners provides the ability to meet needs more cost effectively or efficiently than the applicant or its partners could achieve individually without forming the partnership.

(7) *Resident Involvement* (4 Points)

(a) The score in this factor will be based on the extent of resident involvement in developing the proposed TOP program as well as the extent of proposed resident involvement in implementing the proposed TOP program. In order to receive a high score on this factor the applicant must provide verifiable documentation which describes the involvement of affected residents in the planning phase for this program, and a commitment by the Resident Association to provide continued involvement in grant implementation. In order to receive maximum points the application must contain a resolution from the appropriate RA(s) which includes signatures from the resident community.

(b) Intermediary Resident Organizations will receive points under this Resident Involvement factor based on the demonstrated level of coordination of efforts between the RA for each of the project sites the Intermediary Resident Organization proposes to assist and the Intermediary Resident Organization. Higher points will be awarded to the extent that RAs proposed to be assisted have taken the preliminary steps to take advantage of the assistance proposed for their site by the Intermediary Resident Organization. For example, the RA for the proposed site has organized itself and selected its leadership and obtained basic training from the HA or other community organizations.

(8) *Program Assessment*. (4 Points): The score in this factor will be based on the soundness of the applicant's plan to evaluate the success of its proposed EDSS program both at the completion of the program and during program implementation. At a minimum, the applicant must track the goals and objectives of the proposed work plan program. HUD will rate more favorably applicants which can track specific measurable achievements for the use of program funds, such as number of residents employed, salary scales of jobs obtained, persons removed from welfare roles 12 months or longer, and number of persons receiving certificates for successful completion of training in careers such as computer technology.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the ability of the applicant to secure community resources. In evaluating this factor HUD will consider: The extent to which the commitment letters or the equivalent can demonstrate that resources outside the TOP Program (including existing Federal, state, local, non-profit, and/or private resources) are to be utilized in the applicant's proposed program. The resources will be measured based on a ratio of applicant's value of in-kind contributions and funds committed for the proposed effort.

Applicants must provide evidence of leveraging/partnerships by including in the application letters of firm commitments, memorandum of understanding, or agreements to participate from those entities identified as partners in the application. To be firmly committed, there must be a written agreement to provide the resources. The written agreement may be contingent upon an applicant receiving a grant agreement. Each letter of commitment, memorandum of understanding, or agreement to participate should include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor HUD will consider:

(1) *Coordination with the Consolidated Plan* (2 Points): The extent to which the application demonstrates the applicant has reviewed the community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice, and has proposed activities that address the priorities, needs, goals or objectives in those documents; or substantially further fair housing choice in the community.

(2) *Coordination with the State Welfare Plan* (4 points): Provide evidence that the proposed TOP has been coordinated with and supports the housing authority's efforts to increase resident self-sufficiency and is coordinated and consistent with the State Welfare Plan.

(3) *Coordination with Other Activities* (4 Points): The extent to which the application demonstrates that the applicant, in carrying out program activities, will develop linkages with: other HUD funded program activities proposed or on-going in the community; or other State, Federal or locally funded activities proposed or on-going in the community which taken as a whole support and sustain a comprehensive system to address the needs.

Selection Factors for TOP Organizational Development Grant

Applicants are not required to address selection factors for the Organizational Development Grant category. HUD will use a lottery system to select applicants for this category.

Selection Factors for TOP Mediation Grant

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)

This factor addresses the extent to which the applicant and mediation partner have the organizational resources necessary to successfully implement the proposed activities in a timely manner. In rating this factor HUD will consider the applicant's:

(1) *Staffing* (7 points)

(a) *Experience*. (4 Points): The knowledge and experience of the overall proposed project director and staff, including the day-to-day program manager(s), for both the applicant and mediation partner in planning and managing programs for which funding is being requested. Experience will be judged in terms of recent, relevant and successful experience of the staff to undertake eligible program activities.

(b) *Sufficiency*. (3 Points): The applicant and mediation partner have

sufficient personnel or will be able to quickly access qualified experts or professionals, to deliver the proposed activities in each geographical territory in a timely and effective fashion, including the readiness and ability of the applicant to immediately begin the proposed work program. To demonstrate that the applicant must submit the proposed number of staff years by the employees and experts to be allocated to the project, the titles and relevant professional background and experience of each employee and expert proposed to be assigned to the project and the roles to be performed by each identified employee and expert.

(2) Program Administration and Fiscal Management (13 points)

(a) *Program Administration*. (4 Points): The soundness of the proposed management of the proposed TOP program. In order to receive a high score an applicant must provide a comprehensive description of the project management structure. The narrative must provide a description of how the mediation partner relates to the applicant as well as the lines of authority and accountability among all components of the proposed program.

(b) *Fiscal Management* (3 Points): The soundness of the applicant's proposed fiscal management. In order to receive a high score an applicant must provide comprehensive description of the fiscal management structure including but not limited to budgeting, fiscal controls and accounting. The application must explain the staff responsible for fiscal management, and the processes and timetable for implementation during the proposed grant period.

(c) *Applicant/Administrator Track Record/Capability* (6 Points): In assessing this factor, HUD will consider the soundness of the prior experience of the applicant and the mediation partner in successfully carrying out programs with similar purposes and/or constituency. A high score is received if the applicant and/or partner can demonstrate compliance and successful implementation (i.e. completion of grant implementation plan tasks) of prior such programs. Applicants and mediation partners with no prior experience in operating such programs will receive a score of 0 on this factor.

Rating Factor 2: Need/Extent of the Problem (20 Points)

This factor addresses the extent to which there is a need for funding the proposed program activities to address a documented problem in the target area. Applicants will be evaluated on the extent to which they document a well specified and critical level of need in

the development or the proposed activities in the geographical territory where activities will be carried out. In responding to this factor, applicants will be evaluated on:

(1) *A Needs Assessment Document* (18 Points): HUD will award up to 18 points based on the quality and comprehensiveness of the needs assessment document. In order to obtain maximum points, this document must contain statistical and other data which provides:

(a) A thorough description of the current public housing community as it relates to the need for mediation, for example, describe human relations problems related to illegal gang activity in the community and other crimes; relations among various racial, ethnic and socio-economic groups; and relations between residents, resident leaders and community institutions such as the police, schools and welfare department.

(b) Specific information should be provided on the relationship between the HA and the resident groups; and

(c) An assessment of any current services related to the mediation needs of the target population in the geographical territory defined by the applicant, including the number and type of services, the location of services, and community facilities currently in use.

(2) *Level of Priority in Consolidated Plan* (2 Points): Documentation of the level of priority the locality's, or in the case of small cities, the State's Consolidated Plan has placed on addressing the needs. Applicants may also address needs in terms of fulfilling the requirements of court actions or other legal decisions or which expand upon the Analysis of Impediments to Fair Housing choice (AI) to further fair housing. Applicants that address needs that are in the community's Consolidated Plan, AI, or a court decision, or identify and substantiate needs in addition to those in the AI, will receive a greater number of points than applicants which do not relate their proposed program to the approved Consolidated Plan or Analysis of Impediments to Fair Housing Choice or court action. There must be a clear relationship between the proposed activities, community needs and the purpose of the program funding for an applicant to receive points for this factor.

Rating Factor 3: Soundness of Approach (40 points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed work plan. In rating this factor

HUD will consider: the viability and comprehensiveness of strategies to address the mediation needs of residents; budget appropriateness/efficient use of grants; the speed at which the applicant can realistically accomplish the goals of the proposed TOP program; the soundness of the applicant's plan to evaluate the success of its proposed TOP program at completion and during program implementation; and resident and other partnerships.

(1) *Viability and comprehensiveness of the strategies to address the mediation needs of residents* (19 Points): The score in this factor will be based on the extent and comprehensiveness of the mediation and related services that will be provided as well as the extent that the proposed mediation and related services will contribute to providing for unmet needs identified in the required Needs Assessment Report.

To receive a high score, applicants must provide a comprehensive description of how the proposed plan provides training and related services that specifically address the mediation needs and will improve the environment of public housing developments in the geographic territory designated by the applicant.

(2) *Budget Appropriateness/Efficient Use of Grant Funds* (6 Points): The score in this factor will be based on the following:

(a) *Detailed Budget Break-Out*. The extent to which the application includes a detailed budget break-out for each budget category in the SF-424A.

(b) *Reasonable Administrative Costs*. The extent to which the application includes reasonable administrative costs within the 15% administrative cost ceiling.

(c) *Budget Efficiency*. The extent to which the application requests funds commensurate with the level of effort necessary to accomplish the goals and objectives and the estimated costs to the government are reasonable in relationship to the work performed and the anticipated results.

(3) *Reasonableness of the Timetable* (2 Points): The score in this factor will be based on the speed at which the applicant can realistically accomplish the goals of the proposed TOP program. To receive a high score, the applicant must demonstrate that the proposed timetable for all components of the proposed program is reasonable (i.e. a given task is allotted the amount of time it would normally take to accomplish such a task) and that the applicant can accomplish the proposed implementation plan objectives within

the 24 month time limit. The applicant must also demonstrate that it will make substantial progress within the first six months after grant execution.

(4) *Policy Priorities* (2 Points): Documentation of the extent to which policy priorities of the Department are furthered by the proposed activities. Such Department policy priorities are: (1) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for minorities and the disabled; (2) Promoting healthy homes; (3) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs; (4) Providing enhanced economic, social and/or living environments in Empowerment Zones or Enterprise communities; and (5) Providing educational and job training opportunities through such initiatives as Neighborhood Networks, Campus of Learners and linking programs to AmeriCorps activities. To obtain the full two points in this category, at least three of these five policy priorities must be addressed.

(5) *Other Partnerships* (5 Points): The score in this factor will be based on the successful integration of partners into implementation of the proposed TOP program. In order to receive a high score an applicant must provide an MOU or other equivalent documentation that delineates specific partnerships related to the components in the comprehensive plan. In assessing this factor HUD will examine a number of aspects of the proposed partnership including:

(a) The appropriateness of the level of expertise of the partners related to activities proposed in the application;

(b) The soundness of the division of responsibilities/management structure of the proposed partnership relative to the expertise and resources of the partners;

(6) *Program Assessment*. (6 Points): The score in this factor will be based on the soundness of the applicant's plan to evaluate the success of its proposed EDSS program both at the completion of the program and during program implementation. At a minimum, the applicant must track the goals and objectives of the proposed work plan program. HUD will rate more favorably applicants which can track specific measurable achievements for the use of program funds, such as number of residents employed, salary scales of jobs obtained, persons removed from welfare roles 12 months or longer, and number of persons receiving certificates for successful completion of training in careers such as computer technology.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the ability of the applicant to secure community resources which can be combined with HUD's program resources to achieve program purposes. In evaluating this factor HUD will consider:

The extent to which the commitment letters or the equivalent can demonstrate that resources outside the TOP Program (including existing Federal, state, local, non-profit, and/or private resources) are to be utilized in the applicant's proposed program. The resources will be measured based on the ratio of the applicant's value of in-kind contributions and funds committed for the proposed effort.

Applicants must provide evidence of leveraging/partnerships by including in the application letters of firm commitments, memorandum of understanding, or agreements to participate from those entities identified as partners in the application. Firmly committed means there must be a written agreement to provide the resources. The written agreement may be contingent upon an applicant receiving an award. Each letter of commitment, memorandum of understanding, or agreement to participate should include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated, community-based process of identifying mediation needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor HUD will consider:

(1) *Coordination with the Consolidated Plan* (2 Points): The extent to which the application demonstrates the applicant has reviewed the community's Consolidated Plan and/or Analysis of Impediments to Fair Housing Choice, and has proposed activities that address the priorities, needs, goals or objectives in those documents; or substantially further fair housing choice in the community.

(2) *Coordination with the State Welfare Plan* (1 Point): Provide evidence that the proposed TOP must have been

coordinated with and supports the housing authority's efforts to increase resident self-sufficiency and is coordinated and consistent with the State Welfare Plan.

(3) *Coordination with Other Activities* (7 Points): The extent to which the application demonstrates that the applicant in carrying out program activities will develop linkages with: other HUD funded program activities proposed or on-going in the community; or other State, Federal or locally funded activities proposed or on-going in the community which taken as a whole support and sustain a comprehensive system to address the mediation needs.

(C) *Selections*. In order to be considered for funding under the EDSS program, an applicant must receive a minimum score of 75. In order to be funding under the TOP program, an applicant must receive a minimum score of 65.

If two or more applications have the same number of points, the application with the most points for Factor 3, Soundness of Approach shall be selected. If there is still a tie, the application with the most points for Factor 4, Leveraging Resources shall be selected.

IV. Application Submission Requirements

Please refer to the General Section of this SuperNOFA. In addition, the applicant must submit the following, which are further described in the application kit.

(A) Needs Assessment Report which includes statistical or survey information on the needs of the recipient population; please use the appropriate format provided in the application kit. (Note: This does not apply to TOP Organizational Development grant applicants.)

(B) A two-year work plan for implementing EDSS/TOP activities which includes goals, budget, timetable and strategies. In addition to a narrative, please use the formats provided in the application kits to chart the following:

- (1) Activity plan summary;
- (2) Activity breakout;
- (3) Budget breakout;
- (4) Summary budget;
- (5) Program resources; and
- (6) Program staffing;

(C) Information on the Applicant and/or administrator track record. Please provide the chart and/or certification format provided in the application kit;

(D) Certifications and assurances referenced in this program section of the SuperNOFA. TOP applicants who are IROs must also submit a list of Site-Based Resident Associations they intend

to assist and Site-Based Resident Associations must certify as to the amount of RM/TOP funding received to date by their development.

(E) Memorandum of Understanding/Agreement; commitment letters; and other required documentation of partnerships.

V. Correction to Deficient Applications

The General Section of this NOFA provides the procedures for corrections to deficient applications.

VI. Environmental Requirements

In accordance with 24 CFR 50.19(b) (3), (9), (12) and (14) of the HUD regulations, activities assisted under the EDSS/TOP programs are categorically excluded from the requirements of the National Environmental Policy Act and are not subject to environmental review under related laws and authorities.

Appendix A To EDSS/TOP Section of SuperNOFA*Common Definitions*

Community Facility means a non-dwelling structure that provides space for multiple supportive services for the benefit of public and Indian housing residents (as well as others eligible for the services provided) that may include but are not limited to:

- (1) Child care;
- (2) After-school activities for youth;
- (3) Job training;
- (4) Campus of Learner activities; and
- (7) English as a Second Language (ESL)

classes.

Contract Administrator means an overall administrator and/or a financial management agent that oversees the financial aspects of a grant and assists in the entire implementation of the grant. Examples of qualified organizations that can serve as a Contract Administrator are:

- (1) Local housing authorities; and
- (2) Community based organizations such as Community Development Corporations (CDCs), community churches, and State/Regional Associations/Organizations.

Development has the same meaning as the term "Project" below.

Firmly Committed means there must be a written agreement to provide the resources. This written agreement may be contingent upon an applicant receiving an award.

Elderly person means a person who is at least 62 years of age.

Jurisdiction-Wide Resident Organization means an incorporated nonprofit organization or association that meets the following requirements:

- (1) Most of its activities are conducted within the jurisdiction of a single housing authority;
- (2) There are no incorporated Resident Councils or Resident Management Corporations within the jurisdiction of the single housing authority;
- (3) It has experience in providing start-up and capacity-building training to residents and resident organizations; and

(4) Public housing residents representing unincorporated Resident Councils within the jurisdiction of the single housing authority must comprise the majority of the board of directors.

Intermediary Resident Organizations means Jurisdiction-Wide Resident Organizations, State-wide Resident Organizations, Regional Resident Organizations and National Resident Organizations.

National Resident Organization (NRO) means an incorporated nonprofit organization or association for public housing that meets each of the following requirements:

(1) It is national (i.e., conducts activities or provides services in at least two HUD Areas or two States);

(2) It has experience in providing start-up and capacity-building training to residents and resident organizations; and

(3) Public housing residents representing different geographical locations in the country must comprise the majority of the board of directors.

Person with disabilities means an adult person who:

(1) Has a condition defined as a disability in section 223 of the Social Security Act;

(2) Has a developmental disability as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act. Such a term shall not exclude persons who have the disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome; or

(3) Is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which:

(i) Is expected to be of long-continued and indefinite duration;

(ii) Substantially impedes his or her ability to live independently; and

(iii) Is of such a nature that such ability could be improved by more suitable housing conditions.

(4) The definition provided above for persons with disabilities is the proper definition for determining program qualifications. However, the definition of a person with disabilities contained in Section 504 of the Rehabilitation Act of 1973 and its implementing regulations must be used for purposes of reasonable accommodations.

Project is the same as "low-income housing project" as defined in section 3(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437 *et. seq.*) (1937 Act).

Resident Association (RA) means any or all of the forms of resident organizations as they are defined elsewhere in this Definitions section and includes Resident Councils (RC), Resident Management Corporations (RMC),

Regional Resident Organizations (RRO), Statewide Resident Organizations (SRO), Jurisdiction-Wide Resident Organizations and National Resident Organizations (NRO).

Resident Council (RC) means (as provided in 24 CFR 964.115) an incorporated or unincorporated nonprofit organization or association that shall consist of persons residing in public housing and must meet each of the following requirements in order to receive official recognition from the HA/ HUD, and be eligible to receive funds for RC activities and stipends for officers for their related costs for volunteer work in public housing. (Although 24 CFR part 964 defines an RC as an incorporated or unincorporated nonprofit organization, HUD requires RC applicants for TOP Economic Self-Sufficiency Grants to be registered with the State at the time of application submission):

(1) It must adopt written procedures such as by-laws, or a constitution which provides for the election of residents to the governing board by the voting membership of the public housing residents. The elections must be held on a regular basis, but at least once every 3 years. The written procedures must provide for the recall of the resident board by the voting membership. These provisions shall allow for a petition or other expression of the voting membership's desire for a recall election, and set the percentage of voting membership ("threshold") which must be in agreement in order to hold a recall election. This threshold shall not be less than 10 percent of the voting membership.

(2) It must have a democratically elected governing board that is elected by the voting membership. At a minimum, the governing board should consist of five elected board members. The voting membership must consist of heads of households (any age) and other residents at least 18 years of age or older and whose name appear on a lease for the unit in the public housing that the resident council represents.

(3) It may represent residents residing in:

(i) Scattered site buildings in areas of contiguous row houses;

(ii) One or more contiguous buildings;

(iii) A development; or

(iv) A combination of the buildings or developments described above.

Regional Resident Organization (RRO) means an incorporated nonprofit organization or association for public housing that meets each of the following requirements:

(1) It is regional (i.e., not limited by HUD Areas);

(2) It has experience in providing start-up and capacity-building training to residents and resident organizations; and

(3) Public housing residents representing different geographical locations in the region

must comprise the majority of the board of directors.

Resident Management Corporation (RMC) (See 24 CFR 964.7, 964.120) means an entity that consists of residents residing in public housing and must have each of the following characteristics in order to receive official recognition by the HA and HUD:

(1) It shall be a nonprofit organization that is validly incorporated under the laws of the State in which it is located;

(2) It may be established by more than one RC, so long as each such council:

(i) Approves the establishment of the corporation; and

(ii) Has representation on the Board of Directors of the corporation.

(3) It shall have an elected Board of Directors, and elections must be held at least once every 3 years;

(4) Its by-laws shall require the Board of Directors to include resident representatives of each RC involved in establishing the corporation; include qualifications to run for office, frequency of elections, procedures for recall, and term limits if desired;

(5) Its voting members shall be heads of households (any age) and other residents at least 18 years of age and whose name appear on the lease of a unit in public housing represented by the RMC;

(6) Where an RC already exists for the development, or a portion of the development, the RMC shall be approved by the RC board and a majority of the residents. If there is no RC, a majority of the residents of the public housing development it will represent must approve the establishment of such a corporation for the purposes of managing the project; and

(7) It may serve as both the RMC and the RC, so long as the corporation meets the requirements of this part for an RC.

Secretary means the Secretary of Housing and Urban Development.

Site-Based Resident Associations means Resident Councils and Resident Management Corporations.

Statewide Resident Organization (SRO) means a Site-Based incorporated nonprofit organization or association for public housing that meets the following requirements:

(1) It is Statewide;

(2) It has experience in providing start-up and capacity-building training to residents and resident organizations; and

(3) Public housing residents representing different geographical locations in the State must comprise the majority of the board of directors.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

YOUTHBUILD PROGRAM

BILLING CODE 4210-32-C

Funding Availability for Youthbuild Program

Program Description: Approximately \$33,000,000 is available for the Youthbuild Program. The Youthbuild Program provides disadvantaged young adults with education, employment, and leadership skills.

Application Due Dates: Completed applications (one original and one copy) no later than 12:00 midnight, Eastern time, on July 14, 1998 at the address shown below. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Addresses for Submitting Applications: To HUD Headquarters. The completed application (one original and one copy) must be submitted, by hand or mail delivery, to: Processing and Control Branch, Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7255, Washington, D.C. 20410, Attention: Youthbuild Grant.

To the Appropriate CPD Field Office. An additional copy should be submitted to the Community Planning and Development Division of the appropriate HUD Field Office for the applicant's jurisdiction.

When submitting your application, please refer to Youthbuild, and include your name, mailing address (including zip code) and telephone number (include area code).

For Application Kits, Further Information and Technical Assistance: For Application Kits. For an application kit and any supplemental information please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-483-2209. An application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to Youthbuild and provide your name, address (including zip code), and telephone number (including area code).

For Further Information and Technical Assistance. Phyllis Williams, Office of Economic Development in the Office of Community Planning and Development, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 7140, Washington, DC 20410, telephone (202) 708-2035. Persons with speech or hearing impairments may call HUD's TTY number (202) 708-0770, or 1-800-877-8399 (the Federal Information Relay

Service TTY). Other than the "800" number, these numbers are not toll-free.

Additional Information

I. Authority; Purpose; Amount Allocated; and Eligibility

(A) Authority

This program is authorized under subtitle D of title IV of the Cranston-Gonzalez National Affordable Housing Act (the Act), as added by section 164 of the Housing and Community Development Act of 1992 (Pub. L. 102-550, 106 Stat. 3723, 42 U.S.C. 12899). The Youthbuild Program regulations are found in 24 CFR part 585.

(B) Purpose

The purposes of the Youthbuild program are:

- (1) To provide economically-disadvantaged young adults with opportunities to obtain education, employment skills, and meaningful on-site construction work experience as a service to their communities and a means to achieve self-sufficiency;
- (2) To foster the development of leadership skills and commitment to community; and
- (3) To expand the supply of permanent affordable housing for homeless and low- and very low-income persons by providing implementation grants for carrying out a Youthbuild program.
- (4) Provide disadvantaged young adults with meaningful on-site training experiences in housing construction and rehabilitation to enable them to provide a service to their communities by helping to meet the housing needs of homeless and low-income families;
- (5) Give, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulation, job training, employment, contracting and other economic opportunities to low-income persons and business concerns.

(C) Amount Allocated

Approximately \$33,000,000 is available for the Youthbuild Program. The net available program funds will be divided between two categories of grants (as further specified in Section III(C)):

1. \$ 8,312,500—Grants for new applicants for up to \$350,000; and
2. \$24,937,500—Grants for up to \$700,000.

(D) Eligible Applicants

Eligible applicants are public or private nonprofit agencies, State or local housing agencies or authorities, State or local units of general local government,

or any entity eligible to provide education and employment training under other Federal employment training programs, as further defined in 24 CFR 585.4.

(E) Eligible Activities

- Eligible activities are as follows:
- (1) Work and activities associated with the acquisition, rehabilitation or construction of the housing and related facilities to be used in the program;
 - (2) Relocation payments and other assistance required to comply with 24 CFR 585.308;
 - (3) Costs of ongoing training and technical assistance needs related to carrying out a Youthbuild program;
 - (4) Education, job training, counseling, employment leadership development services and activities;
 - (5) Wages, benefits, and need-based stipends for participants; and
 - (6) Administrative costs—Youthbuild funds for these costs should not exceed 15 percent of the total amount of Youthbuild assistance, unless a higher amount is justified to support capacity development by a private nonprofit organization.
- Please refer to 24 CFR 585.305 for further details on eligible activities.

(F) Eligible Participants

Participants in a Youthbuild program must be very low-income high school dropouts between the ages of 16 and 24, inclusive, at the time of enrollment. Up to 25 percent of participants may be above very low-income or high school graduates (or equivalent), but must have educational needs that justify their participation in the program.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, applicants are subject to the following requirements:

(A) Resources From Other Federal, State, Local or Private Entities

Applicants are strongly encouraged to use existing housing and homeless assistance programs administered by HUD or other Federal, State, local, or private housing programs as part of their Youthbuild program. Use of other non-Youthbuild funds available for vocational, adult, and bilingual education programs or for job training under the Job Training Partnership Act (JTPA) and the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 is also strongly encouraged. The selection process described in this Youthbuild Program section of the SuperNOFA provides for applicants to

receive points where grant applications contain firm commitments from Federal, State, local, or private sources to provide resources to carry out Youthbuild activities.

(B) Grant Period

Funds awarded should be expended within 30 months of the effective date of the grant agreement, or such other period specified.

(C) Locational Limitations

Each application for a grant may only propose activities to carry out one Youthbuild program, i.e., to start a new Youthbuild program or to fund new classes of Youthbuild participants for an existing program. The same applicant organization may submit more than one application in the current competition if the proposed program's participant recruitment and housing areas are in different jurisdictions.

(D) Youthbuild Program Components

Youthbuild programs receiving assistance under this Youthbuild Program section of the SuperNOFA must contain the three components described in paragraphs (1), (2), and (4) below. Other activities described in paragraph (3) are optional.

(1) Educational and job training services.

(2) Leadership training, counseling, and other support activities.

(3) Special activities such as entrepreneurial training, drivers' education, internships, programs for those with learning disabilities, and in-house staff training. (Optional)

(4) On-site training through actual housing rehabilitation and/or construction work, including the provision of alternative training experiences for students with physical disabilities. Each program must be structured so that 50 percent of each participant's time is spent in on-site training.

(E) Desirable Elements of a Youthbuild Program

Documentation of the extent to which HUD's policy priorities are furthered by the proposed activities. Such policy priority areas are:

(1) Affirmatively furthering fair housing by promoting greater opportunities for housing choice for minorities and the disabled;

(2) Promoting healthy homes;

(3) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs;

(4) Providing educational and job training opportunities and linking programs to Americorps activities;

(5) Promoting welfare reform. Refer to 24 CFR 585.3 for a detailed description of program components.

III. Application Selection Process

HUD will review each application and assign points in accordance with the selection criteria described in this section. The maximum number of points to be awarded is 102 (except for an application submitted by the City of Dallas, Texas, which would be eligible for a maximum of 104 points, in accordance with Rating Factor 3, paragraph (3), below). This includes two EZ/EC bonus points as described in the General Section of the SuperNOFA.

In order to afford applicants every opportunity to submit a ratable application, while at the same time ensuring the fairness, integrity and timeliness of the selection process, HUD is adopting the following application submission and selection procedures:

(A) Rating and Ranking

Each eligible application will be rated based upon the rating factors described in Section III of this Youthbuild Program section of the SuperNOFA. Using the scores assigned, the application will be placed in rank order within each category. Applications will be selected for funding in accordance with their rank order. An application must receive a combined score of at least 50 points for Rating Factor 1, Rating Factor 2, and Rating Factor 3, paragraph (1), under this Section III in order to be eligible for EZ/EC bonus points and for the Housing Program Priority points in Rating Factor 3, paragraph (2) of this Section III.

If two or more applications are rated fundable, and have the same score, but there are insufficient funds to fund all of them, the application(s) with the highest score for Rating Factor 3(1) under Soundness of Approach shall be selected.

(B) Initial Screening

During the period immediately following the application deadline, HUD will screen each application to determine eligibility. Applications will be rejected if they:

(1) Are submitted by ineligible applicants, or

(2) Propose a program for which significant activities are ineligible.

(C) Categories of Grants

HUD will award Youthbuild implementation grants only to eligible applicants for the purpose of carrying out Youthbuild programs in accordance with subtitle D of title IV of the Act. Applications will be selected in a

competition in accordance with the grant selection process described in Section V of this Youthbuild Program section of the SuperNOFA.

Two categories of grants will be made:

(1) Grants for new applicants that have not previously received Youthbuild Implementation Grants and that have elected not to apply under category (2), below. These grants will be limited to \$350,000, for a period of 18 months, with a maximum of 20 students.

(2) Grants for up to \$700,000 to implement a full range of Youthbuild activities for up to a 30-month period. Half of the funding in this category will be awarded to applicants that propose grants of \$450,000 or less for up to 24 months. A previously unfunded applicant can apply in either category. A previous implementation grantee can apply only in category (2). Applicants in category (1) will receive one-quarter of the funds available. Applicants in category (2) will receive the remainder of the funds available, which in turn will be split evenly between grants for up to and including \$450,000, and grants over \$450,000.

(D) Maximum Awards

Under the competition established by this Youthbuild Program section of the SuperNOFA, the maximum award for a Youthbuild grant is \$700,000. HUD reserves the right to determine the maximum or minimum of any Youthbuild award per application, project, program or budget line item. No amendments will be made to awards under this competition that will increase previously approved grant amounts. In order to ensure reasonable geographic diversity, a CDBG entitlement jurisdiction may not receive more than \$2.1 million in Youthbuild grants.

(E) Potential Environmental Disqualification

HUD reserves the right to disqualify an application where one or more environmental thresholds are exceeded if it is determined that the environmental review cannot be conducted and satisfactorily completed by HUD within the HUD review period. (See 24 CFR 585.307.)

(F) Notification of Approval or Disapproval

HUD will notify the selected applicants and the applicants that have not been selected. HUD's notification to a selected applicant of the amount of the grant award based on the approved application will constitute a preliminary approval by HUD, subject to HUD and

recipient execution of the grant agreement to initiate program activities.

(G) Economic Opportunities for Low and Very Low-Income Persons (Section 3)

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) is applicable to Youthbuild implementation grant recipients. Please see Section II(E) of the General Section of the SuperNOFA.

(I) Factors for Award Used To Evaluate and Rate Applications

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (30 Points)

This factor addresses the qualification and experience of the applicant and participating parties, to implement a successful young adult education and training program within a reasonable time period. HUD will review and evaluate the information provided documenting capability. In assigning points for this criterion, evidence in the application that demonstrates the following will be considered:

- (1) Experience in implementing a comprehensive, integrated, multidisciplinary program with the following components:
 - (a) Young adult education and training programs, including programs for low-income persons from economically distressed neighborhoods.
 - (b) Young adult leadership development training and related activities for young adults.
 - (c) Young adult on-site training in housing construction or rehabilitation for the production of sound and affordable housing for the homeless and low-income families.
- (2) The extent to which the applicant or participating parties have been successful in past education, training, and employment programs and activities, including Federally-funded Youthbuild programs. Previous Youthbuild grant recipients must submit a performance narrative as outlined in the application package, and copies of its last two progress reports. The performance (including meeting target dates and schedules) of the applicant as reported will be taken into consideration in applying the rating criteria.
- (3) The extent to which the applicant, including program director, principal staff, or participating parties have demonstrated past ability to leverage other resources to cover administrative, educational, and training costs.
- (4) Staff capacity should address the extent to which the applicant demonstrates that the proposed Staff

and Program Manager possess the background, experience, and capacity to conduct the proposed project, as evidenced by recent work experience in managing projects of the same or similar size, dollar amount, and types of activities as those proposed in the application.

Rating Factor 2: Need/Extent of the Problem (15 Points)

This factor addresses the extent to which there is a need for funding the proposed program activities and an indication of the urgency of meeting the need in the target area. Documentation of need should address the extent to which the applicant documents a critical level of need for the proposed activities in the area where activities will be implemented. The documentation must apply to the targeted area rather than the entire locality. If the target area is an entire locality or State, then documenting need at this level is appropriate.

Documentation of need should demonstrate the extent and urgency of the problem being addressed by the proposed activities. To the extent that the applicant's community's Consolidated Plan or Analysis of Impediments to Fair Housing Choice (AI) identifies the level of the problem and the urgency in meeting the need, references to these documents should be included in the response. HUD will review more favorably those applicants that use these documents to identify need, when applicable. Examples of data that might be used to demonstrate need include, but are not limited to, economic and demographic data relevant to the target area, including poverty and unemployment rates; levels of homelessness; extent of drug usage and crime statistics; lead poisoning rates; housing market data available from HUD or other data sources including the Public Housing Authorities Five Year Comprehensive Plan, State or local Welfare Department's Welfare Reform Plan (including, where applicable, the Welfare to Work Plan Addendum); and/or lack of other Federal, State, or local funding that could be or are used to address the problem HUD program funds are designed to address. If the proposed activity is not covered under the scope of the Consolidated Plan and 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, Continuum of Care gaps analysis, law enforcement

agency crime reports, Public Housing Authorities' Five Year Comprehensive Plan, etc.

Rating Factor 3: Soundness of Approach (40 Points)

(1) (30 points) HUD will consider the overall quality and feasibility of the proposed program as measured by the principles and goals of the proposed program, whether proposed program activities meet the overall objectives of the Youthbuild program, whether the proposed program activities will be accomplished within the projected time frame, whether the proposed program activities are comprehensive and integrated, and the potential for success of the proposed program. Areas to be considered in the evaluation of the overall quality of the proposed program are:

- (a) Outreach, recruitment and selection activities including:
 - (i) Specific steps to be taken to attract potential eligible participants who are unlikely to be aware of this program (because of race, ethnicity, sex or disability) and selection strategies;
 - (ii) Special outreach efforts to recruit eligible young women, young women with dependent children, and persons receiving public assistance; and
 - (iii) Recruitment arrangements made with public agencies, courts, homeless shelters, local school systems, local workforce development systems, community-based organizations, etc.;
- (b) Educational and job training services and activities including:
 - (i) The types of instructional services to be provided;
 - (ii) The number and qualification of program instructors and ratio of instructors to participants;
 - (iii) Realistic scheduling plan for classroom and on-the-job training; and
 - (iv) Reasonable payments of participants' wages, stipends, and incentives.
- (c) Leadership development, including the leadership development training to be offered to participants, and including the strategies, activities, and plans to build group cohesion and peer support.
- (d) Support services, including documentation of counseling and referral services to be offered to participants, including the type of counseling, social services, and/or need-based stipends to be provided (supported by letters of commitments from providers).
- (e) On-site training, including:
 - (i) The housing construction or rehabilitation activities to be undertaken by participants at the site(s) to be used

for the on-site training component of the program;

(ii) The qualification and number of on-site supervisors;

(iii) The ratio of trainers to students;

(iv) The number of students per site; and

(v) The amounts, reasonable wages, and/or stipends to be paid to participants during on-site work.

(f) Job placement assistance, including the applicant's commitments, strategies, and procedures for:

(i) Participant placement in meaningful employment, enrollment in postsecondary education programs, job development, starting business enterprises, or other opportunities leading to economic independence; and

(ii) Follow-up assistance and support activities to program graduates.

(g) Americorps support or participation as evidenced by approval of Americorps or appropriate State agency.

(2) (10 points) Housing Program Priority Points will be assigned to all applications that contain evidence that housing resources from other Federal, State, local, or private sources that are available to cover the cost, in full, for the following housing activities for the proposed Youthbuild program:

acquisition, architectural and engineering fees, construction, and rehabilitation. It is also imperative that the applicants' proposed housing sites provide quality training. The number of units an applicant proposes to rehabilitate or construct is secondary in rating this factor. Applications that do not include proper documentation of commitment of non-Youthbuild resources or propose to use Youthbuild grant funds, in whole or in part, for any one of the housing activities listed above will not be entitled to the full priority points. Housing resources will not be used in evaluation of the Leveraging Resources factor.

It must be stressed that in proposing housing sites for Youthbuild training, the quality of the training to be provided is more important than the number of units per se.

(3) Up to two (2) additional points will be awarded to any application submitted by the City of Dallas, Texas, to the extent this subfactor is addressed. Due to an order of the U.S. District Court for the Northern District of Texas, Dallas Division, with respect to any application submitted by the City of Dallas, Texas, HUD will consider the extent to which the application's proposed activities will eradicate the vestiges of racial segregation in the Dallas Housing Authority's programs consistent with the Court's order.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the extent to which firm commitment of resources are obtained from other Federal, State, local, and private sources. In assigning points for this criterion, HUD will consider the level of nonhousing resources obtained for cash or in-kind contribution to cover the following kinds of areas:

(1) Social services (i.e., counseling and training);

(2) Use of existing vocational, adult, and bilingual educational courses;

(3) Donation of labor, resource personnel, supplies, materials, classroom, and/or meeting space;

(4) Other commitments.

In rating this element, HUD will consider only those contributions for which current firm commitments have been provided. The level of nonhousing resources proposed will be evaluated based on their importance to the total program. HUD will also take into consideration the size of the community and the resource base from which funds can be leveraged.

Rating Factor 5: Comprehensiveness and Coordination (5 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor, HUD will consider the extent to which the applicant demonstrates it has:

(1) Coordinated its proposed activities with those of other groups or organizations in order to best complement, support, and coordinate all known activities, and the specific steps it will take to share information on solutions and outcomes with others. Any written agreements, memoranda of understanding in place, or those that will be in place after award should be described.

(2) Taken or will take specific steps 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 activities the applicant proposes.

(3) Taken or will take specific steps to develop linkages to coordinate comprehensive solutions through meetings, information networks, planning processes, or other mechanisms with:

(a) Other HUD funded projects/ activities outside the scope of those covered by the Consolidated Plan; and

(b) Other activities funded by HUD, Federal, State, or local sources, including those proposed or on-going in the community(s) served.

IV. Application Submission Requirements

Applicants must complete and submit applications for Youthbuild grants in accordance with instructions contained in the FY 1998 Youthbuild application kit. The application package will request information in sufficient detail for HUD to determine whether the proposed activities are feasible and meet all the requirements of applicable statutes and regulations. The application package requires a description of the applicant's and participating parties' experiences in young adult and housing programs; a description of the proposed Youthbuild program; a description and documentation of other public and private resources to be used for the program, including other housing resources; a schedule for the program; budgets; identification of housing sites; and demonstration of site access. The application package also contains necessary certifications regarding Federal requirements. Applicants must also certify that the proposed activities are consistent with the HUD-approved Consolidated Plan in accordance with 24 CFR part 91. Applicants should refer to the Youthbuild application package for further instructions and take into account the uniform guidebook available to all applicants.

V. Corrections to Deficient Applications

The General Section of the SuperNOFA provides the procedures for corrections to deficient applications.

VI. Environmental Requirements

Environmental procedures apply to HUD approval of grants when the applicant proposes to use Youthbuild funds to cover any costs for the lease, acquisition, rehabilitation, or new construction of real property proposed for housing project development. Environmental procedures do not apply to HUD approval of applications when applicants propose to use their Youthbuild funds solely to cover any costs for classroom and/or on-the-job construction training and support services.

For those applicants that propose to use their Youthbuild funds to cover any costs of the lease, acquisition, rehabilitation, or new construction of real property, the applicant shall submit

all relevant environmental information in its application to support HUD decisionmaking in accordance with the environmental procedures and standards set forth in 24 CFR 585.307.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**INTERMEDIARIES TO ADMINISTER
TECHNICAL ASSISTANCE GRANTS
(ITAG) FOR THE MARK-TO-
MARKET (M2M) PROGRAM**

BILLING CODE 4210-32-C

Funding Availability for Intermediaries to Administer Technical Assistance Grants (ITAG) for the Mark-to-Market (M2M) Program.

Program Description: Approximately \$9.0 million is being competed in Intermediary Technical Assistance Grant (ITAG) funds for Intermediaries to administer the ITAG Mark-to-Market technical assistance grant program (\$1.0 million is available in FY 1998; it is anticipated that \$8.0 million may be available in FY 1999, subject to appropriations). The purpose of the M2M program is to reduce the cost of above market Section 8 assistance, preserve affordable housing stock, and streamline the administration of federal housing subsidies. The Intermediary will award technical assistance grants to sub-recipients consisting of resident groups, tenant affiliated community-based nonprofit organizations or public entities. These grants will be in the form of either Resident Capacity or Predevelopment Grants to groups affiliated with projects that are eligible under the M2M program, or Public Entity Grants available to public entities who will carry out M2M related activities for M2M projects throughout its jurisdiction.

Application Due Date: Completed applications must be received no later than 12:00 midnight, Eastern time on July 21, 1998 to HUD Headquarters. Please the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications: Completed applications (one original and two copies) must be submitted to: the Office of Portfolio Reengineering, Room 6130, HUD Headquarters, 451 Seventh Street, SW, Washington, DC 20410. When submitting your application, please refer to ITAG, and include your name, mailing address (including zip code) and telephone number (including area code).

For Application Kits, Further Information and Technical Assistance: For application kits and any supplemental information please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to ITAG and provide your name, address (including

zip code), and telephone number (including area code).

For Further Information. Arthur Goldstein at (202) 708-2300, extension 2657. Persons with speech or hearing impairments may call HUD's TTY number (202) 708-0770, or 1-800-877-8399 (the Federal Information Relay Service TTY). Other than the "800" number, these numbers are not toll-free. Mr. Goldstein can also be reached via the Internet at arthur-d.-goldstein@HUD.gov.

For Technical Assistance. An information broadcast via satellite will be held for potential applicants to learn more about the program and preparation of an application. For more information about the date and time of the broadcast, please consult the HUD web site at the web address listed above.

Additional Information

I. Authority; Purpose; Amount Allocated; and Eligibility

Applicants should take care in reviewing this section to ensure they are eligible to apply for funds and that they meet the program requirements described.

(A) Authority

Section 514(f)(3) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (Pub.L. 105-65, 111 Stat. 1394, October 27, 1997) authorizes not more than \$10,000,000 annually for technical assistance under the M2M program from amounts made available under appropriations Acts for the M2M program or previously made available for technical assistance under the Preservation program. This ITAG program is one element of the M2M technical assistance.

(B) Purpose

The ITAG program provides technical assistance grants through Intermediaries to sub-recipients consisting of: (1) resident groups or tenant affiliated community-based nonprofit organizations in properties that are eligible under the M2M program to help tenants participate meaningfully in the M2M process, and have input into and set priorities for project repairs; or (2) public entities to carry out M2M related activities for M2M-eligible projects throughout its jurisdiction.

(C) Amount Allocated

The competition in this program is to select intermediaries to administer grants to eligible subrecipients. During FY 1998, \$1.0 million will be available for grants. Subject to the availability of appropriations, \$8.0 million may be made available in FY 1999.

(D) Grant Amount, Terms

HUD will accept applications from Intermediaries that propose a term of two years. The term begins on the date of the execution of the grant agreement. The amount of funding that an Intermediary can receive depends on the funding level associated with the state-grouping for which an applicant has applied. A specific amount of funds have been allocated to each state-grouping (See Appendix B). Activities must be completed in a timely manner and may not, in any case exceed a two-year time period. HUD reserves the right to reallocate funds allocated to the Intermediary under the grant agreement if there is insufficient need.

Three forms of technical assistance grants will be made available through Intermediaries:

- (1) Resident Capacity Grants (RCG), with a maximum dollar amount of \$20,000;
- (2) Predevelopment Grants (PDG), with a maximum of \$70,000; and
- (3) Public Entity Grants (PEG), with a maximum of \$20,000.

(E) Eligible Applicants

Eligible applicants to serve as Intermediaries are: (1) A national nonprofit. Applicant must have been in existence for at least five years and be classified as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986;

(2) A regional, State or local nonprofit. Applicant must have been in existence for at least three years and either be classified as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 or be recognized otherwise as a tax-exempt entity; or

(3) A State or local agency.

An eligible intermediary applicant must have as a central purpose of its organization the preservation of low-income housing and the prevention of displacement of low- and moderate income residents. Applicants must not receive direct Federal appropriations for operating support. In addition, all intermediaries should have a record of at least one year of service to low-income individuals or community-based nonprofit housing developers in multiple communities and must have at least one year of experience with the allocation and administration of grant or loan funds.

(F) Intermediary Fees

Each selected intermediary will receive processing fees. The fees will include a start-up fee of \$40,000 and an additional fee of five percent of each

technical assistance grant voucher that the intermediary submits, which will be disbursed contemporaneous with the voucher draw-downs of the RCGs, PDGs and PEGs. These fees are based on the intermediary performing the specific tasks listed in the Program Requirements section.

All intermediaries will receive the start-up fee when the intermediary contract is executed. If an intermediary reviews and rejects a technical assistance application, it will receive an administrative fee of \$600. If the intermediary receives no technical assistance grant applications, it will receive only its start-up fee. On occasion, the M2M staff will review grant activity to determine if reallocation of funds between geographic regions is necessary.

(G) Ineligible Activities

Neither intermediaries, nor their employees, officers or affiliated entities, may receive payment, directly or indirectly from the proceeds of grants they have approved. In addition, intermediaries may not provide other services to grant recipients with respect to the specific properties for which the grant has been awarded.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, intermediaries must meet the following program requirements:

(A) General Requirements

Intermediaries are responsible for the award and administration of grants to sub-recipients. In order to effectively perform these responsibilities, the intermediary must, at a minimum, perform the following:

(1) Advertise fund availability for the geographic jurisdiction overseen;

(2) Seek out eligible applicants, using at least the following methods: (a) contact all of the Outreach and Training Organizations that have been selected in areas within the Intermediary's state-grouping. This list can be obtained from the M2M person in the Office of Multifamily Housing Mortgage and Housing Assistance Restructuring (OMAR), (b) contact the National Alliance of HUD Tenants who may be able to provide a list of active client groups in the state-grouping, (c) Contact the Corporation for Public Service who can provide a list of AMERICORPS Vista volunteers in properties within the state-grouping, (d) utilize the property address list of eligible M2M properties and mail ITAG grant information sheets to tenant groups in those properties.

(3) Produce and distribute grant application kits (applicant must provide a sample grant application kit with its application);

(4) Review, approve or reject grant applications;

(5) Execute grant agreements;

(6) Vouchering and disbursing grant funds;

(7) Monitor activities under the grant, including compliance under the grant agreement, throughout the term of the grant;

(8) Create an information network (e.g. newsletter, website, monthly or bi-monthly update, etc.) which information can be disbursed to subrecipients and subrecipients can ask program questions and receive responses and all recipients have access;

(9) Report to M2M staff at least quarterly on the status of grant awards, grantee activities and funds expended; and

(10) Maintain documentation for HUD monitoring and audits in accordance with 24 CFR Part 84.

(B) Reporting Requirements

(1) Intermediaries must comply with all requirements of 24 CFR Part 84.

(2) Intermediaries must submit a quarterly performance report to the Director of the Office of Mortgage and Housing Assistance Restructuring (OMAR).

(3) These reports are to list the properties and number of tenants assisted by the activities being performed that quarter, including a narrative indicating issues that need to be resolved and tangible benefits resulting from the assistance. Please provide a sample report with your application.

(4) Administrative fees may be frozen until receipt of an acceptable performance report.

(C) Records Retention and Access Requirements

All accounting and other records associated with Grant Administration must be retained and made available to HUD or its designee in accordance with 24 CFR § 84.53.

(D) Auditing Requirements

Intermediaries must comply with the audit requirements set forth in 24 CFR Part 45.

(E) Conflict of Interest (CI) Requirements

Funds received under this SuperNOFA shall not be used to supplant or duplicate other resources for the proposed activities. In carrying out its duties, any intermediary must avoid even the appearance of a conflict

of interest. All executives, board members, key management personnel, or any other person or entity with direct or indirect control, is required to execute a CI Certification at the time of execution of a grant agreement and on each anniversary date of execution.

III. Application Selection Process

Two types of reviews will be conducted: a threshold review to determine applicant eligibility; and a technical review to rate the application based on the rating factors in this Section III.

(A) Additional Threshold Criteria For Funding Consideration

Under the threshold review, the applicant will be rejected from the competition if the applicant is not in compliance with the requirements of the General Section of the SuperNOFA and if the applicant does not qualify as an Eligible Applicant as defined in Section I(E) of this ITAG Section of the SuperNOFA.

(B) Factors for Award Used To Evaluate and Rate Applications

The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points for this program is 100. This ITAG section of the SuperNOFA does not include EZ/EC bonus points.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (40 Points)

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any faculty, subcontractors, consultants, and members of consortia which are firmly committed to the project.

Experience and Capability to administer a Intermediary Technical Assistance Grant (ITAG) program over the state-grouping area for which the applicant is applying is a threshold requirement for award. If an applicant is found to lack sufficient experience and capability, their application will be eliminated from further consideration. This is particularly important if the applicant is applying for more than one state-grouping. This criterion can be demonstrated through past performance, as evidenced by previous experience and success in administering a Federal

housing grant program, such as the Preservation ITAG program.

In rating organizational capacity and staffing to carry out activities of the kind proposed in the application, HUD will consider the extent to which the proposal demonstrates:

(a) The knowledge and direct experience of the proposed project director and staff, including the day-to-day program manager, consultants and contractors, in awarding and administering grant programs. The applicant will be judged in terms of recent, relevant and successful experience in undertaking activities similar to those required of an intermediary.

The applicant has sufficient personnel, or access to qualified experts or professionals, enabling delivery of the proposed activities in each proposed service area in a timely and effective fashion. Capacity also includes the readiness and ability of the applicant to immediately begin the proposed work program, and a communication system that allows subrecipients consistent, reliable and expeditious access to the intermediary grant administrator.

(b) The applicant's experience in managing programs similar in scope or nature directly relevant to the work activities proposed and carrying out grant management responsibilities. If the applicant has managed large, complex, interdisciplinary programs, the applicant should include the information supporting this claim in their response.

(c) If the applicant received funding in previous years, the applicant's past experience will be evaluated in terms of their ability to attain demonstrated measurable progress in the implementation of their *most recent grant awards*, as measured by expenditures and measurable progress in achieving the purpose for which funds were provided. However, an applicant must also demonstrate how the applicant will successfully undertake additional activities effectively under this ITAG section of the SuperNOFA.

(d) The applicant's ability and comprehensive plan to market the ITAG grant programs to those eligible subrecipients in the geographic area(s) for which it has responsibility. The marketing plan must specify the applicant's proposed efforts for outreach to all states within their state grouping.

(e) The applicant's fiscal capability in meeting the reporting and audit requirements of 24 CFR part 84. The ability of the applicant's key staff to handle, manage, and adequately account for financial resources, and to use

acceptable financial control procedures, demonstrated through past performance of the applicant entity or key staff with Federal, State or local funds, or an explanation of how such capability can be obtained.

Rating Factor 2: Soundness of Approach (30 Points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed activities. There must be a clear relationship between the proposed activities, state-grouping needs and the purpose of the program funding for an applicant to receive points for this factor. The factor will be evaluated based on the extent to which the proposed activities will:

(a) Identify all areas within the state-grouping with M2M eligible properties and effectively promote the existence of funds to all eligible properties. HUD's goal is to disburse technical assistance funds to the widest possible geographic area. This should include rural, as well as urban areas.

(b) Achieve the purposes of the program for which funding is requested and result in measurable accomplishments that are consistent with the purposes of the program and will result in a goal being met/product produced within a timeframe appropriate and reasonable for the program.

(c) Be undertaken using technically competent methodologies for conducting the work to be performed and uses a cost effective plan for designing, organizing and carrying out the proposed activities. The proposed cost estimates should be 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.

(d) Yield innovative strategies or "best practices" that can be replicated and disseminated to other organizations, including nonprofit organizations, State and local governments. HUD will assess the transferability of results in terms of model programs or lessons learned from the work performed under the award. Applicants will be required to prepare an analysis of best practices as part of their reports to HUD that may be used by HUD to inform others who may be interested in learning from the experiences gained from the work performed under awards funded through this ITAG section of the SuperNOFA.

Rating Factor 3: Leveraging Resources (10 points)

This factor addresses the ability of the applicant to secure community assets,

resources and/or financing to achieve program purposes. In evaluating this factor HUD will consider:

(a) The extent to which the applicant has leveraged resources, such as funding and/or in-kind services from governmental entities, private organizations, resident management organizations, educational institutions, or other entities in order to achieve the purposes of the award the applicant is requesting.

(b) The extent to which the applicant has partnered with other entities to make more effective use of available public or private resources. Partnership arrangements may include, but are not limited to, funding or in-kind services from local governments or government agencies, non-profit or for-profit entities, private organizations, educational institutional or other entity that is willing to partner with the applicant on proposed activities in order to leverage resources, or partnering with other program funding recipients to make more effective use of resources within the geographic area covered by the award either within the community or within the field office jurisdiction in which activities are occurring. Applicants may partner directly or through a consortium of applicants to more effectively address needs of underserved populations, rural areas, minority groups or other client groups that need attention either in the target area or the area covered by the field office jurisdiction in which the activities are to take place.

Evidence of commitment should include organization names, their proposed level of effort, resources, and responsibilities of these participants. Applicants must provide indications of participation by including in the application letters of firm commitments, memoranda of understanding or agreements, or letters indicating participation and levels of effort and responsibility to receive rating points for this factor. Letters of commitment, memoranda of understanding, or agreements to participate must be signed by an official of the organization legally able to make commitments for the organization.

Rating Factor 4: Comprehensiveness & Coordination (20 points)

This factor addresses the extent to which the applicant coordinates its activities with other known organizations, participates or promotes participation in a community's Consolidated Planning process, and is working towards addressing a need in a holistic and comprehensive manner

through linkages with other activities in the community.

In evaluating this factor, HUD will consider the extent to which the applicant demonstrates it has:

(1) Coordinated its proposed activities with those of other groups or organizations prior to submission in order to best complement, support and coordinate all known activities and if funded, the specific steps it will take to share information on solutions and outcomes with others. Any written agreements, memoranda of understanding in place, or that will be in place after award should be described.

(2) Taken or will take specific steps 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 activities the applicant proposes. In the case of technical assistance providers, the applicant should describe the specific steps it will take to work with recipients of technical assistance services to inform them of, and get them involved in, the community's Consolidated Planning process. HUD will review more favorably those applicants who can demonstrate they are active, will become active, or in the case of technical assistance providers work with recipients of technical assistance to get them involved in the local Consolidated Planning (CP) process.

(3) Taken or will take specific steps to develop linkages to coordinate comprehensive solutions through meetings, information networks, planning processes or other mechanisms with:

(a) Other HUD-funded projects/activities outside the scope of those covered by the Consolidated Plan; and
(b) Other Federal, State or locally funded activities, including those proposed or on-going in the community.

(c) *Selections.* HUD will review each Intermediary application and assign up to 100 points, in accordance with the criteria described in this Section. In order to be considered for selection, an applicant must receive a minimum score of 60. After rating, the M2M staff will rank the applications for each separate state-grouping according to score and will select the highest rated applicant in each state-grouping. If an applicant is the highest rated for two or more state-groupings, HUD will perform a second review to assure that the applicant has the capacity to effectively perform in that number of groupings. If it is determined, using the information from Rating Factor 1, that the applicant

does not have sufficient capacity to adequately perform in all state-groupings for which it is the highest rated applicant, HUD will notify the applicant of the number of state-groupings for which it has been found to have capacity and will allow that applicant to choose in which state-grouping(s) it will perform. HUD will then select the second highest rated applicant for each state-grouping not selected by the highest rated applicant. If a second highest rated applicant is selected for two or more state-groupings, HUD will perform a second review of that applicant to assure that the applicant has the capacity to effectively perform in that number of groupings. HUD will perform the same review until an intermediary has been selected to perform in all five state-groupings.

If there is a state-grouping for which HUD receives no qualified applicants, HUD may request the highest ranking applicant found to have adequate capacity to perform in that state-grouping.

After all applications have been rated and ranked and selections have been made, HUD may require that all winners participate in negotiations to determine the specific terms of the Statement of Work and the grant budget. In cases where HUD cannot successfully conclude negotiations, or a selected applicant fails to provide HUD with requested information, awards will not be made. In such instances, HUD may elect to offer an award to the next highest ranking applicant, and proceed with negotiations with the next highest ranking applicant.

IV. Application Submission Requirements

(A) Submission Requirements

An applicant must provide a completed application, including the following, as applicable:

- (1) OMB Standard Forms 424;
- (2) Identification of proposed state-grouping(s) in which the applicant will perform intermediary activities;
- (3) Information about how the applicant meets the Factors for Award listed in Section III(C), "Selection Criteria", Rating Factors 1-4.
- (4) Information about the applicant, including its history, its staff and qualifications, and its experience.
- (5) Summary of plan to advertise grant availability, distribution of applications, review applications, disburse funds, set up information network, and monitor activities under the grant;
- (6) Evidence of tax-exempt status, if applicable;
- (7) Required Certifications relating to this grant;

(8) Other disclosures and assurances as required under this SuperNOFA;

(9) Other information/materials described in application kit.

(B) Application Selection Timeframe

HUD will publish in the **Federal Register** the list of selected intermediaries within 30 days of the date that HUD's intermediary selection process is completed. That publication will include information for potential subrecipients on how to obtain application kits and will list contact names at the intermediary organizations selected to administer the grants.

Once intermediaries are selected and agreements are executed, intermediaries will have 30 days to put the necessary mechanisms in place prior to accepting grant applications.

V. Responsibilities of Intermediary

(A) General

Intermediaries will be responsible for performing the tasks listed in Section II "Program Requirements" of this ITAG section of the SuperNOFA.

(B) Timeframes

Once funding availability is advertised by the intermediary for its "state-grouping", potential subrecipients can submit technical assistance applications to the intermediary on an ongoing basis. If the applications are acceptable, grants must be awarded no later than 30 calendar days after a complete application is received by the intermediary (first come, first served). If the application is found to be substantially complete (i.e., there are no missing exhibits), but technically deficient (i.e., an exhibit does not adequately meet the application requirements), the intermediary will send the applicant a deficiency letter and allow 14 days for resubmission on the deficient exhibits. The intermediary will have an additional 30 days to review and approve an application, following receipt of application revisions. If the application is not substantially complete, it will be rejected.

(C) Technical Assistance Grants

(1) *Resident Capacity Grants (RCG).* An RCG can be approved for a maximum of \$20,000. Resident Capacity applicants will receive an application kit, which will be produced and distributed by the intermediary. A sample application kit will be provided by HUD to the intermediaries. Applications will be accepted on an ongoing basis, and all acceptable applications will be approved unless there are no funds available for Resident

Capacity grants. Intermediaries must review and approve or reject applications for Resident Capacity grants based on the following threshold criteria:

(a) The applicant meets the eligible applicant criteria listed in paragraph A of Appendix A of this ITAG section of the SuperNOFA.

(b) The applicant is applying for funds for eligible activities listed in paragraph D(1) of Appendix A to this ITAG section of the SuperNOFA.

(c) The applicant has notified the residents of its application in accordance with paragraph B of Appendix A of this ITAG section of the SuperNOFA.

(d) The plan for promoting the ability of residents to participate meaningfully in the M2M process is reasonable and feasible.

(e) The budget submitted with the application reflects reasonable costs directly associated with the grant activities.

(f) The estimate of time necessary to achieve completion of activities and delivery of products is reasonable and realistic and within the time frames set forth in the applicable program regulation.

(2) *Predevelopment Grants (PDG)*. A PDG can be approved for a maximum of \$70,000. All PDG applicants will receive an application kit that will have been produced and distributed by the intermediary. A sample application kit will be provided by HUD to the intermediaries. Applications will be accepted on an ongoing basis, and all acceptable applications will be approved unless there are no funds available for Predevelopment grants. Intermediaries must review and approve or reject applications for Predevelopment grants based on the following threshold criteria:

(a) The applicant meets the eligible applicant criteria listed in paragraph A of Appendix A to this ITAG section of the SuperNOFA;

(b) The applicant is applying for eligible activities listed in paragraph D(2) of Appendix A to this ITAG section of the SuperNOFA;

(c) The applicant has notified the residents of its application in accordance with paragraph B of Appendix A to this ITAG section of the SuperNOFA;

(d) The plan for promoting and achieving a resident supported purchase of the property must be reasonable and feasible and in conformance with the appropriate program regulations and guidelines. This will include an evaluation of the experience and

capacity of the applicant's development team;

(e) A plan for promoting and achieving the sale of the property to an eligible nonprofit organization.

(f) The budget submitted with the application reflects reasonable costs directly associated with the grant activities that would result in the development of a feasible purchase; and

(g) The estimate of time necessary to achieve completion of activities and delivery of products is reasonable and realistic and within the time frames set forth in the applicable program regulation.

(3) *Public Entity Grant (PEG)*. A PEG can be approved for a maximum of \$20,000. Public entities eligible to apply for such a grant include: community action, legal services and fair housing counseling agencies; State, county or local government agencies; intermediaries and others deemed appropriate by the ITAG administrator.

The intent of the PEG program is for a public agency or organization with expertise in multifamily rental housing, tenant affairs or other preservation of affordable housing issues, to initiate activities that can further the M2M program. An example: A city or county office of landlord tenant affairs can proactively seek out those tenant groups or organizations of properties that are eligible to participate in the M2M program and initiate a conference, training sessions, direct on site training, brochures, etc., to facilitate the persons in the property understanding the procedures in dealing with and the landlord of the property and general property management. A second example is: An office of building permits and code enforcement could give training or technical assistance to tenant groups in eligible M2M properties who are dealing with property repairs.

(4) *Competing Grant Applications*. If a second technical assistance application is received within 30 days of receipt of the first application for any property, and if that application is for the same grant category, the intermediary shall have an additional 20 days to review both applications. The total review time for any grant cannot exceed 50 days after receipt of a complete application. If the competing applications are for Resident Capacity grants, resident groups and Resident Councils shall have priority over other applicants. If the competing applications are for Predevelopment grants, and both are found technically acceptable, the Intermediary will return the applications with instructions that the applicants meet together and with the

residents to reach a resolution for a final application. If no compromise is reached, the intermediary will approve the applicant that the intermediary finds most capable of performing grant and nonprofit sponsor activities. In addition, in the case of any application, if there is an indication that a majority of the residents oppose the applicant's selection, that application shall be denied.

(5) *Decision Not To Fund*. In any denial of award letter, the intermediary shall be required to explain the reasons for its determination. In addition, if the intermediary makes a determination that results in a reduction of proposed grant funds, that determination shall also be explained in writing.

(6) *Appeals*. If an application for either an RCG, PDG or PEG is denied, the applicant will have the right to appeal that denial to HUD. The appeal must be made within 45 days of application rejection to: M2M Staff, Office of OMAR, Department of Housing and Urban Development, 451 Seventh Street, NW., Room 6284, Washington, DC 20410. HUD will make a binding determination within 45 days of the appeal.

(7) *Award Notification*. If an applicant is awarded and accepts an RCG or PDG, the applicant must inform the residents of the property about the award, by posting a notice or through a resident meeting or both, within three weeks of the applicant's acceptance of the award.

VI. Corrections of Deficient Applications

The General Section of the SuperNOFA provides procedures for corrections to deficient applications.

VII. Environmental Requirements

In accordance with 24 CFR 50.19(b)(8) and (9), the assistance provided under this program relates only to the provision of engineering costs and technical assistance and therefore is categorically excluded from the requirements of the National Environmental Policy Act and is not subject to environmental review under the related laws and authorities. This determination is based on the ineligibility of real property acquisition, construction, rehabilitation, conversion, leasing, or repair for HUD assistance under this program.

ITAG Program Appendix A: Technical Assistance Applications

A. Eligible Applicants

(1) *General Definition*. An eligible applicant must notify residents of all occupied units that it is applying for a grant. That notification shall meet the

specifications of paragraph B below. An eligible applicant is one of the entities described in the following paragraphs (a) through (d) that complies with the applicable criteria:

(a) Resident Group. Resident Groups are eligible for Resident Capacity grants only. For an applicant to be considered a resident group, the following must be submitted:

(i) Evidence that the greater of 5% of the occupied units or 10 units of the subject property have heads of households that are members;

(ii) A copy of a notice announcing an organizational meeting to discuss resident participation in decisions affecting the project;

(iii) A copy of the agenda of the organizational meeting referred to in item (ii) of this paragraph; and

(iv) A list of attendees of the organizational meeting referred to in item (ii) of this paragraph.

(b) Resident Council (RC). For an applicant to be considered an RC, it must meet the definition of "resident council" as set out in 24 CFR 248.101. Specifically, a RC is any incorporated nonprofit organization or association in which membership is available to all the tenants, and only the tenants, of a particular project and:

(i) Is representative of the residents of the project;

(ii) Adopts written procedures providing for the election of officers on a regular basis; and

(iii) Has a democratically elected governing board, elected by the residents of the project.

(c) Community-Based Nonprofit Housing Developer (CBD). For an applicant to be considered a CBD it must submit evidence that it:

(i) Is classified as tax exempt under section 501(c)(3) of the IRS Code of 1986;

(ii) Has been in existence for at least two years, and has at least two years of housing and community development experience, prior to date of application;

(iii) Has a record of service to low- and moderate-income people in the community in which the project is located;

(iv) Is organized at the neighborhood, city, county or a multi-county level;

(v) In the case of an organization seeking to acquire eligible housing, it agrees to form a purchasing entity that conforms to the definition of a community-based nonprofit organization (CBO) in 24 CFR 248.101;

(vi) Agrees to use its best efforts to secure majority tenant consent to the acquisition of the project for which grant assistance is requested. Evidence of "best efforts" shall include a plan in the application which details method for securing such support. In addition, continued evidence of "best efforts," such as additional resident meetings and notices, is required as a grantee moves towards a purchase.

(d) Public Entity. For an applicant to be considered a public entity, it must be an organization affiliated with State, county or local government, or a community action agency, legal services or fair housing counseling agency, intermediary, or others deemed appropriate by the ITAG administrator.

(2) Resident Capacity Grant Applicants. Applicants for Resident Capacity grants must meet the eligibility criteria listed in paragraph A(1) of this Appendix. In addition, these grants may be made only with respect to eligible M2M housing.

(3) Predevelopment Grant Applicants. Predevelopment grant applicants must be RCs or CBDs meeting the criteria listed in paragraph A(1) of this Appendix. These grants may be made only to organizations seeking to purchase the property, with the support of a majority of the residents. The owner of the property must have entered into a binding agreement to sell the housing to the applicant organization. This binding agreement shall not necessarily be a formal sales contract; rather, it may state that the owner will neither work with nor accept a purchase offer from any other entity during the term of the grant, as long as the grantee is progressing towards a purchase offer and acquisition in a reasonable period of time.

(4) Conflict of Interest. Each applicant must certify that its organization is not a "Related Party", as set forth in 24 CFR part 84, and that no individual that has, or has had within the last five years, a personal or professional relationship with the owner entity will receive financial benefit from the grant funds. This certification shall prohibit using mutual consultants, attorneys, etc. It shall not explicitly prohibit using architects or engineers that have worked with the owner or in the property in the past, as long as there is no ongoing professional relationship with the owner that could be perceived as a conflict of interest. A nonprofit general partner of an eligible property that is attempting to buy out its limited distribution partners is exempt from this part of the conflict of interest requirement. The certification shall also require disclosure, to the intermediary and the tenants, of any relationship with ownership, management, or any other parties to a sale, and will state that the applicant will not seek any financial benefit from project ownership or operations other than those disclosed.

B. Resident Notification.

Each applicant will be required to notify residents of the property of its application prior to submitting the application package to the intermediary. That notification shall be in writing, be distributed to each resident of the property, and include a summary of the applicant's plan for the property. The notification shall also include a statement that residents can themselves become eligible applicants under the M2M Technical Assistance grant program. In addition, the applicant must meet with the residents of the property at least two weeks prior to application submission, and give the residents at least two weeks notification of such meeting. In that meeting, the applicant must provide the following information to the residents:

- A summary of the grant proposal;
- A list of members of the board of directors, if known;
- A list of the proposed development team and management company, if known;
- A list of all proposed consultants and attorneys;

- Disclosure of any relationship with ownership, management, or any other parties related to the owner or, if applicable, related to the sale; and

- Information on how the residents may comment to the intermediary on the applicant's proposal and that residents shall have 14 days to submit comments to the applicant and to the intermediary on the proposal. This information shall include a name and contact number for the intermediary and a name and phone number for a contact person in the applicant organization. If the applicant is unable to make this notification due to lack of access to the property or lack of resident addresses, the applicant may contact the intermediary for assistance. The intermediary may contact the owner to request access or resident addresses for the applicant. If the owner is uncooperative, the intermediary may contact the HUD field office for assistance. If residents make substantive comments to the intermediary, the applicant will be required to address these comments prior to any grant award from the intermediary.

C. Ineligible Technical Assistance Applicants.

(1) Entities that have applications pending for funds under the HOPE 2 program are not eligible to apply for funding under this ITAG section of the SuperNOFA.

(2) Entities that have been awarded grants under the Preservation Technical Assistance Grants NOFA (entitled "Technical Assistance Planning Grants for Resident Groups, Community Groups, and Community-Based Nonprofit Organizations and Resident Councils") issued April 6, 1994, may not receive funds under this ITAG section of the SuperNOFA for any properties for which those grants were funded either until all funds awarded to the grantee under the 1994 NOFA have been expended, or until the grant under the April 6, 1994, NOFA has been terminated as a result of a new grant approval under this ITAG section of the SuperNOFA. The total funds received from the April 6, 1994, NOFA plus the total grant award for this ITAG section of the SuperNOFA may not exceed the funding limits established in this ITAG section of the SuperNOFA. A grantee under the April 6, 1994 NOFA is eligible for funds under this ITAG section of the SuperNOFA only if it also meets the eligibility criteria of this ITAG section of the SuperNOFA and meets the notification requirements of paragraph B ("Resident Notification") above.

D. Eligible Technical Assistance Grant Activities.

(1) Resident Capacity Grants. Resident Capacity grants may be used to cover expenses for the following activities:

- Resident outreach and coordination;
- Legal services to incorporate the resident organization or RC, establish a board of directors, write by-laws, or establish nonprofit status;
- Accounting services for budgeting, planning, and creation of accounting systems that are in compliance with OMB Circular A-110 or A-122;
- Conducting resident meetings and democratic elections;

- Training residents and developing resident leadership;
- Hiring an architect or engineer to advise the residents during the M2M need assessment; and
- Other technical assistance related to developing the capacity of the residents of the organization to meaningfully participate in decisions related to the project.

(2) Predevelopment Grants.

Predevelopment grants may be used to cover consultant costs, and grantee staff and overhead costs related to the following activities:

- Legal services to organize a purchasing entity;
- Accounting services for budgeting, planning, and creation of accounting systems that are in compliance with OMB Circular A-110 or A-122;
- Preparing bona fide offers including contracts and other documents to purchase the property;
- Training residents, resident council staff and board members on the M2M process and in skills related to the operation and management of the project;
- Developing and negotiating management contracts, related contract monitoring, and management procedures;
- Engineering studies, such as site, water, and soil analysis, mechanical inspections;

and estimations of the cost of rehabilitation and of meeting local building and zoning codes, in anticipation of purchasing a property;

- Securing financing and preparation of mortgage documents, transfer documents, and other documentation incident to closing a purchase offer;
- Preparing feasibility analyses, market studies and management plans;
- If applicable, creating a Community-Based Nonprofit Organization that conforms to the definition of such organization under 24 CFR Sec. 248.101;
- Other activities related to promoting the ability of eligible applicants to acquire, rehabilitate and competently own and manage eligible housing.

(3) Public Entity Grants may be used to cover the following activities:

- All activities listed under resident capacity and predevelopment and,
- Training tenants or organizations affiliated with a M2M eligible property in that area of expertise in which the public entity has been associated.

E. Ineligible Grant Activities

Examples of activities that are not eligible to be funded for technical assistance grantees include:

- Earnest money deposits as part of a purchase offer;
- Purchase of land or buildings or any improvements to land or buildings;
- Activities not directly related to eligible activities listed in paragraph D of this Appendix A;
- Payments of fees for lobbying services;
- Activities funded from other sources;
- Activities completed prior to time applicant becomes eligible for a grant; and
- Activities performed by the administering intermediary.

ITAG Program Appendix B: Activity Level and State Allocation

HUD determined the allocation of funds by State-Grouping by estimating the total number of M2M projects based on FY 1997, 1998, and 1999 data, dividing this number into total funds expected to be available, and multiplying the result by the number of projects in a State-Grouping. HUD reserves the right to periodically assess activity levels and, if necessary, reallocate funds among intermediaries. The following table contains the estimated State-Grouping allocations based on FY 1998 funding and subject to FY 1999 appropriations, if any:

State grouping	FY 1998 dollars	FY dollars (if appropriated)	Total
Northwest: Alaska Colorado Hawaii Idaho Illinois Iowa Kansas Minnesota Missouri Montana Nebraska North Dakota Oregon South Dakota Utah Washington Wyoming			
Southwest: Arizona Arkansas California Louisiana Nevada New Mexico Oklahoma Texas	\$200,000	\$1,600,000	\$1,800,000
Midwest: Indiana Michigan Ohio Wisconsin	\$200,000	\$1,600,000	\$1,800,000
Northeast: Connecticut Delaware Maine	\$200,000	\$1,600,000	\$1,800,000

State grouping	FY 1998 dollars	FY dollars (if appropriated)	Total
Maryland Massachusetts New Hampshire New Jersey New York Pennsylvania Rhode Island Vermont Washington, DC West Virginia			
Southwest: Alabama Caribbean Florida Georgia Kentucky Mississippi North Carolina South Carolina Tennessee Virginia	\$200,000	\$1,600,000	\$1,800,000
	\$200,000	\$1,600,000	\$1,800,000
Total	\$1,000,000	\$8,000,000	\$9,000,000

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**OUTREACH AND TRAINING
GRANTS (OTAG) TO PROVIDE
TECHNICAL ASSISTANCE TO
TENANT GROUPS IN PROJECTS
ELIGIBLE UNDER THE MARK-TO-
MARKET (M2M) PROGRAM**

BILLING CODE 4210-32-C

Funding Availability for Outreach and Training Grants (OTAG) To Provide Technical Assistance To Tenant Groups in Projects Eligible Under the Mark-To-Market (M2M) Program

Program Description: Approximately \$6.0 million in Outreach and Training Grant (OTAG) funds is available for resident-controlled non-profit organizations, community-based organizations and public entities to apply for funds to conduct outreach and training development for HUD tenants in properties eligible to participate in the M2M program, so that the tenants can (1) participate meaningfully in the M2M program, and (2) affect decisions about the future of their housing. The purpose of the M2M program is to reduce the cost of above market Section 8 assistance, preserve affordable housing stock, and streamline the administration of Federal housing subsidies. These funds are available to grantees providing the program on a community-, county-, city-, or state-wide level.

Application Due Date: Completed applications must be received no later than 12:00 midnight, Eastern time on June 30, 1998 at HUD Headquarters. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications: Completed applications (one original and two copies) must be submitted to: the Office of Portfolio Reengineering, Room 6130, HUD Headquarters, 451 Seventh Street, SW, Washington, DC 20410. When submitting your application, please refer to OTAG, and include your name, mailing address (including zip code) and telephone number (including area code).

For Application Kits, Further Information and Technical Assistance: *For Application Kits.* For an application kit and any supplemental information please call the SuperNOFA Information Center at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY number at 1-800-HUD-2209. The application kit also will be available on the Internet through the HUD web site at <http://www.hud.gov>. When requesting an application kit, please refer to OTAG and provide your name, address (including zip code), and telephone number (including area code).

For Further Information. Arthur Goldstein at (202) 708-2300, extension 2657. Persons with speech or hearing impairments may call HUD's TTY number (202) 708-0770, or 1-800-877-

8399 (the Federal Information Relay Service TTY). Other than the "800" number, these numbers are not toll-free. Mr. Goldstein can also be reached via the Internet at arthur_d._goldstein@HUD.gov.

For Technical Assistance. An information broadcast via satellite will be held for potential applicants to learn more about the program and preparation of an application. For more information about the date and time of the broadcast, please consult the HUD web site at the web address listed above.

Additional Information

I. Authority; Purpose; Amount Allocated; and Eligibility

Applicants should take care in reviewing this section to ensure they are eligible to apply for funds and that they meet the program requirements described.

(A) Authority

The FY 1998 HUD Appropriations Act authorizes funding for the Outreach and Training Grant program. This authorization is under the legislation "Multifamily Assisted Housing Reform and Affordability Act of 1997" (MAHRA), (Title V-HUD Multifamily Housing Reform, subtitle A, section 514, Mortgage Restructuring and Rental Assistance Sufficiency Plan).

(B) Purpose

The purpose of the OTAG program is to provide technical assistance to tenants of eligible M2M properties so that the tenants can (1) participate meaningfully in the M2M program, and (2) affect decisions about the future of their housing.

(C) Amount Allocated

The competition in this program is for up to \$6.0 million to fund resident-controlled nonprofit organizations, community-based organizations and public entities in the pursuit of OTAG activities. The \$6.0 million will be awarded in 1998 but will be utilized for OTAG technical assistance activities that are needed through October 1, 2001.

(D) Grant Amount and Terms

M2M will accept OTAG applications that propose a term of from one to three years. The term begins on the date of the execution of the grant agreement. The grant amount will be limited to \$400,000 for successful applications that propose the three year maximum for activities. The maximum annual allocation for such grants will be approximately \$150,000, which must be expended by the grantee prior to the

distribution of additional funds. For example: If a grantee is unable to successfully utilize their annual allocation in the requisite year, then no funds for the next year will be allocated until the current year's allocation has been expended according to the agreement. The grant may be terminated if the grantee fails to complete the tasks within a reasonable time period.

(E) Eligible Applicants

An organization applying for OTAG funding must:

(1) Be a resident-controlled nonprofit organization with a majority of the board consisting of residents of HUD assisted housing, with at least two years of experience in resident organizing and education;

(2) A community-based organization (CBO), with at least two years of experience in resident organizing and education; or

(3) Public entities such as: community action, legal service, and fair housing counseling agencies; State and local government agencies; and intermediaries.

These grants will be awarded on a community-, city-, county-, multi-county-, or state-wide basis. The approved grantees will initiate an outreach program that will identify, deliver training to, and develop the organizational process that will be used in organizing the unorganized residents of eligible low-income housing. Any group that is applying for an OTAG must have at least two years of experience in organizing and training tenants, or have an affiliation with an organization that has such experience. However, the organization providing the experience must *not* have influence over the grantee's decision making. All funds expended under this OTAG Program section of the SuperNOFA must be used for tenant activities as described later in this program section of the SuperNOFA.

A CBO is a private nonprofit organization that:

(1) Is organized under State or local laws;

(2) Has no part of its earnings inuring to the benefit of any member, founder, contributor, or individual;

(3) Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization;

(4) Has applied for, or has a tax exemption ruling from the Internal Revenue Service under section 501(c) of the Internal Revenue Code of 1986;

(5) Does not include a public body (including the participating jurisdiction) or an instrumentality of a public body. An organization that is State or locally

charted may qualify as a community-based nonprofit organization; however, the State or local government may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members can be public officials;

(6) Has standard of financial accountability that conforms to 24 CFR part 84;

(7) Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;

(8) Maintains accountability to low income community residents by:

(i) Maintaining at least one-third of its governing board's membership for low income neighborhood residents, other low-income community residents, or elected representatives of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, town, village, county, or multi-county area or state; and

(ii) Providing a formal process for low-income, program beneficiaries to advise the organization on its decisions regarding the acquisition, rehabilitation and management of affordable housing.

Applicants that do not have tax-exempt status under section 501(c) of the Internal Revenue Code of 1986 on or before the date of application may be considered as long as the organization is approved before the effective date of the grant agreement. Also, newly formed and otherwise eligible organizations may submit joint applications with eligible organizations that are tax exempt.

(F) Eligible Activities

An applicant must identify its specific jurisdiction and the activities it will undertake to accomplish its objectives. Activities for OTAGs can include:

(1) Identifying residents and resident groups living in eligible M2M properties as well as enforcement properties with rents greater than market rents. Eligible projects include any property with an expiring Section 8 contract that is eligible for the M2M program and these properties deemed ineligible for participation in the M2M program under section 516 of the FY 1998 Appropriations Act;

(2) Providing outreach and training to tenants to explain the M2M program, the possible financial changes, the possible project repairs, access and community resources and effective methods for communicating the organization's position;

(3) Organizing residents of eligible low-income housing so the tenants can effectively participate in the M2M process;

(4) Performing outreach, training, and counseling, which may include teaching sound housing management, maintenance, and financial management, to residents and resident groups living in eligible M2M properties;

(5) Delivering project-based, community-, city-, county-, or state-wide training programs on M2M and/or resident homeownership options;

(6) Establishing M2M clearinghouses as a resource to resident organizations, community groups and potential purchasers;

(7) Creating informational materials about the M2M process for local/state-wide distribution;

(8) Providing support for HUD approved activities proposed by the grantee that would further the M2M program and others considered eligible at HUD's discretion;

(9) Educating parties outside HUD (including but not limited to appraisers, financial institutions officials, State and local government officials, community groups, and owner entities) about the M2M process.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, grantees must meet the following program requirements:

(A) Reporting Requirements

(1) OTAG Grantees must comply with all requirements of 24 CFR Part 84.

(2) OTAG Grantees must submit a quarterly performance report to the Director of the Office of Mortgage and Housing Assistance Restructuring (OMAR).

(3) These reports are to list the properties and number of tenants assisted by the OTAG Activities being performed that quarter. These reports must include information conferences, brochures, meetings held, training, etc., and a narrative describing what tangible benefits resulted from the assistance.

(4) Payment requests may be frozen until receipt of an acceptable performance report.

(B) Records Retention and Access Requirements

All accounting and other records associated with OTAG administration must be retained and made available to HUD or its designee in accordance with 24 CFR § 84.53.

(C) Auditing Requirements

OTAG grantees must comply with the audit requirements set forth in 24 CFR part 45.

(D) Conflict of Interest (CI) Requirements

Funds received under this OTAG Program section of this SuperNOFA shall not be used to supplant or duplicate other resources for the proposed activities. In carrying out its duties under this program section of the SuperNOFA, any grantee must avoid even the appearance of a conflict of interest. All executives, board members, key management personnel, or any other person or entity with direct or indirect control, is required to execute a CI Certification at the time of execution of a grant agreement and on each anniversary date of execution.

III. Application Selection Process

Two types of reviews will be conducted: a threshold review to determine applicant eligibility; and a technical review to rate the application based on the rating factors in this Section III.

(A) Additional Threshold Criteria for Funding Consideration

Under the threshold review, the applicant will be rejected from the competition if the applicant is not in compliance with the requirements of the General Section of the SuperNOFA and if the applicant does not qualify as an Eligible Applicant as defined in Section I(E) of this OTAG Program section of the SuperNOFA.

(B) Factors for Award Used To Evaluate and Rate Applications

The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points for this program is 100. This section of the SuperNOFA does not include EZ/EC bonus points.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (25 Points)

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any faculty, subcontractors, consultants, sub-recipients, and members of consortia which are firmly committed to the project. In rating this factor, HUD

will consider the extent to which the proposal demonstrates:

(1) (5 points) The knowledge and direct experience of the proposed project director and staff, including the day-to-day program manager, consultants and contractors, in planning and managing the kind of programs for which funding is being requested. The applicant will be judged in terms of recent, relevant and successful experience in undertaking eligible program activities.

The applicant has sufficient personnel, or access to qualified experts or professionals, enabling delivery of the proposed activities in each proposed service area in a timely and effective fashion. Capacity also includes the readiness and ability of the applicant to immediately begin the proposed work program.

(2) (5 points) The applicant's experience in managing programs similar in scope or nature directly relevant to the work activities proposed and carrying out grant management responsibilities. If the applicant has managed large, complex, interdisciplinary programs, the applicant should include the information supporting this claim in their response.

(3) (5 points) If the applicant received funding in previous years, the applicant's past experience will be evaluated in terms of their ability to attain demonstrated measurable progress in the implementation of their most recent grant awards, as measured by expenditures and measurable progress in achieving the purpose for which funds were provided. However, the applicant must demonstrate how it will successfully undertake additional activities effectively under this OTAG Program section of the SuperNOFA.

Capability to conduct community-, city, county-, multi-county, or state-wide outreach and training program. This program could be to identify and organize residents and conduct educational workshops for tenants of eligible M2M residents, about the residents involvement in the M2M program. Training is to be conducted in a reasonable time period, within budget, and in an effective manner. This criterion can be demonstrated through past performance, as evidenced by previous experience and success in outreach, training recruitment, counseling, and development of tenant nonprofit organizations. References should be included that indicate groups of individuals, entities, projects that received training, along with contact information of same.

(4) (5 points) Ability to cover large geographic areas. The larger the geographic area proposed, the larger number of points will be awarded.

(5) (5 points) Applicant's fiscal capability in meeting the reporting and audit requirements of 24 CFR part 84. The ability of the applicant's key staff to handle, manage, and adequately account for financial resources, and to use acceptable financial control procedures, demonstrated through past performance of the applicant entity or key staff with Federal, State or local funds, or an explanation of how such capability can be obtained. Implicit to this criterion is the capacity of the applicant to carry out the program, subject to conflict of interest and non-duplication of "other resource" requirements. If the applicant organization, or any staff person associated with the organization intends to seek other technical assistance funding, as a consultant or any other means, under the M2M program (i.e. Intermediary Technical Assistance Grant program), it must demonstrate that it can maintain the financial systems required to avoid even the appearance of a conflict of interest or non-duplication of funding. Evidence of meeting this criteria can be shown by the demonstrated performance of a recent audit review of the organization or a satisfactory, HUD Field Office Management Review.

Rating Factor 2: Need/Extent of the Problem (25 Points)

This factor addresses the extent to which there is a need for funding the proposed program activities and an indication of the urgency of meeting the need in the target area. HUD has determined that need will be evaluated based on the number of M2M-eligible projects in the geographic area which an applicant proposes to provide services. Points will be awarded based on the following:

Number of M2M projects	Points awarded
100 and over	25
60-69	20
40-59	15
30-39	10
20-29	5
Fewer than 19	2

A list of M2M eligible properties by property name, city and state can be obtained from the Multifamily Clearinghouse at 1-(800) 685-8470. This list will be updated periodically.

Rating Factor 3: Soundness of Approach (30 Points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed work plan. In developing a work plan, the applicant should consider all Eligible Activities listed in Section I(F) of the OTAG Program section of the SuperNOFA. The work plan should address, at a minimum:

- (1) The type of activities the applicant intends to perform;
- (2) The intended methodology for initial contact with tenants and plan for follow-up contact;
- (3) The subjects to be covered in any proposed training;
- (4) The proposed methodology for encouraging tenant leadership;
- (5) The proposed methodology for completion of all other activities proposed under the work plan;
- (6) The plan for creation and distribution of any printed material;
- (7) The intended audience for each proposed activity; and
- (8) For applicants covering a large geographic area, the proposed method of contact to residents outside the applicant's immediate area.

There must be a clear relationship between the proposed activities, community needs and the purpose of the program funding for an applicant to receive points for this factor. The factor will be evaluated based on the extent to which the proposed activities will:

(1) Help solve or address an urgent need or problem as identified under Rating Factor 2—Need/Extent of the Problem. The impact of the activity will be evaluated, including the tangible benefits to be attained by the community and by the target population including affirmatively furthering fair housing for classes protected under the Fair Housing Act. As applicable to the program for which funding is requested, the activities should aid a broad diversity of eligible client or beneficiary groups, including those that have been traditionally undeserved. Efforts to increase community awareness in a culturally sensitive manner through education and outreach will also be evaluated, if applicable.

HUD will consider, within the context of the program for which funding is requested, the extent to which the applicant's activities are providing for geographic coverage for articulated needs, and will assist or result in a community taking appropriate action to overcome the effects of any impediments identified in the A.

In the case of technical assistance, HUD will evaluate the extent to which the proposed activities help solve or

address an urgent need identified for the specific technical assistance program for which an applicant is applying and the extent to which full geographic coverage is provided, including urban and rural areas as well as under-served populations within the field office jurisdiction(s) in which funding is requested.

(2) Achieve the purposes of the program for which funding is requested and result in measurable accomplishments that are consistent with the purposes of the program and will result in a goal being met/product produced within a timeframe appropriate and reasonable for the program.

(3) Be undertaken using technically competent methodologies for conducting the work to be performed and uses a cost effective plan for designing, organizing and carrying out the proposed activities. The proposed cost estimates should be 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.

(4) Yield innovative strategies or "best practices" that can be replicated and disseminated to other organizations, including nonprofit organizations, State and local governments. HUD will assess the transferability of results in terms of model programs or lessons learned from the work performed under the award. Applicants will be required to prepare an analysis of best practices as part of their reports to HUD that may be used by HUD to inform others who may be interested in learning from the experiences gained from the work performed under awards funded through this OTAG Program section of the SuperNOFA.

(5) Further and support the policy priorities of HUD including:

(a) Promoting healthy homes;
 (b) Providing opportunities for self-sufficiency, particularly for persons enrolled in welfare to work programs;
 (c) Enhancing on-going efforts to eliminate drugs and crime from neighborhoods through program policy efforts such as "One Strike and You're Out" or the "Officer Next Door" initiative;

(d) Providing educational and job training opportunities through such initiatives as Neighborhood Networks, Campus of Learners and linking to AmeriCorps activities.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the ability of the applicant to secure community assets, resources and/or financing to achieve

program purposes. In evaluating this factor HUD will consider:

(1) The extent to which the applicant has leveraged resources, such as funding and/or in-kind services from governmental entities, private organizations, resident management organizations, educational institutions, or other entities in order to achieve the purposes of the award the applicant is requesting.

(2) The extent to which the applicant has partnered with other entities to make more effective use of available public or private resources. Partnership arrangements may include, but are not limited to, funding or in-kind services from local governments or government agencies, non-profit or for-profit entities, private organizations, educational institutional or other entity that is willing to partner with the applicant on proposed activities in order to leverage resources, or partnering with other program funding recipients to make more effective use of resources within the geographic area covered by the award either within the community or within the field office jurisdiction in which activities are occurring. Applicants may partner directly or through a consortium of applicants to more effectively address needs of underserved populations, rural areas, minority groups or other client groups that need attention either in the target area or the area covered by the field office jurisdiction in which the activities are to take place.

Evidence of commitment should include organization names, their proposed level of effort, resources, and responsibilities of these participants. Applicants must provide indications of participation by including in the application letters of firm commitments, memoranda of understanding or agreements, or letters indicating participation and levels of effort and responsibility to receive rating points for this factor. Letters of commitment, memoranda of understanding, or agreements to participate must be signed by an official of the organization legally able to make commitments for the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated, community-based process of identifying needs and building a system to address the needs by using available HUD funding resources and other resources available to the community.

In evaluating this factor, HUD will consider the extent to which the applicant demonstrates it has:

(1) Coordinated its proposed activities with those of other groups or organizations in order to best complement, support and coordinate all known activities and, the specific steps it will take to share information on solutions and outcomes with others. Any written agreements, memoranda of understanding in place, or that will be in place after award should be described.

(2) Taken or will take specific steps 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 activities the applicant proposes.

(3) Taken or will take specific steps to develop linkages to coordinate comprehensive solutions through meetings, information networks, planning processes or other mechanisms with:

(a) Other HUD funded projects/activities outside the scope of those covered by the Consolidated Plan; and

(b) Other HUD, Federal, State or locally funded activities, including those proposed or on-going in the community(s) served.

(C) *Selections.* HUD will review each Outreach and Training Grant application and assign up to 100 points, in accordance with the criteria described in this Section. After rating, the M2M staff will rank the applications according to score and will fund them in rank order. Funds will be awarded based upon the highest scores, which represent the best overall assessment of the potential of the proposed work activities for achieving the principal objectives of this competition.

If two or more applications have the same number of points, a resident-controlled (51 percent or more of Board participation by HUD tenants) nonprofit organization will receive priority rating over a nonprofit organization that is not resident-controlled. Public entity applicants will only be considered for geographic areas where there is no acceptable application from a nonprofit organization.

HUD reserves the right to make selections out of rank order to provide for geographic distribution of funded OTAGs. The approach HUD will use, if it decides to implement this option, will be to award to the highest ranked applicant in a geographic area, and to fund the next highest ranked applicants in other geographic areas before

duplicating funding for any one geographic area.

After all applications have been rated and ranked and selections have been made, HUD may require that all winners participate in negotiations to determine the specific terms of the Statement of Work and the grant budget. In cases where HUD cannot successfully conclude negotiations, or a selected applicant fails to provide HUD with requested information, awards will not be made. In such instances, HUD may elect to offer an award to the next highest ranking applicant.

After award but before grant execution, winners will be required to provide a certification from an Independent Public Accountant or the cognizant government auditor, stating that the financial management system employed by the applicant meets prescribed standards for fund control and accountability required by OMB Circular A-133, Uniform Administrative Requirements for Grant Agreements With Institutions of Higher Education,

Hospitals, and other Non-Profit Organizations, Revised OMB Circular A-110, or 24 CFR part 85 for States and local governments, or the Federal Acquisition Regulations (for all other applicants). This information should contain the name and telephone number of the Independent Auditor, cognizant Federal auditor, or other audit agency, as applicable.

IV. Application Submission Requirements

An applicant must provide a completed application, including the following, as applicable:

- (1) OMB Standard Forms 424;
- (2) Summary of proposed activities and jurisdiction;
- (3) Information about the applicant, including its history, its staff and qualifications, and its experience;
- (4) Summary of plan to carry out proposed activities;
- (5) Evidence of tax-exempt status, if applicable;

(6) Required Certifications relating to this grant; and

(7) Other information/materials described in application kit.

V. Corrections of Deficient Applications

The General Section of the SuperNOFA provides procedures for corrections to deficient applications.

VI. Environmental Requirements

In accordance with 24 CFR 50.19(b) (2), (9) and (12), the assistance provided under this program relates only to information services, the provision of technical assistance, and supportive services and therefore is categorically excluded from the requirements of the National Environmental Policy Act and is not subject to environmental review under the related laws and authorities. This determination is based on the ineligibility of real property acquisition, construction, rehabilitation, conversion, leasing, or repair for HUD assistance under this program.

BILLING CODE 4210-32-P

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**LOCAL LEAD HAZARD
AWARENESS CAMPAIGN**

BILLING CODE 4210-32-C

Funding Availability for the Local Lead Hazard Awareness Campaign

Program Description: Approximately \$700,000 is available for the Local Lead Hazard Awareness Campaign grant funding. The purpose of this campaign is to deliver public education and outreach services to increase lead awareness and promote lead poisoning prevention to identified target audiences in specific geographical areas. Grants will be awarded on a competitive basis to eligible organizations ranging between \$20,000 to \$700,000.

Application Due Date: Completed applications must be submitted no later than 12:00 midnight, Eastern time on June 26, 1998 at the address shown below. HUD reserves the right to republish this program section of the SuperNOFA and announce additional due dates, or to make no awards at all if proposals are deficient. See the General Section of this SuperNOFA for specific procedures governing the form of application submission (e.g., mailed applications, express mail, overnight delivery, or hand carried).

Address for Submitting Applications: Completed applications (one original and two copies) must be submitted to: U.S. Department of Housing and Urban Development, Office of Lead Hazard Control, 451 Seventh Street, SW, B-133, Washington, DC 20410. When submitting your application, please refer to Local Lead Hazard Awareness Campaign grant, and include your name, mailing address (including zip code) and telephone number (including area code).

For Application Kits, Further Information, and Technical Assistance: **For Application Kits.** For an application kit and supplemental information please call the HUD SuperNOFA Information Clearinghouse at 1-800-HUD-8929. Persons with hearing or speech impairments may call the Center's TTY at 1-800-HUD-2209. The application kit also will be available on the Internet at: <http://www.hud.gov>. When requesting an application kit, please refer to Local Lead Hazard Awareness Campaign grant, and provide your name, address (including zip code), and telephone number (including area code).

For Further Information and Technical Assistance. Doline Hatchett, Community Outreach Officer, Office of Lead Hazard Control, 202-755-1785 extension 114 (this is not a toll-free number).

Additional Information

I. Authority; Purpose; Amount Allocated; and Eligibility

(A) Authority

The Local Lead Hazard Awareness Campaign is authorized under Title X, The Residential Lead-Based Paint Hazard Reduction Act of 1992 of the Housing and Community Development Act 1992, Pub. L. 102-550, section 1011(g)(1).

(B) Purpose

The Federal government has launched a national public education and outreach campaign to protect America's children from the health hazards of lead-based paint. The Campaign for a Lead-Safe America was announced by Mrs. Tipper Gore, the U.S. Department of Housing and Urban Development and the U.S. Environmental Protection Agency at a White House press conference on November 17, 1997. The Local Lead Hazard Awareness Campaign grant under this SuperNOFA is designed to conduct public education and outreach at a local level to increase lead-based paint hazard awareness and promote lead poisoning prevention to identified target audiences in specific geographical locations; increases lead hazard awareness through education and outreach to high-risk communities and other identified audiences such as, parents, caretakers, pediatricians, children, pregnant women, building owners and renovation and maintenance personnel; and to develop coalitions to establish a workable framework to sustain lead education and outreach programs (beyond the life of the grant). This program also implements, in part, HUD's Departmental Strategy for achieving Environmental Justice pursuant to Executive Order 12898 (Federal Actions to Address Environmental Justice in Minority Populations and Low Income Populations).

(C) Amount Allocated

Up to \$700,000 will be made available on a competitive basis to eligible applicants with grant awards ranging between \$20,000—\$700,000. The funding selections will be based on the factors for award described in this program section of the SuperNOFA. The amounts included in this program section of the SuperNOFA are subject to change based on funds availability.

(D) Eligible Applicants

The following organizations shown below are eligible to receive funding under this program section of the SuperNOFA. Partnerships are

encouraged, although the application must be made by a single entity.

(1) Non-profit (must submit proof of non-profit status) and for-profit organizations (for-profit firms are eligible; however, they are not allowed to include a fee in the cost proposal, i.e., no profit can be made from the project);

(2) Institutions of higher learning;

(3) State and local government;

(4) Federally recognized Indian Tribes;

(5) Trade and Professional Organizations; and

(6) Real Estate Organizations.

(E) Eligible Activities

Eligible activities to be funded under this program section of the SuperNOFA are those activities that deliver public education and outreach services to increase lead hazard awareness and promote lead poisoning prevention to identified target audiences in specific geographical areas. Efforts must include developing the infrastructure needed to implement media strategies to successfully market "The Campaign for a Lead Safe America" with assistance from the successful applicant(s) of the National Lead Hazard Awareness Campaign Grant. In addition, the activity must develop and implement various communication strategies to educate their target audience about the hazards of lead-based paint and what communities can do to protect their families from being poisoned by lead. Each applicant must define its target audience, which can include, for example, the real estate community, parents, teachers, health care workers, daycare providers, the general public and other entities. Grantees are encouraged to conduct education and outreach using their affiliate chapters, if applicable, branch members or other outreach arms, to involve a full complement of local organizations/representatives from the community (such as local elected officials, and faith-based community groups). It is anticipated that this method of networking would have a two-fold approach to increase awareness about lead poisoning, as well as establish an infrastructure to sustain lead education and outreach activities well after the life of the grant. While the application must be submitted by a single entity, the applicant can propose a partnership of multiple organizations in order to accomplish the objectives of the project.

II. Program Requirements

In addition to the program requirements listed in the General Section of this SuperNOFA, grantees

must meet the following program requirements:

(A) Applicants Limited to a Single Award

Applicants are limited to one FY 1998 award under this program. If more than one eligible application is submitted by an applicant and both have an adequate score, the Department will select the application which the applicant has indicated as its preference for award.

(B) Independence of Applications

There are no limits on the number of applications that can be submitted by a single applicant. However, each application must be independent and capable of being implemented without reliance on the selection of other applications submitted by the applicant or other applicants. This provision does not preclude an applicant from submitting a proposal which includes other organizations as subcontractors to the proposed project or activity.

(C) Project Starting Period

The period of performance will be up to two years. The applicant must be able to commence work immediately.

(D) Page Limitation

Applicants will be limited to 5 pages of narrative responses for each of the selection factors for a total of no more than 25 pages (this does not include forms or documents which are required under each factor). Unrequested items such as brochures, news articles and similar items included in the application will not be considered in the evaluation process. Applicants that exceed the 5-page limit for each factor will only have the first 5 pages evaluated for each factor. Failure to provide narrative responses to all selection criteria will result in an application being ineligible.

(E) Payment Contingent on Completion

Payment to grantees will be contingent on the satisfactory completion of each project activity.

(F) Accessibility Requirements

All activities and materials funded by the grant must be accessible to persons with disabilities in accordance with Section 504 of the Rehabilitation Act of 1973 and its implementing regulation at 24 CFR part 8.

(G) Type of Award

HUD reserves the right to award a grant or cooperative agreement that is either cost reimbursable or fixed price.

(H) Funding Requests

Applications that request funding in excess of the stated maximum award will be ineligible.

(I) Type of Project

Projects aimed primarily at research or data gathering, including but not limited to surveys and questionnaires, will not be eligible under this program section of the SuperNOFA.

(J) Activities/Final Products Description

All proposals must contain a description of how the activities or the final products relate to the program.

(K) In Order To Be Funded Applicants Must Have a Score of 80 Points or Better

If applicants score less than 80 points, they may apply again later under any republication of this program section of the SuperNOFA. Not all applicants with scores above 80 will necessarily receive awards.

(L) Definitions

The definitions that apply to this program section of the SuperNOFA are as follows:

Federally recognized Tribal Government means the governing body or a governmental agency of any Indian tribe, band, nation or other organized group or community (including any Native village as defined in section 3 of the Alaska Native Claims Settlement Act, 85 Stat 688) certified by the Secretary of the Interior as eligible for the special programs and services provided by him through the bureau of Indian Affairs.

Grantee means the recipient to which a grant is awarded and which is accountable for the use of the funds provided. The grantee is the entire legal entity even if only a particular component of the entity is designated in the grant award amount.

High-Risk Communities refers to predominantly low-income communities which consist of housing built before 1978.

Low-income is defined as families, including single persons, whose annual income does not exceed 80 percent of the median income for the area as determined by HUD with adjustments for smaller and larger families. However, HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low-income families.

States means any of the several States of the United States, the District of

Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a State exclusive of local governments. The term does not include any public and Indian housing agency under United States Housing Act of 1937.

III. Application Selection Process

(A) Rating and Ranking

(1) *General.* The selection process is structured to achieve the purpose set forth in Section I.(B) of this program section of the SuperNOFA.

Each application for funding will be evaluated competitively, and the applicant will be assigned a score based on the Factors for Award used to evaluate and rate applications identified in sections III.(B) and (C) of this program section of the SuperNOFA. After eligible applications are evaluated based upon the factors for award and assigned a score, they will be organized by rank order. Awards will be funded in rank order.

(B) Factors for Award Used To Evaluate and Rate the Local Lead Hazard Awareness Campaign

The factors for rating and ranking applicants, and maximum points for each factor, are provided below. The maximum number of points is 100.

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience (20 Points)

This factor addresses the extent to which the applicant has the organizational resources necessary to successfully implement the proposed activities in a timely manner. The rating of the "applicant" or the "applicant's organization and staff" for technical merit or threshold compliance, unless otherwise specified, will include any sub-contractors, consultants, sub-recipients, and members of consortia which are firmly committed to the project. In rating this factor HUD will consider the extent to which the proposal demonstrates:

(1) The knowledge and experience of the overall proposed project director and staff, including the day-to-day program manager, consultants and contractors in planning and managing programs for which funding is being requested. Experience will be judged in terms of recent projects accomplished in the last two years which are similar in scope or nature directly relevant to the work activities proposed. If the

applicant has managed large, complex, interdisciplinary projects, the applicant should include information on them in its response.

(2) The applicant has sufficient personnel, or will be able to quickly access qualified experts or professionals, to deliver the proposed activities in each proposed service area in a timely and effective fashion, including the readiness and ability of the applicant to immediately begin the proposed work program.

Rating Factor 2: Need/Extent of the Problem (20 Points)

This factor addresses the extent to which there is a need for funding the proposed program activities to address a documented problem. In responding to this factor, applicants will be evaluated on:

(1) The extent to which they document a critical level of need for the proposed activities. The documentation of need may include, but is not limited to, HUD reports and analyses, relevant economic and/or demographic data, government or foundation reports and studies, news articles, and other information which relate to the proposed project activities.

(2) To the extent possible, the documented need is specific to the area where the project activity will be carried out. Specific attention must be paid to documenting need as it applies to the area where activities will be targeted, rather than the entire locality or State. If the target area is an entire locality or State, then documenting need at this level is appropriate. The applicant must demonstrate how specific community or neighborhood needs can be resolved through the activities proposed. The applicant should discuss how it took into account existing and planned efforts of government agencies, community-based organizations, faith-based institutions, for-profit firms, and other entities to address such needs in the community(ies) to be served, how the proposed program compliments or supplements existing efforts and why additional funds are being requested.

Rating Factor 3: Soundness of Approach (40 Points)

This factor addresses the quality and cost-effectiveness of the applicant's proposed statement of work. In evaluating this factor, HUD will consider the extent to which:

(1) Proposed activities will coordinate with private and public sector organizations to deliver products and messages which will increase lead poisoning prevention awareness. Specifically, the applicant must

describe the proposed activities that will reach and benefit members of the public, especially in high-risk communities and other identified audiences in Section I.(B) of this program section of the SuperNOFA.

(2) Projects may be replicated in other communities. In responding to this subfactor, the applicant should describe the extent to which the proposed activities will yield long-term results and innovative strategies or "best practices" that can be readily disseminated to other organizations and State and local governments.

(3) The proposed Statement of Work should address the following:

(a) Clearly describes the specific tasks and subtasks to be performed and how feasibly they can be completed within the grant period;

(b) Describes the immediate benefits of the project and indicators by which the benefits will be measured. Applicants must describe the methods they will use to determine the effectiveness of their local marketing strategies;

(c) Provides for proposed tasks and sub-tasks that clearly provide technically competent methods for conducting the work;

(d) Describes the extent to which the proposed design and size of the project or activity is appropriate to the achievement of the program funding purposes articulated in this program section of the SuperNOFA;

HUD also will measure the soundness of the applicant's approach by assessing the following:

(4) The cost estimates provided are reasonable and thorough and the program is cost effective in achieving the anticipated results of the proposed activities as well as in achieving significant impact; and

(5) The applicant demonstrates capability in handling financial resources with adequate financial control procedures and accounting procedures. In addition, considerations will include findings identified in their most recent audits, internal consistency in the application of numeric quantities, accuracy of mathematical calculations and other available information on financial management capability.

In the event of a tie between two proposals, the applicant with the highest score in Rating Factor 3 will be the successful grantee.

Rating Factor 4: Leveraging Resources (10 Points)

This factor addresses the ability of the applicant to secure other resources which can be combined with HUD's program resources to achieve program

purposes. In evaluating this factor HUD will consider the extent to which the applicant is partnering with other organizations to secure additional resources, including financial resources, to increase the effectiveness of the proposed program activities. (However, a match-in-kind funding is not required for this program.) If applicable, resources may include funding or in-kind contributions, such as services or equipment, allocated to the purpose(s) of the award the applicant is seeking. Resources may be provided by public or private nonprofit organizations, for-profit private organizations, or other entities willing to partner with the applicant. Applicants may also partner with other program funding recipients to coordinate the use of resources in the identified target area.

Applicants shall provide evidence of leveraging/partnerships by including in the application letters of firm commitments, memoranda of understanding, or agreements to participate from those entities identified as partners in the application. Each letter of commitment, memoranda of understanding, or agreement to participate should include the organization's name, proposed level of commitment and responsibilities as they relate to the proposed program. The commitment must also be signed by an official of the organization legally able to make commitments on behalf of the organization.

Rating Factor 5: Comprehensiveness and Coordination (10 Points)

This factor addresses the extent to which the applicant's program reflects a coordinated process of identifying needs and building a system to address those needs by using available HUD funding resources and other available resources. In evaluating this factor, HUD will consider:

(1) The extent to which the application demonstrates that project activities will reach the targeted audience. This includes discussion of the applicant's analysis of the most appropriate forums, approaches and other factors to ensure that activities reach the broadest spectrum of intended beneficiaries. Additionally, the application should discuss procedures to be used to promote awareness of the services provided by the proposed project.

(2) The extent to which the application demonstrates that the applicant will develop linkages with:

(a) Other HUD funded program activities proposed or on-going; or
(b) Other proposed or on-going State, Federal, local or privately funded

activities which taken as a whole, support and sustain a comprehensive system to address the purposes of this program.

(3) Documentation of the extent to which policy priorities of the Department are furthered by the proposed activities. Examples of such policy priority areas that may be addressed are:

(a) Increasing awareness among real estate agents about the importance of disclosing known lead-based paint hazards before they rent or sell property and

(b) Increasing awareness to promote healthy homes;

(C) *Applicant Notification and Award Procedures.*

(1) *Notification.* No information will be available to applicants during the period of HUD evaluation of proposals, approximately 90 days, except for HUD notification in writing or by telephone to those applicants that are determined to be ineligible or that have technical deficiencies in their applications that may be corrected. Selectees will be announced by HUD upon completion of the evaluation process, subject to final negotiations and award.

(2) *Funding Instrument.* HUD expects to award a cost reimbursable or fixed price grant or cooperative agreement to each successful applicant. HUD reserves the right, however, to use the form of assistance agreement determined to be most appropriate after negotiation with the applicant.

(3) *Performance Sanctions.* A recipient failing to comply with the procedures set forth in its grant agreement will be liable for such sanctions as may be authorized by law, including repayment of improperly used funds, termination of further participation in the Local Lead Hazard Awareness Campaign, and denial of further participation in programs of the Department or of any Federal agency.

IV. Application Submission Requirements

In addition to the forms, certifications and assurances listed in Section II(G) of the General Section of this SuperNOFA, all applications must, at a minimum, contain the following items:

(A) Transmittal Letter

Which identifies thus SuperNOFA, the program under the SuperNOFA for which funds are requested and the dollar amount requested for each program, and the applicant submitting the application.

(B) Summary Budget

Identifying costs by cost category in accordance with the following:

(1) *Direct Labor* by position or individual, indicating the estimated hours per position, the rate per hour, estimated cost per staff position and the total estimated direct labor costs;

(2) *Fringe Benefits* by staff position identifying the rate, the salary base the rate was computed on, estimated cost per position, and the total estimated fringe benefit cost;

(3) *Material Costs* indicating the item, unit cost per item, the number of items to be purchased, estimated cost per item, and the total estimated material costs;

(4) *Transportation Costs*, as applicable. Where a local private vehicle is proposed to be used, costs should indicate the proposed number of miles, rate per mile of travel identified by item, and estimated total private vehicle costs. Where air transportation is proposed, costs should identify the destination(s), number of trips per destination, estimated air fare and total estimated air transportation costs. If other transportation costs are listed, the applicant should identify the other method of transportation selected, the number of trips to be made and destination(s), the estimated cost, and the total estimated costs for other transportation costs. In addition, applicants should identify per diem or subsistence costs per travel day and the number of travel days included, the estimated costs for per diem/subsistence and the total estimated transportation costs;

(5) *Equipment Charges*, if any. Equipment charges should identify the type of equipment, quantity, unit costs and total estimated equipment costs;

(6) *Consultant Costs*, if applicable. Indicate the type, estimated number of consultant hours, rate per hour, total estimated consultant costs per consultant and total estimated costs for all consultants;

(7) *Subcontract Costs*, if applicable. Indicate each individual subcontract and amount. For each proposed subcontract that is in excess of 10% of the grant amount, a separate budget which identifies costs by cost categories should be included;

(8) *Other Direct Costs* listed by item, quantity, unit cost, total for each item listed, and total direct costs for the award;

(9) *Indirect Costs* should identify the type, approved indirect cost rate, base to which the rate applies and total indirect costs. The submission should include the rationale used to determine costs

and validation of fringe and indirect cost rates, if the applicant is not using an accepted, Federally negotiated indirect cost rate.

(C) Financial Management and Audit Information

Each applicant must submit a certification from an Independent Public Accountant or the cognizant government auditor, stating that the financial management system employed by the applicant meets proscribed standards for fund control and accountability required by: OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations; OMB Circular A-110 (as codified at 24 CFR Part 84), Grants and Agreements With Institutions of Higher Education, Hospitals, and other Non-Profit Organizations; and/or OMB Circular A-102 (as codified at 24 CFR Part 85) Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments. This information should contain the name and telephone number of the Independent Auditor, cognizant Federal auditor, or other audit agency, as applicable. Copies of the OMB Circulars may be obtained from EOP Publications, Room 2200, New Executive Office Building, Washington, DC 10503, telephone (202) 395-7332 (this is not a toll free number).

(D) Narrative Statement

Addressing the Factors for Award in Section III.(B) of this program section of the SuperNOFA. Your narrative response should be numbered in accordance with each factor for award identified under Section III.(B), Items III.(B)(1) through III.(B)(4).

V. Corrections to Deficient Applications

The General Section of this SuperNOFA provides the procedures for corrections to deficient applications.

VI. Environmental Requirements

In accordance with 24 CFR 50.19(b) (2) and (4), the assistance provided under this program relates only to the provision of information services and public services concerned with health and therefore is categorically excluded from the requirements of the National Environmental Policy Act of 1969 and is not subject to environmental review under the related laws and authorities.

Appendix A to SuperNOFA—HUD Field Office Contact Information

Not all Field Offices listed handle all of the programs contained in the SuperNOFAs. Applicants should look to the SuperNOFAs for contact numbers for information on

specific programs. Office Hour listings are local time. Persons with hearing or speech impediments may access any of these numbers via TTY by calling the Federal Relay Service at 1-800-877-8339.

New England

Connecticut State Office, One Corporate Center, 19th Floor, Hartford, CT 06103-3220, 860-240-4800, Office Hours: 8:00-4:30 PM

Maine State Office, 99 Franklin Street, Third Floor, Suite 302, Bangor, ME 04401-4925, 207-945-0467, Office Hours: 8:00 AM-4:30 PM

Massachusetts State Office, Thomas P. O'Neill, Jr. Federal Building, 10 Causeway Street, Room 375, Boston, MA 02222-1092, 617-565-5234, Office Hours: 8:30 AM-5:00 PM

New Hampshire State Office, Norris Cotton Federal Building 275 Chestnut Street, Manchester, NH 03101-2487, 603-666-7681, Office Hours: 8:00 AM-4:30 PM

Rhode Island State Office, Sixth Floor, 10 Weybosset Street, 6th floor, Providence, RI 02903-2808, 401-528-5230, Office Hours: 8:00 AM-4:30 PM

Vermont State Office, U.S. Federal Building, Room 237, 11 Elmwood Avenue, P.O. Box 879, Burlington, VT 05402-0879, 802-951-6290, Office Hours: 8:00 AM-4:30 PM

New York/New England

Albany Area Office, 52 Corporate Circle, Albany, NY 12203-5121, 518-464-4200, Office Hours: 7:30 AM-4:00 PM

Buffalo Area Office, Lafayette Court, 465 Main Street, Fifth Floor, Buffalo, NY 14203-1780, 716-551-5755, Office Hours: 8:00 AM-4:30 PM

Camden Area Office, Hudson Building, 800 Hudson Square, Second Floor, Camden, NJ 08102-1156, 609-757-5081, Office Hours: 8:00 AM-4:30 PM

New Jersey State Office, One Newark Center, 13th Floor, Newark, NJ 07102-5260, 973-622-7900, Office Hours: 8:00 AM-4:30 PM

New York State Office, 26 Federal Plaza, New York, NY 10278-0068, 212-264-6500, Office Hours: 8:30 AM-5:00 PM

Mid Atlantic

Delaware State Office, 824 Market Street, Suite 850, Wilmington, DE 19801-3016, 302-573-6300, Office Hours: 8:00 AM-4:30 PM

District of Columbia Office, 820 First Street, N.E., Suite 450, Washington, DC 20002-4205, 202-275-9200, Office Hours: 8:30 AM-4:30 PM

Maryland State Office, City Crescent Building, 10 South Howard Street, Fifth Floor, Baltimore, MD 21201-2505, 410-962-2520, Office Hours: 8:30 AM-4:30 PM

Pennsylvania State Office, The Wanamaker Building, 100 Penn Square East, Philadelphia, PA 19107-3380, 215-656-0600, Office Hours: 8:30 AM-4:30 PM

Pittsburgh Area Office, 339 Sixth Avenue, Sixth Floor, Pittsburgh, PA 15222-2515, 412-644-6428, Office Hours: 8:30 AM-4:30 PM

Virginia State Office, The 3600 Centre, 3600 West Broad Street, Richmond, VA 23230-4920, 804-278-4539, Office Hours: 8:30 AM-4:30 PM

West Virginia State Office, 405 Capitol Street, Suite 708, Charleston, WV 25301-1795, 304-347-7000, Office Hours: 8:00 AM-4:30 PM

Southeast/Caribbean

Alabama State Office, Beacon Ridge Tower, 600 Beacon Parkway West, Suite 300, Birmingham, AL 35209-3144, 205-290-7617, Office Hours: 8:00 AM-4:30 PM

Caribbean Office, New San Juan Office Building, 159 Carlos E. Chardon Avenue, San Juan, PR 00918-1804, 787-766-5201, Office Hours: 8:00 AM-4:30 PM

Florida State Office, Gables One Tower, 1320 South Dixie Highway, Coral Gables, FL 33146-2926, 305-662-4500, Office Hours: 8:30 AM-5 PM

Georgia State Office, Richard B. Russell Federal Building, 75 Spring Street, S.W., Atlanta, GA 30303-3388, 404-331-5136, Office Hours: 8:00 AM-4:30 PM

Jacksonville Area Office, Southern Bell Tower, 301 West Bay Street, Suite 2200, Jacksonville, FL 32202-5121, 904-232-2627, Office Hours: 8:00 AM-4:30 PM

Kentucky State Office, 601 West Broadway, P.O. Box 1044, Louisville, KY 40201-1044, 502-582-5251, Office Hours: 8:00 AM-4:45 PM

Knoxville Area Office, John J. Duncan Federal Building, 710 Locust Street, 3rd Floor, Knoxville, TN 37902-2526, 423-545-4384, Office Hours: 7:30 AM-4:15 PM

Memphis Area Office, One Memphis Place, 200 Jefferson Avenue, Suite 1200, Memphis, TN 38103-2335, 901-544-3367, Office Hours: 8:00 AM-4:30 PM

Mississippi State Office, Doctor A. H. McCoy Federal Building, 100 West Capital Street, Room 910, Jackson, MS 39269-1096, 601-965-4738, Office Hours: 8:00 AM-4:45 PM

North Carolina State Office, Koger Building, 2306 West Meadowview Road, Greensboro, NC 27407-3707, 910-547-4000, Office Hours: 8:00 AM-4:45 PM

Orlando Area Office, Langley Building, 3751 Maguire Blvd, Suite 270, Orlando, FL 32803-3032, 407-648-6441, Office Hours: 8:00 AM-4:30 PM

South Carolina State Office, Strom Thurmond Federal Building, 1835 Assembly Street, Columbia, SC 29201-2480, 803-765-5592, Office Hours: 8:00 AM-4:45 PM

Tampa Area Office, Timberlake Federal Building Annex, 501 East Polk Street, Suite 700, Tampa, FL 33602-3945, 813-228-2501, Office Hours: 8:00 AM-4:30 PM

Tennessee State Office, 251 Cumberland Bend Drive, Suite 200, Nashville, TN 37228-1803, 615-736-5213, Office Hours: 8:00 AM-4:30 PM

Midwest

Cincinnati Area Office, 525 Vine Street, 7th Floor, Cincinnati, OH 45202-3188, 513-684-3451, Office Hours: 8:00 AM-4:45 PM

Cleveland Area Office, Renaissance Building, 1350 Euclid Avenue, Suite 500, Cleveland, OH 44115-1815, 216-522-4065, Office Hours: 8:00 AM-4:40 PM

Flint Area Office, The Federal Building, 605 North Saginaw, Suite 200, Flint, MI 48502-2043, 810-766-5108, Office Hours: 8:00 AM-4:30 PM

Grand Rapids Area Office, Trade Center Building, 50 Louis Street, NW, 3rd Floor, Grand Rapids, MI 49503-2648, 616-456-2100, Office Hours: 8:00 AM-4:30 PM

Illinois State Office, Ralph H. Metcalfe Federal Building, 77 West Jackson Blvd, Chicago, IL 60604-3507, 312-353-5680, Office Hours: 8:15 AM-4:45 PM

Indiana State Office, 151 North Delaware Street, Indianapolis, IN 46204-2526, 317-226-6303, Office Hours: 8:00 AM-4:45 PM

Michigan State Office, Patrick V. McNamara Federal Building, 477 Michigan Avenue, Detroit, MI 48226-2592, 313-226-7900, Office Hours: 8:00 AM-4:30 PM

Minnesota State Office, 220 Second St., South, Minneapolis, MN 55401-2195, 612-370-3000, Office Hours: 8:00 AM-4:30 PM

Ohio State Office, 200 North High Street, Columbus, OH 43215-2499, 614-469-5737, Office Hours: 8:00 AM-4:45 PM

Wisconsin State Office, Henry S. Reuss Federal Plaza, 310 West Wisconsin Avenue, Suite 1380, Milwaukee, WI 53203-2289, 414-297-3214, Office Hours: 8:00 AM-4:30 PM

Southwest

Arkansas State Office, TCBY Tower, 425 West Capitol Avenue, Suite 900, Little Rock, AR 72201-3488, 501-324-5931, Office Hours: 8:00 AM-4:30 PM

Dallas Area Office, Maceo Smith Federal Building, 525 Griffin Street, Room 860, Dallas, TX 75202-5007, 214-767-8359, Office Hours: 8:00 AM-4:30 PM

Houston Area Office, Norfolk Tower, 2211 Norfolk, Suite 200, Houston, TX 77098-4096, 713-313-2274, Office Hours: 7:45 AM-4:30 PM

Louisiana State Office, Hale Boggs Federal Building, 501 Magazine Street, 9th Floor, New Orleans, LA 70130-3099, 504-589-7201, Office Hours: 8:00 AM-4:30 PM

Lubbock Area Office, George H. Mahon Federal Building and United States Courthouse, 1205 Texas Avenue, Lubbock, TX 79401-4093, 806-472-7265, Office Hours: 8:00 AM-4:45 PM

New Mexico State Office, 625 Truman Street, N.E., Albuquerque, NM 87110-6472, 505-262-6463, Office Hours: 7:45 AM-4:30 PM

Oklahoma State Office, 500 West Main Street, Suite 400, Oklahoma City, OK 73102, 405-553-7401, Office Hours: 8:00 AM-4:30 PM

San Antonio Area Office, Washington Square, 800 Dolorosa Street, San Antonio, TX 78207-4563, 210-472-6800, Office Hours: 8:00 AM-4:30 PM

Shreveport Area Office, 401 Edwards Street, Suite 1510, Shreveport, LA 71101-3289, 318-676-3385, Office Hours: 7:45 AM-4:30 PM

Texas State Office, 1600 Throckmorton Street, P.O. Box 2905, Fort Worth, TX 76113-2905, 817-978-9000, Office Hours: 8:00 AM-4:30 PM

Tulsa Area Office, 50 East 15th Street, Tulsa, OK 74119-4030, 918-581-7434, Office Hours: 8:00 AM-4:30 PM

Great Plains

Iowa State Office, Federal Building, 210 Walnut Street, Room 239, Des Moines, IA

- 50309-2155, 515-284-4512, Office Hours: 8:00 AM-4:30 PM
- Kansas/Missouri State Office, Gateway Tower II, 400 State Avenue, Kansas City, KS 66101-2406, 913-551-5462, Office Hours: 8:00 AM-4:30 PM
- Nebraska State Office, Executive Tower Centre, 10909 Mill Valley Road, Omaha, NE 68154-3955, 402-492-3100, Office Hours: 8:00 AM-4:30 PM
- St. Louis Area Office, Robert A. Young Federal Building, 1222 Spruce Street, 3rd Floor, St. Louis, MO 63103-2836, 314-539-6583, Office Hours: 8:00 AM-4:30 PM
- Rocky Mountains*
- Colorado State Office, 633-17th Street, Denver, CO 80202-3607, 303-672-5440, Office Hours: 8:00 AM-4:30 PM
- Montana State Office, Federal Office Building, 301 South Park, Room 340, Drawer 10095, Helena, MT 59626-0095, 406-441-1298, Office Hours: 8:00 AM-4:30 PM
- North Dakota State Office, Federal Building, P.O. Box 2483, Fargo, ND 58108-2483, 701-239-5136, Office Hours: 8:00 AM-4:30 PM
- South Dakota State Office, 2400 West 49th Street, Suite I-201, Sioux Falls, SD 57105-6558, 605-330-4223, Office Hours: 8:00 AM-4:30 PM
- Utah State Office, 257 Tower Building, 257 East-200 South, Suite 550, Salt Lake City, UT 84111-2048, 801-524-3323, Office Hours: 8:00 AM-4:30 PM
- Wyoming State Office, Federal Office Building, 100 East B Street, Room 4229, Casper, WY 82601-1918, 307-261-6250, Office Hours: 8:00 AM-4:30 PM
- Pacific/Hawaii*
- Arizona State Office, Two Arizona Center, 400 North 5th Street, Suite 1600, Phoenix, AZ 85004, 602-379-4434, Office Hours: 8:00 AM-4:30 PM
- California State Office, Philip Burton Federal Building and U.S. Courthouse, 450 Golden Gate Avenue, San Francisco, CA 94102-3448, 415-436-6550, Office Hours: 8:15 AM-4:45 PM
- Fresno Area Office, 2135 Fresno Street, Suite 100, Fresno, CA 93721-1718, 209-487-5033, Office Hours: 8:00 AM-4:30 PM
- Hawaii State Office, Seven Waterfront Plaza, 500 Ala Moana Boulevard, Suite 500, Honolulu, HI 96813-4918, 808-522-8175, Office Hours: 8:00 AM-4:00 PM
- Los Angeles Area Office, 611 West 6th Street, Suite 800, Los Angeles, CA 90017-3127, 213-894-8000, Office Hours: 8:00 AM-4:30 PM
- Nevada State Office, 333 North Rancho Drive, Suite 700, Las Vegas, NV 89106-3714, 702-388-6525, Office Hours: 8:00 AM-4:30 PM
- Reno Area Office, 1575 Delucchi Lane, Suite 114, Reno, NV 89502-6581, 702-784-5356, Office Hours: 8:00 AM-4:30 PM
- Sacramento Area Office, 777-12th Street, Suite 200, Sacramento, CA 95814-1997, 916-498-5220, Office Hours: 8:00 AM-4:30 PM
- San Diego Area Office, Mission City Corporate Center, 2365 Northside Drive, Suite 300, San Diego, CA 92108-2712, 619-557-5310, Office Hours: 8:00 AM-4:30 PM
- Santa Ana Area Office, 3 Hutton Centre Drive, Suite 500, Santa Ana, CA 92707-5764, 714-957-3745, Office Hours: 8:00 AM-4:30 PM
- Tucson Area Office, Security Pacific Bank Plaza, 33 North Stone Avenue, Suite 700, Tucson, AZ 85701-1467, 520-670-6237, Office Hours: 8:00 AM-4:30 PM
- Northwest/Alaska*
- Alaska State Office, University Plaza Building, 949 East 36th Avenue, Suite 401, Anchorage, AK 99508-4135, 907-271-4170, Office Hours: 8:00 AM-4:30 PM
- Idaho State Office, Plaza IV, 800 Park Boulevard, Suite 220, Boise, ID 83712-7743, 208-334-1990, Office Hours: 8:00 AM-4:30 PM
- Oregon State Office, 400 Southwest Sixth Avenue, Suite 700, Portland, OR 97204-1632, 503-326-2561, Office Hours: 8:00 AM-4:30 PM
- Spokane Area Office, Farm Credit Bank Building, Eighth Floor East, West 601 First Avenue, Spokane, WA 99204-0317, 509-353-2510, Office Hours: 8:00 AM-4:30 PM
- Washington State Office, Seattle Federal Office Building, 909 1st Avenue, Suite 200, Seattle, WA 98104-1000, 206-220-5101, Office Hours: 8:00 AM-4:30 PM

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