



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

Spring 1998

Dear Friend:

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

The key elements of viable and sustainable American communities are good, safe homes; economic vitality; and supportive living environments for people of all income levels. The Economic Development Initiative and Brownfields Economic Development Initiative help make strong communities possible by assisting localities using Section 108 loan guarantees to finance business development efforts that create or retain jobs and increase private investment in their communities. The Brownfields Economic Development Initiative also promotes environmental justice and cleanup, which further benefits the impacted communities.

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

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

Sincerely,


Andrew Cuomo



OFFICE OF THE ASSISTANT SECRETARY FOR
COMMUNITY PLANNING AND DEVELOPMENT

Dear Applicant:

Thank you for requesting the **Economic Development Initiative (EDI) and Brownfields Economic Development (BEDI) Application Kit** from the U.S. Department of Housing and Urban Development. This marks the fifth time EDI grant funds will be awarded to communities to carry out economic development projects and the first time the Department will award grants specifically targeted to the redevelopment of Brownfields.

Approximately \$38 million in **Economic Development Initiative (EDI)** funding is available under this part of the April 30, 1998, Super Notice of Funding Availability for Economic Development and Empowerment Programs (SuperNOFA). EDI funds must be used to enhance the security or to improve the viability of a project financed with a new Section 108 guaranteed loan commitment. EDI funds may be used for any of the eligible activities under the Section 108 Loan Guarantee program, provided such activities are carried out as part of an economic development project. HUD anticipates funding EDI projects which will provide near-term results and demonstrable economic benefits, such as job creation and increases in the local tax base.

Please be aware that HUD is considering a \$10 million **CDBG Risk Reduction Pool** demonstration as a set-aside within the \$38 million in EDI funding discussed above (see Section II.B. of the application kit or Section I(D) of the EDI section of the SuperNOFA). If the demonstration occurs, approximately \$28 million will be available for the EDI competition. In this event, HUD will publish a supplementary notice to the EDI program section of the April 30, 1998 SuperNOFA announcing the availability of the \$10 million for a FY 1998 demonstration of this mechanism.

HUD is pleased to announce a new component of the Department's overall economic development strategy, the **Brownfields Economic Development Initiative (BEDI)** program. Approximately \$25 million in BEDI funding is available this year. Specifically targeted to the redevelopment of brownfields, BEDI grants are to be used in a manner similar to that of the EDI program described above. HUD anticipates funding BEDI projects on brownfields sites where either suspected or actual environmental conditions are known and redevelopment plans exist.

Please note that communities may apply for either EDI or BEDI funding for a given project, but not both. Alternatively, communities may apply for both sources of funding if the grant assistance is requested for separate and distinct projects. While separate applications are required for each funding source, every effort has been made to simplify the application process. Communities applying for both EDI and BEDI funding (for different projects) do not have to include an original set of the required forms and certifications in each application, but can complete and execute one set and include copies in the second application, where applicable.

The specific submission requirements are discussed in the EDI and BEDI program section of the SuperNOFA and in this application kit. Before you begin preparing your application, please carefully read both the general section and the EDI and/or BEDI program sections of the SuperNOFA. You should also become familiar with the CDBG and Section 108 Loan Guarantee program regulations. A copy of the NOFA and select program regulations are located at the back of this application kit.

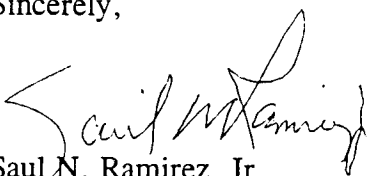
The application deadline for EDI funding is July 30, 1998.

The application deadline for BEDI funding is August 10, 1998.

Questions regarding this application kit may be directed to either Stan Gimont or Paul Webster in HUD's Financial Management Division, Office of Block Grant Assistance. They can be reached at 202-708-1871 or, for persons with speech or hearing impairments, at 1-800-877-8339. Stan Gimont may also be reached by email at Stanley_Gimont@hud.gov.

Thank you for your interest in HUD's Economic Development Initiative and Brownfields Economic Development Initiative programs.

Sincerely,



Saul N. Ramirez, Jr.
Assistant Secretary

ECONOMIC DEVELOPMENT INITIATIVE (EDI)

**BROWNFIELD ECONOMIC DEVELOPMENT
INITIATIVE (BEDI)**

1998

APPLICATION KIT

Public reporting burden for this collection of information is estimated to average 40 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2506-0153), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The information collection requirements contained in the Notice of Funding Availability, published April 30, 1998, in the Federal Register for the Economic Development Initiative (EDI) grant program and the Brownfields Initiative grant program have been submitted to the Office of Management and Budget (OMB) for review under the paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520). The OMB control number for the EDI grant program expired in 1996 and was not renewed in 1997 because there was no appropriation for the program for Fiscal Year (FY) 1997. Because funds were appropriated for the EDI and BEDI programs in FY 1998, HUD has requested a reinstatement of the OMB Control number.

Do not send this form to the above address.

This information will be used by HUD to select grant recipients. Reports will be used to monitor and evaluate progress of grantees and programs. In accordance with the HUD Reform Act, responses are required to obtain and maintain an award. The information furthers the proper performance of the functions of the agency by allowing grant recipients to be selected in accordance with the authorizing legislation and HUD Reform Act. No confidentiality is promised, and the information is not of a sensitive nature unless any portions of the application contain proprietary information that is covered by the Privacy Act.

**ECONOMIC DEVELOPMENT INITIATIVE (EDI) AND
BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE (BEDI)**

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I. APPLICATION KIT OVERVIEW

A. *General Instructions*

This application kit should be used to apply for the Economic Development Initiative (EDI) and the Brownfields Economic Development Initiative (BEDI) grant programs. In the application kit you will find the necessary forms and certifications that you should use to apply for funding, as well as select program regulations for reference purposes. **The EDI and BEDI program sections of the April 30, 1998 SuperNOFA, as well as the General Section, can be found at the back of this application package and should be read before preparing an application.**

Please note that communities may apply for either EDI or BEDI funding for a given project, but not both. Alternatively, communities may apply for both sources of funding if the grant assistance is requested for separate and distinct projects.

While a separate application is required for each funding source, every effort has been made to simplify the application process. Communities applying for both sources of funding need not include two original sets of the required certifications, but can complete and execute one set of the required forms and certifications and include copies in the second application, where applicable (see section III.G. of this application kit). In addition, communities applying for both EDI and BEDI funding (for different projects) may use the same response, to the extent applicable, to the same factor, in both applications.

Non-entitlement communities may apply for and receive grants under the EDI and BEDI programs. If such communities receive grants and apply for Section 108 Loan Guarantee assistance, the applicable state entity will be required to pledge its Community Development Block Grant (CDBG) funds. In previous competitions, some states have been unwilling to provide a pledge of CDBG funds. Therefore, non-entitlement communities are advised to coordinate EDI and BEDI applications with the applicable state CDBG representatives and obtain assurances that if an EDI and/or BEDI grant is awarded, the State will be willing to provide the appropriate pledge of CDBG funds.

B. *Brief Program Descriptions*

Economic Development Initiative (EDI): 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 note that HUD is considering a \$10 million CDBG Risk Reduction Po~~o~~demonstration as a set-aside within the \$38 million in EDI funding (see Section II.B. of this application kit or Section I(D) of the EDI section of the SuperNOFA for more information). If the demonstration occurs, approximately \$28 million will be available for the EDI competition.] EDI funds are used for an economic development project that increases economic opportunity for low- and moderate-income persons or that stimulates or retains businesses or jobs or that would otherwise lead to economic revitalization. EDI funds must be used to enhance the security or to improve the viability of a project financed with a new Section 108 guaranteed loan commitment.

Brownfields Economic Development Initiative (BEDI): 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 for an economic development project that increases economic opportunity for low- and moderate-income persons or that stimulates or retains businesses or jobs or that would otherwise lead to economic revitalization. BEDI funds must be used to enhance the security or to improve the viability of a project financed with a new Section 108 guaranteed loan commitment.

C. Application Kit Details

Due to the similarity of the EDI and BEDI application requirements, the instructions for applying for funding are presented together. Please note that the only difference between the EDI and BEDI application requirements is the type of information required in response to the Rating Factors. Section III.F. of this application kit highlights these differences.

D. Application Deadlines

Please note that there are different deadlines for the EDI and BEDI funding:

EDI applications are due July 30, 1998.

BEDI applications are due August 10, 1998.

Applications must be submitted complete, and on-time. Applications received after the deadline will be ineligible for consideration.

E. Address For Submitting Applications

To HUD Headquarters The completed application (an original and one copy) must be submitted by mail or hand delivery 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 or BEDI grant (whichever is applicable)

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 or BEDI (whichever is applicable)** and include your name, mailing address (including zip code) and telephone number (including area code).

F. 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 ~~800-877-8339~~.

See the General Section of the April 30, 1998, 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.

II. EDI AND BEDI PROGRAM OVERVIEWS

A. *Background*

HUD has multiple programs to stimulate and promote economic and community development activities including activities to address and remedy brownfield site conditions and foster redevelopment of those sites. 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 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.

B. *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.

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.

Possible CDBG Risk Reduction Pool Demonstration 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 the April 30, 1998 SuperNOFA. In this event, HUD will publish a supplementary notice to the EDI program section of the 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.

C. *BEDI Program*

For FY 1998, the Congress made a specific appropriation of \$25 million for the BEDI grant program to assist in financing "brownfields" redevelopment. HUD intends the \$25 million in BEDI funding 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 either perceived or actual environmental conditions are known 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).

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.

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.)

D. *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/BEDI funding that enhance the viability of projects will help ensure that the project based asset(s) will satisfy the additional collateral requirements.

E. *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/BEDI 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** The use of EDI/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 overcollateralization of the Section 108 loan.

Example: Creation of a loan pool funded with Section 108 and EDI/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.

- (c) **Direct Enhancement of the Security of the Section 108 Loan** The EDI/BEDI grant can be used to cover the cost of providing credit enhancements.

Example: EDI/BEDI grant funds could be used 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** 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/BEDI grant can be used to make Section 108 financing affordable.

Example: EDI/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.

- (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.

For BEDI specifically:

- (f) **Land Writedowns** Local governments may use a combination of Section 108 and BEDI funds to acquire a brownfield site for purposes of conveying 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.
- (g) **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.

F. Amount Allocated, Eligible Applicants, Eligible Activities & National Objectives, Limitations, Etc.

	EDI	BEDI
Amount Allocated	\$38 million (approximately) (possible \$10 million set-aside for CDBG Risk Reduction Pool demonstration)	\$25 million (approximately)
Eligible Applicants	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.	
Related Section 108 Application	Each EDI/BEDI application must be accompanied by a request for new Section 108 loan guarantee assistance. Both the EDI/BEDI and Section 108 funds must be used in conjunction with the same economic development project. See Section III.E. of this application kit.	
Eligible Activities and National Objectives	<p>Activities listed at 24 CFR 570.703, provided such activities are carried out as part of an economic development project. Each activity assisted with Section 108 loan guarantee or EDI/BEDI 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/BEDI) funds provided pursuant to the April 30, 1998, 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 CRR 570.484 in the case of State grantees.</p> <p>In addition, eligible activities may also include:</p> <ul style="list-style-type: none"> • 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 • 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. 	
Limitations on the Use of Grant Funds and Section 108 Funds	<ul style="list-style-type: none"> • EDI grants shall not be used as a resource to immediately repay the principal of a loan guaranteed under Section 108. • 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. 	<ul style="list-style-type: none"> • BEDI grants may not be used as a resource to immediately repay the principal of a loan guaranteed under Section 108. • 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.

	<u>EDI</u>	<u>BEDI</u>
Limitations on the Use of Grant Funds and Section 108 Funds (cont.)		<ul style="list-style-type: none"> 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. Applicants may not propose projects 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.
Limitations on Grant Amounts	<ul style="list-style-type: none"> Minimum EDI to 108 ratio: 1:1 Average grant size: approximately \$1 million 	
Timing of Grant Awards	<p>(1) To the extent a full Section 108 application is submitted with the EDI/BEDI grant application, the Section 108 application will be evaluated concurrently with the request for EDI/BEDI grant funds. Note that EDI/BEDI grant assistance cannot be used to support a Section 108 loan guarantee approved prior to April 30, 1998 (the date of the publication of this SuperNOFA). However, the EDI/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.</p> <p>(2) HUD notification to the grantee of the amount and conditions (if any) of EDI/BEDI funds awarded based upon review of the EDI/BEDI application shall constitute an obligation of grant funds, subject to compliance with the conditions of award and execution of a grant agreement. EDI/BEDI funds shall not be disbursed to the public entity before the issuance of the related Section 108 guaranteed obligations.</p>	

III. APPLICATION REQUIREMENTS

A. *Transmittal Letter*

Prepare a brief letter stating the applicant's intention to apply for the EDI/BEDI grant and signed by the Chief Executive or other authorized official. The transmittal letter should indicate the applicant unit of local government, the amount of the grant requested and the amount of the Section 108 loan guarantee requested. Also include the name and telephone number of the individual to contact for further information pertaining to the application.

B. *Checklist and Submission Table of Contents*

The first page of the Checklist, Forms and Certifications section of this application kit is a Checklist and Submission Table of Contents. This form serves three purposes:

1. It gives you a quick reference for the required elements of the application.
2. It serves as a check to ensure that you have included all the required elements.
3. It serves as the Table of Contents for the application.

C. *Narrative Statement*

The Narrative Statement should describe the activities that will be carried out with the EDI/BEDI grant funds and explain how the use of the grant funds meets the rating factor identified below. **BEDI applicants should also explain the nature and extent of the Brownfield's problems(s) affecting the project.** The description of activities should include a statement of how the proposed use of the EDI/BEDI funds will meet the national objectives 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. **The narrative statement should not exceed three (3) 8.5" by 11" pages. Narrative statements must be printed in 12 point type/font, and have sequentially numbered pages.**

D. *EDI/BEDI/Section 108/CDBG Funding Eligibility Statement*

The purpose of the EDI/BEDI/Section 108/CDBG Funding Eligibility Statement is to clearly identify the proposed uses (eligible Section 108 activities) and proposed amounts of the Section 108, CDBG, and EDI or BEDI funding. The applicant is also asked to provide job creation information and, if proposing economic development activities eligible under 24 CFR 570.703(i), to indicate how it intends to meet the public benefit standard as required by 24 CFR 570.209.

E. *Request for Section 108 Loan Guarantee Assistance*

Each EDI/BEDI application must be accompanied by a request for new Section 108 loan guarantee assistance. Both the EDI/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) to 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/BEDI selection (EDI/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;

- (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 -- April 30, 1998), except in conjunction with a previous EDI award); or
- (d) A request for a Section 108 loan guarantee amendment (analogous to (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** April 30, 1998 (the date of this SuperNOFA) is not eligible to be used in conjunction with a EDI/BEDI grant under this SuperNOFA.

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/BEDI award under this SuperNOFA. For example, if a community has a previously approved Section 108 loan guarantee commitment of \$12 million, even if none of the funds have been utilized, or if the community 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 community'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.

F. Rating Factors

The following pages describe the five rating factors to be used in evaluating the EDI and BEDI applications. Please note that the information presented here combines the rating factors for both programs in one overall listing.

Any differences between the EDI and BEDI programs with respect to the information requested will be indicated by boldface type. In particular, BEDI applicants should note that Rating Factors 1, 3, & 5 require additional information of BEDI applicants.

As is the case with the narrative statement, narrative responses to the five rating factors must be printed in 12 point type/font, and have sequentially numbered pages.

The maximum number of points available is 102. The table below indicates the maximum number of points available for each of the rating factors.

<u>Rating Factor</u>		<u>Maximum Points</u>
1	Capacity of the Applicant and Relevant Organizational Experience	15
2	Distress/Extent of the Problem	15
3	Soundness of Approach	25
4	Leveraging Resources/Financial Need <ul style="list-style-type: none"> • Leverage of Section 108 funds • Financial feasibility • Leverage of other financial resources 	20 10 5
5	Comprehensiveness and Coordination	10
	Empowerment Zone/Enterprise Community Bonus Points BEDI applicants only: -OR- Brownfields Showcase Community Bonus Points	2
TOTAL		102

Rating Factor 1: Capacity of the Applicant and Relevant Organizational Experience

15 points
3 page maximum

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 (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/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 EDI/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) **BEDI applicants only:** 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 the 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

3 page maximum

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.

Please Note: Applicants have the option of including the Distress/Extent of Problem form included in the Checklist, Forms and Certifications section of this application kit (or a similar table developed by the applicant) as one of the three pages allowed in response to this rating factor. Such a table is recommended, but not required.

Rating Factor 3: Soundness of Approach

25 points

3 page maximum

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/BEDI funds and Section 108 loan funds, including the extent to which the applicant's proposed plan for the effective use of EDI/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. **EDI applicants should also discuss 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) **BEDI applicants only:** 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) **BEDI applicants only:** 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 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.
- (6) 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/BEDI/section 108 funds to hire and train welfare recipients.
- (7) 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/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 each subfactor listed below

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/BEDI grant funds. This factor has three subfactors, each with its own maximum point total:

(1) **Leverage of Section 108 funds**

20 points

1 page maximum

The minimum ratio of Section 108 funds to EDI/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 EDI/BEDI grant to leverage more Section 108 commitments will receive more points under this subfactor.

(2) **Financial feasibility**

10 points

5 page maximum

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 five (5) page narrative limit) as well as justifications for project costs See the Checklist, Forms & Certifications section of this application kit for the Source & Use Statement
- (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/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

1 page maximum 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/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 EDI/BEDI/108 project, subject to approval of the EDI/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

2 page maximum

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) ***BEDI applicants only:*** 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.

G. Application Forms and Certifications

Both the EDI and BEDI competitions require the same forms and certifications. If you are applying for funding through both of these programs, you may photocopy the completed and executed forms and certifications for the first application and include them in the second application. The exceptions to this are the Standard Form for Application for Federal Assistance (SF-424), the EDI/BEDI/Section 108/CDBG Funding Eligibility Statement, and the Rating Factor 4: Sources & Uses Statement. Each of these three forms require project specific information and, therefore, need to be filled out for each project individually.

The following is the list of forms and certifications that should be submitted:

- Checklist and Submission Table of Contents
- EDI/BEDI/Section 108 Funding Eligibility Statement
- Rating Factor 2: Distress/Extent of Problem (optional)
- Rating Factor 4: Sources & Uses Statement
- Standard Form for Application for Federal Assistance (SF-424)
- Certification for a Drug-Free Workplace (HUD-50070)
- Certification of Payments to Influence Federal Transactions (HUD-50071)
- Disclosure of Lobbying Activities (SF-LLL)
- Applicant/Recipient Disclosure/Update Report (HUD-2880)
- Applicant Nondiscrimination Certifications
- Certification Regarding Debarment & Suspension (HUD-2992)
- Certification of Consistency with EZ/EC Strategic Plan (if applicable)
- Acknowledgment of Application Receipt

H. Appendices

The only attachments you may submit are written agreements or signed letters of understanding in support of Rating Factor 1 and funding commitment letters in support of Rating Factor 4.

I. Acknowledgment of Receipt

Provided in the back of the Checklist, Forms and Certifications section of this application kit is an Acknowledgment of Receipt form that will be used by HUD to confirm that your application has been received. Please include this form as the last page in your application.

IV. CHECKLIST, FORMS AND CERTIFICATIONS

- A. *Checklist and Submission Table of Contents***
- B. *EDI/BEDI/Section 108 Funding Eligibility Statement***
- C. *Rating Factor 2: Distress/Extent of Problem (optional)***
- D. *Rating Factor 4: Sources & Uses Statement***
- E. *Standard Form for Application for Federal Assistance (SF-424)***
- F. *Certification for a Drug-Free Workplace (HUD-50070)***
- G. *Certification of Payments to Influence Federal Transactions (HUD 50071)***
- H. *Disclosure of Lobbying Activities (SF-LLL)***
- I. *Applicant/Recipient Disclosure/Update Report (HUD-2880)***
- J. *Applicant Nondiscrimination Certifications***
- K. *Certification Regarding Debarment & Suspension (HUD-2992)***
- L. *Certification of Consistency with EZ/EC Strategic Plan (if applicable)***
- M. *Acknowledgment of Application Receipt***

CHECKLIST AND SUBMISSION TABLE OF CONTENTS

The following checklist helps you to ensure that all of the required items have been submitted in order to receive consideration for funding. The applicant should assemble the application package in the order shown below, check off each item included in its submission package and note the corresponding page number where the response is located.

Check Off	Page Number
<input type="checkbox"/> Transmittal Letter	cover page
<input type="checkbox"/> Checklist and Submission Table of Contents	p. 1
<input type="checkbox"/> Applicant Narrative Statement	p. _____
<input type="checkbox"/> EDI/BEDI/108/CDBG Funding Eligibility Statement	p. _____
<input type="checkbox"/> <u>Request for Loan Guarantee Assistance</u> (check off one of the four options)	p. _____
<input type="checkbox"/> Formal application	
<input type="checkbox"/> Brief description; formal application to be submitted in 60 days	
<input type="checkbox"/> Copy of Section 108 loan guarantee approval document	
<input type="checkbox"/> Request for Section 108 loan guarantee amendment to increase previously approved amount	
<u>Response to Rating Factors</u>	
<input type="checkbox"/> #1 Capacity of the Applicant and Relevant Organizational Experience	p. _____
<input type="checkbox"/> #2 Distress/Extent of the Problem	p. _____
<input type="checkbox"/> Distress/Extent of the Problem form (optional)	p. _____
<input type="checkbox"/> #3 Soundness of Approach	p. _____
<input type="checkbox"/> #4 Leveraging Resources/Financial Need	p. _____
<input type="checkbox"/> Source & Use Statement	p. _____
<input type="checkbox"/> #5 Comprehensiveness and Coordination	p. _____
<u>Application Forms and Certifications</u>	
<input type="checkbox"/> Standard Form for Application for Federal Assistance (SF-424)	p. _____
<input type="checkbox"/> Drug-Free Workplace Certification (HUD-50070)	p. _____
<input type="checkbox"/> Certification and Disclosure Form Regarding Lobbying (SF-LLL)	p. _____
<input type="checkbox"/> Applicant/Recipient Disclosure Update Report (HUD-2880)	p. _____
<input type="checkbox"/> Applicant Certifications	p. _____
<input type="checkbox"/> Certification Regarding Debarment & Suspension (HUD-2992)	p. _____
<input type="checkbox"/> Certification of Consistency with EZ/EC Strategic Plan	p. _____
<u>Appendices</u>	
<input type="checkbox"/> Written Agreements or Signed Letters of Understanding - Rating Factor 1	p. _____
<input type="checkbox"/> Third Party Funding Commitment Letters - Rating Factor 4, subfactor 2	p. _____
<input type="checkbox"/> Acknowledgment of Application Receipt	last page

EDI/BEDI/SECTION 108/CDBG FUNDING ELIGIBILITY STATEMENT

Applicant: _____

Project Name/Title: _____

Instructions: Fill in the dollar amount for the Section 108 eligible activity and the corresponding EDI or BEDI, Section 108, and CDBG source.

Eligible Activities ^{1/}	EDI or BEDI	Section 108	CDBG ^{2/}	Total
Acquisition of Real Property 24 CFR 570.703(a)				
Rehabilitation of Publicly Owned Real Property 24 CFR 570.703(b)				
Payment of Interest 24 CFR 570.703(c)				
Relocation Payments 24 CFR 570.703(d)				
Clearance, Demolition, Removal 24 CFR 570.703(e)				
Site Preparation 24 CFR 570.703(f)				
Payment of Issuance Fees 24 CFR 570.703(g)				
Housing Rehabilitation 24 CFR 570.703(h)				
* Economic Development Activities 24 CFR 570.703(i) (and 570.203/.204)				
Construction of Housing 24 CFR 570.703(j)				
Debt Service Reserve 24 CFR 570.703(k)				
Public Facilities 24 CFR 570.703(l)				
Public Facilities - Colonias 24 CFR 570.703(m)				
Subtotal				
Costs Paid with Non CDBG-Related Funds				
Total Project Costs ^{3/}				

Public Benefit: Projects with eligible economic development activities under 24 CFR 570.703(i) (see line indicated with an asterisk above) are subject to the public benefit standards under 24 CFR 570.209.

A. If this project will meet the public benefit standard based upon the number of jobs to be created [see 570.209(b)(3)(i)(A)], enter the total number of jobs:

B. If this project will meet the public benefit standard based upon the number of low- and moderate-income persons served in the project area [see 570.209(b)(3)(i)(B)], enter the number of low- and moderate-income persons living in the project area:

^{1/} These are abbreviated descriptions of the eligible Section 108 activities defined at 24 CFR 570.703.

^{2/} CDBG grants and program income other than EDI, BEDI or Section 108.

^{3/} This figure should match the total provided on the Sources & Uses Statement.

RATING FACTOR 2: DISTRESS/EXTENT OF PROBLEM
(optional form)

Applicant: _____

Project Name/Title: _____

Instructions: The applicant may choose which indicators of distress/extent of problem to highlight. List the selected indicators in the first column, then insert the corresponding figure under the target area and jurisdiction columns. A date and source for each indicator should also be listed.

	<u>Indicator</u>	<u>Target/Project Area</u>	(Name of Jurisdiction:) _____
1	Poverty Rate	_____	_____
2	_____	_____	_____
3	_____	_____	_____
4	_____	_____	_____
5	_____	_____	_____
6	_____	_____	_____
7	_____	_____	_____
8	_____	_____	_____

Definitions: Describe how the areas are defined (i.e., city boundaries, census tracts, zip codes, etc.)

Target/Project Area: _____

Jurisdiction: _____

Data Sources: Briefly document the source and date of the data used to document each indicator in the table above. Use of the applicant's Consolidated Plan and/or its Analysis of Impediments to Fair Housing choice (AI) is encouraged.

- 1 _____
- 2 _____
- 3 _____
- 4 _____
- 5 _____
- 6 _____
- 7 _____
- 8 _____

**RATING FACTOR 4: LEVERAGING RESOURCES/FINANCIAL NEED
SOURCES & USES STATEMENT**

Applicant: _____

Project Name/Title: _____

<u>Sources</u>		<u>Uses</u>	
	<u>Amount</u>		<u>Amount</u>
Federal		Acquisition of Real Property	
EDI or BEDI (circle one)		Construction/Rehab	
Section 108		(excl. infrastructure & remediation)	
CDBG		Infrastructure	
		Remediation	
		M&E	
		Working Capital	
State/Local		Creation of Loan Fund for	
		ED Activities	
		Project Delivery Costs	
		Contingency	
		Loan Loss Reserve	
		Land Writedown	
		Interest Rate Writedown	
Private (include debt financing)		Credit Enhancements	
Equity			
TOTAL:		TOTAL:	

Instructions: Fill in the dollar amounts corresponding to each project source in the **Amount** column on the left half of the table. Sources of funding not listed should be added under the relevant category (Federal, State/Local, Private). For each of the project uses (on the right half of the table), fill in the dollar amount to be spent in the **Amount** column. Add additional uses in the blank lines at the bottom of the **Uses** column.

Application for Federal Assistance

OMB Approval No. 0348-0043

1. Type of Submission: Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	2. Date Submitted	Applicant Identifier
	3. Date Received by State	State Application Identifier
	4. Date Received by Federal Agency	Federal Identifier

5. Applicant Information

Legal Name	Organizational Unit
Address (give city, county, State, and zip code): matters	Name, telephone number, and facsimile number of the person to be contacted on involving this application (give area codes)

6. Employer Identification Number (EIN):

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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7. Type of Applicant: (enter appropriate letter in box)

A. State	J. Private University
B. County	K. Indian Tribe
C. Municipal	L. Individual
D. Township	M. Profit Organization
E. Interstate	N. Nonprofit
F. Intermunicipal	O. Public Housing Agency
G. Special District	P. Other (Specify):
H. Independent School Dist.	
I. State Controlled Institution of Higher Learning	

8. Type of Application:

New Continuation Revision

If Revision, enter appropriate letter(s) in box(es):

A. Increase Award B. Decrease Award C. Increase Duration
D. Decrease Duration Other (specify):

9. Name of Federal Agency:
U.S. Department of Housing and Urban Development

10. Catalog of Federal Domestic Assistance Number:

Title:

11. Descriptive Title of Applicant's Project:

12. Areas Affected by Project (cities, counties, States, etc.):

13. Proposed Project:		14. Congressional Districts of:	
Start Date	Ending Date	a. Applicant	b. Project

15. Estimated Funding:

See attached Funding Matrix

16. Is Application Subject to Review by State Executive Order 12372 Process?

a. **Yes** This pre-application/application was made available to the State Executive Order 12372 Process for review on:
Date: _____

b. **No** Program is not covered by E.O. 12372
or Program has not been selected by State for review.

17. Is the Applicant Delinquent on Any Federal Debt?
 Yes If "Yes," explain below or attach an explanation No

18. To the best of my knowledge and belief, all data in this application/pre-application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.

a. Typed Name of Authorized Representative	b. Title	c. Telephone Number
d. Signature of Authorized Representative		e. Date Signed

Instructions for the SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency .

This is a standard form used by applicants as a required facesheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

Item	Entry	Item	Entry
1.	Self-explanatory.	9.	Name of Federal agency from which assistance is being requested with this application.
2.	Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable).	10.	Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested.
3.	State use only (if applicable).	11.	Enter a brief descriptive title of the project.
4.	If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank.	12.	List only the largest political entities affected (e.g., State, counties, cities).
5.	Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application.	13.	Self-explanatory.
6.	Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service.	14.	List the applicant's Congressional District and any District(s) affected by the program or project.
7.	Enter the appropriate letter in the space provided.	15.	Not applicable.
8.	Check appropriate box and enter appropriate letter(s) in the space(s) provided: <ul style="list-style-type: none">– "New" means a new assistance award.– "Continuation" means an extension for an additional funding budget period for a project with a projected completion date.– "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation.	16.	Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process
		17.	This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes.
		18.	To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)

Application for Federal Assistance Funding Matrix

The applicant must provide a funding matrix as shown below listing each program for which Federal funding is being requested.

Program*	Requested Dollar Amount	Federal Share	State Share	Local	Other

* For FHIPs, show both initiative and component

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Program/Activity Receiving Federal Grant Funding:

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official:

Title:

Signature:

Date:

X

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties.
(18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official:

Title:

Signature:

Date:

X

Disclosure of Lobbying Activities

Approved by OMB 0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse side for Instructions.)

Public Reporting Burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Please do not return your completed form to the Office of Management and Budget; send it to the address provided by the sponsoring agency .

1. Type of Federal Action: <input type="checkbox"/> a. contract <input type="checkbox"/> b. grant c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance	2. Status of Federal Action: <input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award	3. Report Type: <input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change For Material Change Only: year _____ quarter _____ date of last report _____
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4. Name and Address of Reporting Entity: <input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known: Congressional District, if known:	5. If Reporting Entity in No. 4 is Subawardee, enter Name and Address of Prime: Congressional District, if known:
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6. Federal Department/Agency:	7. Federal Program Name/Description: CFDA Number, if applicable: _____
--------------------------------------	---

8. Federal Action Number, if known:	9. Award Amount, if known: \$ _____
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10a. Name and Address of Lobbying Registrant (if individual, last name, first name, MI):	b. Individuals Performing Services (including address if different from No. 10a.) (last name, first name, MI):
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11. Information requested through this form is authorized by Sec.319, Pub. L. 101-121, 103 Stat. 750, as amended by sec. 10; Pub. L. 104-65, Stat. 700 (31 U.S.C. 1352). This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semiannually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.	Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
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Instructions for Completion of SF-LLL, Disclosure of Lobbying Activities

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or any employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a followup report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.

7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Part IV. Interested Parties

Alphabetical list of all persons with a reportable financial interest in the project or activity (for individuals, give the last name first)	Social Security Number or Employee ID Number	Type of Participation in Project/Activity	Financial Interest in Project/Activity (\$ and %)

If there are no persons with a reportable financial interest, you must certify that this information is true.

I hereby certify that this information is true. (Signature) _____ Date _____

Part V. Report on Expected Sources and Uses of Funds

Source

If there are no sources of funds, you must certify that this information is true.

I hereby certify that this information is true. (Signature) _____ Date _____

Use

If there are no uses of funds, you must certify that this information is true.

I hereby certify that this information is true. (Signature) _____ Date _____

Certification

Warning: If you knowingly make a false statement on this form, you may be subject to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, any person who knowingly and materially violates any required disclosure of information, including intentional non-disclosure, is subject to civil money penalty not to exceed \$10,000 for each violation.

I certify that this information is true and complete.

Signature	Date
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Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is optional. The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, 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. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §12.34.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions (See Note 1 on last page.)

I. Overview. Subpart C of 24 CFR Part 12 provides for (1) initial reports from applicants for HUD assistance and (2) update reports from recipients of HUD assistance. An overview of these requirements follows.

A. Applicant disclosure (initial) reports: General. All applicants for assistance from HUD for a specific project or activity must make a number of disclosures, if the applicant meets a dollar threshold for the receipt of covered assistance during the fiscal year in which the application is submitted. The applicant must also make the disclosures if it requests assistance from HUD for a specific housing project that involves assistance from other governmental sources. Applicants subject to Subpart C must make the following disclosures:

- Assistance from other government sources in connection with the project,
- The financial interests of persons in the project,
- The sources of funds to be made available for the project, and
- The uses to which the funds are to be put.

B. Update reports: General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

C. Applicant disclosure reports: Specific guidance. The applicant must complete all parts of this disclosure form if **either** of the following **two** circumstances in paragraph 1. or 2., below, applies:

1.a. Nature of Assistance. The applicant submits an application for assistance for a specific project or activity (See Note 2) in which:

HUD makes assistance available to a recipient for a specific project or activity; or

HUD makes assistance available to an entity (other than a State or a unit of general local government), such as a public housing agency (PHA), for a specific project or activity, where the application is required by statute or regulation to be submitted to HUD for any purpose; **and**

b. Dollar Threshold. The applicant has received, or can reasonably expect to receive, an aggregate amount of all forms of assistance (See Note 3) from HUD, States, and units of general local government, in excess of \$200,000 during the Federal fiscal year (October 1 through September 30) in which the application is submitted. (See Note 4)

2. The applicant submits an application for assistance for a specific housing project that involves other government assistance. (See Note 5) **Note:** There is no dollar threshold for this criterion: **any** other government assistance triggers the requirement. (See Note 6)

If the Application meets **neither** of these two criteria, the applicant need only complete Parts I and II of this report, as well as the certification at the end of the report. If the Application meets **either** of these criteria, the applicant must complete the entire report.

The applicant disclosure report must be submitted with the application for the assistance involved.

D. Update reports: Specific guidance. During the period in which an application for covered assistance is pending, or in which the assistance is being provided (as indicated in the relevant grant or other agreement), the applicant must make the following additional disclosures:

1. Any information that should have been disclosed in connection with the application, but that was omitted.
2. Any information that would have been subject to disclosure in connection with the application, but that arose at a later time, including information concerning an interested party that now meets the applicable disclosure threshold referred to in Part IV, below.
3. For changes in previously disclosed other government assistance:

For programs administered by the Assistant Secretary for Community Planning and Development, any change in other government assistance that exceeds the amount of such assistance that was previously disclosed by \$250,000 or by 10 percent of the assistance (whichever is lower).

For all other programs, any change in other government assistance that exceeds the amount of such assistance that was previously disclosed.

4. For changes in previously disclosed financial interests, any change in the amount of the financial interest of a person that exceeds the amount of the previously disclosed interests by \$50,000 or by 10 percent of such interests (whichever is lower).

5. For changes in previously disclosed sources or uses of funds:

a. For programs administered by the Assistant Secretary for Community Planning and Development:

Any change in a source of funds that exceeds the amount of all previously disclosed sources of funds by \$250,000 or by 10 percent of those sources (whichever is lower); and

Any change in a use of funds under paragraph (b)(1)(iii) that exceeds the amount of all previously disclosed uses of funds by \$250,000 or by 10 percent of those uses (whichever is lower).

b. For all programs, other than those administered by the Assistant Secretary for Community Planning and Development:

For projects receiving a tax credit under Federal, State, or local law, any change in a source of funds that was previously disclosed.

For all other projects, any change in a source of funds that exceeds the lower of:

The amount previously disclosed for that source of funds by \$250,000, or by 10 percent of the amount previously disclosed for that source, whichever is lower; or

The amount previously disclosed for all sources of funds by \$250,000, or by 10 percent of the amount previously disclosed for all sources of funds, whichever is lower.

c. For all programs, other than those administered by the Assistant Secretary for Community Planning and Development:

For projects receiving a tax credit under Federal, State, or local law, any change in a use of funds that was previously disclosed.

For all other projects, any change in a use of funds that exceeds the lower of:

The amount previously disclosed for that use of funds by \$250,000, or by 10 percent of the amount previously disclosed for that use, whichever is lower; or

The amount previously disclosed for all uses of funds by \$250,000, or by 10 percent of the amount previously disclosed for all uses of funds, whichever is lower.

Note: Update reports must be submitted within 30 days of the change requiring the update. The requirement to provide update reports only applies if the application for the underlying assistance was submitted on or after the effective date of Subpart C.

II. Line-by-Line Instructions.

A. Part I. Applicant/Recipient Information.

All applicants for HUD assistance specified in Section I.C.1.a., above, as well as all recipients required to submit an update report under Section I.D., above, must complete the information required by Part I. The applicant/recipient must indicate whether the disclosure is an initial or an update report. Line-by-line guidance for Part I follows:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.

2. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

3. Applicants describe the HUD assistance referred to in Section I.C.1.a. that is being requested. Recipients describe the HUD assistance to which the update report relates.

4. Applicants enter the HUD program name under which the assistance is being requested. Recipients enter the HUD program name under which the assistance, that relates to the update report, was provided.

5. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.

Note: In the case of Mortgage Insurance under 24 CFR Subtitle B, Chapter II, the mortgagor is responsible for making the applicant disclosures, and the mortgagee is responsible for furnishing the mortgagor's disclosures to the Department. Update reports must be submitted directly to HUD by the mortgagor.

Note: In the case of the Project-Based Certificate program under 24 CFR Part 882, Subpart G, the owner is responsible for making the applicant disclosures, and the PHA is responsible for furnishing the owner's disclosures to HUD. Update reports must be submitted through the PHA by the owner.

B. Part II. Threshold Determinations — Applicants Only

Part II contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

1. The first question asks whether the applicant meets the Nature of Assistance and Dollar Threshold requirements set forth in Section I.C.1. above.

If the answer is Yes, the applicant must complete the remainder of the form. If the answer is No, the form asks the applicant to certify that its response is correct, and to complete the next question.

2. The second question asks whether the application is for a specific housing project that involves other government assistance, as described in Section I.C.2. above.

If the answer is Yes, the applicant must complete the remainder of the form. If the answer is No, the form asks the applicant to certify that its response is correct.

If the answer to both questions 1 and 2 is No, the applicant need not complete Parts III, IV, or V of the report, but must sign the certification at the end of the form.

C. Part III. Other Government Assistance.

This Part is to be completed by both applicants filing applicant disclosure reports and recipients filing update reports. Applicants must report any other government assistance involved in the project or activity for which assistance is sought. Recipients must report any other government assistance involved in the project or activity, to the extent required under Section I.D.1., 2., or 3., above.

Other government assistance is defined in note 5 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available. Include at least one organizational level below the agency name. For example, U.S. Department of Transportation, U.S. Coast Guard; Department of Safety, Highway Patrol.
2. Enter the program name and any relevant identifying numbers, or other means of identification, for the other government assistance.
3. State the type of other government assistance (e.g., loan, grant, loan insurance).
4. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).

If the applicant has no other government assistance to disclose, it must certify that this assertion is correct.

To avoid duplication, if there is other government assistance under this Part and Part V, the applicant/recipient should check the appropriate box in this Part and list the information in Part V, clearly designating which sources are other government assistance.

D. Part IV. Interested Parties.

This Part is to be completed by both applicants filing applicant disclosure reports and recipients filing update reports.

Applicants must provide information on:

- (1) All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
- (2) any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Recipients must make the additional disclosures referred to in Section I.D.1.,2., or 4, above.

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses of all persons referred to in paragraph (1) or (2) of this Part. If the person is an entity, the listing must include the full name of each officer, director, and principal stockholder of the entity. All names must be listed alphabetically, and the names of individuals must be shown with their last names first.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

If the applicant has no persons with financial interests to disclose, it must certify that this assertion is correct.

5. Part V. Report on Sources and Uses of Funds. This Part is to be completed by both applicants filing applicant disclosure reports and recipients filing update reports.

The applicant disclosure report must specify all expected sources of funds — both from HUD and from any other source — that have been, or are to be, made available for the project or activity. Non-HUD sources of funds typically include (but are not limited to) other government assistance referred to in Part III, equity, and amounts from foundations and private contributions. The report must also specify all expected uses to which funds are to be put. All sources and uses of funds must be listed, if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the source or use will be forthcoming.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

General Instructions — sources of funds

Each reportable source of funds must indicate:

- a. The name and address, city, State, and zip code of the individual or entity making the assistance available. At least one organizational level below the agency name should be included. For example, U.S. Department of Transportation, U.S. Coast Guard; Department of Safety, Highway Patrol.
- b. The program name and any relevant identifying numbers, or other means of identification, for the assistance.
- c. The type of assistance (e.g., loan, grant, loan insurance).

Specific instructions — sources of funds.

(1) For programs administered by the Assistant Secretaries for Fair Housing and Equal Opportunity and Policy Development and Research, each source of funds must indicate the total amount of approved, and received; and must be listed in descending order according to the amount indicated.

(2) For programs administered by the Assistant Secretaries for Housing-Federal Housing Commissioner, Community Planning and Development, and Public and Indian Housing, each source of funds must indicate the total amount of funds involved, and must be listed in descending order according to the amount indicated.

(3) If Tax Credits are involved, the report must indicate all syndication proceeds and equity involved.

General instructions—uses of funds.

Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as “total structure” to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

Specific instructions -- uses of funds.

(1) For programs administered by the Assistant Secretaries for Fair Housing and Equal Opportunity and Policy Development and Research, each use of funds must indicate the total amount of funds involved; must be broken down by amount committed, budgeted, and planned; and must be listed in descending order according to the amount indicated.

(ii) For programs administered by the Assistant Secretaries for Housing-Federal Housing Commissioner, Community Planning and Development, and Public and Indian Housing, each use of funds must indicate the total amount of funds involved and must be listed in descending order according to the amount involved.

(iii) If any program administered by the Assistant Secretary for Housing-Federal Housing Commissioner is involved, the report must indicate all uses paid from HUD sources and other sources, including syndication proceeds. Uses paid should include the following amounts.

AMPO
Architect's fee — design
Architect's fee — supervision
Bond premium
Builder's general overhead
Builder's profit
Construction interest
Consultant fee
Contingency Reserve
Cost certification audit fee
FHA examination fee
FHA inspection fee
FHA MIP
Financing fee
FNMA / GNMA fee
General requirements
Insurance
Legal — construction
Legal — organization
Other fees
Purchase price
Supplemental management fund
Taxes
Title and recording
Operating deficit reserve
Resident initiative fund
Syndication expenses
Working capital reserve
Total land improvement
Total structures

Uses paid from syndication must include the following amounts:

Additional acquisition price and expenses
Bridge loan interest
Development fee
Operating deficit reserve
Resident initiative fund
Syndication expenses
Working capital reserve

Footnotes:

1. All citations are to 24 CFR Part 12, which was published in the Federal Register on March 14, 1991 at 56 Fed. Reg. 11032.
2. A list of the covered assistance programs can be found at 24 CFR §12.30, or in the rules or administrative instructions governing the program involved. Note: The list of covered programs will be updated periodically.
3. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Federal Acquisition Regulation (FAR) (48 CFR Chapter 1).
4. See 24 CFR §§12.32 (a)(2) and (3) for detailed guidance on how the threshold is calculated.
5. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
6. For further guidance on this criterion, and for a list of covered programs, see 24 CFR §12.50.
7. For purposes of Part 12, a person means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

Applicant Nondiscrimination Certifications

As the duly authorized representative of the applicant, I certify that the applicant:

1. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:
 - a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and regulations pursuant thereto (24 CFR Part 1), which prohibit discrimination on the basis of race, color or national origin;
 - b) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), and implementing regulations at 24 CFR Part 8, which prohibit discrimination on the basis of handicap;
 - c) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), and implementing regulations at 24 CFR Part 146, which prohibit discrimination on the basis of age; and,
 - d) the requirements of any other nondiscrimination statute(s) which may apply to the application.
2. Will comply with the Fair Housing Act of (42 U.S.C. 3601-19), as amended, and with implementing regulations at 24 CFR Part 100 et seq., which prohibit discrimination in housing on the basis of race, color, religion, sex, handicap, familial status or national origin, and administer its programs and activities relating to housing in a manner to affirmatively further fair housing.
3. Will comply with Section 109 of the Housing and Community Development Act of 1974, as amended, (42 U.S.C. 5301-5322), which states that no person shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Signature of Authorized Certifying Official:	Applicant:
X	
Title:	Date:

Certification Regarding Debarment and Suspension

Certification A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief that its principals;

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency;

b. Have not within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (A)

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of these regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines this eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

Certification B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (B)

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of these regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a lower covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.

Applicant		Date
Signature of Authorized Certifying Official		Title

Certification of Consistency with the EZ/EC Strategic Plan

U.S. Department of Housing
and Urban Development

I certify that the proposed activities/projects in this application are consistent with the Strategic Plan of a Federally-designated Empowerment Zone (EZ), Enterprise Community (EC), or Urban Enhanced Enterprise Community.

(Type or clearly print the following information:)

Applicant Name: _____

Name of the Federal
Program to which the
applicant is applying: _____

Name of EZ/EC: _____

I further certify that the proposed activities/projects will be located within the EZ/EC and serves EZ/EC residents. (2 points)

Name of the
Official Authorized
to Certify the EZ/EC: _____

Title: _____

Signature: _____

Date: _____

Acknowledgment of Application Receipt

U.S. Department of Housing
and Urban Development

Type or clearly print the Applicant's name and full address in the space below.

(fold line)

Type or clearly print the following information:

Name of the Federal
Program to which the
applicant is applying: _____

To Be Completed by HUD

- HUD received your application by the deadline and will consider it for funding. In accordance with Section 103 of the Department of Housing and Urban Development Reform Act of 1989, no information will be released by HUD regarding the relative standing of any applicant until funding announcements are made. However, you may be contacted by HUD after initial screening to permit you to correct certain application deficiencies.
- HUD did not receive your application by the deadline; therefore, your application will not receive further consideration. Your application is:
- Enclosed
 - Being sent under separate cover

Processor's Name _____

Date of Receipt _____

V. PROGRAM REGULATIONS AND EXECUTIVE ORDERS REFERENCED IN THE NOFAS OR THE APPLICATION KIT

- A. *CFR Part 570, Subpart M - Section 108 Loan Guarantee Regulations***

- B. *CFR Part 570, Appendix A - Guidelines and Objectives for Evaluating Project Costs and Financial Requirements***

- C. *CFR Part 570.203 - Special Economic Development Activities***

- D. *CFR Part 570.209 - Guidelines for Evaluating and Selecting Economic Development Projects***

- E. *Environmental Justice - Executive Order 12898***

VI. APRIL 30, 1998, NOTICE OF FUNDING AVAILABILITY

- A. *General Section of the April 30, 1998, SuperNOFA***
- B. *Economic Development Initiative (EDI)***
- C. *Brownfields Economic Development Initiative (BEDI)***