

**DEPARTMENT OF HOUSING
AND URBAN DEVELOPMENT**

**SELF-HELP HOMEOWNERSHIP
OPPORTUNITY PROGRAM (SHOP)**

Billing Code 4210-32-C

Funding Availability for Self-Help Homeownership Opportunity Program (Shop)

Program Overview

Purpose of the Program. To facilitate and encourage innovative homeownership opportunities through self-help housing where the homebuyer contributes a significant amount of sweat-equity toward the construction of the new dwelling.

Available Funds. \$25,085,875 in Fiscal Year 2003 funds.

Eligible Applicants. You must be a national or regional nonprofit organization or consortium.

Application Deadline. July 3, 2003.

Match. None.

Additional Information

If you are interested in applying for funding under this program, please review carefully the General Section of this SuperNOFA and the following additional information:

I. Application Due Date, Standard Forms, Further Information, and Technical Assistance

Application Due Date. Applications for SHOP grants are due on or before July 3, 2003.

Application Submission Procedures. Applicants must follow the specific Mailing and Receipt Procedures and Proof of Timely Submission located in the General Section of this SuperNOFA.

Address for Submitting Applications. Submit one original and two copies of the application to Department of Housing and Urban Development, Office of Community Planning and Development, Processing and Control Unit, 451 Seventh Street, SW, Room 7251, Washington, DC 20410, ATTN: Self-Help Homeownership Opportunity Program (SHOP).

For Application Forms. Only national and regional nonprofit organizations and consortia are eligible to apply for SHOP funding under this NOFA. This notice contains all the information necessary for submission of your application. Consequently, there is no separate application kit. Copies of the standard forms are located in the General Section of this SuperNOFA or you may request copies by calling HUD's SuperNOFA Information Center at: 1-800-HUD-8929. If you have a hearing or speech impairment, please call the Center's TTY number at 1-800-HUD-2209. When requesting standard forms, you should refer to SHOP and provide your name and address (including zip code) and telephone number (including area code). See Section VI for application submission

requirements. You may also access the application requirements on the Internet through HUD's Web site at <http://www.hud.gov/grants>.

Further Information and Technical Assistance. You may contact Ms. Lou Thompson, Office of Affordable Housing Programs, Department of Housing and Urban Development, Room 7164, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 708-2684, ext. 4594 (this is not a toll-free number). This number can be accessed via TTY by calling the Federal Information Relay Service Operator at 1-800-877-8339.

Satellite Broadcast. HUD will hold an information broadcast via satellite for potential applicants to learn more about the program and preparation of the application. For more information about the date and time of the broadcast, you should consult the HUD Web site at <http://www.hud.gov/grants>.

II. Amount Allocated

The amount available for this program is \$25,085,875.00 in Fiscal Year 2003 Funds. Any unobligated funds from previous competitions or additional funds that may become available, as a result of deobligation or recaptures from previous awards or budget transfers, may be used in addition to the Fiscal Year 2003 appropriation to fund applications submitted in response to this NOFA.

III. Program Description; Eligible Applicants; Eligible Activities

(A) *Program Description.* SHOP funding is intended to facilitate and encourage innovative homeownership opportunities on a national geographically-diverse basis through self-help housing where the homebuyer contributes a significant amount of sweat-equity toward the construction or rehabilitation of the dwelling.

Decent, safe, and sanitary non-luxury dwellings developed under SHOP must be made available to eligible homebuyers at prices below the prevailing market prices. Eligible homebuyers are low-income individuals and families (*i.e.*, those whose annual incomes do not exceed 80 percent of the median income for the area, as established by HUD) who are unable to purchase a dwelling. Housing assisted under this Notice must involve community participation in the form of labor contributed by homebuyers and, if the program permits them, volunteers in the construction of dwellings and by other activities that involve the community in the project.

(B) *Eligible Applicants.* You must be a national or regional nonprofit public

or private organization or consortium that has the capacity and experience to provide or facilitate self-help housing homeownership opportunities. Your organization or consortium must undertake eligible SHOP activities directly and/or provide assistance to your local affiliates. Your organization or consortium must undertake eligible SHOP activities directly and/or provide assistance to your local affiliates.

"Regional" is defined for the purpose of this program to be an area such as the Southwest or Northeast that must include at least two states. The states in the region need not be contiguous and the operational boundaries of the organization need not precisely conform to state boundaries.

"Consortium" for the purposes of SHOP is defined as two or more nonprofit organizations that individually have the capacity and experience to provide or facilitate self-help housing and come together to submit a single application for SHOP funding on a national or regional basis. If you are a consortium, an agreement must be executed by all consortium members forming the consortium for the purpose of applying for and using FY 2003 SHOP funds before the application is submitted to HUD. The consortium agreement must be submitted as part of your application. All consortium members must be identified in your application. Your application must be submitted as one integrated document that demonstrates the consortium's comprehensive approach to self-help housing. However, the application must describe the program design of each consortium member if they are different from one another. One organization must be chosen as the lead entity. The lead entity must submit the application and, if selected for funding, will execute the grant agreement with HUD and assume responsibility for carrying out grant activities in compliance with all program requirements. If funded, the lead entity must enter into a separate agreement with each consortium member that incorporates the requirements of the Grant Agreement between HUD and the consortium and outlines the individual consortium member's responsibilities for compliance with SHOP.

"Affiliate" is defined for the purpose of this program to be:

(i) A local self-help housing organization which is a subordinate organization (*i.e.*, chapter, local, post, or unit) of a central organization and which is covered by the group exemption letter issued to the central organization under section 501(c)(3) of the Internal Revenue Code;

(ii) A local self-help housing organization with which the applicant has an existing relationship, *e.g.*, the applicant has provided technical assistance or funding to the local self-help housing organization; or

(iii) A local self-help housing organization with which the applicant does not have an existing relationship, but to which the applicant will provide necessary technical assistance and mentoring as part of funding under the application.

Your application may not propose to fund any affiliate or consortium member that is also included in another SHOP application. You must ensure that any affiliate or consortium member under your FY 2003 application is not also seeking funding from another SHOP applicant for FY 2003 funds. If they apply under more than one national or regional organization or consortium, they may be disqualified for any funding.

(C) *Eligible Activities.* The only eligible activities are:

(1) Land acquisition (including financing and closing costs), which may include reimbursing an organization, consortium, or affiliate, upon approval of any required environmental review, for non-grant amounts of the organization, consortium, or affiliate advanced to acquire land before completion of the review;

(2) Infrastructure improvements (installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure, including removal of environmental hazards); and

(3) Administration, planning and management development shall not exceed 20 percent of any SHOP grant. Administrative costs are the costs of general management, oversight and coordination of the SHOP grant; staff and overhead costs of the SHOP grant; costs of providing information to the public about the SHOP grant; cost of affirmatively furthering fair housing; and indirect costs (such as rent and utilities) of the grantee or affiliate in carrying out the SHOP activities. Indirect costs may only be charged to the SHOP grant under a cost allocation plan prepared in accordance with OMB Circular A-122. Funds may be used for both single-family and multifamily dwellings.

(D) *Ineligible Costs:* Costs associated with the rehabilitation, improvement, or construction of dwellings are not eligible uses of program funds.

IV. Program Requirements

In addition to the statutory, regulatory, threshold and public policy

requirements listed in Section V of the General Section of this SuperNOFA, each applicant must meet and comply with the following SHOP statutory, threshold, and other program requirements:

(A) *Threshold Requirements*

(1) You, the applicant, must be eligible to apply under SHOP (see Section III(B) of this program section of the SuperNOFA).

(2) The amount of funding you request must support no less than 30 self-help units and may not exceed an average investment of \$10,000 per unit in SHOP funding.

(3) The population you plan to serve must be eligible under SHOP. Eligible homebuyers are low-income individuals and families (*i.e.*, those whose incomes do not exceed 80 percent of the median income for the area, as established by HUD).

(4) You must demonstrate that you have successfully completed at least 30 self-help homeownership units within a national or regional area in which the homebuyers contributed a significant amount of sweat-equity, and, if your program permitted it, volunteer labor was used toward the construction of the dwellings within the 24-month period immediately preceding the publication of this SuperNOFA.

(5) Your program must require homebuyers to contribute a minimum of 200 hours of sweat equity on the construction of their own homes. This excludes the contribution of volunteer labor, except for assistance for homebuyers with disabilities.

Submission Threshold Requirements

(1) Evidence of your public or private non-profit status, such as a copy of a current Internal Revenue Service ruling that your organization is exempt from taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986. Where an IRS ruling is unavailable, you may submit a certified copy of your approved charter, articles of incorporation or bylaws demonstrating that you are established as a nonprofit organization under state law. If you are a consortium, each participant in your consortium must be a nonprofit organization. Each consortium member must submit evidence of its nonprofit status to the lead entity for inclusion in the consortium's application package.

Threshold requirements (2) through (5) require no separate submissions. In order for the application to be rated and ranked, these requirements must be addressed under the submission requirements for the rating factors listed

in Section V(D) of this program section of this SHOP NOFA below.

(B) *Statutory and Program Requirements.* This program does not have regulations. You must comply with all statutory requirements applicable to the SHOP program as cited in Section X, Authority, of this SHOP program section and program requirements cited in this program section of the SuperNOFA. Pursuant to these requirements, you must:

(1) Develop, through significant amounts of sweat-equity by each homebuyer and any additional volunteer labor, at least 30 dwelling units at an average cost of no more than \$10,000 per unit in SHOP funds for land acquisition and infrastructure improvements;

(2) Use your grant to leverage other sources of funding, including private or other public funds, to complete construction of the housing units;

(3) Develop quality dwellings that comply with local building and safety codes and standards, that will be made available to homebuyers at prices below the prevailing market price;

(4) Schedule activities to expend all grant funds awarded and substantially fulfill your obligations under your grant agreement, including timely development of the appropriate number of dwelling units. Grant funds must be expended within 24 months of the date that grant funds are first made available for drawdown under a line of credit established by HUD for the Grantee, except that grant funds provided to affiliates that develop five or more units must be expended within 36 months; and

(5) Not require a homebuyer to make an up-front financial contribution to a unit other than cash contributed for down payment or closing costs at the time of acquisition.

V. Application Selection Process

(A) *Rating.* HUD will review all applications in accordance with the Application Selection Process in Section VI of the General Section of this SuperNOFA and in this SHOP program section of the SuperNOFA. HUD will review all applications based on the threshold factors listed in Section IV of this program section. Applications that meet all threshold requirements will be rated according to the selection factors in this program section of the SuperNOFA. Applications that do not meet all threshold factors will be rejected and not rated.

(B) *Ranking and Selection Procedures.* Applications that receive a total rating of 75 points or more (without the addition of Empowerment Zones/

Enterprise Communities/Urban Enhanced Enterprise Communities/Strategic Planning Communities, or Renewal Communities [RC/EZ/ECs] bonus points) will be eligible for selection, and HUD will place them in rank order. After adding any bonus points for RC/EZ/ECs, HUD will consider rank order, funds availability, and past performance in the selection and funding of applications. HUD reserves the right to:

(1) Fund less than the amount requested by any applicant based on the applicant's rank, the applicant's past performance, and the amount of funds requested relative to the total amount of available funds; and

(2) Fund less than the full amount requested by any applicant to ensure a fair distribution of the funds and the development of housing on a national, geographically-diverse basis as required by the statute; and/or

(3) Not award funds to an applicant with significant performance problems.

HUD will not fund any portion of an application that is ineligible for funding under program statutory requirements, or which does not meet the requirements of the General Section of this SuperNOFA or the requirements in this SHOP section of the SuperNOFA. The minimum grant award shall be the amount necessary to complete at least 30 units at an average investment of not more than \$10,000 per unit or a lesser amount if lower costs are reflected in the application. If any funds remain after all selections have been made, these funds may be available for other competitions.

(C) *Applicant Debriefing.* In accordance with the requirements of Section XI(A)(4) of the General Section of this SuperNOFA, applicants requesting to be debriefed must send a written request to Ms. Lou Thompson, Office of Affordable Housing Programs, Department of Housing and Urban Development, Room 7164, 451 Seventh Street, SW, Washington, DC 20410.

(D) *Factors for Award Used to Evaluate Applications.* HUD will rate all SHOP applications that successfully complete technical processing using the Rating Factors and the Application Submission Requirements described below. The maximum number of points for this program is 102. This includes two RC/EZ/EC bonus points, as described in Section III(C)(1) of the General Section of the SuperNOFA. In evaluating applications for funding, HUD will take into account an applicant's past performance in managing funds, including accounting for funds appropriately, the timely use of funds received from HUD, meeting

performance targets for completion of activities, and the number of persons served.

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

This factor examines the extent to which you, as a single applicant or as a consortium (including individual consortium members), have the experience and organizational resources necessary to carry out the proposed activities in a timely manner.

In evaluating this factor, HUD will consider your recent and relevant experience in carrying out the activities you propose, and your administrative and fiscal management capability to administer the grant, including the ability to account for funds appropriately. All applicants, including individual consortium members, must have capacity and experience in administering or facilitating self-help housing. If you are sponsoring affiliate organizations that do not have a history of developing self-help housing, HUD will assess your organization's experience in providing technical assistance and the ability to mentor new affiliates. HUD will assess your organization's past performance based upon performance reports submitted for completion of eligible activities and the number of households/families provided housing, financial status information focusing on expediency of draws and use of funds, monitoring reports, audit reports and other information available to HUD in making its determination under this factor. If you are not a current recipient of HUD funds, you should submit any existing internal or external performance reports or other information that will assist HUD in making this determination.

Submission Requirements for Rating Factor 1

(1) (7 points) You must describe your past experience in carrying out self-help housing activities (specify the time frame when these activities occurred) that are the same as, or similar to, the activities you propose for funding, and demonstrate reasonable success in carrying out and completing those activities. You must include the average number of sweat equity hours provided per family, and volunteer labor, if your program permitted it. You may demonstrate reasonable success by showing that your previous activities were carried out as proposed consistent with the time frame you proposed for completion of all work. You must show that established benchmarks for acquiring properties and completing

housing construction were met and performance reports were submitted, as required. You must also describe any obstacles and/or delays that were encountered, and the actions taken to overcome them to successfully complete your program.

(2) (7 points) You must provide a description of your organization's or consortium's management structure. You must also describe the key staff and their roles and responsibilities for day-to-day management of your proposed SHOP program and activities within the organization or consortium if funds are awarded. If you elect to work with affiliates that do not have capacity and experience, you must state how you will provide technical assistance and mentor these organizations to develop capacity either directly or indirectly.

(3) (4 points) You must demonstrate your organization's ability to handle financial resources with adequate financial control and accounting procedures. You must describe your financial control procedures for SHOP and how they meet 24 CFR 84.21, "Standards for Financial Management Systems." You are requested to submit a copy of your most recent audit if one is required to be performed for your organization. Only an audit of the lead entity would need to be provided with an application for a consortium.

(4) (2 points) You must demonstrate your experience and ability in constructing and altering homes by describing the kinds of features that you have used to design homes in accordance with universal design or otherwise make homes accessible to the elderly or persons with disabilities. You must provide data on the number of units and the timeframe in which units were constructed and/or altered.

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

This factor examines the extent to which you identify the housing need, or problems in the areas that your proposed activities will target, and the urgency of meeting that need.

The purpose of this factor is to make sure that funding is provided where a need for funding exists. Under this factor, you must identify the need or needs in the community that your proposed SHOP activities are designed to address or, if you plan to select specific affiliates only after you receive SHOP funding, you must demonstrate how you plan to identify need prior to your selection of affiliates.

Submission Requirements for Rating Factor 2

Extent of Need

(1) (7 points) Identify the extent of need for SHOP funds in all communities or areas in which your proposed activities will be carried out or describe the specific criteria you will use to select communities or projects based on need after you have received an award under SHOP. National and regional organizations and consortia that select affiliates after grant award must submit a listing of affiliates surveyed on which they are projecting their need for SHOP funding.

Quality of Documentation

(2) The kind of information you submit to demonstrate the need or needs in the target areas may include, but is not limited to, the following:

(a) (6 points) Quality of data demonstrating:

(i) Housing market data such as information included in the local Five-Year Consolidated Plan or other data sources, such as local tax assessor databases or relevant realtor information.

(ii) Data dealing with such factors as housing density, housing affordability, housing age or deterioration, homeownership rate (especially minority) and lack of adequate infrastructure or utilities.

(b) (2 points) Quality of data demonstrating:

(i) Need for accessible homes in the area.

(ii) Evidence of housing discrimination.

(iii) Evidence from the local Analysis of Impediments to Fair Housing Choice that shows the need for this program.

Applicants will receive higher scores both for the level of need documented and for the quality of documentation.

Rating Factor 3: Soundness of Approach (40 points)

This factor examines the quality of your plan of proposed activities. In evaluating this factor HUD will consider:

(1) Your specific use of SHOP funds, the number of units and the type(s) of housing to be constructed, the use of sweat equity/volunteer labor; your established timeline for performance; your schedule for expending funds and completing construction; the proposed budget and cost effectiveness of your program; and your plans to reach all potentially-eligible homebuyers, including those with disabilities or least likely to apply.

(2) How your planned activities further the Department's FY 2003 policy

priorities noted in Section II of the General Section. You will receive one rating point for each priority your program will address and associated with performance measures. For FY 2003, HUD's policy priorities that apply to the SHOP program are:

(a) Providing increased homeownership and rental opportunities for low- and moderate-income persons, persons with disabilities, the elderly, minorities, and families with limited English proficiency.

(b) Improving our Nation's communities.

(c) Encouraging accessible design features: visitability in new construction and substantial rehabilitation and universal design.

(d) Providing full and equal access to grass-roots faith-based and other community-based organizations in HUD program implementation.

(e) Improving housing conditions for families living in the Colonias and migrant farm workers.

(f) Participation of minority serving institutions in HUD programs.

(g) Participation in Energy Star.

Submission Requirements for Factor 3

(1) (3 points) Identify all activities that you propose to fund with SHOP. You should identify the specific use of SHOP funds and the proposed number of units to be assisted with SHOP funding, the housing type(s) (single family or multifamily, or both) and the form of ownership (fee simple, condominium, cooperative, etc.) you propose to use.

(2) (4 points) Submit a construction and completion schedule that expends SHOP funds and substantially fulfills your obligations, including the completion of the appropriate number of dwelling units, within 24 months, or in the case of affiliates that develop five or more units, within 36 months, and demonstrates that remaining housing construction will be completed within a reasonable period of time. Your schedule must show the number or percentage of dwelling units that will be completed and conveyed to homebuyers at the end of the 24- and 36-month periods and the timeframe for completing any unfinished units.

(3) (4 points) Submit a timetable listing milestones against which HUD is to measure your performance progress in final selection of local affiliates if they are not specifically identified in the application, expending funds, and completing acquisition, infrastructure and housing construction activities within the schedule in Item 2 above. These milestones should be at

reasonable intervals (e.g., monthly, quarterly).

(4) (2 points) Describe how your proposed activities address the need or needs you identified under Rating Factor 2 above.

(5) (5 points) Provide a detailed budget with a break out for each proposed task and each budget category (acquisition, infrastructure improvements, and administration) funded by SHOP in the HUD-424C and 424CB. If SHOP funds will be used for administration of your grant, you must include the cost of monitoring consortium members and affiliates at least once during the grant period. Your budget must also include leveraged funding to cover all costs of completing construction of the proposed number of units.

(6) (2 points) Demonstrate that projected costs for the proposed activities do not deviate substantially from the norm in the locale in which your activities will take place, will not exceed an average cost of \$10,000 per unit in SHOP funds, and that your proposed activities are cost effective.

(7) (7 points) Describe how each of the Department's policy priorities are furthered by your proposed activities. You will receive one point for each policy priority addressed. To receive a point for a policy priority, you must describe how your proposed work activities address the specific policy and list proposed performance measurements related to it.

(8) (2 points) Describe how you will reach potential homebuyers through the use of services and materials that are accessible or visitable to all persons, including persons with disabilities (e.g., languages, formats, locations, distribution, and use of minority media to attract those least likely to apply).

(9) (4 points) Describe your criteria, including the income range of targeted homebuyers, and procedures for selecting homebuyers. If the selection criteria used by individual consortium members or affiliates are different from your criteria, you must describe the differences.

(10) (2 points) Describe how your program will provide reasonable accommodations for persons with disabilities by providing "sweat equity" assignments that can be performed by the client regardless of disability. Describe the types of tasks that persons with disabilities will be required to perform.

(11) (5 points) Describe your proposed plan for overseeing the performance of consortium members and affiliates, including a plan for monitoring each consortium member and affiliate for

program compliance at least once during the term of the grant. Your plan should address when and how you will shift funds among consortium members and affiliates to ensure effective use of SHOP funds within your schedule identified in Item 3 above.

Rating Factor 4: Leveraging Resources (15 Points)

This factor addresses your ability to secure other resources that can be combined with HUD's program resources to achieve the purposes of SHOP. HUD will consider only those leveraging contributions for which current firm commitments have been provided. Leveraged resources can be counted only if you have secured a firm financial commitment described in this Factor. A firm commitment means the agreement by which the contributing partner or entity agrees to perform or provide resources for an activity specified in your application that demonstrates your financial capacity to deliver the resources necessary to carry out the self-help housing activity. Firm commitments of resources may be in the form of cash funding, in-kind contributions, or personnel from federal, state, local, and private sources, which are jointly referred to as your leverage partners. Together with the SHOP grant funds, these commitments must be sufficient to develop the proposed number of units in your application, which must be 30 units or more. Firm commitments must be substantiated by documentation required in item 1 below. Along with leveraged resources, HUD will also consider the extent that the applicant's proposed sweat-equity requirements will serve to reduce costs to the homebuyers.

Submission Requirements for Factor 4

(1) (10 points) Provide firm written commitments (letters, agreements, etc.) from the source of the commitment that will be used to complete the number of self-help housing units stated in your application. Written commitments must include your organization's name, the contributing organization's name (including designation as a federal, state, local or private source), and the proposed type and level of commitment and responsibilities as they relate to your proposed program. This leveraging commitment must be signed by an official of the organization legally able to make the commitment on behalf of the organization and must be specifically targeted to support your FY 2003 SHOP application. If your organization depends upon fund raising and donations from unknown sources/providers and you signed the HUD 424,

in order to receive credit you must still submit a separate letter committing a specific amount of dollars in fund raising to your proposed FY 2003 SHOP program. Written commitments may be contingent upon your receiving a grant award. Written commitments must be included as an appendix and do not count against the page limitation. Letters expressing support do not count as leveraging. To receive full credit for leveraging, an applicant's firm commitments must be clearly identified for this FY 2003 SHOP grant and must equal the amount needed to complete all properties, exclusive of the proposed SHOP grant amount.

(2) (5 points) Provide a description of the individual sweat-equity requirements (types of tasks and number of hours required of homebuyers) of your program. Include the dollar value of the sweat equity contribution and how this contribution of labor will reduce the costs of the home to the homebuyer. Reasonable accommodation must be allowed for persons with disabilities to participate in your program. Applicants showing a higher reduction in cost as a result of the sweat equity contribution by the homebuyer will receive a higher score.

Rating Factor 5. Achieving Results and Program Evaluation (10 points)

This factor emphasizes HUD's determination to ensure that applicants meet commitments made in their applications and grant agreements and assess their performance to realize performance goals. HUD requires SHOP applicants to develop an effective, quantifiable, outcome oriented evaluation plan for measuring performance and determining that goals have been met using the Logic Model form provided in the General Section. "Out-comes" are benefits accruing to the families and/or communities during or after participation in the SHOP program. Outcomes are not the actual development of the self-help housing units. Applicants must clearly identify the outcomes to be achieved and measured. Examples of outcomes are increasing the homeownership rate in a neighborhood or among low-income families by a certain percentage, increasing financial stability (e.g. increasing assets of the low-income homebuyer households through additional savings, home equity) or increasing housing stability (e.g., whether persons and families assisted remain in the home one, two, or five or more years after completion).

In addition, applicants must establish interim benchmarks and outputs for their proposed programs that lead to the

ultimate achievement of outcomes. "Outputs" are the direct products of the applicant's program activities. Examples of outputs are the number of the houses constructed, number of sweat equity hours, or number of homes rehabilitated. Outputs should produce outcomes for your program.

Program evaluation requires that you, the applicant, identify program outcomes, outputs, benchmarks, and performance indicators that will allow you to measure your performance. Performance indicators should be objectively quantifiable and measure actual achievements against anticipated achievements. Your evaluation plan should identify what you are going to measure, how you are going to measure it, and the steps you have in place to make adjustments to your work plan if performance targets are not met within established timeframes.

This factor reflects HUD's goal to embrace high standards of ethics, management and accountability.

Submission Requirements for Factor 5

You must submit a program evaluation plan that demonstrates how you will measure your own program performance. Your plan must identify the outcomes you expect to achieve or goals you hope to meet over the term of your proposed grant and benchmarks and timeframes for accomplishing these goals. Your plan must show how you will measure actual accomplishments against anticipated achievements. You must indicate how your plan will measure the performance of individual consortium members and affiliates, including the standards and measurement methods, and the steps you have in place or how you plan to make adjustments if you begin to fall short of established benchmarks and timeframes.

VI. Application Requirements, Assembly Format, and Checklist for Application Submission

Your application consists of the items listed in this Section VI. The standard forms, certifications, and assurances that are applicable to this funding (collectively, referred to as the "standard forms") can be found in Appendix B to the General Section of the SuperNOFA.

Assembly Format. You should assemble your application as outlined below, with tabs designating forms, rating factors, and appendices. Your FY 2003 application has page limitations on your responses to the five rating factors. If you are a national or regional organization, you are limited to 60 pages of narrative responding to the five rating

factors. This limitation does not include other required information, such as your audit and commitment letters, which must be included in the appendix. If you are a consortium, you are permitted up to 10 additional pages total to address the capacity and soundness of approach of your individual consortium members if they are different. Make certain that you number all pages sequentially and insert tabs marking each factor. Except for the narrative statements addressing the five rating factors, forms, certifications, assurances, and requested appendices, any other information that is submitted will not be considered. For example, commitments letters will be considered, but not counted against the page limitations; however, general expressions of support will not be considered. Any information beyond the above-noted 60–70 page limitations for the five rating factors will not be reviewed in the rating and ranking process.

In order to receive full consideration for funding, you should assemble your application according to the following checklist to ensure that all of the required items have been submitted.

_____ HUD-424, Application for Federal Assistance (signed by the authorized representative of the organization eligible to receive funds)
 _____ HUD-424B, Applicant Assurances and Certifications
 _____ Table of Contents
 _____ Evidence of Non-Profit status
 _____ Consortium Agreement, if applicable.

Narrative Statement Addressing: (See page limitations above.)

_____ Factor 1—Capacity of the Applicant and Relevant Organizational Staff
 _____ Factor 2—Need/Extent of the Problem
 _____ Factor 3—Soundness of Approach

_____ Factor 4—Leveraging Resources
 _____ Factor 5—Achieving Results and Program Evaluation
 Evaluation Plan—Logic Model form

Forms, Certifications and Assurances

_____ HUD 424C, Budget Summary for Competitive Grant Programs
 _____ HUD 424CB, Grant Application Detailed Budget
 _____ SF-LLL, Disclosure of Lobbying Activity, as applicable
 _____ HUD-2880, Applicant/Recipient Disclosure/Update Report
 _____ HUD-2990, Certification of Consistency with the RC/EZ/EC Strategic Plan
 _____ HUD-2993, Acknowledgment of Application Receipt

Appendices

_____ Recent audit, if available.
 _____ A copy of your code of conduct and a narrative description of the methods you will use to ensure that all officers, employees and agents of your organization become aware of your code of conduct.
 _____ Leveraging documentation—written commitment letters.
 _____ Survey of potential affiliates, if applicable.

VII. Corrections to Deficient Applications

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

VIII. Environmental Requirements

The provisions contained in section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994, Environmental Review, implemented in the Environmental Review regulations at 24 CFR part 58, are applicable to properties assisted with SHOP funds. All SHOP assistance

is subject to the National Environmental Policy Act of 1969 and related federal environmental authorities. SHOP grant applicants are cautioned that no federal or non-federal funds or assistance which limits reasonable choices or could produce a significant adverse environmental impact may be committed to a project until all required environmental reviews and notifications have been completed by a unit of general local government, tribe or state and until HUD approves a recipient's request for release of funds under the environmental provisions contained in 24 CFR part 58. Notwithstanding the preceding sentence, in accordance with section 11(d)(2)(A) of the Housing Opportunity Extension Act of 1996 and HUD Notice CPD-01-09, an organization, consortium or affiliate receiving SHOP assistance may advance non-grant funds to acquire land prior to completion of an environmental review and HUD's approval of a request for release of funds and environmental certification. Any advances to acquire land prior to such approval are made at the risk of the organization, consortium or affiliate and reimbursement from SHOP funds for such advances will depend on the result of the environmental review.

IX. HUD Reform Act of 1989

The provisions of the HUD Reform Act of 1989 that apply to this NOFA are explained in the General Section of the SuperNOFA at Section XI.

X. Authority

The funding made available under this program section of the SuperNOFA is authorized by section 11 of the Housing Opportunity Program Extension Act of 1996 (42 U.S.C. 12805 note) (the "Extension Act").

BILLING CODE 4210-32-P